

Credit
Professionals
International



2004-2005
Education Manual

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COME GROW WITH US



Congratulations to Linda Bridgeford on obtaining an impressive array of articles for our 2004-2005 year. This manual will enable our local associations to structure meaningful programs so that our members can find greater success in their careers and personal lives, and will also help attract new members to our association. Thank you, Linda, for your hard work and dedication in compiling this year's edition. Our thanks also go to Charlotte Rancilio of the Corporate Office for her help with layout and editing and of course our greatest thanks go to our authors for sharing their knowledge and expertise with us.

Our theme this year is to "Talk it up for CPI." I've asked the members to talk it up three ways...to communicate successes and concerns from the individual and local level up to State, District, and International...to promote CPI and its benefits in daily contacts...and to inspire fellow members by affirming each other's successes and speaking positively, not negatively. Communicate...Promote...Inspire. This manual can be a tool to do all three...and I hope you will use it wisely as you "Talk it up for CPI."

*Carol D. Neal, CCBE/MPCE
International President
2004-2005*

THE 2004-2005 EDUCATION MANUAL



I am very pleased to present your 2004-2005 Credit Professionals International educational manual. In our mission statement, one of the objectives is to provide education to keep our members informed. I know through this manual, we have a great opportunity to achieve this.

I asked for assistance from the District Second Vice Presidents and/or their Education Chairmen in securing chapters for this manual. Thanks to this committee for all of their help. I did get submissions from all the Districts.

As you can see, many of the articles were written by some of our members and others by experts in their field. There are a variety of topics represented in this manual. I was very privileged to find authors who were willing to share their knowledge with us. I want to thank each and every one of them for taking time for Credit Professionals International.

Thanks to Charlotte Rancilio at the Corporate Office for her help with this manual.

Remember to "TALK IT UP FOR CPI."

*Linda Bridgeford, CCCE/MPCE
First Vice President*

LAUGHTER—STRONG MEDICINE FOR STRESS?



By Becky Greene, MPCE

Are you stressed out at work? Does dealing with the additional stress at home make you feel like exploding? Do you need a pill to help you chill out? Maybe not, according to medical researchers. Maybe all you need is to watch a funny sitcom or get your significant other to tell you their best joke.

Thousands of years ago the writers of the Bible noted in Proverbs 17:22, "A Merry Heart does good like a medicine". Now today's medical research is beginning to agree. A quick trip down the internet will show you that a plethora of Laughter Therapy Groups and Laughter Clubs are springing up all over the country. The study of laughter has become so common that it has a name—gelotology.

The medical community has long advised us that stress is a killer. In addition to the negative mental response to stress, the physical response wears our immune system down, making us more likely to become sick. Stress is a factor in heart disease, stroke, diabetes and many other illnesses. It can help facilitate the start of the disease and make the symptoms worse in an established disease. A study done at the University of Maryland Medical Center and presented to the American Heart Association's 73rd Scientific

Sessions indicates that people with heart disease are 40% less likely to laugh than people of the same age without heart disease.

Research has shown that laughter stimulates the release of endorphins, the body's natural painkillers. During laughter, our bodies increase activation of the B-Cells that produce anti-bodies, Gamma-interferon (a disease fighting protein) and T-Cells that are important to the operation of the immune system. Laughing also increases the concentration of salivary immunoglobulin A in the respiratory tract. Immunoglobulin A fights infections. Levels of Immunoglobulin B increase and also Compliment 3 which aids anti-bodies in attacking infected cells.

A good laugh also decreases levels of stress hormones cortisol and adrenaline—the hormones associated with the “fight-or-flight” syndrome. These hormones not only suppress the immune system but also increase the number of blood platelets (increasing the risk of obstruction of the arteries) and raise blood pressure. Dopamine levels decrease during laughter. Dopamine is also a contributing factor in high blood pressure.

One definition of the physical action of laughter says that fifteen facial muscles contract while the respiratory system is upset by the epiglottis half-closing the larynx so that we intake air irregularly and we gasp. If the joke is REALLY funny, the tear ducts are activated so that while we are gasping for air, our face turns red and we sweat.

A good hard belly-laugh exercises the abdominal, diaphragm, respiratory, arm, leg, facial and back muscles, lowers your blood pressure and increases vascular blood flow and oxygenation of the blood. Occasionally laughing can lead to hiccupping or coughing which can clear the respiratory system of mucus. Some researchers claim that 10 minutes of good hard belly-laugh are equal to 10 minutes on a rowing machine or 15 minutes on an exercise bike. It's no wonder you can feel tired after a really hard bout of laughing.

The emotional benefits of laughter are legion. Laughing reduces negative emotions like anger, resentment, sadness and fear. It relieves depression. Due to the release of endorphins mentioned earlier, it produces a sense of well-being. It feels good and, perhaps best of all, it is free.

Ever wonder why children can take the world so easily? Adults laugh an average of 15-17 times a day; children laugh about 400 times a day. Despite rumors to the contrary, humans are one of the few species able to laugh. Unlike emotions that seem to be relegated to one specific area of the brain, laughter is involved with the left side (cortex), the right side (cortex), the front (frontal lobe) and the back (occipital lobe).

So the next time stress from work, home and life in general is getting to you, don't reach for the pill bottle. Instead, lighten up, pull out your favorite funny video, pop some popcorn, sit back, relax and laugh, laugh, laugh.

Suggested Reading:

"The Laughter-immune Connection" by Dr. Lee Burke, PH, MPH and Stanley Tan, MD, PhD.

"Laughter: Is It Healthy?" by Tammie S Diggs

"Laughter- Still the Best Medicine" by Drs. Gael Crystal & Patrick Flanagan

www.howstuffworks.com/laughter.htm

About the author:

Becky Greene has spent most of her working life in banking—over 31 years. Most of that time she has worked as a Credit Analyst for BB&T Bank. Along with her husband, John, she is a Regional Director for Angelfood Ministries. In her spare time, she performs as "Paper Rosie," a character clown. She is a member of the World Clown Association and the Clown Connection Alley in Greenville, SC. Becky has been a CPI member for over 20 years and was the 2003-2004 President of District III & IV.

FRANCHISING



by Gary L. DeShazer Jr., CPA/MBA

As you drive down a busy commercial street, you will notice franchises on every corner. The most obvious will be the restaurants: McDonald's, Wendy's, Taco Bell, Subway, Quizno's. But franchising isn't just about restaurants. Franchises exist in many forms of business such as: lawn service, childcare, tax and accounting service, business brokerage, financial services, and the list continues (see www.entrepreneur.com for the top franchises). So if you want to go into franchising, you will have a wide range of industries to choose from.

What is a Franchise?

Franchising is a system for expanding a business concept by duplicating the operation over and over again under a recognized brand name. The business system is franchised—the proven method that consistently delivers product, services, and experience to the customer.

A franchise occurs when a business (the franchisor) licenses its trade name (the brand) and its operating methods to a person or group (franchisee) who agrees to operate according to the terms of a contract (the franchise agreement). The franchisor provides

the franchisee with support and continues to operate some control over the way the franchisee operates under the brand. In exchange, the franchisee pays the franchisor an initial fee (called a franchise fee) and continuing fees (known as royalties) for the use of the trade name and operating methods.

Facts about Franchising:

- Nine out of ten franchisees said that they considered their franchise to be somewhat or very successful.
- Franchisees expectations were exceeded (18 percent), mostly met (48%), somewhat met (24%).
- Six of ten said that they had worked more hours as the owner of the franchise than they had in other businesses they had owned or on other jobs they'd held.
- Average gross income as franchise owners was over \$90,000.
- 66% would buy or invest in the same franchise again.

The Relationship Between Franchisor and Franchisee

Franchise systems are built on the relationships that the franchisor establishes with its franchisees. A relationship that is built on respect, support, training, and continuous improvement is more likely to succeed as an ongoing business. And just like anything else, the relationship will change as the business conditions change. However, most relationships will take on one of the following characteristics throughout its life.

Partner

Franchisor and a Franchisee are partners, after all this is a business arrangement. Each of them has a role and will be depended on for the success of the other. Legally, the relationship is not a "*partnership*," but operationally, the franchisor takes on the role as a senior partner thereby mentoring the franchisee to be successful. Just like you having a vested interest in the franchise, the Franchisor has an interest in your operation in the form of royalties. Therefore, a Franchisor will look out for its best interest first, before considering your individual performance goals—financial or operational.

Parent

Parents provide early guidance to their children for healthy growth and independence. Franchisors do the same thing by providing training, ongoing support, and promotional marketing in order to set up franchisees with the necessary tools to be successful. Like parents, they offer a support mechanism that franchisees can turn to for help when they're off track. And they are a continuing source of ideas, experience, and advice as franchisees grow.

Dictator

Occasionally the relationship will feel like a dictatorship to the franchisee. The main reason franchisees get into business is because they, as entrepreneurs, want to make their own business decisions and determine their fate. And why not, isn't it true that they own their own business? Yes and no! A franchisee owns their own business, this is true—but it must be operated on someone else's terms—the franchisor. The franchisor determines how the business will be operated (consistent with all other operators), what products will be sold, and where it will operate. Changes will be made on their timeframe and may cost the franchisee capital for improvements to equipment, décor, or uniforms.

Although the relationship may take on different forms over time, the franchisor looks at the big picture and must decide what is best for all franchisees while maintaining corporate values and principles. And in most cases, this arrangement has been very successful and financially rewarding for both.

The Franchise Agreement

A Franchise Agreement is the legal document that binds the franchisee to the franchisor. The franchisee does not own the business, but rather owns the right to do business using the franchisor's trademark, brand name, product or service, and operating methods. The franchise agreement spells out what the franchisor will do for the franchisee and vice versa. A good franchise agreement will include the following:

- A proven and successful way of doing business
- A nationally known brand name
- A complete training program
- Research and Development program
- Professionally designed advertising and marketing program
- Opportunity to expand and own additional franchises
- Ongoing field and HQ support
- A protected market or territory

Before you can sign a franchise agreement, you must thoroughly review the UFOC (Uniform Franchise Offering Circular) that basically covers everything in the franchise agreement including earnings claims and names/numbers of current and past franchise owners. The UFOC is a Federal Trade Commission implementation that requires minimum disclosure to prospective owners. This is very similar in principle to disclosures you receive prior to purchasing stocks, bonds, and other securities.

It's important that you understand the UFOC before you continue your pursuit of the franchise. If you have any questions or need clarification, do not hesitate to call the area director, the corporation, or other franchisees – past and present.

Advantages of Franchise Ownership

- Overall competitive benefits—brand name, consistency, proven operating methods
- Pre-opening benefits—training, operations manual, site selection
- Ongoing benefits—In exchange for ongoing royalty, the franchisee benefits from research and development, field and home office support, and periodic training. Additionally, franchisees reap the benefits of purchasing power economics and momentum from growth and market share.

Disadvantages of Franchise Ownership

- Loss of independence—The franchisor will make the big picture decisions.
- Over dependence—Due to the lack of control, some franchisees fail to be pro-active and wait for the franchisor to make all the decisions.
- Other franchisees—All franchisees must rely on other franchisees to abide by the franchise agreement and maintain the brand name and image.

Are You Cut Out to be a Franchisee?

Franchising can be a very rewarding career, but it isn't always easy. Before you decide to make that important decision, you must evaluate yourself. Making the decision isn't just about the numbers (will I become rich?), but how comfortable will you be in a life-changing decision.

