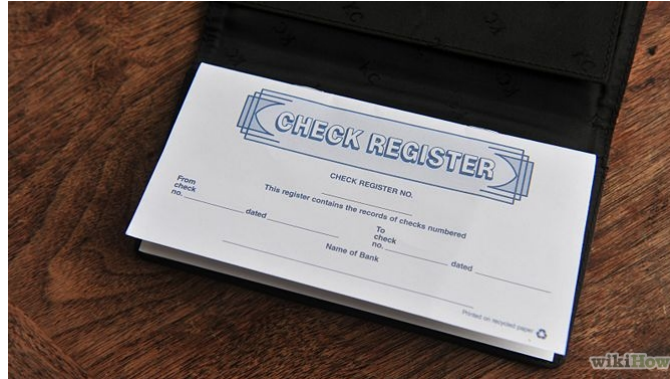


Balancing Your First Federal Checkbook



Use the check register. You know that extra little notebook that comes with your checks, and slips right into your checkbook; it's designed to help you keep track of your income and expenditures. Record all transactions; deposits, ATM withdrawals, debit card usage, fees, etc., not just checks.

- ✔ If you do not have one, buy or make one. A preprinted booklet is handy, but a ledger, graph paper, even a blank sheet of lined paper will do.



Keep track of your current balance. You can log on to your account online, call or visit your local branch, or visit an ATM and get the current balance on the account you wish to track.

- ✔ Write this balance in the box at the top of the page or on the first empty line with a note such as "balance forward".
- ✔ Remember that there may be checks or electronic debits that have not yet cleared, meaning today's figure, while correct, could be missing a part of the story. If you're not sure, keep an eye on your account and check the balance again a few more times in the days and even weeks to come. Also, read your next statement carefully when it arrives and incorporate any transactions you may have missed.

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Record all the transactions. Write down any debit (money being deducted) or credit (money being added) to your account. There should be two columns in your checkbook; one for debits and one for credits. Place the dollar amount being deducted in the debits column and the dollar amount being added in the credit column.

- ✔ Record all checks that you write. Include the check number, date, payee (who the check is written to), and the amount.
- ✔ Record any withdrawals or payments you make from that account. If you withdrawal money at a branch or ATM, or if you purchase something at a store or online using an ATM or debit card, record the amount of the purchase.
- If there is a fee for using the ATM, record that amount as well.
- ✔ Record any online bill payments. If your online bill payment service gives you a confirmation code, you may wish to note this code in your check register alongside the payee information.
- ✔ Record any deposits into your account. Again, any transaction that changes the amount of money in your account, needs to be recorded and either added in or deducted!

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Regularly calculate the balance in the account. You should do this with each transaction, but can also be effective if done less frequently, as long as you are keeping accurate records, avoiding any chance of an overdraft.



Reconcile your checkbook regularly. Your statement is available via your Online Banking Session by simply clicking on the eStatement tab. It is also available by mail each month. Once the statement or eStatement is available, compare your check register to your statement and check off which transactions have cleared. At this time you should:

- ✔ Add any interest that the bank has paid you.
- ✔ Subtract any fees that the bank has charged you.
- ✔ Check that the transactions in your account register match what the bank says you did. Make sure that your recorded balance matches what the bank thinks you have, not including any transactions that haven't yet cleared and aren't listed on the statement.

Balancing Your First Federal Checkbook



Correct any mistakes. If you find any discrepancies between your numbers and the bank's numbers, figure out where they came from and make any needed adjustments.

- ✔ Double-check your math. Make sure you added and subtracted everything correctly since the checkbook was last balanced.
- ✔ Look for missing transactions. Did you forget to write record something? Has something not cleared or have you recorded something that happened after the statement date?
- ✔ Subtract the balance in your check register from the balance on the statement. Does the amount match the amount of one of the transactions? If so, that transaction may not have been accounted for correctly.
- ✔ Verify if all your checks have cleared. The money taken out for checks and other payments may not have been deducted immediately. If you suspect a check or other payment has not yet cleared, subtract the amount of that check from the bank's balance and see if it matches yours. One way to stay on top of this is to check your account regularly and put check marks next to every check that has already cleared.
- ✔ Bring any detected errors to the attention of your bank. Often, a phone call or visit can clear up confusion about errors or inappropriate fees.



Balancing Your First Federal Checkbook

Finally, finish balancing. Once your account is in balance, you may want to draw double lines under the balanced amount in your check register, so that the next time you reconcile, you have an idea of the last known correct amount in your register. This helps with determining where any additional errors may have occurred.