A CRITIQUE OF FAMILY AND PERSONAL ACCOUNT KEEPING

Thesis for the Degree of M. A.
MICHIGAN STATE COLLEGE
Esther Everett
1945

This is to certify that the

thesis entitled

A Critique of Family and

Personal Account Keeping

presented by

Esther Everett

has been accepted towards fulfilment
of the requirements for

M. A. degree in **Home Management & Child Development**

Irma H. Gross
Major professor

Date **December 14, 1945**

A CRITIQUE OF FAMILY AND PERSONAL ACCOUNT KEEPING

by

Esther Everett

A THESIS

Submitted to the Graduate School of Michigan
State College of Agriculture and Applied
Science in partial fulfilment of the
requirements for the degree of

MASTER OF ARTS

Department of Home Management and Child Development

1945

The author wishes to take this opportunity to express her most sincere appreciation to Dr. Irma H. Gross for her patience, help and encouragement in preparing this thesis. Dr. William D. Baten's suggestions on handling statistical material were most helpful. To the many people who read critically the outline and parts of the thesis the author wishes to express her appreciation.

TABLE OF CONTENTS

LIST OF TABLES

CHAPTER I

INTRODUCTION

Much has been said and written lauding the benefits of keeping a record of money spent for personal and family living. It is a practice that education and lending agencies encourage to curb foolish spending, to encourage saving, to prevent paying bills a second time, to increase sharing with others, to become a "better buyer", and to help in payment of debts. Present day tax systems necessitate some kind of financial record if a family complies with the law for filing income tax statements. As well as these reasons for record keeping, the recording is advocated as a basis for planning of future spending or budgeting, as such financial planning is called. Budgeting itself is felt to be a control of unwise spending.

Study has shown that a sizable group of families keeps records of spending, but the questions arise: Are their records used in planning for future spending? Is the financial record in the best form to be advantageously used by the planning family? Are the factors of residence, economic status, education, and habits of use of family money influences on the extent of records and the use to which they are put?

It is the purpose of this introductory chapter to set forth the aim of this study, to clarify the use of terms, explain the methods used, enumerate the materials included and review the literature in the field of personal and account-keeping.

PURPOSE OF STUDY

The purposes of this study are (1) to investigate the practices of account keeping of a group of families and individuals, to investigate what factors are associated with account keeping and to discover their relative importance; (2) to examine the methods and techniques followed by account keepers and find which most nearly meet their needs; (3) to develop a method of evaluation of account keeping for individuals and families to use by a study of account books. It is hoped that this study will help clarify the stand of home economist in the home management field in advising about records of family spending.

DEFINITION OF TERMS

To assure uniform interpretation of this study a defination of terms seems advisable. "Record of spending","record of expenditure", "account books" are terms used interchangeablely to cover any written form of a record of previous spending. It may be an itemized record or one less precisely kept. Record keepers fall into two groups. (1) Account keepers are those who keep account books or files of expenditures. These books are either commercially printed or ruled in columns with headings to fit the family. This group is referred to in the study as "formal account keepers". (2) "Casual account keepers" are those who keep receipts, cancelled checks, or random notes of spending. The "non-account keeper" has no written record of spending.

The term "budget" although often used loosely to mean record of spending, is used accurately in this study as a proposed plan for future expenditures. To study the extent to which an account of expenditures must be kept to formulate a budget, and to determine in how much detail accounts must be kept for finding how nearly expenditures are within a budget are purposes of this study.

MATERIALS AND METHODS USED FOR STUDY

Materials from four sources were used in this research. The first and major part of the research is taken from the Purnell home management study. Sections that referred to account keeping and family financial planning were particularly used. Personal account books that had been kept by 52 Four H girls in Iowa were another source of material. The collection of account books kept by 28 Michigan families and submitted to the home management specialists of the Extension service was the third group. Account books available on the market and from educational institutions were collected for study.

As stated above, material collected by Evelyn Zwemer for the Purnell home management study of the Michigan State College Experiment Station was used for the major part of this study. The introduction and part I of this schedule, Factors Influencing Home Management Practices, taken from 1939 to 1941 were used to determine the factors that might correlate with degrees of account keeping. The factors that were particularly investigated were (1) economic status, (2) residence, (3) education of the homemaker either general or home economics, (4) financial planning, (5) checking accounts, (6) length of marriage, (7) person controlling spending.

The 382 families for this study had been so selected that they represented the families in the state of Michigan in economic status, residence, age, and size. The original schedule was very detailed with the plan of using the collected material in numerous ways, but that the schedule would be used specifically for an account keeping study was not known when the schedule was formulated. Questions which were asked in the schedule relative to money management were formulated with the idea of getting a general picture of home management procedure in relation to money, not just practices in record keeping.

The group of 382 families was divided into three classifications according to the extent of the families' account keeping. Factors relating to keeping of records were investigated for each of the three groups of record keepers. Practices followed by the families had been previously added and tabulated so that counting was done mechanically for this study.

Another source of material was a collection of individual financial records kept by 52 Four H girls in Iowa. These record books, though not highly selected, were undoubtedly the better ones kept throughout the state.

Certain counties[1] were asked to submit three expense account books each for analysis. In all but one instance the books were kept in the same printed form, secured by the girls for five cents. The books were tabulated in this study as to completeness, source of money for spending, columnar use, monthly and annual summaries, details of balancing, and use made of record for planning of future spending.

The other source of material was the 27 record books sent to Julia Pond, a home management specialist of the Extension department of Michigan State College. These books were tabulated as to completeness, use made of books for recording, and for planning future spending. These records were kept of family expenditures with varying amounts of the farm expenditures recorded. These records were kept uniformly in the Farm Family account book.

The final source of material was the collection of 24 account books secured from the Extension departments of state colleges, from federal agencies, from money lending agencies, and from retail stores.

With a view to visualizing the development of the philosophy toward the homemaker keeping financial records the literature was reviewed from a historical viewpoint.

[1]Those counties having "Home Efficiency", the name given the Four H home management project.

REVIEW OF LITERATURE

The subject of personal and family account keeping has not been neglected in the literature. Much more has been written of family accounts than of personal accounts, however. By and large, the subject has been discussed by the home economist, but those outside the field of professional home economics have made a contribution to the writings. The approach of the writers was from one or more of three standpoints: (1) mere mechanics, (2) the direct values derived froms the practice, or (3) the philosophy of account keeping. The literature reviewed chronologically shows the changing philosophy of account keeping by shift in emphasis from the keeping of a detailed spending record to the use of the record in planning of future spending.

In the Primer of Domestic Economy [5] published in England in 1899 the authors say "whether the income be small or large, certain or uncertain the good housewife will keep an account of her income and expenditure."

The Dean of the New York University School of Commerce wrote in 1903 in How to Keep Household Accounts,[22] "It cannot be too strongly emphasized that the entire value of the book rests upon a recognition of the absolute need of order and method in the financial administration of the modern household." He put much emphasis upon the mechanics of the book and the balance sheet.

In a series of pamphlets [42] published in 1905 attention was given to Ellen H. Richards division of income. Terrill as the author of the home management section wrote that "the number of families in which accounts of personal and family expenses are kept is astonishingly small and in few instances where such records are kept is sufficient study given to them to lead to advance in standard of living from year to year." She gave the purpose of accounts to be to "follow the receipts and expenses, keep a record of investments and at the end of the year show the results of business and exact condition of capital." Her advice was that the keeper of the account should be a "genius for accounts" or "one who loves it or who sees in it the possibilities large enough to create willingness to give necessary thought and time - - -." She encouraged businesslike promptness in entering accounts and enumerated the following systems of account keeping: envelopes with sums for various classes of expenditures, a card and envelope system combined, the journal - ledger system, the itemized and classified accounts.

In Home Economics in Education [6] Isabel Bevier wrote in the chapter "Home Economics since 1912" that in the "period of development" the economic questions involved came in for their share of attention and words "division of income and family budgets" were added to the vocabulary of home economics."

