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THE CREDIT CONNECTION

Message from the President

Linda Simbeck, CFE/MPCE

President - Credit Professionals International 2016-2017

**I see an opportunity
for rebirth and growth.
We can do this
by following the strategy
our charter members'
chose. They used the new
and popular technology
of the day.**

Linda Simbeck

They say time flies when you're having fun. It is hard to believe that this will be my last *Connection's* message as your International President! The year has flown by much quicker than I imagined it would almost a year ago in Ann Arbor during my installation. It has been an honor and a privilege to serve as President of this great organization and I thank each of you for your support and trust.



When I chose my theme of **Members—A Link to the Past—A Bridge to the Future**, it was with the hope

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that everyone would concentrate on getting new members this year. I am happy to report that, according to our membership chairman Cheryl Burleson-Davis, ACE/MPCE, we have added five new members this year. That is great.

To keep this organization viable for the future, however, we need to continue growing our membership. To do this, we need to be open to making changes—discarding what worked in the 20th century but will not work in the 21st century; adopting what does work in this century; and adapting CPI to meet the needs and expectations of everyone working in the credit industry.

As I was gathering my thoughts for this column, I found a quote about change, by King Whitney Jr., that I would like to share with you:

“Change has a considerable psychological impact on the human mind. To the fearful it is threatening because it means that things may get worse. To the hopeful it is encouraging because things may get better. To the confident it is inspiring because the challenge exists to make things better.”

I ask that you join me and the other CPI officers in the confident category. It is obvious that, in the future, we will need to make some hard decisions and change some things in our organization to attract many more new members. To do this, we must focus on prospective members' needs. We will need and welcome your input.

Some of you have already made changes in your locals and districts. Meetings by electronic/phone means; fewer meetings; different meeting days/times. We would appreciate having your input on how effective these changes are in serving current members and recruiting new members.



I would like to quote from Rhonda's last President's column:

“CPI is blessed to have so many members who selflessly and freely give of their talents to ensure that the day-to-day operations run smoothly.”

I would also like to add that I am blessed to know each of you and to count each of you as my friend.

The Conference Committee made up of Maria Trevino, MPCE; Pat English, MPCE; Lee Ann Seale, MPCE; Dutchie Garza; Norma Ortiz; Saundra Jimenez; and myself have been working hard to provide you with a great conference. We have six speakers scheduled. Their topics are: Active Shooter; Lean Six Sigm;, Build a Team Build a Tower; Cyber Security; and Marketing CPI.

We hope to see all of you in San Antonio, Texas. If you are unable to attend, we will provide reports on these presentations in the Post-Conference Capsule.

Turn Your Local Association's Meeting Into a Recruitment Opportunity

Cheryl Burleson-Davis, ACE/MPCE
Vice President
Membership Chairman

What's your reaction when you see "CPI local association meeting" on your calendar? Is it:

"Wow! Can't wait to see everyone again."
or
"Do I really want to go?"

If it's the latter (or maybe even the former), it may be time to toss out Robert's Rules of Order, get on Facebook and invite your local's members and potential members over to your house for pasta or pizza and dynamic conversation. Of course, don't forget those who are not on social media. Give them a call.



Getting Down to Business

Great ideas aren't spawned at formal meetings. They pop up in casual conversation. Remember, CPI was created by women in small towns chatting on that new-fangled invention called the telephone. Now social media is the connection vehicle and informal home settings, rather than formal meeting rooms, are preferred for face-to-face gatherings.

Why not host a meeting at your home? Create a casual atmosphere. Opt for a plastic or paper tablecloth. Provide disposable plates, cups/glasses and utensils.

What you are doing is setting the stage for a casual but important meeting, where everyone feels comfortable contributing to the conversation.

After everyone has eaten and is enjoying visiting with one another, you—as the hostess—casually bring up a topic for discussion. (Note: after you've done this a few times, one of your guests may take on this role.)

You can start the ball rolling by introducing a topic. For example, "You will never believe what happened to me last month. I visited CPI's website and saw that not only was Credit Education Month being celebrated in March but America Saves Week was taking place Feb. 27-March 4 and National Consumer Protection Week was scheduled for March 6-12. I told the president of my bank about this and we ordered a lot of free educational material from the event sponsors to distribute to our customers throughout March."

