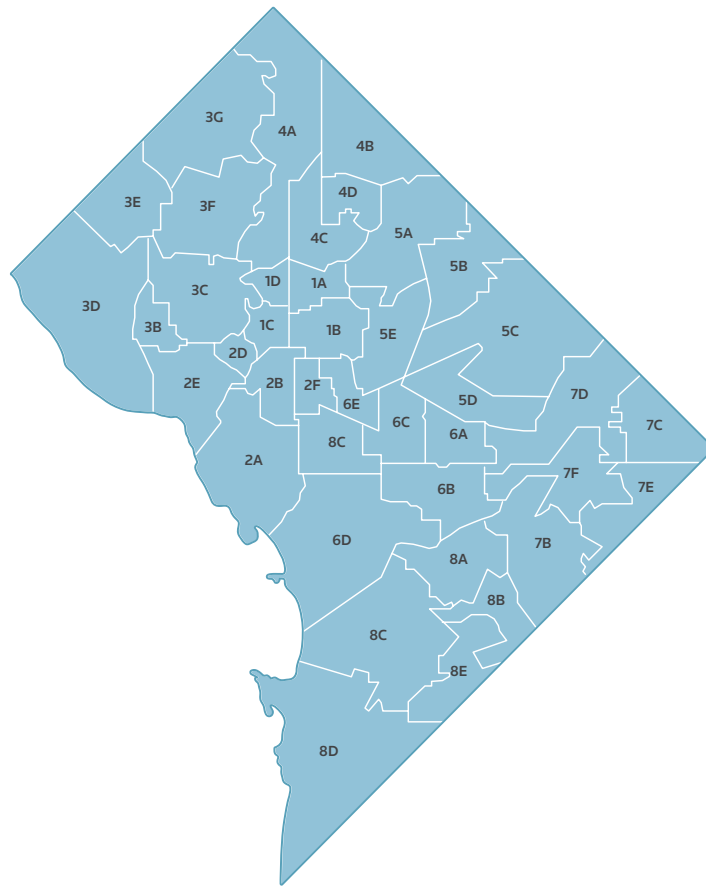


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# Advisory Neighborhood Commission Security Fund Annual Financial Report for Fiscal Year 2020

December 9, 2020

A report by the Office of the District of Columbia Auditor



**Audit Team**

Hussein Aden, Senior Financial Auditor  
Julie Lebowitz, Deputy Auditor



Kathleen Patterson, District of Columbia Auditor  
[www.dcauditor.org](http://www.dcauditor.org)

# Purpose

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As required by law<sup>1</sup>, the Office of the District of Columbia Auditor presents the Advisory Neighborhood Commission (ANC) Security Fund Annual Financial Report for Fiscal Year 2020. This report was drafted, reviewed, and approved in accordance with the standards outlined in ODCA's Audit Policies and Procedures.

## Historical Background of the Fund

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The Advisory Neighborhood Commission Security Fund (Fund) was established to insure ANCs against unauthorized expenditures or loss of funds. The Fund does not cover any loss as the result of an expenditure authorized by a vote of a Commission. The Fund is held in the custody of a Board of Trustees (Trustees) composed of the Secretary of the District of Columbia, the General Counsel to the Council of the District of Columbia, and the District of Columbia Auditor (Auditor). The Executive Director of the Office of Advisory Neighborhood Commissions serves as a non-voting Trustee.<sup>2</sup>

An ANC is eligible to participate in the Fund if the Treasurer and the Chairperson of the ANC agree in writing to be personally liable to the Fund for any sum paid out by the Fund as a result of the Treasurer or Chairperson's wrongful misappropriation or loss of ANC monies. An ANC becomes a participant of the Fund and is eligible to recover losses upon payment to the Fund of an annual contribution ... in an amount to be determined by the Trustees<sup>3</sup>.