An article appeared in Journal of Home Economics [4] in 1916 by Andrews gave very detailed instructions for keeping a family account book. The purpose of this article was to secure uniformity in records in order that they might be studied. An article by Winslow [44] in the same issue gave directions for keeping accounts which suggested classifying expenditures, records for individual family members, weekly balancing of records, and the study and comparison of each week's expenditures.

Kittredge [24] in 1917 gave the percentages by which incomes of various levels be divided and said "if the amount set is exceeded by spending then economy is practiced until the deficit is made up."

Sheaffer [38] emphasized in Household Accounting and Economics the cash book, the summary of expenditures and gave the percentage of income used for various items in the budget. Geary [18] suggested large classifications with subdivisions for expenditures and stressed savings as the outcome of the detailed recording of expenditures.

The writer of the Farmers' Bulletin <u>Farm Household Accounts</u> [47] (1918) stated: "- - - classification of expenditures - - - the greatest good that could be derived from records - - -."

The bulletin stated the farm household account important as a supplement to farm accounts and is an aid to economy. The kind of account book is not important and classification is made to fit the family.

Macleod [28] found that the use of cards with headings and classification of spending for the college students personal accounts to be most satisfactory to encourage the analysis of spending.

In 1918 Taber's [41] statement in <u>Business of the Household</u> was that most household accounts were impractical because a record for every penny was attempted; "those without knowledge of bookkeeping try to 'balance an account' " and "there is no standard of measurement governing family expenditures." An account keeper should forget exact accounting and balancing, but have a ledger account for each important division of household expenditures, record the date of payments, articles purchased, adapt the account to the family and summarize the accounts for the year.

Bosquet [9] designed a check book that provided stubs to record expenditures. By paying with checks and the use of small cards for personal allowances and cash expenditures the record spending was kept.

Corruth [13] recommended the card systems as capable of being enlarged. She recommended, the "human interest" cards and balancing every few days.

Abel [1] wrote in 1921 that "out of the account book of the past year grows the budget of the next." She said the "very foundation of family thrift is the account book - without it the best plans and resolves will be given up."

At the same time Bradford writing in Manual of Homemaking [46] encouraged proper equipment and suitable place for account keeping. She suggested the loose leaf book or cards for the accounts, The classified columnar entry was described as most simple but does not allow for itemization and answering special questions. She says " in order to prove the accuracy of the record the difference between receipt and expenditure must agree" and "balance at least once a week to avoid errors and omissions."

Lord [27] wrote in 1922 that it was common sense not to try to account for every cent in accounting. In the same year Sprague,[39] outside the field of home economics, wrote "the word account used in its broadest sense means not merely a narration or a statement of facts, but something systematic or orderly - - - it must tend to point to some conclusion."

By 1923 Macleod [29] concluded that the emphasis on account keeping should be from its contribution to planning.

Woodhouse [48] emphasized the value of planning money use. She discusses the family account book as a source of "information as to where your money has gone in order that next month and next year you may spend it to better advantage." She gave definite questions an account keeper might use in reviewing her record of expenditures. The excuse of many homemakers for not keeping accounts is that they are poor at figures, but, she adds, "figures are not important in a budget. It is the matter of deciding on - - how to spend one's income. It is not the figures that homemakers dislike; it is living up to a standard, watching bad habits of spending, and being careful."

Stevens [40] stated in 1927 the motivating of account keeping with tenth grade girls with these objectives: "interesting facts to be discovered, comparisons to be made, leaks to be stopped, more instead of less satisfaction to be gained from spending, better habits to be formed."

Friend, [16] in her book Earning and Spending the Family Income agreed with the idea saying "variation of a few dollars should cause no discouragement." She suggests that the accounting method be simple, such that it may be studied at end of month, spaces and headings fit the manner of budgeting and account books should have a summary page. Slips from purchases might be kept on a spindle, pay by check when possible, have children help with recording, and make a plan for spending are her helps to the account keeper.

Lindquist [26] in 1929 wrote, "one out of every five women prefers a careful record of all expenditures. The form and divisions which work best vary with the family, thus indicating that in this matter as in others bearing upon financial matters there is no one way which can be prescribed that will prove satisfactory to all. Each family is a unit with needs, resources and aptitudes differing from all others and these differences are the reasons for adapting a plan and living by one which fits the family - - - one which is designed to promote satisfactions and harmony rather than to bring irritation and discord."

In 1932 Wood, Lindquist and Studley [45] as joint authors and Raitt in the President Conference on Home Ownership [33] followed Woodhouse in emphasizing the value of accounts as a basis of budgeting and the need of careful study of classified expenditures. The joint authors set 97 percent accuracy as being sufficent in household accounts. Raitt added, "Budget making and account keeping are tools. They should never be regarded as ends in themselves. Therefore only such information as will aid in evaluating use of income should be included in the household record."

Kyrk [25] valued account keeping as a way of "checking performance over a certain period and providing a basis by past experience for making a new plan. Record - - keeping - - provides data that shows the family's financial history." Dislike for the job, time and effort involved, and intangible character of results are obstacles to account keeping that Kyrk described. She suggested using "natural records" and periodic account keeping. It is the time spent in critical appraisal that gives value to record keeping itself. She said "The superficial similarity between household and business accounting has lead to several undesirable results - - . It is said as a result of this false analogy that the household manager should be taught bookkeeping and accounting. Actually it is not the accountant's art and point of view she needs, but the statistician's. Her problem is the analysis of the families expenditures."

A similar viewpoint toward account keeping came from the field of child development by the Gruenbergs.[20] " - - accounts are of value not in relation to what has been, the dead past, but in relation to plans for the future; and in relation not to the prejudice of the parents, but the interest of the child. But unless the child can be made to feel that he is to get some value out of the effort or unless he discovers in the procedure, something to his own interest, accounts are not worth pressing."

Reid [35] said accounts are useful only as they aid in directing expenditures. She recommends that the family contented with what they are securing from their money income be advised against formal budgeting. She feels accounts are not kept because people are "ignorant of their advantages" that they are difficult and time consuming, and the job is disliked. Accuracy within 90 to 95 percent is enough to aid in budgeting; no detail should be recorded that does not serve a purpose.

Andrews [3] suggested several types of account keeping and added, "Do not unbalance your mind trying to balance your personal account to the last penny."

Bigelow [7] put much emphasis on planning the family spending in advance, but keeping record of expenditures was minimunized in this statement, "In much of the literature on budgeting there has been too much emphasis upon writing down round numbers in advance, too much emphasis on entering the details of expenditures after they have been made, and not enough emphasis upon working out in advance a carefully considered and realistic spending plan." - - a family budget is not a classified system of household accounts."

Radell, [34] Owens, [31] and Donham, [15] each in his own book stressed planning of spending. While Donham said nothing of account keeping, Owens [31] suggested classified columns, and Radell [35] has a sample account book to be used.

Jordan [23] stressed simplicity in accounting. A simple ruled form of eight columns with space for date and totals, adjusted to fit situation was her recommendation.

Harwood [21] suggested the use of a simple adding machine or entering items in book to nearest five cents. Stress was put upon the family council plan in settling financial matters.

In her discussion of accounts kept in home management house Gross [19] said "Since there can be no accurate check on a budget without adequate accounts, there must be a separate loose-leaf page, or column of a page, or a filing card, for each division of the budget. The totals of the different division must be brought together in a summary, and some kind a balance must be struck. The balance in the home management house differs from the balance in a home, that is must be accurate, since it is group money that is being handled. In a home account on the contrary, it is permissible to have a reasonable amount unaccounted for."

Scott, [37] from the business training field, recommended a simple account to fit personal needs, consistency in entering items, keeping a special purse for sundries but he does not provide for itemized classification of purchases. Planning is based upon resources expected.

