

**TOWNSHIP OF BRISTOL
BUCKS COUNTY, PENNSYLVANIA**

SINGLE AUDIT REPORT

YEAR ENDED DECEMBER 31, 2010

TOWNSHIP OF BRISTOL
SINGLE AUDIT REPORT
YEAR ENDED DECEMBER 31, 2010

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Zelenkofske Axelrod LLC

INDEPENDENT AUDITORS' REPORT ON THE SUPPLEMENTARY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Township Council
Township of Bristol
Bristol, Pennsylvania

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Township of Bristol as of and for the year ended December 31, 2010, which collectively comprise the Township of Bristol's basic financial statements and have issued our report thereon dated May 5, 2011. These financial statements are the responsibility of Township of Bristol's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Township of Bristol's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. The schedule of expenditures of federal awards is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.


ZELENKOFSCHE AXELROD LLC

Harrisburg, Pennsylvania
May 5, 2011

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**TOWNSHIP OF BRISTOL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED DECEMBER 31, 2010**

Federal Grantor/Pass Through Grantor	Federal CFDA # Program Name	Township Fund	Expenditures
Direct Funding:			
US Dept of Housing & Urban Development	14.218 Community Development Block Grant (CDBG) *	Fund 45	859,036
US Dept of Housing & Urban Development	14.253 Community Development Block Grant (CDBG)stimulus *	Fund 45	<u>188,072</u>
Total U.S. Department of Housing and Urban Development Direct Funding			<u>1,047,108</u>
U.S. Dept of Justice	16.595 Weed & Seed Year 3 Weed & Seed Year 4	Fund 48 Fund 48	54,028 67,717 <u>121,745</u>
U.S. Dept of Justice	16.607 2008 Bulletproof Vest Grant # 2008 BUBX-080-45438	Fund 1	2,105
	16.710 COPS Camera Grant 2009-CKWX-0070 2009-JAG Technical Crime Mapping 2009-DJ-BX-1128	Fund 9 Fund 9 Fund 9	5,700 8,545
U.S. Dept of Justice	16.738 2007 JAG Grant Grant 2007-DJ BX-0208	Fund 9	511
	16.804 2009 JAG-Justice Assistance Grant 2009-SB-B9-2380 Stimulus *	Fund 9	<u>341,767</u>
Total U.S. Department of Justice Direct Funding			<u>480,373</u>
US Dept of Energy Grant- Stimulus	81.128 Energy Efficiency and Conservation Block Grant Program DE-SC0003279	Fund 9	<u>157,531</u>
Total U.S. Department of Energy Direct Funding			<u>157,531</u>
Pass-through Funding:			
Pennsylvania Department of Community and Economic Development	14.228 Neighborhood Stabilization Program C000045718 Stimulus *	Fund 9	861,150
North Central Highway Safety Network	20.600 Aggressive Driving Enforcement and Education Buckle Up Grant	Fund 1 Fund 1	13,338 1,568
Federal Emergency Management Association	97.083 Staffing Adequate Fire & Emergency Response SAFER Grant EMW 2005 FF 99577	Fund 1	<u>13,406</u>
TOTAL INDIRECT FEDERAL FUNDING			<u>889,462</u>
TOTAL FEDERAL GRANT EXPENDITURES			<u>2,574,473</u>

*Denotes Program Tested as a Major Program

TOWNSHIP OF BRISTOL
 NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 YEAR ENDED DECEMBER 31, 2010

NOTE 1: REPORTING ENTITY

The Township of Bristol is the reporting entity for financial reporting purposes as defined in Note 1A to the Township of Bristol's financial statements.

NOTE 2: BASIS OF ACCOUNTING

The expenditures in the accompanying schedule of expenditures of federal awards are presented on the modified accrual basis of accounting as described in Note 1 to the Township of Bristol's financial statements.

NOTE 3: RISK-BASED AUDIT APPROACH

The 2010 threshold for determining Type A and Type B Programs is \$300,000. The following high risk Type A program was audited as major.

<u>CFDA #</u>	<u>Program</u>
14.218	Community Development Block Grant
14.228	Neighborhood Stabilization Program
14.253	Community Development Block Grant (ARRA)
16.804	Justice Assistance Grant

The amount expended under programs treated as major federal programs for the year ended December 31, 2010 totaled \$2,250,025 or 87% of total federal awards.

NOTE 4: PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT
 FEDERAL FUNDS RECEIVED

The following grant is a federal fund received by Bristol Township, passed-through the Pennsylvania Department of Community and Economic Development for the year ended December 31, 2010:

Neighborhood Stabilization Program	<u>\$861,150</u>
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REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Township Council
Township of Bristol
Bristol, Pennsylvania

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Township of Bristol, as of and for the year ended December 31, 2010, which collectively comprise the Township of Bristol's basic financial statements and have issued our report thereon dated May 5, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Township of Bristol's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Township of Bristol's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Township of Bristol's internal control over financial reporting.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Township of Bristol's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Governmental Auditing Standards*.

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This report is intended solely for the information and use of management, Township Council, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than those specified parties.



ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania
May 5, 2011

Zelenkofske Axelrod LLC

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Township Council
Township of Bristol
Bristol, Pennsylvania

Compliance

We have audited the compliance of the Township of Bristol with the types of compliance requirements described in the OMB Circular A-133 *Compliance Supplement* that could have a direct and material effect on each of the Township of Bristol's major federal programs for the year ended December 31, 2010. The Township of Bristol's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the Township of Bristol's management. Our responsibility is to express an opinion on the Township of Bristol's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Township of Bristol's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Township of Bristol's compliance with those requirements.

In our opinion, the Township of Bristol complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2010.

Internal Control Over Compliance

The management of the Township of Bristol is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the Township of Bristol's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Township of Bristol's internal control over compliance.

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A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, Township Council, federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.


ZELENKOFKSKE AXELROD LLC

Harrisburg, Pennsylvania
May 5, 2011

TOWNSHIP OF BRISTOL, PENNSYLVANIA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED DECEMBER 31, 2010

Section I – Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	<u>Unqualified</u>
Internal control over financial reporting:	
Material weakness identified?	<u>No</u>
Significant deficiency identified not considered to be a material weaknesses?	<u>No</u>
Noncompliance material to financial statements noted?	<u>No</u>

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	<u>No</u>
Significant deficiency identified not considered to be material weaknesses	<u>No</u>
Type of auditors' report issued on compliance for Major Programs:	<u>Unqualified</u>
Any audit findings disclosed that are required to be reported in accordance with Section 510(a) of Circular A-133?	<u>No</u>

Identification of Major Programs

<u>Federal Programs or Cluster</u>	<u>CFDA #</u>
Federal:	
Community Development Block Grant	14.218
Neighborhood Stabilization Program	14.228
Community Development Block Grant (ARRA)	14.253
Justice Assistance Grant (ARRA)	16.804
Dollar threshold used to distinguish between Type A and Type B Program	<u>\$300,000</u>
Auditee qualified as low-risk auditee?	<u>No</u>

Section II – Financial Statement Findings

None.

Section III – Federal Award Findings and Questioned Costs

None.

TOWNSHIP OF BRISTOL
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
DECEMBER 31, 2010

Finding

Description

Status

No prior year findings.