

Addendum 1 Accounting Guidelines

These guidelines were developed as an educational tool to be used by SFVASC treasurer and/or subcommittee treasurers in the balancing of bank accounts.

Tools needed:

1. Checkbook / Check register
2. Bank Statement(s)
3. Returned / Canceled checks
4. Calculator
5. Pen and Pencil

Preceding steps to be taken before balancing:

- ◆ Checks from the appropriate bank account that were issued and used.
- ◆ These checks are recorded in the check register, in check number order, in pencil, using date, check number, recipient, amount of check, and new balance. The balance is obtained by subtracting the check from the previous balance amount.

Step One

Admit we are powerless over our fear and/or of our lack of math skills/ numbers/ addition/ subtraction/ calculators and that our accounts will balance.

Step Two

Using a pen, take the canceled checks and make a mark in the appropriate box in the check register signifying that those checks have cleared. Do not worry if all the checks have not cleared.

Step Three

Make sure that proper fees and deposits have been recorded in the register.

Step Four

Go to the check register and, starting with your ending balance, begin adding the checks that have not cleared (subtracting the deposits that have not appeared on the statement). The balance you end with should match the "new balance" on the statement.

If they do not match, here are a few things to look for:

1. Redo your math. Fingers have a habit of hitting the wrong buttons on calculators.
2. Make sure the amounts recorded in the register are correct.
3. Have you accounted for bank fees? Compare the register and the statement.
4. If all else fails, ask for help. Another pair of eyes might catch something you are not. You are not a bad person—it's just math!

Reconciliation Procedures

These guidelines were developed as an educational tool to be used by treasurers in reconciliation of their bank accounts.

Tools needed:

1. Pen and Pencil
2. Bank Statements and Canceled Checks
3. Checkbook register

All the work will be done on the back of the bank statement for the month you are working on. Do not correct anything on the register. What is done is done. Accept and move on.

Step One

Begin by signifying at the top and back of the bank statement the last check cleared from the statement and corresponding balance from the check register. (This is your month end on the register).

Step Two

Make sure that all of the cleared checks on the statement have been recorded in the register, as well as bank fees and deposits. If not, mark this on the back of bank statement.

Step Three

On the statement, take notice of the asterisks on the list of checks that have cleared. These are the flags for checks that are pending but are still recorded in your register. Take notice of the check numbers and amounts. Record these on the back of the bank statement.

Step Four

Add the checks that are pending to the beginning balance at the top of the bank statement. If a deposit has been recorded in the register but has not it in the statement, subtract this.

This should give you a matching balance on the statement. Hold on, we are not done yet. Next we go on to the next month.

Step Five

Repeat steps four on the back of the next month's bank statement. (You will create a new one with each month you reconcile. One per bank statement—never two. However, if you run out of room, use a standard sheet of paper for your calculations and attach it to the bank statement that you are working on.)

Step Six

Have the checks that did not clear from last month clear this month? If not, mark that on the statement. Then repeat steps two and so on.

If there is balance discrepancies at the end of the month's reconcile and you could not reconcile it, carry it forward. Try to reconcile it first. **Always double check:**

1. Your math
2. Your recorded figures.
3. And if you need it, **ASK FOR HELP!!!!**