

THE EFFECT OF INSTRUCTION IN FINANCIAL MANAGEMENT
AMONG SELECTED KANSAS STATE COLLEGE WOMEN

by

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INTRODUCTION AND REVIEW OF LITERATURE

A preliminary survey of the use and effectiveness of student financial records in teaching money management at the college level indicated wide use of financial records and suggested the need for a more intensive study of the effect of such instruction on the money management habits and attitudes of students (Allen, 1958). For this study 100 freshman women at Kansas State College were interviewed, approximately half of whom had taken the course, Family Finance, to determine whether they were significantly different, with respect to money management, from those who had not had such instruction.

Financial Management Defined

Management, according to Nickell and Dorsey (1950, p. 55), is a series of activities which are both purposive and dynamic. These activities include planning, coordinating, controlling, directing and guiding, and evaluating. Financial management, therefore, may be said to be the planning, controlling, directing and guiding, and evaluating phases in the use of money with the purpose of getting the greatest satisfaction from this resource for the development of the various individuals concerned.

The records which help to evaluate, plan and control finances are: a statement of net worth, a budget, and an account of income and expenses (Morse, 1957, p. 2). Morse also stated that success in control of finances comes not through the keeping of precise records but from precise management, with the records serving as sources of information needed for efficient decision making.

Attitudes Toward Financial Management

Financial management education begins at an early age and is often not fully realized. Goodyear and Klohr (1954, p. 118) stated that the managerial

process applied to money is a habit developed by experiences beginning in early childhood. Most children are interested in spending money long before they are sufficiently mature to understand the total family financial situation. They also stated that some parents protect their children from the so-called burdensome concern with money management, and under these circumstances an individual may be allowed to reach adulthood with little concept of the worth of money.

Foster and Wilson (1942, chap. 3) found in a study of the effectiveness of the education of women that more stress could be placed on instruction in financial management since money was a real problem in the lives of many women after college.

Pfeiffer and Scott (1952, chap. 3) also found that money, as well as housing, was considered one of the most common sources of marriage problems. The women interviewed in this study listed husband-wife relations, parent-child relations, management of time and money and provision for wise use of leisure as being significant for happiness in family life and as being worthy of inclusion in the college curriculum.

Heilbroner (1957, p. 24) wrote that the second most frequently encountered problem of psychiatrists was the use of money. The money troubles in marriage are not primarily that there is not enough but rather that the husband and wife feel differently about money. This causes difficulty in solving financial issues in marriage.

Winder (1957, p. 144) analyzed financial expenditures of selected graduates of Morgan State College and found that 52 per cent of the graduates thought that attending college had helped them to solve their financial problems, while almost all (97.8%) thought that it should help them and that the study of family finance should be included in the college curriculum. Such

instruction was not a part of the curriculum at Morgan State College.

Troelstrup (1957, p. 10) pointed out that college students have the same reasons as other people for planning expenditures and that surveys indicate that comparatively few students learn responsible money management before entering college.

In a study of 470 college freshmen Townsend (1956, p. 49) found that in many cases home worry was connected with finances. Students of both sexes often stated that their difficulties in keeping within a self-imposed budget were important because they recognized the sacrifices made by their families to provide money.

It was found in a study concerning money practices and attitudes of rural children and parents by Dickens and Ferguson (1957, p. 5) that approximately 68 per cent of the parents interviewed used a partial financial plan, 22 per cent used no plan and 8 per cent used a complete plan. When the parents were asked which they believed to be best, however, the percentages were 50, 7 and 42, respectively. In this study 19 per cent of the families interviewed kept household accounts, but only 6 per cent said the accounts included "all things". Some said that they did not keep household accounts since they had cancelled checks, but in only one per cent of the families with checking accounts was this use of checks reported in connection with planning. As a conclusion to this study it was suggested that there was need for showing how partial financial management can be used as a basis for more extensive financial planning. It also suggested need for providing children, at an early age, with experiences in deciding upon and buying consumer goods and services.

Although budgeting and record keeping are deemed important for money management, these techniques are not used enthusiastically by a large segment of the population (Jordan and Willett, 1945, p. 1). Nickell and Dorsey

(1950, p. 281) attributed some of the dislike for budgeting and accounting to the fact that the process of keeping records had not been reduced to a habit or because records were seen as ends in themselves rather than as devices for aiding a person or family to reach its desires.

It was concluded by Morse (1957, p. 18) that statements of net worth, drawn up at regular intervals, will reveal to the families the need for more formal planning and controlling and will help them to decide whether the rewards to be derived from improved financial records exceed the burden of keeping them. Motivation for further education in financial management will arise out of the families' evaluation of its financial position at regular time intervals.

Financing College Education

Previous studies show that financing higher education for a growing number of young men and women in the face of steadily rising costs is becoming a critical problem in this country. In that the sources of support and methods of receiving income may bear directly on attitudes and practices in financial management they were considered in the present study.

A major aspect of the problem of financing college education as studied by Hollis and associates (1957, p. 21) was concerned with what it costs students to attend college and where they get the money for this purpose. The study indicated that (for students involved) the major sources of income were family aid, 41 per cent, and students' own earnings, 26 per cent. Trust funds and other forms of long-term savings accounted for an additional 20 per cent, while 5 per cent came from scholarships, 5 per cent from veteran's and rehabilitation programs and 1 per cent from miscellaneous sources. It was found that family contributions were higher for students attending private colleges than those

attending public universities. The family contribution was least for students attending public teachers colleges. The economically more privileged appeared to attend public universities rather than public teachers colleges. Except for family contributions and long-term savings, both of which reflect economic status, there was no significant difference between public and private college students in the extent to which they relied on the following 14 major sources of income: long-term savings, summer earnings, scholarships from college and other sources, veterans' benefits, vocational rehabilitation, earnings this year, borrowed from college or elsewhere, family contributions (parents and others), gifts, others, and all other funds. Average budgets for students in this study ranged from \$676 to \$13,101 while as little as \$200 and as much as \$5,000 was reported as budget allotments for individual students. It was pointed out that what was considered a luxury budget at one type of college might be considered an economy budget at another.

At Kansas State College (the land-grant college of Kansas), as listed in the 1957-58 Student Catalogue, (pp. 127-129) some students manage on less than \$800 for a school year while some spend twice that much. On an average, however, most Kansas State College students are expected to spend around \$1,100 a year.

College Instruction in Financial Management and the Use of Records

Instruction in personal and family finance is commonly offered in the home economics curriculum as a separate course or combined with other courses (Allen, 1958, p. 2). It was found that 79 per cent of college instructors responding to a questionnaire concerning the use and effectiveness of financial record books in teaching financial management used record keeping forms, approved of this method of instruction and felt that it met with students'

approval. Different types of record keeping forms were mentioned, including informal mimeographed sheets supplied by the instructor, published forms and commercial books and ledgers.

Financial education teaching aids, such as booklets, charts, film strips and motion pictures are made available by the National Committee for Education in Family Finance and the Education Division of the Institute of Life Insurance. The Money Management Institute of the Household Finance Corporation also publishes materials helpful in the teaching of personal and family finance.

Since this report is primarily concerned with the experiences of students on the Kansas State College campus, the method of instruction in money management will be described in some detail. Instruction in family finance is required on the freshman level in the home economics curriculum at Kansas State College. This instruction is provided in a separate two semester credit hour course, Family Finance. This course includes instruction in money management, credit, savings, insurance, taxation, and family financial relations. In the fall semester of 1957 there were 112 students in five sections taught by three instructors. All students enrolled in this course are required to keep, throughout the semester, financial records on a prescribed form, Student Financial Management Records, published by the Department of Family Economics at Kansas State College in 1957. A copy of this record form is included in Appendix A, part 1. This form was conceived as a laboratory manual for introducing students to the basic records needed for financial management and for assisting students in decision making with respect to their finances. That is, it requires a higher degree of accuracy than most persons would impose on themselves voluntarily. The form is so arranged that students can detect errors; the records are self-checking and designed to give the student a feeling for flexibility in the management of funds. This form was introduced the fall semester of 1957,

and the students interviewed in this study who had had Family Finance are those who suffered the initial problems that accompany such an innovation. The three instructors were not familiar with the form. There was initial misunderstanding as to how the form should be introduced in the course and how the records should be kept so as to become self-checking. At mid-semester a supplementary set of instructions were issued, and for use the second semester this supplement was revised to include sample pages. This revised set of instructions is shown in Appendix A, part 2.

At the end of the first semester one of the three instructors employed an evaluation form to estimate student opinion regarding the record form. The replies were anonymous and the question asked was: "Would you recommend that students should not be required to keep such records?" The results are summarized in Appendix A, part 3. Encouraged by this evaluation and by the general attitude of the students, there developed an interest in a study that followed up the students who had had the course to see if their money management practices were different from similar students who had not had the course.

Objectives

The general objective of this study was to determine whether the course in Family Finance as taught at Kansas State College had a measurable impact on the attitudes and practices of students. This was to be done by contrasting the attitudes and practices of students who had taken the course the previous semester with a comparable group of students who had not had the course. Specifically the primary objective of this study was to test the null hypothesis that students who had had the course Family Finance the previous semester did not differ significantly with respect to attitudes and practices of money management from a similar group of students who had not taken the course.

Secondary objectives of the study were: (1) to determine sources of student income and how it was made available, and (2) to determine whether there was a relationship between their financial practices and attitudes and the manner of their support.

METHOD OF PROCEDURE

You probably remember from my introductory letter that I am interested in talking with you about how students manage their money while in college.

I have chosen students who live in this dormitory because you have had a wonderful opportunity to know many students and perhaps to compare your financial arrangements with those of others.

Even though I am very interested in you and what you have to say I wish to assure you that what you tell me will not be identified with you in any report I might make . . .

This is the way personal interviews with 100 Kansas State College freshman women were introduced. Before the interviews could take place, however, many preparations were necessary.

The Interview Schedule

Between March 4 and April 18, 1958 an interview schedule concerning how students manage money while in college was designed. Questions involving practices and attitudes were formulated and were used in a pre-test with a sample of college students to evaluate their effectiveness. As a result of the pre-testing period the final interview schedule was structured to include the following major areas:

- I. How are college students supported?
- II. How is money made available to students?
- III. How do you plan ahead to assure yourself that you will not run short of money?

IV. How do you keep track of money?

V. Attitudes toward financial management.

After completing approximately one-third of the interviews, two additional questions were added for clarification. These are typed on the schedule, a copy of which may be found in Appendix B.

Selection of Sample

This study was restricted to freshman women at Kansas State College. Since freshman women, who do not live at home, are required to reside in one of the freshman residence halls, the selection was limited to these students. Through the cooperation of Dr. Margaret Lahey, Dean of Women, and the directors of Northwest and Southeast Womens' Residence Halls, arrangements were made to interview students at these residence halls. They supplied a complete list of all freshmen living in the residence halls. A list including those who had completed the freshman Family Finance course in the fall of 1957 was compiled and included 58 names. Those currently enrolled in the spring of 1958 in Family Finance were stricken from the list. Starting with the second name and every fifth name thereafter an additional 57 names were secured. Thus a total of 115 prospective interviewees were selected.

Interview Procedure

Techniques of interviewing were studied during the pre-testing period and particular attention was given to methods of gaining rapport with and valid responses from the interviewees. Blankenship (1950, pp. 141-145) stated that interviewing is more of an art than a science, and that the procedure requires constant adjustment of the field worker to the particular respondent and to the general situation. Blankenship also listed some general principles for the

interviewer to follow which include:

1. Making a few trial calls before beginning the assignment.
2. Following instructions carefully.
3. Timing calls on respondents carefully.
4. Using the sample in line with the assignment.
5. Asking questions word for word as written on the question blank.
6. Making a favorable impression on the respondent.
7. Remaining neutral during the questioning.
8. Writing neatly and legibly.
9. Repeating questions to clarify responses.
10. Accepting and recording only replies which are adequate.

A letter of introduction was sent to each student, signed by the author and the residence hall director. The purpose of the study was indicated and each student was asked to participate. A time schedule sheet was placed on the residence hall office bulletin board and students were asked to indicate a convenient time for interview by signing their names. A copy of this letter is shown in Appendix C.

The interviewing was planned to take place during the 14 week-days, April 22 through May 9, and was planned to be on a voluntary basis. It was possible for students to sign for an interview during their free time between the hours of 7:30 a. m. and 8 p. m. A sample daily time schedule sheet is included in Appendix D.

The interviews took place in the residence hall parlors, and the questions were introduced and asked using essentially the same words as shown on the schedule.

A tape recorder was used during 31 of the interviews with the primary purpose of checking interviewing methods.

RESULTS

Interview Response

During the 14 week-days in the period of April 22 through May 9, 1958, 100 freshman college students were interviewed on the subject of financial management. The number and per cent of interviews completed are recorded in Table 1.

Table 1. Interview response.

Student type	: Possible : : interviews :	Completed : : interviews :	Per cent
All	115	100	87
Have had Family Finance	58	54	93
Have not had Family Finance	57	46	81

During the first four days of the interview period 61 per cent of the prospective interviewees signed the time schedule for an interview and 33 interviews were completed. An additional 19 students signed the time schedule in response to a second brief note of inquiry concerning whether or not they would be interested in taking part in the study. A third note brought response from an additional 11 students.

The reasons for not taking part in the study, as given by the 15 students contacted but not interviewed, are noted in Table 2. There was no significant difference in the participation of the students in the two residence halls.

After completing the interviews letters expressing appreciation for their cooperation during the study and a preliminary summary tabulation of replies were forwarded to the residence halls from the Family Economics Department.

The replies have been tabulated and are reported in five sections as they appeared on the schedule. The responses of those who have had and those who

have not had Family Finance are reported separately in order to facilitate comparison of these two groups of students.

Table 2. Reasons for not participating.

Student type	: No : time	: Not : interested	: No : reason	: No : reply
All	4	2	5	4
Have had Family Finance	1	0	2	1
Have not had Family Finance	3	2	3	3

Support of College Students

The first question concerned how college students were supported. Interviewees were asked to choose from a list of possible methods read from the schedule, the one method of support which best described how their college expenses were being met. Their replies are summarized in Table 3. Some indicated other sources of income and these replies are also summarized in Table 3.

The primary source of income most frequently mentioned (30 students) was current parental income. Twenty-eight indicated parental savings, such as life insurance policies, government bonds or securities, savings accounts in banks and Christmas club savings as the primary source of financial support.

The most frequently listed additional method of support (43 students) was student summer employment. The next most frequently mentioned additional method (33 students) was student employment at Kansas State College.

The methods of support of the two groups of students, those having had and not having had Family Finance, were very similar with the exception of scholarships. Fourteen students having had Family Finance were holders of scholarships in contrast to two of those not having had Family Finance.

Table 3. Primary and additional methods of support for freshman women at Kansas State College, 1958.

