# Standard Operating Procedure (SOP)
# Cash, Cheque, and Online Payment Handling Procedures

This SOP details the **cash, cheque, and online payment handling procedures**, encompassing the collection, verification, recording, and secure storage of cash and cheques, as well as the processing of online payments. It aims to maintain accurate financial records, prevent fraud and errors, ensure timely deposit of funds, and uphold accountability through clear roles and responsibilities. The procedures include guidelines for handling discrepancies, reconciliation of payments, and secure transmission of payment information to safeguard the organization's financial assets.

## 1. Purpose

To define standardized procedures for handling and processing cash, cheque, and online payments to ensure financial integrity, security, and accountability within the organization.

## 2. Scope

This SOP applies to all employees and departments responsible for receiving, handling, and processing cash, cheques, and online payments.

## 3. Responsibilities

- **Cashiers/Receivers:** Collection, preliminary verification, and recording of payments.
- **Supervisors:** Review, reconciliation, and oversight of payment handling procedures.
- **Finance/Accounts Department:** Final verification, secure deposit, and maintenance of financial records.

## 4. Procedures

### 4.1. Cash Handling

1. Collect cash payments and issue official receipts immediately.
2. Count and verify cash received in the presence of the payer.
3. Record transaction details in the cash register and/or manual log.
4. Securely store cash in a locked cash box or safe until deposit.
5. At end of day/shift, reconcile receipts with cash on hand; document discrepancies.
6. Prepare and deposit cash to the bank within **24 hours** of receipt, or as per policy.

### 4.2. Cheque Handling

1. Receive cheques and verify payee and amount details; ensure proper endorsement.
2. Issue a receipt to the customer for the cheque received.
3. Record cheque details (payer name, amount, cheque number, bank name, date) in the appropriate register.
4. Securely store cheques in a locked location until deposit.
5. Deposit cheques to the bank at the earliest opportunity; ensure confirmation of credit.

### 4.3. Online Payment Handling

1. Verify receipt of online payments through official banking portals/platforms.
2. Record transaction reference, amount, payer name, and date in the payment register/system.

3. Send acknowledgement to payer upon confirmation of payment receipt.
4. Reconcile online payment records with bank statements on a daily basis.

# 5. Discrepancies & Reconciliation

1. Report any discrepancies between records and physical funds or account statements immediately to the supervisor/finance department.
2. Investigate and resolve discrepancies; document actions taken and outcomes.
3. Perform periodic reconciliations (daily, weekly, monthly) as per organizational policy.

# 6. Security & Confidentiality

- Restrict access to cash, cheques, and payment records to authorized personnel only.
- Ensure secure transmission of payment information; avoid sharing payment details via unsecured channels.
- Maintain confidentiality of all financial transaction details.

# 7. Documentation

- Retain all payment records, receipts, deposit slips, and reconciliation reports in accordance with the organization's document retention policy.
- Ensure accurate and complete documentation to facilitate audits and reviews.

# 8. Review & Updates

This SOP should be reviewed annually or when there are significant changes in payment processing systems, procedures, or regulatory requirements.

# 9. Revision History

| Version | Date | Description | Prepared/Reviewed By |
| --- | --- | --- | --- |
| 1.0 | 2024-06-30 | Initial version | Finance Manager |