UW-Extension

MONEY $MART

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Organizing Your Finances

Ever feel like you're drowning in paperwork? Think about how you manage money, pay bills, and store documents. What's working and what isn't?

Keep it Simple

A simple system that fits a busy schedule is the one that works best. Do you have a way to:

- Keep important papers safe?
- Pay bills on time?
- Find receipts, tax documents, insurance records, and other papers?

A good system for organizing finances can help you find documents when you need them and stay on top of bills and other paperwork. It can also give you more time and money to spend on things you enjoy.

Getting Started

Do some bills slip through the cracks? Is there too much clutter? Making small changes to a good plan can smooth out trouble spots. Think about:

- **Time**. Managing money takes time, which can be hard to find in a busy schedule. Instead of doing it all at once, set aside short chunks of time to tackle a few tasks. About an hour a week or 10 minutes every few days is enough to go through mail, pay a bill or two, check bank balances, etc.
- **Space**. Do you have a spot for important papers so they don't get mixed up with junk mail and kid's artwork? It's no fun finding an overdue bill buried under a stack of paper.
- **Storage**. Where do you store papers you need to keep? Options include a plastic bin, a cabinet drawer, or a shoe box — any of these can do the job if they are labeled and organized.

Digging In

Have a place to put mail, school forms, and other papers as they arrive. Go through these every day or two. Toss or shred what you don't need.

Handle bills to be paid or calls to make right away, or set up a time to do this once a week. Find a place to put bills where you won't lose track of them. They could be clipped together on the fridge, in a basket on a shelf, or another place you see every day.

Many people pay bills online or set up automatic payments from their bank. This saves time, postage, gas, and late fees. Auto payments work best when you know you will have enough in your account when the bill is due. Contact your bank to learn more.

For bills that aren't set up for auto-pay, find a way to remind yourself to pay on time. Some people make a note on a calendar or set reminders on their phone or computer. Choose a way that's easy for you.

Caution: Paying bills online is best done at home on a protected computer. Avoid banking on a public computer or devices connected through public wireless networks.

How do you know what papers to keep? Here are some tips:

What	How Long
Marriage Licenses **Social Security Cards** **Birth & Death Certificates** **Legal documents** (wills, adoption papers)	Keep these in a safe place forever. Don't carry these with you unless you need them for a specific reason. • To replace birth, marriage or death certificates, go to www.dhs.wisconsin.gov & look for Vital Records • To replace a Social Security card, go to www.ssa.gov/ssnumber
Income Tax Records	Keep tax returns and receipts for 7 years. Keep pay stubs for 1 year until you receive a W2 that matches your records.
Housing Records	• Keep current policies for homeowners/renters insurance until you renew, along with proof of up-to-date payment. • Keep lease until you move and deposit is returned. • For tax purposes, keep home improvement documents until 7 years after you sell your home. • Keep mortgage documents until paid. Keep a receipt of the final payment.
Vehicle Records	• Keep title in a safe place (<u>not</u> in the car) while you own the car. • Keep loan documents until paid, keep proof of payment. • For insurance, keep active policy until you renew it.
Receipts, Credit Card Statements, Bank Statements (online or paper)	Most can be tossed. Keep them… • If you use it to track spending. • If you might return an item. • If you need proof of purchase for a warranty. • Until it shows up as "paid" on the next month's bill (like utilities or cell phone bills or credit card statements).

When you're ready to toss financial papers, be sure to shred them to prevent identity theft.

For More Information…

Contact your local UW-Extension Family Living Educator for more financial education resources. Go to www.uwex.edu/ces/cty/ to find your County office.

For help with balancing your monthly spending plan, contact a non-profit Certified Consumer Credit Counselor online at www.debtadvice.org or by calling 800.388.2227.

To $um It Up:

$ **Late fees add up.** Paying bills on time saves money and helps build a good credit rating.

$ **Don't get caught by surprise.** For quarterly or once-a-year bills (insurance, license plate renewal, property taxes, etc.), set aside money from every paycheck and set a due date reminder.

$ **Struggling to pay bills on time?** Is it because you forget or lose track of a bill? Or is it hard to stretch your money? You can call your local UW-Extension office for more tips on managing money.

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