

Step 8: Enter Outstanding Deposits. On *line 2* of the bottom section of the Checkbook Balancing Form, enter the total outstanding deposits from column one.

Step 9: Enter Outstanding Checks. On *line 3* of the bottom section of the Checkbook Balancing Form, enter the total outstanding checks from column two.

Step 10: Calculate Your Balance. Use a calculator to total lines 1-3 as indicated by the plus and minus signs on the form, and enter the new total on *line 4*. This should equal the balance shown in your checkbook register. If it does not, check for math errors in your checkbook register, such as reversed numbers (e.g., \$53 instead of \$35), subtracting a deposit instead of adding it, adding a check written instead of subtracting it, automatic payments that you forgot to record, etc.

Tips:

- For the easiest method of balancing your checkbook, use the Printable Checkbook Balancing Form below or find a template online.
- Don't fall for common mistakes: 1) never recording the pennies on the checks you write; 2) entering incorrect amounts in your check register to "fool" yourself into thinking you have less money (so you can be pleasantly surprised later or to provide a cushion for errors); or 3) only balancing your checkbook once a year when you do your taxes.
- If you find your checkbook in a mess, you cannot reconcile it despite your best efforts, and you're incurring fees because of errors, sometimes the best thing to do is to open a new account and start over, closing the old account after all checks have cleared.
- If you can't reconcile, see if the amount you're off divides evenly by nine. If it does, it may be a transposed number (you may have written \$53.94 instead of \$53.49, for example).

"An investment in knowledge pays the best interest."

Benjamin Franklin