In writings on family relations the use of money is often mentioned. Bowman's [10] statement was that an inexpensive form, not too exacting, should be used. He speaks of budgeting as a psychological problem as well as financial and mathematical. The budget should be fitted to the family.

Management in Family Living by Nickell [30] published in 1942 stated that each family decides whether records be kept and the kind of records will be determined by the "desire for knowledge and facts." "When conditions are uncertain or unknown accurate data are likely to be greatly needed. Simplicity, adequacy, convenience and flexibility are the criteria for choosing an accounting system. Habit and motivation are the two greatest aids to account keeping."

Her notes to account keepers were (1) start simply, (2) work out a system to suit your personal needs, (3) stick to your account keeping until a habit is formed, (4) control the accounts, do not let the accounts control you.

Three recent articles in Journal of Home Economics approached the need of accounts as a wartime expedient. Coles [12] says, " Families must go about financial planning or budgeting with a seriousness never before contemplated. They must know how to make plans that will work and how to put this into effective operation even though this means keeping expenditure records so dreaded by money." Dodge [14] emphasized budgeting for wartime taxes and bond buying, and Bregger [11] recommended the well kept account book as a basis for budgeting as well as an aid to wartime austerity".

In a series of articles written for Journal of Business Education Walter [43] wrote in 1945, "Detailed records may be more useful, but partial records are useful as far as they go." He suggested that the plans for records be in these degrees of detail chosen to fit desires of family: "Memoranda for income tax return, budget for large payment, or detailed budget." The author gave suggestions for account keeper to keep records for use in future planning.

In 1944 Bonde [8] wrote of the importance of account books fitting the needs of families. She stresses the need of planning before spending and records being one source of information for planning. Evaluation of spending will keep the family conscious of their collective goals. Evaluation should be more frequent for the beginner than for experienced. Comparison with other families' use of income is helpful in evaluating spending.

Three theses have been written at Michigan State College that have investigated the methods of handling finances in Michigan homes. In 1935 Fuller [17] wrote in Methods of Handling Family in Homes of Women College Students that one-fourth of the families (44 cases) budgeted their money - - 14 of these 44 budgeted quite fully. Her inquiry did not include questions about account keeping. The thesis, written in 1938, Methods of Handling Family Finance in Homes of Men College Students, by Aikin[2] made definite inquiry about record keeping. She found that 22 families (about 15 percent) were complete account keepers, 103 (65 percent) were partial account keepers and 28 (almost 20 percent) kept none. She found that the highest percent of record keeping was in the village and on the farm rather than in cities. Business and farmers' families kept more records than professional or industrial workers' families. In the small family with only one child, and in the group where only one parent had attended high school there were more records than when neither or both attended high school.

In the thesis of Eunice A. Pardee, [32] Methods of Handling Money Income in 360 Selected Families in Michigan written in 1936 her study showed 61.4 percent of all families keeping some record of expenditures, but only a fourth of these kept a complete record of expenditures. A greater percent of city families than farm or town families kept complete records. Partial records were kept to the greatest extent by city families but in this group town families in greatest numbers kept no financial records (41.1 percent) the percent town families was very nearly the same. (38.5 percent)

This chronological review of literature shows the trend away from the early view that family records be precisely kept pages of figures that are balanced periodically. Instead, there has developed the goal of family financial planning with written records kept only as fully as necessary for future planning. Balancing of income and outgo of money need not be closer than ninety or ninety-five percent according to Reid. Use of "natural" records - the "casual" record classification of this study: cancelled checks and check stubs, receipts - are encouraged by Kyrk. The present attitude of writers is that records of completed decisions in spending are not an end in themselves, but that a balanced plan is the important goal; that written records of past plans are only a means of providing basis facts for future planning.

CHAPTER II

FINDINGS

This chapter which is based upon the carefully controlled random sampling of Michigan families sets forth some of the possible influences upon, or factors related to family account keeping. The factors of economic level, residence, education of husband and wife, home economics training of homemaker, and the length of time of her marriage were considered. Because keeping of records and budgeting are linked to a degree many details of family financial planning as well as procedures in handling money were considered. Member controlling family purse, use of checking account, length of time for which budget were planned, the maker of the plan, as well as the form and completeness of it were examined. The duration for which the family had depended upon a budget was studied. The habits of families declaring they made no financial plans were viewed with record-keeping in mind.

The latter part of this chapter makes use of two sources of material. The first source is made up of two groups of records kept by (a) twenty-eight Michigan family record keepers and (b) fifty-two Iowa Four H Club girls. Each group used books with printed headings for their record keeping. To analyze the book, the extent to which the records were kept and some apparent use to which they were put were studied.

The other source of material was the twenty-three account books secured from state extension departments, from the United States Department of Agriculture and from retail stores.

FROM STUDY OF PURNELL RESEARCH PROJECT IN HOME MANAGEMENT

The entire group of 382 Michigan families was divided into three groups - formal account keepers, casual account keepers, and non-account keepers.

The groups numbered as follows:

		Number	Percent
Formal account keepers		109	28.6
Books			
Printed headings	18		
Devised own headings	91		
Card file	2		
Casual account keepers		89	23.3
Cancelled checks	60		
Receipted bills	26		
Slips of paper	2		
Calendar	1		
Non-account keepers		184	48.1
Total		382	100

The group of formal account keepers was slightly more than half the non-account keeping group. The combined formal and casual account keepers exceeded the non-account keeping group by only four percent.

Of the formal account keepers six times as many families devised their own headings for their account book as used books with printed headings. A negligible number (2) used the card file device for their records.

Cancelled checks as a casual method of recording family expenditures constituted two-thirds of that group. Almost the entire remainder (26) relied upon receipts to account for their spending.

For some of the analysis the casual and formal record were considered as a group in contrast to the non-account keepers.

Factors influencing account keeping

The economic status[1] of the family was considered as a factor in account keeping. With more money to spend it was found that families kept more formal records. (See Table 1.) The increase was from 23.5 percent of the low income level families keeping records to 31.2 percent of the comfort level families keeping them; families with medium income were similar to the higher income group.

In comfort income families casual account keeping occurred with about the same frequency as formal records (32.0 percent). The decrease of casual records as income decreased occurred regularly making casual

[1]"Economic status" in the study was based upon the homemakers classification of the family's annual income into the following groups:
Low-farm income under $750; non-farm under $1000,
Medium-farm income $750 to $1750; non-farm $1000 to $2500,
Comfort-farm income over $1750; non-farm over $2500.

TABLE 1

Economic level of families related to extent of account keeping

Economic level	Formal account keepers		Casual account keepers		Non account keepers		Entire group	
	Number	Per-cent	Number	Per-cent	Number	Per-cent	Number	Per-cent
Low income	28	23.5	17	14.3	74	62.2	119	100.00
Medium income	42	30.4	32	23.2	64	46.4	138	100.00
Comfort income	39	31.2	40	32.0	46	37.8	125	100.00
Total	109	28.6	89	23.3	184	48.1	382	100.00

records even less prevalent among low income families than formal record keeping (32.0-23.2-14.3 percent). The proportion of families without financial records increased as income fell. The increase was more pronounced between the low and medium groups than between the medium and the comfort economic level.

Approximately two-thirds (63.2 percent) of the comfort level families kept some financial records, while about an equal percent (62.2 percent) of low economic level families had none. Medium economic level families were about equally divided - 53.6 percent some records, 46.4 percent with no accounts.

The place of residence, either farm or village,[1] was studied as a factor in keeping financial records. (See Table 2). While formal accounts were kept by farm residents almost as frequently as by village dwellers (26.7 percent to 30.4 percent) the percentage and number of casual records doubled from the farm to village areas (15.7 percent to 30.8 percent). Farm families without financial records exceeded village non-account keepers by almost one-half. Or, two-fifth of the farm families were record keepers while three-fifths of the village families kept some kind of financial records.

