Cash Handling Procedure

SOP · US · Updated 2026-07-13 · Square brackets are placeholders to replace with your own details.

A cash handling procedure is the written set of rules for every point where money moves in your business — register floats, taking payments, refunds and voids, closing counts, the safe, and bank deposits. It protects your receipts and, just as importantly, protects honest staff from suspicion when the numbers do not add up.

Cash loss is rarely one big theft; it is small, repeated leakage that unwatched processes allow — unlogged no-sales, unchecked refunds, drawers counted by one tired person. A consistent procedure makes discrepancies visible on the day they happen, not at the end of the quarter.

This template covers floats, register discipline, dual-control counts, safe management, bank deposits, and how discrepancies are investigated and recorded.

Purpose and scope

This procedure sets out how [Your company] handles cash at [location]: floats, payments, refunds, closing counts, the safe, and bank deposits. It applies to everyone who operates a register or handles receipts. Where cash tips are pooled or declared, they are handled under [tips policy] — this procedure covers business receipts.

The controlling principle is accountability: one person per drawer per shift, two people for counts wherever possible, and a record for every movement of cash.

Roles and responsibilities

- Register operators: responsible for their own drawer from float check to closing count; never leave a drawer unlocked or unattended.
- Manager on duty ([role]): issues floats, authorizes refunds and voids above $[amount], witnesses counts, and completes the daily reconciliation.
- [Name/role]: controls safe access, bank deposits, and change orders, and investigates discrepancies above the threshold in this procedure.

Floats and start of shift

1. Collect your float ($[amount]) from the manager on duty and count it before your first sale.
2. Report any float discrepancy immediately — do not start trading on a wrong float.
3. Sign the float log to confirm the amount, and lock the drawer whenever you step away.
4. Request change from the manager on duty, never from another register.
5. If the drawer is handed to anyone mid-shift, count it at the handover and record it — accountability breaks the moment two people share an uncounted drawer.

Register discipline during service

- One operator per drawer per shift wherever the POS allows; sign in with your own code, never someone else's.
- Close the drawer after every transaction; never process a sale with the drawer already open.
- No-sales, voids, and refunds above $[amount] need manager authorization at the time, logged with a reason.
- Check large bills by [method, e.g. counterfeit-detector pen or UV] and drop excess cash to the safe when the drawer holds more than $[amount].
- If a bill fails the check, decline it politely and follow the suspected-counterfeit steps at [location] — record the incident for [name/role] rather than handing the bill back and forgetting it.
- Never count cash in view of customers or leave the register area with the drawer unlocked.

Closing counts and reconciliation

1. Count each drawer away from windows and public view at [location], with two people wherever staffing allows.
2. Count the drawer, restore the float to $[amount], and record receipts against the POS report.
3. Record card, gift card, and other tender totals separately and reconcile each to the POS report.
4. Note any variance on the reconciliation sheet — never adjust a figure to make it balance.
5. Seal receipts in [bags/pouches], sign across the seal with both counters' names, and place them in the safe.

Safe and bank deposits

The safe is kept locked at all times, with access limited to [named roles]. Contents are checked against the safe log at each open and close, and the combination or keys change when an authorized holder leaves.

Deposit runs happen [frequency], at varied times and routes, by [number] people wherever possible. Cash in transit is carried discreetly in [bag type]; if challenged, hand it over — no sum of money is worth an injury. Where volumes justify it, consider an armored courier service and note the arrangement here.

Every deposit is recorded on the deposit log, and [name/role] reconciles the bank receipt against it within [number] days — an unreconciled deposit is a discrepancy waiting to be discovered late.

Discrepancies

Variances up to $[amount] are recorded and monitored for patterns. Anything above that, or a repeating pattern on one register or shift, is reported to [name/role] the same day and investigated: POS reports, refund and void logs, security camera footage [if held], and accounts from staff on shift. Patterns matter more than single events — the same operator, the same shift, or the same tender type recurring in the variance log is the signal worth acting on.

Investigations are factual, not accusatory — most discrepancies are process errors. Where evidence suggests theft, the matter moves to the disciplinary procedure. Register shortages are not deducted from pay without [name/role] checking current DOL guidance and state law first.

Records and review

Float logs, reconciliation sheets, safe logs, deposit records, and authorization logs are kept at [system/location] for [period]. They are the audit trail for your accountant, your insurer, and any investigation.

This procedure is reviewed [frequency], after any robbery, burglary, or confirmed theft, and when registers, tender types, or deposit arrangements change. Owner: [name/role]. Next review due: [date].

How to use this template

1. Set the numbers first: float amounts, the refund authorization limit, the drawer drop threshold, and the discrepancy investigation threshold.
2. Match the drawer rules to your POS — one operator per drawer only works if the system supports individual sign-ins.
3. Walk the closing count with your managers and adjust the steps to your actual POS reports before training anyone.
4. Vary deposit times and routes from day one; a predictable run is the single biggest robbery risk.
5. Check your state's rules on wage deductions before the first shortage conversation, not after.
6. Recount a random drawer weekly for the first month to check the procedure is being followed, not just signed.

Official guidance

› DOL — Wage and Hour Division

› OSHA — Workplace violence

This template is provided in good faith and for general information — it is not legal advice. Adapt it to your organisation and, where your sector carries specific legal requirements, have the finished document reviewed by a qualified adviser. The live version at https://trainedteam.com/templates/cash-handling-procedure-us is kept current; this file is a snapshot.