Method of Support	Primary			Additional		
	Family Finance			Family Finance		
	Have had	Have not had	Total	Have had	Have not had	Total
1. Parents saved money to provide college expenses:	14	14	28	9	5	14
a. Life insurance (endowment) policies years before to provide for college expenses when the policies matured.....	2	0	2	1	0	1
b. Government bonds or other securities.....	6	6	12	5	4	9
c. Other ways	6	8	14	3	1	4
(1) Savings account at bank	5	5	10	2	1	3
(2) Christmas club savings	1	0	1	0	0	0
(3) Savings (kind unknown)	0	3	3	1	0	1
2. Families plan to sell items to raise money:	4	4	8	5	3	8
a. Livestock	4	4	8	5	3	8
b. Other items	0	0	0	0	0	0
3. Mother is employed to increase family income	2	1	3	4	9	13
4. Other family members are helping ..	1	0	1	4	1	5
5. Student summer employment	7	5	12	21	22	43
6. Student savings from farm or business enterprise.....	2	1	3	6	7	13
7. Student employment at K. State	0	0	0	21	12	33

Table 3. (concl.)

Method of Support	Primary			Additional		
	Family Finance			Family Finance		
	Have had	Have not had	Total	Have had	Have not had	Total
8. Employment in Manhattan.....	0	0	0	2	2	4
9. Scholarships	2	0	2	12	2	14
10. Loans from:	0	0	0	0	2	2
a. K. State	0	0	0	0	1	1
b. Other sources of loans. (Source not indicated)	0	0	0	0	1	1
11. Other methods	22	21	43	10	5	15
a. Current income of parents	12	18	30	6	2	8
b. Worked year between high school and college.....	1	0	1	1	0	1
c. Veteran's Administration.....	2	0	2	0	0	0
d. Insurance of deceased aunt	1	0	1	0	0	0
e. Assets of father.....	1	0	1	0	0	0
f. Inheritance.....	1	0	1	0	0	0
g. Parents - don't know exact source.....	1	0	1	0	0	0
h. Student saved during high school years	0	0	0	2	2	4
i. Part time job of father	0	0	0	1	0	1
j. Brother's will	0	0	0	0	1	1
k. Life insurance of deceased father	1	0	1	0	0	0
l. Combinations:	2	3	5	0	0	0
(1) 1+11	0	1	1	0	0	0
(2) 1c+11.....	0	1	1	0	0	0
(3) 2a+5+10b.....	0	1	1	0	0	0
(4) 3+4+11.....	1	0	1	0	0	0
(5) 5+11	1	0	1	0	0	0
12. No reply	0	0	0	8	9	17

Of interest was the variety of methods of support. The frequency of methods given is shown in Table 4. As many as six methods of support were reported by students, although most of the students (73) were supported from three or fewer sources.

Table 4. Number of different methods of student support.

Number of methods of support	:	Number of students
1		16
2		23
3		34
4		18
5		4
6		2
TOTAL	6	100

Method of Receiving Money

The second part of the interview concerned the manner in which money was made available to the students for meeting their college expenses. It was introduced by the following statements:

It is estimated that the cost of a four year college education is between \$4,400 and \$6,000 or more. This is a large sum of money.

Do students actually know how much it costs and how much is available?

Here are some ways money might be secured by students:

A list of possible arrangements, as listed in the schedule shown in Appendix C, was read and then the student was asked: "Which best fits your situation?" and "Which of these arrangements do you prefer?" "Why?" The frequency of replies to these questions are summarized in Table 5.

In contrast to the 54 students stating that their money was provided as needed, only 41 preferred this arrangement.

Table 5. How money is made available to the student as reported by freshman women at Kansas State College, 1958

Arrangements (Abbreviated forms)	Best fits situation			Preferred		
	Family Finance			Family Finance		
	Have had	Have not had	Total	Have had	Have not had	Total
Lump sum to meet total expenses for:	<u>15</u>	<u>7</u>	<u>22</u>	<u>17</u>	<u>8</u>	<u>25</u>
entire college education ..	<u>1</u>	<u>2</u>	<u>3</u>	<u>2</u>	<u>0</u>	<u>2</u>
one year at a time.....	8	2	10	7	3	10
each semester.....	6	1	7	7	3	10
each month	0	1	1	0	0	0
not specified	0	1	1	1	2	3
Fixed college expenses paid; lump sum for other expenses..	<u>8</u>	<u>11</u>	<u>19</u>	<u>14</u>	<u>12</u>	<u>26</u>
entire college education...	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
one year at a time.....	1	2	3	2	2	4
each semester.....	0	1	1	5	3	8
each month.....	6	7	13	5	6	11
each week.....	1	1	2	1	1	2
not specified	0	0	0	1	0	1
Money is sent as needed.....	<u>27</u>	<u>27</u>	<u>54</u>	<u>18</u>	<u>23</u>	<u>41</u>
Know exact amount available*	8	6	14	--	--	--
Other arrangements, e.g., ...	<u>4</u>	<u>1</u>	<u>5</u>	<u>4</u>	<u>3</u>	<u>7</u>
Parents provide for major expenses, student meets other expenses from earnings	3	1	4	3	3	6
Not specified	1	0	1	1	0	1
No preference	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>
TOTAL	54	46	100	54	46	100

*Asked only of the last 60 interviewed.

The wording of the third arrangement was modified after it became evident from the first 40 interviews that so many students selected it as best describing their situation. They were asked if they knew exactly how much money was available for their use through the checking account or by asking from home. Fourteen of the 60 students interviewed after the addition of this question stated that they felt they knew how much was available, while the other 46 apparently knew only that there was money available if they needed it.

Twenty-two students said that they received lump sums of money and knew they must confine expenses to that amount, while 25 said they would prefer that arrangement.

Nineteen of the interviewees indicated that they were given money for the large fixed expenses such as fees, tuition, books, room and board, and in addition were given a lump sum for clothing and personal expenses. Twenty-six stated that they would prefer this arrangement. Most frequently this lump sum was to cover personal expenses for a month's time period.

Other arrangements for receiving money were mentioned by five respondents. These included provision by parents for major expenses with the student meeting other expenses from earnings.

There was no significant difference in the way the two groups of students, those having had or not having had Family Finance, responded to this section of the schedule. In general it would appear that students would prefer to be more independent in their financial management and have an established amount within which they would need to confine their expenses. This becomes even more evident in the responses to the "why" question.

The replies made in regard to why certain arrangements were preferred for receiving finances were classified by the type of financial arrangement preferred and according to instruction in Family Finance.

I. Comments of students who preferred to receive a lump sum of money within which expenses must be confined.

A. Students having had Family Finance

1. This method helps me because I am learning how to handle and manage money.
2. This arrangement helps me to manage my money.
3. I like this method because I have not had any experience in rationing out money for all my expenses and would like the experience.
4. I know how much is available and can budget it better than if I didn't know how much was available.
5. This works out best for me. I know how much I have to spend and can plan ahead. However, I would actually prefer to know how much is available for the entire four years.
6. This method helps me to stay within a limit.
7. I know it has to last me. I like this method. I'm satisfied with this way. I haven't tried any other ways and can't judge on them. I would not like getting a little amount each week though.
8. It is more secure to know actually how much money there is.
9. It would be easier to take care of the money if you are given a lump sum.
10. I like the lump sum because when the time comes to pay the bills I know the money is there.
11. The money would be available at the exact time needed.
12. I like to know exactly how much is available for a certain period.
13. I like this method because it is my money and I can use it as I see fit.
14. I have more leeway.
15. I feel that I am at least partially supporting myself. This arrangement doesn't press my parents.
16. My folks have always said they would put us through school but by earning money for the extras I feel I am helping them out. This arrangement works out best for the family so I prefer it.

B. Students not having had Family Finance

1. I could budget for the whole year and would know exactly how much I had.
2. I know exactly how much I'm spending. It is easier to regulate by spending.
3. This method is teaching me how to handle money. It is giving me a wider concept of how hard it is to support college students.
4. It is good for me to finance myself through college. It teaches me to budget and save money.
5. I know how much money is allowed and feel responsible for wise spending.
6. If I had thought about it earlier I would have worked harder and earned all of my money. We would learn more if we had to budget it. I would like to know how much is available so I could learn to budget it.
7. You should be able to budget money instead of getting more all the time. It is hard to pattern one semester after another as far as the amount of money needed is concerned.
8. When in college you should be able to handle your own spending.

II. Students who preferred that money be provided for fees, tuition, books, room and board and in addition be given a lump sum for clothing and personal expenses within which spending must be confined.

A. Students having had Family Finance

1. I thought it was interesting in Family Finance, to plan the spending of money and then to check to see how much I actually spend for the various items. I would like to try this.
2. This arrangement would help me to learn how to manage money. It would help me to develop maturity. I would really like to learn better money management.
3. I would like the challenge of actually budgeting a lump sum of money.
4. I would know for sure how much is actually available and I could plan my spending.
5. It would help me to know where my money goes because I would have to keep account of it in order to not overspend.

6. It is easier to keep account of the money.
7. I would feel better with this arrangement because I would know exactly how much there is and not have money coming in a little at a time.
8. It would be nice to know large expenses would be provided for and you would not have to worry about them.
9. It would work out better if I knew exactly how much was available.
10. I furnish my own spending money and that way I know I am furnishing some on my own.
11. I know for the whole semester how much money I have. I don't have to bother with getting money by the month.
12. This arrangement is handy for me.
13. It is convenient for me.
14. This arrangement is less complicated for me. I don't have to be concerned with taking care of money.

B. Students not having had Family Finance

1. It makes me more sensitive to my spending. It helps me to learn the differences between what is necessary and what isn't. I am budgeting my money.
2. I would know how much money I have and would have to limit spending.
3. I know how much is available and can keep my monthly spending fairly even during the months.
4. When I limit my spending to a certain amount it helps me to learn the value of money.
5. It would be good training for me.
6. This method was discussed with my parents. I will not overspend if I am given a small amount of money at a time.
7. This keeps me from writing a lot of unnecessary checks. It keeps me within a budget.
8. This method has been satisfactory. If I had it a week at a time it would be too much trouble for Daddy and if it was received a year or semester at a time it would be too far apart.

9. I'm getting along well with the present arrangement.
10. I'm lucky to have this arrangement and appreciate it.
11. I would not have to work during the year.
12. I'm extravagant and if I had a larger lump sum I might spend it all. It is easier on my parents this way. I've never had to manage my own money so this is easier.

III. Students who preferred that money be in the bank account or sent to them whenever they need it.

A. Students having had Family Finance

1. By keeping my money in an account I can better see where my money goes.
2. I like my own set-up. For the kid's advantage, though, it would be good to be given a lump sum for a certain period of time.
3. I think students should work and not have money given to them in a lump sum.
4. I know what I have and where it has to go.
5. I'm not on a tight budget but am learning that I can't spend as much money on some items as others do.
6. I don't have to worry about getting extra spending money because I work and know where it comes from.
7. The folks trust me and know I won't spend out of bounds.
8. This is the best arrangement for me and my family.
9. This arrangement has worked out well.
10. If something unexpected comes up I don't have to worry about getting the money.
11. This is convenient for me.
12. This is convenient for me and I don't have so much cash laying around.
13. I am given a chance to budget myself rather than given a set amount and being told that it is all. It gives me a better chance for money management.

14. I don't have to worry about staying within a budget, however I do stay within one. I can spend money without worrying about switching a budget around.
15. It works better to have money coming in frequently instead of having a lump sum. It would disappear faster.
16. This is convenient if you watch your spending. Don't spend too much.
17. I like this way. I know the money is there but I am careful about spending it.
18. I am self supporting. I like that.

B. Students not having had Family Finance

1. I like this method because the money comes in as frequently as I need it.
2. I like knowing what is available. If I exceed this amount it will be my own fault.
3. Using the checking account helps me to know where the money goes.
4. I don't have to worry about cutting corners.
5. Mother will keep money in the bank and I don't have to worry about it.
6. The folks trust my judgment about spending money.
7. I would like to know how much I can spend but I also like the present method. I would like to know how much is available for the whole four years but not be given the whole lump sum.
8. I like this arrangement because when in high school I was on an allowance and this taught me how to spend money so now Father doesn't have to put restrictions on my spending of money.
9. This arrangement eliminates much red tape. This way I spend only what I need and am not bothered with a lump sum.
10. This situation works fine for me.
11. If I had a lump sum I might spend it too fast and then run out.

12. I prefer the present arrangement because this way I know there is a certain amount of money coming in at the end of every month to pay for personal expenditures and sorority. I never really run out of money.
13. There wouldn't be the worry of wondering whether you would have enough money.
14. This is the way it has always been.
15. If given a lump sum I might spend it all and not actually portion it out for the necessary items.
16. With all we have to do balancing our checking account it would take a lot of time and effort.
17. I know how much is in the bank and won't overspend.
18. I like this way. It works out fine. This is my first time away from home. Last summer was the first time I ever had a bank account. This is the way I've been adjusted.
19. This arrangement is more convenient for my Dad. He can keep track and I won't have to.
20. It is easy to use this method and it doesn't take much planning on my part. My parents take care of the planning because they know how much is available.
21. I really don't know how much there is the way I'm spending now. I guess I'm glad I don't have a limit.
22. It is nice this way but it isn't teaching me how to plan my money. I wouldn't mind doing it the other way if it would teach me something.

One student in this category made no reply.

IV. Students who primarily preferred that parents provide for major expenses while they themselves meet other expenses from earnings.

A. Student having had Family Finance

1. I feel free to use money I have earned for spending and wouldn't if my parents gave it to me.
2. I think more about whether I really want something if I know it is coming out of my own money.
3. I like this arrangement because I have gotten along well.

B. Students not having had Family Finance

1. If I waste money it will be my own and not some from home. It would teach me to budget money.
2. I am not tempted to spend as much money as I would be if I were not earning the money.
3. If I spend all the money in the bank I have to do without. I like this arrangement because I know exactly how much is in the bank.

Four of the students in this category made no reply.

A majority of these comments reflect a desire for greater financial independence and express the student's disposition toward increased opportunity for making independent money management decisions.

Financial Planning

The third section of the schedule concerned methods students employ to assure themselves that they would not run short of money. The questions were introduced by the following statements:

As you have already discovered, it is not always possible to have the cash on hand when it is needed most. This, of course, can be embarrassing.

Those students who have a full checking account--always replenished by their parents--don't have to worry much about money. But those who know the limits must plan carefully. Even the students who seem to have complete freedom with money may want to know the cost of college living. Here are a few ways students might plan for the future spending of money.

The list of methods was read from the schedule, and the students were asked to designate the method which best described their situation. The frequency of responses are shown in Table 6, which also shows these responses as related to the students' responses to Section V of the schedule in which they were asked if they thought students kept good enough account of their finances. The following comments pertain to the total frequencies of all students and those who have had and have not had Family Finance.

Table 6. Methods used for financial planning classified by opinions concerning the adequacy of students' financial accounts and by instruction in Family Finance, as reported by freshman women at Kansas State College, 1958.

