

**Privileged and Confidential  
Attorney Work Product**

June 16, 2008

Bristol Township Council  
% Russell P. Sacco, Esquire  
Kwasny Reilly Haft & Sacco  
53 South Main Street  
Yardley, Pennsylvania 19067

**Re: Report on Forensic Accounting Procedures**

Dear Council Members:

You have retained Margolis & Company, P.C., through your counsel, Kwasny, Reilly, Haft & Sacco, to provide forensic and investigative accounting services regarding actions by individuals or companies employed by or providing services to Bristol Township (the "Township"). Margolis & Company, P.C. provides this report of our investigation and analysis based upon our understanding and review of potentially applicable statutes and regulations; we do not offer, nor can we offer, legal advice to Bristol Township. This report is based upon the documents reviewed and interviews undertaken in the course of the engagement, and our assessment might change should additional information become available in the future.

Attachment A to this report is the *curricula vitae* of Joseph S. Barbagallo, the principal in charge of this engagement and Michael J. Molder, the engagement manager. Copies of some of the relevant documentation are attached hereto as exhibits. Attachment B includes documents related to the Randall Avenue Bridge Project. Attachment C includes documents related to the War Dog Memorial. Attachment D includes documents related to the Bristol Democratic Social Club. Within each attachment, the pages are numbered sequentially (B-1, B-2, etc.) and referenced in this report in brackets.

**Randall Avenue Bridge Project:**

The Randall Avenue Bridge provides an above grade crossing of railroad tracks used by Amtrak, Conrail and SEPTA. It connects two heavily traveled state highways, Route 13 and Radcliffe Street.

In and around 2000, there was substantial litigation concerning what entity should be responsible for inspection and maintenance of this structure. The Township was a party to this litigation and Steven McClain, then the Public Works Director, testified for the Township at the proceedings. According to an opinion rendered on March 22, 2000 by Administrative Law Judge Charles E. Rainey, Jr., the Randall Avenue Bridge was considered to be in "fair condition." (3/22/00 Opinion at p. 12.) At the time, the Randall Avenue Bridge was not on the Pennsylvania Department of Transportation ("PennDOT") twelve year plan for replacement. In fact, according to a 1998 inspection prepared for PennDOT, the bridge was considered "adequate for the safety, accommodation and convenience of the public." (*Id.* at p. 6.)

Multiple witnesses testified that the bridge was structurally sound, including Mr. McClain, who acknowledged that he was not aware of any conditions that would render the bridge dangerous or inadequate for the safety of the traveling public. (*Id.* at p. 12, citing a statement submitted by the Township in those proceedings.) Mr. McClain's testimony reasonably leads to an inference that he had inspected the bridge prior to making these statements. In fact, while the bridge had posted 3½ ton weight restrictions, there were indications that the bridge could "actually support loads as large as 17 tons." (*Id.* at p. 15.)<sup>1</sup>

Based upon his finding that the bridge was in fair condition, Judge Rainey's ruling did not close the structure, but directed PennDOT to inspect it, "consistent with the requirements of the National Bridge Inspection System, at least every two years." (*Id.* at p. 14.) Judge Rainey left open the option of all of the parties, including the Township, to "seek emergency relief from the [Public Utility] Commission ... to have the bridge closed if it finds that the bridge is a threat to public safety." Judge Rainey further ordered that the Township be solely responsible to "furnish all material and do all work necessary to maintain the substructure and superstructure of the bridge, including the structural integrity of the curbs and sidewalks of the bridge, as well as, the wearing surface between the curbs of the bridge on Randall Avenue." (*Id.* at 26, emphasis added.)

The Township received timely notice of its responsibilities in a letter, dated March 24, 2000, from Township Solicitor, Russell P. Sacco, Esquire. The letter

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<sup>1</sup> Judge Rainey did not order changes to the signage since lighter loads were considered sufficient to meet Township needs and heavier loads would have shortened the life of the bridge.

was addressed to then Bristol Township Managing Director, Suzanne Newsome, and copied to the Township Council, Mayor Samuel Fenton and Mr. McClain.

At a public meeting on July 13, 2000, the Pennsylvania Public Utility Commission adopted Judge Rainey's findings and recommendations without substantial modification.<sup>2</sup> Without any objection, the Township accepted responsibility for all costs of maintaining the curbs, sidewalks and road surface of the Randall Avenue Bridge.

Sometime prior to July 17, 2003, the Township Public Works Department began repaving the Randall Avenue Bridge. While we have not received documentation of the Public Works Department's planning and inspection procedures prior to commencing this project, the Township should have anticipated it. According to the 2000 ruling of Judge Rainey, Leonard Nardone, the witness for PennDOT, cautioned that "in the future the *deck of the bridge* may be in need of repair." (P. 11, emphasis added.)

At the July 17, 2003 Township Council meeting, Mayor Samuel Fenton presented a report to the Council requesting authorization for 17 repair projects which he attributed to "toll on Township roads" from the prior winter season. (Report from Mayor Samuel J. Fenton, dated July 17, 2003. [B-1]) Among these projects was the curbing on the Randall Avenue Bridge. According to Mayor Fenton's report, the deteriorated condition of the curbing on the bridge was only detected after the road surface on the bridge had been removed. None of the documentation we have reviewed thus far has explained why the inspection and evaluation of the bridge surface which led to the repaving project failed to consider the condition of the curbs. Mayor Fenton's report gave no indication that the curb repairs to the bridge were other than routine repairs. Mayor Fenton's report estimated the total cost of all 17 projects at \$323,094 without any indication of the source of the estimate.

The Council meeting minutes reflect unanimous approval of the project, but give no indication that the project was pressing or otherwise outside the normal and ordinary course of established procedures for letting Township contracts. (Minutes of the July 17, 2003 Bristol Township Council Meeting. [B-5])

On July 18, 2003, following the Council's approval of the project, Mr. McClain sent a memo to Ms. Newsome delineating the 17 projects which had been presented and approved by the Council the night before. [B-7] Mr. McClain's memo contains estimates of the cost for each project, without any indication of the basis for these estimates, detailed descriptions of the projects or sources of

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<sup>2</sup> The one modification which the PaPUC did make to Judge Rainey's directives related to an exception raised by the Township to the type of barriers which were to be installed. The PaPUC adopted the exception resulting in substantial immediate costs savings to the Township.

cost data. The total estimated cost of the projects detailed in Mr. McClain's memo was \$323,094 -- exactly the amount submitted by Mayor Fenton in his report, including \$57 thousand for the cost of the curb repairs for the bridge. Mr. McClain's memo also indicates that the curb repairs should be done "prior to paving," but makes no reference to this being an emergency or rush project.

Despite the July 17, 2003 Council approval of the project, the Township administration made no attempt to solicit bids in accordance with the First Class Township Code. As I understand the First Class Township Code, "[a]ll contracts or purchases made by any township, involving the expenditure of over ten thousand dollars ... shall not be made except with and from the lowest responsible bidder, shall be in writing, and shall be made only after notice by the secretary, published, in one newspaper of general circulation, published or circulating in the county in which the township is situated, at least two times at intervals of not less than three days ..." (53 P.S. § 56802(a).) There was no publication of the project and no Request for Proposals was issued.

Approximately a week after Council approval, Township records show that Mr. McClain began contacting prospective contractors. Handwritten notes [B-9] indicate that Mr. McClain placed calls to:

Contractor	Date of Contact Attempt	Outcome
Verducci <sup>3</sup>	7/25/2003	\$57,800
Roma Construction	8/12/2003	No
Sedgewick	8/12/2003	No
Prieto	7/25/2003	No Response
GSG Construction	7/25/2003	No Response
R&S Construction	7/25/2003	No Response
Quality Concrete	7/25/2003	No Response
DeFazio Concrete	8/12/2003	No Response
Sentilli Concrete	8/12/2003	Cannot Do Work

Mr. McClain's notes indicate that he failed to obtain any estimates of the cost of completing this project. In fact, while Mr. McClain's notes imply that he attempted to contact a total of 9 prospective vendors, our investigation indicates that Roma Construction and DeFazio Concrete are, in fact, the same entity. Further, William DeFazio has indicated that when he spoke to Mr. McClain about this project, McClain appeared to be "fishing" for comparisons, not genuinely seeking competitive bids. Curiously, Mr. McClain's notes indicate telephone numbers for each of the companies he attempted to contact, except A.V. Construction.

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<sup>3</sup> Verducci is a reference to Anthony Verducci, the owner/operator of A.V. Construction, Inc.

A.V. Construction provided a written proposal dated July 28, 2003, specifying five terms at a total cost of \$57,800. [B-10] On August 19, 2003, without any competitive bids and without any further report to Council or documented communication with the Township executive, McClain authorized A.V. Construction to proceed with the project. [B-11] Mr. McClain copied Ms. Newsome on his authorization memo to A.V. Construction. Both Mr. McClain and Ms. Newsome attended the Council meeting on August 21, 2003 and provided reports to Council. In his report to the Council, Mr. McClain made no mention of committing the Township to a \$57,800 no-bid contract. In fact, at the August 21 Council meeting, upon Kenneth Worthington's motion, Council unanimously directed advertising and solicitation of bids for the project. Despite the fact that A.V. Construction had already been instructed to begin work, neither Newsome nor McClain informed Council about the status. (See, generally, Minutes of the Bristol Township Council Meeting, dated August 21, 2003. [B-12])

At no time during this entire process, did Mr. McClain's documentation give any indication that this was an emergency or otherwise urgent project. In fact, as the Township engineer has advised us, even if the condition of the Randall Street Bridge curbing was only discovered after the milling process had removed the wear surface of the bridge, a sealant or binder could have been applied to the bridge deck to secure it for the duration of a bidding procedure. Former Councilman Worthington is a construction supervisor for Joseph Jingoli & Son, a construction company headquartered in Lawrenceville, New Jersey. Mr. Worthington had visited the site and has informed us that the curbing project did not constitute an emergency.

Some time before August 28, 2003, A.V. Construction began working on the project. From August 28, 2003 through September 25, 2003, A.V. Construction arranged for at least six separate deliveries of concrete to the bridge, totaling 55 cubic yards of concrete. According to files available to us, there is no indication that Mr. McClain, or anybody else, supervised the work performed by A.V. Construction.

On September 26, 2003, Anthony Verducci, of A.V. Construction, submitted two invoices to the Township: one in the amount of \$57,800 pursuant to the original contract authorized by Mr. McClain and a second in the amount of \$4,200 for an additional 210 feet of curbing which, according to files available to us, were not authorized by anybody.

In December, 2003, as a result of public complaints, the Township Engineer was asked to evaluate the new curb installation. While interpretation of the Engineer's findings is beyond the scope of our expertise, the Engineer's report appears to indicate that work provided by A.V. Construction failed to meet the Township's code requirements, failed to meet the specifications in the company's

own proposal and, due to the addition of water to the pre-mixed concrete, fails to meet the strength specifications.

Our review of documents related to the curb installation on the Randall Avenue Bridge shows that A.V. Construction's invoices are presently unpaid due to challenges to the quality of the work. We believe that this transaction requires further legal consideration without regard to whether or not payment is made. The Pennsylvania Antbid-rigging Statute, 62 Pa.C.S. § 4503, makes it unlawful "for any person to conspire, collude or combine with another in order to commit or attempt to commit bid-rigging" in any contract for "construction or repair **let or to be let** by a government agency." (Emphasis added.) We recommend further consideration by Council and the appropriate legal advisors and authorities as to whether or not A.V. Construction, on the one hand, "conspire[d], collude[d] or combine[d]" with Mr. McClain, Ms. Newsome and/or others presently unknown, on the other hand, to enter into this contract in circumvention of Council's directive to advertise for open bidding, and the requirements of the First Class Township Code.

#### **The War Dog Memorial:**

On or about September 16, 2006, the Township dedicated a memorial honoring the sacrifices made by canines in service of the branches of the United States military (the "War Dog Memorial"). This project has an extensive history, and only a portion of the relevant documentation has been made available at this point.

On or about November 15, 2001, the War Dog Memorial received substantial assistance with a \$50,000 grant from CA Holdings, a holding company formed by Citizens' Alliance for Better Neighborhoods ("CA"), which was controlled by Vincent Fumo. [C-1] According to the Superseding Indictment filed in *U.S.A. v. Fumo, et al*, CR 06-319, Mr. Fumo directed the contribution be made at the behest of a Fumo supporter in order to gain favor for a Bucks County State Senate candidate who Mr. Fumo supported. As part of providing the funding, Mr. Fumo insisted that there be a charitable entity established to receive the funds from CA. Mr. Fumo was given such assurance.

Such an entity, Bristol Township, Pennsylvania Wardog Memorial, Inc., was in fact established, but not until October 26, 2004 according to filings with the Pennsylvania Department of State. [C-2] We have not yet determined where the CA funds were deposited or how they were accounted for. However, the Township expended funds out of its general disbursements account related to this project.

On or about May 13, 2002, the Township received an invoice from M. Ribeca & Sons located in Pennington, New Jersey for the supply, delivery and installation of eight pieces of black granite for the War Dog Memorial. The total cost is \$25,800; half payable as a deposit and half due upon completion. On or about May 13, 2002, Mayor Fenton submitted a check requisition for payment of \$12,900 to Mario Ribeca. [C-3] On May 14, 2002, the Township issued check number 1933 in the amount of \$12,900 on this check request. M. Ribeca & Sons deposited that check on May 14, 2002. [C-4] The Township did not, however, pay the remaining balance to Mr. Ribeca.

On or about October 18, 2002, Mayor Fenton submitted a check requisition in the amount of \$4,940 under the accounting code of "War Dog Fund." [C-5] This request was purported to be a reimbursement to Woods Lane Complex, an entity owned and/or controlled by Anthony Verducci. Attached to the check requisition was a partially obscured copy of an invoice from International Granite & Marble Corp of North Bergen, NJ billed to M Ribeca & Sons. [C-6] All information regarding what the invoice was for and the amount was obscured by Woods Lane Complex check number 143 in the amount of \$4,940 payable to IGM. There is no indication on the copy of the check that it was ever delivered to IGM or that it was actually processed and paid by the bank. The Township issued check number 3236 payable to Woods Lane Complex which was deposited in the bank on or about October 24, 2002. [C-7]

On or about October 24, 2002, Mayor Fenton submitted a check requisition in the amount of \$7,960 under the accounting code of "War Dog Memorial Fund." [C-8] This request was purported to be a reimbursement to A.V. Construction, Inc. The only documentation supporting this check requisition was a copy of A.V. Construction, Inc.'s check number 8214 dated October 21, 2002. [C-9] There is no indication on the copy that check 8214 was ever delivered to M. Ribeca & Sons or that it was actually processed and paid by the bank. The Township issued check number 3248, payable to A.V. Construction, Inc. on October 25, 2002 which was deposited on or about November 1, 2002. [C-10]

None of the documentation which the Township provided for our review explained

- why Mayor Fenton requested these payments to entities controlled by Anthony Verducci;
- whether Mr. Verducci's entities actually paid these amounts to, or on behalf of, Ribeca;

- why Ribeca did not pay International Granite & Marble Corp. directly;<sup>4</sup> or
- why the Township did not pay Ribeca directly, in accordance with the original documentation of the transaction.

Notwithstanding the fact that Mayor Fenton's check request characterized the payments to Verducci's entities as reimbursements, A.V. Construction apparently did not actually pay \$7,960 to M. Ribeca & Sons.

On April 28, 2006, under cover of a letter to Mayor Fenton's secretary, Kathleen Hoover, from Mr. Verducci's attorney, A.V. Construction returned \$7,960, plus interest, to the Township. [C-11] Mr. Verducci had held Township funds for approximately 3½ years; returning them during the pendency of a grand jury investigation into corruption in Bristol Township. According to the attorney's letter, Ms. Hoover was aware that Mr. Verducci had been holding the money due M. Ribeca & Sons. In our discussions with Ms. Hoover, she indicated she was, in fact, not aware Mr. Verducci was holding funds actually due to M. Ribeca & Sons.

On June 5, 2006, former Township Manager Suzanne Newsome forwarded the A.V. Construction checks to the "Bristol Township War Dog Memorial Committee." The funds appear to have been deposited in the account of Bristol Township Pennsylvania Wardog Memorial, Inc. While we have not received the full financial records of that entity, there does not appear to have been a final payment to M Ribeca & Sons.

Finally, we discussed this project with Mario Ribeca. He indicated that his company was paid in full and received no payments beyond the original \$12,900.

#### **BDSC:**

The Bristol Democratic Social Club ("BDSC") filed a Campaign Finance Report with the Bucks County Board of Elections on or about October 24, 2002 covering the period from June 11, 2002 through October 21, 2002. That report indicated a receipt of \$10,000 from the "Fumo for Senate" Committee, received on August 10, 2002.<sup>5</sup> [D-1] After deducting its expenses (\$2,085 for printing costs, \$1,100

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<sup>4</sup> As noted, the Township had provided Mr. Ribeca with a deposit of \$12,900 approximately four months prior to the IGM invoice. If the IGM invoice was, in fact, for War Dog Memorial stone, the question remains of what Ribeca did with the earnest money.

<sup>5</sup> We note that the only political committee registered with the Commonwealth of Pennsylvania related to Vincent Fumo is titled "Vincent Fumo for Senate," and did not report the disbursement in question. The Fumo committee's filed campaign finance reports show \$10,000 disbursements



for mailing and \$1,100 in restaurant charges for "fundraisers"<sup>6</sup>), BDSC was left with \$6,590 in remaining funds.

