STANDARD OPERATING PROCEDURE

Hotel Night Audit SOP

Document no.	SOP-HTL-009
Revision	1.0
Owner	Front Office Manager
Effective date	September 15, 2026
Review cycle	Every 12 months

1. Purpose

To close out the business day accurately by reconciling transactions, processing no-shows, and producing the reports management needs each morning.

2. Scope

Applies to the night auditor completing the overnight shift's reconciliation process. Routine front desk duties during the shift are covered by the front desk SOP.

Definitions

PMS	Property management system. The software used to manage reservations, room status, folios and reporting.
No-show	A guest who had a reservation for the night but never arrived and did not cancel.
End of day	The point in the PMS where the business date rolls forward and daily reports are finalized.

3. Responsibilities

Night Auditor	Reconciles the day's transactions, processes no-shows, runs reports, and completes system backup.
Front Office Manager	Reviews audit reports each morning and resolves discrepancies flagged overnight.
Accounting Clerk	Receives the finalized daily reports for posting to the property's accounting system.

RACI matrix

Activity	Night Auditor	Front Office Manager	Accounting Clerk
Reconcile daily transactions	R/A	I	I
Process no-shows and cancellations	R/A	I	-
Run and distribute daily reports	R	A	I
Resolve flagged discrepancies	R	A	C

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

4. Materials and PPE

Materials, tools and systems

- PMS terminal
- Cash and card transaction summaries
- Daily report templates
- System backup checklist
- Discrepancy log

5. Procedure

Step	Task	Owner	Done
5.1	**Review the day's activity** Check the PMS for the day's arrivals, departures, room changes and any open items flagged by the day and evening shifts.	Night Auditor	☐
5.2	**Reconcile room revenue** Compare room revenue posted in the PMS against the day's occupancy and rates, checking for any room not billed or billed at the wrong rate. **Checkpoint:** Room revenue posted in the PMS matches the occupancy and rate for every occupied room.	Night Auditor	☐
5.3	**Reconcile cash and card transactions** Match cash and card totals from the day's shifts against the PMS transaction log, and note any variance for follow-up.	Night Auditor	☐
5.4	**Process no-shows** Identify reservations with no arrival and no cancellation, apply the no-show charge per the rate policy, and update the reservation status.	Night Auditor	☐
5.5	**Process late cancellations** Apply any late cancellation fees due per the booking's cancellation policy and update the reservation status in the PMS.	Night Auditor	☐
5.6	**Post outstanding department charges** Confirm all food and beverage, spa or other department charges for the day have been posted to the correct guest folios before closing the day.	Night Auditor	☐
5.7	**Investigate discrepancies** Research any variance found during reconciliation, such as an unposted charge or duplicate entry, and correct it or log it for the front office manager to review. **Warning:** Never adjust a guest folio to hide a discrepancy; log it for review instead.	Night Auditor	☐
5.8	**Run the end of day process** Once all transactions are reconciled, run the PMS end of day process to close the business date and roll the system forward. **Checkpoint:** All open transactions are reconciled and posted before the end of day process is run.	Night Auditor	☐
5.9	**Generate daily reports** Generate the occupancy, revenue and any other standard daily reports required by the property after the end of day process completes.	Night Auditor	☐
5.10	**Complete the system backup** Follow the system backup checklist to confirm the PMS data backup completed successfully for the closed business date.	Night Auditor	☐

Step	Task	Owner	Done
5.11	**Distribute reports and handover notes** Distribute the finalized daily reports to the front office manager and accounting clerk, and leave handover notes on any open discrepancies.	Night Auditor	☐

6. Quality checks

- Room revenue reconciles fully against occupancy and rates before the end of day is run.
- No no-show or late cancellation reservation is left unprocessed overnight.
- The system backup completes successfully for every closed business date.
- Discrepancies are logged for review rather than adjusted without explanation.

7. Records

- Daily reconciliation reports
- Discrepancy log
- No-show and cancellation processing records
- System backup confirmation log

8. KPIs

- Number of unresolved discrepancies per night
- Time to complete the night audit process
- No-show and late cancellation revenue captured
- System backup success rate

9. Common mistakes

- Running the end of day process before all charges are posted.
- Adjusting a folio to make a discrepancy disappear instead of logging it.
- Forgetting to process a no-show, losing the charge for that night.
- Skipping the system backup confirmation step.

10. Revision history

Revision	Date	Description	Reviewed by
1.0	September 15, 2026	Initial release	Alexa Uskova

Approval

Prepared by	Approved by	Date

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