

# 10 Tips for Keeping an Eye on Finances

**1. Review bank statements.** In today's world of automated banking, downloadable bank transactions and computer reconciling, it's easy to overlook a review of the bank statement for irregularities. More common than fraudulent transactions are mis-read checks (incorrect amount) and unexpected charges (bank computer mis-coding).

**2. The Treasurer should review all bank statements and financial activity.** The Treasurer has primary responsibility for all financial accounts of the organization. However, it is sometimes more efficient to delegate a particular account to a second person (for an event or specific program). The "checkbook" might be in the hands of another, but the bank statements and responsibility still rest with the Treasurer, and all paperwork should be submitted to the Treasurer in a timely manner.

**3. Appoint a second person to review bank statements.** In addition to your Treasurer, appoint a second person to take a look at the bank statements each month.

**4. Review bank statements monthly.** Even if you have minimal activity in a month, it is important to review and reconcile your bank statements monthly in order to catch problems and resolve them quickly.

**5. Have on-line access to your account.** The Treasurer and one other officer should have online access to the nonprofit bank account. This will allow you to look for specific transactions, find transaction codes, and see check images. This also extends your "viewing window" both back in time (for old transactions) and today (for transactions that have cleared the bank but have not been sent to you in a bank statement).

**6. Act on mistakes promptly.** You have 60 days from the date of the bank statement to notify the bank about an error - regardless of whose error (bank error, your error,

payee error). Notify the bank as soon as possible and request an investigation.

**7. Notify the bank of theft or fraud immediately.** Banks usually have an 800-number that you can use to notify the bank of a lost or stolen debit card, account theft, or other financial issues that might require immediate action. Don't assume that if an incident occurs over the weekend that you have to wait until Monday morning to take action (i.e. freeze accounts, if necessary).

**8. Request that check images be included on bank statements.** Banks are no longer required to return canceled checks, and might not automatically include check images on the bank statements. Make sure your bank statements include images, so you can verify check payees, number of signatures, and who signed the checks.

**9. Do not assume the bank will catch errors or fraudulent checks/transactions.** Most of banking is automated, and banks are no longer responsible for verification of signatures (either correct signature or correct number of signatures). Banks are not responsible for catching and declining out-of-date checks (over 90 days). It is up to you to follow up on errors or fraudulent use of the banking system.

**10. Get to know your banker.** The more your bank knows about your organization, and the more you know your banking professional, the better your bank can help you - both to plan for the best management of your financial resources and to help you in times of financial crises.

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