

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer



Office of Integrity and Oversight

February 14, 2018

The Honorable Paul Strauss, U.S. Senator
John A. Wilson Building
1350 Pennsylvania Avenue, N.W. – Suite C-09
Washington, DC 20004

The Honorable Michael Brown, U.S. Senator
John A. Wilson Building
1350 Pennsylvania Avenue, N.W. – Suite C-09
Washington, DC 20004

The Honorable Franklin Garcia, U.S. Representative
John A. Wilson Building
1350 Pennsylvania Avenue, N.W. – Suite C-09
Washington, DC 20004

Angelique Rice, Interim Associate Chief Financial Officer
Government Operations Cluster
441 4th Street, N.W., Suite 890-N
Washington, DC 20001

Dear Senator Strauss, Senator Brown, Representative Garcia, and Ms. Rice:

Pursuant to the financial provisions of D.C. Act 20-615 Subtitle C, the Office of the Chief Financial Officer (OCFO)'s Office of Integrity and Oversight (OIO) has completed an audit of the Revenues and Expenditures Report of the New Columbia Statehood Fund (NCF) for the Fiscal Year ended September 30, 2017. (OIO No. 18-02-03 NCF).

Unmodified Opinion on the Revenues and Expenditures Report of the Fund

In our opinion, the NCF Revenues and Expenditures Report for the Fiscal Year Ended September 30, 2017, is presented fairly, in accordance with D.C. Act 20-615 Subtitle C financial provisions.

We appreciate the cooperation and courtesies extended to our staff during this audit. Should you have any questions, please call me at (202) 442-6445, or Tisha Edwards, Internal Audit Director, at (202) 442-6446.

Sincerely,

Timothy Barry, Executive Director
Office of Integrity and Oversight

cc: See Distribution List

DISTRIBUTION:

The Honorable Muriel Bowser, Mayor, District of Columbia
The Honorable Phil Mendelson, Chairman, Council of the District of Columbia
The Honorable Jack Evans, Chairperson, Committee on Finance and Revenue, Council of the District of Columbia
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Mr. Rashad M. Young, City Administrator, District of Columbia
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Dr. James Hurley, Agency Fiscal Officer, OCFO



Office of Integrity & Oversight

**Government of the District
of Columbia, Office of the
Chief Financial Officer**

February 14, 2018

**Audit of the New
Columbia Statehood
Fund Revenues and
Expenditures Report for
Fiscal Year Ended
September 30, 2017**

**AUDIT OF THE NEW COLUMBIA STATEHOOD FUND REVENUES AND
EXPENDITURES REPORT
FOR THE FISICAL YEAR ENDED SEPTEMBER 30, 2017**

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**AUDIT OF THE NEW COLUMBIA STATEHOOD FUND REVENUES AND
EXPENDITURES REPORT
FOR THE FISICAL YEAR ENDED SEPTEMBER 30, 2017**

Abbreviations and Acronyms

NCF	New Columbia Statehood Fund
OCFO	Office of the Chief Financial Officer
OIO	Office of Integrity and Oversight

**AUDIT OF THE NEW COLUMBIA STATEHOOD FUND REVENUES AND EXPENDITURES
REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2017**

INTRODUCTION

Pursuant to D.C. Act 20-615, Subtitle C, Section 31 which states, in pertinent part, that the New Columbia Statehood Commission is established as an independent Agency within the D.C. Government and shall educate, advocate, promote, and advance the proposition of statehood and voting rights for District residents, the Council of the District of Columbia created the New Columbia Statehood Commission to coordinate the District's statehood initiatives. The Commission is an independent agency within DC government providing support to the Statehood Congressional Delegation in promoting statehood and voting rights to the District. The Commission is comprised of Mayor Muriel Bowser, Council Chairman Phil Mendelson, Senators Paul Strauss and Michael D. Brown, and Representative Franklin Garcia.

D.C. Act 20-615 Subtitle C, Section 32(h) states:

“All revenues and expenses of the Fund shall be audited annually by the Chief Financial Officer, who shall transmit the audit to the Mayor and Council. The expenses of the annual audit shall be defrayed by the Fund.”

D.C. Act 20-615, Subtitle C, Section 31(b)(2) states, in pertinent part, that the New Columbia Statehood Commission shall: solicit financial and in-kind contributions; grants; allocations; gifts; bequests; and appropriations, from public and private sources to be deposited in the Fund.

