

Organizing Papers

Start by organizing papers into four categories: **Active, Keepers, VIPs and Discards**. Active papers are those items that need attention such as bills to be paid. Keepers are things you want or need to keep. VIPs are very important papers, such as birth certificates, that need secure storage. Discards are things that need to be recycled or thrown away, like last week's newspaper.

Active

Active papers are items that need your attention or that you use frequently. You'll want to keep them where you can get to them easily. They include:

- Current bills – Keep them where they won't get lost and where you'll remember to pay them on time. Out of site is out of mind. Keep any bills you may need to document expenses for tax purposes. Most statements (like utility bills) can be discarded after they've been paid, unless you need them to document business or some other type of expenses. You may want to keep a current statement until the next one comes. That way, you'll have easy access to your customer number. Also, a current utility statement is sometimes needed as proof of residence for school registration of using local, community services.
- Current projects – Lesson plans? Crafts? Updating your resume? Keep current projects in a convenient location.
- Current receipts (30 to 90 days) – You'll need to check these against the credit card or bank statements when they come in. Once checked for accuracy, decide if you need to file them for tax purposes (business expense, charitable donation, etc.)
- Frequently used names, addresses, numbers – I know many numbers we keep in our phones but it's also handy to have a list of other important numbers. Let someone else know where these are located in case of emergency.
- Anything you must access often or that needs attention soon.

Storing Active Files

Active files are items you'll be using so you'll want to have them handy. It's important that you do have some system of organization so that it's easy to find the items you need when you need them. There are many methods for organizing files. Choose a method that works for you. One method is to organize by topic. Another method is to organize by date.

Keepers

Another category of documents you'll need to handle are "keepers." These are papers you want to keep but they typically don't need to be accessed as frequently as "active" papers. They include:

- Tax documents – You'll want to keep these for at least three years and up to six years
- Home improvement or facility improvement expenses – If you own your home or other property, keep all receipts for improvement expenses. If you ever sale the property, you may be able to deduct these expenses from capital gains tax.

- Child and dependent care payments that you plan to claim on your tax return.
- Medical bills and insurance claims – You need to be able to verify your expenses and the amounts paid by insurance. Also, you may qualify for deductions on your taxes.
- Health and vaccination records – Vaccination records are sometimes required for school enrollment.
- Warranties and owner’s manuals – Keep these for the duration of the time you own the product.
- Credit card statements – Keep these long enough to verify accuracy with your store receipts. Remember to shred and/or burn these papers when it’s time to discard.
- Reference papers and articles – Keep files for reference items. Labeled file folders make it easy to find reference information when you need it.

Storing Keepers

You’ll want to create some type of organized storage for your “keeper” papers. Organized storage allows you to access your papers quickly and easily. File storage comes in all shapes, sizes and colors. The traditional metal file cabinet remains functional and convenient. However, file storage is available in many styles of furniture to match your décor and your budget. File storage doesn’t even have to be a file cabinet. You can store files in file boxes on shelves in a closet.

VIPs – Very Important Papers

Very Important Papers require special consideration for storage. These papers usually need secure storage such as a safe deposit box or fire proof safe. They include:

- Social security cards – Don’t carry your social security card in your purse or wallet. It’s best to memorize your number and keep your card in a secure location.
- Marriage certificates, birth certificates, citizenship records, military records, death certificates, and separation or divorce papers should be kept permanently.
- Passports should be kept until the expiration date.
- Wills – The most secure location for the original copy of a will is on file with an attorney. You may also want to keep a copy of the will in a safe deposit box.
- Power of attorney, insurance policies, and advance health directive should be kept in a secure location and make sure that someone close to you knows where these documents are and how to get to them.
- Savings bonds and stock certificates should be kept in a fireproof safe or safe deposit box.
- Keep deeds and titles for any type of property for as long as you own the property.
- Investment certificates such as stock certificates and savings bonds need to be kept in secure storage until you cash them in.
- Any type of legal documents need to be in secure storage.
- It’s a good idea to keep a household inventory in secure storage. In case of a fire, you’ll have the proof of ownership needed by your insurance company.
- Keep a list of the items that are in your safe deposit box. Keep a copy of the list at home and in the safe deposit box. You may also want to safely store receipts for expensive items such as jewelry or furniture.

Storing VIPs

The safest place to store your VIPs is a bank safe deposit box. These have an annual rental fee based on size of the box. Small safe deposit boxes typically rent for between \$15 and \$25. Larger boxes will be more expensive. Fire proof lock boxes can be purchased at discount department stores or office supply stores. A small fire-proof box can be purchased for as little as \$25. Bank safe deposits can usually only be accessed by the registered owner. You may want to consider having a spouse or parent listed as a co-owner on the box so that they can access it in case something happens to you.

Discards

One of your most important strategies in the battle against paper clutter is to regularly discard unneeded items. Here's a list of some of the common items that contribute to paper clutter:

- Junk mail
- School papers
- Magazines
- Catalogs
- Expired warranties
- Old receipts – You typically only need to keep receipts for about 30 to 90 days. Keep receipts long enough to verify that the expense is correct on your bank statement or credit card statement. After that, you only need to keep receipts for very expensive purchases or for items that you plan to deduct on your taxes.
- Old cancelled checks (unless needed for tax purposes or proof of purchase). These need to be discarded properly to prevent identity theft.
- Statements from credit cards and utilities can usually be discarded after you've checked to make sure that all charges are correct and paid the current bill.

Where to Discard

Shred – Shred any papers that have personally identifiable information and any documents that have personal financial information. This is important to reduce the chances of consumer fraud or identity theft.

Throw Away – Be sure to keep up with items that need to be thrown away. Keep a trash can handy. The larger the trash can the more likely you are to use it.

Recycle – Some discards can be recycled. Recycling options vary from town to town, so be sure to check with your local recycling program to see what materials are collected for recycling.

Attack the Stack

Not sure whether to keep or discard? Ask yourself these questions:

- Is this useful?
- Is the information current?
- How hard would it be to get this information again later?
- Is this piece of paper helping me achieve my goals?
- In summary, get rid of that pile, it's time to file!
- Sort papers into active, keepers, VIPs and discards. Use appropriate methods to store or discard promptly.

References

- eXtension (www.extension.org)
- Donna Smallin – *The One-Minute Organizer* and www.unclutter.com
- Messies Anonymous (www.messies.com)
- Fly Lady (<http://www.flylady.net>)

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