

PAPERS IN YOUR LIFE

Value of Keeping Records

1. Helps you see the relationship between income and expenditure.
2. Helps you live within what is an inadequate income.
3. Helps you set priorities in spending (first things first), find the leaks and stop them.
4. Helps you plan to get the most out of spending; to eliminate haphazard buying; to think of alternatives.
5. Helps children acquire good money management habits.
6. Helps you prepare income tax returns & claim deductions.
7. Helps you establish family's net worth.
8. Helps you plan how to spend time and energy as well as money.
9. Helps you decide which items are most economical to buy, what to make, what to do without, and what to produce at home.
10. Helps family see what it can afford to buy and when it may be purchased.
11. Helps prevent conflict among family members for their share of the family income.
12. Reminds family members of their ultimate goals and teaches them to think of money in terms of these goals.
13. Shows date of purchase of important items.
14. Shows percentage of incomes spent on each classification and helps allocate expenditures with due regard to their relative importance.
15. Shows progress toward attaining goals and indicates whether these goals are as satisfying as expected.
16. Shows you where decreases or increases in expenditures may be made when income changes.
17. Helps you understand the durability of articles (how one kind of garment wears as compared to another).
18. Shows you when and how much to buy--months of sales for various items; items used to warrant purchasing in large quantities; to save money, time and thought; less frequent purchasing and ordering.
19. May show you justification for purchase of new equipment. (For example, inadequate refrigeration may mean you buy food in small quantity or food spoils easily so you may decide to purchase a larger refrigerator.)
20. Shows you chronic small luxuries--amounts spent in small dribbles that otherwise could purchase a more expensive and desired item. (Offenders: long distance calls, candy, magazines, cigarettes, taxis, haircuts, ready-cooked foods, costume jewelry, coffee, and snacks.)

"Because of little expenses, a small leak will sink a great ship." Benjamin Franklin

HOW TO KEEP BUSINESS RECORDS

1. Deposit all money in bank--file deposit slips.
2. Write checks for major expenditures and keep cancelled checks.
3. Keep bills, receipts, and invoices in chronological order in folder, envelope, or safety spindle.
4. Enter all transactions in a record book suited to family's needs.
5. File bank slips, cancelled checks, bills, receipts, and invoices, etc. in appropriately headed sectioned accordian file, or if records warrant, a large business file.

THE PAPERS IN YOUR LIFE AND WHAT TO DO WITH THEM

Item	Carry	Current File	Destroy after	Permanent File		Safety Deposit Box
				Listed	Stored	
Account books		X				
Car title, bills of sale				X		X
Bank statements, deposit slips and check stubs		X	1-3 years			
Birth certificates				X		X
Burial lot deeds				X		X
Cancelled checks		X	3 years *			
Educational records incl. teaching cert., etc.				X		X
Church--Baptism, Confirmation, Marriage				X		X
Citizenship papers				X		X
Copyrights, patents				X		X
Driver's license	X					
Employment records				X		X
Evidence of debt			5 yrs. after pd.	X		X
Guarantees, warranties					X**	
Identifications:						
Blood type	X			X		
Chest x-rays--where kept	X			X		
If diabetic	X					
Name and address, telephone	X					
Notify whom?	X					
If epileptic	X					
Doctor preferred	X					
Vaccinations and dates	X			X		
If allergic to penicillin	X					
Instruction books		Til sold				
Insurance policies:						
Property		X	When			
Personal liability		X				
Automobile		X	Expires			
Life		X		X		X
Inventories		Revise annually				X
Licenses to practice profession	Display					
Marriage & divorce records				X		X
Military service records				X		X
Organization memberships	X					
Real estate papers:						
Periodic receipt		X			X	
Mortgage				X		X
Abstracts				X		X
Receipts and receipted bills		X	4-5 yrs.			
Employment--dates & earnings				X	X	
Sales slips		X	1 year++			
Savings bonds, investments				X		X
Social Security number	X			X		
Tax returns: income & local		X			X	
Wills				X		X

* Except payments for income tax, deductibles, meeting payment, rent until move, buy securities, investments

** For life of purchase or until sold

++ Unless a guarantee, tax deductible, etc.

FILING SENSE

Files become a personal thing as you work with them. When setting up a filing system, give careful thought to organization. You want it easy to maintain as well as useful. Current and permanent files should follow the same organizational pattern to make them easy to combine at cleaning time.

Files need to be divided into main and subdivisions. Main divisions might be: (1) Farm Business (2) Home and Family Business, and (3) Personal Affairs. Here is a suggested starter list of subdivision headings. Add others as need arises.

FARM BUSINESS	HOME & FAMILY BUSINESS	PERSONAL AFFAIRS
*Cancelled checks--current year	House records	Christmas cards lists
Inventories--farm	Insurance--life, personal, liability	Valuable papers
Tractor and machinery rec.	Letters--home business	Addresses--family, friends
Farm account books	Home account books	Letters--personal, family
*Automobile records	Bills paid--receipts	List of birth certificates, deeds, etc. Where stored.
*Bank statements	Health records	Church activities
*Income tax returns	Inventories--household, foods: canned & frozen, etc.	Birthday dates
Letters--farm business	Addresses	Organizations, PTA, lodges, legion, etc.
Addresses--farm business	Commercial booklet for equipment guarantees & warranties, instructions	
*Bank deposit slips	Magazine subscriptions	
Bills paid--farm receipts	Savings bonds & investment records	
*Insurance--property, auto		
*Taxes--local		

* Urban family would place starred items in Home and Family Business File.