[1]Village groups included in the study were groups of less than 2500 persons.

TABLE 2

Place of residence related to extent of account keeping

	Formal account keepers		Casual account keepers		Non account keepers		Entire group	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Farm	51	26.7	30	15.7	110	57.6	191	100.00
Village	58	30.4	59	30.8	74	38.8	191	100.00
Total	109	28.6	89	23.3	184	48.1	382	100.00

Education of the homemaker as well as that of her husband was studied as a factor in account keeping. (See Table 3.) The education of husbands and wives showed a high positive correlation.[1]

Formal account keeping increased with years of education of both men and women. The percent of increase was greater between the eighth grade and high school with the group of women than with the men. The increase between high school and college was more pronounced in the group of men.

While the difference in education of the group of women was not marked (17.9 - 23.8 - 28.6 percent) among the casual account keepers, there was a marked increase in the men's group between high school and colleges (18.4 to 38.2 percent)

Where the homemaker had an eighth grade education or less the proportion of homes without accounts was most marked. As education increased the non-account group decreased (63.4 - 46.2 - 33.9 percent)

As education of husbands increased the families without accounts decreased, but the decrease showed a

[1] See original home management study - Study of Home Management Practices in Michigan Homes. p.14. Special problem correlating education of mates worked out by author. The correlation coefficient of .672 can be described as a "substantial or marked relation".

TABLE 3

Education related to extent of account keeping

A. Homemaker

Education completed	Formal account keepers		Casual account keepers		Non account keepers		Entire group	
	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent
Eighth grade or less	23	18.7	22	17.9	78	63.4	123	100.00
High School	44	30.0	35	23.8	68	46.2	147	100.00
Beyond High School	42	37.5	32	28.6	38	33.9	112	100.00
Total	109	28.6	89	23.3	184	48.1	382	100.00

B. Husband

Education completed	Number	Per cent	Number	Per cent	Number	Per cent	Number	Per cent
Eighth grade or less	39	23.2	32	19.0	97	57.8	168	100.00
High school	34	27.2	23	18.4	68	54.4	125	100.00
Beyond high school	36	40.5	34	38.2	19	21.3	89	100.00
Total	109	28.6	89	23.3	184	48.1	382	100.00

different pattern than in the similar group of homemakers. Non-account keepers were far less frequent when the men had education beyond high school.

The length of time of the marriage of the homemaker was considered as a possible factor in account keeping. (See Table 4.) Formal records occurred in about the same frequency in the first five year period, and succeeding ten year periods, until after the twenty-fifth year of marriage. After this, there was a gradual decline in percent of record keepers from about one-third to one-seventh of the group. There was no regular pattern of casual record keeping related to length of marriage. As the length of time of marriage increased there was a tendency toward increasing number of families without financial records.

During the first five years of marriage slightly more than one-third (36.4 percent) of the families were without financial records; as years of marriage increased the families without records reached almost three-fifths.

In the entire group of 382 families about two-thirds of the women had some home economics training in school. Formal account keeping in the home economics trained group exceeded those without such training (32.8 - 21. percent).

TABLE 4

Length of time of marriage of homemaker related to extent of account keeping

Number of years married	Formal account keepers		Casual account keepers		Non account keepers		Entire group	
	Number	Per-cent	Number	Per-cent	Number	Per-cent	Number	Per-cent
Less than 5½ years	13	29.5	15	34.1	16	36.4	44	100.00
5½ to 15½ years	42	32.8	25	19.5	61	47.7	128	100.00
15½ to 25½ years	33	30.0	26	23.6	51	46.4	110	100.00
25½ to 35½ years	17	23.6	15	20.8	40	55.6	72	100.00
35½ years and over	4	14.3	8	28.6	16	57.1	28	100.00
Total	109	28.6	89	23.3	184	48.1	382	100.00

	Home economics training		No home economics training	
	Number	Percent	Number	Percent
Formal account keepers	80	32.8	29	21.0
Casual account keepers	57	23.4	32	23.0
None	107	43.8	77	56.0
	244	100.0	138	100.0

There was no difference between those with home economics training and those without in casual record keeping.

The length of home economics training was considered as an influence on financial record keeping. (See Table 5.) Records of spending became more frequent with increased home economics training. The group having up to one year of home economics education and keeping formal accounts was so small it could not be compared to others with validity. However, the proportion increased from nearly one-fifth in this meager group

TABLE 5

Length of home economics training and extent of account keeping

Years of home economics education	Formal account keepers		Casual account keepers		Non account keepers		Entire group	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Over 5 years	29	44.6	11	17.0	25	38.4	65	100.00
2½ to 5 years	29	35.0	16	20.0	37	45.0	82	100.00
1 to 2½ years	15	25.0	17	28.5	28	46.5	60	100.00
Up to 1 year	7	18.9	13	35.1	17	46.0	37	100.00
No home economics training	29	21.0	32	23.0	77	56.0	138	100.00
Total	109	28.6	89	23.3	184	48.1	382	100.00

to almost forty-five percent when home economics training was over five years.

Contrary to the findings of the formal record keepers, casual record keeping decreased with more home economics training. Women with no training kept fewer casual records than with less than one year of training, however.

Over half (56 percent) of the homemakers without home economics training did not keep financial records. Of those with less than one year of training, and for the next two two-year intervals, about 46 percent had no records. When this specialized training reached beyond five years the proportion without records fell to slightly less than 40 percent of the group.

Whether a single family member or the group controlled the spending, and which member of the group or combinations of individual controlled the purse strings were considered as factors in the keeping of records. How often the statement is made, "Records are impossible to keep when someone else spends the money and does not feel obligated to report the spending".

Since only 8 families had democratic control of funds, a valid comparison was impossible. (See Table 6.) When there was equalatarian control of funds between husband and wife there was no significant difference in percent of formal accounts.

TABLE 6

Control of family funds related to extent of account keeping

Family spending controlled by	Formal account keepers		Casual account keepers		Non account keepers		Entire group	
	Number	Per-cent	Number	Per-cent	Number	Per-cent	Number	Per-cent
Whole family or husband and wife jointly or separately	67	27.9	58	24.2	115	47.9	240	100.00
Husband	22	28.2	22	28.2	34	43.6	78	100.00
Wife	20	31.3	9	14.0	35	54.7	64	100.00
Total	109	28.6	89	23.3	184	48.1	382	100.00

When the husband rather than wife had the sole control of the family purse there was a higher proportion of casual records of spending (28.2 - 14.0 percent). However, when the wife controlled the purse slightly more formal accounts were kept (31.3 to 28.2 percent).

Families with no financial records were most frequent of the significantly large groups when the wife controlled the purse (54.7 percent). When the control was equalized or when the husband controlled the money about 45 percent in each case had no records.

Budgeting, a tentative plan for future spending, was studied as it related to degrees of account keeping. As set forth in the introduction accounts are considered to be a tool with which budgets may be more accurately made.

The group of eight families making complete plans was so small that it can not be used as a significantly large group to compare with the others. It is of interest, however, that so few families plan democratically.

The percent of accounts dropped sharply as less planning was done. While three-fourths of the complete planners were formal account keepers (too small a group to be significant), not quite half (43.5 percent) of the partial planners kept accounts, and about one-fifth without plans had accounts. (See Table 7.)

TABLE 7

Completeness of family financial plan related to extent of account keeping

Plan made	Formal account keepers		Casual account keepers		Non-account keepers		Entire group	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Complete plan	6	75.0	1	12.5	1	12.5	8	100.00
Partial plan	37	43.5	13	15.3	35	41.2	85	100.00
No plan	66	22.8	75	26.0	148	51.2	289	100.00
Total	109	28.6	89	23.3	184	48.1	382	100.00

In the groups of casual account keepers and non-account keepers the percent increased as the families did less planning. Fifteen percent of the partial planners kept casual accounts and two-fifths none. One-fourth with no plans kept casual accounts and over half without plans had no record of spending. This group of families with neither plans nor records made up over thirty-eight percent of the entire group of families studied.