Method of Planning	Do you think students keep good enough account of their finances?									
	Yes		No		No opinion		Total		All	
	<u>Family Finance</u>		<u>Family Finance</u>		<u>Family Finance</u>		<u>Family Finance</u>			
	have had	not had	have had	not had	have had	not had	have had	not had		
No plan.....	<u>3</u>	<u>4</u>	<u>4</u>	<u>8</u>	<u>2</u>	<u>1</u>	<u>9</u>	<u>13</u>	<u>22</u>	
Figure costs for fixed expenses, then:	<u>10</u>	<u>10</u>	<u>28</u>	<u>18</u>	<u>6</u>	<u>5</u>	<u>44</u>	<u>33</u>	<u>77</u>	
Divide rest up by weeks and estimate week-to-week spending.....	1	0	4	2	0	1	5	3	8	
Spend until money runs low and then stop.....	0	1	3	3	0	0	3	4	7	
Make out a budget in my head for the semester.....	7	7	13	11	4	3	24	21	45	
Make out a written budget.....	1	1	8	1	2	1	11	3	14	
Other ways.....	1	1	0	1	0	0	1	2	3	
No reply	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>	
TOTAL	13	14	32	26	9	6	54	46	100	

Twenty-two students said that they did no planning and one failed to respond. Seventy-seven said they separated out the cost of such large fixed expenses as room, board, fees and tuition, and then managed the remainder of the funds. Ten of these apparently exercised no control and allowed the amount of money to govern their spending or failed to specify a method. Seventy-seven indicated a plan for spending; eight worked out a week-to-week spending plan, 14 made out a written budget, and the majority (45) said they made out a mental budget for the semester. Those who had had the course in Family Finance more frequently made out a written budget.

Keeping Account of Finances

The fourth section of the interview was concerned with methods students employ to keep track of their money. It was introduced by the following statement:

We know there are many different ways of keeping track of money. I have listed some of these ways and perhaps you can help me add to this list.

The interviewer read from the schedule the methods listed. The students were asked to add to the list and then designate the method they used for keeping track of money.

Only one student claimed to have no system for keeping track of money and all others declared a method for keeping track of their money. The largest number, 55, used only check book stubs as records. The next largest group used methods other than those listed or combinations of the methods listed, and most of these included check book stubs as one method of accounting for their money. In total, the use of checking accounts was mentioned by 87 per cent of the students. Thus it is clear that most of the students maintained checking accounts and used this as a method of keeping account of their finances.

The ten students who replied that they kept track of the large fixed expenses only indicated no record other than check stubs of other expenses.

Thirty-four students kept other types of records: five kept sales slips and receipts, six kept records in their notebooks, one used a card file system and 22 reported use of account books. Of these 22 students, five reported use of account books purchased at the dime store, three used miscellaneous forms and 14 reported use of "Student Financial Management Records", the form used in the course, Family Finance.

Fourteen of the 54 students (26%) who had had Family Finance the previous semester reported continued use of the form they had used in Family Finance and four used other account books. Thus, 33 per cent of the students who had had Family Finance reported use of an account book. Only four of the 46 students (9%) who had not taken Family Finance reported use of any record form, so it is concluded that the course did have an effect on the behavior of the students. The methods used for keeping track of money, classified by opinions concerning the adequacy of students' accounts, and by instruction in Family Finance may be found in Table 7.

Student Attitudes Toward Finances

The interview was concluded with the asking of three questions to get an expression of the students' attitudes toward financial management. The three questions were:

1. Do you think students keep good enough account of their finances?
Yes _____ No _____
2. What would be your advice to students about finances if you were director of this dormitory?
3. Do you think a course in personal finance would be helpful to you in managing your money? Yes _____ No _____

Table 7. Methods used for keeping track of money classified by opinions concerning the adequacy of student accounts of finances and by instruction in Family Finance, as reported by freshman women at Kansas State College, 1958.

Method of keeping track of money	Do you think students keep good enough account of their finances?									
	Yes		No		No opinion		Total			
	Family Finance have had	Family Finance not had	Family Finance have had	Family Finance not had	Family Finance have had	Family Finance not had	Family Finance have had	Family Finance not had	Family Finance have had	Family Finance not had
1. Use check stubs as records	<u>6</u>	<u>11</u>	<u>12</u>	<u>17</u>	<u>6</u>	<u>3</u>	<u>24</u>	<u>31</u>	<u>55</u>	
2. Keep account of large fixed expenses only..	<u>1</u>	<u>0</u>	<u>1</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>2</u>	<u>2</u>	<u>4</u>	
3. Keep account of most expenditures:	<u>1</u>	<u>0</u>	<u>3</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>4</u>	<u>2</u>	<u>6</u>	
a. in my notebook ...	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>	<u>1</u>	
b. in a card file ...	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>1</u>	
c. in dime store account book	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>	
d. in another account book	<u>1</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>0</u>	<u>3</u>	
4. Other methods, including combinations of the above	<u>5</u>	<u>2</u>	<u>16</u>	<u>7</u>	<u>3</u>	<u>1</u>	<u>24</u>	<u>10</u>	<u>34</u>	
a. Receipts and sales slips	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>2</u>	
b. 1+2	<u>1</u>	<u>0</u>	<u>3</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>4</u>	<u>2</u>	<u>6</u>	
c. 1+3a.....	<u>0</u>	<u>1</u>	<u>0</u>	<u>3</u>	<u>0</u>	<u>1</u>	<u>0</u>	<u>5</u>	<u>5</u>	
d. 1+3c	<u>0</u>	<u>1</u>	<u>1</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>3</u>	<u>4</u>	
e. 1+3d	<u>1</u>	<u>0</u>	<u>10</u>	<u>0</u>	<u>3</u>	<u>0</u>	<u>14</u>	<u>0</u>	<u>14</u>	
f. 1 + receipts	<u>1</u>	<u>0</u>	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3</u>	<u>0</u>	<u>3</u>	
5. No records	<u>0</u>	<u>1</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>	
TOTAL	13	14	32	26	9	6	54	46	100	

The last question was added and asked of only the last 60 interviewed.

Adequacy of Student Financial Accounts. The replies to the first question have been used to classify the responses to the questions in Section III and IV and are presented in Tables 6 and 7. Approximately one-fourth (27%) of the students interviewed thought that students in general kept good enough account of their finances, 58 per cent thought students kept inadequate accounts and 15 per cent expressed no opinion. A larger proportion of those who had not had the Family Finance course (30%) considered the practices of students to be adequate than those students who had had the course (24%). Only two of the 14 students (17%) who reported keeping a written budget thought that students kept adequate accounts; otherwise there was no difference in the expressed attitudes of students interviewed and their own method of planning their finances (Table 6). Only three of the 22 students (14%) who were keeping accounts on record forms felt that students kept good enough accounts (Table 7).

That is, the per cent of students who thought that students in general kept adequate accounts increased from those who themselves kept accounts (14%) to 17 per cent of those who kept written budgets to 24 per cent of those who had had the course in Family Finance, and to 30 per cent of those who had not had the course in Family Finance.

Financial Advice Interviewees Felt Would be Helpful to Students. The students were asked what their advice would be to other students regarding finances if they were director of the dormitory. Their replies to this question have been classed according to (1) whether they were primarily family supported or self supported, (2) their opinions concerning whether or not students kept good enough accounts and (3) their experiences with the course, Family Finance.

Family Supported Students

I. Advice given by those who thought that students kept good enough account of their finances.

A. Those having had Family Finance

1. It is important to keep a record of finances and to learn to manage money well.
2. It is wise to budget, at least a rough budget. You have some idea of your income and expected expenditures.
3. Keep track of everything and spend money wisely.
4. Definitely know what the major expenses will be and how much extra will be allowed for other activities and spending. Limit the amount of spending for each week. Limit yourselves instead of forcing your parents to do this.
5. Beware of small expenditures since they can eventually amount to a large sum.
6. Find out how much money is available and then spend according to a budget. It doesn't have to be a strict budget.
7. Do not spend money for a lot of trivial things which are not needed but save for the more important things.
8. Plan ahead for social events during the year, also for clothing. Watch what you spend and don't spend your money all at once.
9. Being away from home for the first time, many students buy what they want and what they wouldn't buy if at home. Budget money.
10. I really don't know what advice I would give. Students usually know what they are going to spend.
11. No reply.

B. Those not having had Family Finance

1. Plan carefully. Keeping track of expenses is a good idea and can show where non-essentials are bought.
2. It is a privilege to come to college. Especially if parents are supporting you. Think of your parents. Remember that there must be some financial sacrifice and that you can't always keep up with "Sally's new dresses".
3. I think they should keep track and write down expenses if they have to see where they can cut down. Sometimes you spend money for things you don't really need and you don't realize it.

4. Know what must be spent. Decide what non-essentials can be bought by the amount of extra money available above that needed for essentials.
5. You can't do everything that comes up. Have some sort of a budget to go by.
6. The student should know the large expenses and have a general idea about the smaller expenses. The individual student and parents should decide how the money is to be handled.
7. Most students spend a lot of unnecessary money on clothes before coming to school. Eating between meals is a problem at college. Bring the clothes you have because they will be new to people here.
8. Explain fees. Have enough spending money depending on your activities.
9. Keep a record of money spent in a check book.
10. Speaking for myself and a lot of girls I know, they are pretty careful with their finances.

II. Advice given by those who did not think that students kept good enough account of their finances.

A. Those having had Family Finance

1. Figure expected expenditures. Know what you'll have for each of the four years so as to not overspend in any one year. Split the amount you have down to semesters. Your written budget and budget book will help you. Money, up here, goes down the drain very quickly and you don't know where it goes if there is no record.
2. Definitely keep a record of large expenses and try dividing the rest up by weeks. Try to estimate what the big expenses will be so money will be saved for them. Don't spend extra money just because you have it. Consider that parents have worked long hours for the money.
3. It isn't necessary to spend a lot of money. Be wise in spending money as there is usually something more important for which it could be spent if you think carefully before spending it.
4. Plan roughly the year's spending and try to follow that by the semesters. By doing this you won't be disappointed by wanting to buy something for which you don't have money.
5. Keep account of what is spent so you will know how much is on hand and will not overspend your budget.

6. The dormitory director could send pamphlets to parents telling approximately how much is needed for various items, since parents don't know for what the money is actually used.
7. Don't spend all of your money at once. Divide it up so there will be some all the time.
8. Keep accounts. Each dime adds up to a lot eventually. Let your folks see the accounts so they will know where their money is going.
9. The little items add up to quite a bit. College is quite expensive so you should set aside estimated amounts for little items and try to stick to spending that amount. Try to make out a written budget. Even if you can't follow it, it will show where you might have to skimp.
10. Use a checking account but don't write a lot of little checks. Keep a record of what you spend each week.
11. Keep an account of expenditures to find out where unnecessary spending is taking place.
12. I think they should keep a record. They spend more than they realize. A record will help them.
13. I would recommend that they keep everything recorded. A written record helps.
14. Plan certain amounts for monthly spending. Incidentals can be costly.
15. Keep your checking account in order. (Know how much is actually available.)
16. Get a simple ledger book at the dime store and record expenditures soon after spending.
17. It is hard to tell someone you have to keep track of money. You have to learn by experience. I did.
18. Each must work out their problems individually. They probably picked up some ideas from their parents.
19. It is hard to give advice. Keep track as you go along each month or as money is spent.
20. Parents are better qualified to give advice.
21. I probably wouldn't give such advice about finances if I were director of this dormitory. Different people have different problems. However, I don't see buying a lot of junk. Students should save money for needed items.

22. No reply.

B. Those not having had Family Finance

1. Keep a good account of your finances to help you now and in the future.
2. Keeping track of spending shows where money goes and shows if it was spent foolishly.
3. Budget and do not spend foolishly. Keep a close record of what you spend.
4. Have a budget to follow.
5. **Managing** money varies so much. Practical experience has helped me.
6. I would recommend a checking account rather than writing home for money. Make a certain amount of money last for a certain period.
7. Spend your money wisely. I haven't been doing too well myself.
8. Keep track of spending and budget spending. Don't go on spending sprees like I do.
9. Find out more about your financial status from your parents.
10. Keep a budget of some kind.
11. Keep a record of your expenditures. Budget money if you need to.
12. Don't spend money foolishly on little things. Books and supplies cost more than you realize.
13. Make out a budget and try to stick to it. Don't keep cash on hand because you might lose it and spend it more easily. If you write a check you will think about it more carefully before actually spending the money.
14. Too many of us don't realize the large cost of college. Consider the load being put on your parents. Try to budget money.
15. Have an understanding with your parents as to where you will get the necessary finances and how you will spend them.
16. Get an account book and keep track of what you spend money for.
17. Spend money wisely. Work during the summers to help finance yourself.

18. Just because you have money now is no reason to spend it all at once. Go easy, because you never know what will happen in the future.
19. Never keep a lot of cash on hand because if something comes up you're tempted to spend it.
20. Limit cash on hand to limit personal spending. It is easy to go overboard.
21. It would be hard to give advice. Watch how money is spent. Spend for important things first. The director could show a chart or give out mimeographed sheets of what the average college freshman will spend.
22. I don't pay much attention to finances.

III. Advice given by those who expressed no opinion concerning the effectiveness of student financial accounts.

A. Those having had Family Finance

1. It definitely helps if you will make a plan for the future. Not rigid--maybe rough draft. It helps if you keep a systematic record of expenditures first semester. I don't believe in going into anything just blind, without any plan at all.
2. Learn how to plan the use of money to help you become more mature and self-reliant.
3. Plan ahead to assure yourself of having money available at the proper time.
4. I think it is a good idea to budget. After having had the experience of writing it down last semester, I now plan in my head.
5. Make sure students know what basic necessities will be and then let them allow for their own personal needs.
6. In a house meeting the director could discuss budgeting money as well as how to study and how to schedule time. I would show them an account form and show them how to use it.
7. Don't keep a lot of cash on hand because it might be lost.

B. Have not had Family Finance

1. Finances can be confusing if you borrow and loan money a lot. Budget your money and know what you have.
2. Realize the value of money. If students are putting themselves through college they will realize the value of money.

3. Think twice before spending money. Keep track of everything.
4. The amount spent is up to students but the amount available should be considered before spending.
5. Don't lend money unless absolutely necessary.
6. I wouldn't give any advice because there are so many different situations. It is between the student and the parents.

Self Supported Students

- I. Advice given by those who thought that students kept good enough accounts of their finances.
 - A. Those having had Family Finance
 1. Money shouldn't be a block to attending college.
 2. Little items add up to quite a bit.
 - B. Those not having had Family Finance
 1. Keep account of expenses and plan carefully before spending. Do not buy on impulse.
 2. Money doesn't grow on trees. You can't spend too much and still complete your college education.
 3. Don't try to keep up with the "Jones".
 4. Tell them to plan ahead, but they probably won't. They usually have to learn through experience.
- II. Advice given by those who did not think that students kept good enough accounts of their finances.
 - A. Those having had Family Finance
 1. It is a privilege to be here. Use your money wisely. You're using money for an education while there are many who can't afford to come to college but want to very much.
 2. Keep a record of what you spend. Try to allot the money you have for things that you have to buy. Some extra should be on hand all the time.
 3. Plan how much you will spend.
 4. Keep track of, and manage your money wisely.
 5. Keep everything on records. Little things count up.
 6. Keep track of money spent. This record will show where you could cut down on spending if you have to.