Remember, operating a franchise is a hybrid between business ownership and employment. On one hand, you are investing your capital to use the operating system to start and support a business. On the other hand, you will be held responsible to continue the day-to-day operations, working 24/7 to make it happen and be successful. If an employee calls in sick or decides to leave, you will be forced to make a decision to fill in or call someone else to show up for work. The decision may look easy on paper, but real life situations are much harder to manage.

Some questions that you will need to ask yourself are:

- Are you willing and able to learn new skills?
- Would you rather give or take orders?
- Are you ready to say goodbye to corporate perks?—Ouch!
- How's your health?
- Do you like people?
- How much can you invest?
- How much can you afford to risk?
- How do your family and friends feel about your venture?

The Choice Is Yours

Well, how was your self-evaluation? Are you cut out to be a franchisee? Whether you decide to be a franchisee or open up your own business, I strongly suggest that you prepare a business plan. In your business plan, you will evaluate the business, the market, customers, vendors, and the industry. Additionally, you will need to discuss your marketing plan, management, organization structure, financing, and your implementation plan. All of this discussion will support the projected income, balance sheet, and cash flow—arguably the most important item to a potential banker or investor.

Best of Luck!

About the author:

Gary L. DeShazer Jr., CPA/MBA is Senior Vice President of Finance for Prosidian Insurance Company in Wichita, Kansas. Prosidian is a start-up company that provides malpractice insurance to physicians in Kansas, Nevada, Arizona, and Illinois. The company plans to start business in February 2004 and go public in 2005. Based on the cyclical nature of the industry and the current market conditions, Prosidian is entering the market at the right time and is optimistic about its future as a provider of professional liability insurance.

Preceding his current position at Prosidian, Gary has owned and operated two Quizno's Restaurants in Wichita since 2001. Timing could have been better for the venture, but despite poor economic conditions in Wichita, Gary was able to increase sales and improve operating conditions year-to-year. Additionally, Gary worked 16 years for Amoco Corporation in Accounting and Finance. His successful career with Amoco utilized his skills in Tulsa, Chicago (HQ), and Houston, and internationally in United Arab Emirates, Malta, and Colombia.

Academically, Gary received his Bachelors degree in Accounting from Kansas State University in 1983 and received his MBA from Jesse H. Jones School of Management, Rice University in 2001. He also has his CPA certificate from Oklahoma (1986).

ESTATE PLANNING TOOLS



by Stephen O. Colow

Guardianship and Conservatorship

Guardianship results from a court proceeding where either a judge or jury has determined that an individual is no longer capable of managing his/her own affairs and needs someone else to make the decisions, and has not authorized any other person to do this through a trust or durable power of attorney. A guardian is the person appointed by the court to act on behalf of the incapacitated person. A ward is the incapacitated person for whom the guardian is appointed.

A guardian can be appointed over the person, the estate or both. In some cases, the guardian of the estate is referred to as the conservator. In this article, the term guardian will refer to the court-appointed substitute decision maker of either a person or estate.

The appointment of a guardian results in a significant loss of rights and should only be considered as an option if a less restrictive alternative is not available. For example, an individual

may lose the right to vote, buy or sell property, provide consent for medical treatment, enter into contracts, or otherwise make routine decisions that would affect his/her life.

Most importantly, guardianship diminishes the self-esteem of the person deemed the ward because that person has lost control over his/her basic life decisions, which may have a serious psychological impact.

Medical evidence, in addition to testimony from others (social workers, family, friends), is usually required in order to make the case for guardianship.

Power of Attorney

A power of attorney gives one person the legal authority to make binding decisions on behalf of another person. The person granting the authority through the power of attorney is called the *principal*. The person who is authorized to act on behalf of the principal is called the *agent* or *attorney in fact*. The agent can manage any or all of the principal's affairs including financial (buying/selling a home or property) as well as personal issues. The principal can provide to the agent any instructions, guidelines, or limitations he feels are appropriate.

A person must be mentally competent to authorize a power of attorney and, of course, only a trustworthy agent should be chosen to act as the attorney in fact. Any competent adult or a bank trust department can be chosen to act as your agent.

An ordinary power of attorney, as described above, is effective only as long as the principal is competent. Once the principal becomes disabled, incompetent, or dies, the agent's authority ceases.

Durable Power of Attorney

A durable power of attorney also conveys authority for decision making from one person to another. This written document remains effective even if the principal becomes disabled or incompetent. The agent's authority ceases, however, when the principal dies.

A durable power of attorney may be written in two ways:

1. to become effective as soon as it is executed and remain in effect even if the principal becomes incompetent

OR

2. as a "springing" durable power of attorney, which becomes effective only if and when the principal becomes incompetent.

The durable power of attorney should be explicit regarding the authority being granted, the circumstances under which the document becomes effective, the duration of the power, and the specific rights and duties of the agent. It should state that it is durable (remains in effect) regardless of the onset of physical or mental incapacity but must be signed while the person is still legally competent. There is no one to monitor the actions of the agent you appoint, so this document should only be used if you have someone to act for you whom you fully trust.

A durable power of attorney should be drafted by an attorney since the principal is giving the agent virtually unlimited authority to handle his/her affairs. You want to be sure that you grant only those powers you intend to grant, and no more. In addition, you may desire specific language to allow the agent to do certain things such as transfer assets, make gifts, enter your

safe deposit box, file tax returns, etc. You want to be sure that the legal requirements for your durable power of attorney have been met.

A durable power of attorney, if drafted correctly, is an excellent planning device that can usually avoid the expense and delay of guardianship should you become incapacitated. If you have not executed a durable power of attorney, your family may face the stress, confusion, and expense of going through a court action to appoint a guardian.

A durable power of attorney is useful when decisions need to be made and an individual is not capable of making them. By designating an agent in advance, you can retain more control over your affairs, even if you have lost the capacity to make your own decisions.

Wills

A will is a document, often referred to as a "last will and testament," that directs how the deceased person's money and property are to be distributed. Everyone who is concerned about the distribution of his/her assets after death should have a will. A will is the most common way to control who will benefit from your property after you die. If wishes are clearly spelled out, a will can help prevent stressful and costly disputes among relatives.

The person who is charged with settling the estate is known as the Personal Representative. Any competent adult, some financial institutions or a bank trust department can be named to act as your person representative. The people who are to receive any money or property are the *beneficiaries*.

In addition to distributing property, a will can name the guardian of minor children or designate a trustee for that part of the estate which may be placed in trust.

There are three types of wills: formal, handwritten, and oral. The most uniformly accepted of these is the formal will. It is always best to execute a formal will. Additionally, there is a big difference between a will and a living will. A will relates to your estate and determines how it should be divided when you die. A living will relates to your person and clarifies your wishes regarding specific medical treatment while you are still alive.

A person who dies without a will is said to have died *intestate*. Your state of residency has laws which dictate how the deceased's property should be distributed if there is no will. If there are no living relatives, the property reverts to the state.

If a will is found to be invalid, the court will usually treat it as though you had died without a will.

You can change, revoke, or rewrite your will at any time as long as you are competent and as long as you observe certain legal formalities. If you wish to revoke a will, you must make it clear that you are doing so and the new will is to take its place. If you want to change some provisions, you can do so by using a document called a codicil, which is an amendment to a will. Be sure to check with your attorney about the specific laws regarding codicils.

Note: Be sure to keep your will in a safe place where it is protected yet still easily accessible. Your attorney and Personal Representative should each have a copy and your Personal Representative should know where to find the original document.

Trusts

Most people think of trusts as something only the rich have. On the contrary, trusts may be useful planning tools for the middle class and older persons as well. The function of the trust is to allow the person to plan for future needs.

A trust is a legal arrangement whereby a person (the trustor) grants or creates the trust where one person or institution (the trustee) holds title to money or property for the benefit of other people (the beneficiaries). A trust can provide protection from probate (the court procedure for verifying the authenticity of the last will of the deceased and supervising the administration and distribution of the estate), avoid conservatorship, and/or allow someone else to manage the trustor's assets while she/he is alive. Any type of property can be transferred into a trust including real estate, bank accounts, stocks, bonds, and insurance policies.

The two most commonly created trusts are as follows:

1. A "living" trust (also called an inter vivos trust), created by the trustor while she/he is still alive, is a trust in which the trustor names him/herself as the beneficiary. The trustee then assumes the task of managing the trust for the beneficiary according to the conditions of the trust document. It can also be used to manage the financial assets of older people who may still want to control their financial affairs while they are competent. The living trust provides for someone else, a successor trustee, to manage their affairs should they become incompetent or incapacitated. Any competent adult or a bank trust department can be named to act as your trustee or successor trustee. A living trust can remain in effect after death and thus can avoid probate and provide for an orderly means of managing an estate without the interruptions, delay, or expense caused by probate.
2. A testamentary trust is established as a provision of a will. Its function is to conserve estate assets and/or to provide for the ongoing care of survivors, such as a spouse, children, or grandchildren after the trustor's death. A testamentary trust doesn't avoid probate, but it does assure the trustor that an inheritance will be managed according to his/her wishes.

Note: If the trust is written so that the trustor can take back the assets or change the terms of the trust, it is known as a revocable trust. If the trust is written so that the trustor cannot take back the assets or change the conditions, it is called an irrevocable trust. Either may have some tax or estate planning benefits. You should always consult with a qualified estate tax planner regarding the particular tax benefits available for your desired estate plan.

In addition, under the Tax Relief Reconciliation Act of 2001, the amount that can be left tax-free to others will increase in stages. In the year 2004, the amount will be \$1.5 million. By 2006, the amount will be \$2 million and by 2009, the amount will be \$3.5 million.

The one thing all legal trust documents have in common is that they allow an individual to decide in advance what should happen when a future event occurs.

Advance Medical Directives

An advance medical directive refers to such documents as living wills, durable medical powers of attorney, and health care proxies. These are written expressions you can draw up ahead of time which clearly outline exactly what medical treatments you do desire and what treatments you do not desire, in the event that you become unable to make your wishes known. The benefits of using an advance medical directive are twofold.

First, it clearly outlines ahead of time the expectations and limits of what you wish to have done. For example, some treatments you may want to consider to allow or not allow, could include:

- Cardiopulmonary Resuscitations (CPR)
- Do Not Resuscitate (DNR)
- Respirator
- Feeding tube
- Intravenous therapy
- Other life-sustaining treatments

Second, it allows you to empower someone of your choosing to make medical decisions for you when you are no longer able.

Living Will

A living will, the most common of the advance medical directives, is a legal document that allows an individual to state, while he/she is still able, his/her wishes regarding the use of extraordinary measures or procedures that would delay death when his/her condition is terminal. The living will can refuse all death-delaying procedures or can request all the procedures. The living will can also specify whether surgery is to be attempted, that pain medication is to be administered, or organs are to be donated.

Living wills are legal in all states that have a Natural Death Act, which allows a person to stipulate whether his/her life is to be prolonged artificially in the event of a terminal illness.

However, physicians can refuse to honor your living will if it conflicts with their own values, or if they fear liability. Discuss your wishes with your physician. If she/he is not willing to cooperate, you may want to find another physician. This document should be made part of your medical record, with copies given to the hospital, your spouse, children, etc.

You can complete and sign a preprinted living will form, available through your doctor, hospital, state medical association, bank trust department, or personal attorney. You need only sign the living will in front of two non-related-by-blood witnesses for it to be valid.

Technically, a living will takes effect only when someone is suffering from a terminal illness, or is in a coma or what is called a "persistent vegetative state."