D.C. law requires the assets of the Fund to be held in an interest-bearing account located in the District of Columbia.<sup>4</sup> In addition, the law requires that the Fund publish an annual report in the District of Columbia register no later than 90 days after the end of each fiscal year.<sup>5</sup>

ANC 5B lost approximately \$30,000 due to unauthorized expenditures made by their elected Chairman between August 2010 and April 2011. To recover the losses associated with the unauthorized expenditures, ANC 5B, a participant of the ANC Security Fund at the time, requested a reimbursement totaling \$15,467.67 from the ANC Security Fund Trust Board of Trustees. On December 7, 2011, the Board approved the request and authorized the transfer of \$15,467.67 from the Fund to ANC 5B.

Related to this earlier action, on December 19, 2011, a settlement agreement between the District government and the former Chairman of ANC 5B ordered the former Chairman to make a payment sum of \$28,878.46 payable to the D.C. Treasurer. For FY 2020, \$761.88 was repaid to the Fund, and a total of \$14,718.94 has been repaid to the Fund since the settlement agreement was executed.

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1 D.C. Code § 1-309.14(f) (2020)  
2 D.C. Code § 1-309.14(a) (2020)  
3 D.C. Code § 1-309.14(b) (2020)  
4 D.C. Code § 1-309.14(e) (2020)  
5 D.C. Code § 1-309.14(f) (2020)

# Results

## Advisory Neighborhood Commission Security Fund Commercial Savings Account Fund Activities & Balance for Fiscal Years 2019 & 2020

Description	FY 2020	FY 2019
Beginning Balance	\$ 70,126.75	\$ 68,696.89
Deposits	1,661.88	1,225.00
Interest	204.07	204.86
Withdrawal/Adjustment	\$ 0.00	\$ 0.00
<b>Total Fund Balance</b>	<b>\$ 71,992.70</b>	<b>\$ 70,126.75</b>

On October 1, 2019, the beginning balance of the Advisory Neighborhood Commission Security Fund was \$70,126.75. Deposits totaling \$1,865.95<sup>6</sup> and no disbursements during FY 2020 resulted in a Fund balance of \$71,992.70, as of September 30, 2020.

The Fund is held by FVCbank which is insured by the Federal Depository Insurance Corporation for up to \$250,000. To document the Fund's activity, at the end of each quarter and after receiving the quarterly bank statement, the Auditor reconciled and recorded all Fund activity and balances into the District of Columbia Financial System.

Additionally, a quarterly and annual reconciliation/closing report of the Fund's activity and balance was submitted to the District of Columbia's Chief Financial Officer (see Appendix A).

<sup>6</sup> The \$1,429.86 includes: \$875.00 ANC annual security fund participation fee (\$25 per ANC), \$204.86 earned interest and \$350.00 court mandated settlement payments to the Fund.

# Appendix A

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**TOPIC 3  
 AGENCY-CONTROLLED CASH AND INVESTMENT ACCOUNTS  
 REQUIREMENT 1: ACCOUNT LISTING  
 REPORTING DATE: AS OF** September 30, 2020

AGENCY IDENTIFICATION

<i>SOAR AGENCY CODE</i>	<b>AC0</b>	<i>AGENCY NAME:</i>	<b>Office of the DC Auditor</b>
<i>LISTING PREPARED BY AGENCY CFO RESPONSIBLE</i>	<small>PRINTED NAME</small>	<small>SIGNATURE</small>	<small>DATE</small>
	Mitchell Robinson	<i>Mitchell Robinson</i>	10/13/2020
	Gashaw Woldehanna	<i>Gashaw Woldehanna</i>	10/13/2020
		<small>TELEPHONE</small>	<small>Email</small>
		202-727-2664	<a href="mailto:Mitchell.Robinson@dc.gov">Mitchell.Robinson@dc.gov</a>
		202-741-0226	<a href="mailto:gashaw.woldehanna@dc.gov">gashaw.woldehanna@dc.gov</a>

