

*in this issue >>>*

*Selling CPI to Young Professionals*

*Take Part in the Credit Education Bonanza*

*Develop Leaders, Not Followers*

*Student Corner: How to Establish a Credit History*



*A publication of Credit Professionals International*

February 2017

# 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

We will celebrate CPI's 87<sup>th</sup> birthday on April 30, 2017, which means it's a good time to take a glance over our shoulder at the past and then turn our sights on building our future.

On April 30, 1930, in Spokane, WA, 125 women formed the first Credit Women's Breakfast Club and elected Edith Shaw Johnson as their president.



As I write this, our membership today now stands at 121 women and men.

*The Credit Connection is a publication of Credit Professionals International, P.O. Box 220714, St. Louis MO 63122. Phone: 314/821-9393. Fax: 314/821-7171. Email: [creditpro@creditprofessionals.org](mailto:creditpro@creditprofessionals.org). Website: [www.creditprofessionals.org](http://www.creditprofessionals.org)*

*Continued on page 2*

We could say “we’re right back where we started from” but I don’t see it that way.

I see it as an opportunity for rebirth and growth. We can do this by following our charter members’ strategy—using the new and popular technology of the day. For them, it was the telephone. For us, it is social media.

They not only conducted business on the telephone, they also chatted socially with their business colleagues. Friendships and the desire to meet in person grew. Edith Shaw Johnson had the impetus to make those face-to-face gatherings happen. And, as the saying goes, “the rest is history”!

Facebook, Twitter, Google, LinkedIn, YouTube and Pinterest are, today, quickly replacing the telephone as the primary means of communication. This is where we have to be, if we want to grow the ranks of CPI and expand our connections with colleagues all over our country and the world. And when I say “we”, I mean **all** CPI members.

If you don’t know how to communicate via social media, help is available. I suggest that, as a first step, you go online to learn about the various types of social media and how they are used.

One website I found is **[moz.com/beginners-guide-to-social-media](http://moz.com/beginners-guide-to-social-media)**. It gives good descriptions of the various social media. You can also explore other sites for information but your ultimate goal is to learn how to use social media. Here are some suggestions.

- Some AARP chapters offer classes for members on how to use social media. If yours doesn’t, encourage them to do so.

- Invite a Boy or Girl Scout troop to give a presentation on social media at your local association’s meeting. Be certain to invite enough of the scouts so that each CPI member will have one-on-one assistance in learning social media skills. (If you do not have a local association, do this with a meeting of another organization to which you belong—perhaps at your church, synagogue or mosque.)
- Enroll in an adult-education social media class at your local community college. If they do not offer such a class, propose



it to the college’s administrator. Point out that there are many middle-aged and older adults who could benefit from the class. Also, get others to either sign your letter or write their own letters. There is strength in numbers.

- Ask a young family member to teach you how to use social media.

After you learn the basics, you will want to go online and build your social network. Here is an online site I found that will help you do this:

[www.wikihow.com/Build-a-Social-Network](http://www.wikihow.com/Build-a-Social-Network).

It won’t take you long to become a pro at social networking. And just as those women who connected by telephone 87 years ago wanted to meet face-to-face, the people who connect via social media today will want to meet in person. And, chances are, CPI will start growing again.



# How to Sell CPI to Potential Members

**Cheryl Burleson-Davis, ACE/MPCE**

**Vice President**

**Membership Chairman**

Recruiting new members sometimes seems like an insurmountable task. We meet and get to know potential members through work; in our neighborhood; at meetings ranging from the Chamber of Commerce to the PTA; dozens of places where we do business; and at family gatherings.

We recognize that CPI membership would be of value to them but how do we get them to join? Simply inviting someone to attend your local association meeting is not likely to get results. You need to convince them of the value of CPI membership with regard to their professional and personal growth.

Here are selling points you can use to recruit new members. Joining CPI will:

## **Broaden your knowledge**

At local, district and national levels, CPI meetings provide information on new trends in the credit industry. CPI also publishes informative articles through its bi-annual magazine and quarterly newsletter.

## **Build a better resume**

Listing your association membership on your resume is impressive to current and future employers. It shows that you are dedicated to staying connected in your profession.

## **Grow your network**

CPI provides opportunities to create professional relationships in the credit industry. Members are



able to support and help one another in reaching their professional goals. A fellow CPI member may, for example, give you a heads-up on a job opening that would mean a promotion and raise for you.

## **Be a leader**

CPI gives you the opportunity to develop your leadership skills by chairing committees, overseeing special projects and holding office at local, district and national levels.

## **Become a mentor**

As you grow in your career, CPI membership gives you the opportunity to mentor younger members. They learn from you and, in this fast-paced and always-changing world, they can help you keep up with the times.

