

Daniel's

MAKING DIAMOND DREAMS COME TRUE SINCE 1948



INTRODUCTION TO KEYHOLDER RESPONSIBILITIES

Name: _____

Employee #: _____

Store #: _____

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Dear Daniel's Associate:

Congratulations on having been selected to be complete the training to be one of our company Keyholders! This special position of trust brings with it certain responsibilities and so only a select few of our associates are offered the opportunity of receiving this training.

This Introduction to Keyholder Responsibilities manual explains the minimum expectations for all Daniel's Keyholders. As you read through, study and work with this material, you will begin to understand the broad responsibilities associated with the Keyholder position.

As a Keyholder, you are part of Daniel's leadership, and we are proud to welcome you to our team. As such, it is important that you understand the policies and procedures indicated in this manual, including Company Expectations, Name Badge, Dress Code compliance and ensure that everyone knows and follows them at your store. We are counting on you!

Sincerely,

Joe Sherwood
Larry Sherwood

Howard Sherwood
David Sherwood

Joe, Howard, Larry and David Sherwood

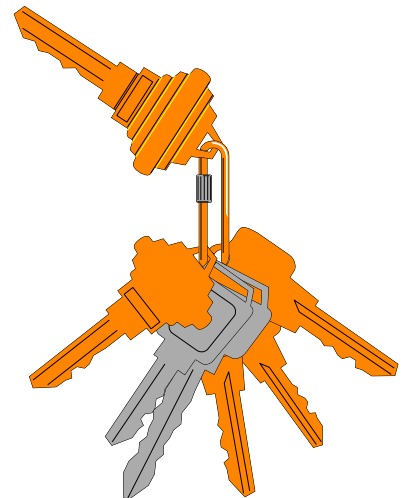


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I. Completing This Workbook

You are not expected to already know all of the answers necessary to complete this workbook.

At the top of each page, there is a note indicating the company manual and page number where the answers necessary for completing that page can be found. Most answers can be found in one or more of the following books in your store:

***Employee Handbook
Operations Manual
POS Manual***

For additional help, please talk to:

***Your Store Manager
Your Regional/District Manager
The Loss Prevention Department
Your Office Coordinator***

In several instances, there are blank spaces where your Store Manager will sign once he or she has reviewed your answers with you and/or you have demonstrated that you understand the required procedures well enough to perform a required task. It is your responsibility to get your Store Manager to review your answers or observe you demonstrate that you understand and can correct perform certain tasks.

II. Store Alarm System



For help, see OPERATIONS MANUAL, LOSS PREVENTION chapter p. 70.

IF THE ALARM WILL NOT SET after the store is closed, the Keyholder must notify the Store _____, _____ **or** _____ Manager, and the _____ **Prevention** Manager or Vice President immediately. The Manager or Keyholder in charge may be asked to wait for a security _____ to stay _____ the locked store until the next morning when the morning shift arrives.



For help, see OPERATIONS MANUAL, LOSS PREVENTION chapter p. 10.

KEYHOLDERS ARE IDENTIFIED BY THE ALARM COMPANY through the use of a personal security _____ provided by the alarm company or by some other personal information that only the Keyholder and the alarm company know. This is different from the code number used to turn on or off the alarm on the store alarm keypad. A Keyholder can obtain or change their code by calling the _____ Department.



For help, see OPERATIONS MANUAL, LOSS PREVENTION chapter p. 32.



IF THE ALARM COMPANY CALLS YOU AT HOME BECAUSE OF AN ALARM OR AT THE STORE and asks you for your security code number, call the alarm company (use number you know or from 411) **BEFORE** you give your _____ number to them. If called at home & told the store has been broken into, call the LP Manager or Vice President on their cell phone.

BEWARE...A professional thief may pretend to work at the alarm company so they can trick you into coming to the store where they may force you to open it so they can steal merchandise.

II. Store Alarm System (Cont.)



For help, see the OPERATIONS MANUAL, LOSS PREVENTION ch. p. 8.

UNSCHEDULED OPENING is when the store is opened before the store's scheduled time or _____ the store _____ has been _____ for the night. A Keyholder or Manager must _____ the alarm company to notify them before or immediately after an unscheduled opening occurs.