Considering only the group of planners, their methods and experience were analyzed in the light of record keeping. It was found that when plans for spending were written there was a marked increase in formal accounts. (See Table 8.) (written plans 63.5 - unwritten plans 32.7 percent).

There was a reversal of this finding in the casual and non-account keeping groups. With budgets unwritten 17.3 percent of the group kept casual accounts amd one-half no accounts at all. With written budgets 12.2 percent had casual accounts and one-fourth, none.

Groups of planners in the casual account keeping group were too small to be significant.

When the period for planning projected a week, month, or year in the future there was no regular

TABLE 8

Form of financial plan and extent of account keeping

Form of plan	Formal account keepers		Casual account keepers		Non account keepers		Entire group	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Written	26	63.5	5	12.2	10	24.3	41	100.00
Unwritten	17	32.7	9	17.3	26	50.0	52	100.00
None	66	22.8	75	26.0	148	51.2	289	100.00
Total	109	28.6	89	23.3	184	48.1	382	100.00

increase or decrease in formal accounts. Two-fifths of the shorter period planners and one-half of the annual or semi-annual planners kept formal records. (See Table 9.)

Nearly one-half the families with weekly plans kept no records, about two-fifths the annual or semi-annual planner had no records, and less than one-third (31.5 percent) of the monthly planners had no records.

Again, several groups were found too small to be significant when the period of time for which planning had been done was considered. Of the largest group, which had kept records since marriage, over one-half (52.9 percent) kept formal account books. The percent was even higher (5 out of 7 cases) when budgets were an innovation in the past year. When budgets had been kept over a ten year period the same number (5 out of 7) had no records. See (Table 10)

When the persons or group who made the budget was considered, the distribution was such that the numbers in some group were not large enough to be mathematically significant. When husbands and wives jointly planned budgets more formal accounts were kept. (See Table 11.) When the entire family or husbands and wives budgeted jointly there is a slight indication that casual accounts were more common than when either

TABLE 9

Length of period for which spending plan is made related to extent of account keeping

	Formal account keepers		Casual account keepers		Non account keepers		Entire group	
	Number	Per-cent	Number	Per-cent	Number	Per-cent	Number	Per-cent
Weekly	10	43.5	2	8.7	11	47.8	23	100.00
Monthly	15	42.8	9	25.7	11	31.5	35	100.00
Annual or semi-annual	18	51.4	3	8.6	14	40.0	35	100.00
Total	43	46.2	14	15.1	36	38.7	93	100.00

TABLE 10

Number of years of keeping a spending plan related to extent of account keeping

Length of time plan	Formal account keepers		Casual account keepers		Non-account keepers		Entire group	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Since marriage	27	52.9	7	13.8	17	33.3	51	100.00
Past year only	5	71.4	1	14.3	1	14.3	7	100.00
Past 1-3 years	2	16.7	3	25.0	7	58.3	12	100.00
Past 4-10 years	7	43.8	3	18.8	6	37.4	16	100.00
Over 10 years	2	28.6	-	- -	5	71.4	7	100.00
Total	43	46.3	14	15.0	36	38.7	93	100.00

TABLE 11

Makers of the budget related to extent of account keeping

	Formal account keepers		Casual account keepers		Non-account keepers		Entire group	
Maker of budget	Number	Per-cent	Number	Per-cent	Number	Per-cent	Number	Per-cent
Whole family	2	40.0	1	20.0	2	40.0	5	100.00
Husband and wife jointly	30	47.6	11	17.4	22	35.0	63	100.00
Husband and wife separately	11	44.0	2	8.0	12	48.0	25	100.00
Total	43	46.2	14	15.1	36	38.7	93	100.00

spouse planned separately. There was a tendency for the group of non-account keepers to be larger when either husband or wife budgeted separately.

The group of 289 non-planning families was analyzed as to decision making in relation to spending. The group of joint decisions with husband and wife or with entire family was overwhelmingly large (243) compared to a group of nine where either spouse controlled the money spending. There is indication that when group decisions were made a higher proportion of formal or casual accounts were kept than when decisions were made singly. In either case, families with no records constituted a larger group than either extent of record keeping.

The convenience of a checking account was considered as an influence upon record keeping. In the original study[1] a definite relation of a rise in economic level and the frequency of the use of a checking account was found. The casual record keepers in two-thirds of the 89 cases reported cancelled checks as their form of records. It is worthy of note that forty-three families used a checking account and did not utilize it as a way of keeping casual records.

Of the 382 families approximately two-fifths (41.4 percent) had checking accounts. Less than one-third of each group kept formal accounts. (See Table 12.)

[1] Zwemer, Evelyn. Management in Michigan Homes. p. 23.

TABLE 12

Use of checking account related to extent of account keeping

	Formal account keepers		Casual account keepers		Non account keepers		Entire group	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Checking account used	48	30.4	67	42.4	43	27.2	158	100.00
Checking account not used	61	27.3	22	9.8	141	62.9	224	100.00
Total	109	28.6	89	23.3	184	48.1	382	100.00

Forty-two percent of those with checking accounts kept casual records, while less than ten percent of those without this banking convenience kept such records.

About one-fourth (27.2 percent) of those families using checking accounts reported having no records, evidently keeping neither stubs or cancelled checks. Three-fifths of the non-checking families had no records.

FROM OTHER MATERIALS

Study of family and individual records

Twenty eight record books kept in 1943 by homemakers in Michigan extension groups and collected by Julia Pond, extension specialist in home management, were analyzed. The books [1] were tabulated as to completeness and use made of various sections of book.

Of the twenty eight records submitted twenty five families had made no written estimate of expected expenditure. The proportion (10.7 percent) of planners was less than the 24.4 percent of families investigated and reported earlier in this study. The three families who planned had budgets for a period of two to twelve months.

The use made of the book itself by the group of planners and non planners was compared. (See Table 13.) The planning group, although too small to be statistically significant, carried out the record in more detail than the non-planning group, except balancing the monthly account and making the yearly summary.

[1] All records were kept in U.S.D.A. publication Bureau of Home Economics. Washington, D.C., 1935, Farm Family Account Book.

TABLE 13

Comparison of use made by Michigan families of record books by planners and non-planners of income

	Use of book by planners (3 cases)	Use of book by Non-planners (25 cases)
Record date spending	2	20
Use all columns	3	21
Monthly summary	2	13
Monthly summary entered for yearly summary	2	14
Balanced Monthly	1	13
Entered yearly summary	1	15
Estimated expenses for entire year	1	0
Totaled yearly expenses	1	7
Net worth statement	2	6

Of these specific details studied there appears to be a linkage in the occurrence of recording dates of spending and using all columns in the book. Monthly and annual summaries and balancing of the book are two items that appear to occur with equal frequency among non-planners and planners.

A comparison was made of the eight books in which a summary of the cash expenditures for a year was made with the twenty in which none was made. (See Table 14.) Families which summarized financial records made more use of record books than those which did not. This was evidenced by a greater proportion of budgets, monthly and yearly summaries entered and summarized and balanced accounts.

Estimating a year's expenses, use of all columns and recording dates of spending occurred with about an equal frequency in the summarizing and non-summarizing group, but monthly summarizing and balancing, entering some or all items for yearly balancing occurred three times as frequently in the annual summarizing group.

Fifty-two personal account books kept by Iowa Four H club girls were analyzed. These books, although not highly selected, were undoubtedly the better ones kept by the girls in the state. Each of certain counties was asked to submit three books for analysis.

