

**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

SUPPLEMENTAL COMPLIANCE REPORT

OF

TOWN OF BRISTOL

ELKHART COUNTY, INDIANA

January 1, 2012 to December 31, 2016



**FILED**  
03/23/2018



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SCHEDULE OF OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Clerk-Treasurer	Mary J. Ryman	01-01-12 to 12-31-19
President of the Town Council	Floyd Lynch	01-01-12 to 12-31-13
	Catherine Burke	01-01-14 to 12-31-16
	Ronald A. Norman	01-01-17 to 12-31-18



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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TO: THE OFFICIALS OF THE TOWN OF BRISTOL, ELKHART COUNTY, INDIANA

This report is supplemental to our examination report of the Town of Bristol (Town), for the period from January 1, 2012 to December 31, 2016. It has been provided as a separate report so that the reader may easily identify any Examination Results and Comments that pertain to the Town. It should be read in conjunction with our Financial Statements Examination Report of the Town, which provides our opinion on the Town's financial statements. This report may be found at [www.in.gov/sboa/](http://www.in.gov/sboa/).

As authorized under Indiana Code 5-11-1, we performed procedures to determine compliance with applicable Indiana laws and uniform compliance guidelines established by the Indiana State Board of Accounts. The Examination Result and Comment contained herein describes the identified reportable instance of noncompliance found as a result of these procedures. Our tests were not designed to identify all instances of noncompliance; therefore, noncompliance may exist that is unidentified.

Any Official Response to the Examination Result and Comment, incorporated within this report, was not verified for accuracy.

*Paul D. Joyce*  
Paul D. Joyce, CPA  
State Examiner

February 7, 2018

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CLERK-TREASURER  
TOWN OF BRISTOL

CLERK - TREASURER  
TOWN OF BRISTOL  
EXAMINATION RESULT AND COMMENT

***INTERNAL CONTROLS OVER THE ANNUAL FINANCIAL REPORT***

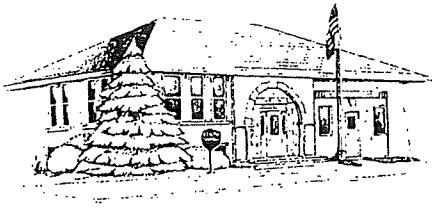
The Town did not have a proper system of internal controls in place to prevent, or detect and correct, errors on the Annual Financial Report (AFR). The Town should have proper controls in place over the preparation of the AFR to ensure accurate reporting of the Town's financial activities and cash and investment balances. Without a proper system of internal control in place that operated effectively, material misstatements of the AFR could have remained undetected.

The Indiana State Board of Accounts (SBOA) is required under Indiana Code 5-11-1-27(e) to define the acceptable minimum level of internal control standards. To provide clarifying guidance, the State Examiner compiled the standards contained in the manual, *Uniform Internal Control Standards for Indiana Political Subdivisions*. All political subdivisions subject to audit by SBOA are expected to adhere to these standards. The standards include adequate control activities. According to this manual:

"Control activities are the actions and tools established through policies and procedures that help to detect, prevent, or reduce the identified risks that interfere with the achievement of objectives. Detection activities are designed to identify unfavorable events in a timely manner whereas prevention activities are designed to deter the occurrence of an unfavorable event. Examples of these activities include reconciliations, authorizations, approval processes, performance reviews, and verification processes.

An integral part of the control activity component is segregation of duties. . . .

There is an expectation of segregation of duties. If compensating controls are necessary, documentation should exist to identify both the areas where segregation of duties are not feasible or practical and the compensating controls implemented to mitigate the risk. . . ."



The  
**Town of Bristol**

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Office of Clerk-Treasurer  
848-7007 • 848-4257 Fax  
P.O. Box 122 • Bristol, Indiana • 46507

February 12, 2018

State Board of Accounts

Official Response of  
Town of Bristol  
Audit

This is in response to the comments concerning the Internal Controls over the Annual Financial Report during our recent audit. The Deputy and myself are trying to provide dual control on the daily activities of this office. She looks at the reports I do, and I, in turn, review her work. Hopefully, this will satisfy the issue of internal controls in the clerk's office. When the annual report is being generated, we will share that responsibility also.

Respectfully,

A handwritten signature in cursive script that reads "Mary Ryman".

Mary Ryman  
Clerk-Treasurer  
Town of Bristol

CLERK - TREASURER  
TOWN OF BRISTOL  
EXIT CONFERENCE

The contents of this report were discussed on February 7, 2018, with Mary J. Ryman, Clerk-Treasurer, and Ronald A. Norman, President of the Town Council.