FOR EXAMPLE, if after the store alarm is set and all of the employees are outside, the keyholder decides to go back into the store because something was left behind, the _____ must turn off the alarm and _____ the alarm company so they don't send the police. Then, set the alarm again and leave with an observer as normal.

It is the **RESPONSIBILITY OF THE KEYHOLDER IN CHARGE** to know the correct procedures to turn off the store alarm at opening and set the alarm at closing.

On _____, _____ received instructions on how the store alarm

(DATE)

(FIRST NAME)

works, how to set and turn off the alarm, how to contact the alarm company before opening or closing at an unscheduled time, and what must be done before the alarm can be set at night.



(Store Manager Signature)

III. Reporting Losses



For help, refer to the OPERATIONS MANUAL, LOSS PREVENTION chapter p. 67.



If merchandise is determined to be missing or stolen, the manager must complete a _____ OF _____ form to correct the store's inventory. The _____ copy is kept in the store and the _____ is sent to the main office Attn: Loss Prevention in the A-Box after listing it on the _____ Manifest.

IV. Phone Requirements for Keyholders

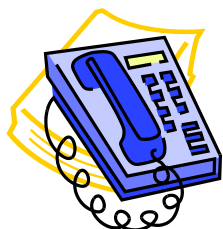


For help, see the OPERATIONS MANUAL, LOSS PREVENTION ch. p. 62.

ALARM CALL LIST CURRENT

It is necessary that the alarm company have current _____ number(s) for each keyholder. If a keyholder changes their number or if a keyholder is changed, then the new information must be provided to the Store Manager, Regional/District Manager and the _____ Department so they can notify the alarm company.

Please complete the following information below.



Home Phone # _____

Cell Number # _____

IV. Before Opening For Business



*For help, see the **OPERATIONS MANUAL, LOSS PREVENTION ch. p. 8 - 9.***



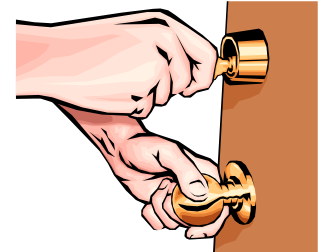
APPROACHING THE STORE

Keyholders should occasionally vary the _____ from where they approach the store as they prepare to unlock and enter the store.

When the keyholder unlocks and enters the store, there must be at least one other person _____ from a distance. The keyholder may not open the _____ until another _____ is in the store with them.

RESTRICT WHO ENTERS THE STORE & KEEP DOORS LOCKED.

Only current store and authorized Main Office _____ are allowed in the store until it is open for business and after closing.



BEFORE OPENING FOR BUSINESS

Case Counts must be completed each _____. Other Loss Prevention tasks include testing the case _____ (if the store has them), verifying that all jewelry is put away in a _____ case or drawer, looking on the _____ to see if any jewelry has fallen there, verifying that all display _____ are locked, that the cash has been _____ and locked inside the cash _____, **and that each associate has their own _____ drawer.**

IF THE STORE HAS A WINDOW/CASE ALARM there is a breaker switch that will turn off the alarm. This will allow the merchandise to be placed in the case. List the breaker switch for these alarms:

_____, _____. Don't forget to turn it back on before the store opens.

IV. Before Opening for Business

POS Reports (Cont.)

For help with most topics covered on this page, please refer to the POS MANUAL.

There are several reports, which are printed automatically during overnight processing. As a Keyholder, you should be familiar with each of these reports. It is important for you to know the name of each report and when you should expect it to automatically print. It is also important for you to know the purpose of each report and where it is to be kept in the store.

