

Why You MUST Reconcile Your Checking Account

(A Cautionary Tale)

Confession: I like to do my own bookkeeping. Some people like to knit or play canasta or binge watch Netflix or play tennis. But I find bookkeeping to be calming, and a good brainteaser at times. I like that 1+1 does add up to 2!

I am the Trustee on a family checking account. It only has a small balance and there is no activity. I am diligent about reconciling each of my bank accounts every month. It is not just that I am weird. I know that under law, a bank has no obligation to correct any error after 60 days.

Well, last September I was remiss. I did not reconcile this trust account. When I caught up at year-end, I discovered that \$595.94 had been drafted out of the trust account in September! I immediately called my wonderful banker who explained to me that it was past 60 days, but that he would investigate.

He was diligent — he made countless phone calls and emails. It turned out that a number had been transposed by another entity which caused the erroneous draft. Still, he had to fight to get the money back into my account. There was no assurance that the money would be returned at all, since it was past 60 days.

Finally, on May 15th the funds were restored. Eight months later!
Moral of the story:

- (1) Always reconcile your bank accounts and credit card statements monthly.
- (2) Make sure you have an exceptional banker who will invest time and effort on your behalf.

If DIY bookkeeping makes you crazy, Office Angels can show you how to use bookkeeping software. We can also take it over for so you can focus on serving your clients.



OFFICE ANGELS[®]

DIVISION OF NTH POWER SOLUTIONS, INC.
(770) 442-9246 • WWW.OFFICEANGELS.US

WE GIVE YOUR BUSINESS WINGS TO FLY.