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Prepare Your Finances for a Flood, Fire or Other Disaster

If you think it can't happen to you, just ask CPI Past International President Gail Ottinger, CCCE/MPCE, who is just now finally recovered from hurricane Matthew that hit the North Carolina coast in October 2016.

Without warning, a flood, fire or other disaster could leave you with a severely damaged home, destroyed belongings and barriers to managing your finances. That's why it is important to include financial preparedness in your disaster plans. Here is a list of important preparations.



Periodically review your insurance coverage. You should have enough insurance to cover the cost to replace or repair your home, car and other valuable property, as well as temporary housing if you are displaced from your home. If you do not own a home, you should have renters insurance. Also, make sure you have the right kind of coverage for the types of disasters likely to occur in your area. For example, homeowner's insurance does not typically cover events such as flooding or earthquakes, so you may want to consider whether you need additional coverage.

Build and maintain an emergency savings fund. While your personal hazard insurance should cover most or all of the damage to your home and property, an emergency savings fund deposited in an insured financial institution can provide for immediate expenses and help fill the gaps.

Sign up for direct deposit of your paycheck or government benefits. In a disaster, taking care of simple things like depositing a check can be overwhelming. Direct deposit will help you avoid missing out on important income during a disaster.

Consider arranging for online and/or mobile banking. Your bank branch may be temporarily inaccessible after a disaster. Most bank accounts enable you to pay bills online, deposit checks and conduct other transactions using your smartphone or other mobile devices.

Gather and organize important documentation. Here are suggestions for what to collect, followed by where to keep these items:

- A list of phone numbers, web addresses and other contact information for your bank brokerage firms and insurance companies.

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- Originals and copies of identification documents such as your driver's license, passport, Social Security card and birth certificate. These will be helpful if you have to prove you are who you say you are. While it is best to have originals, it is important to have copies in case the originals are lost or destroyed.
- Copies of credit and debit cards (front and back) and a check (front). During an emergency, you may need your account information from these documents to authorize payments over the phone.
- Originals and copies of insurance cards and documentation of health, homeowner/renter, auto and life insurance coverage.
- An inventory of valuable personal property. It's fairly easy to take a video of your property, but you should also separately document the value of the items by keeping receipts, written appraisals, and documentation of any home improvements.
- Records of proper ownership, such as a copy of your most recent property tax bill.

You also need to think about what to keep where. The following are options to consider.

- **Digital storage:** Many documents can be kept electronically. When deciding which documents to keep electronically, security and access are major considerations. Among other things, consider whether and how to access the documents



using your smartphone or a computer. Be sure to encrypt the sensitive material and set your phone security to require a PIN, a password, your thumbprint or another option recommended by your phone manufacturer to unlock your screen.

- **A safe deposit box at your bank.** This may be the best place for important documents that will be difficult or impossible to replace, and that you won't need to access. In case there's a flood or other water damage, seal these items in waterproof plastic bags or containers. Some states do not allow immediately access to a safe deposit box after death, so talk to a lawyer before deciding whether to leave your original will in your safe deposit box.



- **A waterproof emergency evacuation bag:** In addition to personal safety items, it should include copies of some of the important documents discussed above (except perhaps a copy of your Social Security card or number in case your bag is lost or stolen) and a small amount of cash (large amounts of cash are better off in your FDIC-insured bank account). Keep your evacuation bag in a safe and secure place in your home.

For more information, including how to assemble a preparedness kit to grab and go if you have only a few moments to evacuate your home, visit the Federal Emergency Management Agency (FEMA) website at www.ready.gov.

Government News

CFPB Releases Guide to Help Consumers Navigate Pension Payouts

The Consumer Financial Protection Bureau (CFPB) has created a guide to help near-retirees understand the trade-offs of taking their pension in a monthly payment or in a lump sum.

Many employees in the private sector are covered by defined benefit pension plans in which retirement benefits are typically based on years of service and earnings, and paid out in the form of lifetime monthly payments. Increasingly, employers are giving consumers eligible for retirement benefits the option of a one-time payment for all or a portion of their pension, commonly known as a lump-sum payout.