Report Name	Frequency	Purpose	Where to Put It
116 ("Recon")	Daily	Summary report of daily store activity. Used to maintain Total Store Performance Chart.	Store (Pink Copy) and SMC Daily Work Bags (White Copy).
113 ("Receipts Register")	Daily	Record of individual transactions for the store for the day.	Store (Pink Copy) and SMC Daily Work Bags (White Copy).
109 ("Salesperson Report")	Daily	Recaps total sales for each associate. Used to maintain Personal Sales Performance Chart.	Shred or SMC Daily Work Bags.
112 ("Back-Up Report")	Each cycle prints 1x per month on "Calc & Roll" date for that cycle.	Lists all customers for cycle, with basic information to be used if POS is not operating.	Operations Drawer, file 13
"Layaway Report - Account Status"	Each cycle	Lists delinquent accounts. Helpful in maintaining current accounts.	Operations Drawer, file 17
"Spiff Report"	Last day of the month	Used to match paid spiffs to Spiff Logs.	Operations Drawer, file 14 (w/ Spiff Logs)

IV. Before Opening for Business Chart Maintenance (Cont.)



For help with this topic, see the OPERATIONS MANUAL, QUOTA chapter.



TOTAL STORE PERFORMANCE CHART (see p. 7, 8, 9)

Using a 116 Report, update your store's Total Store Performance chart. Please have your Manager check the figures and sign below verifying that you have correctly completed each entry.

On _____, _____ correctly
completed
(DATE) (FIRST NAME)
our Total Store Performance chart for the business day of
_____.
(DATE)



(Store Manager Signature)

PERSONAL SALES PERFORMANCE WORKSHEET (see p. 8 – 10)

Using a 109 report, update your store's Personal Sales Performance Worksheet. Please have your Manager check the figures and sign below verifying that you have correctly completed each entry.

On _____, _____ correctly
completed our Personal Store Performance chart for the
business day of _____.



(Store Manager Signature)

IV. Before Opening for Business



POS Start of Day Procedures (Cont.)



For help with the below topic, please refer to the POS MANUAL, p. 17.

As a Daniel's Keyholder, it will often be your responsibility to **CORRECTLY COMPLETE THE REQUIRED POS SYSTEM OPENING PROCEDURES**. Review the Start of Day Procedures page in the POS Manual and fill in the blanks below.

1. The server should be running from the night before and at _____ . If the server is not operating or if anything else is displayed on the server, DO NOT PROCEED without talking to **an** _____ or SMC.
2. The server displays the ENTER PROJECT ID, type JEMS_____ (insert your store number after JEMS (enter)).

Once you know the correct opening procedures for the POS system, have your Store Manager observe you complete them. Please have your Manager sign below verifying that you have successfully opened the POS system.

On _____, _____ correctly opened the Store POS system
(DATE) (FIRST NAME)
as indicated on page 17 of the POS Manual.



(Store Manager Signature)

IV. Before Opening for Business Drawer Accountability

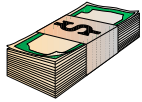


For help, see the OPERATIONS MANUAL, STORE OFFICE & CASH DRAWERS chapter p. 1.

During the day, the associate assigned to a cash drawer should keep it _____ at all times and have the _____ attached to them at all times, including breaks. The associate or manager who is assigned to a cash drawer is responsible for the _____ in it and must account for any overage or shortage at the end of their shift.



For help, see the OPERATIONS MANUAL, STORE OFFICE & CASH DRAWERS chapter p. 7.



The manager or keyholder in charge _____ a cash drawer & the sealed envelope containing that drawer's starting loan money (bank) to each person at the start of the business day. The manager or keyholder should remind the associate to _____ the \$100 starting cash amount (bank). Then, the empty envelope should be filed in the store's Daily Work Bag with the other paperwork for the same business day.



For help, see the OPERATIONS MANUAL, STORE OFFICE & CASH DRAWERS chapter p. 2.

CASH DRAWERS are assigned to individual associates. If there are four associates working, then there should be _____ cash drawers being used. If there are four cash drawers available in the store and five associates (including the Keyholder in charge) working, then the number of associates assigned to each drawer should be as follows:

_____ associate(s) assigned to Drawer 1

_____ associate(s) assigned to Drawer 2

_____ associate(s) assigned to Drawer 3

_____ associate(s) assigned to Drawer 4

IV. Before Opening for Business (Cont.)



For help with the below topic, please refer to the OPERATIONS MANUAL, DAILY WORK BAG, p. 1

Separating Copies of Previous Day's Business

Each morning the previous day's paperwork must be reviewed and verified that it has been correctly prepared for SMC (the Daily Work Bag) or storage in the store. It is the responsibility of the Keyholder in charge to ensure that the **CORRECT COPIES OF THE STORE'S DAILY WORK** are placed in the correct envelopes. In the spaces below, please indicate which envelope each item should be put into, and/or which copy (pink or white) is put into each by circling the correct answer.