*Continued on page 7*



# BE A PART OF THE 2017 CREDIT EDUCATION BONANZA

## CHOOSE AN EVENT



### **America Saves Week (February 27-March 4, 2017)**

*(sponsored by America Saves and the American Savings Education Council)*

### **National Consumer Protection Week (March 5-11, 2017)**

*(sponsored by the Federal Trade Commission)*

### **Credit Education Month (March 1-31-, 2017)**

*(sponsored by Credit Professionals International and the Credit Education Resources Foundation)*

### **Financial Literacy Month (April 1-30, 2017)**

*(sponsored by the Council for Economic Education)*

## TAKE A BITE



**Visit these websites for information, ideas and materials.**

### **America Saves Week (February 27-March 4, 2017)**

*([www.americasavesweek.org](http://www.americasavesweek.org))*

### **National Consumer Protection Week (March 5-11, 2017)**

*([www.consumerftc.gov/national-consumer-protection-week](http://www.consumerftc.gov/national-consumer-protection-week))*

### **Credit Education Month (March 1-31-, 2017)**

*([www.creditprofessionals.org](http://www.creditprofessionals.org))*

### **Financial Literacy Month (April 1-30, 2017)**

*([www.councilforeconed.org](http://www.councilforeconed.org))*

*Contact the CPI Corporate Office if you lack internet access*

## SHARE



**Turn the page for more information on how to celebrate these events.**



*Continued on page 5*

## To Do Via Social Media

Have fun sending tweets and posts on social media. Both America Saves Week and National Consumer Protection Week provide sample tweets and posts, including photos, on their websites. (See page four for website addresses.)

Or create your own tweets and posts for these two events as well as for our own Credit Education Month, and Financial Literacy Month.

Visit the website of the sponsor of Financial Literacy Month ([councilforeconed.org](http://councilforeconed.org)). Click on “under events” on the home page to get the scoop on their new #MySavingsStory video campaign. The videos feature a successful fashion designer, best-selling author, an entrepreneur and others telling children what they’ve learned about the importance of financial literacy and saving. The website also has a link



to their blog to find the names of those involved and dates when their videos will be released throughout Financial Literacy Month (April). The #MySavingsStory videos will air on the council’s Facebook page. There is a link to their Facebook page on their website.

**[www.councilforeconed.org](http://www.councilforeconed.org)**

## To Do In Your Community

- Set up a display in the lobby of your bank or at your local library. Get friends, family members and someone from the bank or library to help you. Keep it stocked with free materials you can get from government agencies. ([www.publications.U.S.A.gov](http://www.publications.U.S.A.gov)) or from sponsors of these events.
- Tie one of these events in with one of your volunteer activities. Do you volunteer at an area food pantry? Are you involved with organizations such as Beyond Housing? Do you volunteer with or belong to a group or organization at your church, synagogue or mosque that serves people in your community? These offer opportunities to distribute materials.
- Spread the word about the Council for Economic Education’s video campaign to schools, youth organizations, parents, grandparents and after school programs.



**Throw a party for family, friends and neighbors. Distribute free materials from sponsors of these important events.**



## Government News

### California Passes Law to Protect Children from Identity Theft

California Governor Jerry Brown has signed into law a bill to protect children in the state from identity theft.

A credit freeze—or security freeze—is the best tool to protect anyone from financial identity theft. It prevents anyone from running a credit check or opening a credit account with your social security number. For years it has only been available for adults.

Studies, however, show that children can be at an even greater risk for identity theft because they do not yet have a credit history. Recently, Equifax agreed to voluntarily allow child credit freezes. Experian and Trans Union, however, still refuse to do so unless state law requires it or the child is already a victim.

The California law is similar to laws in at least two dozen other states. These laws force the credit bureaus to let parents place a freeze before their children are victimized.

Federal legislation was introduced but stalled over a year ago. Since then, millions of kids have had their identity stolen through massive attacks.



### Nebraska Considers Bill To Cap Interest Rates on Payday loans

The Nebraska state legislature is considering a bill to cap interest rates on payday loans at 36 percent. In addition, the bill requires lenders to offer more affordable payments. Bill co-sponsor Democratic Senator Tony Vargus of Omaha says payday loans with interest rates that can top 400 percent often leave people having to borrow more money.

“That cycle of a ‘loan to pay a loan’ is extremely typical in these instances, and that creates a cycle of debt,” Vargus said. “We have one instance where a \$500 loan turned into over eight years at a \$10,000 amount of money they had to pay back.”

Non-partisan co-sponsor Senator Lou Linchan said the legislation will allow payday lenders to make a profit but it also levels the playing field.

