

Moneylife

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DIGGING OUT

How to Organize Your Financial Life

By Mary Ellen Podmolik
Staff Writer

So much for the paperless society. Or for saving tress. American households are inundated with mail, and once the junk mail is separated, a lot of what remains is important.

That's the problem.

More paper comes into a house than leaves it, and the stuff that stays behind frequently is relegated – unsorted – to desktops, drawers and boxes.

“Procrastination is a very large factor, and the bigger the mess becomes, the harder it is to tackle and they won't do it,” said Laura Vaughn, an organizer who operates Synchronism in Mount Prospect. “Just getting through your mail is a project in itself, and that's when the piles begin.”

The mess is getting magnified, and not just because we're getting sloppier.

Some trace the problem to people who have lived through the Depression and place a monetary value on everything, so they keep everything.

Others say the culprit is the increasing complexity of our financial lives. Many adults simultaneously maintain checking, savings and money market accounts, certificates of deposit, mutual funds and own stock. Documentation for each regularly arrives in the mailbox and is stuck somewhere for safekeeping.

Consumers don't tackle those piles until tax season, and once they see what they're up against, they seek

extensions, accountants say.

“The proliferation of forms confuses the hell out of people,” said Geoff Harlow, a certified public accountant in Evanston. “It's such a task (that) they don't want to deal with it.

“When you could go through your records in 1 1/2 hours, you didn't mind dealing with it. When it takes eight hours, you put it off.”

Working from home compounds the problem, because that means twice the amount of paperwork is flowing into the home.

The myriad organizational products on the market – from computers to hanging files – doesn't always help. Buying a filing cabinet doesn't help if you don't use it.

And while computers are considered a wonderful weapon against disorganization, people still need to take time to file away their documents.

Otherwise, it's a case of style over substance.

Since its inception in 1985, the National Association of Professional Organizers has seen its membership grow to thousands; most are women who thrive on being neat and charge anywhere from

\$40 an hour to hundreds of dollars to help others.

“Being organized causes stress in people's lives and it's time-consuming,” said Monica Friel, who runs Chaos To Order in Park Ridge. “You're constantly looking for that little piece of paper.”

“Being organized creates efficiency and then you have more time to do the fun things.”

“Being disorganized causes stress ... You're constantly looking for that little piece of paper.”

- Monica Friel,
Chaos To Order