Durable Medical Power of Attorney

A durable medical power of attorney is similar to a durable power of attorney except that it focuses on health care concerns. In this case, the person you appoint as your agent will have the authority to make health care decisions for you if you are unable. The person you select for this most important responsibility should know your wishes, values and preferences through detailed discussions with you.

Make sure your doctor knows about the durable medical power of attorney and agrees explicitly to cooperate with your wishes. The agreement should be part of your medical records as well.

Remember: Writing a living will and appointing a durable power of attorney are not just for the elderly; people of all ages should consider these steps. Keep in mind that there are many decisions to be made regarding the future. They are yours to make but, unless you use some of the legal tools just described, you may inadvertently forfeit your ability and right to make those decisions yourself.

Note: This article contains general information only and is not meant to be legal advice. Consult a competent legal professional for advice specific to your personal situation.

About the author:

Stephen O. Colaw is a 20+ year employee of ARVEST Trust Company, N.A., Bartlesville, Oklahoma. He holds a Bachelors Degree from the University of Missouri, Kansas City, and is a graduate of Southern Methodist University Graduate School of Banking. As a Vice President of ARVEST Trust Company, he has served as a personal Trust Officer for his entire banking career.

Stephen is married to Joyce. They have three children and seven grandchildren. Although not a lifetime resident of Bartlesville, he has spent approximately thirty years in the Bartlesville community. As a very active civic leader, he serves on thirteen different governing and advisory boards within the state and community.



Credit Professionals International of Atlanta
proudly honors

Carol Neal, CCBE/MPCE
International President 2004-2005

Three Cheers for Carol!

REPOSSESSIONS AND COLLECTIONS ON FEDERAL PROPERTY AND INDIAN RESERVATIONS



by Patricia Bivens, MPCE

When you enter Federal Property, above all else, please remember to maintain a professional decorum. Keep in mind these service members are told what to do and not asked. When you go to a Command, you are either escorted by a Base Policeman, Military Police (MP), or Shore Patrol (SP). This sometimes can put an entirely different perspective on any collection or repossession. Sometimes procedures can go awry when everyone is not informed of protocol.

I will give you an example. When visiting a known Carrier at the Naval Station Norfolk, a procedure is in place for Carriers. Little did I realize that this would be a different day. A young Lieutenant (jg) was on the Quarter Deck. I had all my paperwork in hand along with my escort. We explained to the Officer of the Deck that we were there to do several repossessions and needed to talk with the Security Officer, who handles these types of situations aboard any ship, not just Carriers. Well, needless to say, he did not call the Security Officer. He talked to a new JAG.

officer that came from another base that was not in the Tidewater area. He did not know the protocol from the Naval Base Norfolk. This young (jg) had a real attitude and decided no one was going to repossess anything from a service member aboard the ship. He told my escort and me to leave the ship. We tried to explain and he really became irate and used language unbecoming of an officer. Then he asked if we expected to find the cars on the flight deck, which we did not. In the end, we left the ship. We lost the battle for the day but not the war. Just remember these people always have someone above them. The Admiral interceded for us and we were able to go another day and complete the job we were there to do.

All procedures aboard a military installation vary. The protocol is determined by the Commanding Officer. The law of the state in which a military facility is located does apply but federal laws override any state law while on the installation. Keep in mind, some states have what is called a Right To Cure Law. The cure has to be perfected before you can proceed with the repossession or collection. If your service member is overseas, not only does base law apply, but also you have International Law that has to be considered.

The Navy/Marine procedure is in the JAG Manuel, Chapter 6, Paragraph 022, which basically states that, by direction of the Commanding Officer, repossession can take place on the base, as long as the financial institution's paper work is in order—such as a copy of the title and a history of payment showing the account is delinquent. You are referred to the Warrants Officer at the base, who will determine if you are allowed to go to the service member's command. You will go escorted by a base policeman. This is to make sure that the service member's rights are not violated.

The Coast Guard procedure requires you to go to the base and see a military policeman, who will determine if a repossession can occur. The protocol is case-by-case basis.

With the Air Force, you must first see a military policeman, who will escort you to the JAG Office, where they will look at your paper work. If your paper work is in order, they will escort you to the service member.

The Army has a more strict policy than other branches of the military. Some bases will not allow any repossession aboard there facilities. You will see a military policeman first and the Watch Commander, who will determine if the repossession can be done at that time.

Please keep in mind at all times, that if your debtor refuses to let you remove the vehicle, you must obtain a court order to remove it from federal property. If the vehicle is in base storage, you will have to have either a notarized letter from the debtor giving you permission to remove it from federal property or a court order.

For any person who is in any branch of the military, garnishment laws are in place. So the debt can be collected. When judgment is issued, the military paper work goes to the Army, Navy, Air Force and Marine Corps' Defense Finance Center, Cleveland, OH 44114. This is called DFAS. They have 90 days to notify the service member's command. Then the command has 30 days to respond to DFAS. You are only allowed to collect the principal, interest to date of the filing, and attorney fees plus court costs. This procedure is called an involuntary allotment. With the Coast Guard, the paper work goes to the Defense Finance Center Topeka, KS 66619. The same procedure is followed as at the DFAS in Cleveland.

Now when you have a Civil Service person, which also includes the U. S. postal employees, the garnishment paper work is sent direct from the court, to the Defense Finance and Accounting Service (DFAS) in Cleveland.

If you know where the debtor banks, you can, once you have judgment, attach any money in the checking account.

The Indian Reservations are under the direction of the Department of Interior or the Secretary of Interior of the United States. The rules vary greatly from reservation to reservation.

You have to go through the Tribal Court, obtain the proper paper work from the Clerk of Court, and an attorney has to represent you in this matter. But civil paper work can be filed with the Tribal Court and the proceedings, whether it be a collection or repossession, will be given a hearing before a judge. The judge must sign off on any order before a collection or repossession can take place. All proceedings are considered Civil Proceedings before the Tribal Court with regard to collections and repossessions. Please check with the Clerk of Court for full instructions.

I am sure that some collectors and supervisors find that collecting from military personnel or Civil Service workers can be frustrating and difficult at best. But with garnishment laws in place, as well as attachment laws, once you have a judgment, you can be effective in collecting the debt.

About the author:

Patricia has been a member of Norfolk CPI for 25 years. Patricia has held all offices in the Norfolk local, Virginia State and District 12 CPI. Patricia is presently serving as Virginia State President. Patricia is the 2004 District XII Credit Professional of the Year. Patricia gives consumer seminars on all the Military Facilities in the area. She has been employed with Summs Skip and Collection Service, Inc. for 40 years and is serving as Corporate Vice President.

SO YOU WANT TO BE A WINNER!



by Sue Heusing, MCE

Many members of Credit Professionals International have been recognized by the Association for having done something outstanding in their Local, District or at the International level. That recognition might also have included something the member did for the community at large or within the credit industry. Why were they chosen? What made them stand out from the rest? Who nominated them for the award? What do I have to do to earn that same kind of recognition? These are questions first timers often ask when they see the presentation for the first time at conference.

All of these are very good questions! When you look back at the list of winners that appear on the Awards Program at the conference, or if you see a published list on the web page, it might prompt you to think, "Oh they were very great people and I couldn't possibly do as much as they did to win. I'm just an average member." Poppycock! Anyone can be a winner and if I can do it so can you.

The possibilities for recognition include one I am proud to have won for Credit Professional of the Year in 1988 in Maui, Hawaii. It was the second time my District had nominated me and being a winner only made me more convinced that being an active member is critical for Credit Professionals International and for me personally. The award was first presented in 1968 and the first winner was Ruby Northey who won in St Paul, Minnesota. There has been a winner every year since but only five of the thirty-seven winners were ever International President! They were just average dedicated members like you! It requires a combination of things like attendance at CPI meetings, education projects, membership work, extension efforts, editorial submissions, promotion of CPI, and local community activities. Many of you may qualify at the local level and may have been nominated to win at the District level. If you won there you were then recognized at the International level. Those District winners might be up against some tough competition.

A very good place to start is by accepting and holding an office at the Local or District. Get involved with telling the story of CPI to everyone you meet. Make yourself visible and offer your services to speak at other business or association meetings about the subject of credit. There have been four winners from Las Madrugadoras, New Mexico, and three from Hutchinson, Kansas. So if you want to be Credit Professional of the Year, you might contact someone from those associations and find out what they do to make them such strong contenders.

An even more prestigious award has been won by a very small number of people and they have been elected to the Hall of Fame. That group was first established in 1986 when Helen B. Sawyers was elected. She was followed by Edith Shaw Johnson, Donna Beck, Corrie Edmondson, Kitty Lofton, Lorna Collins, Mary Floyd and Nona Ellzey. Nona was elected to the Hall of Fame at the 2004 International Conference in Atlanta. To win this award, they had dedicated countless hours of volunteer work on projects, conferences, newsletters,

magazines, and generally have been recognized as experts in the field of credit and especially for Credit Professionals. In other words, they made a lasting impact and were exceptional members of CPI. The one thing they probably have in common is that they never said NO when someone asked them to do something for CPI.

International Honorary Membership has been bestowed on several people too. Long standing members including Avadana Cochran, Ida Bell, Catherine Bartlett, Marion Brooks, Mabell Bliss, Edith Shaw Johnson, and Mary Morgan were elected to honorary membership in 1962. They were followed by Ethel Dopp in 1963, Pat Hughes in 1964, Martha Bean Gleason in 1967, Kitty Lofton in 1968, Helen B. Sawyers in 1970, Nelle Stombs in 1972, Lorna Collins in 1989, Sue Heusing, Barbara Hinman and Hazel Knopp in 1994 and Martha Philip in 1995.

One of the things I remember about being a winner of Honorary Membership was the fact that now that I had been recognized, it seemed I owed an even larger debt to Credit Professionals than the number of years I had already dedicated. To be recognized with people like Helen B. Sawyers and Lorna Collins, whom I have always held in very high esteem, made me feel like I had not done enough and still had more work to do. Does being an Honorary Member mean you don't have to pay dues? No! The only people who no longer pay dues are Past International Presidents which is spelled out in the by-laws. But I would be willing to bet most of them still belong and still pay dues to their Local and their District if they are still active in the industry.

There was at one time another award for Individual Excellence in Education and I remember winning that one along with a few other candidates like Nona Ellzey. It may require another trip to St. Louis to locate those records to outline the other winners. As I recall, there was a three ring binder full of documentation outlining what I had done to win that award and I still have that book. The criteria included credit presentations in schools, community education, club involvement, National Consumer

Credit Education, and other educational involvement like workshops and seminars. If you are a winner, you will always treasure the memories that made you one. It doesn't matter if the prize was a certificate, your name on a plaque, a silver bowl, or just a bouquet of flowers, you will long remember being chosen as the winner.

Past winners had some insight into what they thought might have allowed them to be selected as Credit Professional of the Year. Brenda Lawson from Hutchison, Kansas, said she had total support from her local association while she spoke to employers, civic groups, and junior college classes. She wrote articles for CPI, for the Local and the International bulletins. With a mentor's help, she participated in District and International activities and conferences, recruited five new members, and used her membership to recharge her batteries so she was able to do the same for others. Another winner from the same local indicated that being certified as a Master Professional Credit Executive topped her list of accomplishments. Sharon DeShazer also took advantage of educational seminars, received certification on FCRA, brought in three new members, served in several chairmanship capacities, and participated in Credit Education Week with a proclamation from the mayor and TV coverage. She was also invited to speak at other local association meetings, instructed classes at a local community college, and submitted articles for publication. Her recommendation to any member is to "be involved, get certified and work in your community." Another Hutchison member, Marsha Thompson, said you need to set "being a winner" as your goal for the coming year. You need to plan your extension efforts, conferences, the classes you will teach, the publications you want to produce well in advance so, when it comes time to be recognized, you have an impressive set of credentials. She went on to add, "I think it is important to use past winners as a mentor. You might also see what had made the difference in the past when there were always so many excellent candidates."

