

## Request for Decision

### Cash Controls at the Citizen Service Centre at Tom Davies Square

Presented To:	Audit Committee
Presented:	Monday, Mar 23, 2020
Report Date	Wednesday, Mar 04, 2020
Type:	Managers' Reports

#### Resolution

THAT the City of Greater Sudbury approves the recommendations, as outlined in the report entitled "Cash Controls at the Citizen Service Centre at Tom Davies Square", from the Auditor General, presented at the Audit Committee meeting on March 23, 2020.

Signed By

**Auditor General**

Ron Foster

Auditor General

*Digitally Signed Mar 4, 20*

#### Relationship to the Strategic Plan / Health Impact Assessment

This report refers to operational matters.

#### Report Summary

The audit identified a number of opportunities to improve controls over cash in the Citizen Service Centre at Tom Davies Square.

#### Financial Implications

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

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Cash Controls at the  
Citizen Service Centre at  
Tom Davies Square

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March 2, 2020

FINAL REPORT

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## **OBJECTIVES**

To assess the effectiveness of cash handling procedures within the Citizen Service Centre at Tom Davies Square (TDS).

## **BACKGROUND**

The Citizen Service Centre at TDS offers a variety of municipal services, many of which require payments by credit, cash, cheque or Interac digital payment system. The number of cashiers at Citizens Service Centre varies between one and three based on service demands.

## **SCOPE**

A review of cash handing procedures at Citizen Service Center at Tom Davies on October 31 and November 15 with comparison of prescribed City policies and better practices.

## **OBSERVATIONS**

A number of opportunities were identified to improve controls over cash in the Citizen Service Centre as listed in Appendix 1.

## **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](mailto:ron.foster@greatersudbury.ca)

## OBSERVATIONS AND MANAGEMENT RESPONSES

NO.	FINDING	IMPACT	RECOMMENDATION	MANAGEMENT RESPONSES
1	<p><b><u>Access control:</u></b></p> <p>Contrary to City policy, there is shared access to cash drawers during breaks and lunch as well as during vacations and illness.</p>	<p>Accountability for errors and shortages is diluted.</p>	<p>Only one Cashier should control and access a cash drawer.</p>	<p>We agree with the recommendation. Although this is a rare occurrence, and several other mitigation measures are in place, we are working to develop a solution that will address this through staff scheduling and resourcing, and improved technology and software licensing. We expect to have this recommendation fully implemented by the end of 2020.</p>
2	<p><b><u>Safe combination:</u></b></p> <p>The safe combination has not been changed over the last three years.</p>	<p>Increased risk of unauthorized access.</p>	<p>The combination should be changed periodically to prevent unauthorized access to the safe.</p>	<p>We agree with this recommendation. As result of this recommendation, the safe combination has been changed and a process is now in place to ensure this happens periodically or whenever staff turnover occurs.</p>
3	<p><b><u>Daily close and banking processes:</u></b></p> <p>Cash was being closed at the end of each day and a bank deposit was being prepared every other day.</p>	<p>Errors or shortages may not be detected on a timely basis and accountability for errors and shortages is diluted.</p>	<p>Cash should be closed and a bank deposit prepared at the end of each day.</p>	<p>We agree with this recommendation. As a result of this recommendation, staff has implemented daily morning balancing, which means that cash is balanced the morning after a shift. Due to current restrictions in the Collective Bargaining Agreement, operational requirements and customer service needs, a morning balance has been implemented as a temporary solution to daily end-of-day balancing. We expect to have this recommendation fully implemented by the end of 2020.</p>