The analysis of these books showed that much

TABLE 14

Comparison of Michigan families summarizing expenditures and those who did not

	Summarized annual expenditures (8 cases)	No summary (20 cases)
Record date of spending	6	16
Use all columns	6	18
Estimated expenses for a year	1	0
Estimated expenditures for 2 to 12 months	3	0
Some of yearly summary entered	7	9
Monthly summary entered for yearly summary	8	8
Balanced monthly	7	7
Monthly summary	8	7

more attention was given to recording past spending than planning for future spending. Eleven of the fifty two had the assurance of funds available in the future. Twenty nine earned money for spending.

To judge the completeness of the individual accounts the monthly and annual summary, the balance of annual and monthly income and outgo of money, the saving and planning for the future were given consideration.

Characteristics of the 52 account books kept by Iowa 4H girls.

Source of money	
Money given irregularly	23
Allowance given irregularly	16
Allowance given regularly	11
No money given	1
No record	1
Total	52

Earning of Money	
Earned money	29
Earned no money	20
No record of earning	3
Total	52

Comparison of account keepers with regular source of money and those whose money was irregular.

	Regular (11) Percent	Irregular (41) Percent
Monthly summary	100	90
Balanced monthly	100	90
Save for purpose	63	73
Yearly summary	100	93
Balanced annually	81	73
Plan for spending	45	28

With a regular source of money, accounts were more completely kept. With irregular income there was more purposeful saving. Planning for future spending was more frequent with a regular income.

Comparison of those earning and those who did not.

	Earned (29) Percent	No earning(23) Percent
Monthly summary	96	95
Balanced monthly	96	95
Save for purpose	84	65
Yearly summary	96	95
Balanced annually	80	75
Plan for spending	64	70

The difference in completeness of account keeping is slight when money is earned by the spender compared with when it is not. There was indication that accounts are more completely kept by the girl who earned. Planning for the use of money was not done as extensively by the earners as non-earners. The girl who earned saved more with a purpose in mind for spending.

Analysis of printed account books from various sources

Twenty three account books were collected for scoring. They were secured from state extension services, United States Department of Agriculture, and commercial sources.

The scoring of these books on a 75 point scale varied from 18 to 65 points. More account books scored low for their lack of emphasis on planned spending than for any other one deficiency.

Only five of the twenty three books for accounts were scored in the upper third of the range. In each of the lower thirds the half of the remaining books fell. More books scored low on this device than in the upper part of the scale.

While this scoring device was helpful in finding accounting devices that most nearly filled the

Score Card for Evaluating Account Books
(To be used in scoring record books)

Does the book emphasize planned spending?		25
a. Is there space for spending in a previous period?	5	
b. Is there a space for anticipated spending monthly or weekly?	5	
annually?	5	
c. Can the current state of finances easily be compared to plan?	5	
d. Can the initial plan be altered conveniently to meet changing needs?	5	
Is the book adaptable to individual families?		20
a. Is it possible to add additional columns conveniently?	5	
b. Can expenditures of family members be kept separately in items desired?	5	
c. Can accounts be started at anytime of year?	5	
d. Can the calculation easily be made by the unschooled person?	5	
Is the book simple?		15
a. Is it necessary to keep little detail to make use of the record?	5	
b. Is the emphasis placed upon spending with a plan rather than "balancing books"?	5	
c. Does the book contain no extraneous material?	5	
Is the make-up of the book suitable?		15
a. Is there good quality paper?	5	
b. Does the book open easily and	3	
lie flat?	2	
c. Can the lines and columns be easily followed on the page?	5	
Total		75

qualifications set up in this study, families must find a record book that fits their own needs, abilities, and desire for detail. Ninety-one of the 109 formal record keepers reported in Chapter II kept records in books with their own headings, while only 16 kept records in printed account books.

CHAPTER III

DISCUSSION OF FINDINGS

In the sampling of 382 families selected to be representatives of the Michigan farm and village population it was found that about a half of the families kept financial records. One questions the real use of casual records as a tool for financial planning - the avowed use of financial records. The group of formal account keepers constituted slightly more than one half the group and the actual use of formal records for planning cannot be conclusively stated, but is merely indicated by the two groups of formal records examined in Chapter II of this study.

Contrary to popular belief that with lack of money those without it know "where every penny goes", the low income groups kept fewer accounts. The reason may be that the elemental demands of food, clothing and shelter give no choice for use of funds, hence essential spending is done with no recording. With more money and opportunity for choices both casual and formal records increased. This leads one to conclude that with opportunity to purchase more, records are more apt to occur. The positive correlation of rise in economic level with increased education shown in the original study must be considered in viewing the low incidence of accounts with lower income. The factor of education may be as important as amount of choice.

Increased education meant increased records, both formal and casual. One concludes that record keeping of financial spending is practiced more generally by families in better circumstances - economically and educationally. Yet, undoubtedly the low income families need even more assistance from money record books themselves and from informed advisers for extending income than groups with more income.

While increased education of both husband and wife both lead to more record keeping the pronounced increase of records between high school and college educated men and a similar increase between eighth grade and high school education in women leads one to speculate on the possibility of the institutions at different levels providing help and incentive for both sexes in recording financial spending.

The marked increase of casual accounts and the slightly higher occurrence of formal accounts with village families in comparison to farm families leads to several conclusions. The irregularity of farm income probably accounts for the failure of farm families to keep records. In addition they undoubtedly find difficulty in recording family expenditures that are so interrelated with the farm business expenses. Village families, because of their proximinity to banking facilities have checking accounts, hence casual records. Their income is more regular which would facilitate record keeping.

Again the factor of education should not be overlooked - the occurrence of more education in the village family may be as much of a factor as place of residence.

After the twenty-fifth year of marriage the occurrence of accounts decreased. There is no regular trend with casual records. This may indicate the formal record keeper learns after a period of time the pattern of the family's spending, or she may weary of the necessary regularity of recording. Casual records continue because the facilities which are inherent with these records continue to be used by habit or for their convenience.

Because home economics training itself stresses wise rise of money and the assumption is made that records mean better buying, home economics trained homemakers tend to keep more records. Because with less than one year of home economics training there is a low frequency of records one concludes that use of money is a subject not suited to, or, not easily taught in elementary home economics. Or, it may be that women not interested enough in the subject of home economics to continue with it are not interested in keeping records of family spending. Then, too, it probably takes longer than one year to indoctrinate home economics students in the keeping of records.

Because casual records yield less than formal records in the way of useful information it may be that such records decrease as home economics education increases.

Democratic control by the entire family for spending is not widely practiced. The similarity when there is equalization of control between spouses and when either husband or wife controlled the funds indicated that it is not diversion of decision making that prevents financial records. When the husband is the decision-maker the more frequent occurrence of casual records indicates that men probably are users of check books while women will keep the formal accounts that necessitate more detail.

Whether plans precede written records or vice versa, the more complete written plans meant greater frequency of financial accounts. If there were plans, those on paper lead to more records. The values of mental planning is questioned as an aid to record keeping.

There was a large group of weekly planners without financial accounts. This probably indicates that planning was done by the wage earning family when each weekly pay check "came in" rather than the planning that resulted from the projected thinking and decision making in regard to spending.

The large group of monthly planners, the largest group, would indicate that when periods for planning are shorter than one year the incentive was probably greater to see if the "mark was hit". Too, the monthly basis of planning may indicate that the group is the educated, salaried, professional earners who are frequently paid by the month .

The large number of families who have kept records "since marriage" indicated that records may be habitual to a certain extent. There was again indication that as families age and perhaps become familiar with their spending patterns, financial records decreased.

The small group in which there was separate planning by husbands and wives had fewer records than in families with more democratic planning. This would indicate if statistically valid that the common interest and purpose of husband and wife rather than the efficiency of single control would lead to records. The predominance of formal records among the joint planners of budgets would further confirm this observation.

A similar conclusion can be drawn in the families who made no budgets. In this far larger group of non-planners it was indicated that with jointly made immediate financial decisions rather than singly made ones more formal and casual records were kept.

The use of the checking account by forty-three families who did not indicate that they kept financial records would indicate that opportunities are neglected by many to use what Hazel Kyrk calls "natural records". However, the occurrence of twice as many cancelled checks as other casual records indicate they were most usual.

