



A Money Manager for You

By Robyn M. Young

A new profession in the financial services industry is helping individuals with their everyday cash management and financial paperwork. “Daily Money Managers” function as financial caretakers, assisting individuals with organizing and managing their day-to-day finances.

Daily Money Managers work with a variety of individuals and in a variety of situations:

- Elders and people with disabilities turn to Daily Money Managers when physical or cognitive challenges, such as arthritis, poor eyesight or memory loss, make paperwork difficult. In some cases the person’s adult children or other relatives live too far away, are too busy, or lack the skills to help. Other times the client simply does not want her family involved in her personal business, or has no one else to turn to.
- Individuals that want to learn the basics of handling money work with Daily Money Managers. Some have lost a spouse who took care of all the money details; others were never taught these skills and are struggling.
- The adult children of seniors hire Daily Money Managers to help care for mom and dad when they are unable to do this work themselves.
- Busy professionals also turn to Daily Money Managers. Between growing careers, children, volunteer commitments, and personal interests, there often is little time, energy or desire to sit down to pay the bills and balance the checkbook.

The services Daily Money Managers provide are customized to their clients’ needs. Basic services include organizing financial papers, maintaining bank accounts, paying bills, and monitoring credit card activity. These professionals teach basic financial skills: how to track income and expenses, set up a budget, read paycheck stubs, save money, and select appropriate bank accounts. Daily Money Managers also help clients install and use financial software programs and electronic banking.

Daily Money Managers differ from bookkeepers in that they focus on the needs of individuals rather than businesses. However, some Daily Money Managers also work with small businesses. Others specialize in one market segment such as financial guardianships or the elderly.

A valuable service Daily Money Managers provide their elderly clients is help to understand bills, bank statements, and health insurance paperwork. They assist with processing medical insurance claims and contacting insurance companies and other vendors. With today's automated phone systems, making a phone call can be very difficult for people with poor hearing. Daily Money Managers function as the ears for their clients, speaking with vendors on their behalf.

For some seniors, the assistance a Daily Money Manager provides determines whether they can remain independent and in their own homes. A Daily Money Manager's regular visits ensure that bills are paid on time, nothing is duplicated, misplaced or forgotten, and that only legitimate bills are paid.

At tax time Daily Money Managers can save their clients money by organizing tax documents in preparation for the client's accountant. Daily Money Managers can prepare taxes and provide tax and investment advice only when they have the appropriate training and are properly licensed to do so. Otherwise, they make referrals to qualified professionals.

Daily Money Managers charge between \$35 and \$100 per hour for their services. Balancing a checkbook and paying bills typically requires a couple of hours each month. A greater scope of work with several financial transactions to process and papers to review and organize requires more time. Individuals with complex finances may employ a Daily Money Manager for four to six hours or more a month.

People looking to work with a Daily Money Manager need to be certain the person they hire has a high level of integrity. The best way to find a Daily Money Manager is through a referral from someone you know and trust. Attorneys, accountants, investment advisors, friends, professional organizers, and senior agencies may know Daily Money Managers. If locating a Daily Money Manager through local contacts is unsuccessful, another resource is the American Association of Daily Money Managers (AADMM) at www.aadmm.com. The AADMM can also be reached by calling toll-free 1-877-326-5991. (Low-income Vermont seniors can call the Senior Help Line at 1-800-642-5119 to learn whether volunteer help to pay bills

and reconcile checking account statements is available through their local Area Agency on Aging.)

Once an individual has located a prospective Daily Money Manager, the AADMM recommends asking the following questions:

- Are you willing to involve other appropriate people, such as family members, attorneys or accountants in your work?
- What do you charge for an initial consultation?
- What is the scope of work that you will provide?
- Are you insured?
- With which local organizations are you affiliated?
- Do you follow a code of ethics?
- Can you provide a list of references?
- How do you bill for your work?

In addition to these questions, individuals should trust their instincts about the Daily Money Manager. If something does not seem right, don't hire that person.

Clients should review the work of their Daily Money Manager on regular basis to be sure the work is being done properly and to protect themselves from fraud. If their Daily Money Manager pays bills on line, clients can log on to their bank's website to check the bill paying activity. Clients should sign checks themselves. If there is a situation where the client wants the Daily Money Manager to sign checks, a second bank account with just enough funds to cover the checks can be set up where the client or a trusted family member or advisor provides oversight.

Daily Money Managers that are members of the American Association of Daily Money Managers have signed and had notarized a "Code of Ethics" that outlines how they will provide a high quality of service to their clients. The AADMM recently established a certification program that ensures that its members meet a high level of expected professional standards.

In the growing financial service industry, Daily Money Managers are finding a niche in helping people manage their daily financial paperwork. Whether an individual seeks to maintain independence, care for a parent's finances, learn basic money skills, or find a few extra hours in the day, Daily Money Managers provide the skills and services to reach these objectives.