

June 24, 2019

2019 Surprise Cash Handling Audit - Pitch and Putt

Background

Internal Audit conducted surprise cash handling audits at Queen Elizabeth Park, Stanley Park, and Rupert Park pitch and putt operations in June 2019. These pitch and putt locations operate seasonally between March to September and have combined annual revenue of \$1.2 million.

Scope

The scope of the audit included a review of controls over the safeguarding of cash and compliance to City and Park Board policies. Business processes and internal controls were reviewed in the following areas:

- Cash handling practices, including a surprise cash count
- Safety and security of cash handling areas
- Deposit and reconciliation process
- PCI compliance
- Inventory management

Conclusion

In general, sufficient cash handling processes were in place to appropriately safeguard assets. Performing regular inventory counts and improving the safety and security of cash handling sites will enhance safeguarding of monetary assets at pitch and putt locations.

The more significant findings and recommendations are:

1. Reconcile inventory count with ActiveNet sales activity report

The Manager, Business Services should implement a process at all pitch and putt operations to reconcile inventory against ActiveNet sales on a regular basis, at least mid-season and at year end closing. This should be implemented by September 30, 2019.

2. Ensure fire safety equipment is inspected and maintained regularly

The Manager, Business Services should work with REFM to ensure that fire safety equipment at pitch and putts and other Parks locations managed by Business Services is inspected and maintained on a regular annual basis. This should be in place by August 31, 2019.

3. Replace broken cash register key at Queen Elizabeth Park pitch and putt

The Manager, Business Services should ensure the broken key is replaced immediately and stored in a secure area. This should be in place by July 31, 2019.

4. Change safe combination on a regular (minimum annual) basis

The Manager, Business Services should ensure the safe combination at pitch and putt locations are changed annually. This should be in place by August 31, 2019.

5. Ensure private information is stored securely

The Manager, Business Services should ensure that driver licenses and customer information is stored securely and away from public view. This should be in place by July 31, 2019.

6. Ensure Moneris pin pads are secured with tamper proof seals

The Manager, Business Services should work with the PCI team to ensure pin pads are labelled with tamper proof seal. This should be in place by August 31, 2019.

7. Ensure foreign exchange rates are consistent

The Manager, Business Services should ensure that a consistent exchange rate is used for foreign currency across all pitch and putt locations. This should be in place by July 31, 2019.

8. Ensure CCTV camera feed is accessible to site management in a timely manner

The Manager, Business Services should establish a clear protocol for managing access to retrieve the CCTV images in a timely manner for all pitch and putt sites. This should be in place by September 30, 2019.

Findings and recommendations have been discussed with appropriate management and work is underway to address them.