



# OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

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## 14-33 Colorado Springs Utilities Cash Receipts Audit

December 2014

### **Purpose**

The purpose of this audit was to evaluate whether Colorado Springs Utilities was abiding by the internal policies and procedures established for cash receipting activities while adequately safeguarding resources. Our scope included review of system accesses. The audit period was January through September 2014.

### **Conclusion**

We conclude that internal controls were adequate to safeguard resources. Cash receipting procedures complied with policies and procedures as set forth by management and assigned system access was appropriate.

In 2013, a total of 2.46 million payment transactions were processed by Colorado Springs Utilities. Customers were offered a number of ways to pay utility bills to include payment by mail, electronic funds transfers, electronic check or credit card through a vendor, and online bill payment through the customer's bank. Walk-in payments were also accepted at the Colorado Springs Utilities Service Center lobby. Additionally, during our audit period, payments could be made in retail locations such as grocery and convenience stores.

The Customer Revenue Section within the Customer Revenue and Services Department had the primary responsibility for all customer financial transactions related to payments. Payment Operations Unit was responsible for the daily processing and balancing of payment remittance through the various payment channels. Lobby Operations Unit was responsible for payment transactions by customers who conducted utility business in person.

Since our previous audit, Colorado Springs Utilities restructured the Customer Revenue Section to further segregate customer service functions. Colorado Springs Utilities also installed enhanced security measures in the lobby.

We would like to thank Colorado Springs Utilities Customer Revenue staff for the level of assistance provided during the audit, which allowed us to complete our audit in a timely manner.

As always, feel free to contact me if you have any questions.

This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors.

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