According to a government report, many retiring consumers are not provided information by their employers about the long-term financial impact of choosing between a lump sum or an annuity pension or where to find help. The CFPB's consumer guide highlights the benefits and risks of taking a pension as a lump sum instead of lifetime monthly payments. Key factors for consumers to consider include:

- **Length of time income is needed:** The monthly payment option offers steady lifetime income, which substantially reduces a consumer's risk of running out of money later in life. This is especially important if the consumer or their spouse is in good health or if either of the two has a family history of longevity. A lump-sum payout, however, might make sense if the consumer is terminally ill or in critically poor health, or the consumer already has sufficient income to cover basic living expenses.
- **Money management skills:** When a consumer chooses a lump-sum pension payout instead of monthly payments, the responsibility for managing the money shifts from the employer to the employee. For a monthly payment option, consumers don't need to worry about their investment skills, or how their financial management skills may



change as they age. In contrast, a lump-sum payout can give a consumer the flexibility of choosing to pay off large debts, where to invest or save the money, and when and how much to withdraw.

Another factor to consider is that a consumer's pension is typically insured by the Pension Benefit Guaranty Corporation (PBGC). In the event the consumer's company declares bankruptcy or cannot make its pension payments, the PBGC guarantees those payments up to a certain amount. Pension payments are also protected against certain creditor claims or debt collectors. With a lump-sum payout, consumers lose these protections.

To assist retirees who plan to make the one-time choice for a lump-sum pension payout, the CFPB guide also provides key tips to consider, including:

- **Check for lump-sum calculation errors:** Many factors determine a lump-sum payment amount, including age, years of work, earnings history, taxes withheld, and the terms of the plan. Consumers can detect errors by taking a look at their most recent pension statement or contact a pension counselor for assistance or to resolve errors.
- **Plan for tax consequences:** Consumers will pay taxes on a lump-sum payout. This money is usually treated as ordinary income for that year. For this reason, an employer is required to withhold 20 percent of the amount.

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In addition, a consumer could pay a 10 percent early withdrawal penalty tax if they have not reached age 59-1/2. Consumers can defer income taxes on their lump sum by rolling over the funds into a qualified retirement account.

- **Consider future needs of surviving spouse:** If married, consumers should consider the long-term financial well-being of their spouse. A family history of longevity and good health may mean the possibility of spending 20 or more years in retirement. Most pension plans provide monthly benefits to a surviving spouse or another beneficiary after the pension holder’s death through a joint and survivor payout option.
- **Protect the lump sum from fraudsters:** Older consumers are often targets of scammers and fraudsters. Consumers should verify information, ask questions, and seek advice from trusted professionals, if they are offered high returns and low risk to invest their lump sum.

Living Memorials

In Memory Of::

Jim Lucas
(Member of Indianapolis IN CPI)

Given by:

Barbara Chapin, CCCE/MPCE
Diane Radcliff, PCE



(Membership Column)

Another member reports that she is working with teachers at a nearby elementary school to use storybooks to teach children about handling money. They are using an article in the August 2016 issue of *The Credit Connection* as a guide.

Both of these are conversation starters. Everyone will feel comfortable asking questions and discussing other credit education projects and ideas that interest and excite them.

Of course, talk isn’t action. As the host/leader, you will, at some point, need to say, “Hey, everybody, we’ve come up with some great ideas. Let’s choose one and make it happen.”

More than likely, everyone, including the potential new members, will be excited and want to get involved. And one thing is certain—all of them will be looking forward to attending your local association’s next meeting.

Death in CPI Family

Clarence L. McKinney, father of Past International President Rhonda McKinney, MPCE, died on April 21, 2017, after losing his battle with Pulmonary Arterial Hypertension. The family is requesting donations be made to the Pulmonary Hypertension Association (PHA). www.phassociation.org/Donate/Information



Three Great Reasons To Attend The 2017 International Conference

EDUCATION

When it comes to our work, we all have the tendency to think that we know it all. We don't. New information and improved ways of doing our jobs are always popping up. Don't miss out on this opportunity to bone up on what's new and to share new helpful information you've discovered and put into practice on the job.



LET'S GET SOCIAL!

RENEW FRIENDSHIPS/MAKE NEW FRIENDS

Whether gathering for a meeting; attending an education program; participating in a Walk-A-Thon; enjoying the Career Club Luncheon and Inaugural banquet; spending free time exploring the historic city of San Antonio; or shopping along its popular River Walk, you'll have opportunities to renew old friendships and make new ones.