BDSC also filed a report covering the period from May 9, 2003 through June 9, 2003 (the 30 day post primary report for that year). This report showed no activity and a continuing balance of \$6,590. BDSC also filed a report on October 24, 2003 for a period ending October 20, 2003. This report was filed on a short form (used where receipts and expenditures are each \$250 or less). This filing reports a cash balance of \$4,415 indicating a net unidentified expenditure of \$2,175.

On or about May 16, 2007, BDSC filed a final report, again on the short form, claiming the remaining \$4,415 was transferred to a new committee titled Democrats for Responsible Government on March 30, **2006**. [D-13] A committee titled Bristol Township Democrats for Responsible Government filed its initial report on May 7, 2007 covering the period from February 27, 2007 through April 30, 200. [D-15] This report included a receipt in the amount of \$4,415 on April 2, **2007**, credited to Anthony Verducci of A.V. Construction. [D-18] While there is no explanation for it, there is also a copy of a personal check drawn on the account of former Council-member Karen Lipsack in the amount of \$120.00 dated June 22, 2007 payable to the Bucks County Board of Elections. This check bears a reference "Penalty." [D-22]

#### **Insurance Brokerage Fees:**

The Bristol Township Administrative Code (the "Administrative Code") provides for the Executive, who at all times relevant to our analysis was Mayor Samuel Fenton, to appoint several Administrative Officers, including the Managing Director, the Township Solicitor and the Township Engineer. Among these appointments is the "Insurance Broker of Record." The Insurance Broker of Record can not receive "compensation from the Township, but may receive compensation from insurance companies for the placement or servicing of insurance contracts." (See § 713(A) of the Administrative Code.) The Insurance Broker of Record is responsible for, among other things, evaluating the Township's risks, identifying suitable insurance carriers and placing policies for the Township to assure no lapse in coverage. (See, generally, §715 of the Administrative Code.)

This restriction on additional compensation to Insurance Broker of Record is likely based on the fact that insurance companies pay commissions ranging from

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to "Bucks County Democratic Social Club" on May 10, 2002 and "Bucks County Democratic Party" on August 16, 2002. It is unclear which, if either, of these is the receipt reported by BDSC.

<sup>6</sup> The legitimacy of these "fundraiser" expenditures is questionable since the only receipt recorded by the entity is the Fumo contribution.

3% to 20% of the total premium on the policy. Based upon the documentation available for our review, the Township paid insurance premiums (other than health insurance) in the range of \$1 million to \$1.6 million per year. Thus, it is likely that the Insurance Broker of Record would have received insurance commissions from the carriers of approximately \$100 thousand to \$160 thousand per year. By way of example, for the 2003-2004 policy year,<sup>7</sup> Zurich America, alone, paid brokerage commissions totaling approximately \$133 thousand on the policies it underwrote.

Notwithstanding the prohibition on direct compensation to the insurance brokerage contained in the Administrative Code, the Township's insurance agent, USI Insurance, charged, and the Township paid, annual fees in at least 2004 through 2006. In 2004, the fee was \$30,000. In 2005 and 2006, the fees rose to \$90,000.

#### **Irregularities in Awarding Township Contracts:**

In the course of our investigation, we noted, on several occasions, irregularities in the bidding and awarding of Township contracts, including:

- Claiming conditions constituted an "emergency" to avoid bidding altogether;
- Substituting a preferred contractor for the bidder selected by Council; and
- Creating a paper trail to suggest that only a preferred contractor was interested or capable of performing the work (see Randall Avenue Bridge project discussed above).

The contract for traffic light maintenance is an example of the second category of irregularity.

The Township is a member of the Bucks County Consortium of Communities (the "Consortium").<sup>8</sup> In late 2001, the Consortium solicited bids for traffic light maintenance on behalf of its membership. The successful bidder in that process was Armour and Sons Electric, Inc., a family owned, Langhorne based, electrical contractor specializing in traffic signal installation and maintenance. On December 11, 2001, Council considered the Township's traffic light maintenance

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<sup>7</sup> The Township's insurance policy year begins March 1.

<sup>8</sup> The Consortium is a group of municipalities in Bucks County which banded together to take advantage of economies of scale in the purchasing of goods and services. Initially organized in 1980, the Consortium now represents 38 member municipalities.

contract. Pursuant to a unanimous vote, Council decided to grant the contract to Armour & Sons Electric. Despite the clear directive of the Council, then Managing Director, Suzanne Newsome, under the supervision of the Township Executive, Mayor Fenton, gave the contract to Precision Electric Signal, an operating name for A.C.E. II, Enterprises, Inc., a company owned by Alan Schappell.

**Potential Abuse of Township Credit Cards:**

The Township has a credit card account provided through Commerce Bank, N.A. We have been advised that the credit card is physically under the control of the police department. The card is available to a variety of individuals on an as needed basis for, among other things, purchase of township supplies and materials by mail and Internet or travel costs for conferences and seminars. While the Township pays all charges on this credit line, the card is registered in the name of John Godzieba of the Bristol Township Police Department.

For the two years for which detailed information was available for our analysis, payments totaling nearly \$40 thousand passed through this account.<sup>9</sup> The vast majority of these expenditures did not include original invoices or credit card receipts, or, even, clear documentation of the nature and legitimate Township purpose of the expenditure. Payments on the credit line were, typically, made directly from the monthly credit card statement without any underlying documentation of the individual transactions, and allocated to various Township budget line items based upon the information contained in the check requisition. Accordingly, it is unlikely that the Township accounting department could know that the expenditures were proper expenses of the Township or that the amounts were properly allocated to the Township's budget.

In the process of preparing this report, Chief of Police James P. McAndrew took the opportunity to comment on our findings through correspondence with you as Township Solicitor. In a letter dated May 22, 2008, Chief McAndrew stated, "all requests for payment are initiated with receipts, invoices, and backup. How records are kept after the purchase is approved, would be out of our [the police department's] control." Chief McAndrew appears to suggest that the police department submitted appropriate supporting documentation to the Finance Department as part of the check requisition process, and that if it is no longer available, Finance Department personnel misplaced it.

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<sup>9</sup> We also reviewed the credit card payment file for several of the preceding years. Since complete cash disbursement records were not accessible, there is no way to determine whether or not these files contained all payments on the credit card.

Chief McAndrew's position is inconsistent with the documentation contained in the Finance Department's records. Different officers submitted requests for payment of credit card charges. Certain of these requests were for specific purchases and contained complete documentation of the nature of the item(s) being purchased, the source of item(s) and, in some cases, documentation of alternate suppliers demonstrating that the chosen vendor was the lowest priced option.

The charges we identify below, on the other hand, included no supporting documentation. The only supporting documentation included with the check request for these charges was the credit card statement.

In the course of our review of credit card usage, we noted several unusual transactions, but because of the general lack of documentation there was no way to determine whether these transactions were actually improper. An example will illustrate these circumstances.

The January, 2004 credit card statement contained a charge from an entity called "Your Time Matters" located in Haverford, Pennsylvania in the amount of \$2,440.00. As with most of the credit card transactions, the Township's accounting records contain no information about who authorized the purchase or what they purchased from this vendor. According to the Pennsylvania Corporations Bureau, Your Time Matters is a fictitious name registered to Ellen Hollin and Deena J. O'Neill and the listed address is Mrs. O'Neill's residence. The business is a "wholesale distributor of gifts and jewelry to the retail trade."<sup>10</sup> We spoke with Mrs. O'Neill about the transaction. She informed us that it was not actually a transaction with Your Time Matters, but rather with her father's business, Arnold's Office Furniture on Mill Street in Bristol, Pennsylvania. According to Mrs. O'Neill, somebody from the Township wanted to purchase office equipment with a credit card, but Arnold's Office Furniture did not accept credit cards. Arnold Norman, Deena O'Neill's father, asked her if she would process the credit card transaction through her account. Unfortunately Mrs. O'Neill knew nothing of the underlying transaction. Our effort to investigate further was stymied by the fact that Arnold Norman died, Arnold's Office Furniture was sold to new owners and, according to counsel for his estate, Mr. Norman's business records have been destroyed.

It is possible that the purchase charged to Your Time Matters was office equipment for legitimate Township use. The check request voucher indicated the charge was for "office supplies." On the other hand there is no explanation for why the Township employee placing the order would insist on paying by credit card to the point of Mr. Norman using such a round-about method to process the transaction.

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<sup>10</sup> See <http://ytmgifts.com/Content/ContentCT.asp?p=35>.

In a letter dated April 15, 2008, Chief McAndrew stated that the purchase was for four desks for the Central Records Division; however, he did not provide any documentation or receipt for the transaction. According to Chief McAndrew, the store was liquidating inventory because it "was going out of business" and would not accept checks. Again, due to the lack of supporting documentation, we are unable to make a specific determination

This was not the only charge on the Township credit card which raised questions of whether or not any or all of the related costs are legitimate Township expenses. For example between April 2004 and January 2007, there are 14 charges to the credit card to replenish EZ Pass accounts for a total cost of \$928. In a letter dated April 15, 2008, Chief McAndrew explained that the Township utilizes two EZ Pass transponders. Officers initial and date a log when utilizing the transponders. Chief McAndrew's letter contained a sample of approximately 11 pages of the EZ Pass log. While the log identifies the officer taking an EZ Pass transponder, there is nothing to show what Township business the officer used it for. Usually, the officer only had the transponder for a day or two, but there were several entries which indicated extended periods of usage.<sup>11</sup>

While it is likely, that most of the tolls were incurred on official Township business, it is just also possible, that some of the charges relate to personal use by the individuals who are in possession of the transponders. Chief McAndrew has acknowledged that the EZ Pass log will be modified to "require an Incident # or a brief reason/explanation at the time of the Sign-Out of the EZ Pass."

It also appears employees can be mixing personal and Township expenses. For example, in February and early March, 2005 there were a series of charges from southern California. The charges included primarily a hotel stay in Cathedral City, California and several restaurants in that general area between February 27 and March 5. One of the charges was for "Top Tram/Winter Wonderland" in Palm Springs. A brief Internet search reveals that the Palm Springs Aerial Tramway is a tourist attraction in the area. Assuming that the trip, overall, was a legitimate Township expense for attendance at a professional conference or training seminar, it is likely that the tram ride to the mountain top was a personal venture. Chief McAndrew's April 15, 2008 letter states that employees traveling away from home are allowed \$35 per day for meals and the charge was for a meal as part of participation at a conference. In the absence of contemporaneous documentation (such as an actual receipt from the restaurant or a travel voucher identifying the nature of expenditures and verifying compliance with the per diem meal allowance), we are unable to confirm this explanation.

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<sup>11</sup> For example, Sunday February 25, 2007 through Thursday March 1, 2007, Friday April 13, 2007 through Monday April 23, 2007, Friday June 1, 2007 through Monday June 18, 2007 and Sunday July 22, 2007 through Sunday July 29, 2007.

There are numerous other instances of credit card transactions which could be either legitimate or illegitimate uses of Township funds, but, due to the complete lack of documentation, there is simply no way to tell. Some examples include:

Approximate Transaction Date	Vendor	Amount
04/25/2006	Walmart	31.90
10/25/2006	Oriental Trading Post	102.25
11/21/2006	Walmart	23.56
12/19/2006	Walmart	29.81
12/6/2006	Oxford Valley Mall	324.00
01/2007	Home Depot	26.96
01/2007	Home Depot	166.66
TOTAL		705.14

In his April 15, 2008 letter, Chief McAndrew explained that these expenditures were for a variety of purposes ranging from beverage and paper goods for the Police Department's participation in intergovernmental meetings, promotional items for the DARE<sup>12</sup> program and thank-you gift cards for teenagers participating in Tobacco Compliance Checks in local stores. While we have no reason to doubt Chief McAndrew's assertion, there is, once again, no documentation available to substantiate it. In our response to Chief McAndrew's April 15, 2008 letter, we requested the department provide any documentation for these transactions but none was forthcoming. As noted above, the absence of documentation, either as part of the check request or separate in the form of reports or listings of how many gift cards were purchased and to whom they were given, is a fundamental lapse in internal control and reflects the existence of an opportunity to misappropriate Township resources.

A final issue with the Township credit card is that the statements are mailed to John Godzieba in the police department rather than the accounting department. This results not only in a weakness of internal controls, but also due to the time delay in Mr. Godzieba receiving the credit card statement, turning it over to the accounting department and processing time for issuance of a check, the Township incurred frequent interest charges and late payment fees. These

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<sup>12</sup> Drug Abuse Resistance Education – a national program in which officers from participating police departments teach students tools to avoid drugs and violence

delays resulted in unnecessary interest and fees of more than \$600 during the limited period of our review.

**Delays in Performing Bank Reconciliations:**

Reconciliation between the bank statement and the Township's accounting records represents a critical and fundamental accounting control. They enable the Township to detect bank errors or internal recording errors in the Township's most liquid, and therefore highest risk, asset. Failure to reconcile between the bank statements and the Township's accounting records on a consistent and timely basis would constitute a defect in the Township's system of internal accounting controls.

In response to our repeated requests, made early in our examination, for current bank statements, we learned that the Township's accounting department was more than a year behind in reconciling the bank statements. Further, this may not be a current aberration. We obtained copies of the management advisory letter the Township received from Zelenkofske Axelrod LLC ("ZA"), the independent auditor of its financial statements, dated April 1, 2005 (for the year ended December 31, 2004) and March 31, 2006 (for the year ended December 31, 2005). In the April 1, 2005 letter, ZA noted:

Old outstanding checks are not investigated, increasing the risk that financial information submitted to management could be distorted. Additionally, stop payments are not issued and entries made to restore old outstanding checks to cash. Maintaining these checks as outstanding restricts the availability and use of cash by the Township.

(ZA management advisory letter dated April 1, 2005, at page 5.)

In the March 31, 2006 letter, outstanding checks were, again, an issue:

The Township has various checks that are outstanding on the bank reconciliations that are over twelve months old. The Township should void the checks and escheat the funds to the Commonwealth of Pennsylvania.

(ZA management advisory letter dated March 31, 2006, at page 4.)

Viewed in light of the acknowledged failure to reconcile the Township's principal bank account throughout 2006, it is reasonable to conclude that the auditor's observations regarding outstanding checks from the preceding two years were not the result of inadvertence or a misunderstanding of how to handle outstanding checks. It is likely that outstanding checks remained as reconciling

items for an extended period of time because the account was not reconciled in a timely manner, but rather the reconciliation was only performed in response to the auditor's request for an end of year reconciliation.

Besides being a fundamental component of the Township's system of internal accounting controls, bank reconciliations are also a meaningful deterrent to misappropriation, but unless prepared regularly, with prompt attention to discrepancies, they are largely ineffective. The failure to reconcile the actual transactions processed by the bank with authorized transactions, as reflected in the Township's accounting records, could result in a defalcation continuing, undetected for months, and compromise the Township's ability to recover resulting losses.

#### **Payment of Employee's Expenses Without Council Approval:**

In the spring and summer of 2005, former Township Manager, Suzanne Newsome, was called before an investigating grand jury. Among the subjects which the grand jury was investigating was Newsome's alteration of her employment contract to permit her to collect payment for unused sick time. Newsome was ultimately convicted of theft by deception, related to the altered contract and payments she received thereby, and perjury, related to her grand jury testimony.

On or around May 24, 2005, Newsome retained counsel to represent her with regard the grand jury proceedings. On June 6, 2005, she submitted a purchase requisition for reimbursement of the legal fees she agreed to pay her counsel. On June 17, 2005, the Township issued check number 11861 payable to Suzanne Newsome in the amount of \$3,000.

Newsome never sought, nor received, specific authorization from Council. The Township does not have a standing policy authorizing reimbursement of employees for personal legal representation. When questioned about her failure to obtain independent authorization for this reimbursement, Newsome responded that she made the decision based on the employee's immediate need for counsel.

Newsome's ability to obtain reimbursement of this personal expense unilaterally exposes a flaw in the Township's system of internal accounting controls.<sup>13</sup> Aside from the obvious risk of Township employees using the appearance of authority

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<sup>13</sup> We also noted that other employees' legal expenses related to grand jury inquiries were paid by the Township, but these payments did not involve self-authorization. The Council should consider whether to seek to recover these advances from the employees who obtained them.



to circumvent Council approval, these events create a tone of disregard for policy and procedure which filters throughout the organization and encourages others to serve their self-interest rather than the interests of the Township.

**Preferential Treatment of Township Staff and Family Members:**

We identified two instances of Township employees receiving preferential treatment. The first involved an unsubstantiated pay increase for the daughter of an office staffer, and the second involves the lax enforcement of Township building codes with regard to properties owned or used by Township employees.

In 2005, Erica Waller-Hill ("Hill") was the head of the Township Recreation Department. Among her other responsibilities, she is the director of the Township's summer camp program, and hires and sets the pay rates for summer camp counselors. On June 12, 2005, Hill prepared a "Personnel Transaction Form" hiring Jane Doe<sup>14</sup> as a Senior Camp Counselor at the standard pay scale for that position of \$8.25 per hour, representing an increase over her prior year's pay rate. Ms. Doe is the daughter of a Bristol Township administration employee who works directly with the Township Manager.

Hill provided the form to then Township Manager, Suzanne Newsome, for the required approval. Newsome unilaterally and without consultation with Hill, increased Ms. Doe's pay to \$8.50 per hour, a 3% increase over other, similarly situated counselors. This additional hourly compensation was an unauthorized and unsubstantiated preferential treatment for Newsome's colleague and her daughter.

The second instance of preferential treatment of Township personnel involved a management level employee. This employee took possession of a newly constructed home in August 2005 and was residing in the property by September. In March 2005, the Township engineer had inspected the property to determine whether the construction had been properly completed. The engineer's report, memorialized in a letter to the Township's Public Safety Director, Daniel Bogan, identified three areas relating to grading, landscaping and drainage, which needed to be resolved before the Township could issue a Complete Use and Occupancy Permit. It is our understanding that these items were not addressed on a timely basis.

