

## **Balancing Your Checkbook**<sup>57</sup>

Today, fewer people are writing checks in their everyday transactions. Many individuals use debit cards, credit cards, or cash to make purchases and rely on online banking and bill paying options. As a result, many people do not know how to write a check, let alone balance a checkbook. Although writing checks is less common in the digital age, checkbooks and learning how to properly use them are still useful financial tools to have in your toolkit.

### **If you do use checks, do you balance your checkbook each month?**

*Four reasons why you should:*

1. Balancing your checkbook verifies that your records match your bank's records.
2. Banks can make mistakes, and so can you. It is possible you've made a math error in your checkbook register.
3. If you make a mistake or forget to post a transaction in your register, you may start bouncing checks and incurring fees of \$25 or more.
4. If there's a problem, you won't need to wade through months of transactions to figure it out.

### **The Ten Steps to Balance Your Checkbook:**<sup>58</sup>

What you will need:

- Your most recent bank statement and/or cancelled checks
- A checkbook balancing form
- Your checkbook register
- A calculator and pencil

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<sup>57</sup> Original material from Peerlink National Technical Assistance Center.

<sup>58</sup> Deborah Fowles. "How to Balance Your Checkbook." *The Balance*, Nov. 16, 2020.  
<https://www.thebalance.com/balancing-your-checkbook-1289297>