

# Freestate Petroleum

## Corporate Safe Specialists – Automated Cash Control System



*Freestate Petroleum operates eight gasoline stations across the state of Maryland. All of them are high volume locations that operate on a cash-only basis. This means handling the flow of currency is a major concern. If the flow is not managed well then a large amount of currency can accumulate which can raise concerns about shrinkage and theft. Also, with the high volume of cash the stores deal with, receiving counterfeit bills is a reality.*

*In 2003 Freestate began looking at their cash control process and a way to improve the flow of currency through their locations.*

### BUSINESS IMPACT

Over 6 hours per week savings of managers time dealing with cash management

Weekly identification of counterfeit bills

No theft or robbery since system installation

Improved employee moral and security

Improved customer satisfaction



Security » Innovation » Service

## BUSINESS SITUATION

Freestate continuously strives to streamline their cash flow processes from the time they accept cash from a customer, until it is deposited in the bank. In 2003 Kathy Shen, Station Supervisor for Freestate, began taking a closer look at how they handled the high volume of bills and coins that flows through their eight locations each day. She soon focused in on three key areas of operations she wanted to improve: 1) how could she streamline the transfer of currency to and from the till; 2) how could she better identify counterfeit bills when they were received, and 3) how could she provide a more secure system to deter robberies.



Managing cash flow is critical in many businesses, and it certainly is in store operations. Most storeowners will agree that cash flow is king. The flow begins at the till and ends at the bank. If you can't keep the flow of customers moving, the flow of cash stops at the source. This can result in a lost sale, or worse - a lost customer. To keep customers moving you need to be able to make change fast, especially in a cash-only business. To this end you must be able to effectively manage the cash levels in the till. If not enough cash, then time is lost getting funds from the safe. If too much, then the threat of robbery increases.

To manage till cash levels employees must be able to access a safe to make deposits and/or to get change. Multiple deposits are made to a safe during a normal business day. At Freestate, an envelope was deposited with the amount written on the outside. For each bank

deposit the store manager would break out all the envelopes then stack and count the money. If you are a high-volume cash only business, and you make two deposits to the bank every day, this can take a considerable amount of time. Also the manual process is prone to human errors causing discrepancies - which take additional time to resolve. Add to this the simple fact that when you have to open a safe to get change, it provides a window of opportunity for shrinkage or theft to occur. Automating the transfer of cash to and from a safe can have a significant impact on employee productivity and security.

In the fall of 2003, Freestate began working with Corporate Safe Specialists (CSS) to develop a solution to address their operational needs. "CSS tailored a complete solution that incorporated bill validation and coin vending in a closed-safe environment. Coupled with loss prevention software and video surveillance, the integrated solution provided everything we were looking for," Said Kathy. The solution was based on CSS's Advanced Cash Control System (ACCS).



At each location, the ACCS safe was installed in close proximity to the till enabling Freestate staff to feed larger denomination bills directly into the validator as they were received. This process lowers the cash levels in the till and therefore reduces the temptation of robbery, while simultaneously providing a means to quickly identify

counterfeit bills. The close proximity also sped up the dispensing of coins to be fed into the till, keeping the flow of cash and therefore customers moving. This allowed the staff to effectively and efficiently manage the cash level in the tills.

The ACCS solution that Corporate Safe tailored for Freestate is now installed in all eight of Freestate's locations in Maryland. The solution continues to evolve as Freestate and CSS think of new and innovative ways to improve operations and cash flow management.



## THE RESULTS

Freestate has enjoyed multiple benefits from the implementation of the ACCS solution. Better control and streamlined cash management processes have resulted in significant productivity improvements and a more secure cash management environment. Specific benefits realized include:

### 1 – TIME SAVINGS

Through the implementation of the ACCS system, significant time savings have been realized. For the store manager alone the savings has been over six hours per week – or 48 hours per week across all eight Freestate locations. As Kathy said, “that is a lot of time that can now be spent serving customers and doing things that make you money”.

#### **Bank deposit preparation:**

Time spent manually opening and counting deposit envelopes in preparation for a bank deposit has been reduced by over 20 minutes. With two deposits per day, six days a week, that results in four hours saved per location per week – or 32 hours weekly across all eight Freestate locations.

#### **Reconciling discrepancies:**

In a typical week, store managers would spend at least two hours handling discrepancies between what was recorded as deposited and what was actually in the safe. The frequency of discrepancies has been greatly reduced and therefore the time associated with resolving them has been reduced to minutes. The ACCS Loss Prevention Software logs which employee makes each transaction with the safe. With this transaction information, coupled with the video capabilities, the store manager can identify which employee was involved in the discrepancy and, together, they can quickly resolve it.