In June 2006, taxes were levied on the land, and in July 2006, the property was reassessed. During this time period, no Complete Use and Occupancy Permit had been issued for this property. The employee failed to pay the levied property taxes and, in July 2007, the tax liability was transferred to Bucks County for lien.

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<sup>14</sup> We have omitted the actual name of the individual employee to protect that individual's privacy. We understand that the individual had no involvement in the actions described herein.

We reviewed documentation regarding this property at the end of July 2007 and questioned that no Complete Use and Occupancy Certificate had been issued. Thereafter, the Township Engineer revisited the property and, in a letter dated August 2, 2007, observed that the required site improvements identified more than 2 years before had been addressed allowing the issuance of a Complete Use and Occupancy Permit. It is our understanding that the Township employee paid the delinquent taxes some time after the liability was transferred to the County. At no point was any action taken against this employee for the failure to obtain the Complete Use and Occupancy Permit in accordance with Township requirements.

As noted above, the purpose of this report is to highlight issues I think warrant further investigation and consultation with counsel. All opinions contained herein are made with a reasonable degree of professional certainty, and I am available to assist to the extent necessary in your consideration of these issues.

Sincerely,

MARGOLIS & COMPANY P.C.

By: Joseph S. Barbagallo, CPA  
CVA, CFFA, CFD, CFS, CFE, CFI, ABV

**JOSEPH S. BARBAGALLO, CPA, CVA, CFFA, CFD,  
CFS, CFE, CFI, ABV, FCPA**

***CURRICULUM VITAE***

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**Business:**

Principal  
Margolis & Company P.C.  
401 E City Avenue, Suite 600  
Bala Cynwyd, PA 19004  
610-667-6250  
jbarbagallo@marg.com

Principal, litigation services, accounting and auditing

**Education:**

B.S. in Commerce (accounting major) Rider University, 1973  
Graduate Taxation Courses Temple University  
Continuing Professional Education  
Curriculum courses to obtain CVA, CFFA, CFD, CFS, CFE, CFI, ABV and FCPA

**CPA Certification:**

Commonwealth of Pennsylvania Certificate Number CA-012179-R  
State of New Jersey Certificate Number CC-00737800

**Professional Associations:**

American Institute of Certified Public Accountants  
New Jersey Society of Certified Public Accountants  
Pennsylvania Institute of Certified Public Accounts  
National Association of Certified Valuation Analysts  
Association of Certified Fraud Examiners  
Association of Certified Fraud Specialists  
Association of Forensic Certified Public Accountants

**ATTACHMENT A**

## **Prior Professional Positions**

1978 – 2003, Managing Shareholder, Barbagallo and Company, P.C.  
1974 – 1976, Deloitte & Touche  
1973 – 1976, Management Consultant, Joseph Parsetta and Associates

## **Other Affiliations:**

Family Services Association of Bucks County (1999-Present)  
Crossroads Prison Ministry (1993 – Present)  
American Red Cross - Bucks County Chapter (1991 – 1995)  
March of Dimes - Bucks County Chapter (1992 – 1996)  
Newtown Township Traffic Impact for Committee Members (1999 – Present)  
Joint Downtown Newtown Corporation, Organization Committee member (2001 – Present)  
New Life Christian Church, Treasurer (1994 - Present)  
Airlife Inc., Volunteer Pilot (1994 – 2002)  
Home Builders Association of Bucks and Montgomery Counties, Committee Member (2003 - 2006)  
Newtown Exchange Club – Board of Directors (2003 – Present)

## **Qualifications:**

Joseph Barbagallo is licensed as a certified public accountant in the Commonwealth of Pennsylvania and the State of New Jersey. He has also completed all course work, testing, case studies, and experience requirements to attain the following designations: Certified Valuation Analyst (CVA); Certified Forensic Financial Analyst (CFFA); Certified Fraud Deterrence Analyst (CFD); Certified Fraud Specialist (CFS); Certified Forensic Examiner (CFE); Certified Forensic Interviewer (CFI); he has earned the certification of Accredited in Business Valuation (ABV) and Forensic Certified Public Accountant (FCPA).

Mr. Barbagallo has performed many business valuations and has testified as an expert witness on business valuations. He is also experienced in forensic accounting and has testified and developed materials used for litigation matters. He has testified in Bucks County, Montgomery County and Philadelphia in Pennsylvania and in Mercer County and Camden County, New Jersey. He has also qualified as an expert witness with the State Board of Accountancy for the Commonwealth of Pennsylvania. He has provided litigation consulting services on numerous matters including fraud cases.

Joe's public accounting experience began over twenty-five years ago and he has gained experiences with privately held as well as public companies and not for profit entities. Joe also has retail experiences as division manager for Sears Roebuck & Co. Joe joined Margolis & Company P.C. as a principal in 2003.

# MICHAEL J. MOLDER, JD, CPA, CFE, CVA

## *CURRICULUM VITAE*

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### **Business:**

Margolis & Company P.C.  
401 E City Avenue, Suite 600  
Bala Cynwyd, PA 19004  
610-667-6250  
mmolder@marg.com

Associate Director, Forensic & Litigation Services Group

### **Education:**

Pennsylvania State University B.S. Accounting, 1984  
Temple University School of Law, 1991

### **CPA Certification:**

Commonwealth of Pennsylvania, Certificate Number CA-024289-L

### **Professional Associations:**

American Institute of Certified Public Accountants  
Pennsylvania Institute of Certified Public Accountants  
Business Valuation Committee of the Philadelphia Chapter,  
Member (2007 to present)  
Speakers' Bureau of the Philadelphia Chapter, Member (2007)  
The Pennsylvania Bar Association  
Association of Certified Fraud Examiners  
National Association of Certified Valuation Analysts

### **Other Affiliations:**

Small Business Board of Directors of the Greater Philadelphia Chamber of  
Commerce Member, 2006 to Present)  
Investment Club of the Temple Beth Hillel Beth El Men's Club  
(Founding Member, 2000 – Present) / Treasurer (2004 – 2007)  
Investment Club of the Temple Beth Hillel Beth El Men's Club – Vice  
President (2003)

Investment Club of the Temple Beth Hillel Beth El Men's Club –  
Investment Committee Chair (2003)

**Qualifications:**

Michael J. Molder is associate director of Margolis & Company's Forensic and Litigation Services Group. Michael uses more than twenty years of forensic accounting experience to help solve cases involving allegations of financial impropriety. He has acted as both counsel and accounting expert in such matters and his experience has included pending or threatened litigation as well as internal investigations of financial misconduct.

Michael J. Molder is a graduate of the Pennsylvania State University (Class of '84) with a degree in accounting. He began his professional career with a multi-national accounting firm where he teamed with senior audit staff and managers to work on numerous new clients and other audits which involved particularly complex issues. During the seven years of his accounting career, Mr. Molder progressed to the position of Supervisor in the Accounting and Auditing department of Cogen Sklar, LLP, a regional accounting firm. Over the years he participated in or was responsible for preparation and/or examination of financial statements in a wide variety of industries ranging from clothing manufacturing to life and health insurance to investment management to a school district to food service.

While at Cogen Sklar, Mr. Molder served on that firm's Accounting and Auditing Committee, an elite group of professional staff and partners which was responsible for evaluation of the firm's compliance with newly promulgated generally accepted accounting principles ("GAAP") and generally accepted auditing standards ("GAAS"). Mr. Molder was also one of the firm's three pre-issuance reviewers who were ultimately responsible for the firm's compliance with GAAP and GAAS on all appropriate reports issued by the firm on clients' financial statements. Mr. Molder was also a certified peer reviewer who participated in numerous reviews of other accounting firms under the American Institute of Certified Public Accountants' Peer Review Program.

In 1991, Mr. Molder received his Juris Doctor from the Temple University School of Law. From 1992, Mr. Molder focused his practice almost exclusively on litigation involving financial misconduct and manipulation of accounting systems. Mr. Molder was one of the principal attorneys involved in investigating hundreds of private corporate and commercial and residential real estate financing transactions in *In re Westinghouse Securities Litigation*, a lawsuit which resulted in a \$67.5 million recovery for Westinghouse investors. Mr. Molder was also a member of the team of attorneys who prosecuted claims on behalf of hospitals and others

related to price fixing by manufacturers of medical x-ray film. This case involved extensive analysis of manufacturers' financial information and pricing structures.

Mr. Molder was lead counsel in the investigation of the financial misconduct of Equipment Leasing Corporation of America in *Neuberger and Scott v. Shapiro, et al*, E.D.PA 97-CV-7947. Mr. Molder's detailed financial analyses resulted in a pre-trial settlement which recovered more than fifty percent of the losses sustained by class members and more than twice the limits of insurance claimed by defendants to be available.

Based in large part on Mr. Molder's accounting expertise, Judge Vaughn Walker appointed his firm lead counsel in *In re Cylink Securities Litigation*, N.D.Ca., C-98-4294 VRW. This action alleged material misrepresentations in the company's financial statements resulting from significant and repeated violations of GAAP requirements for proper revenue recognition.

Mr. Molder's analysis of the financial records of this case led to a pre-trial settlement in which the plaintiff class recovered 13.6% of estimated losses compared to a median recovery of 5.1% in similar cases.

Among other cases, Mr. Molder has been utilized as an expert in *Draheim v. KidsPeace National Centers for Kids in Crisis, Inc.*, a wrongful death action in which Mr. Molder was consulted to assess defendants' assertions that it was not financially viable and that plaintiff should accept the proceeds available from defendant's insolvent insurance carrier.

Mr. Molder has consulted on many matters which have not involved the issuance of a report for purposes of litigation and are, therefore, not a matter of public record; the identity of these matters is protected by attorney client privilege.

He has also lectured widely on a variety of accounting and corporate governance topics including, without limitation, accountant ethics, generally accepted accounting principles and financial statement manipulation and "earnings management."

Mr. Molder is a member of the American and Pennsylvania Institutes of Certified Public Accountants, the Pennsylvania Bar Association, the National Association of Certified Valuation Analysts and the Association of Certified Fraud Examiners.

**Publications:**

"Audited Financial Statements: NOT Proof Against Fraud," The Legal Write (Winter 2007)

"Experts: It's a Trust Thing," The Legal Write (Summer 2007)

"Using Fictitious Entities and People to Commit Fraud," The Legal Write (Summer 2007)

"Protecting the Confidentiality of Fraud Investigations," The Legal Write (Fall 2007)

"Expert Reports," with David H. Glusman, The Legal Write (Fall 2007)

"Forensic Accounting in Business Divorce," Business Divorce: When Shareholders Go to "War," Pennsylvania Bar Institute © 2006

**Testimony Given:**

*LG Financial Consultants, Inc. (assignee of Aviva Consultants) v. Peter Costanzo, Jr.,* (arbitration proceeding arising from *Green and Levin t/a Aviva Consultants v. Costanzo*, Docket No. L 9016 97, Superior Court of New Jersey), hearing dated May 15, 2007.

*RDK Truck Sales and Service, Inc. et al v. Mack Trucks, Inc., et al.,* 04-CV-4007 (E.D.Pa.), deposition dated April 3, 2008.



**Report from Mayor Samuel J. Fenton**  
**July 17, 2003**

Everyone knows that this past winter took a toll on Township roads. I would like to request authorization from Council to contract for the repair of the following roads:

Rosa Ave. (State Rd. to dead end)

Cedar Avenue (State Rd. to River Rd.)

Washington Ave. (State to Dead end)

Fifth Avenue

Steel Avenue

Rockview Drive

Westwood Avenue

Avenue B (Nebraska to Dead end)

Avenue B (Sunset to Pine)

Sunset Avenue (New Falls to Dead end)

Avenue C (Pine to Dead end)

Nice Street

Hillside Avenue

Newman Street

Sheldon Avenue (Ritter to Willow)

Spring Avenue

Curbing on Randal Ave. Bridge (after milling it was discovered that the existing curb is deteriorated.)

The estimated cost for this work is \$323,094. The Managing Director and Finance Officer have advised me that these funds are available as follows:

\$150,000 from Insurance recovery, \$26,320 from curb and sidewalk account and \$146,774 from the fund balance. A report on this matter has been prepared by the Public Works Director and is attached to my report.

(Approval)

Weed and Seed Progress – The Weed and Seed Program is moving forward. I am extremely pleased by the excellent participation from Congressman Greenwood's Office, Senator Tomlinson's Office, Representative Melio's Office, the U.S. Attorney's Office, District Attorney's Office, the Bristol Township Police Department, and many other County and Community organizations. We have already begun initiatives that will ultimately be included in our Weed and Seed Strategy. These initiatives include:

1. National Night Out Participation: The Bristol Township Police Department would like to remind all community organizations and members that August 5<sup>th</sup> is National Night Out. All residents are encouraged to turn on their lights and to be seen on their streets, porches and yards interacting with their neighbors. If any community is planning a large gathering, please contact the Police Department, and we will arrange to have an officer meet with the group.
2. We are also looking into working with the judges to keep repeat offenders from locating back into Weed and Seed Communities.
3. We are developing a program to implement voluntary tenant regulations and agreements as well as background checks.
4. We are working to identifying areas for beautification and revitalization including the area in front of

Bloomsdale/Fleetwing where a garden, new curbs, signs and trees will be planted.

5. We are working to developing a proposal to turn the former Kim Graves site into a community center and spruce up Humphries Park. (Request approval right now for fence for Little League field to be cut out by Public Works Department)
6. We are planning to participate in Project Safe Neighborhood.
7. Finally, we are planning to bring the neighborhoods into 100% compliance with Township codes.

Hazel Park- I would like to fix up Hazel Park in Newportville by using funds donated to the Park and Recreation Fund. The improvements would include a tot lot, repaving of basketball court, establishing a parking area, and general clean up. (Approval for up to \$15,000 is requested.)

Readjustment Program on the Move -On Saturday, June 28<sup>th</sup> the Bristol Township Readjustment Program conducted a community clean up. Fifteen young residents removed approximately 60 bags of trash and debris from River Road and Mill Creek Parkway.

A Thank You to Representative Corrigan -I would like to thank Representative Tom Corrigan who obtained \$80,000 for the Township and Redevelopment Authority to purchase a small buffer property that was obtained through the subdivision process and reuse of the Corell Steel property. My office sent Representative Corrigan a thank you letter that has been attached to this report. Soon I would like to begin Phase 1 of the redevelopment of the park located next to this property, however, we are still

waiting for the School Board to agree to the sale of the Coates Avenue property.

Burned and Blighted Properties -The staff and I are working on a proposal to acquire burned out buildings through the blight process. In addition, Bob White of the Redevelopment Authority and members of the staff will meet once a month to keep progress moving on blighted properties. The Public Safety Director, Dan Bogan, has prepared a list of vacant properties. This list will be distributed to contractors and developers who work in the area.

Walgreen's to come to Township -The Council President, Karen Lipsack and I have both met with representatives of Walgreen's who are looking for a site in the Township. We met with them to present them with a Township flag and take them on a tour of the community. They have agreed that their development would include the Township's lights, flag and trees.

Bristol township 4<sup>th</sup> Annual Community Fair - proceeds to date \$7,005.

# Bristol Township

2501 Bath Road · Bristol, PA 19007 · (215) 785-0500 · Fax (215) 785-2131

## BRISTOL TOWNSHIP COUNCIL MEETING JULY 17, 2003

After an Executive Session President Lipsack called the meeting to order at 7:16 P.M.

President Lipsack called for a Moment of Silence and the Pledge of Allegiance.

Roll Call: Council Members Worthington, Monahan, Lorady, Balcom and Lipsack were present.

- Public Comments will be taken as each item is addressed. General comments will be taken during Opportunity for Residents to Address Council.

### EXECUTIVE REPORT-

Mayor Fenton and Bill Brady representing PECO presented Certificates of Recognition to Chief Herbert Schoell, Sr and Deputy Chief Howard McGoldrick, Jr. The firefighter notified PECO of a possible safety hazard during the Community Fair. Several rides were too close to power lines and the rides were taken down. Herb and Howard help prevent a danger to the fairgoers. For their commitment to public safety Herb and Howard were recognized and presented with certificates.

Mayor Fenton asked Council to authorize the addition of roads to the 2003 Road List. This request was made because of the rough weather we experience this winter. The estimated cost for this work would be approximately \$323,000.00. The Managing Director and the Finance Officer have advised the Mayor that these funds are available from the fund balance and the Public Works Director has prepared a report on this matter. (Copy of Road List and report is available in the Managing Director 's Office.) Councilman Worthington called for a motion to approve. Second by Councilman Lorady. Council Members Worthington, Monahan, Lorady, Balcom and Lipsack voted yes. Motion approved. (5-0) In addition, after milling it was found that the concrete curbing on the Randall Avenue Bridge is in deteriorated condition. I am asking the Council for authorization to make repairs. The approximate cost for the repair is \$57,000.00 of which \$26,320 is available in curbs and sidewalks account. The difference of \$30,680 can be obtained from the fund balance account for capital improvements.