Atlanta Georgia winner Joyce Dove says, "It has been ten years since I won, but I was overwhelmed the year I received the award as I had some stiff competition. I am still proud of the fact that I achieved this pinnacle in CPI." Joyce says obtaining new members was a key to her success along with strong participation at the Local, District and International levels on committees, attending conferences while, at the same time, working in a second credit association for which she received the Distinguished Service Award.

Another winner from District 3&4 is Nona Ellzey from Jackson, Mississippi. Nona attributes her keeping a calendar and monitoring activities an absolute must. Review the criteria of the award and work through the year to achieve it. Spreading the word about Credit Professionals is a primary requirement and being totally committed to your local. You need to focus on the educational opportunities in your community to provide the best credit education to the consumers and our school children who are the future of the credit industry. She said, "Standing before my fellow members, my knees were shaking, my hands were sweating and I knew I would cry. However, those magic words I always use in crying times—Andy Childs, Andy Childs—helped me to come around and offer my thanks to all. To each of you, receiving this honor is wonderful."

Bonnie Jones of Huntsville, Alabama, says that when she won the competition was even greater than it is now because there were far more members. She worked hard to bring in new members but what helped even more was organizing a new local association of CPI. While she was accustomed to being a winner at the State and District level, it was really exciting to win at the International. The attention she received from her peers and her community was wonderful. In her words, "I think the most rewarding part was that I was representing the entire body of all those professionals. It was such an accomplishment, I would do it again!"

Mary Nebeker from Brigham City, Utah, said, "I was involved in my community, working with the Chamber of Commerce, serving on the Board and as Chairman of the Board. CPI gets in your blood and the people you meet and hang around with keep you enthused and interested in giving back." Mary served as local Walk-A-Thon Chairman. Her local association sponsored an XMAS Bazaar for 14 years to help other non-profits raise money, while she also attended conferences and special meetings of CPI. She served on the Foundation Board and on the Long Range Committee. She also had many other commitments to CPI. Mary said that the awards are secondary to all the friends she met, the confidence she got, and the learning experiences.

New in 2004 to the awards list presented at the International Conference was the Helen B. Sawyers Hero Award presented by the Credit Education Resources Foundation. The award was presented in recognition of excellence in leadership, a tenacious spirit and a wonderful sense of humor. I was very proud to be the first recipient, since Helen B. Sawyers has always been my hero. She had a very tenacious spirit and could tell a joke better than anyone. To be honored with this award makes me more determined than ever to become as good a member as Helen was and make as many contributions as she did during her sixty plus years as a member of CPI.

What are you waiting for? Don't you want your name to appear on that long list of winners? All it takes is a positive attitude, a strong desire to work for our association, and maybe a little extra time and energy. Let's get to work making you a winner.

About the author:

A long time member of Credit Professionals and Creditors International, Sue Heusing, MCE, is also a member of the Society of Certified Credit Executives. A past president of the Credit Education Resource Foundation (CERF), Sue served Credit Professionals International as chairman of several conference committees and is currently serving as Strategic Planning Chairman.

As an International winner of both the Credit Professional of the Year Award from CPI and the Distinguished Service Award from ICA, Sue has also been elected to honorary membership in Credit Professionals International. She has received the Individual Excellence in Education Award, has written several magazine articles, manual articles and installation programs for our organization. She has done workshops for both District and the International Conferences. When Sue was wearing her International Credit Association hat, she served District 5 as President, as Education Chairman for many years, was membership chairman of ICA of Greater Chicago and was involved with the first four versions of the Comprehensive Credit Manual and the "How to Use Consumer Credit Wisely" booklet and teachers guide.

Sue has a BS degree in Management with emphasis on Human Resources and in 2004 was honored by the Foundation as the first winner of the Helen B. Sawyers Hero Award. This award was given in memory of Helen and in recognition of excellence in leadership, a tenacious spirit and a wonderful sense of humor.

INTERNATIONAL CREDIT PROFESSIONALS OF THE YEAR

Year	Name	Member from	District
1968	Ruby Northey		
1969	Mary T. Floyd	Portland, OR	10
1970	Becky Cameron	Pueblo, CO	9
1971	Murl C. Gallagher	Albuquerque, NM	9
1972	Evelyn Aldrich	Macon, GA	3
1973	Lucile Phillips	Hapeville, GA	3&4
1974	Bertie Sullivan	Hattiesburg, MS	3&4
1975	Jeanne Kemmerer	Englewood, CO	9
1976	Laverne S. Courtright	Columbia, SC	3&4
1977	Sandy Powers	Choctaw, OK	7
1978	Fredna Craven	Laurel, MS	3&4
1979	Beverly Young	Tulsa, OK	7
1980	Eve Bibbings	London, ON	5
1981	Sally Safford	Washington, DC	12
1982	Joyce Stephens	Gainesville, GA	3&4
1983	Marjorie Brink	Las Madrugadoras, NM	9
1984	Marlene Hedrick	High Point, NC	3&4
1985	Sandra H. Bryan	Columbia, SC	3&4
1986	Barbara Anaya	Las Madrugadoras, NM	9
1987	Melissa Briscoe	Oklahoma City, OK	7
1988	Susan Heusing	So. Sub. Chicago, IL	5
1989	Mary Ellen Baker	Birmingham, AL	3&4
1990	Pearl Turpin	Glendale, CA	11

(continued on page 36)

INTERNATIONAL CREDIT PROFESSIONALS OF THE YEAR

Year	Name	Member from	District
1991	Bonnie S. Jones	Huntsville, AL	3&4
1992	Judi Donaldson	Phoenix, AZ	11
1993	Carol S. Anderson	Las Madrugadoras, NM	9
1994	Joyce Dove	Atlanta, GA	3&4
1995	Billie Jean Baker	Salisbury, NC	3&4
1996	Mary Nebeker	Brigham City, UT	9
1997	Nona Ellzey	Jackson, MS	3&4
1998	Genie Gill	Ft. Smith, AR	7
1999	Barbara Waters	Atlanta, GA	3&4
2000	Brenda Lawson	Hutchinson, KS	7
2001	Marsha Thompson	Hutchinson, KS	7
2002	Gloria Harris	Birmingham, AL	3&4
2003	Sharon DeShazer	Hutchinson, KS	7
2004	LaVonne Agerton	Pensacola, FL	3&4

CUSTOMER SERVICE AND THE HIPAA ACT



by Ruth Ann Aller, CCCE/MPCE

HIPAA—The Act Itself

In today's world "Customer Service" in a dental office has been complicated by "The Health Insurance Portability Act" of 1996. The HIPAA Act was the dream child of Senators Edward Kassenbaum and Ted Kennedy. This was due to a lawsuit filed in Florida by a woman whose privacy was compromised after an employee in a medical office divulged private information to a second party who had nothing to do with her health care.

The HIPAA Act is not all bad. The first phase assured "Portability of Health Insurance Coverage" (except for dental or vision plans) and gave us the Cobra Act. It also created Medical Savings Accounts. The sad thing is that it was supposed to add Administrative Simplification provisions but, in reality, the so called simplification turned out to be the exchange of one nuisance for another one and created more government red tape. We went from Y2K to HIPAA.

In fact it created a new form of ALPHABET SOUP and gave us terms to remember.

- HIPAA—Health Information Portability Accountability Act of 1996
- HHS—Department of Health and Human Resources
- NPRM—Notice of Purposed Rule Making
- PHI—Protected Private Health Information
- WEDI—Workgroup for Electronic Data Exchange
- SNIP—Strategic National Implementation Process
- OCR—Office for Civil Rights
- TPO—Treatment, Payment of Health Care Operations

The privacy rules of the act went into effect on April 14, 2003, and so on your first visit after that date, each patient will be given a copy of the “Privacy Practices” and you will be asked to sign an “Acknowledgement of Receipt Notice of Privacy Practices.”

Business Associates

You are also required to have “Business Associates” sign a form that they will not disclose any information obtained from you, that it can only be used for the contracted purpose, and that they will safeguard that information from misuse. These business associates include:

- attorneys
- accountants
- any other business consultants
- collection agencies

- dental or medical laboratories
- billing services
- answering services
- computer support staff

The real kicker in all this is who is not included in the list of "Business Associates." Among them are the United States Postal Service, any other delivery personnel, such as U.P.S. or Federal Express, and your janitorial service. Yet you must have an agreement with your water delivery person.

Your Employees

Each office must designate a person to be the "Privacy Officer" in that office. The "Privacy Officer" is in charge of seeing that all the regulations under the act are abided by. Each segment of the health care industry has different regulations to govern its own specialty but the basic regulations are the same.

Your employees are also included, as they must sign a "Special Agreement" stating they will protect the privacy of your patients. Your employees must also undergo at least eight hours of training regarding the HIPAA regulations.

The act is almost a year old and the biggest change we have noticed in our office is explaining the act to patients and asking them to sign the "Acknowledgement of Receipt of Privacy Practices." I offer everyone a copy of the "Privacy Practices," but to date we have only had three people take a copy. One gentleman said, "Keep it and save another tree."

Collections and the Act

The act has complicated collections in our office; particularly in making telephone calls to patients. You must be extremely careful that you don't divulge any information to someone who really isn't the person who owes the debt to you.

If someone calls to inquire about an account, make sure you know to whom you are talking. A colleague in another office inadvertently gave information to someone on the phone that was not on that account and turned out to be the ex-spouse of the patient. This could have turned into any ugly situation. To help prevent this situation, I've devised a list of questions to confirm that I'm actually talking to the correct person. These questions are:

- Your name
- Your address
- Your telephone number
- Your birth date
- Your place of employment
- Your account number with us

If the person can give you three of the answers correctly, then I feel very comfortable answering their questions concerning their account.

Communications and Customer Service

Communication between the office staff and the patient is still the best "Customer Service" and the easiest way of keeping your account receivables manageable.

We must always remember that communications is really just an exchange of ideas and information between two people. One speaks and one listens. The same is true when talking to a patient about his/or her account. Good communication with patients is also based on respect and gratitude. We must be grateful that the patient chooses to come to our office in the first place and we must respect them as each patient is unique and not just a number in the computer or on a page of statistics.

It is not always what we say that counts the most but how we say it. Your tone of voice says it all. Is it friendly? Is it knowledgeable? Is it enthusiastic? And is it empathetic?

Being friendly is very important in any dealing with patients. I try to visualize that every person in the world has a sign on his or her forehead that says, "Make me feel important." Remember this and you will go far when communicating with patients. If you are friendly and enthusiastic when dealing with patients, it will say to them, "I love my job and I am delighted to be able to help you."

A contented employee is likely to do a better job of communicating to patients that, "I am here to serve you." A smile in your voice always conveys that this is a happy, friendly place. Your smile should radiate the warmth and enthusiasm that the patient is still number one at that particular moment.

If you communicate well with your patients and follow your office financial policy guidelines, you can still protect the patient's privacy and still give your patients the "top of the line" customer service.

