



Cashier bank audit basics for front desk managers

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Front desk clerks are typically issued a “cash bank” at the start of their shift so that he or she can handle the various front desk transactions that occur during the course of the business day in the hotel.

Given that employees are entrusted with large sums of the hotel’s money during their shift, it is not inconceivable that a front desk clerk may choose to play “fast and loose” with the funds from time to time. Likelihood that an employee may temporarily “borrow” from his or her cashier’s bank significantly increases when there is limited front desk supervision, when front desk clerks tend to work alone, when employees experience personal financial distress, or when the hotel fails to implement and execute a policy of randomized cashier bank audits.

If cashiers know that their bank is likely to be audited, temptation to “borrow” from their bank will be drastically curtailed. Undoubtedly, every hotel clerk caught with a significantly “short” bank had plans to replace the money they had “temporarily borrowed.” But after a while, the habit becomes endemic and compromises the trust that has been placed in the employee by management.

Following is a list of recommended policies and steps for implementation to help keep your front desk clerks honest and their cashier’s banks intact:

- Develop a policy that all front desk clerks with cashier’s banks will be audited. Do not audit the bank at the conclusion of every shift as this may be expected by the employee and will undermine their demonstration of personal responsibility and self-credibility.
- Notify all new front desk personnel in writing at the time of hire and during training that cashier’s banks are property of the hotel and subject to random audit. Emphasize that the goal is not to catch an employee doing something wrong, but rather good accounting and cash handling procedures necessitate such a practice. Remind employees that the goal is to really catch them doing their jobs correctly and abiding by workplace rules.
- Audits must be random, and without advance warning. During the shift’s slow time the front desk manager, hotel GM, or hotel’s general cashier should appear at the desk and ask the employee to bring their cashier’s bank and all transaction documentation from the shift to the back office. The clerk and auditing representative should count the bank and reconcile the transaction amounts together. After the audit has been announced, and for the protection of both parties, never allow the bank to remain in the presence of just one individual until the audit has been completed.
- Reward employees who consistently maintain correct level banks and investigate why others fail to maintain proper level banks. Shortages revealed during a bank audit may suggest that: the clerk fails to pay sufficient attention to detail during cash handling transactions; that the clerk may require additional training in cash handling procedures; that the clerk may be engaged in a pattern of “borrowing” from the bank. Significant overages would likely indicate that: the clerk may be engaged in shortchanging guests during cash transactions; the clerk accepted payment for but failed to post one or more cash transactions during the shift. Either form of overage may be indicative of an employee’s intent to pocket the overage later during the shift, thus defrauding the hotel from its rightful revenue.
- Where appropriate, retrain, monitor, discipline or terminate employees whose banks fail to balance during audits. Realize that all employees will make occasional cash-handling errors, so match the level of remediation and discipline to the severity and frequency of the offense. However, if irrefutable evidence exists that an employee is misusing or “borrowing” hotel assets, terminate their employment immediately before it becomes a bigger issue and threatens the financial viability and reputation of the hotel.

- To ensure personal responsibility, provide separate safe-deposit boxes to each clerk and locking cash drawers at the desk for each bank. Assign one cashier's bank per employee each shift. Have the employee verify and sign for the bank if it is issued at the start of each shift. Do not permit employees to access another employee's cash drawer. Require that at least one additional employee witness and sign for each employee's drop at the end of each shift. ✧

(Dr. William D. Frye is a former resort general manager and hotel night manager. E-mail: wfrye@roomschronicle.com.)