

FAMILY CAREGIVING (/CAREGIVING/) **Financial and Legal**



Organize Your Loved One's Financial Records

An easy-to-use system for financial record keeping

AARP (<https://www.aarp.org>), May 4, 2018 | Comments: 0



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<https://www.aarp.org/espanol/recursos-para-el-cuidado/asuntos-legales-financieros/info-2018/como-organizar-las-finanzas-de-un-familiar/?intcmp=AE-CRC-TOSPA-TOGL-ES%20.html>. | If your care recipient is one of those rare souls who has organized financial records, be grateful. If bills, receipts, tax returns, bank and retirement account statements, pension info and Social Security updates are in random order or different, perhaps forgotten, places, the great favor you can do for yourself, your loved one and the

person with [durable power of attorney](/caregiving/financial-legal/info-2017/financial-power-of-attorney.html?intcmp=CAR-LEG-IL) (</caregiving/financial-legal/info-2017/financial-power-of-attorney.html?intcmp=CAR-LEG-IL>), is to corral the paperwork and organize it in a way that incoming money and bills due will be evident at a glance.

Let the paper chase begin.

Step 1. Get access

You or the person holding durable power of attorney will need access to computer accounts and [financial records](/money/investing/info-2016/organize-personal-finances.html?intcmp=CAR-LEG-IL). (</money/investing/info-2016/organize-personal-finances.html?intcmp=CAR-LEG-IL>). Start by asking these questions:

- What is your computer login?
- Do you bank, pay bills or handle investments online? If so, what are the passwords?
- Where are your copies of your federal and state income tax filings for the last three years?
- Do you own life insurance?
- Who handles your investments?
- Do you have bonds or stock certificates in the house?
- If you own property, do you have a mortgage, equity loan or reverse mortgage?
- If you own a vehicle, boat or land, where are the titles or deeds and registration?
- Do you have any bank loans?
- Have you given or taken any personal loans? To or from whom? How much is owed?
- Do you have credit card debt?
- Do you make regular payments to any person, business or organization?
- At which banks do you have accounts?
- Are membership dues, subscriptions, donations or purchases subtracted directly from your bank account?
- Have you been a customer of other banks or brokerages in the past?
- Do you have a will? Where is it?
- Do you have an attorney? Is the firm holding your will or other important documents?
- Are your assets in a trust?

Step 2. Designate a workspace and look for:

- Bank records and statements
- Tax returns
- Keys, combinations, [passwords for computer](/money/scams-fraud/info-2017/password-protection-tips.html?intcmp=CAR-LEG-IL) (</money/scams-fraud/info-2017/password-protection-tips.html?intcmp=CAR-LEG-IL>), all online accounts, social media
- Titles and deeds
- Stock certificates
- Bonds
- Receipts
- Insurance policies

If information is stored in your loved one's computer, copy to a backup drive and print out important paperwork. (Technology is great, but paper documents are portable and can be looked at anywhere, anytime.)

Step 3. Sort and store

After tracking down these items, sort quickly, putting like with like. Stacks may include: documents, paid and unpaid bills, receipts, brokerage, pension and [Social Security statements \(/work/social-security/info-03-2013/my-social-security-online-tool.html?intcmp=CAR-LEG-IL\)](/work/social-security/info-03-2013/my-social-security-online-tool.html?intcmp=CAR-LEG-IL), medical expenses, contracts.

When done, put these things in a fireproof lockbox:

- Will; if held by an attorney, include name, firm name, location, contact information
- Labeled keys
- Lock combinations
- Deeds; titles of registration for land, condo, home, vehicle(s); cemetery plot deed
- Social Security card
- Education and military records
- Marriage license
- Divorce decree
- Information about any prepurchased funeral service, cemetery plot, funeral requests
- IOUs, private loan agreements
- Stock certificates, bonds
- Computer login and all passwords for all online accounts, including: eBay, PayPal and other money transfer services; checking and savings; department stores and national credit card companies; and social media
- Account numbers for all credit cards
- Locations of living will and other legal documents; give copies of advance directives to your loved one's physician and keep originals
- The last three years of federal and state tax returns go in the box or another secure place; save seven years if the person in your care has filed a claim for worthless securities or taken an unpaid debt deduction

Step 4. Create a binder

How you'll keep the remaining financial papers depends on how much there is.

If the records are small and uncomplicated, put each category in chronological order. Arrange in labeled folders.

The easiest way to track accounts that change monthly and compare files quickly is by using an old-fashioned three-ring binder. You'll also need:

- Notebook dividers
- A three-hole punch

To organize:

- With everything divvied up by category, put each stack in chronological order with newest on top. Toss any bills or statements that are more than three years old.
- Label dividers — one for each category that applies.
- Punch holes on the left side of each record. Put in chronological order in the appropriate section.
- On the back of each divider, write related names and contacts. For example, on the divider marked checking account, write the local bank manager's name and contact information, and the number to call if an ATM card is lost or stolen.
- Add new statements as they arrive. If accounts are online, print out the monthly report.

