

SOP: Reconciling Cash Drawers and End-of-Shift Balancing

This SOP details the process for **reconciling cash drawers and end-of-shift balancing**, including accurate counting of cash and coins, verifying sales receipts and transaction records, identifying and resolving discrepancies, documenting cash variances, and securing funds for deposit. The procedure ensures financial accuracy, accountability, and integrity in cash handling at the close of each shift.

Scope

This procedure applies to all employees responsible for cash handling and closing duties at the end of each operational shift.

Responsibilities

- Cashier/Shift Employee: Responsible for accurately counting cash drawer, documenting totals, and reporting discrepancies.
- Supervisor/Manager: Verifies reconciliation, reviews variance documentation, and secures funds for deposit.

Procedure

1. **Preparation**
 - Gather all necessary materials: cash reconciliation form, calculator, deposit bag, and sales reports.
 - Ensure work area is clear and free from distractions.
2. **Counting Cash and Coins**
 - Remove the cash drawer from the register/terminal and count the cash and coins in a secure area.
 - Count each denomination separately, recording the amount for each.
 - Total all cash and coins.
3. **Verifying Sales Receipts and Transaction Records**
 - Print and review the end-of-shift sales report/transaction summary from the POS system.
 - Compare reported cash sales to the total cash counted.
4. **Identifying and Resolving Discrepancies**
 - If the cash counted does not match the expected amount, recount cash and verify all receipts.
 - If discrepancy remains, notify supervisor/manager immediately.
5. **Documenting Cash Variances**
 - Record any cash overages or shortages on the cash reconciliation form.
 - Provide a written explanation for any variances, if known.
6. **Securing Funds for Deposit**
 - Place the counted cash and reconciliation documentation in the designated deposit bag/envelope.
 - Secure the deposit as per company policy for handoff or safe storage.
7. **Final Review and Sign-off**
 - Both the cashier and supervisor/manager must review the reconciliation and sign the cash reconciliation form.
 - File all documentation as per record-keeping requirements.

Documentation

Document/Form	Description
Cash Reconciliation Form	Record of counted amounts by denomination, variances, and sign-offs.
Sales Report/Transaction Summary	End-of-shift record of sales from POS for reconciliation.
Variance Report (if needed)	Explanation and investigation notes for unexplained overages/shortages.

Related Policies

- Cash Handling Policy
- Record Retention Policy
- Employee Code of Conduct

***Note:** Regular audits should be conducted to ensure compliance with this SOP and identify any training needs or*

process improvements.