How do you manage your financial life? Do you put your money in one account in one bank or credit union? Or do you have several accounts at different institutions, a credit card and a couple of checking accounts?

Did you know that the more accounts you have, the more you tend to spend? It is easy to lose track of balances when your money is deposited in several accounts.

The University of Utah recently studied the spending habits of individuals who have multiple accounts and those who have one single account. Those with several accounts spent more than the single account people, some as much as 10 percent more.

So what is it about having multiple accounts that makes us spend? It’s just a matter of numbers. When you have a single account, you know exactly how much money is in there. The researchers found that people with multiple accounts were unsure of the total amount in the accounts and could easily overspend. The single account people spent less and saved more.

However, there are reasons to keep multiple accounts. Some couples have “yours, mine and ours” accounts with the family bills coming out of the shared account and each individual having some money under his or her control. Others have multiple savings accounts for specific reasons, such as emergency fund, vacation savings and the kids’ college funds.

If you need to keep multiple accounts in your money management plan, be sure you know exactly how much money is available in each account.
How do you keep track of multiple accounts? I have all my accounts at my bank on one screen. When I check the balance in my checking account, every account shows up there. However, if you deal with multiple banks or credit unions, it is easy to lose tracks of balances.

Online tools can help you manage your money even when it is stashed in different banks and different accounts. Mint.com is a great online tool that can help you keep up with money in different accounts and different institutions. One of the great features it offers is a sliding bar that you load with your budget information. The bar changes from green to yellow to red as you reach your budget limit in any budget area. Red means stop spending!

MoneyCenter.com can be customized to your specifications and ReadyForZero.com works on reducing debt. All three of these sites connect to your financial institutions, so you have to put in account numbers and passwords to use it. However, they all offer security similar to banks, and as of today, none of these sites have had any problems with security. The services they offer are free, so ads for products are on the site to help pay the bills.

Though research shows that it is easy to overspend when you have multiple accounts, with effort, you can keep track of all your accounts.

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