Each of these should be in separate folder or section:

- **Pension statements** — Contact info: firm handling distribution, person in charge of account, job or union where pension was earned.
- **Insurance policies** — long-term care, home, vehicle, life. Contact info: agents, policy numbers, phone numbers.
- **Credit card statements** — Contact info: lost or stolen card hotline.
- **Social Security or disability** — record of direct deposit or check received.
- **401(k)/ IRA retirement accounts** — Contact info: broker, financial institution and financial adviser's names, firms, phone numbers.
- **Checking and savings account(s) statements** — Contact info: local branch banker, account numbers.
- **Bills** — including utilities, cable, department store and credit cards. Contact and other info: amount and due date for state and local property tax, with number for tax adviser, and the phone number, email address and address of the property tax bureau to which they are paid. Note payments automatically withdrawn from a checking account or charged to a credit card, such as memberships, subscriptions and charity donations.
- **Warrantees** — File unexpired warrantees for items such as appliances, windows, roof, kitchen cabinets, sprinkler system, security cameras, electronics, medical equipment, stair climber. Pitch any that are no longer valid.
- **Legal documents** — location of [will or trust \(/caregiving/financial-legal/info-2017/wills-trusts.html?intcmp=CAR-LEG-IL\)](http://www.caregiving.com/financial-legal/info-2017/wills-trusts.html?intcmp=CAR-LEG-IL), information about ongoing lawsuits or settlements, attorney fees paid and due. Contact info: attorney's name, firm, phone number and email; online address.
- **Loans** — payment book, if paying by mail. Contact info: customer service number, loan number, account password if paying online.
- **Mortgage** — receipts, updated documents such as the sale of the mortgage, monthly due date, balloon payment due date, payoff date. Contact info: customer service number.
- **Personal loans** — signed agreements. Contact info: names and phone numbers related to loans, payments made.

Step 5. Keep track of receipts and money

On a large manila envelope write: Care recipient's name, the year and "Tax Deductible." Deposit the current year's receipts that your loved one — or you, if the person is a dependent — can deduct from taxes. At the end of each day, add new receipts. Record tax-deductible miles driven, tolls and parking fees in a digital or paper calendar or datebook.

One more money chore: Getting the care recipient's finances in literal order may leave you wishing for a windfall. Well, there just may be money with your loved one's name on it.

Some \$43 billion is sitting in banks and state coffers waiting for the rightful, but unaware, owner to collect. It may be an unclaimed paycheck, a tax or other refund, an inheritance, an unclaimed prize. The name of the bank may be unfamiliar — many banks have been bought, absorbed and renamed. To see if your loved one is among those due, go to [MissingMoney.com \(http://www.missingmoney.com/\)](http://www.missingmoney.com/).

Step 6. Make a "First Needs" folder

When all the paperwork is organized, fill a folder with the documents and instructions that will be needed immediately after the death of your loved one. Find out:

- What the care recipient wants. Unless your loved one already has told what they'd like their [funeral](/home-family/friends-family/info-2017/funeral-ceremony-trends-fd.html?intcmp=AE-CAR-LEG-IL) to look like, ask. You may be surprised to find that your flamboyant aunt wants a simple Quaker service, or your taciturn dad would like a New Orleans second line.
- If asking feels awkward, [launch a conversation](/caregiving/basics/info-2018/end-of-life-conversation.html?intcmp=CAR-LEG-IL) by saying something like, "Mom, I hate to think that you won't always be here, but when that day comes, I want to make sure everything is done as you want. I'm not sure what that is. I have some questions."
 - Cremation or burial?
 - Choice of cemetery?
 - Where would you like your ashes scattered or kept?
 - Where would you like the service to be held?
 - Do you have thoughts about a eulogist, songs, readings?
 - Where should we direct memorial donations?
 - Do you have ideas about a wake or reception?
 - Confirm birthplace and year, the place(s) you lived, family members, education, work, achievements, awards, club memberships, charity work.
 - What do you want to be remembered for?
 - What were your happiest times? The hardest? The most memorable?
 - Is there anything else you want people to know about you?

Write down the answers and put them in the First Needs folder, along with:

- records and receipts for any prepaid funeral expenses and/or the cemetery plot deed (if papers are missing, get reissued)
- location of safe-deposit box and location of key
- location of will
- location of vital documents. (If some are missing order certified copies now).

More Financial and Legal Info for Caregivers

- [How to find or replace documents you'll need as a caregiver](/caregiving/financial-legal/info-2018/replacing-important-documents.html?intcmp=AE-CAR-LEG-EOA1)
- **Discuss:** [How to get financial help as a caregiver](https://community.aarp.org/t5/Caregiving/Financial-Help/m-p/1815026/highlight/true#M3438?intcmp=CAR-LEG-EOA2-OC)