

## Troubleshooting Reconciliation Issues: Cash is Short or Under

Only the cash position in PortfolioCenter is less than the cash position at the custodian. It is best to correct this issue only after correcting all position quantity variances for securities other than cash.

<b>Schwab Reconciliation Report</b>					
Reconciliation File: 05/10/2006					
<u>Symbol</u>	<u>Description</u>	<u>Type</u>	<u>Quantity</u>	<u>Portfolio Center Quantity</u>	<u>Quantity Difference</u>
Baker, Ronan		00000023			
CASH	CASH	Cash	17,630.71000		(17,630.71000)
MMF	Schwab Money Market Fund	Cash	0.00000	17,530.71000	17,530.71000
Bennett, Carolina		00000018			
CASH	CASH	Cash	185.99000	165.99000	(20.00000)

### What Causes this Condition?

Usually, this condition is caused by a missing or duplicated cash only transaction. Cash only transactions are:

- ◆ Deposits
- ◆ Journals
- ◆ ROP
- ◆ Cash Dividends
- ◆ Withdrawals
- ◆ Expenses
- ◆ Interest
- ◆ Cash Gains

For example, you could have a missing deposit or cash income, or you could have duplicated a withdrawal. You could also have a transaction that has an incorrect dollar amount posted. For example, you could have a buy for the wrong amount. In this case, the number shares of the position purchased is correct, but the dollar amount associated with the transaction is incorrect, throwing cash out of balance.

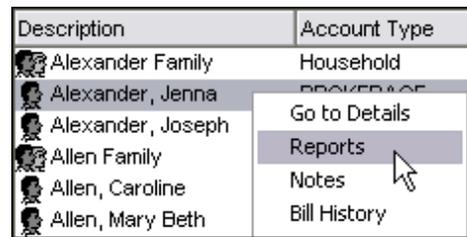
## Tools to use to determine reason for variance:

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. 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 Cash Reconciliation Report for the same date range as the statements. The Cash Reconciliation Report shows all transactions affecting cash, including buys and sells. Review the transactions on this report to look for any discrepancies.
- ◆ Compare the Custodian statements and the PortfolioCenter Cash Reconciliation Report to look for missing, duplicated or incorrectly entered transaction.

## Steps for running the Cash Reconciliation Report:

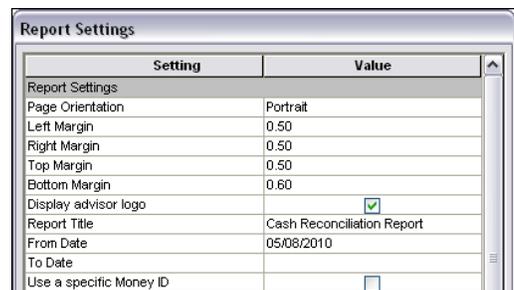
- 1 Click the Portfolios tab.
- 2 Right-click on the portfolio that is out of balance, and then select **Reports** from the menu.



- 3 In the reports view, click the transaction detail reports button.
- 4 Select the Cash 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 5/10/10. Enter 5/8/10 in the **From Date** field and leave the **To Date** field blank, as shown on the right.



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 5/10/10 and the last date this account reconciled was 5/3/10. Enter 5/1/10 in the **From Date** field and leave the **To Date** field blank, as shown on the right.

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 5/10/10 and the last date this account reconciled was 4/10/10. Enter 4/1/10 in the **From Date** field and leave the **To Date** field blank, as shown on the right.

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 5/10/10 and we do not know the last time this account reconciled. Enter 10/1/09 in the **From Date** field and leave the **To Date** field blank, as shown on the right.

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 Uncheck the use specific money ID setting, and then click the **OK** button to close the setting box.
- 7 Click the **Run Report** button.
- 8 Print the report by clicking the **Print** button in the top of the preview.
- 9 Close the report and close the portfolio details, returning to the portfolios list.
- 10 Compare the transactions on the Cash Reconciliation Report with the transactions

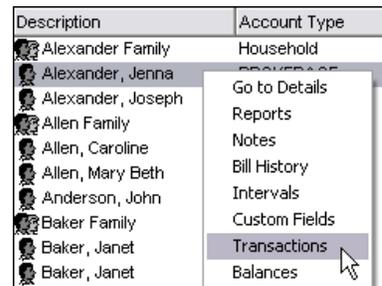
## How do I correct the condition?

Once you have 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 deposit on 5/9/10 of \$20 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 the appropriate security type. In this example, we selected Cash and Money Funds in the Security Type field.
- ♦ Select the appropriate activity. In this example, we selected Deposit.
- ♦ Enter the date of the transaction. In this example, we entered 5/9/10.
- ♦ Enter the dollar value of the flow. In this example, we entered 20.00.

Security Type	Cash and Money Funds	▼
Activity	Deposit	▼
Account Number	999-3003	
Portfolio	Alexander, Jenna	
Date of Capital Flow	05/09/2010	▼
Dollar Value of Flow	20.00	
Contribution Type	Other	▼
Account ID	CASH	⋮

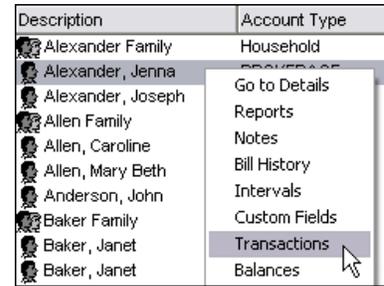
- 4 Click the **Save** button to save the changes to the transaction. The transaction now appears in the list as a Posted transaction.