7. Know how much is spent on fixed expenses. This will show where spending can be cut down if necessary.
8. Stress that students should keep track of where money goes. Many admit they don't know where it goes.
9. Try to realize where your money is coming from. Even though your folks are providing it, try to manage it as best you can.
10. I don't know that the director should give advice.

B. Those not having had Family Finance

1. Keep better track of money and know that you have enough ahead of time in case something comes up.
2. Budget the use of money and stick to it.
3. You should place value on money and keep in mind that you should not spend foolishly.
4. Students should have a definite sum for a week or month at a time to live within. It is good training for when you get out on your own.

III. Advice given by those who expressed no opinion concerning the effectiveness of student financial account keeping.

A. Those having had Family Finance

1. Know where your money is coming from. Keep track of money if for no other reason than your own interest.
2. The great expense of college should not scare a person away because you can get along very well on a small budget. On the other hand, know before coming to college that you'll be able to meet necessary expenses because the strain of not being sure of finances can be harmful to the individual.

In general the students reflected concern for the management of money. Their comments ranged from specific practices to general money management principles. Students who had had Family Finance more frequently mentioned accounting and budgeting of finances, and in general tended to reflect, in their comments, the vocabulary and concepts of the course.

Estimated Value of a Course in Family Finance. After the first forty interviews a question was added to get an explicit reply from the students as

to whether they thought a course in personal family finance would be helpful. The replies are presented in Table 8 classified by the two groups of students. Approximately three-fourths (78%) of the students thought a course in personal finance would be helpful. Of those who had had the course only 72 per cent in contrast to the 86 per cent who had not had the course thought it would be helpful. And of those who expressed a negative feeling, a much higher proportion (25%) of those who had had the course did not think that the course would be helpful, in contrast to only seven per cent of those who had not taken the course. The specific course with which the students had had experience, however, covered many topics in addition to money management, such as insurance, credit, and savings which are not of immediate concern to the average student. Furthermore, students who had taken the course had learned about concepts and record forms but may have realized that responsibility for application rests with the individual concerned.

Table 8. Would a course in personal finance help you in managing your money?

Student type	Yes	No	Undecided	All
Have had Family Finance	23	8	1	32
Have not had Family Finance	24	2	2	28
TOTAL	47	10	3	60

A Comparison of Methods of Financial Planning, Instruction in Family Finance, Form of Financial Record and Support. The students were classed according to the primary method of their support; 78 as family supported and 22 as self supported. The data in Table 6 were reclassified according to the method of planning; 22 reported no planning, 14 reported written plans, and the remaining 63 were classified as "partial planning". The data in Table 9 were

reclassified according to the type of financial records kept. For simplification those keeping receipts (2) were grouped with the one not keeping records. Those using check stubs (55) or check stubs and receipts (3) as their only records were classed separately. Those keeping records of large fixed expenses only (10) were grouped with those who kept records of most of their expenses in note books (6), or in card files (1) under the heading of "some written records". Those 22 keeping records of most of their expenses in account books were classed under "account book records". These tabulations are presented in Table 9.

Financial Planning. A larger proportion (23%) of the 22 self supported than of the 78 family supported (12%) reported making written financial plans. Thus it would appear that students who have greater financial independence tend to exercise more formality in their financial planning.

Students who had had Family Finance also tended to report more formal financial planning. Twenty per cent of the students who had Family Finance reported written budgets in contrast to only 6 per cent of those who had not had Family Finance. And no financial planning was reported by nine (17%) of the 54 students who had had Family Finance in contrast to 28 per cent, or 13 of the 46 who had not taken the course.

Of the 14 who were self supported and had taken Family Finance, 36 per cent reported keeping written budgets. At the other extreme only 7 per cent, or three, of the 38 students who were family supported and had not taken Family Finance employed written financial plans. From these data it would appear that the combined effect of the course in Family Finance and the self supported status of students tended to stimulate more formal financial planning.

Record Keeping. Students who had had Family Finance more frequently reported keeping a record of their expenditures; 25 (46%) of such students in

contrast to only 14 (30%) of those who had not taken Family Finance. A higher proportion of those who were self supported rather than family supported also tended to keep written records. Of the 39 students who reported keeping written records, 29 constituted 37 per cent of the 78 who were family supported, but the other ten constituted 45 per cent of the 22 who were self supported. Furthermore, of the 14 self supported students who had had Family Finance, nine (64%) kept written records, whereas only one of the eight self supported students (13%) who had not had Family Finance kept such records. The combined effect of the course in Family Finance and the self supported status tended to stimulate more formal financial accounting.

If the 17 who were keeping "some written records" (which included notebooks, card files and "keeping track of large fixed expenses") are excluded, and attention is directed to the 22 students who kept written account books, the impact of the course becomes more evident. Eighteen of these students had had Family Finance and the remaining four had not. That is, 33 per cent of students having had Family Finance were keeping account books, in contrast to only nine per cent of those not having had the course. The proportion is even higher (57%) among those who had had the course and were self supported. None of those self supported who had not had the course used account book records.

Plans and Records. Twelve students reported keeping both written budgets and written records, and ten of these were students who had taken Family Finance whose written records were in account books. These ten students constituted 19 per cent of the students who had had the course the previous semester. And 23 (43%) of the students who had Family Finance the previous semester reported both keeping written financial accounts and making partial or written plans for the spending of their money in contrast to only 12 (26%) of those who had not had the course.

Table 9. Methods of financial planning classified by instruction in Family Finance, form of financial record and support, as reported by freshman women at Kansas State College, 1958.

Form of Financial Record and Support	Method of Financial Planning														
	(Have had Family Finance)					(Have not had Family Finance)					(All Students)				
	None	Partial	Written	No reply	Total	None	Partial	Written	No reply	Total	None	Partial	Written	No reply	Total
<u>No records (including receipts)</u>	1	1	0	0	2	0	1	0	0	1	1	2	0	0	3
Family supported ..	1	1	0	0	2	0	1	0	0	1	1	2	0	0	3
Self supported	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<u>Check stubs</u>	6	19	1	1	27	11	19	1	0	31	17	38	2	1	58
Family supported ..	3	17	1	1	22	11	12	1	0	24	14	29	2	1	46
Self supported	3	2	0	0	5	0	7	0	0	7	3	9	0	0	12
<u>Some written records</u> ..	2	5	0	0	7	0	9	1	0	10	2	14	1	0	17
Family supported ..	2	4	0	0	6	0	8	1	0	9	2	12	1	0	15
Self supported	0	1	0	0	1	0	1	0	0	1	0	2	0	0	2
<u>Account book records</u> ..	0	8	10	0	18	2	1	1	0	4	2	9	11	0	22
Family supported ...	0	5	5	0	10	2	1	1	0	4	2	6	6	0	14
Self supported	0	3	5	0	8	0	0	0	0	0	0	3	5	0	8
<u>All support</u>	9	33	11	1	54	13	30	3	0	46	22	63	14	1	100
Family supported ..	6	27	6	1	40	13	22	3	0	38	19	49	9	1	78
Self supported	3	6	5	0	14	0	8	0	0	8	3	14	5	0	22

SUMMARY AND CONCLUSION

Interviews concerning how students manage money while in college were conducted among 100 freshman women at Kansas State College during the period of April 22 through May 9, 1958.

The primary objective of the study was to determine the residual effect, in terms of student attitudes and practices, of instruction in financial management approximately three months following completion of the course, Family Finance. (Financial management was one phase of Family Finance, a freshman-level course in the Home Economics Curriculum at Kansas State College.)

The sample included 58 students having had the course, Family Finance, during the previous fall semester and 57 students who had not had the course. The names were selected at random from a list of all freshmen residing in Kansas State College residence halls. Interviews were completed with 54 who had had Family Finance and 46 who had not.

The students were very much alike in respect to support. Most of them (78) were primarily family supported. The major difference between the two groups was that 14 of those having had and only two of those not having had Family Finance were scholarship students.

"Having money made available as needed" was most frequently considered to be the method which best described their situations. While 54 of the students stated that their money was provided in this manner only 41 said that they preferred this arrangement. Students indicated a desire to be more independent in the management of their finances.

Twenty-two students said that they did no financial planning, 63 indicated partial planning, 14 reported written planning, and one did not reply.

A larger proportion of those having had Family Finance in contrast to those not having had the course reported written plans. This suggests that the course had a measurable influence on the way the students planned for the use of their finances.

The type of financial record kept by most students was check book stubs. Of the 87 who used check stubs this was the only method used for 55 of them. One student kept no records and of the remaining 44 students, 22 kept written account book records. Approximately one-third of the students who had had Family Finance continued to keep account books as a form of written record. Only 9 per cent of those not having had the course kept account books.

Most (58) felt that students in general did not keep a good enough account of their finances. Those who had had and had not had Family Finance answered this question in a similar fashion.

Students asked to give advice which they felt would be helpful to other students for the handling of their finances indicated that some degree of assistance in financial management was necessary. A large proportion of those having had the course employed the vocabulary and concepts of the course.

The last 60 students were asked if they thought a course in personal finance would help them in managing their finances. Forty-seven thought it would, ten did not and three had no opinion. A larger per cent (25%) of those having had, than those not having had (7%) Family Finance thought that such a course would not help them in managing their finances. This might indicate that those who had not had financial management instruction tended to think that such a course would be ideal in helping them to solve their financial problems, whereas those having had the course realized that financial management principles learned in class must be put into practice. Furthermore, the

time allotted specifically to budgeting and accounting in the Family Finance course was relatively small.

Students who had had Family Finance employed written accounts and planning more frequently than those who had not had the course. Twenty-three (43%) of those who had had Family Finance the previous semester used partial or written plans in addition to keeping written records in contrast to 12 (26%) of those not having had Family Finance. Approximately one-fifth of the students who had had the course reported keeping both written account books and written budgets. Only one student who had not had the course reported use of both written forms for financial management.

Self supported students tended to keep more formal records for financial management than family supported students. And over half of the self supported students who had had the course in Family Finance made written plans and kept account books. Thus the combined effect of method of support and experience with the course apparently influenced the methods of financial management.

It is concluded that the instruction in financial management received in the course, Family Finance, did have a measurable impact on the financial management habits as expressed by students in terms of both planning and record keeping.

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APPENDICES

APPENDIX A

- Part 1. Financial management record form: "Student Financial Management Records" Published by Department of Family Economics, Kansas State College. Copyright, 1957. Richard L. D. Morse.
- Part 2. Student Financial Management Records Initial Instructions.
- Part 3. Student Evaluation of Student Financial Management Records--Verbatim Anonymous Remarks.

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Forms are provided for cash control, budget control, revolving funds, charting the flow of income and expenses, establishing net worth value, estimating the need for savings now for items wanted in the future.

Instructions

Record forms for the three essential steps in financial management are provided in this book. Intensive use of these records will help you to appreciate their value for money management. The specific forms are merely devices to help you see in detail the steps. These are not necessarily the best forms, and you may wish to modify them to conform to your operations.

Budget for the Financial Year, by periods. A budget is a plan for the use of money. It should balance, that is, all money anticipated (3) should be allocated for current spending (6) and future needs (7). Furthermore, it should be so proportioned as to meet the more important needs. So, a good budget will balance and will conform to your design for living.

From the estimated funds available (3), deduct what you should set aside for needs in future budget periods (7) then deduct those large and somewhat inescapable expenses (4), and what remains (5) is available for current living. Perhaps you do not know your estimated income. Then start with expenses and estimate how much income would be required from your parents or in loans. It might be advisable to attempt this for one period at a time until you develop sufficient experience to tackle a whole year. Others may want to start with the whole year (total) budget and then plan for each period. The period plan serves as a reference for monthly planning, and the monthly plan serves as a reference for weekly and daily planning.

Budget-Account, by months. This form facilitates matching your actions with your plans each month.

Budget. The lettered lines are used for budget control. On line "B", Budget, enter the amounts you expect to receive or spend each month within the budget period. The total of these monthly allotments will equal the amounts for the budget period. Income is entered with a minus sign and may be considered as the amount withdrawn from the total income available for the period. The amounts in budget balance (Col. 16) plus total expenses (14) should equal expected income (2) with change in sign.

If the period covers 5 months, one could simply enter one-fifth of the period budget each month. But, this is not the way your money comes and goes. Fees and tuition will be heavy the first month of the semester and light for other months. So you will probably allocate the period budget to months in varying amounts for some items and for equal amounts for other items like snacks. The budget balance column (16) will help you anticipate those months that will be lean and those when a surplus is expected.

On line "A", Bal. Brot. Fwd., is entered the balance from line "E" adjusted for transfers made on line "F" the previous month. For the first month in a period, "beginning balance" from the period budget will be entered on line "A"; in Col. 2 with a minus sign, in Col. 15 and in Col. 16 with plus signs.

Accounts. The numbered lines and line "D" are used to account for actual money received and spent. Daily, any money received is entered in column (2) and its source described in column (3). Daily, any money spent is

described in column (3) and the amount entered under the appropriate classified heading with the total expenditures for that day entered in column 14.

The cash balance column (15) provides opportunity for checking daily the accuracy of accounts. The daily cash balance should equal the preceding day's balance plus the income for that day less expenditures. Furthermore, this should equal the total actual cash on hand and if it does not, appropriate entries under income or expenditures, described as "over" or "under" must be made so that the calculated cash balance will equal the actual cash balance. Those inexperienced will need to "prove out" the cash balance at frequent intervals. At the end of the month, each column (except the cash balance column) should be added down. The sum total of each individual expenditure column should equal the sum of the total expenditures column. The last cash balance item should equal the cash balance at the beginning of the month plus the total income minus the total expenditures for the month. (See the cash reconciliation box in lower left of form.) These two checking operations will insure accuracy, if that is desired.

Budget-Account Comparison & Adjustment. (Lines "D", "E", and "F") A good budget system is designed to help guide one in making better decisions as to the allocation of funds. Unforeseen opportunities and emergencies arise which require action. The account form records these actions while the budget is the reminder of the long-term plan. A comparison of the two reveals deviation of action from plan. This is shown in the Difference line "E" which is the difference between the sum available "C" and the actual total "D". If these differences are small and do not represent a consistent desire to deviate from the budget, they can be carried forward to the next month as Bal. Brot. Fwd. "E". However, if they suggest revision of the budget, then on the line "F", "Transfer", funds can be shifted. For example, unanticipated clothing expenditures require more funds than the budget provided. A survey of other needs may suggest a transfer from "snacks," "personal care," or "health." The transfers will modify the amounts carried forward to the next months for these items and thus increase the amount available for clothing and decrease those for snacks, personal care or health. This opportunity of transfers gives flexibility to the budget.

The Statement of Net Worth is another type of record. At the beginning of each period you may want to itemize what you owe and own, and take stock of what your property is worth.

These record forms provide: (1) a statement of net worth, so you can appraise your financial situation, (2) a budget, to help you plan for the future, and (3) an accounting form, to help you check how well you are living with your plan; to determine whether you should change, or the plan should be changed. Space for several periods is provided so you can take stock, plan, act; take stock, plan, act; etc., and gain through experience confidence in your money management.