She added that “It makes no sense that we have our banks regulated and then, we have the payday lending people, who are under no regulations. They can still make money, and they should, if they’re in business, but we don’t want to get the people who need to use them for credit never to be able to get out of the hole.”



## Make new friends

CPI's professional networking groups offer you an opportunity to meet new people in your city and throughout the country. This gives you an opportunity to meet people who may help you grow in your career and with whom you can have fun.

## Give back to the community

Local CPI associations offer members opportunities to organize and carry out credit education programs in their communities. Funding is often provided by the Credit Education Resources Foundation, from whom grants are available. These programs also give you the opportunity to grow in such areas as organizing and implementing these programs.

## Strength in numbers

Like many of us, you may have good ideas for programs or projects that would benefit people



and adults in your community—but you don't have the time to organize and implement them by yourself. As a CPI member you have access to an established support system of experienced people who are motivated to get things done and who are also willing to step up and give you a strong helping hand.

## Living Memorials

### In Memory Of::

**Betty Jo Goff**  
(Member of Brownsville TN CPI  
Joined CPI in 1964)

### Given by:

**District 3&4**  
**Nona Ellzey, MPCE**



## BE MINDFUL NOT REACTIVE

- **Be curious.** Rather than jump to a conclusion, ask questions to ensure your assumption is correct.
- **Put a label on your feelings.** Take a deep breath and acknowledge how you're feeling, for example—angry, threatened, insulted or misunderstood.
- **Reframe colleagues' behavior.** Why is the person acting this way. What led up to this situation? When you see things from others' perspective—even if you don't agree—you'll be more inclined to work cooperatively to resolve the issue.
- **Edit before you respond.** Ask yourself "Is my response going to move the conversation forward in a positive direction?" If you can't answer "Yes," you aren't ready to respond.

*Source: Communications Briefings*

# Develop Leaders, Not Followers

By Shannon Cassidy

Besides the celebration, what happens if you get a promotion? What if you need to leave your company for some reason or you find yourself called to a different path in life? If any of these occur, what happens to your team?

Great leaders are always on the lookout for people they can teach and mentor. They search not for more followers but for potential leaders who can replace them. They develop leaders, not more followers.

So how do you develop another you? Another great leader? Begin with these four methods.

## **Give them experiences tailored to leadership**

As a manager or leader, you have certain tasks that are not required of anyone but you. Find ways that your potential leaders can gain experience in those areas.

If you make a presentation once a month, allow your mentees to try their hand at it. As you develop their leadership skills, watch for unique talents they can apply to managing. Look for skills that you didn't use because you didn't have that talent. Allow them to see behind the curtain and try their hand at the parts of your position that are invisible to most.

## **Teach them to network.**

Networking events can be painful and awkward, but great leaders jump in and do the work no matter how they feel.

Teach your candidates how to network by having them follow you and watch how you initiate conversations. After they've witnessed your techniques for a while, they will be equipped to network independently.



Networking is extremely valuable no matter the job. Giving your mentees the change to cultivate abilities and confidence in networking is vital to the future of your company. As they progress into leadership roles, they'll already have contacts and people skills.

## **Allow them to fail.**

E. M. Forster said, "Spoon feeding in the long run teaches us nothing but the shape of the spoon."

It is highly beneficial for your leaders-in-training to fail, so you need to give them that chance. Push them to handle problems on their own and then allow them to act on the wrong solution.

Micromanaging will not teach your candidates how to stand on their own when they move into the leadership role. Of course, this doesn't mean allowing their failures to affect the company while you just watch. But little by little, allow your leaders-in-training more responsibility.

## **Trust them to lead.**

Just as it is difficult to watch your child leave the nest, it is a hard decision to allow your leader-in-training to leave your watchful eyes to



lead independently. In order to complete the development of a leader, you must take your hands off the result.

Think about it: If you teach your leaders-in-training how to make smart, informed decisions, but still require that they run every idea by you before they're allowed to make a move, how empowered will they feel?

Begin now to look around and select employees that you see have potential for leadership. If you do leave your company or your current position, you will have a succession plan in place for continued growth without you.

Leaders develop more leaders.

## Mabel Bliss Scholarship Fund Award Recipient

*Mabel Bliss, a long-time member of CPI of Portland OR, included in her will a substantial donation to the Portland Community College Foundation. The college has established the **Mabel Bliss Scholarship Fund**. Scholarships from this fund are awarded to worthy students pursuing careers in areas related to the credit/banking/financial fields. Here is a thank you letter from this year's recipient. We are not including her last name for privacy reasons.*

Dear Donor:

Thank you for providing me with the funds that will help me through school. I would not be on track to graduate on time without this support.

I am highly motivated to get a degree and set a good example for my youngest brother in high school. After dropping out of high school myself to help my mother pay the bills, I realized that I wanted to have a better life than my parents, and I did not want my youngest brother to follow mine and my siblings footsteps.

