

Request for Decision

Cash Controls at the Downtown Transit Terminal

Presented To:	Audit Committee
Presented:	Tuesday, Jun 16, 2020
Report Date	Thursday, May 28, 2020
Type:	Managers' Reports

Resolution

THAT the City of Greater Sudbury approves the recommendations, as outlined in the report entitled "Cash Controls at the Downtown Transit Terminal", from the Auditor General, presented at the Audit Committee meeting on June 16, 2020.

Signed By

Auditor General
Ron Foster
Auditor General
Digitally Signed May 28, 20

Relationship to the Strategic Plan / Health Impact Assessment

This report refers to operational matters.

Report Summary

This report identifies opportunities to improve cash controls at the downtown transit terminal.

Financial Implications

There are no significant financial implications associated with implementing the recommendations in this report.

Cash Controls at the Downtown Transit Terminal

March 4, 2020

FINAL REPORT

 **AUDITOR GENERAL**

OBJECTIVES

To assess the effectiveness of controls over cash collections at the Downtown Transit Terminal.

BACKGROUND

Proceeds from the sale of day passes, rider cards and photo identification cards and guides are collected at the customer service counter which has one point of sale (POS) terminal.

SCOPE

Cash handling procedures between November 2019 and January 2020.

OBSERVATIONS

Opportunities to improve cash controls are identified on page 3 of this report.

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

NO.	FINDING/OBSERVATION/AREAS FOR IMPROVEMENT	IMPACT	RECOMMENDATION	MANAGEMENT RESPONSES
1	<p><u>Cash Handling and Bank Deposits</u></p> <p>Contrary to City policy, two cashiers operate from a single cash drawer and Point of Sale (POS) terminal during shifts. At the end of shifts on weekdays, cash is not balanced in accordance with the City's Cash Handling Policy and Procedures. Bank deposits are also not prepared at the end of each day.</p>	Accountability for errors or cash shortages cannot be determined.	Each cashier should have their own POS terminal and cash drawer. Daily receipts for one terminal should be verified by the cashier for the other terminal. Staff should balance at the end of each shift in accordance with the City's handover policy. One bank deposit should be prepared at the end of each day for cash receipts from both terminals and signed off by both cashiers on duty.	We agree with the recommendation. It is important to note, however, that due to lack of space for a second POS terminal or cash drawer, planning will be required for a redesign and renovation of the space. We will begin coordination with Finance, IT and Assets to meet this improvement.
2	<p><u>Safe combination:</u></p> <p>The safe combination has not been changed recently.</p>	A risk of unauthorized access to the safe exists.	Change the combination periodically to prevent unauthorized access to the safe.	The safe combination has been changed in the last month and an annual program has been implemented with the service provider.
3	<p><u>Controls over Photo ID Cards</u></p> <p>Sales of photo identification (ID) cards are not controlled adequately as they are not assigned sequential numbers.</p>	Unrecorded sales may occur.	Sequential numbers should be developed and assigned to photo ID cards to ensure all sales are recorded.	We are moving towards eliminating ID cards with smart technology in fare payments, therefore eliminating this issue when implemented.