



May 19, 2010

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

Audit Report – Class System

In its proposal for the provision of internal audit services for the City of Saskatoon dated February 27, 2009, Garman, Weimer & Associates Ltd. identified the Class System as a financial system audit that would be started immediately upon contract commencement.

The Class System was implemented in 2004 at a cost of approximately \$65,000. The Class System is used to process recreation program registrations and facility bookings at the indoor leisure centres, indoor ice rinks, Kinsmen Park Rides, Forestry Farm Park & Zoo, outdoor sportsfields, speedskating oval (building only) and outdoor pools (program registrations only).

In 2008, there were almost 17,300 programming registrants and facility bookings totalled almost 41,400 equivalent hours. Budgeted registration revenue for 2009 for all Class System sites was \$987,600; budgeted rental revenue for 2009 for all Class System sites was \$2,331,300.

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

- complete and timely billing and collection of external facility rental revenues,
- complete and timely collection of program registration revenues,
- all adjustments (e.g., refunds, voids, adjustments, etc.) are valid and accurately processed, and
- opportunities for theft, fraud and misappropriation are minimized.

We are pleased to report that we have completed our audit of the Class System. Management is currently working on implementation of our recommendations.

Respectfully submitted,

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