



June 2016 Q-Tips

This month we will discuss how to handle a check that has been returned for insufficient funds. As always, contact me with any questions. ☺

Quicken: Entering an Insufficient (NSF) Check

1. Identify the deposit that included the returned check
 - Select (highlight) the Account in the Account Bar where the original deposit was recorded
 - Enter the date the check was charged back to your depository account
 - Enter CORR in the number field
 - Enter a description: Check #XXXX-Name of Person-Returned NSF
 - Enter the amount of the insufficient check in the PAYMENT field
 - Enter Category: Miscellaneous or a category of your choosing
 - Click enter to record the transaction
 - You will clear this transaction in the month the insufficient check is listed on your bank statement

2. Record the returned check fee (if applicable)
 - Select (highlight) the Account in the Account Bar where the original deposit was recorded
 - Enter the date the fee was charged to your depository account
 - Enter CORR in the number column
 - Enter a description: NSF fee for Check #XXXX-Name of Person
 - Enter the amount of the NSF fee in the PAYMENT field
 - Enter Category: Miscellaneous or a category of your choosing
 - Click enter to record the transaction
 - You will clear this transaction in the month the NSF fee is listed on your bank statement

Quicken: Resolving an Insufficient Check

- Resolve the insufficient check as quickly as possible after notification of return is received from the depository bank
- Record the insufficient check in Quicken as previously outlined
- Mail the party who submitted the insufficient check a letter (sample copy below)
- If you do not receive a response to the first letter in a timely manner, send a second letter by registered mail using a return confirmation
- If you do not receive a response to the second letter, contact the Cash Manager in Financial Services for further instructions
- When you do receive the funds for the insufficient check, the deposit will be recorded as a new deposit. Keep a copy of the insufficient check and the new check in your files and send the original insufficient check back to the party who submitted the check, unless that party requests that you destroy the check.

SAMPLE

“Date”

“Name”

“Street Address”

“City”, “State” “Zip Code”

Dear “Name”:

The Cooperative Extension Service received your check, “check number”, in the amount of “amount of check”, dated “date of check”. The check was deposited into our bank account. On “return date from notification/bank statement”, the check was charged back against our account for insufficient funds. Please find enclosed a copy of your check and the notification from the bank.

Please bring cash to the office listed below or send a money order in the amount of “amount of check plus service charge if bank charged one” to:

“County Name” Cooperative Extension Service

“County Street Address”

“County City”, AR “County Zip Code”

Thank you for your prompt attention to this matter.

Sincerely,

“Staff Chair’s Name”

Enclosures