COUNCIL	ACTION
APPROVED:	<input checked="" type="checkbox"/>
DENIED:	<input type="checkbox"/>
DATE:	8-21-03

B-5

Councilman Worthington called for a motion to approve. Second by Councilman Lorady. Council Members Worthington, Monahan, Lorady, Balcom and Lipsack voted yes. Motion approved. (5-0) Mayor Fenton also requested Council for authorization to put a fence up at the baseball in Bloomsdale Humphries Park not to exceed \$10,000.00. This is part of the Township's beautification program. Councilman Lorady called for a motion to approve and to price fence. (Steve will look into the pricing of the fence.) Second by Councilman Worthington. Council Members Worthington, Monahan, Lorady, Balcom and Lipsack voted yes. Motion approved. (5-0)

Hazel Park-Mayor Fenton would also like to fix up Hazel Park in Newportville by using donated funds to the Park and Recreation fund. The improvements would include a tot lot, repaving of basketball court establishing a parking area and general cleanup. Not to exceed \$15,000.00. Councilman Lorady called for a motion to approve. Second by Councilman Monahan. Council Members Worthington, Monahan, Lorady, Balcom and Lipsack voted yes. Motion approved. (5-0) Mayor Fenton's full report is available in the Manager's office. (Due to rainy conditions during the 2003 Community Fair, our proceeds were only \$7,004.33 to date.)

#### MONTHLY REPORTS AVAILABLE IN THE MANAGER'S OFFICE

#### REPORT FROM MANAGING DIRECTOR

- A. Bid opening: "Sewer Jet Truck"-two bids received. The first bid was from HA Debart & Son, Thoughtfare, NJ. Bid amount-\$35, 750.00 (Bid Bond enclosed.) Second bid was received from Golden Equipment Co. The Public Works Director will review the bids and make his recommendation during his report.
- B. Weed and Seed letter of intent. Councilman Monahan called for a motion to authorize the Township to write the letter of intent for the Weed and Seed program. Second by Councilman Lorady. All ayes. Motion approved.
- C. Bucks County Housing Authority Contract- Councilman Monahan called for a motion to approve contract. This contract is for the Community Police Program in the Venice Ashby community. Second by Councilman Worthington. All ayes. Motion approved.

# BRISTOL TOWNSHIP

## MEMO

TO : S. Newsome, Managing Director  
FROM : S. McClain, Public Works Director <sup>SWM</sup>  
DATE : July 18, 2003  
SUBJECT : Proposed Paving and Curbing for 2003

After this past harsh winter a road inspection found many streets in the Township in need of paving in the near future. The attached will list the streets with an estimated cost for paving each street.

The estimated cost for the proposed paving is \$266,094. As the current road program is underway, the Public Works Department will not have ample time to complete any additional paving that is added to the present list. A recommendation is made to contract the proposed paving if funding is available.

In addition, after milling in preparation for paving the Randall Avenue Bridge, it was found that the existing curbing is in a deteriorated condition and in need of repair prior to paving. Estimated cost for repairs are approximately \$57,000. Funding is available in the amount of \$26,320 in the curbing and sidewalk fund.

2003 Proposed Paving

1. Cedar Avenue	\$ 58,668
2. Rosa Avenue (State Road to dead end)	26,184
3. Washington Ave. (State Rd. to dead end)	20,070
4. Fifth Avenue (State Rd. to dead end)	9,438
5. Steel Avenue	52,002
6. Rockview Drive	26,238
7. Westwood Avenue	8,796
8. Avenue B (Nebraska Ave. to dead end)	5,598
9. Avenue B (Sunset Ave. to Pine Ave.)	7,800
10. Sunset Avenue (New Falls Road north to dead end)	9,198
11. Avenue C (Pine Ave. to dead end)	6,666
12. Nice Street	5,598
13. Hillside Avenue	4,932
14. Newman Street	4,332
15. Sheldon Avenue (Ritter to Willow Aves.)	4,572
16. Spring Avenue	16,002

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Total \$ 266,094



RANDALL AVE CURBING

	Cont	CONTACT	PROPOSAL
7-25-03	<del>1</del>	VERDUCCI	\$ 57,800
7-12-03	<del>2</del>	ROMA CONST.	NO
7-11-03	<del>3</del>	SEEDGEWICK	NO
7-25-03	4	PRIETO	NO RESPONSE
7-25-03	<del>5</del>	GSG. CONST.	NO RESPONSE
7-25-03	<del>6</del>	R+S CONST.	NO RESPONSE
7-25-03	<del>7</del>	QUALITY CONCRETE	NO RESPONSE
8-12-03	8	DEFAZZO CONCRETE	NO RESPONSE
8-12-03	9	SENTILLI CONCRETE	CANNOT DO WORK

RANDALL AVE BRIDGE

34 X 925' 270

COMMERCIAL  
INDUSTRIAL  
BUILDING  
CUSTOM DESIGN  
PLANT RENOVATION

CUSTOM HOMES  
ADDITIONS  
CONCRETE  
TILE/MARBLE  
STONE MASONRY WORK

# A.V. CONSTRUCTION, INC

GENERAL CONTRACTOR

12 VERDUCI DRIVE, NEWTOWN, PA 18940

215-968-7717  
Fax 215-968-1099

DATE July 28, 2003  
ORDER NO. \_\_\_\_\_

SOLD TO: Bristol Township Road Dept.  
Oxford Valley Road  
Municipal Building  
Bristol, Pa.

SUB-TOTAL

TOTAL

Curbs & Concrete Work  
Edgely, Bridge, Edgely, Pa.

1. Remove Existing Curbs
2. Install 925' of Concrete Curbs
3. Extend Curb to 24" Wide  
(Concrete)
4. Used 3500# Concrete
5. Using reinforcing rods

Total Labor & Material

\$ 57,800.00

A.V. Construction, Inc.  
Anthony Verduci, Pres.



B-10

BRISTOL TOWNSHIP  
Public Works Department  
2501 Bath Road  
Bristol, PA 19007  
Telephone 215-785-2758  
Fax 215-785-5446

August 19, 2003

Mr. Anthony Verducci  
A.V. Construction, Inc.  
12 Verducci Drive  
Newtown, PA 18940

Re: Randall Avenue Bridge

Dear Mr. Verducci,

This letter will serve as notice to proceed with the curbing repairs to the Randall Avenue Bridge as per your proposal dated July 28, 2003.

If you should have any questions, please contact me at 215-785-2758.

Sincerely,

*Steven W. McClain*  
Steven W. McClain  
Public Works Director

cc: S. Newsome, Managing Director

B-11

# Bristol Township

2501 Bath Road · Bristol, PA 19007 · (215) 785-0500 · Fax (215) 785-2131

## BRISTOL TOWNSHIP COUNCIL MEETING August 21, 2003

President Lipsack called the meeting to order at 7:07 P.M.

President Lipsack called for a Moment of Silence and the Pledge of Allegiance.

Roll Call: Council Members Worthington, Monahan, Lorady and Lipsack were present. Councilman Balcom was absent.

- Public Comments will be taken as each item is addressed. General comments will be taken during Opportunity for Residents to Address Council.

**EXECUTIVE REPORT**-Mayor Fenton reported that the L&I are presently working on 37 vacant houses in the Township. The owners through financial difficulties lost most of the homes. They have been working to ensure that the property is maintained and the appearance does not become a nuisance to the neighborhood. We are also working with Bucks County Redevelopment Authority to address burnt out and blighted properties. President Lipsack requested that Council put a lien on any property that the Township has to maintain if the owner does not comply. Council decided to have the solicitor look into the issue to determine the legal aspect.

Presentation of Emergency Services Grant by State Representative Tony Melio. Sate Representative Melio presented a grant in the amount of \$35,000.00 to our Emergency Services.

MONTHLY REPORTS AVAILABLE IN THE MANAGER'S OFFICE

COUNCIL	ACTION
APPROVED:	<input checked="" type="checkbox"/>
DENIED:	<input type="checkbox"/>
DATE:	10/10/03

B-12

REPORT FROM MANAGING DIRECTOR

- A. Discussion regarding Transportation Enhancements Program- Information only.
- B. Discussion regarding Privacy Policy – HIPPA- (Protected Health Information) Councilman Worthington called for a motion for the Township to approved the policy. Second by Councilman Monahan. All ayes. Motion approved. (4-0)
- C. Discussion regarding Site Development Plan Review – Winder Village Civic Association Trailer-Councilman Monahan called for a motion to grant waivers and discuss use with zoning officer. Second by Councilman Worthington. All ayes. Motion approved.
- D. Discussion regarding amendments to Township Park Ordinance. No action taken.
- E. Discussion of project proposed by Holy Family University and the Family of Young Men's Christian Association for Consideration by the Bristol Township Industrial Development Authority. To be discussed at a future meeting.
- F. Subdivision Approval:
  - a. Gwendolyn and Jane Hinchcliffe, 269 29<sup>th</sup> Street, Avalon, NJ, requesting Preliminary and Final Subdivision approval for the property located at 2809 Bath Road, Bristol Township (Tax Parcel # 5-25-4) in an R-1 Residential Zoning District. Councilman Worthington called for a motion to approve subdivision and deferred recreational fee until land is developed. Second by Councilman Monahan. All ayes. Motion approved.
  - b. Councilman Worthington called for a motion to advertise and accept bids for curbing @ the Randall Avenue Bridge. Second by Councilman Monahan. All ayes.

REPORT FROM PUBLIC WORKS DIRECTOR

Recommendation regarding parking in Appletree Section. No Parking in the following areas during school hours. Red Cedar to 302 New Falls Road to Red Cedar Turn, Rocky Pool Lane, entire street, Rolling Lane, from Red Cedar Drive to Ridge Lane. In the Appletree Section, Ambling Lane to Appletree Turn, Ambling Lane to Appletree Place, Autumn Lane to #2 to April Lane and Apricot Lane from #2 to #31. Councilman Worthington called for a motion to approve "No Parking during school hours in these areas". Second by Councilman Monahan. All ayes.

1208 Tasker Street, 2nd Floor  
Philadelphia, PA 19148



© DELIVER WALLET OR DUPLICATE

MEMO

MEMO NO. 2360733771:36 0260205215 0144

PAY TO THE ORDER OF *CA HOLDINGS*

*John Howard Davis*

PENNSYLVANIA SAVINGS BANK  
Philadelphia, Pennsylvania

DATE *11/15/11*

3-7337/2360  
360260205216

144

DOLLARS *Five Hundred*

MP

SAVING BANK

C-1



PENNSYLVANIA  
Department of State

## Corporations

[Corporations](#) | [Forms](#) | [Contact Corporations](#) | [Business Services](#)

Search  
By Business Name  
By Business Entity ID  
Verify  
Verify Certification

### Business Entity Filing History

Date: 7/5/2007

(Select the link above to view the  
Business Entity's Filing History)

#### Business Name History

Name	Name Type
BRISTOL TOWNSHIP, PENNSYLVANIA WARDOG MEMORIAL, INC.	Current Name

#### Non-Profit (Non Stock) - Domestic - Information

Entity Number:	3258808
Status:	Active
Entity Creation Date:	10/26/2004 8:56:48 AM
Principal Office Address:	3148 STATE RD BENSALEM PA 19020-
Mailing Address:	No Address

[Home](#) | [Site Map](#) | [Site Feedback](#) | [View as Text Only](#) | [Employment](#)



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Commonwealth of PA Privacy Statement

C-2

# BRISTOL TOWNSHIP

BUCKS COUNTY  
2501 BATH ROAD  
BRISTOL, PENNSYLVANIA 19007

P.O. NO.

DATE OF P.O. <b>5/13/02</b>	REQUESTED BY - SIGNATURE <b>Mayor Fenton</b>	VENDOR CODE	REQUISITION APPROVED BY			
			MANAGER	DATE	FINANCE	DATE
TYPE OF ORDER <input type="checkbox"/> ORIGINAL <input type="checkbox"/> CONFIRMING		BRISTOL TOWNSHIP IS AN EQUAL OPPORTUNITY EMPLOYER		DATE DELIVERY REQUIRED	TERMS	FOB

**V  
E  
N  
D  
O  
R**

Mario Ribeca  
Ceramic Tile Consultant

SHIP TO

PLEASE ENTER OUR ORDER AND FURNISH THE FOLLOWING SUBJECT TO THE CONDITIONS BELOW

PURCHASE ORDER DATE	P.O. NUMBER
---------------------	-------------

ACCOUNTING CODE	QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL PRICE
			War Dog Memorial - Granite - five 1 1/4" by 3'X4' two 4'X8'x8" one 5'X8'X8" includes drilling & delivery to site  TOTAL \$ 25,800.00 1/2 down payment of \$ 12,900.00		12900 00
			ORDER NO. _____ VENDOR NO. _____ INVOICE NO. _____ INVOICE DATE _____ PAID BY _____ GROSS AMT. _____ P.O. NO. _____ CHECK NO. _____ ACCOUNT NO. _____ APPROVED BY _____		

**CONDITIONS**

TOWNSHIP IS EXEMPT FROM SALES AND FEDERAL EXCISE TAXES. EXEMPTION CERTIFICATES FURNISHED ON REQUEST. MAIL INVOICE WITH ORIGINAL BILL OF LADING ON DAY OF SHIPMENT. WE REQUIRE IN EACH BOX OR PACKAGE A MEMORANDUM OF CONTENTS AND SHIPPER'S NAME. THIS ORDER IS ACCEPTABLE ONLY ON PRICES AND TERMS STATED. WE RESERVE THE RIGHT TO CANCEL THIS ORDER IF MATERIAL IS NOT SHIPPED WITHIN THE TIME SPECIFIED. GOODS SUBJECT TO OUR INSPECTION. PURCHASE ORDER NUMBER MUST BE SHOWN ON ALL INVOICES, CARTONS, PACKAGES, CONTAINERS, TAGS, LABELS AND CORRESPONDENCE.

ALPHABETIC

**PURCHASE ORDER APPROVED**

DATE \_\_\_\_\_

BY \_\_\_\_\_ **C-3** \_\_\_\_\_

AUTHORIZED SIGNATURE



THIS DOCUMENT CONTAINS ULTRAVIOLET FIBERS, CHEMICAL REACTIVE PAPER, MICROPRINT SIGNATURE LINE, BLEED THROUGH NUMBERING, AND A SIMULATED WATERMARK ON THE BACK

**Bristol Township Council**  
 2501 Bath Road  
 Bristol, PA 19007

DISBURSEMENT FUND #31  
 COMMERCE BANK  
 PENNSYLVANIA, PA 19001

001933

TWELVE THOUSAND NINE HUNDRED DOLLARS AND 00 CENTS

7002 MAY 14 2002 DATE

PAY TO THE ORDER OF

MARIO RIBECA & SONS  
 8 ORCHARD AVENUE  
 PENNINGTON, NJ 08534

05/14/02

AMOUNT \$12,900.00

090334735 201 10 2531 2061  
 050188894 404

*Suzanne M. ...*

000002100001

FHLB-NY 0212-0639  
 FEB-PHILA\*RCPC-GROUP 0263644820  
 0502 05/14/02 05/15/2002  
 090334735 05-15-02 000033 0658 11  
 Roma FSE 609-599-9301 >231271378< 05/14/2002

*W.P.*  
 0319027860  
 M. Ribeca & Sons  
 DEPOSIT ON LY

**PURCHASE REQUISITION/RAPID PURCHASE ORDER**

**BRISTOL TOWNSHIP**

BUCKS COUNTY  
2501 BATH ROAD  
BRISTOL, PENNSYLVANIA 19007

P.O. NO. \_\_\_\_\_

DATE OF P.O. 10/18/02	REQUESTED BY - SIGNATURE Mayor Fenton (war dogs)	VENDOR CODE	REQUISITION APPROVED BY			
			MANAGER	DATE	FINANCE	DATE

TYPE OF ORDER <input type="checkbox"/> ORIGINAL <input type="checkbox"/> CONFIRMING	BRISTOL TOWNSHIP IS AN EQUAL OPPORTUNITY EMPLOYER	DATE DELIVERY REQUIRED	TERMS	FOB
---	--	---------------------------	-------	-----

<b>V E N D O R</b>	Woods Lane Complex 12 Verduci Drive Newtown, Pa. 18940
--	--

SHIP TO	
------------	--

PLEASE ENTER OUR ORDER AND FURNISH THE FOLLOWING SUBJECT TO THE CONDITIONS BELOW	PURCHASE ORDER DATE	P.O. NUMBER
---	---------------------	-------------

ACCOUNTING CODE	QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL PRICE
War Dog Fund			reimburse Woods Lane Complex for IGM International Granite & Marble Corp. ship to M. Ribeca & Sons and delivered to Bristol Township ( see invoice of M. Ribeca & Sons #22 dated 5/13/02		4940 00

*\* Special  
check  
please*

**CONDITIONS**  
TOWNSHIP IS EXEMPT FROM SALES AND FEDERAL EXCISE TAXES. EXEMPTION CERTIFICATES FURNISHED ON REQUEST. MAIL INVOICE WITH ORIGINAL BILL OF LADING ON DAY OF SHIPMENT. WE REQUIRE IN EACH BOX OR PACKAGE A MEMORANDUM OF CONTENTS AND SHIPPER'S NAME. THIS ORDER IS ACCEPTABLE ONLY ON PRICES AND TERMS STATED. WE RESERVE THE RIGHT TO CANCEL THIS ORDER IF MATERIAL IS NOT SHIPPED WITHIN THE TIME SPECIFIED. GOODS SUBJECT TO OUR INSPECTION. PURCHASE ORDER NUMBER MUST BE SHOWN ON ALL INVOICES, CARTONS, PACKAGES, CONTAINERS, TAGS, LABELS AND CORRESPONDENCE.