### 2 – THEFT/ROBBERY DETERRENCE

Implementing a closed-safe solution has enabled Freestate’s employees to effectively manage the level of cash in the till and easily move bills to a secure environment. With less money in the till drawer the threat of robbery has been greatly reduced. There has not been a theft at a Freestate location since the ACCS solution was installed.

### 3 – REDUCE COUNTERFEIT BILLS

Due to their high volume of business, Freestate installed two bill validators in the safe at each of their eight locations. The bill validators, on average, have identified a counterfeit bill about once a week at each location. The primary problem is with \$100 bills, but they do get a few counterfeit bills in the smaller denominations. Recently Freestate’s bank received counterfeit \$100 bills from depositing business customers and thought they may be from Freestate’s deposits. Freestate invited the bank’s assistant manager out to their location and asked them to bring the counterfeit bill. They demonstrated to the bank their process for validating bills, and with the ACCS Loss Prevention Software were able to tell the bank exactly the number of \$100 bills they collected and when. They then asked the assistant manager to run the counterfeit bill through the validator, and it was rejected. The assistant manager agreed the counterfeit bill must have come from some other bank customer.

## CONCLUSION

The ACCS solution has had a significant impact on the operations at Freestate. The best way to reduce theft or robbery is to be a low return, high-risk target. The closed-safe environment of the ACCS solution has allowed Freestate to keep just enough money in the till to keep customers happy, and to keep the cash flowing smoothly. Both managers and employees feel more secure in their responsibilities and working environment. The time savings and productivity increases provide them with more time to think of new and creative ways to grow their business and better serve their customers. The bottom line is the ACCS solution has had a significant, quantifiable impact on operations across all eight Freestate locations.



## KEY ACCS CAPABILITIES

With the CSS Automated Cash Control System you get a Windows based system, with easy to use touch screen control that easily integrates into existing IT networks and systems. With the best customer service in the industry, CSS will always be there for you. The ACCS solution provides the following key features.

FEATURE/CAPABILITY	BENEFIT
<b>Coin Vending</b> – automated coin monitoring and disbursal, including audit trail	<ul style="list-style-type: none"> <li>• Reduce pilferage, ‘closed safe’ environment</li> <li>• Increase exchange accuracy, reduce shrinkage</li> <li>• Clear visibility of exact change usage over time</li> <li>• Optimize change levels required for operations</li> <li>• Reduce ‘change fund’ on hand</li> <li>• Improve employee productivity &amp; morale</li> </ul>
<b>Bill Validation</b> – automated bill handling/monitoring, including audit trail	<ul style="list-style-type: none"> <li>• Detect counterfeit bills</li> <li>• Greater cash handling accuracy, less shrinkage</li> <li>• Reduce the number of safe deposit errors and time spent auditing/reconciling them</li> <li>• Reduce bank penalties for counterfeit bills and inaccurate deposits</li> <li>• Reduce time spent counting money, increase time for sales and customer service</li> </ul>
<b>Loss Prevention Software</b> – security management tool, including event monitoring, time delay, audit trail, remote access, user editing.	<ul style="list-style-type: none"> <li>• Reduce shrinkage through increased cash management accuracy</li> <li>• Threat prevention</li> <li>• Reduce reconciliation time</li> <li>• Enable better financial management/planning</li> <li>• Increase flexibility in responding to changing business needs (easily tailored)</li> </ul>
<b>Remote Monitoring/Access</b> – allows for remote reporting and event monitoring – including remote monitoring of business rule violation – e.g. safe door left open too long	<ul style="list-style-type: none"> <li>• Increase security – monitor safe anytime, from anywhere</li> <li>• Reduce management time overseeing safe transactions, increase productivity</li> <li>• Increase ability to track and plan financials</li> </ul>
<b>POS and Back Office Interface</b> – uses industry-standard technology and easily connects to a wide variety of existing front and back office systems/software	<ul style="list-style-type: none"> <li>• Reduce implementation cost</li> <li>• Reduce data entry errors</li> <li>• Improve ability to forecast and monitor cash flow</li> </ul>
<b>Video Event Monitoring</b> – provides capability for live video feed and pre-event monitoring of areas where cash handling takes place	<ul style="list-style-type: none"> <li>• Increase security and reduce theft</li> <li>• Improve employee productivity and morale</li> </ul>

## ABOUT CSS

Corporate Safe Specialists (CSS) is one of the largest suppliers of safes and cash control systems to the U.S. retail and restaurant communities, including many Fortune 500 Companies. Since 1988, CSS has been providing the technology and solutions to meet their clients’ needs effectively and efficiently – while providing the best customer service available in the industry.

To find out more about the alternatives available for your situation, contact a Corporate Safe Specialists representative at 1-800-342-3033. We can model the potential benefit impact and ROI of ACCS for your organization and show you how to take the next step toward effective cash management. For further information, please visit our website at [www.corporatesafe.com/accs/](http://www.corporatesafe.com/accs/).

