Best Practices: Filing Financial or Lending Records

Creating an efficient filing system for managing financial or lending records is not as difficult as it may seem. Using the basic principles of all Smead Organomics filing solutions, simply examine and optimize each of the three main components of the filing system:

1. The Finders
2. The Keepers
3. The Storage

A number of factors need to be considered to determine the best solution for your office. An assessment should be made of your current situation, and a set of objectives for the new system should be defined. Once you have these parameters outlined, you can address each of the system components.

The Finder

One of the first decisions to make is how files will be identified. Loans, leases and mortgages can be indexed by name, or by an assigned number. For small to mid-sized systems, the loan can simply be identified by the name of the borrower, usually a person or business. Large filing systems generally use numeric indexing because the risk of misfiled records is minimized. Often loans already have an assigned number in a computer database that can be used as the identifying number for the files.

Whether you choose alphabetic or numeric indexing, be sure to use color-coding on your file labels to help find files more quickly, and to reduce the risk of misfiled records.

The Keeper

Many loan files accumulate a lot of documents. Loan and mortgage processing usually follows a tightly established workflow. Keeping documents categorized and in the proper order within the loan file is extremely important to keep the approval process and servicing of loans efficient. Sturdy pressboard fastener folders or classification folders are

ideal because the fasteners and dividers allow grouping of documents within the folder, and will hold up to frequent handling and lots of paper.

The Storage

Your choice of filing equipment will determine the tab placement of the Keepers, on top for drawer filing, and on the side or end for shelf filing. When deciding on the Storage for your system, consider how your situation is affected by these factors:

- Physical storage space available
- Number of files to be stored
- Convenience of access by users of the system
- Projected growth
- Security and confidentiality issues
- Legal or regulatory requirements
- Existing filing equipment
- Budget for new equipment and supplies

In general, end-tab shelf filing systems are the easiest to use, save the most space and are the least expensive to set up and maintain. However, if your total number of records is relatively small, traditional drawer filing cabinets located near people's workstations may be the right choice.

Smead Organomics offers a variety of filing solutions for financial and lending records. Choose the Team Organomics button to find out which one is best for your business. If you need more help, consult your office supplier or request a free onsite analysis by a Smead professional.