<b>PURCHASE ORDER APPROVED</b>	
DATE _____	
BY _____	C-5
AUTHORIZED SIGNATURE	

ALPHABETIC



INTERNATIONAL GRANITE & MARBLE CORP.  
2038 83RD STREET • P.O. BOX 3 • NORTH BERGEN, N.J. 07047

North Bergen, NJ  
600-446-2677  
Alexandria, VA

Atlanta, GA  
770-739-5877  
Chicago, IL

Columbus, OH  
614-851-1332  
Dallas, TX

Miami, FL  
305-697-3959  
Houston, TX

Windsor, CT  
860-238-0368

P. 1/1  
NO. 425

TO: NOB #1

SHIP TO:

BILL TO:

I G M / NORTH BERGEN  
2038 83RD STREET  
P.O. BOX 3  
NORTH BERGEN

M. RIBECA & SONS  
417 ROBBINS AVENUE

M. RIBECA & SON  
417 ROBBINS AV

ORDER DT--DATE REQ--ST  
10/11/02 10/11/02 01  
FRIDAY

LINE#----ITEM#-----

2010 CTSABBITYPE A

20 CTSABBITYPE B

INTL. GRANITE & MARBLE  
10:34AM

WOODS LANE COMPLEX 143  
12 VERDUCI DRIVE  
NEWTOWN, PA 18940 60-7279/2313  
Date 10-18-02

Pay to the Order of I G M \$ 4940.00  
Four thousand, nine hundred + forty Dollars

William Penn Savings LOAN ASSOCIATION

For Bristol Temp Granite Lydia Verdeira  
⑆231372798⑆ 03 2316002⑆ 12 0143

deposit made w/ copy via wire

Balance Due: \$4940.00

Mauro, Please Advise Shipping Address & Date you need Delivery. I can't give you - 30 days. All cut-to-size work MUST BE C.O.D.

THANKS, Mauro

WOODS LANE COMPLEX 143  
12 VERDUCI DRIVE  
NEWTOWN, PA 18940 60-7279/2313  
Date 10-18-02

Pay to the Order of I G M \$ 4940.00  
Four thousand, nine hundred + forty Dollars

William Penn Savings LOAN ASSOCIATION

For Bristol Temp Granite Lydia Verdeira  
⑆231372798⑆ 03 2316002⑆ 12 0143

Total: 4 0 CT

Picked By: Date:

Received By: . . . . .

C-6

THIS DOCUMENT CONTAINS ULTRAVIOLET FIBERS, CHEMICAL REACTIVE PAPER, MICROPRINT SIGNATURE LINE, BLEED THROUGH NUMBERING, AND A SIMULATED WATERMARK ON THE BACK

**Bristol Township Council**

2501 Bath Road  
Bristol PA 19007

DISBURSEMENT FUND

COMMERCE BANK  
PENNSYLVANIA, PA

003236

3-160  
360

\*\*\*\* FOUR THOUSAND NINE HUNDRED FORTY DOLLARS AND 00 CENTS \*\*\*\*

PAY TO THE ORDER OF

DATE

AMOUNT

WOODS LANE COMPLEX  
12 VERDUCI DRIVE  
NEWTOWN, PA 18940

10/21/02

\$4,940.00

*Samuel J. ...*  
*Suzanne ...*  
*...*

⑈003236⑈ ⑆03001808⑆ 36 201502 9E ⑆8081009E0⑆ ⑈9E2E00⑈

043001435 FHLB PGH. 0277697440  
PROCESSED R613 B11 P  
228152638 10-24-02 08 00001100  
228152638 10-24-02 08 00001109

(215) 945-1200  
NEWTOWN, PA  
FHLB 717-773-9

OS 00CP22 7009 8 38

FOR DEPOSIT ONLY  
25/2002  
WILLIAM PENN S/L

2316002

*Wanda Jones Computer  
for deposit only*

PROCESSED BANK SVC-752  
10252002

02177566

# BRISTOL TOWNSHIP

BUCKS COUNTY  
2501 BATH ROAD  
BRISTOL, PENNSYLVANIA 19007

P.O. NO.
----------

DATE OF P.O. 10/24/02	REQUESTED BY - SIGNATURE Mayor Fenton	VENDOR CODE	REQUISITION APPROVED BY			
			MANAGER	DATE	FINANCE	DATE
TYPE OF ORDER <input type="checkbox"/> ORIGINAL <input type="checkbox"/> CONFIRMING		BRISTOL TOWNSHIP IS AN EQUAL OPPORTUNITY EMPLOYER		DATE DELIVERY REQUIRED	TERMS	FOB

V E N D O R	A. V. Construction Inc. 12 Verduci Drive Newtown, Pa. 18940	
	SHIP TO	

PLEASE ENTER OUR ORDER AND FURNISH THE FOLLOWING SUBJECT TO THE CONDITIONS BELOW	PURCHASE ORDER DATE	P.O. NUMBER
---	---------------------	-------------

ACCOUNTING CODE	QUANTITY	UNIT	DESCRIPTION	UNIT PRICE	TOTAL PRICE
War Dog Memorial Fund			Reimburse A. V. Construction Inc. for Check # 8214 for final payment to M. Ribeca & Sons Invoice 22 dated 5/13/02 (attached)		7960 00
			Granite \$ 25,800.00 12,900.00 deposit 4,940.00 delivery 7960.00 balance due		7960 00

**CONDITIONS**  
TOWNSHIP IS EXEMPT FROM SALES AND FEDERAL EXCISE TAXES. EXEMPTION CERTIFICATES FURNISHED ON REQUEST. MAIL INVOICE WITH ORIGINAL BILL OF LADING ON DAY OF SHIPMENT. WE REQUIRE IN EACH BOX OR PACKAGE A MEMORANDUM OF CONTENTS AND SHIPPER'S NAME. THIS ORDER IS ACCEPTABLE ONLY ON PRICES AND TERMS STATED. WE RESERVE THE RIGHT TO CANCEL THIS ORDER IF MATERIAL IS NOT SHIPPED WITHIN THE TIME SPECIFIED. GOODS SUBJECT TO OUR INSPECTION. PURCHASE ORDER NUMBER MUST BE SHOWN ON ALL INVOICES, CARTONS, PACKAGES, CONTAINERS, TAGS, LABELS AND CORRESPONDENCE.

<b>PURCHASE ORDER APPROVED</b>	
DATE _____	
BY _____	C-8
AUTHORIZED SIGNATURE	

8214

A. V. CONSTRUCTION, INC.  
12 VERDUCI DR.  
NEWTOWN, PA 18940


DATE 10-21-02 3-50/310

PAY  
TO THE  
ORDER OF

M. Rebecca + Sons

\$ 7960.00

THE SUM 7960 DOLS 00 CTS

DOLLARS  Security Features  
Imprinted  
Circle on Back

**FIRST  
UNION**

First Union National Bank  
firstunion.com  
Org. 075 R/T 031000503

FOR

paid in full (war dog memorial)

A. J. Toliver

⑈00008714⑈ ⑆031000503⑆ 2000022187419⑈

THIS DOCUMENT CONTAINS ULTRAVIOLET FIBERS, CHEMICAL REACTIVE PAPER, MICROPRINT SIGNATURE LINE, BLEED THROUGH NUMBERING, AND A SIMULATED WATERMARK ON THE BACK

**Bristol Township Council**

2501 Bath Road  
Bristol PA 19007

DISBURSEMENT FUND

COMMERCE BANK  
PENNSYLVANIA, PA

003248

3-160  
360

SEVEN THOUSAND NINE HUNDRED SIXTY DOLLARS AND 00 CENTS

PAY TO THE ORDER OF

DATE

AMOUNT

10/25/02

\$7,960.00

A.V. CONSTRUCTION, INC.  
12 VERDUCCI DRIVE  
NEWTOWN PA 18940

*[Signature]*  
*[Signature]*

⑈003248⑈ ⑆036001808⑆ 36 205719 ⑈ ⑆12 912502 36 1808100930⑆ ⑆872 E00⑈ ⑆00095100887⑆ ⑆26900796000⑆

0212312620  
R031 B9 P1

NOV - 1 02

COMMERCE BANK  
11/04/2002

61  
47319

2218741

A.V. Construction Inc.  
for Deposit Only

⑈0310000114⑈  
FIRST UNION NATL INC-732  
PHILADELPHIA PA 19104

⑈000000000000⑈

**ROBERT SCANDONE**  
ATTORNEY AT LAW

SUITE 200  
1800 JOHN F. KENNEDY BOULEVARD  
PHILADELPHIA, PA 19103  
(215) 563-6571  
FAX (215) 854-0083



April 28, 2006

Ms. Kathleen Hoover  
Bristol Township  
2501 Bath Road  
Bristol, PA 19007

RE: War Dog Memorial

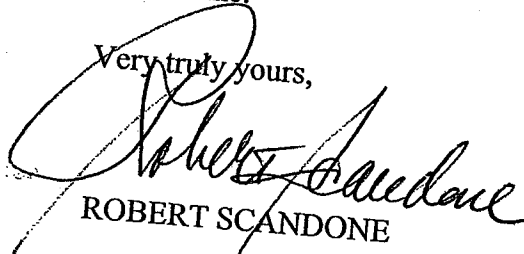
Dear Ms. Hoover:

Please advised that I represent A. V. Construction, Inc., and Anthony Verduci.

As you are aware, Mr. Verduci has been holding the last monies owed to M. Ribeca & Sons for the last five pieces of granite. The money has been held because the Township has been unable to decide on the final dimensions for the granite, and therefore, M. Ribeca & Sons have not been able to deliver the last pieces. It makes no sense for Mr. Verduci to continue to hold the money awaiting the Township's decision. Consequently, I am sending you two checks, one for \$7,960, the amount owed to M. Ribeca & Sons and a check in the amount of \$868 for the interest earned on that money. When the Township decides on the dimensions and finalizes its plans, it can handle the final payment to the vendor.

If you have any questions, please feel free to contact me.

Very truly yours,

  
ROBERT SCANDONE

RS/ca  
Enclosures  
cc Mr. Anthony Verduci

*Suzanne -  
I was <sup>not</sup> aware of  
this -  
forward to your  
attention  
D*



# CAMPAIGN FINANCE REPORT

(COVER PAGE)

(NOTE: This report must be clear and legible. It may be typed or printed in blue or black ink.)

**Filer Identification Number:** 01403      **Report Filed By:** CANDIDATE <sup>1.</sup>      COMMITTEE <sup>2.</sup>      LOBBYIST <sup>3.</sup>

**Name of Filing Committee, Candidate or Lobbyist:** BDSC

**Street Address:** 11 Grove Lane

**City:** Loudstown PA      **State:** PA      **Zip Code:** 19055

<b>TYPE OF REPORT</b>  (place X to the right of report type)	1. 0TH TUESDAY PRE-PRIMARY	2. 2ND FRIDAY PRE-PRIMARY	3. 30 DAY POST-PRIMARY	4. 0TH TUESDAY PRE-ELECTION	5. 2ND FRIDAY PRE-ELECTION	6. 30 DAY POST-ELECTION	AMENDMENT REPORT YES <input type="checkbox"/> NO <input type="checkbox"/>	
	7. ANNUAL REPORT	YEAR	FILING METHOD CHECK ONE	PAPER <input type="checkbox"/>	DISKETTE <input type="checkbox"/>	TERMINATION REPORT YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>	YES <input type="checkbox"/> NO <input type="checkbox"/>
	Name of Office Sought by Candidate: <u>Mayor, Council</u>		DATE OF ELECTION: MO. DAY YEAR <u>11 05 2002</u>		District Number <u>0TH</u>	Office Code <u>D</u>	Party Code <u>D</u>	County Code <u>Bucks</u>

(SEE INSTRUCTIONS FOR CODES)

**Summary of Receipts and Expenditures from:**

A. Amount Brought Forward From Last Report	MO.	DAY	YEAR	To	MO.	DAY	YEAR
	<u>11</u>	<u>11</u>	<u>2002</u>		<u>11</u>	<u>21</u>	<u>2002</u>
B. Total Monetary Contributions and Receipts (From Schedule I)	\$ <u>10000.00</u>						
C. Total Funds Available (Sum of Lines A and B)	\$ <u>10000.00</u>						
D. Total Expenditures (From Schedule III)	\$ <u>3410.00</u>						
E. Ending Cash Balance (Subtract Line D from Line C)	\$ <u>6590.00</u>						
F. Value of In-Kind Contributions Received (From Schedule II)	\$ <u>0</u>						
G. Unpaid Debts and Obligations (From Schedule IV)	\$ <u>0</u>						

**FOR OFFICE USE ONLY**

COUNTY OF BUCKS  
BOARD OF ELECTIONS

02 OCT 24 AM 11:13

**AFFIDAVIT SECTION**

**PART I** I swear (or affirm) that this report, including the attached schedules, on paper or computer diskette, are to the best of my knowledge and belief true, correct and complete.

Sworn to and subscribed before me this 22<sup>nd</sup> day of October 2002

Lisa Marie Blouch Smith }  
 Signature of Person Submitting Report  
KATHY H BRUSSEL  
 Printed Name  
215 }  
 Area Code      446-2841  
 Daytime Telephone Number

My commission expires Lisa Marie Blouch Smith, Notary Public  
11th Twp., Bucks County  
My Commission Expires Mar. 8, 2006.

**PART II** I swear (or affirm) that to the best of my knowledge and belief this political committee has not violated any provisions of the Act of June 3, 1937 P.L. 1333, No. 320 as amended.

Sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
 Signature of Candidate

\_\_\_\_\_  
 Printed Name

\_\_\_\_\_  
 Area Code      \_\_\_\_\_  
 Daytime Telephone Number

My commission expires \_\_\_\_\_ MO. \_\_\_\_\_ DAY \_\_\_\_\_ YR.

Bucks County Board of Elections    55 East Court Street  
 Doylestown PA 18901    (phone) 215-348-6154    (fax) 215-348-6387

# CONTRIBUTIONS AND RECEIPTS

## Detailed Summary Page

Name of Filing Committee or Candidate <div style="font-size: 2em; font-family: cursive; text-align: center;">BOSC</div>	Reporting Period From <u>06/11/02</u> To <u>10/21/02</u>
--	---

<b>1. UNITEMIZED CONTRIBUTIONS AND RECEIPTS - \$50.00 OR LESS PER CONTRIBUTOR</b>	
TOTAL for the Reporting Period	(1) \$ 0

<b>2. CONTRIBUTIONS \$50.01 TO \$250.00 (FROM PART A AND PART B)</b>	
Contributions Received from Political Committees (Part A)	\$ 0
All Other Contributions (Part B)	\$ 0
TOTAL for the Reporting Period	(2) \$ 0

<b>3. CONTRIBUTIONS OVER \$250.00 (FROM PART C AND PART D)</b>	
Contributions Received from Political Committees (Part C)	\$ 10000 <sup>00</sup>
All Other Contributions (Part D)	\$ 0
TOTAL for the Reporting Period	(3) \$ 10000 <sup>00</sup>

<b>4. OTHER RECEIPTS - REFUNDS, INTEREST EARNED, RETURNED CHECKS, ETC. (FROM PART E)</b>	
TOTAL for the Reporting Period	(4) \$ 0

<b>TOTAL MONETARY CONTRIBUTIONS AND RECEIPTS DURING THIS REPORTING PERIOD</b> (Add and enter amount totals from Boxes 1, 2, 3 and 4; also enter this amount on Page 1, Report Cover Page, Item B.)	\$ 10000 <sup>00</sup>
--	------------------------

# CONTRIBUTIONS RECEIVED FROM POLITICAL COMMITTEES

\$50.01 TO \$250.00

Use this Part to itemize only contributions received from political committees with an aggregate value from \$50.01 to \$250.00 in the reporting period.

Name of Filing Committee or Candidate <div style="text-align: center; font-size: 1.5em; font-family: cursive;">BOSC</div>	Reporting Period From <u>06/11/08</u> To <u>10/21/08</u>
--	---

Full Name of Contributing Committee	DATE			AMOUNT
	MO.	DAY	YEAR	
Mailing Address				\$
City				\$
State				
Zip Code (Plus 4)				
Full Name of Contributing Committee				\$
Mailing Address				\$
City				\$
State				
Zip Code (Plus 4)				
Full Name of Contributing Committee				\$
Mailing Address				\$
City				\$
State				
Zip Code (Plus 4)				
Full Name of Contributing Committee				\$
Mailing Address				\$
City				\$
State				
Zip Code (Plus 4)				
Full Name of Contributing Committee				\$
Mailing Address				\$
City				\$
State				
Zip Code (Plus 4)				
Full Name of Contributing Committee				\$
Mailing Address				\$
City				\$
State				
Zip Code (Plus 4)				
Full Name of Contributing Committee				\$
Mailing Address				\$
City				\$
State				
Zip Code (Plus 4)				
Full Name of Contributing Committee				\$
Mailing Address				\$
City				\$
State				
Zip Code (Plus 4)				
Full Name of Contributing Committee				\$
Mailing Address				\$
City				\$
State				
Zip Code (Plus 4)				

Enter Grand Total of Part A on Schedule I, Detailed Summary Page, Section 2.

PAGE TOTAL
\$ <span style="font-size: 1.5em;">0</span>

# ALL OTHER CONTRIBUTIONS

\$50.01 TO \$250.00

Use this Part to itemize all other contributions with an aggregate value from  
\$50.01 to \$250.00 in the reporting period.  
(Exclude contributions from political committees reported in Part A.)

Name of Filing Committee or Candidate <div style="font-size: 2em; font-family: cursive; text-align: center;">BASC</div>	Reporting Period From <u>06/11/02</u> To <u>10/21/02</u>
--	---

Full Name of Contributor	DATE			AMOUNT
	MO.	DAY	YEAR	
Mailing Address				\$
City				\$
State				\$
Zip Code (Plus 4)				\$
Full Name of Contributor				\$
Mailing Address				\$
City				\$
State				\$
Zip Code (Plus 4)				\$
Full Name of Contributor				\$
Mailing Address				\$
City				\$
State				\$
Zip Code (Plus 4)				\$
Full Name of Contributor				\$
Mailing Address				\$
City				\$
State				\$
Zip Code (Plus 4)				\$
Full Name of Contributor				\$
Mailing Address				\$
City				\$
State				\$
Zip Code (Plus 4)				\$

Enter Grand Total of Part B on Schedule I, Detailed Summary Page, Section 2.

