

Insufficient Funds Check (NSF) Returned

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If a customer check is returned by the bank because of NSF, there are two different methods of processing depending on if it was returned during the same fiscal month that the payment was processed.

Same Fiscal Month as Payment

1. Void the customer payment that was processed at *A/R / Payments*.
2. Go to *G/L / Bank Deposits*. Voiding the customer payment puts a negative amount on the *Bank Deposit* screen. Deposit that negative amount to correct the amount in the bank account.

Previous Fiscal Month

1. Reverse the customer payment that was processed at *A/R / Payments* by selecting the payment and choosing **Reverse**.
2. Go to *G/L / Bank Deposits*. Reversing the customer payment puts a negative amount on the *Bank Deposit* screen. Deposit that negative amount to correct the amount in the bank account.

Payment Not Available to be Voided or Reversed

1. Add a product in a non-inventoried Miscellaneous department called Insufficient Funds and have the *Sales Account* on the *Sales Activity* tab directed to the Undeposited Cash G/L account.
2. Add an Invoice for the Customer using the product mentioned above for the amount of the returned check.
3. Go to *G/L / Bank Deposits*. The Invoice created in Step 2 puts a negative amount on the *Bank Deposit* screen. Deposit that negative amount to correct the amount in the bank account.