ENJOY POST-CONFERENCE FUN

Join CPI President Linda Simbeck, CFE/MPCE, on a post-conference Carnival Liberty Group Cruise to Conzumel and Yucatan, Mexico, June 12-June 17.

Reservations closed.



MAKE CONFERENCE AND HOTEL RESERVATIONS NOW

The Holiday Inn—San Antonio International Airport. Call Bianca Sanchez (210-524-5918) on weekdays or 210-349-9900, ext. "o" on weekends to make reservations. Mention Group Code CPI.

Be Careful What You Share on Social Media Sites

Social media sites are becoming a gold mine for identity thieves, says the Federal Deposit Insurance Corporation (FDIC). They use them in hopes of learning enough information about individuals to be able to figure out passwords, access financial accounts or commit identity theft.

Identity thieves create fake profiles on social networks, pretending to be financial institutions and other businesses and then lure unsuspecting visitors into providing Social Security numbers, bank account numbers and other valuable personal information. This information includes, for example, a mother's maiden name, date or place of birth, high school mascot or a pet's name.

Fraud artists use social networking sites to gather this kind of information because it can help them guess passwords to online accounts or answers to 'challenge questions' that banks and other business frequently use for a second level of authentication beyond a password, say FDIC experts. Here are some safety measures you can take with your social media accounts.

Check your security settings on social network sites. Make sure they block out people whom you don't want seeing your page. If you have doubts about your security settings, avoid including information such as your birthday or the year you graduated college.

Take precautions when communicating with your bank. If you want to communicate with your bank on social media, keep in mind that your posts could become public, even though you can protect your posts to some extent through your account settings. You should not include any personal, confidential or account information in your posts. Reputable social media sites will not ask you for your Social Security, credit card or debit card numbers. Nor will they ask for your bank account passwords.

It is also a good rule of thumb to avoid posting personal information on any part of a bank's



social media site. A criminal could use that information to log into your account.

Be cautious about giving third-party programs or apps, such as sites for games or quizzes, the ability to use information from your social networking pages. Some of these third parties may use information from your page to help you connect with others or build your network—for example, to pair you with strangers wanting to play the same game. But they could also be selling your information to marketing sites and others, possibly even to people who might use your information to commit fraud.

Periodically search to see if someone has created a fake account using your name or personal information on social networking sites. Checking common search engines for your name and key words or phrases (such as your address and job title) may turn up evidence that someone is using your information in a dishonest way.

For more information on avoiding fraud at social media sites, see information from the Internet Crime Complaint Center, a multi-agency task force made up of the FBI, National White Collar Crime Center (NW3C) and the Bureau of Justice Assistance (BJR).

STUDENT CORNER

Take A Look At These Careers In The Financial Industry

When you were a little kid, what did you want to be when you grew up? An astronaut? A rock star? The greatest athlete in your favorite sport?

Today, as a CPI student member, your career dreams have probably come down to earth, off the stage and into a box seat on the sidelines. Now you are looking for a career that will enable you to earn a good living, use your talents and help others. Here are ten careers in the financial industry that fit this description. Maybe one of them will be the perfect fit for you.



Financial Analyst

Financial analysts work for businesses to help them or their clients make investment decisions. Analysts must have a bachelor's degree, often in business administration, accounting, statistics or finance. Analysts with a master's degree in business administration will find themselves among the most desirable employees.

Average salary: \$58,205/year
With benefits and bonuses: \$73,594

Personal Financial Advisor

Personal financial advisors use their knowledge of investments, tax laws and insurance to recommend financial options that help individuals meet their short- and long-term goals. Advisors with a bachelor's degree in accounting, finance, economics, business mathematics or law will have the best opportunities for jobs in their field.

Average salary: \$66,405/year
With benefits and bonuses: \$85,553

Accountants

Accountants analyze, plan, evaluate and advise on matters of accounting theory and practice. A bachelor's degree in accounting or a related field is usually required, but those with a master's degree or experience to boot will have better job opportunities.

Average salary: \$43,215/year
With benefits and bonuses: \$52,813

Auditors

Auditors examine and analyze accounting records and prepare financial reports for clients. Auditors usually need a bachelor's degree, but as with accountants, experience and advanced degrees increase their chances of getting hired.

