

Elementary Schools
Schoolbooks
Check Amount Corrections

Use this procedure to record a correction to the amount a check was previously written for. You cannot merely change the amount of the check – the difference must be recorded via an Adjustment Entry.

This type of correction typically comes to your attention when you are doing your bank reconciliation – as you are marking as “Cleared” the checks which the bank paid, you notice that a check cleared the bank for an amount different than what you wrote it for (usually for more than you wrote it for). Because this affects your checking account balance, the difference must be recorded in SchoolBooks.

When to Record

Record Check Corrections after you receive the bank statement for the month, but before you complete the reconciliation for that bank statement.

Recording in SchoolBooks

Because the need for a Check Correction entry typically arises when you are in the midst of performing the bank reconciliation, you will need to exit the Bank Reconciliation module to record the Adjustment Entry.

1. At the bottom of the screen, click on “Cancel”.
2. You will be informed that the data you entered in the bank reconciliation will be saved – after you post the Check Correction Adjustment Entry, you will be able to return to the Bank Reconciliation module without having to re-enter any data.
3. You will be asked “Do you really want to cancel?” Click on “OK”.
4. You will be returned to the main SchoolBooks menu.
5. Using the “Check Lookup” button, lookup the check which cleared for a different amount. Note the GL Account Number to which it was charged, as the difference between what it was written for and what it cleared for must go to the same GL Account Number.
6. Click “OK” to exit Check Lookup and return to the main SchoolBooks menu.
7. Click the “Adjustment Entry” button or make this selection from the “Entry” drop-down menu. The “Adjustment Entry Wizard” window opens.
8. On the Adjustment Type screen, select “Enter New Adjustment” and press “Next”.
9. On the next window, select the correct Bank Code – it should default to your checking account name and GL account number.

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10. Use the drop-down arrow to select the Adjustment Type – Miscellaneous Bank Charge (Debit) [if the check cleared for more than it was written for], or Miscellaneous Bank Credit [if the check cleared for less than it was written for]. Click on “Next”.
11. The next window will be specific to the Adjustment Type selected. Complete the fields on the screen as follows:
- **The Date should be the date the check cleared**, as shown on the bank statement. (If the check was written in a previous month, you cannot record the adjustment in that month because it is closed to further transactions).
 - Enter the amount of the difference between what the check was written for and what it cleared for:
 - If the check cleared for more, enter the amount without any signs, as the Adjustment Type selected (Miscellaneous Bank Charge) will cause the adjustment to increase the expenses of the affected activity account.
 - If the check cleared for less, enter the amount as a negative amount, as the Adjustment Type selected (Miscellaneous Bank Credit) will cause the adjustment to decrease the expenses of the affected activity account.
 - The GL Account Number field shows the default GL account number for this Adjustment Type; the GL account name will be displayed. This will need to be changed to the GL account number associated with check being corrected. Enter the correct GL account number.
 - In the “Purpose” field, enter a description, such as “Ck 12345 cleared for more than written” or “Ck 6789 cleared for less than written”. Be sure to reference the check number, as it will help when completing the bank reconciliation.
 - On the Miscellaneous Bank Charge (Debit) and Miscellaneous Bank Charge Credit screens, the “Report Column” field must be completed. Since this is correcting a check amount, select the “Expense” column.

When all fields are completed, select “Next”.

12. The next window will display all the details of the adjustment. The only editable field is the “Purpose” field. Edit as necessary. Note that the Adjustment Type field (not editable) will read “Miscellaneous Bank Charge (Debit)” even though you originally selected “Miscellaneous Bank Credit” as the Adjustment Type when you began. This is not a problem, as the “direction” of the adjustment (positive or negative) will prevail. Click on “Accept” to accept the Adjustment Entry. You will be returned to a new “Adjustment Entry Wizard” window (see step 2 above).
13. Repeat steps 2-6 for all Check Correction adjustments that are to be recorded at this time. It is recommended that the adjustments for all checks clearing for more than written for be included in one “batch”, and all the adjustments for checks clearing for less than written for be included in a separate “batch”. Each batch is to be updated/posted to SchoolBooks separately.

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14. Once all adjustments have been entered, you should be at the main “Adjustment Entry Wizard” window. Click “Cancel”.
 15. You will be asked, “Do you want to print the Adjustment Journal?” Click “Yes”.
 16. At the next window click “Print” and wait for the journal to print. It will print (and assign permanent Adjustment Numbers) in transaction date order.
 17. The next window asks “Did the Adjustment Journal print OK, and is the data correct?” The Total at the end of the report will show the effect of the Adjustment on the Checking Account balance in SchoolBooks:
 - If checks cleared for more than they were written for, the Total will be in parentheses to show that the Cash-Checking Account balance will decrease.
 - If checks cleared for less than they were written for, the Total will be positive to show that the Cash-Checking Account balance will increase.
- If the journal looks okay (printed cleanly, data is correct), click “Yes”. If the data is not correct, click “No” and return to the Adjustment Entry screens to correct the data entered. Repeat the above steps until the Adjustment Journal total (and other data) is correct.
18. The next window asks “Do you want to UPDATE the Adjustment Journal?” Click “Yes”.
 19. A small window appears indicating “Update Complete”.
 20. Make a notation on the Adjustment Journal that it has been posted/updated, and file it in your monthly transactions/reports file.

Hint: The adjustment entries will not post until you: 1) print an Adjustment Journal and 2) answer “Yes” to update the journal.

PROCESS COMPLETE