STUDENT FINANCIAL MANAGEMENT RECORDS
Initial Instructions

Steps

1. Read instructions in front of the book now and then later after you have become acquainted with the work involved. Delete the words "Line 'A', in Col. 2 with a minus sign", on the fifth line from the bottom of the left side of the instructions. Also delete on the Budget-Account forms the bottom footnote line: "The initial cash balance is entered. . . ." Carry Line B across in Col. 16. The Cash Reconciliation form is in the lower right hand corner and not the lower left corner as stated in the instructions.

These books are printed so they can be folded down the center and then reduced in size or, so the staples can be pulled and holes punched for use in standard size ringed notebooks.

2. Develop the semester budget, identified as period I, II, or SS. Write in the inclusive dates.
 - (a) The beginning balance is money you expect to have on hand at the beginning of the budget period.
 - (b) Income is money you expect to receive during the budget period.
 - (c) Expenses are of two major types; fixed and variable. The fixed are those you are obligated to spend if you go to school, the variable are those you can increase or decrease depending upon how you choose to live.
3. Develop the Work Form. If the semester covers five months use five columns and head each column with the appropriate month.
 - (a) The beginning balance for the first month should be the same as that for the beginning of the budget period. Likewise the ending balance for the last month should be the same as that for the end of the budget period.
 - (b) Totals of the amounts shown for each of the five months should be equal to the amount in the budget for the period. That is, the figures should add across on each line to equal the amount on corresponding lines in the budget.
4. Transfer information from the Budget Work Form to Line B Budget-Account sheets for each month.
 - (a) In Col. 16 draw the Line B which the printer omitted (B,16) and enter the difference between the expected income and expense, (B,2-B,14), using a minus sign if budgeted expenses exceed budgeted income.
 - (b) Line A, Cols. 2 thru 14 will be blank the first month because there is no carry-over from a previous month. The beginning cash balance will be entered in A,15 the first month. It will also be entered in Col. 16 (A,16) as the beginning budget balance.
 - (c) The beginning budget balance (A,16) plus the difference between the month's budgeted income and expense (B,16) yields the expected ending balance (C,16) for that month. Since this is also the amount expected to start the next month, it is recorded on Line A of the following month (A,16). This is the start of a chain of figures that will continue through the months with the final figure (C,16) for the last month in the period being the same as the expected ending balance for the budget period.
 - (d) Note that the income budgeted is entered with a minus sign, as though it represented that month's withdrawal of the total fund available for the period.
 - (e) Line C is the sum of the amounts shown in Line A and B for each column except Col. 15.

5. This completes the financial itinerary for the budget period. Recorded is the beginning and ending positions with points for "refueling" and "discharging" scheduled. The remainder of the space on the forms is for an accounting of the actual financial trip (lines 1 to 31 summarized on Line D), for recording the deviations from schedule (Line E), and for acknowledging shifts in the itinerary (Line F). Also provided is opportunity to prove out the cash position daily (Col. 15), and to make an over-all check for the month by use of the Cash Reconciliation Form.

"Cash" includes all funds available, including checking account balances. Some students use Col. 15 to record the amount in bills and coins, and use the blank space in Col. 16 to record the bank balance. Of course these two must be added to get the actual cash position. But by the separation of these two funds they can detect whether the recorded figures correspond with actual money in purse and actual bank balance.

6. Each day the income received is recorded in Col. 2 and expenditures are recorded in Col. 4 thru 13 and summarized in Col. 14. The revised cash position, which is the cash balance of the previous day plus income minus expenses for that day is recorded in Col. 15. This figure should be verified by actual count of cash on hand.
7. At the end of the month the total for each column (Cols. 2, 4 thru 14) should be added down to Line D. The amount shown in D,14 should also equal the sum of the amounts shown in D,3 thru 13. The cash reconciliation form will verify that D,2 minus D,14 reflect the difference between beginning and ending cash balances. If all the figures check then there has been a reliable accounting of finances for the month. (Note: If these were public records, receipts for expenditures and duplicate deposit slips, etc. would be required to verify that the figures are also true and valid.)
8. Also at the end of the month, action can be compared with the plan. Enter in Line E, using the appropriate sign, the difference between the amounts shown in Lines C and D for each column. Just as D,14 could be cross-checked, the amount shown in E,14 can be cross-checked. It should equal the sum of E,4 thru E,13 as well as the difference between C,14 and D,14.

A final check should now be made to determine whether the cash position at the end of the month is reconcilable with the planned cash position shown in the budget (C,16). Since E,2 shows the amount by which income has exceeded or fallen short of that planned, and since E,14 shows the amount by which expenditures have exceeded or fallen below those planned, the sum of these (E,2 plus E,14) should equal the amount by which actual cash on hand at the end of the month exceeds or is short of the amount expected to be on hand (C,16). A form for making this critical and important check is not printed, but the check can be made easily by writing the amount shown in E,2 under E,14 and add. Likewise enter the amount shown in C,16 under the last line of the cash reconciliation form and subtract. The two totals should agree.

9. If any of the amounts on Line E are seriously high or low, adjustments can be made by transferring the amounts from one column to another. For example had \$20 unexpectedly been received during the month from home to buy clothing which was then purchased, this would have been reflected by a plus \$20 balance in E,2 and a minus \$20 balance in E,6. The intention of this windfall can be recognized in Line F by showing in F,2 plus \$20 to 6 and in E,6 a plus \$20 from 2. Or, as another example, should unexpected medical expenses cause E,11 to show a minus \$30, then other expenditure accounts

may have to be reduced and the amounts added to E,11. Line F affords flexibility to the otherwise fixed budget. It should not be abused, however, but used with judgement.

10. The second month begins with the accumulated experience of the previous month. Recorded on Line A for each column will be the balance shown on Line E unless adjusted in Line F. That is, A,2 will be the same as E,2 of the previous month (if not adjusted in F,2). Likewise A,4 thru 14 will be the same as E,4 thru 14 of the previous month, respectively. The amount recorded in A,15 will be the ending cash balance of the previous month. The beginning budget balance (A,16) will be the ending budget balance of the previous month (C,16).

The amounts shown in A,2 and A,4 thru 14 will be added to the amounts previously recorded in Line B to give in Line C the total amounts available. Actual income and expense will be recorded in lines 1 to 31 and summarized at the end of the month on Line D as outlined in step 6. And the process continues.

11. At the end of the budget period the totals of income and expense are recorded in the summary form. A comparison of the totals with the budget, a review of the transfers made, and consideration given to future needs will be useful in outlining a budget for the next budget period. And this process of planning, action, review, planning, action, review continues.

The totals can be computed by adding the totals of Line D for each month. Or, an easier way would be to adjust the amounts shown in the budget by the amounts shown in Line E for the last month, and by any transfers made in Line F during the period.

Some students prefer a monthly summary of income and expenses arranged so that they can see at a glance on one page these totals. This information is readily available on Line D of each month, but comparisons require turning pages. Two alternative methods are suggested: (1) Draw a light line through the amounts shown in the budget Work Form and write in the actual amounts. This will reveal the differences between the plan for the month and the action taken for the month, the same information that would be had by comparing Lines B and D. (2) Use the last Budget-Account page in the book as a "Re-capitulation sheet". Use Line 1 to record data from Line D of the first month and enter in Col. 3 the name of that month. Likewise use line 2 to record the summary for the second month. Totals for the two months can be brought down on line 3 to summarize incomes and expenditures for the two months. Figures for the third month can be listed on line 4 and totals brought down to line 5 to yield accumulated totals, etc.

12. A Statement of Net Worth Form is provided for estimating the status of finances.

13. Important Checks:

- (a) Amounts in Col. 15 should equal actual cash on hand. Place a check mark by each figure so checked.
- (b) For each line except Line F, the amounts shown in Col. 14 should equal the sum of the amounts in Cols. 4 thru 13.
- (c) D,14 should equal the sum of daily expenditures (lines 1 thru 31) as well as the sum of D,4 thru D,13.
- (d) E,14 should equal C,14 - D,14 as well as the sum of E,3 thru E,13.
- (e) $E,14 + E,2 = \text{End. Cash Bal.} - C,16$; or, $A,14 + A,2 = A,15 - A,16$.
- (f) $A,15 + D,2 - D,14 = \text{End. Cash Bal.}$
- (g) $A,15 + C,2$ with sign changed $- C,14 = C,16$.

Student Evaluation of
Student Financial Management Records¹

Verbatim Anonymous Remarks

Note:

Students of the course "Family Finance" were required to keep financial records through the Fall semester 1957. During the final examination period the students were given two types of evaluation forms. The first form was an analysis of the entire course, requesting them to designate for each of 34 topics covered those they wished more or less time had been given and those they felt contributed little or nothing to them. The items: "Making a budget", "Keeping Accounts" and "Your Finance Record Books" were most frequently checked as beneficial. This evaluation form was signed by the student.

A second evaluation form, not signed by the student, provided opportunity for their rating of this course relative to other courses on such items as: respect of instructor for student, student's respect for instructor, time required in preparation of assignments, interest in course, etc. An open-ended question concerning the finance books was included:

"This course would be much easier on the instructor if the required student financial records were not kept. Would you recommend that students in the future should not be required to keep such records? Yes or No. Comments."

Listed below are the comments in response to the above question as written by the student.

I. Favorable:

1. "These books seemed difficult at first, but after we used them a while, we realized how easy they actually are and how "infallible". I thought it was an excellent practical application of budget keeping and it is something which we will remember longer, because we learned through experience."
2. "Although the account books take more time for the student and the instructor, some practical experience in budgeting is more valuable than just reading out of a book."
3. "In my home no official record was kept of the money coming in and outgoing. It gave me an idea of how this is done. It also gives the student an idea of how much money they spend."
4. "I believe these records are very educational to the students whether they know it or not."
5. "The records are helpful in putting knowledge to work and helped me actually see what I was spending."
6. "The records were valuable to me. Sometimes I almost despaired of that check every move system but I guess this will help prepare us for the forms required us as grown ups."

¹ Student Financial Management Records, Dept. Family Economics, Kansas State College, 1957, 254.

7. "I think the record books are very good. It makes this course more realistic and has been a big help to me."
8. "They should be required to keep them. This was one of the main things I obtained from the course."
9. "If there is anything that brings the subject "home" to the student it is the financial records we keep. I don't think any course is worth anything if it doesn't make you think - and they certainly do!"
10. "I think the account records helped to understand the value of the course. Probably the people who disagree with keeping the record books are just against extra work. I definitely feel it should be used again."
11. "It is good practice and it does help people to realize the need for a budget."
12. "I think it helps them to get practical experience. They not only learn the cost of living, but they learn to realize the amount of money that it takes to live."
13. "I personally feel keeping the finance books helped me greatly in budgeting my money first semester. They made me realize keeping records are important and actually not too hard. It will be much easier now to keep records after marriage."
14. "Even though there is a lot of time required to keep the financial record, I feel that it will be beneficial to all using it at some time or another and in different ways."
15. "I really had no idea on how to keep financial records until this course. Has been helpful."
16. "It actually shows the student where all the money goes and you realize where too much money is being spent and where enough isn't spent. All in all, the books are very beneficial."
17. "I believe they were beneficial to us in learning how to manage our money and plan for future expenditures which will also help in later life."
18. "No, because I think they are an important part of the course, if not $\frac{1}{2}$ of it. When one has to keep a record, it is much easier to plan and see where money is going."
19. "I had never before kept an account of my expenditures and it proved to be very worthwhile to see how I spend my money and planning for the school year. I had always before just estimated how much I spent and now I know."
20. "They will learn more about keeping a budget. They will know ever more about it after doing it for one semester."
21. "This account book has helped me learn basic points covered in the text besides helping me realize where my money goes."
22. "The financial records were the most valuable and practical part of the course, especially if more time were spent."
23. "Because I think it makes the students realize what they are spending their money for and it also encourages them to thrift."

24. "Because the financial records illustrate better and you practice what is taught in class concerning the budget you try to follow and the accounts tell you what type of financial situation you are in."
25. "This is the first time I have ever come into contact with such records and I think they helped me quite a bit - especially this first year of college when it is so extremely important for us to learn the value of money and how far it goes."
26. "I had never kep a financial record before and feel I gained as much or more from that than any other thing in the course. Now that I know how and realize how important it is I want to make a regular habit."
27. "The financial records are greatly helpful in giving the students a personal interest in the course and are quite an eye-opener to some to see where they're money went and came."
28. "The record books were alot of work but I benefited much from them. It not only kept track of what I was spending and taking it but gave me experience in budgeting. I liked them and thought that was something I will always use."
29. "Those financial records were a great help to me in budgeting my money for the semester and I found out I should rearrange my budget somewhat."
30. "This may be a bother to the teacher, but it is one of the best parts of the course and the students learn very much from it, where as they wouldn't even both with such things if it weren't required."
31. "The students in the future should be required to keep the financial records because it gives them a good idea of what they are spending their money for. This is very important to freshmen. It can possibly cut down on their expenditures when it is before them in black and white."
32. "I definitely feel that each student should keep a record book because whether he knows it or not it is vitally important to keep track of the money he is spending where it goes and how much is spent. It is a good experience for everyone."
33. "You very definitely learn to budget by using these financial records."
34. "I received a great deal of value in these records. Very few students keep records like this and they think they aren't spending very much; if for no other reason, it wakes you up to the fact about what you are doing with your money or more often is the case, your parent's money."
35. "I think that the student finance records are a helpful follow-up for the study on family money matters and budgeting. I also think they help a lot of students learn to plan and be more careful with money than they otherwise would."
36. "Because finally you are required to know how much you spend where it is spent and where it comes from. I think the finance books are one of the strong points of the course."
37. "I think it should be encouraged and I would keep one, for it has benefited me greatly - but many of the girls do not keep accurate accounts anyway - adding and subtracting to make it come out even."
38. "I feel we have gained from the finance books. They have taught us more about the use of a budget than several lectures. For me it took the whole semester to understand, but I feel it was worth the struggle."

II. Unfavorable:

1. "The time taken to learn the trick of working the finance book could be used more successfully by some simple bookkeeping instruction. The finance books also afford a wonderful opportunity to become bitter against the whole course and the idea of keeping books."
2. "I think that the record books are useful, but too much time is spent to see if they "check". Why couldn't the purpose be a record of income and expenses without the worry of the "checks"?"
3. "I think it is quite a bother to record daily expenditures and I doubt if anyone will do it after they are through the course."
4. "It is hard to remember to put down every penny as you forget because you do have a lot on your mind. I think they should know how to keep one but don't feel they should practice it."
5. "If the records were not so complicated, they would take less time. No one on their own initiative take five or six hours each two weeks to figure out the accounts."
6. "I understand and have kept other types of record and account books. In fact, in helping my father, I once checked 20 or 25 complicated farm record books, and understood them. However, I have gained little benefit from our record books, because I feel the form itself is not direct or easy to use."
7. "Many people go through life wondering where their money went and seem to have no control over their expenses. Practice in keep records now is good training for future and students realize a control over his spending. The account books are good but much more complicated for every day use and more so than most will ever use."
8. "We should be expected to keep a book, but it should be explained thoroughly, before attempting to make it out."
9. "Initial explanation not too clear. General idea fine. More time to keep one in running a home than there is in college. In running a home you control the money. In college - parents foul up records by sending extra money or paying for something you would have paid for."
10. "I think that the financial records were the most practical thing learned and done in this class. If financial records were left out the course would mean nothing. It would be more practical and easier for the instructor if the records weren't so detailed and complicated."

