Standard Operating Procedure (SOP): Cash Handling and Point-of-Sale (POS) Operations

This SOP defines **cash handling and point-of-sale (POS) operations** procedures, including accurate cash counting, secure transaction processing, proper use of POS systems, fraud prevention measures, end-of-day reconciliation, and accountability protocols. The objective is to maintain financial integrity, ensure customer satisfaction, and minimize cash-related discrepancies and losses within retail or service environments.

1. Purpose

To establish standardized procedures for handling cash and operating point-of-sale (POS) systems to ensure efficiency, accuracy, and security of all transactions.

2. Scope

This SOP applies to all employees responsible for cash handling and operating POS systems within the organization.

3. Definitions

- **Cash Handling:** All processes involving the receipt, storage, counting, and disbursement of cash (bills and coins).
- **POS System:** The electronic system used to process sales, returns, and other financial transactions.
- **Reconciliation:** The process of verifying the accuracy of cash in the register against POS records.

4. Responsibilities

- **Cashiers:** Perform transactions, handle cash, and comply with SOP procedures.
- **Supervisors/Managers:** Oversee cash handling, perform cash drawer checks, and monitor compliance.
- **Finance Department:** Audit and maintain records for accountability.

5. Procedures

1. **Start-of-Day Cash Count**
   - Count and verify starting cash (float) with a supervisor present.
   - Record amounts on the *Cash Count Sheet* and sign off.
   - Confirm that the POS is functioning properly before starting sales.
2. **Transaction Processing**
   - Ring all sales through the POS; never bypass or process off-system.
   - Verify cash received from customers; count and display change before handing it over.
   - Ensure all receipts are issued to customers for their transactions.
3. **Cash Handling and Security**
   - Do not leave the cash register unattended while open.
   - Keep large bills and excess cash in the secure drop safe as per company protocol.
   - Report any suspicious activity to management immediately.
4. **Fraud Prevention Measures**
   - Check for counterfeit bills using approved methods/tools.
   - Do not accept torn or suspicious currency.
   - Never share POS login credentials; log out during breaks.
5. **End-of-Day Procedures**
   - Close the register and print the end-of-day POS report.
   - Count cash in the drawer and reconcile it against the POS report.
   - Document any discrepancies and report them to management immediately.
   - Prepare the deposit as per company policy and secure it appropriately.
6. **Accountability and Record-Keeping**
   - Ensure two signatures on all cash counts and reconciliation sheets.
   - Maintain all cash handling records securely for audit and review.

6. Documentation

Document	Purpose	Retention Period

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Cash Count Sheet	Records daily cash counts and reconciliation	Minimum 1 year
POS Transaction Report	Details summary of all transactions processed	Minimum 1 year
Deposit Record	Details deposits made to safe/bank	Minimum 1 year

7. Training

- All new employees will receive mandatory training on cash handling and POS operations.
- Refresher training must be provided at least annually or upon updates to procedures.

8. Compliance

- Non-compliance with these procedures may result in disciplinary action, up to and including termination.
- Regular audits will be conducted to ensure adherence to procedures.

9. Revision History

Date	Revision	Description	Author
2024-06-20	1.0	Initial SOP release	Operations Manager