

Organizing Your Financial Records and Emergency Forms

Would someone be able to find your important papers during a crisis if you became ill, injured, or incapacitated? It's a good idea to make sure a trusted family member or friend knows where to find your personal documents. It's an even better idea if a trusted family member or friend is familiar with your financial assets and obligations. Organizing this information in advance can save time and frustration (and possibly a lot of money) later.

Making a list for emergencies

As a first step, make a list of the important information that others would need to know in case of an emergency. You may want to keep such a list in your possession, telling a trusted family member or friend where to find it, or you may prefer to give it to a family member or a trusted third party such as an attorney or accountant.

The list might be a simple description of where to find important documents, as well as the names and phone numbers of your advisors. For example, you might write: *There's a gray metal file box in my closet that contains my safe deposit box key, insurance policies, the deed of sale for my home, car title, listing of stock certificates, and receipt for my burial vault. My checkbook and current bills are located in the top right desk drawer. My attorney (name/number) has copies of my will, living will, and trust agreements. My accountant (name/number) has copies of my income tax returns.*

You also may want to include a list of friends and relatives who should be contacted in a serious emergency or upon your death. These could be people who would want to know what has happened to you, and also people who you think would be willing to help out in an emergency. Churches, for example, often have networks set up to help members or their families in emergencies.

On your list of important documents include the following and explain where to find them:

- ◆ Safety deposit box key
- ◆ Birth certificate
- ◆ Bank account information
- ◆ Current bills
- ◆ Health insurance policy
- ◆ Social Security card
- ◆ Life insurance policy
- ◆ Car insurance policy
- ◆ Burial vault/plot receipt
- ◆ Will
- ◆ Living will
- ◆ Power of attorney
- ◆ Car title
- ◆ Property ownership information
- ◆ Home or property deed of sale
- ◆ Property and fire insurance policies
- ◆ Income tax returns
- ◆ Investment accounts information, including:
 - Pension plan
 - Annuities
 - IRAs
 - Mutual funds
 - Stocks and bonds
 - Other investments

You may also want to list valuable objects that others might not recognize. These would include works of art, rare books, antique furniture, and collectibles. You might also identify things of family importance (such as photographs, letters, and jewelry) or that would be valuable to a museum or historical society (such as old photographs, letters, and newspapers or antique tools, toys, quilts, and so on).

Organizing financial information

Once you feel confident that a trusted family member or friend could locate key documents in an emergency, then you need to organize your financial information so that someone else is able to understand it:

- ◆ *Set up a simple filing system for bills if you don't already have one.* Label a set of manila folders from A to Z, then place them in a large, collapsible manila file. When a bill is paid, file the statement in the appropriate folder, such as “E” for electricity, and “T” for telephone. In an emergency, it will be much easier for someone else to figure out what you owe to whom, and to match your bills with your checkbook.
- ◆ *Keep canceled checks and monthly checking account statements in this filing system.* These are necessary to track direct deposits and some income tax deductions, such as charitable contributions.
- ◆ *At the end of the year, make a list of all investments and sources of income: pension funds, stocks, bonds, annuities, rental property, etc.* Each of these will generate financial information that must be reported on state and federal income tax forms. It is also important to list any refunds you received from state or local tax returns, because these must be reported on the federal return. In an emergency, if someone can look at a master list that is updated at the end of each year, they'll know what to look for the following year.
- ◆ *Buy a calendar or daily reminder book and mark when a tax deadline is approaching.* (You want to be reminded with enough time to do what you need to do.) April 15 is the deadline for federal income taxes, but many people also pay quarterly estimated taxes, which are due on April 15, June 15, September 15, and January 15. Most state income taxes are due April 15, but there are some exceptions.
- ◆ *If you are not this organized, ask a relative or friend to help you get organized.* If you have an older friend or relative who needs help organizing his financial information, share the strategies outlined here and offer to help your friend or relative carry out these suggestions.