
Audit of Cash Controls
in Various Locations

March 14, 2023

Final Report



OBJECTIVES

To assess the effectiveness of cash handling procedures within various locations in the City.

BACKGROUND

In 2020, tests of cash handling procedures were performed at the Citizen Center at Tom Davies Square, Main Transit Garage and Downtown Transit Depot. These tests identified several areas for improvement.

SCOPE & METHODOLOGY

This audit included a review of cash handling procedures in the one-stop shop at Tom Davies Square, Main Transit Garage, Downtown Transit Depot, Provincial Offences Act Office, Howard Armstrong Recreation Centre, and Nickel District Pool in December 2022 and January 2023 with a comparison to City policies and better practices.

EXECUTIVE SUMMARY

Opportunities were identified to improve controls over cash within the one-stop shop at Tom Davies Square, Howard Armstrong Recreation Centre, and Nickel District Pool. No concerns were identified within the Provincial Offences Act Office, Main Transit Garage or Downtown Transit Depot. A separate in-camera report related to physical controls over cash has also been issued.

AUDIT STANDARDS

We conducted our audit in accordance with Generally Accepted Government Auditing Standards which require that we adequately plan audits; properly supervise staff; obtain sufficient, appropriate evidence to provide a reasonable basis for audit findings and conclusions; and document audits. For further information regarding this report, please contact Ron Foster at the City of Greater Sudbury at 705-674-4455 extension 4402 or via email at ron.foster@greatersudbury.ca

OBSERVATIONS AND MANAGEMENT RESPONSES

FINDING	IMPACT	RECOMMENDATION	MANAGEMENT RESPONSES
ONE-STOP SHOP (OSS) – DEVELOPMENT DESK			
<p><u>Access control</u></p> <p>Contrary to City policy, there is shared access to the cash drawer and user accounts for software used by Building Services staff.</p>	<p>Accountability for errors and shortages is diluted.</p>	<p>Each customer service representative should have their own cash drawer. User accounts should not be shared.</p>	<p><i>Agreed. Management is in the process of implementing the recommendations.</i></p> <p><i>Management is purchasing an additional software license which will allow each clerk to process and balance search request transactions separately each week. Staff will continue to balance building permit transactions on a daily basis.</i></p> <p><i>An additional lockable cash drawer will be installed for Building Services staff.</i></p>
ONE-STOP SHOP (OSS) – CUSTOMER SERVICE STAFF			
<p><u>Daily close & banking</u></p> <p>Bank deposits are not being prepared at the end of each day by the customer service staff in the one-stop shop.</p>	<p>Errors or shortages may not be detected on a timely basis.</p>	<p>Cash should be closed and a bank deposit prepared at the end of each day by each of the customer service staff.</p>	<p><i>Agreed. Starting the week of April 3rd, staff will have staggered start times. This will allow two CSRs to balance their cash and prepare a bank deposit at the end of their shift the third CSR will balance in the morning before the OSS opens to the public. This updated process will eliminate overtime on “month end” and “tax due days”</i></p>
HOWARD ARMSTRONG RECREATION CENTRE			
<p><u>Access control</u></p> <p>Contrary to City policy, customer service clerks share a cash drawer during the lunch hour and afternoon when shifts overlap.</p>	<p>Accountability for errors and shortages is diluted.</p>	<p>Each customer service clerk should have their own cash drawer. The second cash drawer should be used over the lunch hour and during the afternoon/evening shift.</p>	<p><i>Agreed. Management is in the process of implementing the recommendation.</i></p>

<p><u>Access control</u></p> <p>Contrary to City policy, customer service clerks do not prepare a transfer of cash control form at noon when a change in cashier occurs.</p>	<p>Accountability for errors and shortages is diluted.</p>	<p>During the lunch hour, the replacement cashier should open the second point of sales terminal and second cash drawer. At the end of the lunch hour, the cash drawer should be balanced and a transfer of cash form should be completed and verified by the full-time cashier.</p>	<p><i>Agreed. Management is in the process of implementing the recommendation.</i></p>
<p>NICKEL DISTRICT POOL</p>			
<p><u>Access control</u></p> <p>Contrary to City policy, customer service clerks do not prepare a transfer of cash control form at noon when a change in cashier occurs.</p>	<p>Accountability for errors and shortages is diluted.</p>	<p>When a change in cashier occurs, the petty cash drawer must be reconciled and counted by two employees. A transfer of cash control form must be completed and signed by both parties.</p>	<p><i>Agreed. Management is in the process of implementing the recommendation.</i></p>