



Cash Handling Procedures

At Shari's managers handle a LOT of money, not necessarily all in cash. Theft and shortages can occur by mishandling of guest checks, register operation, credit card processing, discounts and employees meals. It is therefore important that managers are aware of all company policies and procedures regarding cash handling to ensure that theft and shortages are eliminated or at least kept to a minimum.

While we believe that most of our employees are honest, we also feel that we must have systems and policies in place that let our employees know that cash handling is very important to us. It is also important for them to know that we follow-up on and monitor our policies so that they don't get complacent about shortages or sloppy with their cash handling. On average the company experiences a \$5,500 shortage every period; this is simply cash shortages and doesn't account for other loss such as theft of product and covered theft; such as improperly coded discounts, walkouts, missing tickets and such. The following reading assignment will discuss each cash handling area so that you have a clear understanding of the systems in place and the reasons for such policies.

Handling Guest Checks:

1. Only managers are allowed to void or discount items from guest checks. There are several reasons for this, first we want to ensure that the items are coded correctly; voided if no food was used, comped if the food was unacceptable and re-cooked if needed. Secondly, most voids and comps involve some element of guest dissatisfaction and at Shari's, managers are required to personally handle each guest complaint.
2. Managers must also ensure that servers are inputting all food and beverage items on tickets. If each server only forgets to input one beverage per shift, it can have a huge financial impact on sales. You figure the total using following formula:

Server forgets to charge for one beverage at _____ (beverage price) X average number of server per day in your store _____ X 365 (the number of days in a year _____ (total lost sales for your store) X the number of stores in the company _____ (total lost sales for the company).

3. Servers are required to account for a beverage for each guest. Tickets such as the one to the right should catch your attention. Do you think that it is possible that out of four guests only one had anything to drink?

- What are some possible reasons that servers do not input items (not just beverages) on tickets?
- How can managers monitor this?

4. Managers must also be aware of customers who are served without a ticket. Typically, this would be a customer who sits at the counter and has a beverage only. Many times they leave the money for their coffee and, without a ticket, it is inadvertently mistaken for a tip. Occasionally, guests will leave the money to pay their bill at the table. This creates a temptation for a server to pocket the money and leave the check open. Most likely, this ticket will later be closed as a walkout check.

Shari's Restaurant		
**** Training Guest Check ****		
Do Not Pay This Check.		
8588886 In Train		
Tbl 23/1	Chk 3804	Gst 4
Jul11'03 12:31PM		
***** DEMONSTRATION MODE *****		
3 *NO BEV		0.00
1 COFFEE		1.59
1 COBB SAL		7.89
1 STEAK CAESAR		7.99
1 FRENCH DIP		6.99
ADD SOUP 1		0.99
1 HAMBURGER		6.29
CHEDDAR		0.50
12:32 Total		32.24

Register Procedures:

1. Tickets that are paid in cash are not to be cashed out at any register except the front register; however, credit cards may be processed at server station terminals. This helps ensure sure that cash left at tables actually makes it to the register.
2. When taking cash, employees are required to leave the cash out until they have counted back change and the guest is satisfied. All employees are required to verbally count back change to the guest. At Shari's we count back change beginning with the amount of the bill to the actual amount of cash taken. Lastly, employees should handle only one transaction at once and close the register after each transaction. Following these procedures eliminates mistakes that can happen at the register.
3. Employees are not allowed to cash in tips. At a manager's request, tips may be exchanged when the store is running low on change. In this case, the manager must recount the tips and exchange them for the server.

4. Another thing that you will want to monitor when cashing out tickets is guest counts. In the ticket example shown here the incorrect guest count has obviously been entered. Since Shari's schedules based on hourly guests counts, inaccurate guest counts can affect staffing. Underreporting guest counts is also a way that servers manipulate their PPE (per person expenditure).

8588886 In Train		
Tbl 4/1	Chk 3806	Gst 1
Jul11'03 05:19PM		
***** DEMONSTRATION MODE *****		
1 COFFEE		1.59
1 SM JUICE		1.59
1 LG JUICE		2.19
1 SOFT DRINK		1.79
1 BARN BUSTER		7.69
1 GRID CAKE		5.99
1 STRAW CAKE		4.99
1 DENVER OMELETTE		6.99
05:19 Total		32.82

Credit Cards:

1. All tips left on credit cards will be paid to the server at the end of the shift, when the till is changed. Also the manager should monitor and counsel server going through the till to check the tips that guests have left on credit cards. This can lead to till shortages and looks very unprofessional to guests.
2. Always close out a credit card by ensuring that the customer has entered a total, if they do not enter a total, you should bring their total down or total the charge and tip for them. Never leave a credit card total open.
3. Always verify that the credit card closed check receipt and voucher match. If a tip has been entered wrong, adjust the total immediately.

Certificates and Discounts:

1. “Be My Guest Checks” should be endorsed by the person using them and stapled to the guest check. This will ensure that they are being used by guests and not employees. Since change is not given on the unused portion of “Be My Guest Checks” the POS system will not allow you to input an amount larger than the pre-tax amount of the bill.
2. All discounts must be coded to the correct POS discount number. Smart discounts (those that are calculated automatically by the POS system) can only be overridden by a manager.
3. All guest checks paid with a discount or any tender other than cash must be stapled to the documentation and placed in the register. If you don’t have the discount documentation, you don’t have the discount.

Honored Discount Cards:

1. Honored cards receive one stamp for each honored meal purchased. You may stamp their card for regular meals as long as it was a full meal and an honored citizen ordered them. For example, don’t stamp an honored card four times just because he took his three children out to dinner.
2. Honored cards are redeemed for the highest priced honored meal on the ticket and one beverage. If the ticket doesn’t have an honored meal on it, discount the amount of the highest priced honored meal on the current menu. Note the improperly discounted ticket to the right.

Closed Check Reprint		
2 SOFT DRINK @ 1.79		3.58
1 CFS DINNER *H		5.99
SALAD		
1 CFS		8.29
ADD SAL		0.99
Honored		8.29-
Honored		1.79-
Cash		8.77
Subtotal		8.77
Payment		8.77
-----8588887 Jul11'03 05:53PM-----		

Employee Meals:

1. Discounted employee meals are restricted to the employee menu. All meals must be rung up, discounted by the manager and paid for before going on break. This eliminates having unpaid employees meal tickets at the end of the day.
2. All paid employee meal tickets must go in the register.
3. Employee 30% discounts may only be used when employees are off duty. The discount also extends to immediate family member who accompany them. The 30% discount may be used from 6am to midnight. Employees using the discount must present a current employee discount card and sign their guest check.

