

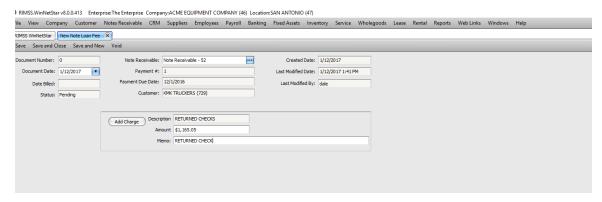
Process for Accounting for Returned Checks Notes Receivables

Software Development RIMSS Business Systems Technology

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Process for accounting for Returned Checks:

1 - Create a new Loan Fee document like below. I have added a new charge option on your system for RETURNED CHECKS that is set up to use the Undeposited Funds account. The amount should equal the amount of the returned check. IMPORTANT – make the document date the same date as the Note Receipt document where you originally posted the payment.



2 – Create a new Note Receipt document like below. IMPORTANT – make the document date the same date as the Note Receipt document where you originally posted the payment. Payment received will be zero and you will key in the Amount Applied using the principal and interest from the original Note Receipt. Doing this with the negative amount as seen below will reverse the original entry and create a credit in your Undeposited funds account.

