



Cash Processing Services

As the cash-in-transit industry increases emphasis on Cash Processing Services (CPS) operations, there is an increased need for monitoring and verification of both the cash inventories as well as the operations and controls in place to safeguard the liability. The large volumes of cash and coin that are handled by these CPS operations result in an environment that can provide temptation and numerous opportunities for internal theft. A proactive approach regarding the implementation of appropriate processes and controls and on-going compliance monitoring is critical in the effort to safeguard the liability.

Armed with this specialized industry knowledge, Lowers & Associates (L&A) is keenly aware of the inherent risks involved in the cash-in-transit industry and is uniquely qualified to provide valuable auditing and compliance monitoring services that address the threats and risks the industry faces.

L&A has worked closely with industry leadership to develop cash and coin audit programs that are designed to independently verify inventory balances and review compliance to processes and controls that are based on industry best practices and/or specific client requirements/standards.

The inventory verification of the cash and coin audit includes a complete physical inventory of liability that is compared to the daily corresponding banking customer reports that are generated by the CPS operation to the banking customer. Any variances between physical balances and reported balances are reconciled through verification of all cash movement. Upon reconciliation of the account, a confirmation request is sent to the banking customer asking them to acknowledge their agreement or disagreement with the audited balance.

Also available is another important element of the cash and coin audit involving the survey of the CPS operation regarding compliance to identified industry best practices and/or the client specific standards. These best practices and/or client standards are assessed with a focus on critical processes which impact effective and efficient operation of the organization. Recommendations strengthening controls and mitigating risks are provided based on the observations.

The cash and coin audit programs are tools that assist organizations in timely identification of out of balance conditions, possible control weaknesses and areas in need of improvement. Failure to timely identify these items greatly increases the risk for significant internal loss.