

Step 1: Reconcile Your Checks. Determine if there are any checks that haven't cleared the bank. Sort your cancelled checks in check number order, or use the listing of your cleared checks in numerical order as shown on your statement.

In your checkbook register, check off each cancelled check returned to you or each check that appears on the check listing, making sure the amount you recorded is the amount the bank shows.

Step 2: Reconcile Your Deposits. Make sure each deposit shown on your bank statement is recorded in your check register (especially if you have direct deposit, which you can easily forget to record).

Go through your deposit slips, paycheck stubs, etc., and make sure the bank statement shows all the deposits you made. Check off the deposits in your check register as you did for checks.

Step 3: Reconcile Your ATM Withdrawals & Debit Card Purchases. Go through the same process with your ATM withdrawals or debit card purchases, checking off each transaction on the bank statement in your check register. If the bank shows transactions that aren't included in your check register, record them now.

Step 4: Record Interest Earned & Bank Fees. Check your bank statement for any fees and record them in your checkbook register. Record any interest earned in your checkbook register.

Step 5: List Outstanding Checks. Go through your checkbook register and in *Column 2* of the balancing form, list your outstanding checks (the checks that you did not check off in your check register as having cleared the bank), as well as any outstanding debit purchases or ATM withdrawals that have not yet cleared the bank. Total the column of outstanding checks, debits, and ATM withdrawals.

Step 6: List Outstanding Deposits. Go through your checkbook register and in *Column 1* of the balancing form, list the outstanding deposits (the deposits that you did not check off in your check register as having cleared the bank). Total the column of outstanding deposits.

Step 7: Record Your Bank's Ending Balance. On *line 1* of the bottom section of the Checkbook Balancing Form, enter the ending balance shown on your bank statement.