PAGE TOTAL \$ <span style="font-size: 1.5em; font-family: cursive;">0</span>
---



# ALL OTHER CONTRIBUTIONS

OVER \$250.00

Use this Part to itemize all other contributions with an aggregate value of  
over \$250.00 in the reporting period.  
(Exclude contributions from political committees reported in Part C.)

Name of Filing Committee or Candidate <div style="text-align: center; font-size: 1.5em; font-family: cursive;">BQSC</div>	Reporting Period From <u>06/11/08</u> To <u>10/31/08</u>
--	---

Full Name of Contributor	DATE			AMOUNT
	MO.	DAY	YEAR	
Mailing Address				\$
City				\$
State				
Zip Code (Plus 4)				
Employer Name				\$
Occupation				
Employer Mailing Address/Principal Place of Business				
Mailing Address				\$
City				\$
State				
Zip Code (Plus 4)				
Employer Name				\$
Occupation				
Employer Mailing Address/Principal Place of Business				
Mailing Address				\$
City				\$
State				
Zip Code (Plus 4)				
Employer Name				\$
Occupation				
Employer Mailing Address/Principal Place of Business				
Mailing Address				\$
City				\$
State				
Zip Code (Plus 4)				
Employer Name				\$
Occupation				
Employer Mailing Address/Principal Place of Business				
Mailing Address				\$
City				\$
State				
Zip Code (Plus 4)				
Employer Name				\$
Occupation				
Employer Mailing Address/Principal Place of Business				

Enter Grand Total of Part D on Schedule I, Detailed Summary Page, Section 3.

PAGE TOTAL \$ 0	D-6
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# OTHER RECEIPTS

REFUNDS, INTEREST INCOME, RETURNED CHECKS, ETC.

Use this Part to report refunds received, interest earned, returned checks and prior expenditures that were returned to the filer.

Name of Filing Committee or Candidate <div style="text-align: center; font-size: 1.5em; font-family: cursive;">BASC</div>	Reporting Period From <u>06/11/08</u> To <u>10/21/08</u>
--	---

Full Name						
Mailing Address						
City	State	Zip Code (Plus 4)	MO	DAY	YEAR	Amount
		-				\$
Receipt Description						

Full Name						
Mailing Address						
City	State	Zip Code (Plus 4)	MO	DAY	YEAR	Amount
		-				\$
Receipt Description						

Full Name						
Mailing Address						
City	State	Zip Code (Plus 4)	MO	DAY	YEAR	Amount
		-				\$
Receipt Description						

Full Name						
Mailing Address						
City	State	Zip Code (Plus 4)	MO	DAY	YEAR	Amount
		-				\$
Receipt Description						

Full Name						
Mailing Address						
City	State	Zip Code (Plus 4)	MO	DAY	YEAR	Amount
		-				\$
Receipt Description						

Full Name						
Mailing Address						
City	State	Zip Code (Plus 4)	MO	DAY	YEAR	Amount
		-				\$
Receipt Description						

Enter Grand Total of Part E on Schedule I, Detailed Summary Page, Section 4.

PAGE TOTAL
\$ 0 D-7

# IN-KIND CONTRIBUTIONS AND VALUABLE THINGS RECEIVED

USE THIS SCHEDULE TO REPORT ALL IN-KIND CONTRIBUTIONS OF VALUABLE THINGS DURING THE REPORTING PERIOD.

## Detailed Summary Page

Name of Filing Committee or Candidate	Reporting Period
BOSC	From 06/11/02 To 10/21/02

<b>1. UNITEMIZED IN-KIND CONTRIBUTIONS RECEIVED - VALUE OF \$50.00 OR LESS PER CONTRIBUTOR</b>	
TOTAL for the Reporting Period	(1) \$

<b>2. IN-KIND CONTRIBUTIONS RECEIVED - VALUE OF \$50.01 TO \$250.00 (FROM PART F)</b>	
TOTAL for the Reporting Period	(2) \$

<b>3. IN-KIND CONTRIBUTION RECEIVED - VALUE OVER \$250.00 (FROM PART G)</b>	
TOTAL for the Reporting Period	(3) \$

<b>TOTAL VALUE OF IN-KIND CONTRIBUTIONS DURING THIS REPORTING PERIOD</b> (Add and enter amount totals from Boxes 1, 2, and 3; also enter on Page 1, Report Cover Page, Item F.)	\$ 0
---	------



**SCHEDULE II  
PART F  
IN-KIND CONTRIBUTIONS RECEIVED**

VALUE OF \$50.01 TO \$250.00

Name of Filing Committee or Candidate <p align="center" style="font-size: 2em;"><i>BASC</i></p>	Reporting Period From <i>10/11/02</i> To <i>10/21/02</i>
--	---

Full Name of Contributor	DATE			AMOUNT
	MO.	DAY	YEAR	
Mailing Address				\$
City				\$
State				\$
Zip Code (Plus 4)				\$
Description of Contribution:				
Full Name of Contributor				
Mailing Address				
City				
State				
Zip Code (Plus 4)				
Description of Contribution:				
Full Name of Contributor				
Mailing Address				
City				
State				
Zip Code (Plus 4)				
Description of Contribution:				
Full Name of Contributor				
Mailing Address				
City				
State				
Zip Code (Plus 4)				
Description of Contribution:				
Full Name of Contributor				
Mailing Address				
City				
State				
Zip Code (Plus 4)				
Description of Contribution:				
Full Name of Contributor				
Mailing Address				
City				
State				
Zip Code (Plus 4)				
Description of Contribution:				
Full Name of Contributor				
Mailing Address				
City				
State				
Zip Code (Plus 4)				
Description of Contribution:				

After Grand Total of Part F on Schedule II, In-Kind Contributions Detailed Summary Page, Section 2.

PAGE TOTAL \$ <i>0</i> <i>D-9</i>
--------------------------------------

**PART G  
IN-KIND CONTRIBUTIONS RECEIVED**

VALUE OVER \$250.00

Name of Filing Committee or Candidate <p align="center" style="font-size: 2em;"><i>BASC</i></p>	Reporting Period From <u>06/11/02</u> To <u>10/21/02</u>
--	---

Full Name of Contributor	DATE			AMOUNT
	MO.	DAY	YEAR	
Mailing Address				\$
City				\$
State				\$
Zip Code (Plus 4)				\$
Employer of Contributor	Occupation			
Employer Mailing Address/Principal Place of Business	Description of Contribution			
Mailing Address				\$
City				\$
State				\$
Zip Code (Plus 4)				\$
Employer of Contributor	Occupation			
Employer Mailing Address/Principal Place of Business	Description of Contribution			
Mailing Address				\$
City				\$
State				\$
Zip Code (Plus 4)				\$
Employer of Contributor	Occupation			
Employer Mailing Address/Principal Place of Business	Description of Contribution			
Mailing Address				\$
City				\$
State				\$
Zip Code (Plus 4)				\$
Employer of Contributor	Occupation			
Employer Mailing Address/Principal Place of Business	Description of Contribution			
Mailing Address				\$
City				\$
State				\$
Zip Code (Plus 4)				\$
Employer of Contributor	Occupation			
Employer Mailing Address/Principal Place of Business	Description of Contribution			

Enter Grand Total of Part G on Schedule II, In-Kind Contributions Detailed Summary Page, Section 3.

PAGE TOTAL \$ <u>0</u> D-10
--------------------------------

STATEMENT OF EXPENDITURES

Name of Filing Committee or Candidate: BOSC Reporting Period: From 06/11/08 To 10/21/08

To Whom Paid: Levittown Printing  
 Mailing Address: 1433 Hannes Road  
 City: Levittown State: PA Zip Code (Plus 4): 19055  
 MO: 6 DAY: 28 YEAR: 08 Amount: \$1000-  
 Description of Expenditure: LITERATURE

To Whom Paid: Mannings Restaurant  
 Mailing Address: Trenton Ave  
 City: Morrisville State: PA Zip Code (Plus 4): 19067  
 MO: 6 DAY: 28 YEAR: 08 Amount: \$500-  
 Description of Expenditure: FUND RAISER

To Whom Paid: Mannings Restaurant  
 Mailing Address: Trenton Ave  
 City: Morrisville State: PA Zip Code (Plus 4): 19067  
 MO: 6 DAY: 28 YEAR: 08 Amount: \$600-  
 Description of Expenditure: FUND RAISER

To Whom Paid: EGH Communications  
 Mailing Address: 31 Mulberry Lane  
 City: Levittown State: PA Zip Code (Plus 4): 19055  
 MO: 6 DAY: 28 YEAR: 08 Amount: \$1000-  
 Description of Expenditure: MAIL PIECE

To Whom Paid: Levittown Printing  
 Mailing Address: 1433 Hannes Road  
 City: Levittown State: PA Zip Code (Plus 4): 19055  
 MO: 7 DAY: 20 YEAR: 08 Amount: \$343-  
 Description of Expenditure: LITERATURE

To Whom Paid: Knock out graphics  
 Mailing Address: Hannes Road  
 City: Levittown State: PA Zip Code (Plus 4): 19055  
 MO: 8 DAY: 20 YEAR: 08 Amount: \$742-  
 Description of Expenditure: SIGNS

To Whom Paid: \_\_\_\_\_  
 Mailing Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code (Plus 4): \_\_\_\_\_  
 MO: \_\_\_\_\_ DAY: \_\_\_\_\_ YEAR: \_\_\_\_\_ Amount: \$  
 Description of Expenditure: \_\_\_\_\_

To Whom Paid: \_\_\_\_\_  
 Mailing Address: \_\_\_\_\_  
 City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code (Plus 4): \_\_\_\_\_  
 MO: \_\_\_\_\_ DAY: \_\_\_\_\_ YEAR: \_\_\_\_\_ Amount: \$  
 Description of Expenditure: \_\_\_\_\_

Enter Grand Total of Expenditures on Page 1, Report Cover Page, Item D.

PAGE TOTAL  
\$3410 D-11

**SCHEDULE IV  
STATEMENT OF UNPAID DEBTS**

Use this Section to itemize all unpaid debts and obligations which are outstanding at the end of the reporting period.

Name of Filing Committee or Candidate <p align="center" style="font-size: 2em;"><i>BDSC</i></p>	Reporting Period From: <i>06/11/02</i> To: <i>10/21/02</i>
--	---

Name of Creditor					Outstanding Balance of Debt				
Mailing Address					\$				
City					DATE DEBT INCURRED	MO.	DAY	YEAR	
Description of Debt					State	Zip Code (Plus 4)			

Name of Creditor					Outstanding Balance of Debt				
Mailing Address					\$				
City					DATE DEBT INCURRED	MO.	DAY	YEAR	
Description of Debt					State	Zip Code (Plus 4)			

Name of Creditor					Outstanding Balance of Debt				
Mailing Address					\$				
City					DATE DEBT INCURRED	MO.	DAY	YEAR	
Description of Debt					State	Zip Code (Plus 4)			

Name of Creditor					Outstanding Balance of Debt				
Mailing Address					\$				
City					DATE DEBT INCURRED	MO.	DAY	YEAR	
Description of Debt					State	Zip Code (Plus 4)			

Name of Creditor					Outstanding Balance of Debt				
Mailing Address					\$				
City					DATE DEBT INCURRED	MO.	DAY	YEAR	
Description of Debt					State	Zip Code (Plus 4)			

Name of Creditor					Outstanding Balance of Debt				
Mailing Address					\$				
City					DATE DEBT INCURRED	MO.	DAY	YEAR	
Description of Debt					State	Zip Code (Plus 4)			

Enter Grand Total of Unpaid Debts on Page 1, Report Cover Page, Item G.

PAGE TOTAL
\$ <span style="font-size: 2em;"><i>0</i></span> <span style="margin-left: 20px;"><i>D-12</i></span>

COMMONWEALTH OF PENNSYLVANIA  
**CAMPAIGN FINANCE STATEMENT**

**TERMINATED**

File this in lieu of a full report *only if* aggregate receipts, expenditures, or liabilities incurred each did not exceed \$250.00 during the reporting period.

FILER IDENTIFICATION NUMBER		REPORT FILED ON BEHALF OF	CANDIDATE	COMMITTEE	LOBBYIST
NAME OF FILER BDSC					
STREET # Kathryn M Geissel Treasurer					
11 Grove La					
CITY Levittown PA 19055					
ZIP CODE					
TYPE OF REPORT (CHECK ONE)		NAME OF OFFICE SOUGHT BY CANDIDATE		DISTRICT NO.	PARTY
<input type="checkbox"/> 1ST TUESDAY PRE-PRIMARY <input checked="" type="checkbox"/> 2ND FRIDAY PRE-PRIMARY <input type="checkbox"/> 30 DAY POST-PRIMARY <input type="checkbox"/> 5TH TUESDAY PRE-ELECTION <input type="checkbox"/> 2ND FRIDAY PRE-ELECTION <input type="checkbox"/> 30 DAY POST-ELECTION <input type="checkbox"/> ANNUAL REPORT				09	Dem
		DATE OF ELECTION		05 08 07	
		DATES OF REPORTING PERIOD		04 30 07	
		CASH BALANCE AT END OF REPORTING PERIOD:		\$ 0	
		TOTAL AMOUNT OF FILER'S OUTSTANDING DEBTS OR LIABILITIES AT THE END OF REPORTING PERIOD:		\$ 0	
		AMENDMENT REPORT?		YES <input type="checkbox"/> NO <input type="checkbox"/>	
		TERMINATION REPORT?		YES <input checked="" type="checkbox"/> NO <input type="checkbox"/>	
		FOR OFFICE USE ONLY		07 MAY 16 AM 9:56 INACTIVE AND TERMINATION see attached termination letter OK	

COUNTY OF BUCKS  
 BOARD OF ELECTIONS

**AFFIDAVIT SECTION**

**PART I -**

If statement is filed on behalf of a Political Committee or Candidates's Committee, the Treasurer must sign here.  
 If statement is filed on behalf of a Candidate, the Candidate must sign here.  
 If statement is filed on behalf of a Contributing Lobbyist, the Lobbyist must sign here.

I SWEAR (OR AFFIRM) THAT THE AGGREGATE RECEIPTS OR DISBURSEMENTS OR LIABILITIES INCURRED DURING THE REPORTING PERIOD INDICATED ABOVE DID NOT EXCEED TWO HUNDRED AND FIFTY DOLLARS (\$250.00) AND THIS REPORT IS, TO THE BEST OF MY KNOWLEDGE AND BELIEF, TRUE, CORRECT AND COMPLETE.

SWORN TO AND SUBSCRIBED BEFORE ME THIS 1st DAY OF May 2007

[Signature]  
 SIGNATURE

MY COMMISSION EXPIRES 2 2 2008  
 MO. DAY YR.

[Signature]  
 SIGNATURE OF PERSON SUBMITTING REPORT

Kim Geissel  
 PRINTED NAME

215 813-9974  
 AREA CODE DAYTIME TELEPHONE NUMBER

**PART II -**

If statement is filed on behalf of a Candidate's Authorized Committee, Candidate must sign here.

**NOTARIAL SEAL**  
 GREGORY C. LUDWIG  
 Notary Public  
 CITY PHILADELPHIA PHILADELPHIA COUNTY  
 MY COMMISSION EXPIRES TO THE BEST OF MY KNOWLEDGE AND BELIEF THIS POLITICAL COMMITTEE HAS NOT VIOLATED ANY PROVISIONS OF THE ACT OF JUNE 30, 1957 (P.L. 1333, NO. 3) AS AMENDED.

SWORN TO AND SUBSCRIBED BEFORE ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
 SIGNATURE

MY COMMISSION EXPIRES \_\_\_\_\_ MO. DAY YR.

\_\_\_\_\_  
 SIGNATURE OF CANDIDATE

\_\_\_\_\_  
 PRINTED NAME

\_\_\_\_\_  
 AREA CODE \_\_\_\_\_ DAYTIME TELEPHONE NUMBER

April 30, 2007

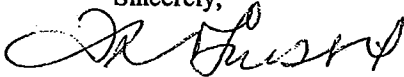
Board of Elections  
55 East Court Street  
Doylestown PA 18901

Reference-BDSC

Dear Sirs:

Please be advised that the above mentioned committee held an account where I was the Treasurer. On March 30, 2006 the balance in this account -\$4415. Was transferred transferred in its entirety into a new committee account titled Democrats for Responsible Government. I have indicated this as a termination report.

Sincerely,

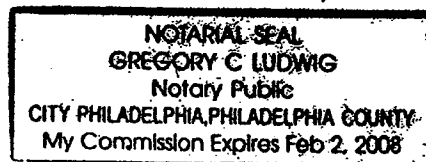
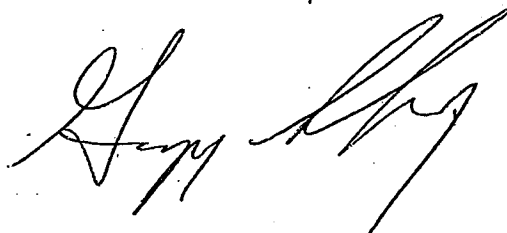


Kathryn M Geissel  
11 Grove Lane  
Levittown PA 19055  
Cell-215-813-9974

*This account previously had no transactions for years. There was no current paperwork filed for 2007.*



Sworn to and subscribed before me  
this 1st day of May 2007.



