

What Is a Daily Money Manager, and How to Know If You Need One.

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What is a Daily Money Manager (DMM)?

Daily money managers provide personal financial assistance to individuals who need assistance or have difficulty in managing their personal financial affairs. Their services include budgeting, organizing and inventorying financial information to assisting with bill paying and monitoring bank accounts.

Most DMM's provide the following services:

- Bill Paying Services – including contacting vendors and monitoring for accuracy.
- Preparing Checks for Signature - if needed (many individuals now use internet banking/bill paying options).
- Balancing Checkbooks – including tracking and organizing bank statements.
- Organizing Mail, Paperwork, and Tax Documents
- Provide referrals to other professionals such as: attorneys, certified public accountants, financial advisors, and health services professionals.
- Set up filing system
- Budgeting
- Inventory of assets
- Medical claims assistance
- Review and reconcile credit card statements
- Assist with applying for government benefits and eligible resources
- Negotiate with creditors to reduce debt when possible
- Provide monthly accountings of income and expenses
- Assistance with organizing information for tax return preparation

Who needs a Daily Money Manager?

We find that people of all ages have a need for Daily Money Management services. Our clients range from children to seniors. As an estimated 80 million individuals born between 1946 and 1964 become older, the need for DMM's becomes greater due to the natural affects of aging. However, there are several other reasons a person may want to employ the services of a DMM.

Our clients have chosen to use our services for the following reasons or circumstances: The mountain of bills and paperwork has become too overwhelming. They have experienced an illness, or an extended hospital stay. They don't have time to manage their personal finances or consistently incur late charges, or finance fees. They are unable to live within a specific budget. They are not able to reconcile their bank statements or balance their checkbooks. A disability has prevented them from being able to manage their financial affairs. They have lost a spouse who was the one who managed the finances. They either do not have a family member who is willing to help them with their finances or don't want a family member to be burdened with it. They have been exploited or taken advantage of in the past or are being exploited currently. We also have clients who just don't want to deal with their finances and would rather live and enjoy their lives without having the responsibility dealing with bills and money.

Often we find that adult children of the elderly contact us for DMM services because they feel that they do not have the time to manage their parent's money. Or perhaps they live in another state and cannot reasonably perform these services for their parent.

Other reasons that individuals opt to use a DMM is because they continue to have an active role in their personal finances. DMM's meet with the individual or perform services over the phone/computer together with the client. DMM's do not have signature status, or legal control over the individual's accounts or income. Therefore, the individual keeps control over their own finances but has a trusted case manager to help them with the items that they do not want to take on or can no longer perform due to a disability or other factors. Using a DMM allows a person to regain control over their financial matters and avoid guardianship or having to use a Power of Attorney.

The idea of having a professional financial case manager involved in one's personal finances can be intimidating, but most people find that once they begin a relationship with a DMM they feel a sense of relief knowing their finances are back under control. The relationship is also one of trust, due to the fact that the individual is still "calling the shots" but they have professional assistance in doing so.

Once a budget is created and the preliminary information and desires of the client is obtained, most DMM's can perform their services in a few hours each month. It is cost effective and most individuals who use DMM's wonder how they ever managed without one.

How do I know that the DMM that I choose is reputable?

It is recommended that you interview DMM's and choose one based on their philosophy and ethical position. It is also important to ask for personal references and testimonials from current/former clients. In addition, the American Association of Daily Money Managers can help you locate members of their organization in your area. Members of the AADMM are held to a code of ethics that you can read at their website http://www.aadmm.com/code_of_ethics.htm.