Remember to always protect your patient's privacy. Don't divulge their information to anyone whom they haven't given you permission to do so and always communicate your enthusiasm and friendly manner to your patients. This will make them feel that they are NUMBER ONE and very important to you and your office.

About the author:

Ruth Ann Aller, MPCE, has been employed in the dental profession for 30 years. She has served as Business Manager for H. Gene Hoge, DMD, for the past 18 years.

Ruth Ann is a member of Credit Professionals International of Pocatello, Idaho, having served as President twice. She has also served as President of the Credit Association of Idaho and is their current Treasurer. She has served International CPI in many capacities and was Career Club President in 1989-1990 and was last year's Publication Chairman. While a member of the International Credit Association, Ruth Ann served District 10 as President and as International Quarter Century Club President.

She has been honored with District 10's Credit Professional of the Year and District 10's Herb Barnes Memorial Award. She is also the recipient of the Distinguished Service Award from ICA and the Outstanding Fellow Award from the Society of Consumer Credit Executives.

Ruth Ann hasn't learned the meaning of the word "NO" as she is also the Secretary/Treasurer of her homeowner's association and is active in her community. She is a graduate of Idaho State University with degrees in Elementary Education and Business Administration.

She firmly believes that you only get something out of anything if you put yourself wholeheartedly into it and you must give back in order to receive.

LONG-TERM CARE INSURANCE



by Brenda Lawson, PCS

As we grow older, we think about our future. A million questions may be swirling in our heads as to what would happen if we need some kind of assistance to survive. Most of us have not thought about long-term care (LTC) in general, let alone on a personal level.

The following are some of the key questions about LTC:

- Are my family members willing and able to care for me if I can't?
- What if I need medical assistance?
- Have I set aside enough money for a nursing home or home care?
- What about my assets? Will I lose everything if I need long-term care?
- Will Medicare and Medicaid be available when I need it? What do they provide?
- How do I plan for my future? Help!!!

I watched my family grapple with some of these questions when my grandmother could no longer care for my grandfather at home. Due primarily to their locale, my grandfather was placed in a local care home. Grandpa was in the care home long enough to deplete their savings and Grandma was in danger of having to sell her house to provide care for him. Their story is not unique, unfortunately.

How do we pay for long-term care?

- Medicare pays very limited long-term care benefits.
- To receive Medicaid, you must turn over most of your assets.
 1. To avoid that, you would have to spend down your assets several years in advance of your need.
 2. You have no control as to where you would receive care.
 3. You may be treated as a second-class citizen.
- In the 1996 Health Portability Act, the federal government basically said that it would not have a program to assist with long-term care. This means that you are on your own, so that a spell of long-term care would rapidly diminish or deplete your assets.
- The only viable solution is Long-Term Care Insurance, if you can pay the premiums.

Now would be a good time to look at the family history:

- Does your family tend to live to a ripe old age?
- Is there a history of Alzheimer's or other major medical conditions that may require specialized care?
- Can someone come to my home to provide needed care?

These questions drive the need to explore the types of care available, at what cost, and for what length of time.

If you are independently wealthy, these questions pose no problem for you. However, if you are like the majority of us, these are very real concerns. One way to fund long-term care is with the purchase of LTC insurance. LTC insurance does not

replace Medicare or Medicare Supplemental Insurance. However, LTC insurance is not the answer for everyone. Here are some very general guidelines to determine if LTC insurance might be right for you:

You should NOT buy Long-Term Care Insurance if:

- Premiums are more than 7% of your income.
- You have less than \$30,000 in assets (excluding your home).
- Your only source of income is a Social Security benefit or Supplemental Security Income (SSI).
- You often have trouble paying for utilities, food, medicine, or other important needs.

You should CONSIDER buying Long-Term Care Insurance if:

- You have significant assets and income to protect.
- You want to choose your caregivers.
- You want to pay for your care.
- You want to stay independent of the support of others.

It is our responsibility to know what coverage is offered by Medicare and Medicaid, along with any Medicare supplemental insurance, or any other insurance we may have. Once we know what they cover, we know what to look for in LTC insurance.

LTC policies are designed to provide coverage for one or more necessary diagnostic, preventive, therapeutic, rehabilitative, maintenance, or personal care services. These services may be provided in a facility (nursing home, adult living facility, or hospice), in the community, or in your home, but not in a hospital.

LTC policies available in the market cover:

- Facilities only
- Home and community only
- Facilities and home and community

Riders are available to convert the first two coverages (above) into the third coverage.

These policies provide either:

- Fixed dollar indemnity benefit (such as \$100 per day) or
- Expense-incurred benefit (subject to limits) to cover certain expenses that arise during long-term care.

LTC policies take one of two basic approaches:

- Benefit Period
 - Benefit period refers to the number of years of benefits payable over your lifetime; all benefits need not be used in one spell of LTC
 - Many choices are available, including lifetime
- Pool of Money (also known as Benefit Bank)
 - A lifetime amount of benefits, such as \$200,000, is established when you buy your policy
 - As benefits are used, the pool of money decreases
 - Benefit period may be used to calculate initial pool of money; example: three-year benefit period at \$100 per day = $3 \times 365 \times 100 = \$109,500$ pool of money.

LTC policies also have Elimination Periods:

- Elimination Period is the initial period, once you begin receiving covered LTC services, when you are responsible for paying for services.
- Some companies offer a one-time elimination period; with others, the period is restarted for each new spell of LTC.
- Many choices are available, include 0 days.

What does it take to qualify for benefits?

- You must be receiving services covered by the policy (see above).
- You meet (and continue to meet) the benefit triggers in the policy.
- There may need to be a Plan of Care established for you.

Benefit triggers vary greatly by company and policy form. Most policies use, as triggers, cognitive impairment and activities of daily living and/or medical necessity.

- Cognitive impairment refers to Alzheimer's Disease or other dementias.
- Activities of daily living (ADL) refer to your ability to perform certain activities, such as bathing, dressing, getting into and out of a bed or chair. The list of ADLs and the definition of "inability to perform" vary by policy form.
- Medical necessity means that a doctor states that you need LTC services.

There are many other benefits, some inherent in the policies and others that require payments of additional premiums.

- Probably the most important additional benefit is the Inflation Rider:
 1. At each policy anniversary, the daily benefit is increased, usually by 5% compounded annually, although other percentages and simple inflation are available. Agents must offer this rider to any applicant.
 2. For pool of money policies, the pool of money is also increased each policy anniversary. Some policies increase only the remaining pool (amount less benefits paid) while others ignore benefits paid.
 3. Typically, inflation is for the lifetime of the policy.
 4. Requires additional premium.
- Bed Reservation Benefit saves your bed if you incur an absence from your chosen facility and the facility charges you to reserve it for your return.
- Adult Day Care in the community.
- Respite Care Benefit provides short-term benefits to relieve family or friends who may be providing care to you in our residence.

- Nonforfeiture Benefit:
 1. Newer policies automatically have a shortened benefit period if you stop paying due premiums.
 2. An optional benefit provides a percentage of premiums paid fewer claims if you surrender the policy; the percentage increases the longer you hold the policy.

Many policies offer, at no extra cost, an Alternative Plan of Care Benefit where you, your health care professional, and your insurance company agree on care or services not normally covered under a policy, i.e. ramps or rails for your home.

Some general exclusions (things not covered) in the policy may be confinement, treatment, care, or services provided to you:

- by a family member, unless covered by a rider
- outside the United States, its territories, or Canada
- for which you have no financial liability or that is provided at no charge in the absence of insurance
- in facilities operated primarily to treat alcoholism or drug addiction
- in facilities operated primarily to treat mental or nervous disorders (this usually does not exclude coverage for loss due to Alzheimer's disease or any other demonstrable organic disease such as senile dementia, etc.)
- under any state or federal workers' compensation plan or other governmental plan (except Medicaid).

Normally, premiums are payable as long as you own the policy, but a few companies offer other premium payment options, such as paid up in 10 or 20 years or, perhaps, premium patterns that either increase or decrease at a selected age (such as 65).

Some guidelines as to premiums:

- Increasing the benefit period (or the pool of money) increases the premium.
- Shortening the elimination period increases the premium.

- Adding riders increases the premium; this is especially true for the inflation rider.
- Once you reach ages 60-65, premiums may increase by 8-10% for each year that you delay purchasing the policy (to say nothing of your insurability).
- Shortening the premium period increases the premium.
- Most policies are guaranteed renewable, meaning that, as long as you pay premiums, the company can't cancel the policy, but the insurance company may change premium rates (subject to state approval).

In 1996, the federal government created a category of LTC policies known as qualified plans. There are special definitions of the benefit triggers for these policies. Qualified policies currently treat premiums paid as a medical benefit, with limits that vary by age. This means that the premiums may be deducted on Schedule A of your federal tax return, subject to all of the existing limitations on deductions (see your tax adviser). Congress has been asked to consider making LTC premiums a direct reduction to taxable income. Watch for future developments on this.

Basically, there are many factors involved when making a decision about long-term care. Your insurance agent will discuss the various possible benefit choices and calculate the best possible scenario for you within what you can afford.

Unfortunately, we do not think about insurance until we, or someone close to us, have an accident or illness. The ideal time to buy insurance is when you are young and more likely to be able to obtain insurance, the premium is lower, and the peace of mind is immeasurable.

By talking with your insurance agent, you can have that peace of mind, knowing that you will be provided for when you need it the most.

If you are interested in learning more about long-term care insurance, the National Association of Insurance Commissioners (NAIC) has written a guide to help you. You can request "A Shopper's Guide to Long-Term Care Insurance" from NAIC at:

National Association of Insurance Commissions
120 West 12th Street, Suite 1100
Kansas City MO 64105-1925
816-842-3600
fax (816-460-7593
e-mail: www.naic.org

Or contact your local State Insurance Department, Agency on Aging, or State Health Insurance Assistance Program.

References:

A Shopper's Guide to Long-Term Care Insurance

National Association of Insurance Commissioners, 1999

Gary Lindley, Actuary, Inter-Americas Insurance Corp., Inc.,
Goddard, KS

About the author:

Brenda Lawson, PCS, is currently the Kansas State Representative for Inter-Americas Insurance Corporation, Inc., based in Goddard, KS. She has been a member of the Hutchinson, KS Credit Professionals International association since 1996. Her position with Inter-Americas Insurance is a direct result of her involvement with Credit Professionals International.

Brenda received her certification of Professional Credit Specialist in April of 1999. She was the Hutchinson Credit Professional of the Year, District VII Credit Professional of the Year, and International Credit Professional of the Year for 1999-2000. She has served in all capacities at the local level, currently as Immediate Past President. Currently, Brenda is District VII President. She also is serving as chairman of the Foundation's Walk-A-Thon Committee. She has participated in several "Take Charge of Your Life" training sessions.

IF THIS IS SO COMMON,
HOW CAN IT BE SO COSTLY?



by Kem Morales, MPCE

I received a phone call recently from an employer asking me to provide her with information regarding sexual harassment in the workplace: what the law says it is, what the employer must do to protect the employees, what the repercussions are for both the employer and an employee when the employee has sexually harassed someone while on company time. Notice I say, "someone while on company time," as employer liability may not be limited to sexual harassment by an employee against another employee, but could include a vendor, a client, even a consumer.