APPENDIX B

Name _____ No. _____

Introduction

I am interested in talking with you about how students manage their money while in college.

I have chosen students who live in this dormitory. You have had an opportunity to know many students and perhaps to compare your financial arrangements with those of others.

I am very much interested in you and what you have to say. But I wish to assure you that what you tell me will not be identified with you in any report I might make. Your comments will be added to those of others, and only the general summaries for all the (100) students with whom I plan to visit will be published.

How are college students supported?

There is considerable variation in the way students are financed through college as few families can meet college expenses out of current income. This is a period of highest expense for most families with children in college.

1. Parents might have saved money to provide college expenses:
 - a. by having purchased life insurance (endowment) policies years before to provide for college expenses when the policies matured.
 - b. by using previously purchased government bonds or other securities.
 - c. other ways:

2. Families plan to sell items to raise money:
 - a. livestock
 - b. other items:

3. Mother has taken employment to increase family income.
4. Other family members such as older brothers, sisters or relatives are helping.
5. Student works summers to save money for college.
6. Student has savings from farm or business enterprise.
7. Student employment at K-State.
8. Employment in Manhattan.
9. Scholarships.
10. Loans from:
 - a. K-State
 - b. other sources of loans:

11. Other methods of financing students you know:

WHICH OF THESE REPRESENT THE WAY YOUR COLLEGE EXPENSES ARE BEING MET?

(X) Best description.

(0) Other ways.

How is the money made available to the student?

It is estimated that the cost of a four year college education is between \$4,400 and \$6,000 or more. This is a large sum of money.

Do students actually know how much it costs and how much is available?

Here are some ways money might be secured by students:

1. Some will receive a lump sum and know they must confine expenses to that amount.
 - a. For the entire college education.
 - b. For one year at a time.
 - c. For each semester.
2. Some know that money will be provided for fees, tuition, books, room and board so don't need to be concerned about these. In addition they are given a lump sum for clothing and personal expenses and know they must live within this amount for:
 - a. entire college education.
 - b. one year at a time.
 - c. a month at a time.
 - d. a week at a time.
3. Some know that there is money in the bank account or sent to you whenever they need it. Do you know the exact amount available? Yes _____ No _____
4. Other arrangements:

WHICH BEST FITS YOUR SITUATION? (B)

WHICH OF THESE ARRANGEMENTS DO YOU PREFER? (P)

WHY? _____

How do you plan ahead to assure yourself that you will not run short of money?

As you have already discovered, it is not always possible to have the cash on hand when it is needed most. This, of course, can be embarrassing.

Those students who have a full checking account - always replenished by their parents - don't have to worry much about money. But those who know the limits must plan carefully. Even the students who seem to have complete freedom with money may want to know the cost of college living. Here are a few ways students might plan for the future spending of money.

1. Don't - can't tell what future needs will be.
2. Figure costs for room, board, fees, tuition and books, then:
 - a. divide the rest up by weeks of school and estimate what will be left for week-to-week spending.
 - b. spend until money runs low and then stop spending.
 - c. make out a sort of a budget for the semester in my head.
 - d. make out a written budget.

(1) Do you have a form you use for this purpose? Yes _____

No _____

(2) What form do you use? _____

3. Other ways:

WHICH BEST FITS YOUR SITUATION? (B)

IV. How do you keep track of your money?

We know there are many different ways of keeping track of money. I have listed some of these ways and perhaps you can help me add to this list.

1. Write checks and let the check stubs show as records.
2. Divide money up into envelopes and keep separate for the various expenses.
3. Keep account of the big items: like fees, tuition, books, room and board, and don't for the rest.
4. Keep accounts of most of the expenditures:
 - a. in my notebook.
 - b. slip of paper.
 - c. account book bought at dime store.
 - d. other account books _____
5. Other methods:

WHICH METHOD DO YOU USE FOR KEEPING TRACK OF YOUR MONEY? (B)

V. Attitudes

1. Do you think students keep good enough account of their finances?
Yes _____ No _____
2. What would be your advice to students about finances if you were director of this dormitory? _____

3. Do you think that a course in personal finance would help you in managing your finances? Yes _____ No _____

APPENDIX C

KANSAS STATE COLLEGE

Manhattan, Kansas

Department of Family Economics

April 21, 1958

Southeast Hall
Kansas State College
Manhattan, Kansas

Dear

As part of my graduate study in home economics I am interested in discussing with you money management in college.

Could I arrange to meet with you anytime before May 13? This meeting would take place in the living room of the dormitory and would take only 10 or 15 minutes.

I would appreciate your indicating the time that I may meet with you by signing your name on the schedule sheet, which has been placed on the dormitory bulletin board for your convenience.

Thank you for your cooperation.

Sincerely yours,

Eugenia Allen
(Miss) Eugenia Allen

EA:cj

APPROVED:

Gladys Grace
Gladys Grace, Director, Southeast Hall

APPENDIX D

TIME SCHEDULE FOR INTERVIEWS
CONCERNING MONEY MANAGEMENT IN COLLEGE

If you have received a letter asking for a 10-15 minute interview in the dormitory living room please sign your name on the following time schedule indicating the most convenient time for you.

Time	: TUES. : Apr. 22 : Name	: THURS. : Apr. 24 : Name	: MON. : Apr. 28 : Name	: WEDS. : Apr. 20 : Name	: FRI. : May 2 : Name	: TUES. : May 6 : Name	: THURS. : May 8 : Name
7:30 a.m.							
:45							
8:00							
:15							
:30							
:45							
9:00							
:15							
:30							
:45							
10:00							
:15							
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:45							
11:00							
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:30							
:45							
12:00 p.m.							
:15							
:30							
:45							
1:00							
:15							
:30							
:45							
	: WEDNES. : Apr. 23	: FRI. : Apr. 25	: TUES. : Apr. 29	: THURS.: : May 1	: MON. : : May 5	: WED. : : May 7	: FRIDAY : May 9
2:00							
:15							
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3:00							
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7:00							
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:30							
:45							

STUDENT FINANCIAL RECORDS
USE AND EFFECTIVENESS IN
COLLEGE TEACHING OF MONEY MANAGEMENT

by
Miss Eugenia Allen
1958

Available from
Department of Family Economics
Kansas State College
Price 25¢

STUDENT FINANCIAL RECORDS
USE AND EFFECTIVENESS IN
COLLEGE TEACHING OF MONEY MANAGEMENT
by
Miss Eugenia Allen

Many different student financial record forms are being used in teaching money management. As a means of estimating the use made of these forms in teaching and of evaluating their effectiveness, a study was conducted as part of a graduate problem in the Department of Family Economics at Kansas State College under the direction of Dr. Richard L. D. Morse.

A questionnaire was designed and mailed to ninety colleges and universities on March 10, 1958. A copy of the questionnaire used may be found in Appendix A. The colleges and universities to which the questionnaire was mailed were those reporting masters' or doctoral theses completed by home economics students during 1956-57,^{1/} those listed as offering graduate degrees in family economics or home management,^{2/} and to those Kansas degree granting colleges and universities which offer home economics.^{3/}

Many instructors were helpful in making this study possible as is noted in Table 1. Some also expressed interest in the results of such a study.

Table 1. Response To Questionnaire

Type of Institution	Questionnaires		
	Mailed	Returned	Percent Returned
A. Kansas degree granting institutions offering home economics. ^{4/}	17	14	82
B. Offer graduate degrees in family economics and home management, U.S.	20	16	80
C. MS or PhD theses completed in home economics 1956-57.	<u>53</u>	<u>37</u>	70
Total	90	67	74

^{1/} From a list of institutions in: Titles of Completed Theses in Home Economics and Related Fields in Colleges and Universities of the United States, 1956-57. Agricultural Research Service, U.S. Dept. of Agriculture in Cooperation with the Office of Education. Dept. of Health, Education and Welfare. PA-353.

^{2/} "Institutions Offering Graduate Degrees in Family Economics or Home Management." Available from Dept. of Family Economics, Kansas State College.

^{3/} "Home Economics in Degree Granting Institutions 1955-56." Issued by U.S. Dept. of Health, Education and Welfare. Office of Education Division of Vocational Education. Washington 25, D.C.

^{4/} Except Kansas State College which is included in Type B.

RESULTS

Responses to the first four questions were classified by types of institutions and are shown in Table 2.

Table 2. Type of Personal and Family Finance Course and the Use of Student Financial Records.

Questions Asked.	A. Kansas degree granting institutions offering Home Economics.			B. Offer graduate Degrees in Family Economics-Home Management.			C. MS or PhD theses completed in home economics 1956-57.			All Institutions		
	No Reply			No Reply			No Reply			No Reply		
	Yes	No	Reply	Yes	No	Reply	Yes	No	Reply	Yes	No	Reply
1. Is personal and family finance instruction offered in your curriculum?	14	0	0	16	0	0	37	0	0	67	0	0
2. Is this a separate course?	2	12	0	9	6	1	14	23	0	25	41	1
3. Do students keep financial records in connection with the course?	11	3	0	9	7	0	30	6	1	50	16	1
4. Is the financial record form designated by the instructor?	7	4	3	6	4	6	11	19	7	24	27	16

Courses in Personal and Family Finance.

All of the sixty-seven instructors who returned the questionnaire indicated that personal and family finance was offered in the home economics curriculum. Only twenty-five indicated a separate course; however the proportion was highest among institutions offering advanced degrees in family economics or home management. Forty instructors responded that such instruction was combined with nineteen courses including other subject matter. The most frequently mentioned courses and the number of times mentioned were: Home Administration and Management (25), Personal and Family Living (4), Consumer Economics (3), Consumer Problems (3), Clothing and Textiles (2), Introduction to Home Economics (2), and Family Economics (2). A complete list of the nineteen courses with which personal and family finance was combined may be found in Appendix B.

The Use of Student Financial Record Forms.

Most of the instructors (75%) said that their students kept financial records in connection with the course. However, this was more frequently reported among instructors teaching family finance in combination with other subject matter than those teaching it as a separate course.

Sixteen of the 25 instructors (64%) teaching separate personal and family finance courses reported that student financial records were kept in connection with the course, whereas thirty-four or 80% of those who combined instruction in money management with different courses so reported.

Three of the instructors who taught separate personal and family finance courses designated the record forms used by their students, while the other twenty-one who designated the forms used were instructors of courses which considered instruction in money management with other subject matter. Twenty-seven said they did not designate the form used, and sixteen did not reply to this question.

Three types of forms were mentioned: (1) non specific forms, such as common ledger and account books, (2) published forms which are listed in Appendix C, and (3) mimeographed student guides prepared by the individual teacher.

Some of the twenty-seven who did not designate a specific financial record form commented that various forms were discussed with the students who in turn chose forms which seemed suitable to their needs. Their comments are quoted in Appendix D.

The number of weeks for which records were kept varied greatly from institution to institution, ranging from two to eighteen. Among all institutions the mode, median and mean number of weeks were 4, 6, and 8.6, respectively.

Instructor Attitude Toward the Keeping of Student Financial Records.

Most of the instructors who replied showed approval or strong approval of students keeping financial records as part of the instruction in money management. The degrees of approval and disapproval expressed are shown in Table 3.

Table 3. Instructor Attitudes Concerning the Keeping of Student Financial Records

Type of Institution	Strongly Approve	Approve	Undecided	Disapprove	Strongly Disapprove	No Reply	Total
A. Kansas degree granting institutions offering home econ.	4	7	1	1	0	1	14
B. Offering graduate degrees in family econ. and home management.	2	7	1	1	1	4	16
C. MS or PhD theses in home economics completed 1956-57.	<u>14</u>	<u>13</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>4</u>	<u>37</u>
Total	20	27	8	2	1	9	67

The total number of instructors who approved or strongly approved the practice of having students keep financial records was forty-seven, and, of that number forty-four (90%) also included such a learning experience in their courses. Some of the comments expressing approval were:

"It is a valuable first hand experience." "This method helps them become acquainted with record keeping plus it helps them to value a spending plan." "It is necessary to understand management of money and to see that it is basic to planning."

Eight instructors were undecided and three disapproved or strongly disapproved the keeping of student financial records. Some of their comments were:

"It has limited value." "I feel this should be on a voluntary basis determined by individual students needs and available time. It can be time consuming." "Not sufficient time to include such as assignment considering other assignments required in the course."

A complete list of comments evidencing approval and disapproval are quoted in Appendix E.

Student Attitude Toward Financial Record Keeping As Estimated by Instructors.

There were sixteen instructors who replied that practically all of their students indicated that financial record keeping was a valuable learning experience when combined with instruction in money management. Only six thought that few or none of their students valued the experience. A complete tabulation indicating student attitudes as reported by instructors may be found in Table 4.

Table 4. Instructors' estimate of the proportion of students who consider record keeping to be a valuable learning experience.

Type of Institution	Practically All	Many	About One-half	Few	None	No Reply	Total
A. Kansas degree granting institutions offering home econ.	4	4	1	2	0	3	14
B. Offering graduate degrees in family econ. and home management.	3	5	1	1	0	6	16
C. MS or PhD theses in home economics completed 1956-57.	<u>9</u>	<u>10</u>	<u>8</u>	<u>2</u>	<u>1</u>	<u>7</u>	<u>37</u>
Total	<u>16</u>	<u>19</u>	<u>10</u>	<u>5</u>	<u>1</u>	<u>16</u>	<u>67</u>

One instructor commented, "Some students are well educated on record keeping and find it essential.", and another commented, "Students see the value of planned spending." The other comments made by instructors in regard to student attitudes may be found in Appendix F.

Comparison of instructors' attitudes, estimates of students' approval and use of financial records.

The consistency of the instructors' positions with respect to record use and their attitudes and estimates of student reaction to financial records is shown in Table 5.

Table 5. Instructors' attitudes, estimates of students' approval and use of student financial records.

Instructors' use of and attitudes toward records	Instructors' estimate of students' approval of records			
	Half or more	Few or less	No Reply	All instructors
<u>Use records</u>	<u>43</u>	<u>2</u>	<u>5</u>	<u>50</u>
Approve	38	2	3	43
Undecided	3	0	1	4
Disapprove	0	0	0	0
No reply	2	0	1	3
<u>Do not use records</u>	<u>2</u>	<u>4</u>	<u>10</u>	<u>16</u>
Approve	2	1	2	5
Undecided	0	2	2	4
Disapprove	0	0	2	2
No reply	0	1	4	5
<u>No reply</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>
<u>All instructors</u>	<u>45</u>	<u>6</u>	<u>16</u>	<u>67</u>
Approve	40	3	5	48
Undecided	3	2	3	8
Disapprove	0	0	2	2
No reply	2	1	6	9

Of the sixty-seven instructors, only forty-eight replied to all three questions involved in Table 5; the remaining nineteen failed to reply to one or more questions. Thirty-eight of the instructors answering all three questions (79%) used and approved of the use of records and estimated approval by half or more of their students. Two other instructors signified student approval but currently were not using such records. Three approved of the use of records but did not feel they met with the majority of their students' approval, yet two used and one did not use records. Three were undecided in their approval of records but used the records and indicated student approval. The remaining two were undecided, did not use records and expressed student disapproval of record keeping.

