

Troubleshooting Reconciliation Issues: Position Is Over by Whole Shares and Cash Does Not Balance

The quantity in PortfolioCenter is higher than what the custodian has on file. Also, the cash does not balance. Usually, the cash is over.

Schwab Reconciliation Report					
Reconciliation File: 03/31/2006					
Symbol	Description	Type	Quantity	Portfolio Center Quantity	Quantity Difference
Allen, Sally		190-0010			
CASH	CASH	Cash	4,082.46000	3,085.20000	(997.26000)
ADM	Archer-Daniels-Midland Co	Equity	56.00000	122.00000	66.00000

What Causes this Condition?

Usually, this condition is caused by a missing or duplicated transaction that affects both securities and cash. Transactions affecting both securities and cash are:

- ◆ Buys
- ◆ Sells

Most likely, you are missing a sell or have duplicated buys. You could also have the correct number of buys or sells, but the amounts on those transactions are incorrect. In any case, the transactions affect both cash and the security quantity.



Important

It is possible that the cash variance is not totally resolved with these steps, as you can have other, unrelated transactions contributing to the cash variance. For information about correcting those variances see *Troubleshooting Reconciliation Issues: Cash Balance is Over* at <https://schwabpt.com/pdflibrary/open.asp?id=010066> and *Troubleshooting Reconciliation Issues: Cash is Short or Under Balance* at <https://schwabpt.com/pdflibrary/open.asp?id=010067>.

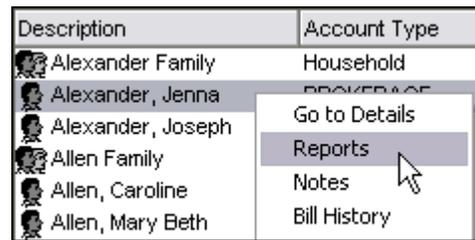
Tools to use to determine reason for variance:

Before you can start to fix the issue, you must determine (1) what caused the variance (missing transaction or duplicated transaction) and (2) when the error took place. Therefore, you must do a little background work. To do this background work, you'll need to:

- ◆ Know what date, roughly, the account last balanced. You'll need this date for reports and statements later.
- ◆ Obtain a copy of Custodian or Broker/Dealer statements or transaction lists. Some custodians give you access to the transactions on a website – if your custodian gives you this flexibility, it is much easier to gather the custodian transactions that way. However, if you don't have access to the transactions electronically, you'll have to use paper statements. Depending on the date of the last reconciliation, you might need multiple statements. You'll need statements that have transactions from the last reconciliation date through the current reconciliation date.
- ◆ Print a copy of the PortfolioCenter Security Reconciliation Report for the same date range as the statements. The Security Reconciliation Report shows all transactions affecting the quantity of that security.
- ◆ Compare the Custodian transactions and the PortfolioCenter transactions on the Security Reconciliation Report to look for missing, duplicated or incorrectly entered transactions.

Steps for running the Security Reconciliation Report:

- 1 Click the Portfolios tab.
- 2 Right-click the portfolio that is out of balance, and then select **Reports** from the menu.



- 3 In the reports view, click the Transaction Detail Reports button.
- 4 Select the Security Reconciliation report, and then click the **Settings** button.



- 5 Enter the date range, depending on your last date reconciled:

If this account reconciled the day before and you reconcile daily, enter a date in the **From Date** field that is two days earlier than the reconciled date, and then leave the **To Date** field blank.

For example, let us say the date on the reconciliation report is 3/31/10. Enter 3/30/10 in the **From Date** field and leave the **To Date** field blank, as shown on the right.

Setting	Value
Report Settings	
Page Orientation	Portrait
Left Margin	0.50
Right Margin	0.50
Top Margin	0.50
Bottom Margin	0.60
Display advisor logo	<input checked="" type="checkbox"/>
Report title	Security Reconciliation Report
From Date	03/30/2010
To Date	
Use Selected Security Type instead of ALL	<input type="checkbox"/>

If this account reconciled the week before and you reconcile weekly, enter a date in the **From Date** field that is two days earlier than the last reconciled date, and then leave the **To Date** field blank.

For example, let us say the date on the reconciliation report is 3/31/10 and the last date this account reconciled was 3/21/10. Enter 3/19/10 in the **From Date** field and leave the **To Date** field blank.

If this account reconciled the previous month and you reconcile once a month, enter the first day of the last month in the **From Date** field that is one two days earlier than the last reconciled date, and then leave the **To Date** field blank.

For example, let us say the date on the reconciliation report is 3/31/10 and the last date this account reconciled was 2/28/10. Enter 2/1/10 in the **From Date** field and leave the **To Date** field blank.

