



Managing Money

Keeping Records in Order

Managing Money: Keeping Records in Order

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Every family has an accumulation of papers and records, which are important to them. But for many of us, getting those papers in order is like Mark Twain's old saying about the weather: "Everybody talks about it, but no one does anything about it." Is that how you feel about record keeping? Use the Record Keeping Work Sheet to see if you know where your important papers are located. If you answered "no" to two or more of these questions, it's time to make some changes in your record-keeping habits now!

Keeping records may not be enjoyable to you, but it is necessary. Having a good system for keeping important papers can save time, money and effort. Organized record keeping:

- Makes it easier to find information on a day-to-day basis.
- Provides security for hard to replace important documents.
- Provides proof of any transactions.
- Helps in handling various emergency situations.
- Makes it easier for someone else to locate important papers.
- Proves ownership in a lawsuit, inheritance or property fight.
- Helps with property settlement in a divorce.

Mastering Your Records

The best system for record keeping will vary from family to family. Certain decisions need to be made before setting up a system or improving an old one.

1. Decide on one place to keep all of your records. You need an organized system. Just tossing old receipts into a shoe box isn't enough.
2. Decide which family member will have the major responsibility for doing the record keeping. However, everyone in the family needs to cooperate and understand how the system works. Spouses/partners might switch places once a year to be sure both know what is going on with the records.
3. Set a specific time to handle all of your bookkeeping and try to stick to it. If you establish a regular routine, it can cut down on the actual time you need to do the record keeping.

Record Keeping Work Sheet

Take some time to answer these questions about your very important papers. Answer “Yes” or “No” for each one.

- ___ 1. Can you instantly locate last year’s income tax return?
- ___ 2. Do you know where your original Social Security card is?
- ___ 3. Do you have receipts and cancelled checks to document last year’s tax return?
- ___ 4. Do you have the account numbers, addresses and phone numbers of all the credit cards in your wallet written down somewhere?
- ___ 5. Could a nonfamily member locate important information about what to do in case of an emergency or in the event of your death?
- ___ 6. Do you know where to find the insurance policy for your car?
- ___ 7. Do you know where you keep the warranties for your home appliances?
- ___ 8. If your house and its contents burned, could you provide your insurance agent with an accurate list of all the household goods to settle your claim? How about proof of purchase for costly items?

If you answered “no” to two or more of these questions, it’s time to make some changes in your record-keeping habits now!

*This resource is one in a series on **Managing Money** which include:*

Making your Money Work:

Determining What Is Important to You
Where Are You Now? (Net Worth Statement)
Stop Spending Leaks
Developing a Spending Plan

Using Credit:

What Is Credit and How Much Credit Can I Afford?
Types of Credit: What Are Your Choices?
Credit Cards
Credit Reports

Building Savings:

Ways to Save
How Your Money Can Grow
Where to Save
Investment Options

Selecting Financial Institutions:

Selecting a Financial Institution
Checking Accounts
Savings Accounts

Creating a Record System:

Keeping Records in Order
Where to Keep Records

Determining Readiness:

Financial Readiness
Benefits and Challenges

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