The two instructors who expressed disapproval of record keeping did not use records. Of special interest are the **five** instructors who expressed approval of record keeping but who were not using them, and the **two** who approved of records and used them yet did not feel that they met with the majority of student approval.

SUMMARY

A questionnaire concerning student financial records was mailed in March, 1958, to three types of colleges and universities in the U.S. offering home economics, and sixty-seven (74%) were returned. Instruction in personal and family finance was offered in the home economics curriculum of all sixty-seven institutions. However, in only twenty-five was this instruction offered as a separate course. The forty-two instructors who said that instruction was included with other subject matter and not as a separate course listed as many as nineteen different courses. No one record keeping form was generally adopted by instructors throughout the country. Several

different types were mentioned including informal mimeographed sheets supplied by the instructor, published forms and commercial books and ledgers.

Fifty instructors used records. Twenty-four designated the actual record forms to be used by the students; the other instructors allowed selection by students. The average (mean) number of weeks for which records were kept was 8.6.

Forty-eight percent of all the instructors approved or strongly approved of the use of financial records. Only two instructors actually indicated disapproval, eight were undecided, and nine did not reply to this section of the questionnaire.

Forty-five of the instructors estimated that one-half or more of their students approved of the record keeping as a learning experience and only six did not so indicate. Sixteen failed to reply to this question.

Most of the instructors (79%) who answered the three relevant questions used record keeping forms, approved of this method of instruction and felt that it met with students' approval.

It was concluded that another approach to estimate the use and effectiveness of student financial records in college teaching of money management might be gained by surveying students having experienced such instruction with regard to their money management habits and attitudes. Such a study has recently been conducted among selected Kansas State College freshmen whose money management habits and attitudes were compared with freshmen not having had such instruction.

Please return to:
Miss Eugenia Allen
Department of Family Economics
Kansas State College
Manhattan, Kansas

APPENDIX A

QUESTIONNAIRE

The Use and Effectiveness of Student Financial
Records in Teaching Money Management

Do you include instruction in personal and family finance in your home economics curriculum? Yes _____ No _____

If Yes: Is this a separate course? Yes _____ No _____

If No: With which course is it combined? _____

If you do include instruction in personal or family finance, do your students keep financial records in connection with the course? Yes _____
No _____

If Yes:

a. For how many weeks are the records kept? _____
weeks

b. Is the form for the financial records designated by the instructor? Yes _____ No _____

c. What financial form is used?¹ _____

d. Comments: _____

What is your attitude toward the practice of having students keep personal financial records as part of the course? (Circle)

Strongly Approve Approve Undecided Disapprove Strongly Disapprove

Comments: _____

In your experience with students what proportion have considered record keeping, as part of the course, to be a valuable learning experience? (Circle)

Practically All Many About one-half Few None

Comments: _____

Name _____ Institution _____

1/ If you have developed a special form, I would appreciate receiving a copy and will reimburse you for it.

March, 1958

APPENDIX B

Nineteen courses with which instruction in personal and family finance is included:

<u>Course</u>	<u>Times mentioned</u>
Home Administration and Management	25
Personal and Family Living	4
Consumer Economics	3
Consumer Education	3
Consumer Problems	3
Family Economics	3
Household Economics	2
Introduction to Home Economics	2
Clothing and Textiles	2
Clothing for the Family	2
Family Buying	1
Family Resources and Management	1
Personal Management	1
Marriage	1
Foods and Nutrition	1
Institutional Management	1
Freshman Management	1
Work Simplification	1
Problems in Income Management	1

APPENDIX C

Published record forms mentioned:

Living With Your Money

by Helen June Bosard
University of Alabama

Copyright 1955, by the University of Alabama. (\$1.00)

Personal Expense Record for College Students

By Donavon Hester

University of California at Los Angeles (\$1.50).

Student Financial Management Records

by Richard L. D. Morse
Dept. of Family Economics
Kansas State College
Copyright 1957 (25¢).

Hold On To Your College Purse Strings

The Blackburn Systems, Inc.
230 South Cedar Lake Road
Minneapolis 5, Minnesota (40¢).

Budget Book

New York Life Insurance Co.
51 Madison Avenue
New York, New York (free).

Your Budget-Money Management

Household Finance Corporation
Chicago, Illinois
Copyright 1950 (10¢).

Books mentioned which include record forms:

Radell, Neva Henrietta, Financial Planning for the Individual and Family,
F.S. Crofts and Co., New York, 1948.

Troelstrup, Arch W., Consumer Problems and Personal Finance,
McGraw-Hill Book Company, Inc., New York. 1957 Second Edition.

Wilhelm, Fred T., Consumer Living,
Gregg Pub. Co., Business Ed. Division, McGraw-Hill Book Company, Inc.,
New York. Copyright 1951.

APPENDIX D

Comments indicating how some financial record forms are selected:

"I usually point out the good and weak points of standard forms available on the market. I have developed my own form for my personal use and show this to the students and they can use any part they wish. In my record keeping I have set certain goals or end results I wish from my records and established a form that meets these goals most satisfactorily."

"I show them many types from the extension departments over the country."

"In my classes, various forms are discussed, the emphasis being upon adapting the form to the individual need."

"Students are permitted to choose a form from any text or other source. Sometimes the method used at home by their parents is used by the student."

"I believe that form should meet the individual. Planning record forms is part of the course of study."

"I feel students should select their own form."

APPENDIX E

Instructors' comments grouped according to approval or disapproval of the use of student financial records in teaching money management:

Approval

"It is a valuable first hand experience."

"This method helps them become acquainted with record keeping plus it helps them to value a spending plan."

"I feel that the students need to know how to go about making a budget and keeping accounts."

"For many of the freshmen who keep the personal financial records it is their first experience at the responsibility for handling money and it gives them a chance to learn something about money handling."

"Students learn to evaluate and to plan their spending in accordance with their income or allowances."

"Most valuable part of the course."

"I feel it helps them to form right thinking as to spending if it is followed through and they are asked to criticize and evaluate their own spending habits."

"Many students have never had practice in financial records. They realize the responsibility of the homemaker."

"It is one way of making the student aware of how wisely they spend their money as well as showing how much they actually spend for certain items."

"It is used for helping students determine how they are spending their money at present."

"It seems to me to be an essential part of the teaching of family finance. My students set up a tentative plan for spending, then keep records and check their plan and revise their plan for future use."

"I think we should help teach to see what they can learn and how to select the method from the standpoint of what they need to know."

"I feel that it is a very important part of the home management course as we teach it here."

"It is necessary to understand management of money and to see that it is basic to planning."

(Appendix E continued)

Disapproval

"Some of the students here have very limited funds and their use of them is necessarily inflexible. They already are aware of their income and do spend it for what seems most essential to them."

"Many of our students financial income consist solely of allowances which I think give them insufficient funds to work with."

"Good practice but such a personal matter that until going into it deeply with the student you can't really make it meaningful."

"It has limited value."

"We prefer the case method of study to too great a use of records of the students own expenditures that the time she is studying money management."

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"Records should be kept only when the purpose is directly related to the use of records."

"I believe this is less important than developing a real understanding of the importance of records and simplifying their use."

APPENDIX F

Instructors' comments concerning student attitude toward the keeping of financial records as part of a course in personal and family finance grouped according to approval or disapproval:

Approval

"Have had some seniors report that they have continued their personal expense account record throughout college."

"Most of them are surprised at the total amount of money they spend for a semester of college and many find that they spend much more for clothes, cigarettes, snacks, etc. than they had realized."

"Many of the students are married and are interested."

"The students, in analyzing their spending patterns, become more interested in record keeping."

"Many students have remarked later as to benefit derived."

"Some students are well educated on record keeping and find it essential."

"Most of the students in my sections felt that keeping accounts for one month was revealing. However, unless we go farther than just account keeping the student will not: (1) see accounts in true perspective, as an evaluation technique, and basis for future planning, (2) understand how future behavior can be changed to increase satisfactions."

"Some find the most simple record confusing, however, practically all finally see the usefulness of the records."

"The married students feel it important and the others feel they too will need it."

"I haven't specifically asked whether they find it valuable but many volunteer the information when they turn in their revised budgets and evaluation."

"Often students have changed spending patterns after the first few weeks."

"Students see the value of planned spending."

"A few feel it is a waste of time but many think it is a valuable experience."

Disapproval

"Few valued the experience. That is why I omitted it this year."

"At the time of record keeping many find it tiresome."

"Some do not wish to reveal such information, even to an instructor."

THE EFFECT OF INSTRUCTION IN FINANCIAL MANAGEMENT
AMONG SELECTED KANSAS STATE COLLEGE WOMEN

by

MAMIE EUGENIA ALLEN

B. S., Kansas State Teachers College, Pittsburg, 1952

AN ABSTRACT OF

A MASTER'S REPORT

submitted in partial fulfillment of the
requirements for the degree

MASTER OF SCIENCE

Department of Family Economics

KANSAS STATE COLLEGE
OF AGRICULTURE AND APPLIED SCIENCE

1958

A preliminary survey of the use and effectiveness of student financial records in teaching money management at the college level indicated wide use of financial records and suggested the need for a more intensive study of the effect of such instruction on the money management habits and attitudes of students. For this study 100 freshman women at Kansas State College were interviewed, approximately half of whom had taken the course, Family Finance.

The objective was to determine whether the course, Family Finance, in the Home Economics Curriculum at Kansas State College, had a measurable impact on the attitudes and practices of students.

Secondary objectives were to determine the sources of student income and how it was made available, as well as to determine whether there was a relationship between the financial practices, attitudes and methods of student support.

A schedule, administered in five parts, was constructed to include the following major areas:

- I. How are college students supported?
- II. How is money made available to students?
- III. How do you plan ahead to assure yourself that you will not run short of money?
- IV. How do you keep track of money?
- V. Attitudes toward financial management.

Freshman women not living at home, required to live in residence halls on the campus of Kansas State College, constituted the population. Selected at random were 58 students who had had Family Finance and 57 who had not; 54 and 46 of these respective groups were interviewed.

The interviews were planned to take place in the residence hall parlors on a voluntary basis during the 14 week-days, April 22 through May 9. Thirty-

one of the interviews were tape recorded to check on interviewing methods.

The primary source of student income reported was current income of parents (30 students) with an additional 28 listing parental savings. The most frequently listed additional method of support, reported by 43 students, was summer employment. Seventy-eight of the students were primarily family supported; the other 22 were primarily self supported. The two groups of students were essentially alike.

Most of the students (54) received their money as it was needed, but only 41 preferred this arrangement. Students further indicated through comments a preference for money being made available in such a way as to give them greater control over their finances. They expressed a desire for a greater degree of financial independence. There was no significant difference between the two groups of students.

Twenty-two students reported no financial planning, and one did not respond. Seventy-seven indicated a plan for spending, however only 14 reported making written budgets. The majority (45) said they made out mental budgets. Those who had had the course in Family Finance more frequently made out a written budget.

All but one of the students claimed to use some system of financial accounting. The largest number (55) used check stubs as their only records. A large proportion (87%) of the students used checking accounts. Twenty-six per cent (14) of those having had Family Finance reported continued use of the financial form, Student Financial Management Records, which had been used in conjunction with their class the previous fall semester. Only four (9%) of those not having had Family Finance reported the use of an account record, so it was concluded that the course did have an effect.

Almost one-fifth (19%) of the students who had had Family Finance made both

written plans and kept written account of their finances; only one (2%) of the students who had not had the course kept such formal records.

Most of the interviewees (58) thought that students in general did not keep good enough account of their finances, and both groups of students gave similar responses. When asked what financial advice they would give if director of the dormitory, students who had had Family Finance tended to employ the vocabulary and concepts of the course. Most students suggested some form of guidance in financial management.

The last 60 students were asked if they thought a course in personal finance would help them in managing their money, and 78 per cent thought that it would. The largest proportion of those who did not feel such a course would help students manage their finances were those having had Family Finance (25%) in comparison to 7 per cent of those not having had the course. This suggests that those having had the course realized that more than course instruction is necessary for improved money management.

A comparison of those making plans and keeping accounts with the method of their support and their experience with the Family Finance course indicated that more intensive money management records were kept by students (1) who were self supported, and (2) who had had Family Finance. The highest proportion of students keeping records was among those who were both self supported and had taken the course (57%).

It was concluded that the instruction in financial management did have a measurable impact on financial management habits, as expressed by students in terms of planning, record keeping and attitudes.

STUDENT FINANCIAL RECORDS
USE AND EFFECTIVENESS IN
COLLEGE TEACHING OF MONEY MANAGEMENT

by
Miss Eugenia Allen
1958

Available from
Department of Family Economics
Kansas State College
Price 25¢

STUDENT FINANCIAL RECORDS
USE AND EFFECTIVENESS IN
COLLEGE TEACHING OF MONEY MANAGEMENT
by
Miss Eugenia Allen

Many different student financial record forms are being used in teaching money management. As a means of estimating the use made of these forms in teaching and of evaluating their effectiveness, a study was conducted as part of a graduate problem in the Department of Family Economics at Kansas State College under the direction of Dr. Richard L. D. Morse.

A questionnaire was designed and mailed to ninety colleges and universities on March 10, 1958. A copy of the questionnaire used may be found in Appendix A. The colleges and universities to which the questionnaire was mailed were those reporting masters' or doctoral theses completed by home economics students during 1956-57,^{1/} those listed as offering graduate degrees in family economics or home management,^{2/} and to those Kansas degree granting colleges and universities which offer home economics.^{3/}

Many instructors were helpful in making this study possible as is noted in Table 1. Some also expressed interest in the results of such a study.

Table 1. Response To Questionnaire

Type of Institution	Questionnaires		
	Mailed	Returned	Percent Returned
A. Kansas degree granting institutions offering home economics. ^{4/}	17	14	82
B. Offer graduate degrees in family economics and home management, U.S.	20	16	80
C. MS or PhD theses completed in home economics 1956-57.	53	37	70
Total	90	67	74

^{1/} From a list of institutions in: Titles of Completed Theses in Home Economics and Related Fields in Colleges and Universities of the United States, 1956-57. Agricultural Research Service, U.S. Dept. of Agriculture in Cooperation with the Office of Education. Dept. of Health, Education and Welfare. PA-353.

^{2/} "Institutions Offering Graduate Degrees in Family Economics or Home Management." Available from Dept. of Family Economics, Kansas State College.

^{3/} "Home Economics in Degree Granting Institutions 1955-56." Issued by U.S. Dept. of Health, Education and Welfare. Office of Education Division of Vocational Education. Washington 25, D.C.

^{4/} Except Kansas State College which is included in Type B.

RESULTS

Responses to the first four questions were classified by types of institutions and are shown in Table 2.

Table 2. Type of Personal and Family Finance Course and the Use of Student Financial Records.