The similarity in proportion of those with and without the checking convenience when formal record keepers indicates it is not an influence on this group.

From the two groups of actual records studied one concludes that even records kept in detail are not used to the fullest extent for planning. In the Michigan family group the notations were entered into account books many times without being added. This use of an account book as a diary of spending would not make it useful even to learn the family's spending pattern.

In the group of Iowa Four H girls the lack of use of the books for planning was indicated. More care was taken to determine expenditures by adding columns. While a regular source of funds lead to more care in keeping the records, there was more planned savings in the group having irregular income. This indicated that without the assurance of income and the resulting insecurity of knowing there would be money to spend in the future saving was done with a purpose in mind. More planning was done by those with a regular source of money because there was definite income to base planning upon.

In general one concludes that families in better financial circumstance keep records. Opportunities of education, both general and home economics education in particular, lead to more records. Planning or decision making by both husband and wife tends to increase the occurrence of records. The greater frequency of monthly planning and records would indicate planning for a relatively short period favorable.

With a regular income records are more frequent.

CHAPTER IV

SUMMARY

This critique of account keeping of families and individuals attempts to evaluate financial record keeping as practiced, to determine factors related to, or influences upon account keeping and to make a more valuable tool of money management. It used data (1) chiefly from a study of 382 Michigan families; (2) to a less extent it used (a) 28 Michigan families who kept family accounts and (b) 52 Iowa Four H girls who kept personal accounts. It also included an evaluation of printed family and personal account books as tools of money management.

The chronological review of the literature of the past fifty years showed that the attitude toward accounts has changed from the view that money records must be exact, precisely kept accounts to the belief that the records be a basis of planning future spending and that the extent and accuracy may vary with family needs and abilities.

It was found that occurrence of formal and casual accounts increased with education. The greatest increase was between eighth grade and high school for women and between high school and college for men.

Village families kept one fifth more records than farm families. This probably evidenced the greater frequency of accounts with a more regular income.

Of the families on low economic level 23.5 percent kept formal accounts, 14.3 percent kept casual accounts; 31.2 percent of the comfort income families kept formal accounts and a similar percent kept casual ones.

With more home economics training formal accounts became more frequent, casual accounts less frequent. With one year of home economics training 18.9 percent kept formal accounts and with more than five years 44.6 percent kept them.

Formal accounts were less frequent after twenty-five years of marriage. Over one half of the families were without any records after this period of time.

There was no significant difference in record keeping with joint or individual control of family funds. Control by husband meant more casual records, control by wife more formal records.

With joint budgeting or when immediate decisions were jointly made by husband and wife records were more frequent. Nearly twice as many formal accounts were found with complete budgets and with written rather than mental plans. Over half of those who had made budgets since marriage kept formal accounts.

The small groups of actual account books studied indicated that many records that were kept were neither a preliminary step to financial planning nor a concluding result of them. Account books were used merely to record past spending. In family records, when planning occurred, evidence pointed to greater use of account books than with no planning.

In the group of personal account keepers more complete records were kept by girls with a regular allowance. With regular income there occurred more planning for future spending, but less saving for a definite purpose.

Printed books from both commercial and educational sources stressed the record of past spending rather than relating spending to planning. Comparison of the current financial status to a spending plan appeared to be was difficult and awkward in most printed books. The best book judged rated 65 points on a scale of 75 for an ideal book. Fewer books scored within the upper range of the score than in the lower part.

In the past too much attention has been given, as Hazel Kyrk says, to the accountants' viewpoint in keeping household and personal accounts - that is, interest in sums of money, rather than to the statisticians viewpoint - that of what the spending indicates.

None can deny that every tool for money management must be encouraged, for, as Marian Talbot, former head of the Department of Household Administration at the University of Chicago at age eighty-seven years old wrote recently,[1] " - - - I foresee trouble unless women plan for new methods in household budgeting as business in general is doing."

The future of record keeping lies in discovering its potential use in deriving greater satisfaction from the use of money.

[1]Personal letter written July 15, 1945.

BIBLIOGRAPHY

1. Abel, Mary Hinman. Successful Family Life on the Moderate Income. Philadelphia: J. B. Lippincott Co., 1921, p. 51-3.

2. Aikin, Ann McIntyre. Methods of Handling Family Finances in Homes of Men College Students. Master's thesis, Michigan State College, 1938, p.58.

3. Andrews, Benjamin Richard. Economics of the Household. New York: The Macmillian Company, 1935, p. 519.

4. ----- "Family account books". Journal of Home Economics. 8 (1916), pp. 545-551.

5. Barnett, Edith A. and H. C. O'Neill. Primer of Domestic Economy. London: Macmillian and Company, 1899, p. 113.

6. Bevier, Isabel. Home Economics in Education. Philadelphia: J. B. Lippincott Co., 1924, p. 169.

7. Bigelow, Howard French. Family Finance. Chicago: J. B. Lippincott Co., 1936, p. 339.

8. Bonde, Ruth L. Management in Daily Living. New York: Macmillan Company. 1944, p. 185-191.

9. Bosquet, Maurice. "Practical budget accounting". Journal of Home Economics. 13 (1920), pp. 75-79.

10. Bowman, Henry. Marriage for Moderns. New York: Whittlesey House; McGraw Hill, 1942, p. 357.

11. Bregger, Myra Potter. "Budgeting our shrinking dollars". Journal of Home Economics. 35 (1943), pp. 275-277.

12. Coles, Jessie Vee. "Family finances in wartime". Journal of Home Economics. 34 (1942), pp. 149-154.

13. Corruth, Ella Kaiser. "A card system of household accounting". Journal of Home Economics. 12 (1920), p. 37-39.

14. Dodge, Berniece. "Standards for the wartime budget". Journal of Home Economics. 34 (1942), p. 717-720.

15. Donham, Agnes. Case Book of Family Budgeting. Boston: The Boston Cooking School Magazine Co., 1937, p. 1-7.

16. Friend, Mata Roman. Earning and Spending the Family Income. New York: D. Appleton and Co., 1930, p. 136-142.

17. Fuller, Josephine. Methods of Handling Family Finances. Master's Thesis. Michigan State College, 1938, p. 31.

18. Geary, Blanche. My Family Account Book. New York: The Woman's Press 1917, 32 pp.

19. Gross, Irma H. Home Management. F.S. Crofts and Co., 1938, p. 133.

20. Gruenburg, Sidonie Matsner and Benjamin C. Gruenburg. Parents Children and Money. New York: Viking Press, 1933, p. 61.

21. Harwood, Edward and Helen Fowle. How to Make Your Budget Balance. American Institute of Economic Research, 1940, 143 pp.

22. Haskins, C. W. How to Keep Household Accounts. New York: Harpers and Bros. 1903, 16 pp.

23. Jordan, David Francis. Managing Personal Finances. New York: Prentice Hall Inc. 1936, 426 pp.

24. Kittredge, Mabel Hyde. Home and its Management. New York: Century Co., 1917, p. 131.

25. Kyrk, Hazel. Economic Problems of the Family. New York: Harpers and Bros., 1933, p. 409-414.

26. Lindquist, Ruth. A study of home management in its relation to child development. The Candle. Joint issue of Omicron Nu of Phi Upsilon with Parental Education of the American Home. Economics Association. Pittsburg, Kansas: Moore Bros., 1929, p. 36-7.

27. Lord, Isabel Ely. Getting Your Money's Worth. New York: Harcourt Brace and Co., 1922, p. 80.

28. Macleod, Sara. "College students accounts". Journal of Home Economics. 10 1917, p. 457-60.

29. ----- "Home economics and banks". Journal of Home Economics. 16 (1923), pp. 177-88.

