Taming the Paperwork Monster

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If you are a caregiver for an older loved one, you may find yourself managing their financial affairs and other paperwork. Bills, receipts, medical records, tax forms — so much paper! Recent papers must be kept close at hand, while other important documents should be filed for long-term storage. Don't be overwhelmed. Create a system.

You will need an inbox, file folders, and, if possible, a shredder. Label five folders as follows:

- 1st Quarter
- 2nd Quarter
- 3rd Quarter
- 4th Quarter
- Tax — Current Year

All of these folders will be used and reused, year after year.

When new paperwork comes your way, toss it in the in-box. At least once a week, go through the inbox. Pay bills right away, then file receipts in the current quarterly folder. (January / February / March papers belong in the "1st Quarter" folder, and so on.) Papers you will need at tax time should be filed in the "Tax — Current Year" folder. Evaluate other papers in the inbox, then make a decision to keep or discard. File all items to keep in the current quarterly folder.

Papers you no longer need should be discarded in a safe manner. Ideally, to prevent identity theft, you should shred papers that contain personal information. Personal shredders are relatively inexpensive, sometimes under $100. If you can't afford a shredder, ask a trusted family member or friend to shred papers for you at their home or office. As a last resort, cut or tear papers into smaller pieces before throwing them away.

After you use this filing system for twelve months, your four quarterly folders will be full. As new quarters come around, you must empty those folders to make way for the new year's documents.

Label a new folder for storing papers from the previous year. For example:

- Long-Term Storage – Mom – 2008

This folder will become a permanent part of your filing system. Remove all papers from the oldest quarterly folder and decide which ones to keep. File the keepers in the yearly long-term storage folder, then dispose of the rest. As the new year advances through three-month periods, continue to empty quarterly folders so you can use them again.

When tax time arrives, all necessary documents should be easy to find in the “Tax — Current Year” folder. After you or your loved one files their tax return, store the supporting documents in the relevant year’s long-term storage folder.

As years go by you will have quarterly folders with recent paperwork close at hand, along with a growing collection of yearly folders for long-term storage. Presto — at least one aspect of your caregiving life is under control!

Of course, you must have a frank, respectful, non-judgmental talk with your loved one, if he or she is competent, before you delve into their personal affairs. If they ask for your help, or if they have been declared incompetent, check with your attorney, tax advisor, loved one’s physician, and other family members before you begin. You will most likely need to obtain Power of Attorney, access to bank accounts, and/or other legal documentation.