So I returned to high school and got my degree and decided that it wouldn't be enough to have a better life for myself and my family. I am the first of my two other siblings to graduate high school, and I am the first one in my family to attend college. I am now thinking about all the possibilities that are available to me with a degree.

I plan on pursuing a Master's Degree in Finance and opening up a non-profit financial advising firm to help those who cannot afford financial advice or financial services.

I really appreciate this scholarship and can assure you it will not go to waste.

Thank you,

Katie

# 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 or 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. Double occupancy room rates from \$674.99 per person.

**Deposit due by Feb. 10, 2017.**



## 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.

## STUDENT CORNER

# Five Ways to Establish Credit History When You Don't Have One

## Source: Equifax

Many college students and recent graduates find themselves in a predicament: You need to have good credit to qualify for credit, but it is difficult to establish credit without borrowing. And while credit cards can be a great tool for establishing your credit report and credit score, not everyone feels comfortable with them.

Melinda Collins, a video producer based in Chicago, decided early to avoid credit cards.

“Every time I approached a milestone and considered getting a credit card, I would reflect on my less-than-great spending habits and realize that I could get into a lot of trouble,” she explains.

After watching her older sister rack up credit card balances, Collins decided to establish her credit history using other methods. At 24, she has avoided carrying excess debt, which has helped her establish a solid credit history.

“I’ve never been denied an apartment and was able to purchase my car by paying cash up front,” Collins says.

If you’re trying to establish a credit history but aren’t yet ready for the responsibility of a credit card, here are five ways to help you get started:

### **1. Consider a secured credit card.**

A secured credit card is a unique payment method. Unlike traditional credit cards, a secured card requires a deposit to guarantee your transactions. Similar to a debit card, your initial cash deposit becomes your credit limit.



Note that there may be an application fee or annual fee associated with the card. Also be sure to verify that the creditor reports your behavior to the three national credit reporting agencies (CRAs). This will help ensure that the activity is factored into your three different credit scores.

In fact, you may want to regularly review your three credit scores to see how your credit behavior impacts them. Federal law requires each of the three nationwide consumer credit reporting companies to give you a free credit report every 12 months if you ask for it. Learn more by visiting [www.annualcreditreport.com](http://www.annualcreditreport.com).

### **2. Apply for a credit card with a co-signer.**

Another way is to get help from someone with excellent credit is to apply for a traditional credit card with a co-signer. If you stay well within your credit limit and pay your credit card bill in a timely manner, a co-signed card can help you establish your credit history.

*Continued on page 12*



If you decide to ask someone to co-sign for you, remember that he or she will be responsible for your charges if you aren't able to pay your credit card bill.

### **3. Apply for retail and gas credit cards.**

If you have a thin credit history, you may be able to qualify for a credit card with a retailer or a gas company. As with a traditional credit card, paying your retail or gas credit card on time every month can help you establish a strong credit history.

While it's easier to qualify for retail credit cards, be sure to check the interest rates and credit limits as they can vary.

### **4. Obtain a loan from a credit union.**

You may want to consider a credit builder loan with a credit union. With this type of loan, you pay up front before you get the funds. The amount you want to borrow is placed in an interest-accruing account. Once you pay the full loan amount, the funds are released to you. Some lenders require a lump sum deposit, while others allow you to make smaller deposits over time, such as \$100 a month. Be sure that you [know the terms for the loan](#), and confirm that the credit union is reporting your activity to the three national CRAs.



### **5. Become an authorized user on another account.**

As a last resort, consider becoming an authorized user on a parent's account. When you're added as an authorized user, the account activity will be reflected on your credit report. By piggybacking on someone else's account, you



can also learn good credit habits, such as budgeting your income and only using a certain amount of your available credit vs. maxing out your card. When you're capable of qualifying for your own credit card, you'll be more prepared to handle the responsibilities.

As you start establishing your credit history, keep in mind that you should only apply for credit that you can afford to pay back. Your payment history accounts for 35 percent of your Equifax credit score, and late payments can have a negative impact. Collins says that part of her financial security resulted from some excellent advice she received at a young age: "Don't borrow money that you don't have."

*The information contained in this blog post is designed to generally educate and inform visitors to the Equifax Finance Blog. The blog posts do not give, and should not be assumed to provide, personalized tax, investment, real estate, legal, retirement, credit, personal financial, or other professional advice. Before making any financial decision, you should always consult with the appropriate professionals who can explain your options, rights, and legal responsibilities, and advise you on any tax, legal, credit, or business implications that may result from those decisions. The views and opinions expressed by the authors of blog posts are their own views and may not be the views or opinions of Equifax, Inc. and/or its affiliates.*