30. Nickell, Paulina and Jean Muir Dorsey. Management in Family Living. New York: John Wiley and Sons, 1942, p. 180.

31. Owens, David. Controlling your Personal Finances. New York: Whittlesey House, McGraw-Hill Book Co., 1937, 331 pp.

32. Pardee, Eunice Anderson. Methods of Handling Money Income in 360 Selected Families in Michigan. Master's thesis, Michigan State College. 1936, p. 36.

33. President's Conference on Home Building and Home Ownership. Household Management and Kitchens. The President's Conference on Home Building and Ownership. Editors: Gries, John M. and James Ford, 1932, 288 pp.

34. Radell, Neva Henrietta. Accounting for the Individual and Family. New York: Prentice-Hall, 1940, 345 pp.

35. ----- Workbook to Accompany Accounting for Individual and Family. New York: Prentice Hall, 1939, 35 pp.

36. Reid, Margaret Gilpin. Economics of Household Production. New York: John Wiley and Sons, 1934, p. 230.

37. Scott, Louise Hollister. Income Management for Women. New York: Harpers and Bros., 1940, p.16.

38. Sheaffer, William Adam. Household Accounting and Economics. New York: Macmillan Co., 1917, 161 pp.

39. Sprague, Charles. The Philosophy of Accounts. New York: Roland Press Co., 1922, 183 pp.

40. Stevens, Janet. "Clothing accounts for tenth grade girls". Journal of Home Economics. 20 (1927), p.17.

41. Taber, Clarence Wilbur. The Business of the Household. Philadelphia: J. B. Lippincott, 1918, p. 41.

42. Terrill, Bertha M. "Household accounts". Household Management. Part I. American School of Household Economics 1905, p. 42.

43. Walter, John T. "Personal financial records". Journal of Business education. 20 (1945) March 19-20, April 17-8.

44. Winslow, Emma. "Thrift by household accounting". Journal of Home Economics. 8 (1915), p. 532-535.

45. Wood, Mildred Weigley, Ruth Lindquist and Lucy Studley. Managing the Home. Boston: Houghton, Mifflin Co., 1932, p. 85.

46. Van Rensselaer, Martha, Flora Rose and Helen Canon. A Manual of Homemaking. New York: Macmillan Co., 1921, p. 177-190.

Federal Bulletins

47. United States Department of Agriculture. Farm Household Accounts. by W. C. Funk. Farmers Bul. 964, 1918, 11 pp.

48. ----- Planning Your Family Expenditures. by Chase Going Woodhouse. Misc. Circular 68. 1926.

Account Books Used for Study

From State Extension Services:

Name	Address	Score
1. Home Account Book	Office of Director College of Agriculture Berkely, California	49
2. Home Account Book	University of Conn. Gladys Strattan, Home Management Specialist, Storrs, Conn.	21
3. Home Account Book	Iowa State College Extension Service Ames, Iowa	37
4. Family Account Book	University of Illinois Extension Service, Urbana, Illinois	64
5. Farm and Family Income and Expense Book	Extension Dept. Miss. State College State College, Miss.	19
6. Record of Family Business for Kentucky Homemakers	University of Kentucky Lexington, Kentucky	48
7. Farm and Home Record Book	University of Missouri Columbia, Missouri	23
8. Mississippi Farm and Home Account Book	Extension Dept. Miss. Miss. State College State College, Miss.	18
9. Farm Home Account Book	Ohio State University Agricultural College Extension Service Columbus, Ohio	22
10. Home Account Book	University of Nebraska Agricultural College Extension Service Lincoln, Nebraska	48
11. New Jersey Home Account Book	New Jersey State Agricultural College New Brunswick, N.J.	45

State Extension Service Account Books (Continued)

Name		
12. North Carolina Farm Home Account Book	North Carolina State College, Raleigh, N.C.	24
13. Family Account Book	West Virginia University Morgantown, W. Va.	47
14. This is the Way I Spend My Money Personal Expense Record	Iowa Four H Girls' Club Department, Ames, Iowa	46
15. My Personal Financial Record	State College of Wash. Pullman, Washington	27

Commercial Sources

16. Kwick Glance Simplified Method "Living Expense" Book and Budget	Mag. Publishing Co. 537 S. Dearborn St. Chicago, Illinois	55
17. Budget Book Stretching the Dollar	Whitman Publishing Co. Racine, Wisconsin	50
18. The National Home Budget	Universal Budget System 45 Murray St. NYC	24
19. Budgeteer	F.W. Woolworth	42
20. Family Expense Record and Budget Control	Boorum and Pease Co. Brooklyn, N.Y.	75
21. Money Management The Budget Calendar	Household Finance Corp. Chicago, Illinois	65

U.S. Department of Agriculture

22. Farm Family Account Book	U.S. Dept. of Agriculture Bureau of Home Economics Washington, D.C.	54
23. Farm Family Record Book	U.S. Dept. of Agriculture Farm Security Administration Washington, D.C.	33

Does t

a. I

b. I

c. C

d. C

Is the

a. I

b. C

c. C

d. C

Is the

a. I

b. I

c. D

Is the

a.

b. D

c. C

Scoring of Account Books

		State Extension Service Sources															Commercial Sources						USDA Sources	
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23
Does the book emphasize planned spending?																								
a. Is there space for spending of previous period?	5	0	0	0	5	0	3	0	0	0	5	0	0	0	0	0	0	0	0	0	0	0	5	0
b. Is there space for anticipated spending monthly or weekly?	5	5	0	0	5	0	5	0	0	0	0	5	0	5	5	0	5	5	0	5	5	5	5	0
annually?	5	5	0	2	5	0	5	0	0	0	5	5	0	5	5	0	5	4	0	0	5	5	5	5
c. Can the current state of finances easily be compared to plan?	5	0	0	0	4	0	2	0	0	0	3	3	0	3	3	0	5	4	0	5	4	5	3	3
d. Can the plan be altered conveniently to meet changing needs?	5	3	0	0	5	0	4	0	0	0	3	3	0	4	3	0	4	5	0	3	5	5	3	3
Is the book adaptable to individual families?																								
a. Is it possible to add additional columns conveniently?	5	5	1	4	3	0	0	3	0	1	2	2	0	0	3	1	3	0	2	0	4	5	4	0
b. Can expenditures of family members be kept?	5	5	0	5	5	0	3	0	0	0	3	0	0	3	0	0	0	0	0	0	0	0	5	0
c. Can accounts be started at any time of year?	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5	5
d. Can the calculation easily be made by unschooled person?	5	4	4	5	5	4	4	3	4	3	3	3	3	3	4	4	3	4	4	5	3	5	3	3
Is the book simple?																								
a. Is it necessary to keep little detail to make use of record?	5	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2	0	4	0	5	1	1
b. Is the emphasis placed upon spending with a plan rather than "balancing books"?	5	0	0	0	4	0	4	0	0	0	3	4	2	4	2	0	5	4	1	5	0	5	2	2
c. Does book contain no extraneous material?	5	5	0	3	4	0	3	0	0	3	3	4	4	3	5	5	5	5	2	5	4	5	2	1
Is the make-up of the book suitable?																								
a. Is there good quality paper?	5	5	5	5	5	5	5	5	5	5	5	5	3	5	5	5	5	3	2	2	4	5	3	4
b. Does book open easily?	3	1	1	3	3	1	1	2	1	2	2	2	2	2	2	2	3	2	2	2	3	3	3	2
Does it lie flat?	2	1	1	2	2	1	1	2	1	1	1	1	1	1	1	1	2	2	2	1	1	2	1	1
c. Can line and columns be easily followed on page?	5	5	4	3	4	3	3	3	2	2	5	3	4	4	3	4	5	5	4	0	3	5	4	3
Total	75	49	21	37	64	19	48	23	18	22	48	45	24	47	46	27	55	50	24	42	46	65	54	33
Rank		6	18	12	2	19	7	16	20	17	7	10	15	8	9	14	3	5	15	11	9	1	4	13