D-14

# CAMPAIGN FINANCE REPORT

(NOTE: This report must be clear and legible. It may be typed or printed in blue or black ink.)

\$20 fee

**Filer Identification Number:** Report Filed By: CANDIDATE <sup>1.</sup> COMMITTEE <sup>2.</sup>  LOBBYIST <sup>3.</sup>

**Name of Filing Committee, Candidate or Lobbyist:** BRISTOL DEMOCRATS FOR RESPONSIBLE GOVERNMENT

**Street Address:** Twp PO Box 1419 PAID 6-22  
# 2851

**City:** LEVITTOWN **State:** PA **Zip Code:** 19058 - 1419

<b>TYPE OF REPORT</b> <small>(place X to the right of report type)</small>	<input type="checkbox"/> 1. 1ST TUESDAY PRE-PRIMARY	<input checked="" type="checkbox"/> 2. 2ND FRIDAY PRE-PRIMARY	<input type="checkbox"/> 3. 30 DAY POST-PRIMARY	<input type="checkbox"/> AMENDMENT REPORT	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input checked="" type="checkbox"/>
	<input type="checkbox"/> 4. 1ST TUESDAY PRE-ELECTION	<input type="checkbox"/> 5. 2ND FRIDAY PRE-ELECTION	<input type="checkbox"/> 6. 30 DAY POST-ELECTION	<input type="checkbox"/> TERMINATION REPORT	<input type="checkbox"/> YES	<input type="checkbox"/> NO	<input checked="" type="checkbox"/>
	<input type="checkbox"/> 7. ANNUAL REPORT	<input type="checkbox"/> YEAR	<b>FILING METHOD</b> <input checked="" type="checkbox"/> PAPER <input type="checkbox"/> DISKETTE				

**Name of Office Sought by Candidate:** \_\_\_\_\_

**DATE OF ELECTION**  
MO: 11 DAY: 15 YEAR: 2007

**District Number:** \_\_\_\_\_ **Office Code:** \_\_\_\_\_ **Party Code:** DEM **County Code:** 09

(SEE INSTRUCTIONS FOR CODES)

Summary of Receipts and Expenditures from:	MO.	DAY	YEAR	To	MO.	DAY	YEAR	FOR OFFICE USE ONLY
	A. Amount Brought Forward From Last Report							
B. Total Monetary Contributions and Receipts (From Schedule I)								
C. Total Funds Available (Sum of Lines A and B)								
D. Total Expenditures (From Schedule III)								
E. Ending Cash Balance (Subtract Line D from Line C)								
F. Value of In-Kind Contributions Received (From Schedule II)								
G. Unpaid Debts and Obligations (From Schedule IV)								

**AFFIDAVIT SECTION**

**PART I** - If this is a Committee report, treasurer sign here. If this is a Candidate report, candidate sign here.

I swear (or affirm) that this report, including the attached schedules, on paper or computer diskette, are to the best of my knowledge and belief true, correct and complete.

Sworn to and subscribed before me this 3 day of May 2007

Lorrie Danneberg }  
 Notary Public  
 Bristol Twp., Bucks County  
 My commission expires Oct. 16, 2008

A. Pekarski }  
 Signature of Person Submitting Report  
A. Pekarski  
 Printed Name  
215 }  
 Area Code 669-2377  
 Daytime Telephone Number

**PART II** - If this is a report of a Candidate's Authorized Committee, candidate shall sign here.

I swear (or affirm) that to the best of my knowledge and belief this political committee has not violated any provisions of the Act of June 3, 1937 (P.L. 1333, No. 320) as amended.

Sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_

\_\_\_\_\_  
 Signature  
 My commission expires \_\_\_\_\_ MO. \_\_\_\_\_ DAY \_\_\_\_\_ YR. \_\_\_\_\_

\_\_\_\_\_  
 Signature of Candidate  
 \_\_\_\_\_  
 Printed Name  
 \_\_\_\_\_  
 Area Code \_\_\_\_\_ Daytime Telephone Number \_\_\_\_\_

# CONTRIBUTIONS AND RECEIPTS

Detailed Summary Page

Name of Filing Committee or Candidate <b>DEMOCRATS FOR RESPONSIBLE GOVERNMENT</b>	Reporting Period From <b>2.27.07</b> To <b>4.30.07</b>
--	---

1. UNITEMIZED CONTRIBUTIONS AND RECEIPTS - \$50.00 OR LESS PER CONTRIBUTOR	
<b>TOTAL for the Reporting Period</b>	(1) \$ <b>- 0 -</b>

2. CONTRIBUTIONS \$50.01 TO \$250.00 (FROM PART A AND PART B)	
Contributions Received from Political Committees (Part A)	\$ <b>- 0 -</b>
All Other Contributions (Part B)	\$ <b>200.00</b>
<b>TOTAL for the Reporting Period</b>	(2) \$ <b>200.00</b>

3. CONTRIBUTIONS OVER \$250.00 (FROM PART C AND PART D)	
Contributions Received from Political Committees (Part C)	\$ <b>- 0 -</b>
All Other Contributions (Part D)	\$ <b>4915.00</b>
<b>TOTAL for the Reporting Period</b>	(3) \$ <b>4915.00</b>

4. OTHER RECEIPTS - REFUNDS, INTEREST EARNED, RETURNED CHECKS, ETC. (FROM PART E)	
<b>TOTAL for the Reporting Period</b>	(4) \$ <b>- 0 -</b>

<b>TOTAL MONETARY CONTRIBUTIONS AND RECEIPTS DURING THIS REPORTING PERIOD</b> (Add and enter amount totals from Boxes 1, 2, 3 and 4; also enter this amount on Page 1, Report Cover Page, Item B.)	\$ <b>5,115.00</b>
--	--------------------



# ALL OTHER CONTRIBUTIONS

**\$50.01 TO \$250.00**

Use this Part to itemize all other contributions with an aggregate value from \$50.01 to \$250.00 in the reporting period.  
(Exclude contributions from political committees reported in Part A.)

Name of Filing Committee or Candidate <b>DEMOCRATS FOR RESPONSIBLE GOVERNMENT</b>	Reporting Period From <b>2.27.07</b> To <b>4.30.07</b>
--	---

Full Name of Contributor	DATE			AMOUNT
	MO.	DAY	YEAR	
Mailing Address <b>KENNETH MELKUN</b> <b>18 STARLIGHT LANE</b>	3	31	2007	\$ 200.00
City <b>LEVITTOWN</b> State <b>PA</b> Zip Code (Plus 4) <b>19055-</b>	MO.	DAY	YEAR	\$
Full Name of Contributor	MO.	DAY	YEAR	\$
Mailing Address	MO.	DAY	YEAR	\$
City	MO.	DAY	YEAR	\$
Full Name of Contributor	MO.	DAY	YEAR	\$
Mailing Address	MO.	DAY	YEAR	\$
City	MO.	DAY	YEAR	\$
Full Name of Contributor	MO.	DAY	YEAR	\$
Mailing Address	MO.	DAY	YEAR	\$
City	MO.	DAY	YEAR	\$
Full Name of Contributor	MO.	DAY	YEAR	\$
Mailing Address	MO.	DAY	YEAR	\$
City	MO.	DAY	YEAR	\$
Full Name of Contributor	MO.	DAY	YEAR	\$
Mailing Address	MO.	DAY	YEAR	\$
City	MO.	DAY	YEAR	\$
Full Name of Contributor	MO.	DAY	YEAR	\$
Mailing Address	MO.	DAY	YEAR	\$
City	MO.	DAY	YEAR	\$
Full Name of Contributor	MO.	DAY	YEAR	\$
Mailing Address	MO.	DAY	YEAR	\$
City	MO.	DAY	YEAR	\$
Full Name of Contributor	MO.	DAY	YEAR	\$
Mailing Address	MO.	DAY	YEAR	\$
City	MO.	DAY	YEAR	\$
Full Name of Contributor	MO.	DAY	YEAR	\$
Mailing Address	MO.	DAY	YEAR	\$
City	MO.	DAY	YEAR	\$

Enter Grand Total of Part B on Schedule I, Detailed Summary Page, Section 2.

PAGE TOTAL  
\$ 200.00 **D-17**

# ALL OTHER CONTRIBUTIONS

OVER \$250.00

Use this Part to itemize all other contributions with an aggregate value of  
over \$250.00 in the reporting period.

(Exclude contributions from political committees reported in Part C.)

Name of Filing Committee or Candidate <b>DEMOCRATS FOR RESPONSIBLE GOVERNMENT</b>	Reporting Period From <b>2.27.07</b> To <b>4.30.2007</b>
--	---

Full Name of Contributor	DATE	AMOUNT
<b>Tony VERDUCI</b>	MO: 4 DAY: 2 YEAR: 2007	\$ 4,415.00
Mailing Address <b>12 VERDUCI DRIVE</b>	MO: DAY: YEAR:	\$
City <b>NEWTOWN</b> State: <b>PA</b> Zip Code (Plus 4): <b>18940-</b>	MO: DAY: YEAR:	\$
Employer Name <b>A.V. CONSTRUCTION</b>	Occupation <b>CONSTRUCTION</b>	
Employer Mailing Address/Principal Place of Business <b>12 VERDUCI DRIVE, NEWTOWN, PA 18940</b>		

<b>STEAM FITTER'S LOCAL UNION 420</b>	MO: 4 DAY: 30 YEAR: 2007	\$ 500.00
Mailing Address <b>14400 TOWNSEND ROAD</b>	MO: DAY: YEAR:	\$
City <b>Philadelphia</b> State: <b>PA</b> Zip Code (Plus 4): <b>19154-</b>	MO: DAY: YEAR:	\$
Employer Name	Occupation <b>STEAM FITTER'S UNION</b>	
Employer Mailing Address/Principal Place of Business		

	MO: DAY: YEAR:	\$
Mailing Address	MO: DAY: YEAR:	\$
City	MO: DAY: YEAR:	\$
Employer Name	Occupation	
Employer Mailing Address/Principal Place of Business		

	MO: DAY: YEAR:	\$
Mailing Address	MO: DAY: YEAR:	\$
City	MO: DAY: YEAR:	\$
Employer Name	Occupation	
Employer Mailing Address/Principal Place of Business		

	MO: DAY: YEAR:	\$
Mailing Address	MO: DAY: YEAR:	\$
City	MO: DAY: YEAR:	\$
Employer Name	Occupation	
Employer Mailing Address/Principal Place of Business		

D-18

Enter Grand Total of Part D on Schedule I, Detailed Summary Page, Section 3.

PAGE TOTAL  
**\$ 4915.00**

# STATEMENT OF EXPENDITURES

Name of Filing Committee or Candidate <b>DEMOCRATS FOR RESPONSIBLE GOVERNMENT</b>	Reporting Period From <b>2.27.07</b> To <b>4.30.2007</b>
--	---

To Whom Paid	MO.	DAY	YEAR	Amount	Description of Expenditure
Mailing Address: <b>LEVITTOWN PRINTING</b> <b>1433 HAINES ROAD</b> City: <b>LEVITTOWN, PA</b> State: <b>PA</b> Zip Code (Plus 4): <b>19057-</b>	4	2	2007	\$ 393.30	CANDIDATE PALM CARDS AND LETTERHEADS + ENV.
To Whom Paid: <b>SIGN ART</b> Mailing Address: <b>1439 HAINES ROAD</b> City: <b>LEVITTOWN, PA</b> State: <b>PA</b> Zip Code (Plus 4): <b>19057-</b>	4	18	07	\$ 1440.00	16 4'x8' SIGNS FOR CANDIDATES DISPLAY
To Whom Paid: <b>KING'S CATERERS</b> Mailing Address: <b>4010 NEW FALLS ROAD</b> City: <b>BRISTOL</b> State: <b>PA</b> Zip Code (Plus 4): <b>19007-</b>	4	18	2007	\$ 500.00	DEPOSIT FOR CANDIDATES MEET + GREET SOCIAL
To Whom Paid: <b>MARCCARTER PHOTOGRAPHY</b> Mailing Address: <b>310 MILL STREET</b> City: <b>BRISTOL</b> State: <b>PA</b> Zip Code (Plus 4): <b>19007-</b>	4	20	2007	\$ 255.00	PORTRAITS OF 3 CANDIDATES
To Whom Paid: _____ Mailing Address: _____ City: _____ State: _____ Zip Code (Plus 4): _____				\$	
To Whom Paid: _____ Mailing Address: _____ City: _____ State: _____ Zip Code (Plus 4): _____				\$	
To Whom Paid: _____ Mailing Address: _____ City: _____ State: _____ Zip Code (Plus 4): _____				\$	
To Whom Paid: _____ Mailing Address: _____ City: _____ State: _____ Zip Code (Plus 4): _____				\$	
To Whom Paid: _____ Mailing Address: _____ City: _____ State: _____ Zip Code (Plus 4): _____				\$	

Enter Grand Total of Expenditures on Page 1, Report Cover Page, Item D.

PAGE TOTAL **D-19**  
**\$ 2,685.27**

# STATEMENT OF UNPAID DEBTS

Use this Section to itemize all unpaid debts and obligations which are outstanding at the end of the reporting period.

Name of Filing Committee or Candidate

DEMOCRATS FOR RESPONSIBLE GOVERNMENT

Reporting Period

From 2.27.07 To 4.30.07

Name of Creditor					Outstanding Balance of Debt		
Mailing Address					\$		
DATE DEBT INCURRED					MO	DAY	YEAR
City					State	Zip Code (Plus 4)	
Description of Debt					-		
Name of Creditor					Outstanding Balance of Debt		
Mailing Address					\$		
DATE DEBT INCURRED					MO	DAY	YEAR
City					State	Zip Code (Plus 4)	
Description of Debt					-		
Name of Creditor					Outstanding Balance of Debt		
Mailing Address					\$		
DATE DEBT INCURRED					MO	DAY	YEAR
City					State	Zip Code (Plus 4)	
Description of Debt					-		
Name of Creditor					Outstanding Balance of Debt		
Mailing Address					\$		
DATE DEBT INCURRED					MO	DAY	YEAR
City					State	Zip Code (Plus 4)	
Description of Debt					-		
Name of Creditor					Outstanding Balance of Debt		
Mailing Address					\$		
DATE DEBT INCURRED					MO	DAY	YEAR
City					State	Zip Code (Plus 4)	
Description of Debt					-		
Name of Creditor					Outstanding Balance of Debt		
Mailing Address					\$		
DATE DEBT INCURRED					MO	DAY	YEAR
City					State	Zip Code (Plus 4)	
Description of Debt					-		
Name of Creditor					Outstanding Balance of Debt		
Mailing Address					\$		
DATE DEBT INCURRED					MO	DAY	YEAR
City					State	Zip Code (Plus 4)	
Description of Debt					-		

Enter Grand Total of Unpaid Debts on Page 1, Report Cover Page, Item G.

PAGE TOTAL

\$ 0 -

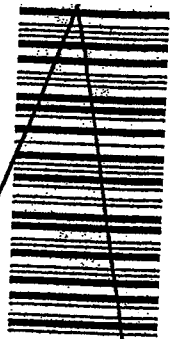
D-20

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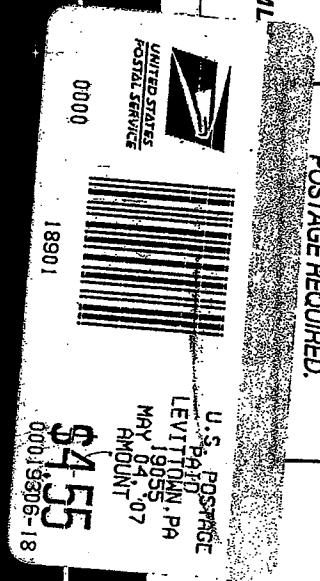
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Board of Elections  
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Doylestown PA 18901

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BOARD OF  
ELECTIONS

07 JUN 22 AM 10:34

D-22

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Robert Lipsack  
Joseph V. Lipsack  
58 Pine Needle Road  
Levittown, PA 19056

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OF THE UNITED STATES

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60-811/2813

6-22-07  
Date

Pay to the Order of Bucks County Board Elections \$ 120.00  
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**TOWNSHIP OF BRISTOL**

**FRAUD DETERRENCE PLAN**

**JANUARY 30, 2008**

January 30, 2008

Township of Bristol  
Russ Sacco Esq.  
Kwasny, Reilly, Haft & Sacco  
53 South Main Street  
Yardley, PA 19067

**Subject to Attorney-Client and Attorney Work Product Privilege**

Dear Mr. Sacco:

Based on your request, we have prepared this fraud deterrence plan which is based on our review and investigation of the reported and/or observed internal control procedures of Bristol Township.

The purpose of this part of our engagement was not to identify fraud which has or may have occurred but to develop a plan to assist you in deterring fraud in the Township of Bristol.

A fraud deterrence review is not an audit, review or compilation of the financial statements of Bristol Township, accordingly, we express no opinion or any other form of assurance as to the Bristol Township financial statements. A fraud deterrence review is also not a review or evaluation of the internal controls of Bristol Township. Fraud deterrence is based on the premise that improvements to the underlying internal control structure of an organization can reduce the opportunity for fraud.

Our fraud deterrence review was completed on January 30, 2008 and is subject to the following contingent and limiting conditions:

**Contingent and Limiting Conditions:**

- Our report was completed on January 30, 2008 and includes recommendations cited as of that date. Although we have no obligation to update and reconsider our recommendations, we reserve the right to do so should subsequent or additional information be discovered.
- The purpose of our fraud deterrence review was to assist Bristol Township to develop a fraud deterrence plan, and to assist in identifying operating or control weakness. It has not been performed in connection with an audit of the financial statements of Bristol Township and is not intended to meet requirements of any auditing standards of the American Institute of Certified Public Accountants.
- We have not tested for compliance with applicable federal, state or local laws or regulations and have relied on the representations of the management, or other personnel that they are not aware of any non-compliance.
- Our recommendations are made with the assumption that Bristol Township will continue its operation and current activities at its present or expanded levels.



