



Common Bank Reconciliation Issues

HOW TO USE QUICKBOOKS
IN YOUR SMALL CHURCH
OR NONPROFIT

Most Common Problems

1. The Opening Balance is Incorrect
2. The Opening Balance is Correct, but there are Old Transactions that Should Have Cleared
3. Interest/Bank Charges Show Up Twice
4. Deposits are Missing
5. Deposit are Showing Twice
6. Electronic Fund Transfers are Showing Twice
7. Checks are Missing

Opening Balance is Incorrect

Opening Balance
Shows \$0

- ▶ This will occur when you have not reconciled an account before.
- ▶ In the Ending Balance, enter that month's bank statement.
- ▶ The system will pull up all transactions through that date that should include the Beginning Balance Journal Entry. Select it and begin reconciling.
- ▶ If it does not appear, check your parent or sub-accounts. The Journal Entry must use the same account number as the account you are reconciling.

Opening Balance is Incorrect

A Transaction from a Previous Period was Changed

- ▶ This occurs when a cleared check or deposit has been voided or deleted.
- ▶ First go Reports, Banking, Reconciliation Discrepancy to see the changed transaction.
- ▶ Correct the transaction by re-entering or via a journal entry.
- ▶ If it does not appear, check your parent or sub-accounts. The Journal Entry must use the same account number as the account you are reconciling.

Old Transactions Have Not Cleared

Checks and Deposits
may need to be
Voided

- ▶ See Lessons on Voiding Prior Year Checks that Need Reissued.
- ▶ See Lessons on Voiding Prior Year Checks that Do Not Need Reissued.

Interest and/or Bank Charges Show Up Twice

Interest and Bank
Charges were
entered in the
opening Reconcile
Screen and were
also selected
through Bank Feeds.

- ▶ If you are using Bank Feeds, change the interest and bank charges fields to zero when starting your reconciliations.

Deposits are Missing

Undeposited Funds is not being used correctly.

- ▶ Go to Make Deposits and be sure all deposits have been made with the correct date.
- ▶ If no deposits are there, go to the Sales Receipts and Enter Payment transactions and verify the account where the payments were entered.
- ▶ If that still does not fix the problem, see Lecture on How to Reconcile Undeposited Funds.

Deposits are Showing Twice

Bank Feed deposits are being accepted but not matched correctly.

- ▶ Make it a policy not to select and accept deposits from bank feeds that are not matched.
- ▶ Any deposit shown in the bank should have been entered into the donor records through the Enter Payments or Sales Receipt screens.
- ▶ Delete the duplicates.

Electronic Fund Transfer expenses are Showing Twice

Bank Feed expenses are being accepted but not matched correctly.

- ▶ For recurring expenses via EFT, set up a recurring expense and set the rules to match to it.
- ▶ If the amounts change, accept the charge through the Bank Feed and do not set up Bills or Expenses for the amounts.
- ▶ Delete the duplicates.

Checks are Missing

Date or Account
Number has been
entered
incorrectly.

- ▶ Double check the Enter Checks screen and be sure the correct date is on the check.
- ▶ Next, check that the correct checking account has been selected.

IMPORTANT

- ▶ Be sure to print out all Bank Reconciliations before you delete any deposits or checks.
- ▶ You may need to reference them when revising the reconciliation.