If this was last reconciled more than a month ago or you are not sure of the last time it reconciled, start with a **From Date** that is the first day of two quarters prior to the reconciliation date, and then leave the **To Date** field blank.

For example, let us say the date on the reconciliation report is 3/31/10 and we do not know the last time this account reconciled. Enter 9/30/09 in the **From Date** field and leave the **To Date** field blank.

If you cannot find the transactions with this information, you can always adjust the **From Date** back in time. If the account has never been reconciled, you might need to run the report since the inception of the account. To see all the transactions since the beginning of the account, leave both the **From Date** and the **To Date** fields blank.

- 6 Check the box **Use Selected Security Type Instead of All**.
- 7 Select the **security type**.
- 8 Select the **security symbol**.
- 9 Click **OK** to save the settings.



- 10 Click the **Run Report** button to run the report.
- 11 Print the report by clicking the **Print** button in the top of the preview.
- 12 Close the report and close the portfolio details, returning to the portfolios list.
- 13 Compare the transactions on the Security Reconciliation Report with the transactions from your custodian.

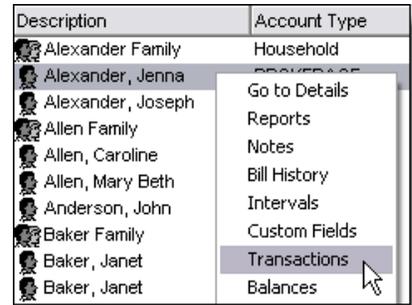
How do I correct the condition?

Once you've determined the condition that led to the cash discrepancy, you must correct it in PortfolioCenter before it will disappear from the reconciliation report. The sections below describe correcting some of the most common issues:

How to add a missing transaction

Let us say, for example, that the account is missing a sell for DELL on 3/31/10 for 66 shares that we need to add to the account.

- 1 From the Portfolios list, right-click on the account that is out of balance and select **Transactions** from the menu.



- 2 In the transactions list, click the **New** button () to add a new transaction.

- 3 When the line for the new transaction appears, enter the following information:

- ◆ Select Equities in the Security Type field.
- ◆ Select the appropriate activity. In case, a sell.
- ◆ Enter in the symbol, in this case DELL.
- ◆ Enter the date of the transaction. In this example, we entered 3/31/10.
- ◆ Enter the number of shares sold, in this case 66.
- ◆ Enter the total market value.
- ◆ Enter any brokerage fees, if applicable.

Security Type	Equities
Activity	Sell
Account Number	999-3003
Portfolio	Alexander, Jenna
Symbol	DELL
Security Description	Dell Inc
Trade Date	03/31/2010
Shares	66.00
Gross Proceeds	991.32
Brokerage Fee	0.00
Broker ID	
Other Fees	0.00
Settlement Date	04/06/2010
Account ID	CASH
Matching Method	First In First Out
Trade Status	New Status
Origination	PortfolioCenter

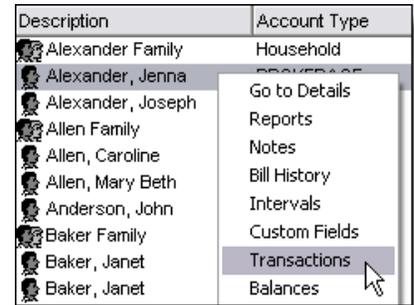
- 4 Click the **Save** button to save the changes to the transaction. The transaction now appears in the list as a posted transaction.

Status	Security Type	Activity	Trade Date	Symbol	Description	Quantity	Amount
 Posted	Equities	Sell	03/31/2010	DELL	Dell Inc	66.00	991.32

How to remove a duplicated transaction

Let us say, for example, that the account has a duplicated buy on 3/31/10 of AAPL for 78 shares that we need to remove from the account. Instead of deleting the transaction, we will cancel it so that it stays in the transaction list, but does not affect the position.

- 1 From the Portfolios list, right-click on the account that is out of balance and select **Transactions** from the menu.



- 2 In the transactions list, right-click the duplicated transaction and select **Cancel Transaction** from the menu.

