

CHAPTER
3

Balancing Your Checking Account

Activity: Individual

⌚ 25 MINUTES

Materials: Students will need the activity handout and access to foundationsU.com

Objectives: The purpose of this activity is for students to reconcile a checking/debit account statement and monitor a bank statement for accuracy.

STANDARD Planning and Money Management

Standard 3: Describe how to use different payment methods.

- Demonstrate skill in basic financial tasks.

Procedure

- 1 Hand out student activity sheets (directions, bank statement, account register).
- 2 Students need to read the directions and work with the bank statement and account register first.
- 3 The account register has errors and omissions. Students will need to do an item-by-item verification, comparing the bank statement to the account register before they balance the account.
- 4 The final step is for students to reconcile the bank statement to the account register balance. (They should use the form on the student activity directions page to do this.)

Answer Key

Balance on bank statement: \$439.24

Deposits that are not on the bank statement:

DATE	AMOUNT
4/30	\$1,206.78

Total deposits (from above) + \$ 1,206.78

Deposit subtotal = \$1,646.02 (Total deposit + balance on bank statement)

Checks written or withdrawals that are not on the bank statement:

DATE	AMOUNT
4/30	\$715.00
4/18	\$350.00

Deposit subtotal (from above) \$ 1,646.02

Total withdrawals (from above) - \$ 1,065.00

Ending Balance = \$581.02 (Deposit subtotal minus total withdrawals)

Balancing Your Checking Account ^(1/3)

Directions

You received your bank statement in the mail, and now you need to balance your checkbook. The account register is the record of your checking account.

- » Use the bank statement to balance your account.
- » Read the statement and make sure all transactions (deposits, withdrawals, transfers, electronic bill payments and checks) are written in your account register. Put a mark next to each one. Add any missing transactions and fix incorrect ones.
- » Record any bank fees in the debit column of your account register.
- » After you have fixed your account register, use the form below to see if your checkbook is balanced. The ending balance should match your account register.

Balance on bank statement: \$ _____

Deposits that are not on the bank statement:

DATE	AMOUNT

Total deposits (from above) + \$ _____

Deposit subtotal = \$ _____ (Total deposit + balance on bank statement)

Checks written or withdrawals that are not on the bank statement:

DATE	AMOUNT

Deposit subtotal (from above) \$ _____

Total withdrawals (from above) - \$ _____

Ending Balance = \$ _____ (Deposit subtotal minus total withdrawals)

Balancing Your Checking Account ^(2/3)

Your checkbook register

Date	#	Transaction Type	Deposit	Withdrawal	Balance
					\$850.43
04/02		Green Gas & Oil		\$37.00	\$813.43
04/03		ATM		\$30.00	\$783.43
04/05	1318	Cell Phone Company		\$100.00	\$683.43
04/06		Favorite Mall Shop		\$52.44	\$630.99
04/13		Deposit	\$1,206.78		\$1,837.77
04/17		Groceries R Us		\$57.89	\$1,779.88
04/18	1319	College Dorm Deposit		\$350.00	\$1,429.88
04/23	1320	Charity Funds		\$25.00	\$1,404.88
04/25		Deposit	\$250.00		\$1,654.88
04/26		Not so Green Gas Co.		\$52.00	\$1,602.88
04/26	1321	My Basic Internet		\$33.00	\$1,569.88
04/26	1322	House Payment		\$1,375.00	\$194.88
04/28		Good Eats Cafe		\$46.00	\$148.88
04/30		Deposit	\$1,206.78		\$1,355.66
04/30	1323	Boats R Fun		\$715.00	\$640.66
04/30		9 Mile Store		\$26.57	\$614.09

Balancing Your Checking Account (3/3)

Your bank statement

BANK OF LAMPONIA - MONTHLY STATEMENT				
DATE	TRANSACTION TYPE	DEPOSIT	WITHDRAWAL	BALANCE
04/03	DBT/WDR GREEN GAS & OIL		\$37.00	\$813.43
04/04	ATM CASH W/D		\$30.00	\$783.43
04/08	CHECK 00204321 1318		\$100.00	\$683.43
04/07	POS/WDR GALLERIA MALL, LAMPONIA, TN		\$52.44	\$630.99
04/08	DBT/WDR AIRPORT/GIFT SHOP		\$30.57	\$600.42
04/12	ACH/WORK FOR A LIVING BEST PLACE TO WORK	\$1206.78		\$1,807.20
04/18	DBT/WDR GROCERIES R US		\$57.89	\$1,749.31
04/27	CHECK 00104321 1320		\$25.00	\$1,724.31
04/25	TRANSFER FROM 2390580	\$250.00		\$1,974.31
04/30	CHECK 0034321 1321		\$33.00	\$1,941.31
04/27	DBT/WDR NOT SO GREEN GAS CO.		\$52.00	\$1,889.31
04/28	CHECK 00304321 1322 HOUSE PAYMENT		\$1375.00	\$514.31
04/29	DBT/WDR GOOD EATS CAFÉ		\$46.00	\$468.31
04/30	DBT/WDR 9 MILE ROAD STORE		\$26.57	\$441.74
04/30	SHARE DIVIDEND	\$0.50		\$442.24
04/30	ATM WDR FEE OUT OF NETWORK BANK		\$3.00	\$439.24
			BEGINNING BALANCE:	\$850.43
			ENDING BALANCE:	\$439.24