Item	SMC Daily <u>Work Bag</u>	<u>Store Business Envelope</u>
116 Report (2 copies)	white - pink	white - pink
113 Report (2 copies)	white - pink	white - pink
Daily Original Sales Receipts (POS white attached to white handwritten)	yes – no	yes - no
Pink Sales Receipts (POS & handwritten)	yes – no	yes - no

Identify the correct order that the following should be placed in the Daily Work Bag by putting the number 1 next to the one that should be on top, #2 by the one that is next, then #3 and so on.

- | | |
|---|-------------------------------------|
| _____ The signed tear strip | _____ Nightly Report/Daily Work Bag |
| _____ Bank Deposit Slip | _____ Bank Card receipts |
| _____ Jewelry Accent Deposits | _____ Jewelry Accent Drafts |
| _____ POS receipts for bank deposit entry | |

On _____, _____ *correctly assembled the store's Daily Work Bag.*



(Store Manager Signature)

IV. Before Opening for Business

Preparing the Store for Business

(Cont.)



For help, see the OPERATIONS MANUAL, STORE OPENING & CLOSING PROCEDURES chapter p. 1.

Before opening the store in the morning there are several PREPARATION STEPS, which should be taken in order to prepare the store for business. In the space below, list 10 or more things that should be done each day before the store is opened for business.

- 1) A minimum of _____ associates (at least one must be the store manager or a keyholder) arrive at a designated time, approximately 40 minutes before the store is scheduled to open.
- 2) The Keyholder enters the store through the front entrance while the other associate(s) _____ from a distance. The _____ is immediately re-locked; the _____ removed and kept in the control of the Keyholder.
- 3) After turning off the _____ and checking the store, the Keyholder allows the other associate(s) to _____ the store. The entrance is immediately _____, the _____ removed and kept in the control of the Keyholder.
- 4) The Keyholder unlocks the _____ and associates display merchandise in the cases, place _____ in locked repair drawer, and _____ in locked layaway drawer.
- 5) Complete all case _____. Any problems must be immediately reported to _____ before the store opens.
- 6) Test case _____ and report any problems to _____ as soon as possible.
- 7) Open POS, following instructions indicated in the _____ Manual.
- 8) Open a Cash Drawer for _____ associate following company policy and procedures (*see Store Office & Cash Drawers chapter*).
- 9) Refresh balloons for display around the store (may be completed after store opens).
- 10) Walk the store to ensure that no cash or _____ is left out or on the floor, all cases are _____, cash drawers are _____, store is clean, gates _____, back door & stock room closed, and there is adequate stock of appropriate supplies (i.e. mailers, credit applications, etc.).

11) Open the door(s) and/or gate(s) at the store's proper opening time, pull lobby stands outside and begin doing business!

V. During Store Hours



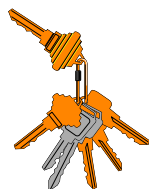
For help with the below topic, please refer to the OPERATIONS MANUAL, LOSS PREVENTION chapter p. 54.



BANK DEPOSIT FROM THE PREVIOUS DAY MUST BE TAKEN TO THE BANK no later than 3:00 p.m. _____. If it wasn't put in the bank's night drop after closing, it is the responsibility of the Manager/Keyholder in charge who opens the store to ensure that the previous day's _____ is made and the Cash Control Chart completed.



For help with the below topic, please refer to the OPERATIONS MANUAL, LOSS PREVENTION chapter p. 60.



CASH DRAWER & DISPLAY CASE KEYS ARE CONTROLLED by arranging them on two sets of hooks on the inside of the safe door until they are assigned to someone each day. One row of hooks is for the keys that open the store's _____ drawers. One section of hooks is for the keys that open the store's display _____.

