Customer Checks Returned from Bank for NSF (Non-Sufficient Funds)

Document #:	3219	**Product**:	CenterPoint®

If a bank refuses to honor a check because there is not enough money in the payer's checking account, the original receipt needs to be marked as such in CenterPoint. The NSF process in CenterPoint creates a reversing negative receipt and reverts the invoices originally paid back to a status of not paid. The process also allows the business to charge the customer a fee because of the returned check.

Mark a Customer Receipt as NSF

1. Edit the original customer receipt transaction. This can be done through Transaction Search or by using the Report Drill Down capabilities within CenterPoint. See the topic for detailed instructions on how to find and edit an existing transaction.
2. Once the original receipt is displayed in the Receipts screen (through the edit process), a NSF button will be displayed.

3. Click the **NSF** button.

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This documentation is for informational purposes only. For specific accounting guidance, please contact your accountant.

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4. In **NSF Date** field, specify the date the check came back from the bank.
5. If the bank charged you a fee because of the NSF check AND you'd like this fee charged back to the customer, then specify the amount in the **NSF Charge** field.

> Note: If there was a fee charged from the bank but your customer is not required to pay the fee, then the NSF Charge amount should be left at 0.

6. If an amount was entered in the NSF Charge field, then specify the account it should be charged to in the **Income Account** and **Accounts Receivable Account** fields.
7. Click **OK**.
8. At the **Are you sure you want to post a NSF receipt?** click **Yes** to complete the process.
9. If an amount was entered in the NSF Charge field, then a new unpaid invoice for that amount will be in the customer's record.
10. If the bank charged a fee for the NSF check, the fee should be entered as a payment transaction in CenterPoint.