In this case, one of their employees is reporting that a co-worker lingers too close, close enough that their bodies touch, while working together selling items from a mall kiosk. The employee has told the co-worker many times to stop yet the situation remains the same. While this may appear non-sexual in nature it could hold up in court as such. According to *USA Today* in a 12/17/2002 article from the Associated Press, Salomon Smith

Barney lost a suit filed by an employee who had reported a sexual harassment issue to their personnel department. It was determined by the court that the company "failed to adequately investigate the matter," as well as other issues and ordered Salomon Smith Barney to pay millions to the employee.

It has been my experience that a large number of small to medium sized companies think they know the rules and regulations, but do not have any documentation to back up their beliefs. Most of these companies do not even have an employee handbook, or if they do, it is a copy someone brought with them from a previous employer and it is now revised to suit their needs. While some of these employers may never be fined for non-compliance of any regulation, a few will find it extremely costly. My client wants to eliminate misconduct in the work place and any chance for a lawsuit. This company is determined to avoid mistakes in compliance situations. Not being an attorney, I simply told the employer where she could find information to help her decide if she needs to seek legal advice. Many payroll service companies make available to their clients a service that enables employers to locate the information they need about employment practices and compliance. There are also subscription companies, such as CCH Incorporated (www.cch.com), that offer business and tax law information to help businesses become and stay compliant with these laws.

The laws and regulations employers are required to follow seem to increase every year, so while no employer wants to break the law, a lack of knowledge, understanding or an inadvertent mistake could be damaging and expensive. As with most anything, proactive action is healthier and smarter than a reactive stance. Acknowledge that the rules for employers start at the beginning of the hiring process: having a job description. Attorney Mark R. Waterfill tells us in his, "Top 10 Mistakes In Employment Law," that writing a good job description makes obeying the law easier when filling the position. This may also keep your company from violating discrimination laws when writing the advertising piece for a job. Mr. Waterfill also reminds us that mistakes can be made in the interview process, as well, by asking questions that should not be

asked. In fact, Prevention Strategies for the HR Professional at www.abrap.com, confirms one particular job applicant was awarded \$45,000 by a Houston jury because the employer's recruiter asked an illegal question during an interview. Perhaps scheduling a periodic review of your application and interview questions will make it possible for your firm to be sure each meets the letter of the law.

A regular review of your new-hire procedures should be considered if you are to be certain the employees handling those tasks are in sync with the laws and company policies. For example, in 1986 it became necessary for employers to complete an I-9 form as applicants are hired and to retain the form for a certain period of time, specifically three years after the date of hire or one year after the date employment ends, whichever is longer. It is not uncommon to find that a company is out of compliance with the retention period. Nor is it uncommon to find blank spaces on the form or to find no form at all!

Though not usual, I have encountered a few companies that do not require employees to complete a Form W-4 (this form enables the employer to withhold the correct income tax). These employers feel they can ask questions and use the employee's answers as equivalent to the employee completing the Form W-4. However, IRS Publication 15, Circular E, Employer's Tax Guide, section 9 instructs employers to treat an employee as a single person with no exemptions if the employee does not provide a Form W-4. There are also situations that require a Form W-4 be furnished to the IRS, which makes it a good idea to encourage employees to complete and return the form during the hiring process and again each new calendar year. Not having a Form W-4 or an I-9 form could be costly when discovered in an audit or requested by government inspectors.

Other common mistakes include lack of security for employee data. Sure, there may be a lock on the file drawer, but unless it is actually locked it may not be considered secured. If an employee's file is being reviewed don't leave it on your desk even if you just

step out for a minute. Just as with credit laws, if a person does not have a need to know what is in an employee's file it could be a violation of the employee's privacy for that person to have access to it. Sloppy procedures can be costly, too.

Payroll is another area employers may find themselves exposed to common costly mistakes. Some companies think they are too small to be governed by the Fair Labor Standards Act (FLSA). Years ago this may have been true, however, the language has changed so much over the years that practically all businesses must comply. We have previously discussed the collection of Form W-4 and incorrect or missing I-9 forms as areas that can be highly regulated by the government. We know that security and violating employee confidentiality can be used against us. These are just the tip of an iceberg. Other areas of concern can include poor records-keeping, miscalculating and/or not taking into account certain taxable items and wages including overtime, not reporting a new employee's identification data to the state, in addition to many others.

Most companies cannot afford these kinds of mistakes: avoidable mistakes. How does your company determine compliance with payroll regulations? Who keeps you up-to-date with employment laws? If you use a payroll company that takes care of this need for you or if you subscribe to a company that provides compliance information, great! Ultimately, however, your company is responsible for compliance and should know everything there is to know about these laws. Be sure you keep others in your company informed as new rules are made and old ones are changed. Be sure your own policies are kept up-to-date and your employee manuals represent those policies appropriately.

While this article is not meant to address the entire body of federal, state and local laws and regulations governing payroll, payroll taxes, or employment laws, it is intended to prompt you

to research and study the rules and regulations as they exist today in your state as well as federal. Don't let a simple mistake or misunderstanding cause your business to be forced to pay hefty fines or worse—shut down. It is simply too easy to obtain compliance information to guide you and help you avoid payroll and employment violations.

Helpful sites:

www.ssa.gov
www.irs.gov
www.dol.gov
www.taxadmin.org
www.uscis.gov

About the author:

Kem Morales, MPCE, is Secretary/Treasurer of Credit Professionals International and has been a member of Alamo CPI in San Antonio, Texas, since 1992. After serving in all the offices for her local and District organizations, she served as President of Lone Star Council District VIII and has twice been honored as a local and District Credit Professional of the Year. She is Webmaster for Alamo CPI (www.alamocpi.org) and Lone Star Council District VIII (www.lonestarcpi.org). Subsequent to 25 years in the credit industry, Kem earned her MPCE and joined the Career Club in 2004.

Kem is self-employed as an Independent Mary Kay Beauty Consultant, is a prior employee of a payroll service provider, and consultant for various companies in and around the San Antonio area. She is married to Gus, who recently retired from the US Air Force, and mom to 16-year-old Pablo, his dog Felicity and the family cat, Baby. They all live in Schertz, Texas, a small suburb of San Antonio.

TIME FOR SELF - TIME FOR OTHERS Finding that Divine Balance in your Life



by Charlotte Freeman Maness, CCCE/MPCE

One of the most difficult challenges of life is to find time for ourselves. We seem to be pulled in so many different directions and at the end of the day, our energy and time seem to be gone and we crash in desperation for rest. Perhaps the problem is more deeply rooted than we think. It may be that we will not turn loose, we feel we must be all things to all people, and we must do everything ourselves. Women, particularly, are very good at multitasking but we often take it to the extreme of juggling!

Do you ever feel like that juggler? Running from place to place to catch the balls in the air, before they fall to the ground? Or, perhaps, you see yourself as the man in the circus who keeps all the plates spinning at once. The plates of our lives are all important in one way or the other but it is virtually impossible to do everything at once and maintain a healthy and happy body, mind and spirit.

We have a tendency to feel guilty if we are doing something just for ourselves, just for fun, or just doing nothing. My daughter, Jeanina, who seems to be my conscience, and reminds me of this often says, "Mother, you need to find time once in awhile to **JUST BE.**" I will admit that I find that hard to do and I am sure you do, too. Perhaps, it is like winding a clock and never letting it run down. Most of us go from one life experience to the other without reevaluating our responsibilities, our time constraints, and **MAKING TIME** for ourselves. Ah—that is what we have to do! **MAKE TIME!!!**

Most of us use some method of scheduling all the appointments for our lives. Hair appointments, medical appointments, school conferences, church meetings, CPI events, professional pursuits, classes, birthdays, and many other special and important events load those calendars. Few of us mark out time to go for a walk, work out, or meditate. For those who do, **CONGRATULATIONS!!!** Keep it up and encourage others to do the same. We seem to think we will find some magical time added to our day for these things and somehow they will get done. The sad truth is that this just doesn't happen.

Now, you may be saying, "You just don't know what all I have to do." The truth is, we all can say that. No one will be checking to see if we find time for ourselves. We all want to meet the expectations everyone else has for us, we want to succeed, we want to be needed, we want to be important to everyone, and somehow, we feel that this juggling act accomplishes this. Sooner or later, we will run out of steam and meeting all these goals will become less and less important.

Now that we have set the scene, let's look into some ways to get out of this pattern. I encourage you to write down those areas of your life that are **IMPORTANT**, **NOT IMPORTANT**, **URGENT AND NOT URGENT**. Writing these things in a matrix will reinforce in our thinking how we allocate all the "plates" in our lives. It will be our tendency to put them all in **IMPORTANT AND URGENT**. We know that some are more so than others. Be

honest with yourself and try to mentally and honestly sort out. Do this each day for awhile and eliminate when you can. Write down some things you WANT TO DO AND DO NOT HAVE TO DO.

Another practice that helps in this need is to TURN LOOSE OF SOME THINGS. If you are involved in too many volunteer situations, and have said YES to everything, decide what you will give up, even for awhile. I am sure they are all good things, but we just cannot do it all. I encourage you to quietly sit down, write a list of all the things you have going on in your life and you will be amazed. You won't believe it yourself! Now, make some decisions as to how you will prioritize, evaluate, and even, eliminate. Saying "NO" is just something we all hate to do. We are all so busy doing good things and we just don't want to let anyone down. I believe the real problem is convincing ourselves that we can't do it all.

The life events and periods of our lives dictate how much we can juggle. I am very much aware that full time working parents, with children, have a very tough job. I did this and I well remember. This sets a totally different challenge than we find later, after the children are grown, and we are maybe working part-time or even retired. Most busy people, who want to stay active, just find a new challenge in balance. This is one of those times we have to reevaluate what we want to do with the rest of our lives.

I am a firm believer in keeping our minds alert, serving others, sharing our lives with those we love, and staying alive. However, it is up to me to find the balance that allows time for me to stay mentally AND physically alive. It is just up to me to find out how to do this. I DESERVE TIME FOR MYSELF but I have to convince myself of this truth. I know you do, too.

There are worlds of books and tapes on self help and time management. We have read them all, they are on our bookshelves, full of ideas on these subjects. Reading them is one thing; doing them is another. We have all become so self-reliant, so independent that we have a fear of dependence on others.

Overcoming this fear is tough. Acceptance of our own needs is another tough one. We want to be good to ourselves but we find it so hard to do. It has been said that most people go to their graves with the music still in them. Don't let this happen! Let yourself dance; I hope you do. If you don't start now, you may wait too late to have the fun that is waiting for you. An anonymous poem has been in my files for years and I have shared it many times.

BE GOOD TO YOURSELF

Relax.

Treasure golden moments
Luxuriate in simple pleasures

Ask for help.

Accept a kindness.

Let yourself cry

Call a friend.

Read a good book

Eat chocolate

Feel deeply

Explore your heart.

Reach out.

Forgive yourself.

Let yourself go.

Smile

Laugh heartily.

Believe in miracles.

Allow serenity.

Seek adventure.

Abandon worry.

Compliment yourself.

Appreciate your uniqueness.

Savor magic moments.

Wish upon a star.

I believe that each day is a gift; that is why they call it the present. Make each day special not only for others but also for yourself. I have a favorite reminder, hanging in my bathroom, which reminds me every morning to DANCE as if no one were watching, SING as if no one were listening, LIVE every day as if it were your last.

