

Standard Operating Procedure (SOP)

Cash Handling and Billing Procedures

This SOP details the **cash handling and billing procedures**, encompassing cash receipt, transaction processing, billing accuracy, reconciliation of cash drawers, fraud prevention measures, end-of-day reporting, and audit compliance. The purpose is to ensure secure, accurate, and efficient handling of cash transactions, maintain financial accountability, and enhance customer satisfaction through proper billing practices.

1. Scope

This SOP applies to all staff involved in handling cash and processing billing transactions at [Organization/Department].

2. Responsibilities

- **Cashiers:** Handle all cash transactions, ensure correct billing, and maintain accurate records.
- **Supervisors/Managers:** Monitor cash handling processes, perform reconciliation, and ensure SOP compliance.
- **Finance Department:** Audit and review end-of-day reports and billing records.

3. Procedure

- Cash Receipt and Transaction Processing**
 - Verify the authenticity of cash received.
 - Enter the transaction details accurately into the billing system or register.
 - Issue a receipt to the customer for every transaction.
- Billing Accuracy**
 - Double-check items or services listed on the bill against orders or requests.
 - Correct errors immediately prior to finalizing the transaction.
- Cash Drawer Reconciliation**
 - Count cash in the drawer at the start and end of each shift, recording the amounts on the reconciliation sheet.
 - All discrepancies must be reported to a supervisor immediately.
- Fraud Prevention Measures**
 - Do not leave cash drawers unattended.
 - Use counterfeit detection tools for large denomination bills.
 - Restrict access to cash drawers to authorized personnel only.
- End-of-Day Reporting**
 - Prepare daily cash summary reports.
 - Submit end-of-day cash and reports to the supervisor/finance department as per protocol.
- Audit Compliance**
 - Retain all transaction records and reports for periodic audits.
 - Cooperate fully with internal and external auditors.

4. Documentation and Records

Document	Responsible Person	Retention Period
Cash Receipt Log	Cashier	5 years
Billing Records	Cashier/Finance	5 years
Daily Reconciliation Sheet	Supervisor	3 years

Audit Reports	Finance Department	5 years
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5. Training

- All relevant staff must receive regular training on cash handling, billing systems, and fraud prevention.
- Training records must be maintained and reviewed annually.

6. Review and Updates

- This SOP will be reviewed annually or upon significant changes in processes, regulations, or identified risks.
- All updates must be communicated to affected staff in a timely manner.

7. References

- [Company Policy Manual]
- [Internal Audit Guidelines]
- [Applicable Legal/Regulatory Requirements]

8. Appendix

- Sample cash reconciliation sheet
- Fraud detection checklist
- Template for end-of-day summary report