Status	Security Type	Activity	Trade Date	Symbol	Description	Quantity	Amount	Account ID
ⓘ Posted	Cash and Money Funds	Deposit	05/09/2010		CASH		20.00	CASH

## How to remove a duplicated transaction

Let us say, for example, that the account has a duplicated withdrawal on 3/31/10 of \$20 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
Posted	Cash and Money Funds	Withdrawal	03/31/2010		CASH		20.00	CASH		
Posted	Mutual Funds	Sell	03/31/2010	PRPFX	Permanent Portfolio	188.527			Save Changes	Ctrl+S
Posted	Mutual Funds	Sell	03/31/2010	BEGRX	Beacon International B	610.577			Cancel Changes	Escape
Posted	Mutual Funds	Sell	03/31/2010	AYBFX	American Aadvantag	915.907			New Transaction	Ctrl+N
Posted	Mutual Funds	Sell	03/31/2010	BUFHX	Buffalo High Yield Fu	798.98			Edit Transaction	Ctrl+E
Posted	Mutual Funds	Sell	03/31/2010	ARBFX	Arbitrage Bond Fund	1,017.182			Cancel Transaction	
Posted	Equities	Sell	03/31/2010	SH	ProShares Short S&P	127.00			Repost Transaction	
Posted	Equities	Income	03/31/2010	ADM	Archer-Daniels-Midln	0.53			Select All	Ctrl+A
Posted	Equities	Buy	03/31/2010	AAPL	Apple Computer Inc.	78.00			Invert Selection	Ctrl+Shift+I
Posted	Mutual Funds	Buy	03/31/2010	CSRCX	Columbia International	1,310.35			Copy	Ctrl+Shift+C
Posted	Mutual Funds	Buy	03/31/2010	FLATX	Fidelity Latin America	770.76			Paste	Ctrl+Shift+V
Posted	Mutual Funds	Buy	03/31/2010	BMCIX	Blackrock US Oppty I	932.982			Paste Last	Alt-Insert
Posted	Mutual Funds	Buy	03/31/2010	BARAX	Baron Asset Fund	679.607			Calculate New Split Shares	Ctrl+W
Posted	Mutual Funds	Buy	03/31/2010	BIOPX	Baron Ippportunity	3,031.022			Calculate Qualifying Shares	Ctrl+Q
Posted	Mutual Funds	Buy	03/31/2010	BEARX	Prudent Bear	4,425.136				
Posted	Mutual Funds	Buy	03/31/2010	BMPX	Profunds Basic Mater	2,057.293				

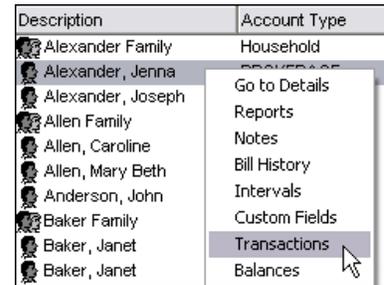
- 3 The transaction now appears with a green X and a status Posted Cancel.

Status	Security Type	Activity	Trade Date	Symbol	Description	Quantity	Amount	Account ID
X Posted Cancel	Cash and Money Funds	Withdrawal	03/31/2010		CASH		20.00	CASH

## How to edit an incorrect amount on an existing transaction

Let us say that the transaction that is causing the cash to be out of balance is a deposit that is in PortfolioCenter as \$10, but it should be \$30. 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	Broker
Posted	Cash and Money Funds	Deposit	03/31/2010		CASH		10.00	CASH			
Posted	Mutual Funds	Sell	03/31/2010	PRPFX	Permanent Port	188.527	5,506.88				
Posted	Mutual Funds	Sell	03/31/2010	BEGRX	Beacon Internti	610.577	5,287.60				
Posted	Mutual Funds	Sell	03/31/2010	AYBFX	American Aad	915.907	5,980.89				
Posted	Mutual Funds	Sell	03/31/2010	BUFHX	Buffalo High Yi	798.98	6,879.22				
Posted	Mutual Funds	Sell	03/31/2010	ARBFX	Arbitrage Bond	1,017.182	12,562.20				
Posted	Equities	Sell	03/31/2010	SH	ProShares Sho	127.00	12,108.48				
Posted	Equities	Income	03/31/2010	ADM	Archer-Daniels	0.53	15.32				
Posted	Equities	Buy	03/31/2010	AAPL	Apple Compute	78.00	8,065.01				
Posted	Mutual Funds	Buy	03/31/2010	CSRCX	Columbia Intern	1,310.35	14,872.47				
Posted	Mutual Funds	Buy	03/31/2010	FLATX	Fidelity Latin A	770.76	20,224.76				
Posted	Mutual Funds	Buy	03/31/2010	BMCIX	Blackrock US	932.982	21,393.27				
Posted	Mutual Funds	Buy	03/31/2010	BARAX	Baron Asset F	679.607	21,013.44				
Posted	Mutual Funds	Buy	03/31/2010	BIOPX	Baron Iopportu	3,031.022	22,459.87				
Posted	Mutual Funds	Buy	03/31/2010	BEARX	Prudent Bear	4,425.136	32,878.76				
Posted	Mutual Funds	Buy	03/31/2010	BMPXS	Profunds Basi	2,057.293	33,369.29				

- 3 Enter the correct dollar amount in the Dollar Value of Flow (or Amount) field, and then click the Save button to save the transaction.