



September 30, 2016

To: Mary Ann Davis, Finance Director

From: Emory Roberts Jr., Internal City Auditor

Re: Cash Controls - Customer Service Office - Project 2016-07

A handwritten signature in black ink, appearing to read "Emory Roberts Jr.", written over the "From:" line of the email header.

Internal Audit performed a review of internal controls with the Customer Service Office. The objectives of the audit were to ensure physical controls were sufficient, cash drawer funds were accounted for properly, and deposits were made in a timely manner.

The Customer Service Office processes Ocala Electric Utility (OEU) customer payments of cash and check made in-person inside the Customer Service Center (CSC) lobby and payments deposited in the "drop box" physically located outside of the CSC. The Customer Service Office is also responsible for the cash collected for OEU payments made via the kiosk installed inside the lobby of the CSC, as well as the payments mailed directly to the CSC as instructed in the printed payment monthly OEU invoice.

Additionally, the CSO includes all other daily payments made to 3rd parties (i.e. Money Gram, Amscot, Fidelity Express, etc.) in the daily cash report. Payments made to the off-site kiosks are picked up by Loomis and are deposited directly to the City bank account. Accounting verifies and posts the kiosks payments to the Eden financial system.

We observed the physical controls over cash implemented in the Customer Service Office, the payment collection process, cashier drawer close out procedures, and completion of the deposits. IA also reviewed SunTrust bank statements to validate deposits received.

Based upon IA observations, physical and internal controls implemented over cash funds were sufficient. Processes and procedures in place ensure only authorized personnel gain access to cash; cash collected is accurately accounted for; and deposits were accurate and made in a timely manner.

We appreciate the assistance of all personnel involved in the review, especially Tammy Sherouse, Customer Service Supervisor.

Cc: Bill Kaufman, Assistant City Manager