



“Get your financial files in order. Those who may need them later will be grateful.”

- Michelle Singletary, **The Color of Money** WASHINGTON POST Feb. 18, 2020

Japanese organizing guru Marie Kondo has inspired a lot of people to be merciless about getting rid of stuff.

If you're a convert to her decluttering philosophy, you know Kondo says that what stays needs to “spark joy.” But keeping your favorite old pair of jeans is just not the same as deciding what financial documents can be sent to the shredder.

So, look at tidying up your financial files a different way. Think about getting organized not for yourself but for the person who has to help find your paperwork should you become incapacitated or die. I know. No joy in that last statement. But I've been a part of (or have witnessed) many efforts to help settle estates, and often it's an exasperating process. People are grieving, and yet they've got to hunt through the mountains of accumulated papers to piece together a person's financial life. Is this a mess you want to leave behind?

Perhaps you have a will. But have you maintained a straightforward filing system that would allow folks to find what they need to execute your wishes? Would they know where you bank? Could they easily put their hands on your insurance documents to learn whether there is enough money to pay for your funeral and burial? Where is your birth certificate? Did you serve in the military? Where is your discharge paperwork?

By decluttering and creating a filing system, you might even find some money. I did. I'm in the process of tidying up my office — again — and I've unearthed about \$50 in cash and gift cards from a previous birthday.

After recently helping someone sort through his mother's files just after she died, I've renewed my commitment to purge unneeded paperwork. I've got a lovely home office, but stepping over piles of paper is stressing me out.

As I was organizing and boxing up the many personal finance books I receive, I came across a new edition of “**Homefile: Financial Planning Organizer**,” by certified financial planners J. Michael Martin and his wife Mary E. Martin, who passed away in 2007. I first reviewed their filing system 15 years ago. The Martins' adult children (Sean and Kevin) have worked on keeping the “Homefile” organizer going in their mother's honor. I'm recommending the latest version for the Color of Money Book Club for this month. **It's available only at homefile.net.**

Of course, you can keep digital copies of your records, but you often still need originals of certain documents. When my mother passed away, we needed several original copies of her death certificate.

Included in the Martins' simple system is a 48-page handbook with instructions on organizing your files. You also get hard-stock cards separated into 22 categories that you drop into a hanging folder (not included).

Here's what I like about this particular system. The cards tell you exactly what to put into each folder so that you don't have to guess what goes where. There's also a section on each card that points out where similar documents should be filed. Homefile” helps you set up an archive system. Yes, some documents need to be kept indefinitely. But clear out the fat folder with insurance policies for cars you don't even own anymore. If you need a push to organize, here's one — tax season. It's a great time to tackle this task, because you've got all your paperwork out already. I am hosting an online discussion about the “Homefile” system at noon Eastern time on Feb. 27 at washingtonpost.com/discussions. Sean Martin, a graphic designer, will join me as a guest. Let's talk about how organizing your paperwork can bring your whole family peace of mind.