D.C. Act 20-615, Subtitle C, Section 32(b)(1) states that revenues from the following sources shall be deposited into the Fund:

- (1) An annual appropriation;
- (2) Any contributions to, and grants for, the benefit of the New Columbia Statehood Fund received from public and private sources; and
- (3) Net receipts pursuant to the income tax check-off provided in D.C. Code § 47-1812.11c.

Furthermore, D.C. Act 20-615, Subtitle C, Section 32(e)(1) states that the money deposited into the Fund, and interest earned, shall not revert to the unrestricted fund balance of the General Fund of the District of Columbia at the end of any fiscal year or at any other time

D.C. Act 20-615, Subtitle C, Section 32(c) establishes that the Fund shall be used to support the Statehood Delegation, each of the members thereof, the Commission, and efforts to promote statehood and voting rights for the citizens of the District.

GOVERNMENT OF THE DISTRICT OF COLUMBIA

Office of the Chief Financial Officer



Office of Integrity and Oversight

Independent Auditor's Report

The Honorable Paul Strauss
U.S. Senator

The Honorable Michael Brown
U.S. Senator

The Honorable Franklin Garcia
U.S. Representative

Ms. Angelique Rice, Interim Associate Chief Financial Officer
Office of the Chief Financial Officer

Report on New Columbia Statehood Fund Revenues and Expenditures Report

Pursuant to the requirement of D.C. Act 20-615 Subtitle C, Section 32 (h), we have audited the accompanying Revenues and Expenditures Report of the New Columbia Statehood Fund (NCF), for the Fiscal Year ended September 30, 2017.

Management's Responsibility for the Revenues and Expenditures Report

Management is responsible for the preparation and fair presentation of the Revenues and Expenditures Report in accordance with D.C. Act 20-615 Subtitle C financial provisions; this includes the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of the revenues and expenditures that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the Revenues and Expenditures Report based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the NCF revenues and expenditures are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts in the revenues and expenditures accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the revenues and expenditures, whether due to fraud or error. In making those risk assessments, the auditor considers internal

controls relevant to the entity's preparation and fair presentation of the revenues and expenditures in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the revenues and expenditures. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion


In our opinion, the Revenues and Expenditures Report present fairly, in all material respects, the result of operations of the New Columbia Statehood Fund for the fiscal year ended September 30, 2017, in accordance with D.C. Act 20-615 Subtitle C financial provisions.

Basis of Accounting

We draw attention to Note 1 of the Revenues and Expenditures Report, which describes the basis of accounting. The Revenues and Expenditures are presented on the basis of the financial provisions Section of D.C. Act 20-615 Subtitle C, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Restriction of use

This report is intended solely for the information and use of those listed in the distribution list and is not intended to be used by anyone other than these specified parties.


Timothy Barry, Executive Director
Office of Integrity and Oversight

February 13, 2018

GOVERNMENT OF THE DISTRICT OF COLUMBIA
Office of the Chief Financial Officer



FINANCIAL REPORT

Revenues and Expenditures Report
For the Fiscal Year Ended September 30, 2017

Revenues

Appropriation	\$	239,617
Revenue from Income Tax Check-Off		53,352
Interest Income		<u>1,358</u>

Total Revenue **\$294,327**

Expenditures

Personnel	\$	173,577
Non-Personnel		<u>66,040</u>

Total Expenditures **\$239,617**

Excess (deficiency) of Revenues over (under) Expenditures **\$54,710**

GOVERNMENT OF THE DISTRICT OF COLUMBIA

Office of the Chief Financial Officer



Note 1: Summary of Significant Accounting Policies

Basis of Presentation

The New Columbia Statehood Fund Revenues and Expenditures Report represents the Fund's results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management, by segregating transactions related to certain District functions and activities. The Revenues and Expenditures Report was prepared by NCF based on the financial provisions of D.C. Act 20-615 Subtitle C, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The NCF is a special purpose fund, which is used to account for revenue generated from the solicitation of financial and in-kind contributions, grants, allocations, gifts, bequests, interest income and appropriations from the public and private sources. Expenditures consists of programs that educate, advocate, promote and advance the proposition of statehood and voting rights for the Districts of Columbia residents and citizens of the 50 states. Administrative expenses provide goods and services that support the operation of the fund.

Basis of Accounting

The New Columbia Statehood Fund is accounted for using a flow of current financial resources, measurement focus and the modified accrual basis of accounting. Under this measurement focus, revenues are recognized when they become both measurable and available. "Measurable" means the amount of transaction can be determined and "available" means collectable within the current period or soon thereafter to be used to pay liabilities of the current period. Fund expenditures are presented on a modified accrual basis.