DATA SUBMISSION

Sequence Number	WHERE DISTRICT ASSETS ARE LOCATED					WHERE THE ACTIVITY CONCERNING THESE DISTRICT ASSETS IS RECORDED IN SOAR				
	Institution Name	Street Address	City, State, ZIP	Institution Code	Account Code	Account Number Per Institution	SOAR Comptroller Account	SOAR Agency GL Account	SOAR Bank ID Assigned by OFT	SOAR GAAP Fund / Appropriated Fund / Detail Fund
a	b	c	d	e	f	g	h	i	j	k
1	FVC BANK	11325 Random Hills Road	Fairfax, VA 22030	2	B	[REDACTED] 276	0071	0071AC	427	0100/0100

# AC0

SEQUENCE NUMBER 1

OFFICE OF THE DC AUDITOR - DC GOVT  
FVC Bank Account (██████276) Bank ID 427

## Bank Reconciliation

	Amount
	\$
<b>Bank</b>	
Bank Ending Balance as at 9/30/20	\$ 71,992.70
Add: Deposits in Transit	
Less: Outstanding Checks	
Adjustments	
<b>Adjusted Balance (9/30/20)</b>	<u><u>71,992.70</u></u>

### SOAR

Book Balance as at 9/30/20	\$ 71,992.70
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Deposits  
Interest

<b>Adjusted Balance (9/30/20)</b>	<u><u>\$ 71,992.70</u></u>
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Prepared by: Mitchell Robinson Date: 9/30/2020

Reviewed by: Jeyakumar Jeberaj Date: 9/30/2020

S1 - OS12Secure - A - OS12 Production - UPPS / SOAR / ITAS - Rocket BlueZone Mainframe Display

File Edit Session Options Transfer View Script Help

Connections: A - OS12 Production - UPPS / SOAR / Attention PA1 PA2 PA3 Reset PF01 PF02 PF03 PF04 PF05 PF06 PF07 PF08 PF12 System Request

S089 V2.1 PRD DISTRICT OF COLUMBIA R\*STARS 2.1 10/09/20 11:27 AM  
 LINK TO: \_\_\_\_\_ SUMMARY GENERAL LEDGER ACCOUNT INQUIRY DSNF

AGENCY: A0 OFFICE OF THE D.C. AUDITOR  
 COMPTROLLER GL: 0071 CASH - AGENCY CONTROL  
 AGENCY GL: 0071AC OFFICE OF DC AUDITOR

STATE FUND GROUP: \_\_\_\_\_  
 APPR FUND: 0100 LOCAL FUND  
 FUND: \_\_\_\_\_  
 BANK ID: 427  
 ORG: \_\_\_\_\_ TC: \_\_\_\_\_  
 GRANT/PH: \_\_\_\_\_ PROJ/PH: \_\_\_\_\_  
 DEBT/INV ISSUE #: \_\_\_\_\_ NACUBO FUND/SUBFUND: \_\_\_\_\_

INQ TYPE: MY (MA, YA, MY, YY, MC, YC) DETAIL/SUMMARY: S  
 INQ YEAR: 20 INQ MONTH: 12

BEGINNING BALANCE	DEBIT	CREDIT	ENDING BALANCE
<u>70,126.75</u>	<u>1,865.95</u>	<u>.00</u>	<u>71,992.70</u>

F1-HELP F5-NEXT F9-INTERRUPT ENTER-INQUIRE CLEAR-EXIT

S1/A Ready (1) 10.27.12.1 T12TN826 11:27:11 10/9/2020 NUM 00:37:10 04.021

S1 - OS12Secure - A - OS12 Production - UPPS / SOAR / ITAS - Rocket BlueZone Mainframe Display

File Edit Session Options Transfer View Script Help

Connections: A - OS12 Production - UPPS / SOAR / Attention PA1 PA2 PA3 Reset PF01 PF02 PF03 PF04 PF05 PF06 PF07 PF08 PF12 System Request

