

# Money management TIPS for young families

Newsletter 7

July

## RECORDS AND VALUABLE PAPERS AT HOME

To make good financial decisions, it helps to have information at hand. If you can locate your car insurance policy easily, you will be more likely to review it before paying the bill. If your warranties are handy, you may look to see if the lawn mower is still under warranty when it needs repairs.

So, what do you keep? Where? How long? Start with a desk or file drawer or box that holds file folders and with the following documents. Figure out a system that keeps current papers at your fingertips and historic records preserved but out of the way.

In lesson 5 we learned about setting up a home business center and a possible file system to use. In this lesson use your file system. Put a check by each item when you have put it in the file.

- \_\_\_\_\_ 1. Bank statements, deposit slips, canceled checks.
- \_\_\_\_\_ 2. Credit cards and charge accounts - keep an up-to-date list with card numbers, names, renewal dates, and where to call if cards are lost or stolen.
- \_\_\_\_\_ 3. Education records - report cards, diplomas, etc.
- \_\_\_\_\_ 4. Employment records - these may be needed for retirement and other job benefits.
- \_\_\_\_\_ 5. Warranties and product instrument booklets.
- \_\_\_\_\_ 6. Health records - immunizations, illnesses, medicines taken, doctor and hospital receipts.
- \_\_\_\_\_ 7. Housing-mortgage and home improvement receipts. Keep as long as you own the house. Purchase cost along with cost of improvements lower the capital gains tax due when you sell the house.
- \_\_\_\_\_ 8. Insurance policies - life, automobile, health, property. The original policy is held by the company. Keep your copy where you can review it often.
- \_\_\_\_\_ 9. Keys - safe deposit box key and location information and perhaps other keys.
- \_\_\_\_\_ 10. List of financial advisers - lawyer, banker, employment benefits representative, stock broker, insurance agents, etc.
- \_\_\_\_\_ 11. List of items kept in safe deposit box and billfold.
- \_\_\_\_\_ 12. Net worth statement.
- \_\_\_\_\_ 13. Receipts - keep at least 6 years if used for income tax purpose.
- \_\_\_\_\_ 14. Records of spending and income-account books.
- \_\_\_\_\_ 15. Saving and investment records - passbooks, records of savings certificates, stocks, bonds, real estate, etc.
- \_\_\_\_\_ 16. Social security card. Check every 3 years to make certain your earnings are recorded accurately. Write: Social Security, Baltimore Maryland 21235, or go on line at [www.ssa.gov](http://www.ssa.gov).
- \_\_\_\_\_ 17. Tax returns. Keep at least 6 years. If fraud is involved, a return can be questioned anytime.

- \_\_\_\_\_ 18. Wills. An unsigned copy should be in an accessible place such as a home file. Include a note indicating where the signed copy is.

Check your billfold to see that you are carrying:

- \_\_\_\_\_ 1. Driver's license or picture identification.  
\_\_\_\_\_ 2. Identification and person to notify in case of accident. (Include someone that is not likely to be with you.)  
\_\_\_\_\_ 3. Health insurance card. Some hospitals require evidence of ability to pay before admitting a patient. Medical instructions, if contact lenses, diabetic or on special medication.  
\_\_\_\_\_ 4. Auto insurance card.  
\_\_\_\_\_ 5. Social security card, membership cards, credit cards.

Make a list of important items in the home file. Include enough description to be useful if the home files are destroyed by fire. Place the list in your safe deposit box.

If it seems like a chore to organize all these documents, think how much easier it is to do now at your leisure rather than look for them in a panic many years from now. There may also be a time when other family members need to manage things. Having ALL the necessary papers there and easy to locate can be a big help. So help yourself and others by completing this task.

Next month's Tip - WHAT TO DO ABOUT SAVINGS

For further information or assistance contact me \_\_\_\_\_ your county Extension agent, at \_\_\_\_\_.

File code FES 5.13 (2002)