Questions Asked.	A. Kansas degree granting institutions offering Home Economics.			B. Offer graduate Degrees in Family Economics- Home Management.			C. MS or PhD theses completed in home economics 1956-57.			All Institutions		
	No Reply			No Reply			No Reply			No Reply		
	Yes	No	Reply	Yes	No	Reply	Yes	No	Reply	Yes	No	Reply
1. Is personal and family finance instruction offered in your curriculum?	14	0	0	16	0	0	37	0	0	67	0	0
2. Is this a separate course?	2	12	0	9	6	1	14	23	0	25	41	1
3. Do students keep financial records in connection with the course?	11	3	0	9	7	0	30	6	1	50	16	1
4. Is the financial record form designated by the instructor?	7	4	3	6	4	6	11	19	7	24	27	16

Courses in Personal and Family Finance.

All of the sixty-seven instructors who returned the questionnaire indicated that personal and family finance was offered in the home economics curriculum. Only twenty-five indicated a separate course; however the proportion was highest among institutions offering advanced degrees in family economics or home management. Forty instructors responded that such instruction was combined with nineteen courses including other subject matter. The most frequently mentioned courses and the number of times mentioned were: Home Administration and Management (25), Personal and Family Living (4), Consumer Economics (3), Consumer Problems (3), Clothing and Textiles (2), Introduction to Home Economics (2), and Family Economics (2). A complete list of the nineteen courses with which personal and family finance was combined may be found in Appendix B.

The Use of Student Financial Record Forms.

Most of the instructors (75%) said that their students kept financial records in connection with the course. However, this was more frequently reported among instructors teaching family finance in combination with other subject matter than those teaching it as a separate course.

Sixteen of the 25 instructors (64%) teaching separate personal and family finance courses reported that student financial records were kept in connection with the course, whereas thirty-four or 80% of those who combined instruction in money management with different courses so reported.

Three of the instructors who taught separate personal and family finance courses designated the record forms used by their students, while the other twenty-one who designated the forms used were instructors of courses which considered instruction in money management with other subject matter. Twenty-seven said they did not designate the form used, and sixteen did not reply to this question.

Three types of forms were mentioned: (1) non specific forms, such as common ledger and account books, (2) published forms which are listed in Appendix C, and (3) mimeographed student guides prepared by the individual teacher.

Some of the twenty-seven who did not designate a specific financial record form commented that various forms were discussed with the students who in turn chose forms which seemed suitable to their needs. Their comments are quoted in Appendix D.

The number of weeks for which records were kept varied greatly from institution to institution, ranging from two to eighteen. Among all institutions the mode, median and mean number of weeks were 4, 6, and 8.6, respectively.

Instructor Attitude Toward the Keeping of Student Financial Records.

Most of the instructors who replied showed approval or strong approval of students keeping financial records as part of the instruction in money management. The degrees of approval and disapproval expressed are shown in Table 3.

Table 3. Instructor Attitudes Concerning the Keeping of Student Financial Records

Type of Institution	Strongly Approve	Approve	Undecided	Disapprove	Strongly Disapprove	No Reply	Total
A. Kansas degree granting institutions offering home econ.	4	7	1	1	0	1	14
B. Offering graduate degrees in family econ. and home management.	2	7	1	1	1	4	16
C. MS or PhD theses in home economics completed 1956-57.	<u>14</u>	<u>13</u>	<u>6</u>	<u>0</u>	<u>0</u>	<u>4</u>	<u>37</u>
Total	20	27	8	2	1	9	67

The total number of instructors who approved or strongly approved the practice of having students keep financial records was forty-seven, and, of that number forty-four (90%) also included such a learning experience in their courses. Some of the comments expressing approval were:

"It is a valuable first hand experience." "This method helps them become acquainted with record keeping plus it helps them to value a spending plan." "It is necessary to understand management of money and to see that it is basic to planning."

Eight instructors were undecided and three disapproved or strongly disapproved the keeping of student financial records. Some of their comments were:

"It has limited value." "I feel this should be on a voluntary basis determined by individual students needs and available time. It can be time consuming." "Not sufficient time to include such as assignment considering other assignments required in the course."

A complete list of comments evidencing approval and disapproval are quoted in Appendix E.

Student Attitude Toward Financial Record Keeping As Estimated by Instructors.

There were sixteen instructors who replied that practically all of their students indicated that financial record keeping was a valuable learning experience when combined with instruction in money management. Only six thought that few or none of their students valued the experience. A complete tabulation indicating student attitudes as reported by instructors may be found in Table 4.

Table 4. Instructors' estimate of the proportion of students who consider record keeping to be a valuable learning experience.

Type of Institution	Practically All	Many	About One-half	Few	None	No Reply	Total
A. Kansas degree granting institutions offering home econ.	4	4	1	2	0	3	14
B. Offering graduate degrees in family econ. and home management.	3	5	1	1	0	6	16
C. MS or PhD theses in home economics completed 1956-57.	$\frac{9}{16}$	$\frac{10}{19}$	$\frac{8}{10}$	$\frac{2}{5}$	$\frac{1}{1}$	$\frac{7}{16}$	$\frac{37}{67}$
Total	$\frac{9}{16}$	$\frac{10}{19}$	$\frac{8}{10}$	$\frac{2}{5}$	$\frac{1}{1}$	$\frac{7}{16}$	$\frac{37}{67}$

One instructor commented, "Some students are well educated on record keeping and find it essential.", and another commented, "Students see the value of planned spending." The other comments made by instructors in regard to student attitudes may be found in Appendix F.

Comparison of instructors' attitudes, estimates of students' approval and use of financial records.

The consistency of the instructors' positions with respect to record use and their attitudes and estimates of student reaction to financial records is shown in Table 5.

Table 5. Instructors' attitudes, estimates of students' approval and use of student financial records.

Instructors' use of and attitudes toward records	Instructors' estimate of students' approval of records			
	Half or more	Few or less	No Reply	All instructors
<u>Use records</u>	<u>43</u>	<u>2</u>	<u>5</u>	<u>50</u>
Approve	38	2	3	43
Undecided	3	0	1	4
Disapprove	0	0	0	0
No reply	2	0	1	3
<u>Do not use records</u>	<u>2</u>	<u>4</u>	<u>10</u>	<u>16</u>
Approve	2	1	2	5
Undecided	0	2	2	4
Disapprove	0	0	2	2
No reply	0	1	4	5
<u>No reply</u>	<u>0</u>	<u>0</u>	<u>1</u>	<u>1</u>
<u>All instructors</u>	<u>45</u>	<u>6</u>	<u>16</u>	<u>67</u>
Approve	40	3	5	48
Undecided	3	2	3	8
Disapprove	0	0	2	2
No reply	2	1	6	9

Of the sixty-seven instructors, only forty-eight replied to all three questions involved in Table 5; the remaining nineteen failed to reply to one or more questions. Thirty-eight of the instructors answering all three questions (79%) used and approved of the use of records and estimated approval by half or more of their students. Two other instructors signified student approval but currently were not using such records. Three approved of the use of records but did not feel they met with the majority of their students' approval, yet two used and one did not use records. Three were undecided in their approval of records but used the records and indicated student approval. The remaining two were undecided, did not use records and expressed student disapproval of record keeping.

The two instructors who expressed disapproval of record keeping did not use records. Of special interest are the five instructors who expressed approval of record keeping but who were not using them, and the two who approved of records and used them yet did not feel that they met with the majority of student approval.

SUMMARY

A questionnaire concerning student financial records was mailed in March, 1958, to three types of colleges and universities in the U.S. offering home economics, and sixty-seven (74%) were returned. Instruction in personal and family finance was offered in the home economics curriculum of all sixty-seven institutions. However, in only twenty-five was this instruction offered as a separate course. The forty-two instructors who said that instruction was included with other subject matter and not as a separate course listed as many as nineteen different courses. No one record keeping form was generally adopted by instructors throughout the country. Several

different types were mentioned including informal mimeographed sheets supplied by the instructor, published forms and commercial books and ledgers.

Fifty instructors used records. Twenty-four designated the actual record forms to be used by the students; the other instructors allowed selection by students. The average (mean) number of weeks for which records were kept was 8.6.

Forty-eight percent of all the instructors approved or strongly approved of the use of financial records. Only two instructors actually indicated disapproval, eight were undecided, and nine did not reply to this section of the questionnaire.

Forty-five of the instructors estimated that one-half or more of their students approved of the record keeping as a learning experience and only six did not so indicate. Sixteen failed to reply to this question.

Most of the instructors (79%) who answered the three relevant questions used record keeping forms, approved of this method of instruction and felt that it met with students' approval.

It was concluded that another approach to estimate the use and effectiveness of student financial records in college teaching of money management might be gained by surveying students having experienced such instruction with regard to their money management habits and attitudes. Such a study has recently been conducted among selected Kansas State College freshmen whose money management habits and attitudes were compared with freshmen not having had such instruction.

Please return to:
Miss Eugenia Allen
Department of Family Economics
Kansas State College
Manhattan, Kansas

APPENDIX A

QUESTIONNAIRE

The Use and Effectiveness of Student Financial
Records in Teaching Money Management

Do you include instruction in personal and family finance in your home economics curriculum? Yes _____ No _____

If Yes: Is this a separate course? Yes _____ No _____

If No: With which course is it combined? _____

If you do include instruction in personal or family finance, do your students keep financial records in connection with the course? Yes _____
No _____

If Yes:

a. For how many weeks are the records kept? _____
weeks

b. Is the form for the financial records designated by the instructor? Yes _____ No _____

c. What financial form is used?¹ _____

d. Comments: _____

What is your attitude toward the practice of having students keep personal financial records as part of the course? (Circle)

Strongly Approve Approve Undecided Disapprove Strongly Disapprove

Comments: _____

In your experience with students what proportion have considered record keeping, as part of the course, to be a valuable learning experience? (Circle)

Practically All Many About one-half Few None

Comments: _____

Name _____ Institution _____

¹/ If you have developed a special form, I would appreciate receiving a copy and will reimburse you for it.

March, 1958

APPENDIX B

Nineteen courses with which instruction in personal and family finance is included:

<u>Course</u>	<u>Times mentioned</u>
Home Administration and Management	25
Personal and Family Living	4
Consumer Economics	3
Consumer Education	3
Consumer Problems	3
Family Economics	3
Household Economics	2
Introduction to Home Economics	2
Clothing and Textiles	2
Clothing for the Family	2
Family Buying	1
Family Resources and Management	1
Personal Management	1
Marriage	1
Foods and Nutrition	1
Institutional Management	1
Freshman Management	1
Work Simplification	1
Problems in Income Management	1

APPENDIX C

Published record forms mentioned:

Living With Your Money

by Helen June Bosard
University of Alabama
Copyright 1955, by the University of Alabama. (\$1.00)

Personal Expense Record for College Students

By Donavon Hester
University of California at Los Angeles (\$1.50).

Student Financial Management Records

by Richard L. D. Morse
Dept. of Family Economics
Kansas State College
Copyright 1957 (25¢).

Hold On To Your College Purse Strings

The Blackburn Systems, Inc.
230 South Cedar Lake Road
Minneapolis 5, Minnesota (40¢).

Budget Book

New York Life Insurance Co.
51 Madison Avenue
New York, New York (free).

Your Budget-Money Management

Household Finance Corporation
Chicago, Illinois
Copyright 1950 (10¢).

Books mentioned which include record forms:

Radell, Neva Henrietta, Financial Planning for the Individual and Family,
F.S. Crofts and Co., New York, 1948.

Troelstrup, Arch W., Consumer Problems and Personal Finance,
McGraw-Hill Book Company, Inc., New York. 1957 Second Edition.

Wilhelm, Fred T., Consumer Living,
Gregg Pub. Co., Business Ed. Division, McGraw-Hill Book Company, Inc.,
New York. Copyright 1951.

APPENDIX D

Comments indicating how some financial record forms are selected:

"I usually point out the good and weak points of standard forms available on the market. I have developed my own form for my personal use and show this to the students and they can use any part they wish. In my record keeping I have set certain goals or end results I wish from my records and established a form that meets these goals most satisfactorily."

"I show them many types from the extension departments over the country."

"In my classes, various forms are discussed, the emphasis being upon adapting the form to the individual need."

"Students are permitted to choose a form from any text or other source. Sometimes the method used at home by their parents is used by the student."

"I believe that form should meet the individual. Planning record forms is part of the course of study."

"I feel students should select their own form."

APPENDIX E

Instructors' comments grouped according to approval or disapproval of the use of student financial records in teaching money management:

Approval

"It is a valuable first hand experience."

"This method helps them become acquainted with record keeping plus it helps them to value a spending plan."

"I feel that the students need to know how to go about making a budget and keeping accounts."

"For many of the freshmen who keep the personal financial records it is their first experience at the responsibility for handling money and it gives them a chance to learn something about money handling."

"Students learn to evaluate and to plan their spending in accordance with their income or allowances."

"Most valuable part of the course."

"I feel it helps them to form right thinking as to spending if it is followed through and they are asked to criticize and evaluate their own spending habits."

"Many students have never had practice in financial records. They realize the responsibility of the homemaker."

"It is one way of making the student aware of how wisely they spend their money as well as showing how much they actually spend for certain items."

"It is used for helping students determine how they are spending their money at present."

"It seems to me to be an essential part of the teaching of family finance. My students set up a tentative plan for spending, then keep records and check their plan and revise their plan for future use."

"I think we should help teach to see what they can learn and how to select the method from the standpoint of what they need to know."

"I feel that it is a very important part of the home management course as we teach it here."

"It is necessary to understand management of money and to see that it is basic to planning."

(Appendix E continued)

Disapproval

"Some of the students here have very limited funds and their use of them is necessarily inflexible. They already are aware of their income and do spend it for what seems most essential to them."

"Many of our students financial income consist solely of allowances which I think give them insufficient funds to work with."

"Good practice but such a personal matter that until going into it deeply with the student you can't really make it meaningful."

"It has limited value."

"We prefer the case method of study to too great a use of records of the students own expenditures that the time she is studying money management."

"I feel this should be on a voluntary basis - determined by individual student needs and available time. It can be time-consuming."

"Our teaching is slanted to a family-centered program rather than the keeping of personal records."

"Not sufficient time to include such an assignment considering other assignments required in the course."

"Records should be kept only when the purpose is directly related to the use of records."

"I believe this is less important than developing a real understanding of the importance of records and simplifying their use."

APPENDIX F

Instructors' comments concerning student attitude toward the keeping of financial records as part of a course in personal and family finance grouped according to approval or disapproval:

Approval

"Have had some seniors report that they have continued their personal expense account record throughout college."

"Most of them are surprised at the total amount of money they spend for a semester of college and many find that they spend much more for clothes, cigarettes, snacks, etc. than they had realized."

"Many of the students are married and are interested."

"The students, in analyzing their spending patterns, become more interested in record keeping."

"Many students have remarked later as to benefit derived."

"Some students are well educated on record keeping and find it essential."

"Most of the students in my sections felt that keeping accounts for one month was revealing. However, unless we go farther than just account keeping the student will not: (1) see accounts in true perspective, as an evaluation technique, and basis for future planning, (2) understand how future behavior can be changed to increase satisfactions."

"Some find the most simple record confusing, however, practically all finally see the usefulness of the records."

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"Few valued the experience. That is why I omitted it this year."

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