At night, the manager or keyholder must check the _____ on the inside of the safe door to verify that all of the store keys are hanging there. If a set is missing, it must be located or this must be reported to the Store _____, the District or Regional _____, and to the _____ Manager _____ leaving the store.



For help with the below topic, please refer to the OPERATIONS MANUAL, A-BOX chapter p. 1 & 2.

IN ORDER TO ENSURE THAT NO MERCHANDISE OR PAPERWORK IS LOST, store associates must complete a _____ for each A-Box shipment.

_____ If an employee is injured during work or a customer is injured in the store, assess the seriousness of the injury and if the person needs immediately medical treatment, call "911". Whenever a customer is injured, get the name, address, and phone number of the customer and any witnesses. As soon as the customer is OK or if "911" has been called, phone the main office x-322 and the _____/_____ Manager. If the main office is closed or the call goes to voice mail, leave a detailed message and then call the LP Manager at 818-383-6400. You must obtain and complete an Injury Report form as soon as possible.

If an employee that is injured while working wants the location where they can receive medical treatment for their injury, give them the Medical Facility information from the notice posted in the backroom.

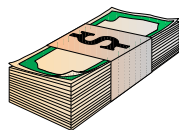
VI. Closing the Store



For help with the below topic, please refer to the OPERATIONS MANUAL, LOSS PREVENTION chapter p. 16.



At the end of the business day or when closing individual cash drawers, after all transactions have been input (not including bank deposit), EACH cashier must remove and **VERIFY THE OPENING BANK AMOUNT (CASH & COIN ONLY) in their cash drawer.** A NEW Loan Envelope should be filled out showing the date, time, drawer number, bank amount, and the name of the cashier/sales associate setting up the bank. The amount is then _____ again by someone else and this verifying person should **IMMEDIATELY** _____ and _____ the envelope. Remember, DO NOT use TAPE either before or after sealing the flap. Once sealed, this envelope should immediately be put into the safe lock _____. The closing keyholder should verify that all cash drawer envelopes are completed, sealed, and in the safe lock box before leaving the _____.



At the end of each associate's shift, the Manager or Keyholder in charge should make sure that each associate records if their drawer balanced or was over or short on the Cash Control _____ form after they closed their drawer. This should be done by _____ associate for their _____ drawer.

VI. Closing the Store

Bank Deposit & Office Closing Procedures (Cont.)



For help, please refer to the OPERATIONS MANUAL, STORE OFFICE & CASH DRAWERS chapter, p. 15.

After all transactions have been completed and all customers have left the store:

- 1) Gather all _____ envelopes created during the day.
- 2) Open each envelope individually and _____ the total amounts.
- 3) Place total _____ and _____ in a store "Deposit" envelope and fill in the envelope blanks.
- 4) Run _____ Summary Report and compare individual receipts with report totals. Report total must _____ credit card receipt total.
- 5) Confirm that all _____ are listed on the "Deposit Slip" with the check's _____, customer's _____ and \$_____.
- 6) Put _____ and _____ into the store "Deposit Envelope."
- 7) Run a _____ report and confirm that the total closing amount matches the "Deposit Envelope" totals.
- 8) _____ cash in "Total Currency" and "Total Coin" sections of Deposit slip.
- 9) Have another associate _____ the cash & check amount in the "Deposit Envelope" and on _____. Seal the envelope with the cash, checks, & deposit slip inside. DO NOT seal with _____.
- 10) Follow instructions for _____ deposit.
- 11) If total deposit does not match, report discrepancy to _____ or _____ in charge and attempt to find the reason the deposit is not balancing. If discrepancy is not found and deposit does not balance, you must phone & report this to _____ before leaving the store.
- 12) Record balancing on _____.
- 13) Prepare a Nightly Report/ _____ Review form and fax to SMC.
- 14) Attach original copies of the Verifone drafts, all required manual imprints and Verifone reports to the _____/ Daily Work Bag Review form to be included in SMC Daily Work Bag.

On _____, _____ proper store office closing procedures were completed without assistance by _____.



(Store Manager Signature)

VI. Closing the Store POS Closing Procedures (Cont.)



For help with the below topics, please refer to the POS MANUAL pg. 18 & 19.