- We have relied upon representations of the management, or other personnel and have not attempted to confirm or verify whether the procedures of the Township were accurately represented to us. We also assume no unapparent conditions regarding the operating procedures or operations of the Township. We have no reason to believe that any material facts have been withheld from us, nor do we warrant that our investigation has revealed all matters which an audit or more extensive examination might disclose.
- The statements and recommendations in this report are prepared solely for the use of Bristol Township and are presented in good faith and in the belief that such statements are not false or misleading. Our report has been prepared for the purpose stated herein and is specifically prepared for Bristol Township. The information, recommendations, and statements in this report should not be relied upon by any other person or entity or for any other purpose without the express written consent of Margolis & Company P.C. We hereby disclaim liability to any other person or entity. Neither this report nor any part of it should be disseminated to the public through advertising, public relations, news, sales or other media without our prior written consent or approval. Possession of this report does not give any such approval.
- We are not required as a result of performing this fraud deterrence review or preparing this report to give expert testimony or attend any court, government, regulatory or professional hearing.
- The scope of this fraud deterrence review and report were limited as to information and as to procedures performed. Had we performed a more detailed or extensive analysis, matters or information may have come to our attention which could have a material impact on our recommendations and the contents of our report.
- Certain reports and documents were not available to us. Our scope and analysis of our fraud deterrence review is therefore limited to only what was made available to us.
- Our report is subject to the contingencies, assumptions, and limiting conditions of this section or that may be stated elsewhere in this report.
- Our liability and that of our employees in the performance of our review or related to our report, or for errors and omissions, if any, will be limited to the lesser of the actual amount of damages or the amount paid to us by Bristol Township for this part of our engagement.

The management of Bristol Township is responsible for adopting sound accounting policies for establishing and maintaining internal controls that will among other things initiate, record, process and report transactions consistent with management's assertions.

The management of Bristol Township is also responsible for establishing and maintaining a culture of honesty and high ethical standards and establishing appropriate controls to prevent, deter and detect fraud.

General and Background Information:

According to the 2006 "Report to the Nation on Occupation Fraud and Abuse" published by the Association of Certified Fraud Examiners, the average U.S. business organization loses 5% of their revenues due to fraud. The frauds in this study were spread over a wide range of industries. However, 11.5% were in government and public administration. According to a survey in a global report by PriceWaterhouseCoopers, thirty seven percent of respondents reported significant economic crimes during the two previous years. Nearly every business, including government, needs to be concerned with fraud.

The three major categories of fraud are financial reporting fraud, misappropriation of assets, and external fraud.

Financial reporting frauds are the intentional misstatement of either amounts, disclosures, or both in financial statements. This type of fraud, also known as management fraud, is done to mislead those relying on the financial statements to achieve an outcome related to things such as a bonus, financing, a company's valuation, etc.

Misappropriation of assets, commonly referred to as employee fraud, is the theft of an organization's assets by employees. Some of the most common types of misappropriation of assets are the following:

1. The theft of cash by skimming or diverting cash receipts, manipulation of accounts receivable postings (lapping), stealing or forging checks, stealing petty cash, altering bank deposits, or phony refund schemes.
2. Creating fictitious vendors or overstating vendor invoices.
3. Taking kickbacks
4. The theft of equipment or inventory
5. Abusing travel and entertainment
6. Payroll schemes such as adding ghost employees or overpaying wages or commissions.

At times, the employee may find it necessary to manipulate financial records to conceal their misappropriation of assets but this is considered secondary to the primary purpose of the theft of assets. In the theft of assets, cash is targeted 90% of the time.

The third category of fraud, external fraud, is generally committed against the organization by people outside the organization (non-employees). Examples of external fraud are altering and cashing a check or delivering sub-standard materials to a construction site. In some cases a person outside the organization may collude with an employee.

Numerous research projects have been performed to determine why a person commits fraud. Research from various fields and disciplines has identified what determines whether an individual will commit fraud. The three factors, referred to as the "fraud triangle", are motive or perceived pressure facing the individual, opportunity to commit fraud, and rationalization or lack of integrity. The following is a brief discussion of each factor:

Motive - Pressures that motivate a person to commit fraud may be financial or work related. Financial pressures could develop from things such as a drug, alcohol or gambling habit or an extramarital affair. Work related factors include things such as not being promoted, feeling overworked or under paid which prompt a person committing fraud to get even.

Opportunity - Opportunities to commit fraud can arise when internal controls are weak or non existent or when an employee is trusted too much. Perpetrators are limited to opportunities which are available to them but the opportunities can be expanded by collusion. Even when good controls exist, a person with trust or authority may be able to override the controls or direct subordinates to skip a control procedure. Some examples of conditions which provide opportunity for a person to commit fraud are lack of segregation of duties, absence of mandatory vacations, failure to inform employees about company policies and procedures (or lack of enforcing them), rapid turnover of employees or constant operation under crises.

Rationalization - Many different rationalizations can be typical from a person committing fraud. Some examples of rationalizations are "I was treated unfairly and the company owes me," "it won't hurt anyone," "I am using the money for a good cause," "I will pay it back later," and numerous others.

This third factor in this fraud triangle is generally considered the most important since many people who have pressure or opportunity to commit fraud do not due to personal integrity.

In order to reduce the risk of fraud, an organization should implement policies and procedures which respond to the three elements on the fraud triangle. The three methods to address the elements of the fraud triangle are creating an ethical environment, reducing the opportunity to commit fraud and monitoring and developing appropriate responses to pressure on employees to commit fraud.

#### Common Ethical Violations and Why Employees Don't Report Them

According to a 2005 study by the National Business Ethics Study (NBES) from the ethics resource center ([www.ethics.org](http://www.ethics.org)), only 55 percent of employees who observed misconduct in the workplace reported it. The top reasons for the 45% who did not report misconduct were as follows:

1. Unsure whom to contact (about suspicions)
2. Fear of retaliation by superiors or coworkers if their identities became known.
3. No confidentiality of reports - Fear that if they came forward their identity would be revealed.
4. No corrective action - concern as to whether anything would be done if the misconduct were reported. The organization should convince the employees that their reports would be handled appropriately even if the whistle-blower did not find out about it.

One of the most effective and important deterrents to fraud is a strong system of internal control. Strong controls can deter fraud or allow for early detection. Weaknesses in internal control may not only allow for fraud opportunity but will also allow fraud to go undetected. Designing a system of internal control to prevent misappropriation of assets involves reviewing the components, systems and procedures of internal control within the organization as well as identifying assets susceptible to misappropriation and developing controls to reduce the risk of misappropriation.

In developing a system of internal control, businesses should consider the cost/benefit relationship of controls. It is almost impossible to design a system of internal control to completely eliminate the possibility of fraud and even if it were possible to design such a system, the cost may be prohibitive. In some cases, it may be more effective to design a system to detect and correct errors or fraud in a timely manner after they have occurred.

A properly designed internal control system will not only help to prevent fraud but will also improve the operational efficiency of a business or organization.

#### Scope of Our Review and Investigation

The scope of our review and investigation was conducted in a way to limit disruption and employee stress. We endeavored to be very discrete in conducting our fraud deterrence review and investigation. Our engagement was described as an "operational efficiency review", and evaluation and fraud deterrence review to all management of Bristol Township.

Our fraud deterrence review and investigation was planned and performed to assist Bristol Township in developing a fraud deterrence plan and to assist in the identification of operating and control weaknesses which make Bristol Township vulnerable to fraud. For purposes of our investigation fraud is defined as intentional or reckless conduct whether by act or omission that causes financial loss or results in materially misleading financial statements. Our fraud deterrence review consisted of the following:

- Observations of operations and physical safeguards
- Interviewing of township management
- Interviewing of operations managers and employees
- Interviewing of administrative and office managers and employees
- Discussions with managers and employees to evaluate existing fraud risk assessment, fraud prevention measures and resolutions of suspected fraud
- A revenue and expense analysis
- A revenue analysis
- A cash receipt analysis

- A cash disbursement analysis
- An equipment purchase analysis
- A testing of control procedures and the system for the authorization and approval of transactions.
- The completion of various checklists and questionnaires during the interviewing process to identify operating and control weaknesses and assist in the recommendations in this fraud deterrence review.

Fraud and irregularities by their very nature are most often hidden and therefore no assurance can be given that all such matters will be detected. Our engagement should not be relied upon to disclose all irregularities or illegal acts including fraud that may exist.

### General Comments and Suggestions

#### General comments

In our review of Bristol Township, we noted some observations which are general in nature which are worth some attention. Many observations deal specifically with the conduct of the prior township manager, township executive (Mayor) or acting Township Manager and some are general in nature.

It should be noted that, according to the American Institute of Certified Public Accountant's Report Management Antifraud Programs and Controls; "Guidance to Help Prevent, Detect Fraud", a positive work environment will not only improve employee loyalty and morale but will help deter fraud. Employees who work in a positive environment are more reluctant to commit fraud that will hurt the Organization. On the other hand, a negative work environment will cause employees to be more prone to commit fraud since they feel no obligation to protect their employer organization. There are many components that make up a negative work environment. Below are listed some of the components which pertain specifically to Bristol Township and/or it's previous township manager Susan Newsome, the Mayor (Samuel Fenton), and the acting Township manager, James McAndrew.

- Poor communication practice or methods within the organization.  
Both the prior township manager and the mayor as well as the acting manager tended to not communicate well with township staff. They appeared to employees and staff as if they felt they had all the answers and downplayed the value of staff input.
- Negative feedback
- Unfair, unequal or unclear organizational responsibilities  
Both Newsome and Fenton as well as McAndrew did not clearly define responsibilities or tended to override them.
- Autocratic rather than participative management. Newsome, Fenton and McAndrew tended to have a heavy handed management technique and allowed minimal input from other employees.

- **Low organizational loyalty**  
Most employees feel good about their employment at the township but feel a low level of loyalty primarily because of the control exerted by Newsome, Fenton and McAndrew.
- **Very low employee morale**  
Employee morale at Bristol Township is very low. There is a general attitude of distrust among employees. Some employees seem to band in groups in which they gossip and exhibit self protective behavior in the group. While not all employees participate in this "group" behavior, nearly all employees are concerned with the attitudes and morale of the Township employees and engage in some form of gossip or self protective behavior. Efforts should be made (as explained below) to create a more positive work environment which in turn will reduce the risk of fraud.

#### General suggestions:

While we will make suggestions which relate to specific points of Bristol Township's systems, this section deals with general overall suggestions, accountability and responsibility:

It is important to convey the message of individual and organizational responsibility and accountability to its employers and even to outside contractors.

Set an ethical tone at the top - Upper management has to lead by example and actions. These actions should include rewarding ethical behavior while punishing unethical actions. An organization should have sanctions for engaging in, tolerating, or condoning improper conduct.

Establish a code of ethics - An organization should produce a clear statement of management philosophy. It should include concise compliance standards that are consistent with management's ethics policy relevant to organizational operations. This code of ethics should be given to all employees who would be required to read and sign it. (we can assist you with this if you wish)

#### Carefully screen job applicants

According to the ACFE's fraud examiners manual, one of the easiest and most obvious ways to establish a strong moral tone for an organization is to hire morally sound employees. Too often the hiring process is hastily conducted. Organizations should conduct thorough background checks on all new employees, especially managers and those who will be handling cash. These background checks should include a thorough examination of the candidates' education credentials and criminal record. Speaking with former employers or supervisors can provide valuable information about a person's reputation for trustworthiness, moral conduct, and loyalty.

#### Mandate anti-fraud and ethics training for staff

Use training sessions for all staff as tools to communicate and reinforce the organization values, expectations, and stance on corporate compliance including its code of ethical conduct, continuing procedures and standards and employees' roles and responsibilities to report misconduct. The training sessions should also inform employees about acts and omissions prohibited by law and by the organization to help them avoid situations that could lead to criminal conduct. Common training techniques include lectures, training films, and interactive workshops. Regularly emphasize compliance standards.

### Implement effective disciplinary measures

In order to have an effective control environment there needs to be consistent discipline for ethical violations. Consistent discipline requires a well-defined set of sanctions for violations and strict adherence to them. The level of discipline must be sufficient to deter violations. Employees must be aware that management will prosecute criminal misconduct. Management must conduct full-fledged investigations when misconduct is reported and respond appropriately to prevent further similar offences including necessary modifications to it's systems.

### Establish a whistle-blower policy

A whistle-blower policy allows employees to report or seek guidance about actual or potential criminal conduct by others in the organization while retaining anonymity or confidentiality without fear of retaliation. Consultation with the township and it's legal counsel should be conducted which would result in training and education to employees about whistle-blower protections.

### Specific suggestions

The following are suggestions which we find could help deter fraud and/or strengthen the internal control system of Bristol Township.

### Implement a hot line

According to the 2006 Report to the Nation on Occupational Fraud and Abuse published by the Association of Certified Fraud Examiners, thirty four percent of occupational fraud was discovered through tips. Most of the tips came from employees. This demonstrates the importance of having a hotline available for reporting suspected fraud.

We recommend that the township implement a 24/7 hotline staffed with trained interviewers. The callers could remain anonymous. Employees should be made aware that their identifications will remain confidential. The reports would go to a management team who is responsible for investigation of the reports. Posters should be placed in various locations to inform employees and make the telephone number available. All reports are strictly confidential and do not pass outside the township. The cost for this service is very modest. We could recommend an organization that provides this service and help to implement it, if the township would like us to do so. We would be happy to further discuss this recommendation with you. It should be noted that several township employees suspected fraud by the former township manager but did not know what to do about it. The hotline would give them the means to report it anonymously.

### Petty Cash

Under the current system, several people have access to several petty cash funds and in effect act as petty cash custodians. In addition nearly everyone knows where the petty cash key is kept and uses it occasionally. We strongly recommend that the petty cash funds be reduced, if practical, and be kept secure with only one custodian who has the key and is solely responsible for the maintenance of the petty cash. The only exception might be when the custodian is on vacation or absent from work when a second custodian would have temporary custody of the fund. The fund should be proofed before and after turnover.

Funds should only be disbursed from the petty cash fund with proper receipts and documentation. Surprise counts of the petty cash funds should be conducted periodically. We further recommend that mileage reimbursements for automobile expenses not be reimbursed from petty cash except on an emergency basis.

#### Payroll

Under the present payroll system, the same person is responsible for initiating new employees into the system, preparing payroll checks, distributing payroll checks, terminating employees from the system, and entering time and salary information into the payroll system. To strengthen controls over the payroll system, we recommend that some of these duties be segregated and assigned to another person. The person who initiates changes in the system should not have access to payroll checks.

#### Password Protection and Use

Bristol Township makes limited use of password protection for access to its computer system. Currently many people have access into the system. Under this system many people have the opportunity to create fictitious vendors or employees and can access records which should be confidential. We recommend that a system be put in place where additional levels of password protection are utilized to allow employees to only access areas in which they are performing assigned duties. In addition, there should be controls in place to show who has accessed the system and when it was accessed. It is currently impossible to tell who has accessed the system or performed what duties in the Township computer system.

#### Sick Time - Vacation Time

We recommend that any use of sick time or vacation time be approved by the employees' manager or department head. There should be strict controls on the transfer of time between sick and vacation. All use of sick time or vacation time by department heads should be approved by the Township manager. All sick and vacation time by the Township manager should be approved by the Township council.

#### Listing of Incoming Cash

We recommend that an incoming mail listing of all cash receipts be strictly adhered to by the Township.

#### Cash Controls

1. Bank reconciliation should be performed by a person independent of the accounting function or anyone handling cash or recording cash receipts and disbursements. The incoming bank statements should be opened and reviewed by a person independent of recording cash receipts and disbursements.
2. All supporting documentation for disbursements should be reviewed by management prior to signing checks.
3. Any adjustments to cash should be reviewed and approved by management.



4. All checks (pre-numbered) should be periodically accounted for by management or an individual independent of the cash function. Stale dated checks should be reviewed and appropriate action taken.
5. The receipt of cash coming into the township should be centralized with an individual who functions as a cashier. This should be a person who is independent of any accounting function.
6. Bank reconciliations should be performed on a Timely basis.

#### Purchase and Procurements

Requisitions for purchases should be initiated by the individual departments but should be approved by department heads. One individual should be assigned the purchase duty for the township. The person responsible for purchasing should only purchase from an approved vendor list and should not have access to approving vendors to the vendor list (see above). Purchase orders should be controlled numerically. Purchases should be compared to the budget. Proper approvals should be in place prior to disbursing funds for payment of purchases. Prior to payment of invoices there should be a matching of the invoice to the purchase order, requisition and receiving documents.

The township should have a policy of prosecuting fraud perpetrators. The perception that fraud will be prosecuted may be a powerful deterrent to employees who are tempted to commit fraud and will create a more ethical environment.

This report is intended solely for the use of Mr. Russell Sacco, Esq. and the Township of Bristol and is not intended for any other parties.

My C.V. as well as Michael Molder's, the manager on this engagement are attached as attachment A.

We appreciate the opportunity to be of service and would be happy to discuss any of the above matters or recommendations with you. Please advise if we can be of further assistance.

Very truly yours,

MARGOLIS & COMPANY P.C.

JSB/wb

By: Joseph S. Barbagallo, CPA, CVA  
CFFA, CFD, CFS, CFE, CFI, ABV, FCPA