

Government of the District of Columbia

OFFICE OF THE CORPORATION COUNSEL
DISTRICT BUILDING
WASHINGTON, D. C. 20004

FILE



IN REPLY REFER TO:

L&O:LNG:pmcK
(86-144)(LCD-1586)

May 22, 1986

Otis H. Troupe
District of Columbia Auditor
415 12th Street, N.W., Room 210
Washington, D.C. 20004

In Re: Auditor's Oversight Role with
Respect to ANC Expenditures.

Dear Mr. Troupe:

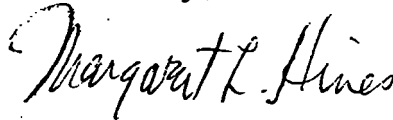
This is in response to your April 29, 1986 letter requesting legal advice concerning (1) the Auditor's authority to determine the propriety of and to make recommendations with respect to expenditures of Advisory Neighborhood Commissions; (2) which other D.C. Government agencies have "responsibility for financial oversight of ANC expenditures;" (3) the meaning of the phrase "public purposes" in § 738(c)(2) of the District of Columbia Self-Government and Governmental Reorganization Act; and (4) whether your determination that ANC 1-E made two improper distributions of ANC 1-E funds is legally correct.

All questions but the last question are addressed in a letter, dated May 19, 1986, from this Office to ANC 1-E Chairman Stanley Allen. A copy of that letter is attached. To summarize the points in that letter, an expenditure for "public purposes" is one that confers a direct public benefit of a reasonably general character; that is, it benefits the community as a whole or a substantial segment thereof, and is directly related to the functions of government. In conducting audits of ANCs, it is within the Auditor's authority to examine ANC expenditures for the purpose of determining whether such expenditures comply with applicable provisions of law, including the "public purposes" requirement of § 738(c)(2) of the Self-Government Act. If, in the Auditor's view, an expenditure by an ANC does not comply with legal requirements, such non-compliance should be made part of any report the Auditor files with the Congress, the Mayor, or the Council. In such a report the Auditor may include recommendations for corrective action. See § 455(d) of the Self-Government Act, D.C. Code § 47-117(d) (1981). Within the District of Columbia government, the authority to take corrective action

with respect to improper expenditures by ANCs lies with the Council through its legislative power to regulate ANCs pursuant to §§ 738(f) and (g) of the Self-Government Act, D.C. Code §§ 1-251(f) and (g) (1981), and with the Mayor through his authority to administer the financial affairs of the District government, as conferred by §§ 448 and 449 of the Self-Government Act, D.C. Code §§ 47-310 and 47-312 (1981 and 1985 Supp.). Encompassed within that authority is the authority to reduce an ANC's quarterly allotment by an amount equal to that ANC's unauthorized expenditures.

In your last question you ask whether two contributions made by ANC 1-E to a relief organization with the name CARACEN comply with the "public purposes" requirement of § 738(c) (2) of the Self-Government Act. Since the Auditor's authority is to make recommendations to the Mayor with regard to improper expenditures by ANCs, and since it is the Mayor who has the authority to make a final determination of the matter and to take corrective action, we deem it inappropriate for us to render legal advice on this issue.

Sincerely,



Margaret L. Hines
Deputy Corporation Counsel, D.C.
Legal Counsel Division

Attachment

cc: William R. Spaulding, Chairman
Committee on Government Operations

Stanley Allen
Chairman, ANC 1-E