As a Daniel's Keyholder, you are expected to be able to complete POS system Process Save, as well as POS system end-of-day closing procedures.



Process Save and End of Day Procedure Questions:

1. What report do you need to balance the day's work to complete the End of Day Procedures? _____ or _____
2. To start your Process Save, you should type _____ at the server?
3. What should be displayed on the screen to identify that your save was successful? _____
4. If the save wasn't complete, who should you call before continuing with the Process Save? _____



The Store Manager is to verify that the Keyholder has correctly, without assistance, completed a Process Save, and close the POS system.

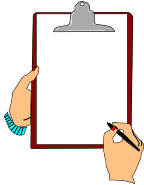
Process Save: _____ **End of Day Close:** _____
(Date Save Done) (Date Completed)

(Store Manager Signature) _____

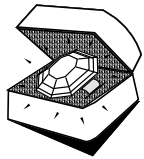
VI. Closing the Store Loss Prevention (Cont.)



For help with the below topics, please refer to the OPERATIONS MANUAL, LOSS PREVENTION chapter, p.16.



CASE COUNTS should be done after the store is clear of _____ and the doors are _____. The case counts must _____ before the merchandise in that case is pulled and put in the safe.



The **MERCHANDISE TO BE PULLED** is put into the safe on a priority basis along with the cash, repairs with the log, diamonds and layaways until safe is full. The following merchandise must be locked in the _____ if space is available. If not this merchandise should be stored in locked drawers or _____.

- 1) Stone _____ visible from _____ the store
- 2) Gold Merchandise (excluding inexpensive charms & low priced earrings)
- 3) Trade-Ins
- 4) Expensive Watches (Movado, Accutron, Wittnauer, etc.)

CERTAIN SWITCHES IN THE STORE'S ELECTRIC BREAKER BOX are turned off when the store is closed each night and certain switches must always be left _____. The switches that must be left on are usually marked with special tape or some other method.

The Store Manager has verified that the Keyholder knows which Breaker Box switches should be turned off and which should be left on when the store is closed each night.

(Store Manager Signature)

VI. Closing the Store Loss Prevention



For help with the below topics, please refer to the OPERATIONS MANUAL, LOSS PREVENTION chapter, p.17.

WHEN LEAVING THE STORE, the Keyholder is the last to leave while the other associate(s) _____ from a safe distance. All associates should then observe each other until each is inside their _____ with their engine started and no one should walk to their car alone. If cars are parked in different areas, all employees should leave together and one employee should _____ the other employee to his/her car.

BANK DEPOSIT DROPS must be made by at least _____ associates. If it is made outside a bank, the second associate should be observing from inside a _____ with its headlights on the Keyholder as s/he approaches the bank and makes the night deposit. If the night drop is in a mall, the Keyholder should make the deposit while the other associate(s) _____ from a safe distance. Bank Deposits must be made _____ including on holidays and _____ when the bank is closed.

The associates that make a Bank Deposit Drop should record the details about it on the _____, _____, _____, and they should initial the deposit bag tear _____.

VII. When the Lead Associate Introduction to Keyholder Responsibilities Workbook is Completed

Associate's Name: _____ Emp #: _____ Store #: _____

When you have reviewed each topic and completed every exercise of the Introduction to Lead Associate and Keyholder Responsibilities and your store manager has signed the below Completion Certificate. Keep both the Lead Associate and Introduction to Keyholder Responsibilities Workbook and refer to it as needed. You will receive your Completion Certificate in the mail soon.



*Congratulations on the completion of the
Lead Associate and Introduction to Keyholder Training!*

MANAGER COMPLETES

COMPLETION CERTIFICATION

As Store Manager, my signature below certifies that I have checked each answer in the LEAD ASSOCIATE AND THE INTRODUCTION TO KEYHOLDER RESPONSIBILITIES workbooks for completeness and accuracy and I recommend that it be recorded as successfully completed.



(Store Manager Signature)

(Date)

Fax this signed page to your District or Regional Manager.

- ☐ **Request that this page and a Change of Status form stating the new position of Keyholder be faxed to the HR Department @ (310) 665-2141.**