Average salary: \$57,365/year
With benefits and bonuses: \$68,138

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Loan Officers

Loan officers assist individuals and organizations in applying for loans, assess the individuals' creditworthiness and help them determine the most appropriate type of loan for his/her needs. Employers usually require loan officers to have a bachelor's degree in finance, economics or a related field. Loan officers will find experience in banking, lending or sales and knowledge of computers to be huge assets in their job search.

Average salary: \$48,318/year
With benefits and bonuses: \$58,685

Collectors

Collectors keep track of accounts that are overdue and attempt to collect payment on them, making computer literacy and good communications skills a must in this job. Most collectors are required to have at least a high school diploma. However, employers prefer workers who have completed some college or who have experience in other occupations that involve contact with the public.

Average salary: \$27,960/year
With benefits and bonuses: \$33,215

Bank Tellers

Bank Tellers cash checks, accept deposits and loan payments and process withdrawals. They also may sell savings bonds and travelers' checks, accept bill payments and process



paperwork. Most tellers have at least a high school diploma, but people with bachelor's degree in business, accounting or liberal arts may get jobs as tellers to break into banking with the hopes of being promoted.

Average salary: \$19,828/year
With benefits and bonuses: \$24,793

Buyers:

Buyers buy the goods and services a company needs either to resell to customers or for the establishment's own use. Educational requirements vary with the size of the organization, but many manufacturing firms prefer applicants with a bachelor's or master's degree in engineering, business, economics or one of the applied sciences.

Average salary: \$44,919/year
With benefits and bonuses: \$54,428

Treasurers:

Treasurers direct an organization's financial goals, objectives and budgets. Their duties may include overseeing the investment of funds and executing capital-raising strategies. Employers require a bachelor's degree in accounting, finance, economics or business administration. However, employers increasingly are placing emphasis on advanced degrees in these fields.

Average salary: \$97,645/year
With benefits and bonuses: \$130,957

Budget Analysts

Budget Analysts provide analysis and assistance to help companies develop their annual budgets, decide how to allocate current resources and estimate future financial requirements. A bachelor's degree—often in finance, economics, accounting, business, statistics, political science or sociology—is the minimum requirement for most employers, but an advanced degree is often preferred and sometimes required.

Average salary: \$55,566/year
With benefits and bonuses: \$67,586

International Walk-A-Thon

San Antonio, Texas

June 8, 2017

We Walk For the Children



Sponsored by: Credit Professionals International

Credit Education Resources Foundation

National Center for Missing and Exploited Children



Tomes Alonzo Gutierrez:

Male. **DOB** 4/6/1999. Missing 1/10/16 from Fremont, NE. Race: Hispanic. Black hair. Black eyes. Ht. 5' 11" Wt.: 180 lbs. Tomas is an endangered runaway. He may still be in Nebraska. Or he may travel to Ohio or Kentucky. Contact: theFremont Police Department (Nebraska): 1-402-727-2677.

Renodia Carter:

Female. **DOB**: 12/21/1998. Missing: 1/4/2016 from Lake Worth, FL. Race: Black. Black hair. Brown eyes. Ht. 5'4" Wt. 130 lbs. Renodia was last seen on January 4, 2016. Contact: Palm Beach Sheriff's Office (Florida) 1-561-688-3400..



Stormy Hack

Female. **DOB**: 2/12/1999. Missing: 8/8/2015 from Stevensville, MT. Race: White. Brown hair. Hazel eyes. Ht. 5'2". Wt: 120 lbs. Stormy may still be in the local area or she may have traveled to Denver, Colorado. Stormy's ears are pierced and she may dye her hair black or red. Contact Stevensville Police Department (Montana): 1-406-363-3033.

Natiya Robinson

Female. **DOB**: 12/29/1998. Missing: 10/1/2015 from Stockton, CA. Race: Black. Black hair. Brown eyes. Ht. 5'6" Wt: 135lbs. She may travel to Milwaukee, WI. Contact Stockton Police Department (California) 1-209-937-8377.



ANY ONE HAVING INFORMATION SHOULD CONTACT:

The National Center for Missing and Exploited Children

1-800-843-5678 (1-800-THE LOST)

Child Find Canada—1-800-513-3463