*GO FOR IT! You can find divine balance in your life and
YOU DESERVE IT.*

About the author:

Charlotte Freeman Maness, CCCE/MPCE, has enjoyed a long and diverse career in banking, with experience in operations, lending, human resources, total quality process, and various levels of management with most recent role as Senior Manager in Human Resources at First Union National Bank (now Wachovia). She has done extensive work in training, both in her professional career and in various organizations. She has enjoyed serving at all levels—including International President—of Credit Professionals International and serves as a motivational speaker for many types of organizations.

Charlotte is a musician, has served as organist for Central United Methodist Church in Albemarle, N. C., for 24 years, and teaches an Adult Sunday School Class, named after her late husband who taught the class for 20 years. She is Chairman of the Board for Stanly County Community Concert Association, is serving as Executive Director of the OASIS program, Older Adults Services in Stanly County, on the Board of Directors for The Stanly County Interagency Council, Past President of Albemarle Lions International, owns her own businesses, which include travel consultant, and human resource consulting, in addition to her speaking career.

Charlotte enjoys life to the fullest, has two grown children, and one marvelous grandchild who is the joy of her life. She believes that life gives back as much as we give to it.

TWELVE TO LIVE BY



by Richard Fiems, MA

Way back in 1987 I was teaching a seminar in Kansas. After the seminar a man named Mike Braud was introduced as the guest speaker for our dinner. As I recall, Mike was one of those guys who built a successful business from the ground up. He may or may not have known that what he told us that night was the secret to his success and a tool that we all could use for building our own. I took what he said to heart and made a few adjustments so that I could remember it a little easier. This is what it was about.

1. The value of time. We have all heard the business expression that time is money. But I think what was being communicated had more to do with time as a commodity that we often overlook. The hours in a day can seem very important, especially if we end up not having enough of them. But, I think it is more than that. Have you ever asked someone what their vacation was like? When you do, you don't ask "How many minutes were you happy?" or "How many hours did you feel like you enjoyed yourself?" You asked the simple, yet probing question,

"Did you have a good time?" Time has a value far beyond the hours in a day, and the minutes in an hour. How do you spend yours? Time is an inelastic resource that we cannot stockpile, or save for later. It has value in the here and now that builds equity in the richness of the memory that it leaves behind. I had to think of a way to simplify this so I started to ponder: what is some of the best time I can spend? Family comes to mind first. Time spent in the company of people you care about is the best there is. So I picked the word "friendly" to help remind me of the value of time. My family is made up of my best friends. It just seemed like a good fit.

2. The success of perseverance. This attribute is one of my favorites. I attribute the fact that I obtained a graduate degree to stubbornness more than intellect. As I have traveled through life I have come to appreciate the benefit of just hanging in there until the job gets done. We may be able to look around and see a few people who have succeeded at something worthwhile the first time they tried. But the majority of the successful people that we know got where they got through the power of sheer determination to succeed. They came up with an idea or a plan that worked for them and they remained loyal to that concept right through the victory that they knew would follow. That's the word I use to describe this concept: "loyal."
3. The pleasure of work. There are few things more important in life than having something meaningful to do when you get up every day. Failure to grasp this simple idea has resulted in many people having a miserable, and tragically short, retirement. The contribution that we all make matters. A few years back a national newspaper did a survey of what workers thought was the most important thing about a job. Interestingly, money didn't even make the top ten. Contribution did. So did words like destiny, control, pride, accomplishment and helpfulness. That's

why I use the word "helpful" to remind me of the pleasure of work.

4. The dignity of simplicity. I used to like to sit and talk with my grandfather about the things that happened to and around him in his lifetime. He often commented that life was simpler then. I am a part of a generation that has seen "change" become the only thing that we can count on in the place where we work. That has given me an appreciation for keeping it simple whenever I can. Have you ever noticed that the solution to a complex problem is often found by going back to the basics? There is a message there if we care to listen. My old coach in high school used to tell us that we could win if we "keep it clean." He wasn't talking about soap and water. He was making reference to the tactical advantage that is gained when the plan and its execution are focused on the basics. "Clean" is good. That's how I keep this one in mind.
5. The worth of character. I was watching a talk show not long ago and the people in the audience were making a big fuss over a man who took care of his family. He worked hard, loved and respected his wife, was devoted to his children and tried to be a good neighbor. The audience was going wild over this "lifestyle." It made me kind of sad. This man was just doing what every husband and father is supposed to do. Is it so rare that people actually applaud when they see it? What they were fascinated with was his character. What he did for a living or how well educated he was didn't matter. His friends and neighbors took turns describing him and one mans description struck a chord with me. He said his neighbor was the kind of guy who could be "trusted." There's the catchword, trust. In an age where it is cool to be a victim and politically incorrect to call bad behavior what it really is, character (and being trustworthy) is truly invaluable.

6. The power of kindness. I read a story recently written by a man who was going through a tough time in his life. He had taken a part-time job as a cab driver to help pay some bills. He went to an address to pick up a fare and could see the front door of the house standing open. He went in and found a small and very frail old lady trying to get her luggage to the door. He helped her with the bags and as he was putting them in the cab it dawned on him that she was moving out of her house. Her next stop was going to be the nursing home. He placed her carefully in the cab and asked where she would like to go. When she gave him the address of the nursing home he turned to face her, switched off the meter in the cab and said, "No ma'am, what I mean is, what would you like to see?" She smiled through her tears and they spent the next four hours driving around town while she showed him the place where she grew up, the house her husband had built, the school where her children had gone, and all the memories of her lifetime in that little end of the city. When he dropped her at the nursing home and helped her to the door she had told him the story of her life. She gave him a hug and smiled as he drove away. She never saw the tears in his eyes. That is a man who understands the unbelievable power in a simple act of kindness. To this day he will tell you that it was destiny for him to get that fare. His trouble passed that night.
7. The influence of example. When my professional life was starting, I knew that I wanted to manage. I wanted to be the guy in charge some day. As I progressed through the ranks I noticed that the people under me were watching me very carefully. It made me a little paranoid for a while. Then I came to realize that what they were watching for was not mistakes, or misjudgments, or flaws. They were watching me to see how they were supposed to behave. When my brother retired from the U.S. Army after a distinguished 30-year career, he was asked by junior officers what he thought the most important skill

was for a leader to develop. He didn't hesitate for a second. He looked at the assembled group and told them, "Learn to take bad news well." There is an entire Masters Degree in leadership, and example, in the simple words that make up that statement. Experience has taught me that example is never more important than when the situation is tough. That is why I use the word "bravery" to remind me of the importance of example. It is easy to set a good example when things are going well. Courage under fire is what leadership is all about.

8. The obligation of duty. If we are going to call ourselves professionals then we have to understand that we all have duties to that profession. Being professional infers acting and reacting to what happens to us every day according to a certain set of standards and beliefs. If we don't accept the obligation, we can't claim the status. Sounds simple, huh? Well, here's the hard part. Rationalization is not the same thing as being rational. We can't look for excuses, point fingers, blame others, and try to justify the unjustifiable if we remain obedient to our obligation. Obedience implies sticking to what is right just because it is right. Duty requires it. Honor insures it. Your true character is revealed when you take a look at what you do with a situation when no one else is looking. It is your duty to remain true to the ethics of your profession. A good friend of mine likes to point out this simple tactic to his students. He tells them, "Never surrender the moral high ground. You can't win it back." Be obedient.
9. The wisdom of economy. Old sayings get to be old sayings because there is a certain element of truth at their core. A penny saved is still a penny earned. Rainy days do come around. Making hay while the sun shines is still good farming. Looking back, it is not the things that I have done in my life that have caused me problems of one form or another. It is the things that I have done to excess that have given me grief. That is what economy is all

about. Moderation in all things is still good advice. You can't invest money or time or resources if you don't have them. Taking a personal inventory and seeing what you can bank for later will probably pay off in ways you never imagined. The only thing that you really can't give too much of to the people around you is yourself. With the other stuff it is a good idea to be a little thrifty. It can't hurt.

10. The virtue of patience. One of my favorite stories involves two co-workers who were talking over coffee one day. One guy was explaining to the other how different his two twin boys were from one another when it came to their personalities. The dad described one boy as the eternal pessimist. Nothing was ever good enough or right enough for him. He described the other son as the world's biggest optimist. Everything was great, regardless of the circumstances. Well, the co-worker looked at his friend and said that he would be willing to wager that he could make the optimist pessimistic and the pessimist optimistic with one visit to his farm. The amount of the wager was quickly set and arrangements were made to bring both boys to the farm the next morning. When they got to the farm the boys were each directed to one of two barns. The pessimist was placed in the door of a barn filled with toys and games of all types and the door closed. The optimist was shoved inside a barn filled top to bottom with horse manure. The farm owner said, "Now we'll see what happens." Two hours later they open the toy filled barn and they were greeted by a whiny twin who complained that the toys didn't work right and there was no one to play with and a litany of other complaints about the situation. The father smiled in anticipation of winning the bet and the farmer said, "Wait, I have one chance to get even on the wager." They threw open the doors to the manure filled barn and were greeted by the sight of the other

twin throwing manure over both shoulders as fast as he could. His father yelled at him, "Son, what in the world are you doing?" The young boy ran over to his dad all smiles and said, "Give me a hand will you. There has to be a pony in here somewhere." The heart of patience is "cheerfulness." Which son would you like to work with?

11. The improvement of talent. Somewhere along the line, at some point in time you are going to run across a young person who is just getting started in your profession. As you watch and listen to what they do on the job you will realize that they have "it." As hard to describe as "it" might be, you will know it when you see it. There will be a spark or an attitude or a look that tells you that this kid can go far in the business. Once you make that determination it is your obligation to do all that can be done to nurture that talent and make it grow. If you look back on your own career you will be able to recall someone, somewhere, who was around when your big break happened. If they were there like they should have been they did the most courteous thing that could ever be done to you and to the profession. They saw the talent and realized that by improving it they were making life better for everyone involved. It is the definition of courtesy in any field or profession and a very classy thing to do. Don't miss the chance.
12. The joy of originating. Remember how proud you were of the drawings your mother placed on the refrigerator with those little magnets? Something you created was out there for all the world to see. A declaration of your creativity and genius! Felt good, didn't it? Times haven't changed all that much. You work in a place filled with people who like to be thought of as good at what they do. Part of the joy of originating is in the recognition. Never be stingy with

that. When you see a good idea, celebrate it. Give credit to the person who created it and make sure that others know of their efforts and the fruit they have born. When you are the one blessed with the great idea or the killer concept that brings credit to you and those around you don't miss the opportunity to give thanks to the one who created it all. Be reverent. It is as much a part of our culture as cars, hamburgers, and the spirit of freedom that lives in all of us.

Well, there is the list I heard way back in 1987, It doesn't seem like that long ago. Remember:

The Value of Time
The Success of Perseverance
The Pleasure of Work
The Dignity of Simplicity
The Worth of Character
The Power of Kindness
The Influence of Example
The Obligation of Duty
The Wisdom of Economy
The Virtue of Patience
The Improvement of Talent
The Joy of Originating

Or, if you like, you can just use the listing of little catchwords that I attached to help you remember what is important in life:

A Scout is:

Trustworthy
Loyal
Helpful
Friendly
Courteous
Kind

Obedient
Cheerful
Thrifty
Brave
Clean
Reverent

About the author:

Richard P. Fiems, MA has been with Black Hawk College, Moline, IL for 20 years. In addition to serving as the Chief of Public Safety, he is also a full time Associate Professor in the Law Enforcement Degree program. When he is not working at Black Hawk College, the Chief does police training programs for the Illinois Police Training and Standard Board. He also writes for the Professional Security Television Network and has made over 25 training videotapes for PSTN and LETN. In his off hours, Chief is Nancy's husband, Christopher and Amber's dad, Mike and Sherri's step-dad, Dustin and Cody's grandpa and is fishing in all the local bass tournaments he can find.