S089 V2.1 PRD DISTRICT OF COLUMBIA R\*STARS 2.1 10/09/20 11:24 AM  
 LINK TO: \_\_\_\_\_ SUMMARY GENERAL LEDGER ACCOUNT INQUIRY DSNF

AGENCY: A0 OFFICE OF THE D.C. AUDITOR  
 COMPTROLLER GL: 1565 OTHER MISCELLANEOUS LIABILITY  
 AGENCY GL: 156529 ANC SECURIT FND

STATE FUND GROUP: \_\_\_\_\_  
 APPR FUND: 0100 LOCAL FUND  
 FUND: \_\_\_\_\_  
 BANK ID: 427  
 ORG: \_\_\_\_\_ TC: \_\_\_\_\_  
 GRANT/PH: \_\_\_\_\_ PROJ/PH: \_\_\_\_\_  
 DEBT/INV ISSUE #: \_\_\_\_\_ NACUBO FUND/SUBFUND: \_\_\_\_\_

INQ TYPE: MY (MA, YA, MY, YY, MC, YC) DETAIL/SUMMARY: S  
 INQ YEAR: 20 INQ MONTH: 12

BEGINNING BALANCE	DEBIT	CREDIT	ENDING BALANCE
<u>70,126.75</u>	<u>.00</u>	<u>1,865.95</u>	<u>71,992.70</u>

F1-HELP F5-NEXT F9-INTERRUPT ENTER-INQUIRE CLEAR-EXIT

S1/A Ready (1) 10.27.12.1 T12TN826 11:26:36 10/9/2020 NUM 00:36:35 04.021



FVCbank  
 11325 Random Hills Road  
 Fairfax VA 22030  
 Telephone: 703-436-3800

ADVISORY NEIGHBORHOOD  
 COMMISSION SECURITY FUND  
 OFFICE OF THE DC AUDITOR  
 717 14TH ST NW STE 900  
 WASHINGTON DC 20005-3217

Account Number: [REDACTED] 276  
 Statement Date: 9/30/20  
 Checks/Items Enclosed: 0

ME

In these uncertain times, the Bank has temporarily suspended the six withdrawal maximum per statement cycle. Prior to reinstating the six withdrawal limitation, the Bank will provide you 30 days' notice.

STATEMENT SUMMARY

SAVINGS 71,992.70

FIRST BUSINESS SAVINGS ADVISORY NEIGHBORHOOD Acct [REDACTED] 76  
 COMMISSION SECURITY FUND  
 OFFICE OF THE DC AUDITOR

Beginning Balance	9/01/20	71,908.86	
Deposits / Misc Credits	2	83.84	
Withdrawals / Misc Debits	0	.00	
** Ending Balance	9/30/20	71,992.70	**
Service Charge		.00	
Interest Paid		8.84	
Interest Paid Year To Date		150.91	
Annual Percentage Yield Earned		.15%	
Number of Days for A.P.Y.E.		30	
Average Balance for A.P.Y.E.		71,923.86	
Average Collected Balance		71,923	
Minimum Balance		71,908	

DEPOSITS AND OTHER CREDITS

Date	Deposits	Activity Description
9/25	75.00	Deposit
9/30	8.84	Interest Earned

DAILY BALANCE SUMMARY

Date	Balance	Date	Balance	Date	Balance
9/25	71,983.86	9/30	71,992.70		



# About ODCA

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The mission of the Office of the District of Columbia Auditor (ODCA) is to support the Council of the District of Columbia by making sound recommendations that improve the effectiveness, efficiency, and accountability of the District government.

To fulfill our mission, we conduct performance audits, non-audit reviews, and revenue certifications. The residents of the District of Columbia are one of our primary customers and we strive to keep the residents of the District of Columbia informed on how their government is operating and how their tax money is being spent.

## Office of the District of Columbia Auditor

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**Visit us:** [www.dcauditor.org](http://www.dcauditor.org)



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