



January 3, 2011

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

Audit Report – TCU Place Accounts Payable System

At its meeting on November 18, 2009, the Audit Committee approved the addition of an audit of TCU Place’s Accounts Payable System to the Corporate Audit Plan. This financial system had not been subject to internal audit in the past.

TCU Place uses Accpac software for its financial records and accounts payable processing. This system has been in use for several years and was recently upgraded. In 2009, approximately 1,500 payments were issued totaling \$13.5 million. Major cheque runs occur once per month; minor cheque runs occur as needed throughout the month.

The overall objective of the audit was to determine whether adequate systems, practices and controls are in place to minimize the likelihood and/or impact of the following risks:

- Duplicate payments to vendors.
- Paying the wrong vendors or paying the wrong amount to vendors.
- Paying for goods and/or services that were not received.
- Theft, fraud and misappropriation.
- Late payment charges and/or lost early payment discounts.

At the request of the Board of Directors of TCU Place, the audit also included an evaluation of TCU Place’s delegation of spending authorities and contract management practices.

Management is currently working on implementation of the recommendations.

Respectfully submitted,

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