Status	Security Type	Activity	Trade Date	Symbol	Description	Quantity	Amount	Account ID	Report As	Broker ID	Brokerage
Posted	Equities	Buy	03/31/2010	AAPL	Apple Computer Inc.	78.00	8,065.01	CASH	Save Changes		Ctrl+S
Posted	Equities	Buy	03/31/2010	AMZN	Amazon Com Inc	96.00	7,350.69	CASH	Cancel Changes		Escape
Posted	Equities	Buy	03/31/2010	BA	Boeing Co	177.00	6,290.93	CASH	New Transaction		Ctrl+N
Posted	Equities	Buy	03/31/2010	BAC	Bank Of America Corp	1,456.00	9,720.67	CASH	Edit Transaction		Ctrl+E
Posted	Mutual Funds	Buy	03/31/2010	BARAX	Baron Asset Fund	679.607	21,013.44	CASH	Cancel Transaction		
Posted	Mutual Funds	Buy	03/31/2010	BEARX	Prudent Bear	4,425.136	32,878.76	CASH	Repost Transaction		
Posted	Mutual Funds	Buy	03/31/2010	BIOPX	Baron Ippportunity	3,031.022	22,459.87	CASH	Select All		Ctrl+A
Posted	Mutual Funds	Buy	03/31/2010	BMCIX	Blackrock US Oppty Instl	932.982	21,393.27	CASH	Invert Selection		Ctrl+Shift+I
Posted	Mutual Funds	Buy	03/31/2010	BMPSX	Profunds Basic Materials	2,057.293	33,369.29	CASH	Copy		Ctrl+Shift+C
Posted	Equities	Buy	03/31/2010	BP	BP PLC ADR	103.00	3,986.64	CASH	Paste		Ctrl+Shift+V
Posted	Equities	Buy	03/31/2010	CAJ	Canon Inc	118.00	3,551.04	CASH	Paste Last		Alt-Insert
Posted	Equities	Buy	03/31/2010	COP	ConocoPhillips	96.00	3,801.27	CASH	Calculate New Split Shares		Ctrl+W
Posted	Equities	Buy	03/31/2010	CSCO	Cisco Systems	294.00	4,980.65	CASH			
Posted	Mutual Funds	Buy	03/31/2010	CSRCX	Columbia International Large Cap	1,310.35	14,872.47	CASH			

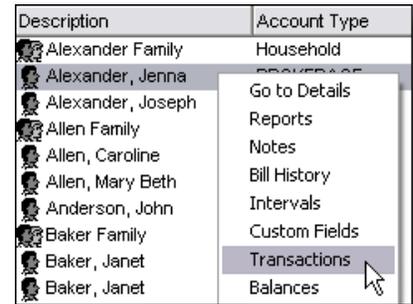
- 3 The transaction now appears with a green X and a status Posted Cancel.

Status	Security Type	Activity	Trade Date	Symbol	Description	Quantity	Amount
X Posted C	Equities	Buy	03/31/2010	AAPL	Apple Computer Inc.	78.00	8,065.01

How to edit an incorrect amount on an existing transaction

Let's say that the transaction causing the security to be out of balance is a buy entered incorrectly. We need to edit that transaction so that it reflects the proper amount.

- 1 From the Portfolios list, right-click on the account that is out of balance and select **Transactions** from the menu.



- 2 In the transactions list, right-click the transaction with the incorrect amount and select **Edit Transaction** from the menu.

Status	Security Type	Activity	Trade Date	Symbol	Description	Quantity	Amount	Account ID	Report As	Broker ID	Brokerage F
Posted	Equities	Buy	03/31/2010	AAPL	Apple Computer Inc.	78.00	8,065.01	CASH			
Posted	Equities	Buy	03/31/2010	AMZN	Amazon Com Inc	96.00	7,350.69	CASH			
Posted	Equities	Buy	03/31/2010	BA	Boeing Co	177.00	6,290.93	CASH			
Posted	Equities	Buy	03/31/2010	BAC	Bank Of America Corp	1,456.00	9,720.87	CASH			
Posted	Mutual Funds	Buy	03/31/2010	BARAX	Baron Asset Fund	679.607	21,013.44	CASH			
Posted	Mutual Funds	Buy	03/31/2010	BEARX	Prudent Bear	4,425.136	32,878.76	CASH			
Posted	Mutual Funds	Buy	03/31/2010	BIOPX	Baron Ippportunity	3,031.022	22,459.87	CASH			
Posted	Mutual Funds	Buy	03/31/2010	BMCIX	Blackrock US Oppty Inst	932.982	21,393.27	CASH			
Posted	Mutual Funds	Buy	03/31/2010	BMPSX	Profunds Basic Material	2,057.293	33,369.29	CASH			
Posted	Equities	Buy	03/31/2010	BP	BP PLC ADR	103.00	3,986.64	CASH			
Posted	Equities	Buy	03/31/2010	CAJ	Canon Inc	118.00	3,551.04	CASH			
Posted	Equities	Buy	03/31/2010	COP	ConocoPhillips	96.00	3,801.27	CASH			
Posted	Equities	Buy	03/31/2010	CSCO	Cisco Systems	294.00	4,980.65	CASH			
Posted	Mutual Funds	Buy	03/31/2010	CSRCX	Columbia International L	1,310.35	14,872.47	CASH			
Posted	Equities	Buy	03/31/2010	CVS	CVS Caremark Corp	122.00	3,204.47	CASH			

- 3 Enter the correct number of shares and market value, and then click the Save button to save the transaction.