STANDARD OPERATING PROCEDURE

Teller Cash Drawer Balancing SOP

Document no.	SOP-BNK-002
Revision	1.0
Owner	Branch Manager
Effective date	September 15, 2026
Review cycle	Every 12 months

1. Purpose

To keep teller cash accurate and secure throughout the shift, catch and resolve overages or shortages quickly, and maintain a clear audit trail for every drawer.

2. Scope

Applies to teller cash drawers at branch locations, from sign-out at the start of a shift through balancing and return at close. Vault cash management beyond teller drawers is covered separately.

Definitions

Drawer limit	The maximum amount of cash a teller is authorized to hold in their drawer before excess must be sent to the vault.
Dual control	A control requiring two authorized people to jointly handle or verify a cash movement above a set amount.
Over or short	The difference between the cash actually counted in a drawer and the amount the transaction total says should be there.

3. Responsibilities

Teller	Signs out the drawer, processes transactions, secures cash, and counts and balances the drawer each shift.
Vault Custodian	Issues drawers, exchanges cash between the vault and tellers, and prepares deposits for pickup.
Branch Manager	Investigates overages or shortages, approves dual control movements, and reviews cash logs.

RACI matrix

Activity	Teller	Vault Custodian	Branch Manager
Sign out and count starting cash	R/A	C	I
Process transactions during shift	R/A	-	I
Move cash above the drawer limit	R	R/A	C
Count and balance drawer at close	R/A	I	I

Activity	Teller	Vault Custodian	Branch Manager
Investigate over or short	R	C	R/A

R = Responsible, A = Accountable, C = Consulted, I = Informed

4. Materials and PPE

Materials, tools and systems

- Teller cash drawer and till
- Cash drawer log
- Core banking teller system
- Currency counter
- Dual control authorization log
- Deposit bags and seals

5. Procedure

Step	Task	Owner	Done
5.1	**Sign out the cash drawer from the vault** At the start of the shift, the teller signs out an assigned drawer from the vault custodian and confirms the drawer number matches their assigned till.	Teller	☐
5.2	**Count and verify starting cash** The teller counts the starting cash by denomination against the amount recorded on the drawer's last closing count, using the currency counter for large bills. **Checkpoint:** Starting cash matches the prior closing count before any transactions are processed.	Teller	☐
5.3	**Log the starting balance** The teller records the verified starting balance, the date and their initials in the cash drawer log before opening for business.	Teller	☐
5.4	**Process customer transactions** The teller processes deposits, withdrawals, check cashing and other cash transactions through the core banking teller system, confirming the amount with the customer before completing each one.	Teller	☐
5.5	**Apply dual control above the drawer limit** When cash on hand approaches the drawer limit, the teller and the vault custodian jointly count and transfer the excess to the vault, and both initial the dual control log. **Warning:** Never move cash above the drawer limit alone. A second authorized person must witness and initial the transfer.	Teller	☐
5.6	**Request additional cash when running low** When cash on hand runs low, the teller requests additional cash from the vault custodian, who counts and issues it under dual control and logs the amount.	Vault Custodian	☐
5.7	**Secure the drawer when unattended** The teller locks the drawer and secures the till any time they step away from the window, even briefly, and never leaves cash exposed at an open station. **Warning:** An unattended, unlocked drawer is a serious security and fraud risk.	Teller	☐

Step	Task	Owner	Done
5.8	**Count cash at end of shift** At close, the teller counts all cash in the drawer by denomination, using the currency counter to verify large bill counts, without looking at the expected total first. **Checkpoint:** The count is completed before comparing it to the system-generated transaction total.	Teller	☐
5.9	**Balance the drawer against the system total** The teller compares the counted cash to the transaction total from the core banking teller system and records the result, whether balanced, over or short.	Teller	☐
5.10	**Investigate and document any difference** If the drawer is over or short, the branch manager reviews the day's transactions with the teller to look for an error, such as a miskeyed amount or a missed dual control entry, and documents the finding. **Checkpoint:** Every over or short is documented with a cause or noted as unresolved, never left blank.	Branch Manager	☐
5.11	**Prepare the deposit for the vault** The vault custodian counts and prepares the excess cash for return to the vault or pickup by an armored carrier, sealing it in a tamper-evident deposit bag with the amount recorded.	Vault Custodian	☐
5.12	**Return the drawer and paperwork** The teller returns the drawer, the cash log and the balancing worksheet to the vault custodian, who verifies the closing count before storing the drawer.	Teller	☐

6. Quality checks

- Every drawer's starting count matches its prior closing count before the shift begins.
- All cash movements above the drawer limit have two initials in the dual control log.
- Every over or short is investigated the same day and documented with a cause or noted as unresolved.
- Drawers are never left unlocked or unattended during the shift.

7. Records

- Cash drawer log with opening and closing counts
- Dual control authorization log
- Over or short investigation notes
- Deposit bag seal numbers and amounts

8. KPIs

- Number of over or short incidents per teller per month
- Average dollar value of overages and shortages
- Percentage of dual control transfers with complete log entries
- Time to resolve an unbalanced drawer

9. Common mistakes

- Comparing the count to the expected total before finishing the physical count.
- Moving cash above the drawer limit without a second person present.
- Leaving the drawer unlocked while stepping away from the window.

- Recording an over or short without noting a cause or follow-up.

10. Revision history

Revision	Date	Description	Reviewed by
1.0	September 15, 2026	Initial release	Ilia Pirozhenko

Approval

Prepared by	Approved by	Date

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