



May 25, 2010

City of Saskatoon - City Clerk's Office
Attention: Secretary – Audit Committee
222-3rd Avenue North
Saskatoon, Saskatchewan S7K 0J5

**Audit Report –
Leisure Services – Audit of Controls for Safeguarding Cash and Preventing Fraud**

In 2008, Robert Prosser & Associates Inc. conducted an audit of Leisure Services - Audit of Controls for Safeguarding Cash and Preventing Fraud, as per the Corporate Audit Plan.

The Community Services Department – Leisure Services Branch is responsible for operating five major civic centres and recreation facilities including: Cosmo Civic Centre, Harry Bailey Aquatic Centre, Lakewood Civic Centre, Lawson Civic Centre and the Saskatoon Field House. The Terry Fox track is located at the SaskTel Sports Centre.

These facilities provide a wide variety of leisure activities for the suburban area in which the facility is located, as well as for the public at large. They provide a wide range of training, competitive and recreational dry land and aquatic opportunities for various organizations and all residents of the City of Saskatoon.

The facilities utilize Automatic Payment Vouchers and Payment Requisitions for making payments to its contract workers for instructing programs. The facilities receive payments from customers for program registrations, facility rentals and admissions.

The objectives of the audit included determining whether adequate controls are in place to:

- Minimize the potential for fraudulent activity and/or ensure timely identification of fraudulent activity with regard to: Automatic Payment Voucher cheques; Payment Requisitions; cash receipts pertaining to the First Step program; and cash collected through lockers, and
- Ensure complete and timely collection of City revenues pertaining to the Terry Fox Track.

Management is currently working on implementation of the recommendations.

Respectfully submitted,

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