

So - The Bank Says Your Deposit is Missing!

by - Curtis Baillie © 2007

Your bank deposit is missing!

Many thoughts come to mind when you get the phone call from your company's accounting or treasury department advising you of a missing bank deposit. The first questions you ask yourself are, "Is it cash and checks or just missing cash, and the checks were deposited?" Was it internal theft, or was the money taken by a bank employee? You have interviewed the employees responsible for making the deposit and are reasonably comfortable that the deposit was made; it's now time to call the bank.

Where's my money?

When investigating missing bank deposits it's key to remember that the money may be at the bank. One of the first steps is to call the bank. Ask if they have any "unclaimed" funds for the date of your missing deposit. Banks keep unaccounted for funds for one year. At the end of their accounting year, banks will claim the money as assets of the bank. It never hurts to ask, if they have unaccounted for, or unclaimed cash on the date of your deposit; they will give you the money. When contacting the bank, ask for the Branch Manager. The bank representative should be willing to fully cooperate with you - **you're the customer**. Ask questions regarding the processing of night deposits. Make careful notes of the answers to your questions, as during your investigation you may find that they are not following their own internal policies. Here are some basic questions you should ask:



What are your policies for checking in deposits?

Most banks require two people to check in deposits from the drop box. Both employees are required to sign the check in-log. Banks use a log sheet, recording the date and time your deposit was removed from the box, and if the integrity of the deposit bag was intact. In one "missing deposit" case the bank manager boldly stated, "My bank did not receive the deposit - as it was not recorded on our logs." Two weeks later the same manager called stating they were crediting the missing funds. When asked why, he replied, "One of my tellers went on vacation, and when they returned, your deposit was located in one their unlocked desk drawers."

Where are deposit bags held while waiting to be checked in and verified?

Surprisingly, some banks keep your deposit on a counter or cart in the teller area of the bank while waiting to be counted. In one such investigation, when visiting the bank, the "checked-in" deposits were sitting on a counter within easy reach of bank customers. When this discrepancy was brought to the attention of the bank officials our account was quickly credited, as they were in violation of their own internal cash handling policies.

When is my deposit verified?

Normally banks verify deposits later in the afternoon and have a difficult time detailing what happened to your bag. In one such case, the bank received the deposit at 9:00 A.M., as verified by their check-in log. At 3:00 P.M. when the teller conducted the bag examination, prior to counting the funds, they found the cash portion of the bag ripped open and the cash was missing. The customer's account was immediately credited, and the bank launched an investigation.

Where is my deposit verified?

If your deposit is not processed at the depositing bank, it is transported to an off site location or "cash vault" to be counted. Take the time to make an appointment to visit and tour this location. If you can, visit the vault with your finance or operations executives. You may find discrepancies such as poor video quality of the cash count cages. On one such tour, it was found that individual cash count booths were only on camera for a three-second period, every twenty-seven seconds, and cash counters were allowed to keep their coats and purses in their booths. When asked about this highly unusual policy the vault manager stated that the Union had fought to let the counters keep their personal articles in the counting booths, and they were unable to change their policies. Other security discrepancies were discovered, and our company quickly moved the account to another banking operation. Amazingly, our missing cash problems stopped.

How long do you keep your deposit trash?

Most bank policies require branches to secure and retain their deposit verification trash for seven to ten days. If you find they have not followed their own internal policy you have an excellent chance of getting deposit credited.

When is the last time a physical inspection of your drop box was made?

Many times the deposit does not slide into the secured bank portion of the drop box; it's still in the bottom drop box. A bank, in the Boston area, advised that it would cost \$1000 to have the drop box dismantled to see if our six missing deposits were still in the box. (The actual cost to the bank to dismantle and inspect the box was \$70). They stated that if the deposits were found they would pay the costs - if not my company would be charged.



After opening the drop box the deposits, all six, were found. The practice of charging customers to dismantle the deposit drop box is becoming more popular with banks. The charge of \$1,000 is the highest I have encountered. Usually the cost, if any, is around \$65. If a bank wants to charge for a deposit box inspection it's to discourage you from having them do it. If you have developed a solid business relationship with the bank manager there should be no charge.

Involving the police.

A police report should be made regarding every missing deposit case. Managers have called and confessed to taking deposits after the police have left the store. Just the police showing up and taking an initial report has an effect and tells store staff that you take the matter seriously. Often when talking, by telephone, to the person responsible for making the deposit they ask, "Is it really necessary to involve the police?" This type of response may indicate the problem is at the store. After having this discussion, managers have called back to say, "I made a mistake."

When the police visit the bank, in response to your complaint to a missing deposit, they ask many of the same questions you do. Often, you will get a call from the bank, after the police leave, telling you, "Your company is such a good customer - we don't know if the deposit was made or not, but we're going to credit your account." The last thing a bank wants is the police asking questions about their internal operations. It's not that they have anything to hide; they are just uncomfortable with the whole process.

What can I do?

One of the most important steps you can take to ensure your store's bank deposits are made on a daily basis is collect the bank deposit receipts from the bank daily, or at least every few days. Verify or match the amount on the deposit ticket against your closing report or deposit log. When inclined to do so, employees will steal deposit money when management fails to verify deposits on a regular basis.

Remember - you ARE the customer.

It is important to remember banks have operational issues, just as your store(s) have. Make the effort to contact and introduce yourself to your banking officials, they are there to help you solve your issues. In the rare instance where a bank branch is unwilling to cooperate, contact their security department. You should receive immediate attention to your problem. In one case, a bank's deposit box had a loose screw on the inside. The screw, protruding about one-half inch, was in danger of snaring the plastic deposit bags as they traveled down the chute. The store manager contacted the bank manager several times about the screw, and his efforts were ignored. After the store manager contacted the bank's security department, the deposit box was repaired on the day of his telephone call. Remember - **You're the customer**.

About the Author



Curtis Baillie's professional background spans more than 30 years of service with law enforcement, and some of the largest retailers in the world. His experience includes all phases of security and loss prevention, including: crisis management; audit; risk management; criminal investigations and prosecutions; risk assessment and physical security

operations for supermarkets, retailers, manufacturing and distribution facilities, and corporate facilities.

Curtis started Security Consulting Strategies, LLC, an independent, non-product affiliated security management consultancy in 2004, providing services throughout the United States and Canada. He consults with a wide variety of retail disciplines regarding such matters as the formulation of loss prevention departments; policy and procedure; crisis management operations; shoplifter and employee theft apprehension; security equipment needs and usage; ethics and conflict of interest reporting.

Curtis is a member of the Society of Retail Industry Leaders, acting as a paid consultant, and the International Society of Professional Security Consultants where he has been designated, after examination, as a Certified Security Consultant. He also is a member of the IAPSC Board of Directors.

Curtis Baillie, CSC
Security Consulting Strategies, LLC
1512 West Chester Pike
Post Office Box 178
West Chester, Pennsylvania 19382
www.SecurityConsultingStrategies.com
Curt@SecurityConsultingStrategies.com