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DEFENSES TO BANKRUPTCY PREFERENCES



by Michael R. King, JD

Question: How come this crazy bankruptcy trustee wants me to pay money back to the bankruptcy estate when the deadbeat still owes me money anyway?

Answer: Although it often seems unfair, creditors can be required to repay "preferential transfers" received within ninety days of the filing of the bankruptcy under certain circumstances.

Probably nothing seems more unfair to a creditor than to have a bankruptcy trustee or an unsecured creditors' committee sue it to recover payments received from the debtor within the 90 days prior to the filing of the bankruptcy petition. You work like crazy to clean up your receivables from these deadbeats and then two years later people are claiming you have to give the money back. It seems backwards! It seems very unfair! So, let's see if we can at least understand this complicated, confusing and controversial world of "avoidable preferences."

The bankruptcy code allows the trustee or debtor in possession to bring into the bankruptcy estate certain assets transferred shortly

before the filing of the case. The policy underlying this procedure is that the debtor should not be allowed to prefer certain persons or creditors over other similarly situated creditors.

The elements of an avoidable preference are the following:

1. There was a transfer of an interest in the debtor's property. The transfer can be voluntary or involuntary. It would include not only a payment or a transfer of title but also liens, such as judgment liens and security interests.
2. The transfer was to or for the benefit of a creditor. A creditor is anyone who holds a pre-petition claim against the debtor. This also means that if the debtor pays a debt that benefits another person, like a guarantor, that the guarantor may be liable for a preference.
3. The transfer was for an antecedent debt. This means the transfer must have been made for a debt that existed prior to the time that the transfer was made. A transfer made at substantially the same time as the debtor incurred the obligation is not a preference because it does not involve an antecedent debt.
4. The transfer was made while the debtor was insolvent. This means that the debtor had liabilities in excess of the value of its assets. A debtor is presumed to be insolvent during the 90 days prior to the filing of the bankruptcy.
5. The transfer was made within 90 days of the filing of the bankruptcy, or if the transfer was to an insider of the debtor, was made within one year of the filing.
6. The transfer allowed the creditor to receive more than it would have if the transfer had not been made and the creditor received only what it would have been entitled to under a Chapter 7 liquidation.

There are some exceptions to the preference rule. Transfers are not preferences if they are substantially contemporaneous, such as paying for goods C.O.D. with a check that is not cashed for several days. Payments made in the ordinary course of both the debtor's and the transferee's business are also not subject to the rule. A payment made within an ordinary 30-day billing cycle would fall into this exception, but "late" payments might also be within the ordinary course of business if they fit within the general pattern of normal payments established by the parties during their business relationship.

If the Bankruptcy Court finds that a particular transfer was a preference, then the transfer is "avoided." This means the transferred property comes back into the bankruptcy estate or, alternatively, the recipient of the transfer may be ordered to pay the value of what was transferred. Anyone who repays a preferential transfer is entitled to an unsecured claim against the bankruptcy estate for the amount repaid.

So now that you know more about preferences, do you agonize over what to do about a good customer who begins to make later and later payments on the account? If you continue to sell goods on credit while receiving payments beyond the terms of the account, you risk having a bankruptcy trustee try to take the payments back from you as preferential payments. Also, you run the risk of not being paid on the amounts still due if the customer files bankruptcy. On the other hand, if you and other creditors quit selling to the customer, then the customer has no chance of avoiding bankruptcy. Surely Congress and the courts did not intend to penalize creditors who work with their financially troubled customers with the hope of helping the customer avoid bankruptcy altogether. The "new value" defense to an alleged preference helps to ease the blow to those creditors who choose to continue to deal with a financially troubled customer.

The "new value" defense is designed to make sure that the creditor who continues to do business with a financially troubled

debtor is in no worse position than creditors who simply cut off dealings with the debtor.

The new value defense means that the trustee may not collect back from a creditor any payment which is followed by a further extension of unsecured new value. To qualify for the new value defense, (1) a creditor must give unsecured new value, and (2) the new value must be given after the preferential payment. The new value defense is permitted unless the debtor repays the extension of the new value credit and the trustee cannot take it back.

Later advances of new value credit may be used to offset prior (although not immediately prior) preferential payments. The creditor is permitted to carry forward preferential payments until they are exhausted by subsequent advances of new value. There are two reasons for the new value defense. First, it encourages creditors to continue doing business with financially troubled debtors, because if the later advance of new value carried no benefit, the creditor would not make it. Second, the rule recognizes the fluid nature of ongoing commercial activity where a creditor considers the debtor's entire payment history, rather than a single transaction, to decide whether to advance new credit.

Keep in mind, there is a limit to the good news of the new value defense. After all, the creditor almost certainly still has a large unpaid unsecured claim in the bankruptcy. Nevertheless, the creditor will not be required to pay back as much into the estate as it would have in the absence of the new value defense. You see, most new value advances will either be unpaid at the time of the filing of the bankruptcy, or will themselves be paid with avoidable preferential payments. With the new value defense, at least the creditor gets to keep some of the payments. But keep in mind that the new value defense would not be available if the later sales were on a C.O.D. basis or were not themselves preferences subject to repayment to the estate.

When you receive a substantial late payment from a customer, you may still want to have subsequent transactions done on a C.O.D. basis, perhaps depending upon the volume of the order. And then you cross your fingers and wait for ninety days to pass. Or, as one court has noted, you could sell your goods to somebody else who is not in financial trouble and keep the payments you receive.

So what do you do if you receive a summons and complaint in the mail seeking to avoid an allegedly preferential transfer to you or your company? Call your attorney immediately! Service of process can be accomplished through the mail for bankruptcy court purposes. Please do not ignore these important documents, because if you do, you will be facing a default judgment. As the foregoing indicates, there are numerous potential defenses to preference claims, but you need to make sure they are timely and competently presented on your behalf.

About the author:

Michael R. King is a founding partner of Gammage & Burnham, P.L.C., a Phoenix law firm with diverse areas of emphasis. His practice primarily centers around bankruptcy and creditors' rights, commercial litigation, including uniform commercial code cases and real estate and business law. He is a former member of the Creditor/ Debtor Rights Committee and is a current member of the Bankruptcy, Real Estate and Construction Law Sections of the State Bar of Arizona. Mr. King is the past Chair of the Board of Trustees of the Maricopa County Bar Foundation. He is an active alumnus of the University of Arizona, where he received his B.A. and J.D. degrees, with distinction and with high distinction.

THE IMPORTANCE
OF HAVING A WRITTEN
CREDIT AND COLLECTION
POLICY AND PROCEDURE MANUAL



By: Michael C. Dennis, MBA, CBF

*Originally published in the March 2004 Edition of NACM's
"Business Credit Magazine"*

Many companies do not have a written credit policy. There are a variety of reasons for this. Perhaps the most prevalent is the belief that a written policy is more trouble than it is worth, or that the policy, once completed, will quickly be forgotten or ignored. One of the benefits of a written policy is the fact that it will reduce bias and subjectivity in the credit decisions being made.

Advantages: There are a number of advantages or valid reasons for investing the time and effort to develop a written credit policy. Among the more important reasons are:

- A written policy is one way to ensure continuity in the department in the event that key personnel leave the credit department.
- A written policy helps ensure consistent credit decisions—meaning that all customers will be treated fairly.
- It can be used as a training tool.
- It can be used to help evaluate or benchmark job performance against established standards documented in the policies and procedures manual.
- The manual can be presented to senior management to ensure consistency between credit department operations and management's expectations.

Relevance: A policy must be relevant to the way the credit department actually operates. To be relevant, the credit policy must be current and it must be kept current.

Key Questions a Credit Policy Must Answer: A well-written credit policy will answer the following questions:

- Will a credit application be required?
- Must it be signed? If so, by whom?
- Will the application include a personal guarantee?
- When must it be signed?
- Will the guarantor be required to provide personal financial statements?
- How will the creditworthiness of the guarantor be confirmed?
- What are the company's standard terms of sale?
- Under what circumstances will extended dating be considered?
- Who must approve requests for extended dating, and what form will this approval take?
- What is the credit manager's authority limit?
- What are the consequences of exceeding this authority limit?
- Who in management can override credit decisions?

- What form does that override take?
- Will the company sell to a debtor in possession?
- If so, under what conditions?
- What forms of security will the company accept to reduce credit risk?
- Under what conditions will the company request updated financial statements? Under what conditions will you require financial statements?
- How frequently will credit files be updated?
- Who will review the information, and what constitutes an unacceptable credit risk?
- How frequently will customers be contacted about past due balances?
- How soon will the customers be contacted?
- At what point may orders be placed on credit hold?
- Who authorizes credit holds?
- Who must be informed of the credit hold?
- How will this notification take place?
- Who has the authority to withdraw open account terms?
- Who has the authority to place accounts for collection?
- What methodology will be used to calculate bad debt reserves?
- When will accounts be considered eligible for write off?

Credit Policy Do's and Don'ts: Whether you are writing a new policy and procedure manual, or you are reviewing and updating your current manual, you should keep these ideas in mind:

- Do not keep your credit policy a secret. Be certain to share it with your sales department and with senior management.
- Do not make your policy so rigid that you do not have a certain amount of "wiggle room" in your credit decision-making process.
- Do not make the policy so vague or flexible that it is subject to interpretation by each member of the credit department.

- Do update your credit policy so it does not go stale.
- Do not allow your subordinates to stray from your credit policies and procedures without providing an explanation.
- Do establish a specific hierarchy within the credit operation. Make certain that everyone with credit granting authority knows his or her credit approval limit.
- Do make sure your policy explicitly states that the credit department is "pro" sales. Make certain you are looking for reasons to release orders, not excuses to hold orders.
- Do include policies intended to manage marginal accounts
- Do include policies and procedures intended to minimize credit risk and the potential for bad debt losses.
- Do include instructions about how confidential information will be kept confidential.
- Do include examples of actual or potential conflicts of interest.
- Do state clearly in the manual that employees may not engage in unethical or unlawful behavior and include examples of these prohibited behaviors.
- Do not create a credit policy that has the effect of isolating the credit department from the rest of the company. The credit department must be *a part of* the success of the company as a whole, and not *apart from* the company's success or failure.

An area that often causes problems for the credit department involves the use of credit holds. Salespeople often think the credit department is too quick to impose credit holds. But if the credit policy manual addressed this issue, it would be clear to the sales department and to senior management why the decision to hold orders was made. Here is an example of a credit hold policy that gives the credit department a certain amount of wiggle room:

"All customers will be considered eligible for credit hold once their account contains an undisputed balance that is more than 30 days past due. All accounts that become 60 days past due shall be placed on credit hold unless specifically exempted by the credit manager. The reason[s]

for approving this type of exception must be documented in writing and added to the on line credit notes with a copy placed in the customer's credit file."

Having a written credit policy in place and up-to-date is a way of preventing problems and minimizing the loss of customer goodwill. For example, if your written policy states that you require current financial statements any time an applicant requests a credit limit in excess of \$100,000, if you make this fact known to your sales department [through regular meetings between credit and sales], and if you tell potential customers this information by including this requirement on your credit application form, problems with customers [and potential customers] could be avoided.

About the author:

Michael C. Dennis, MBA, CBF, is a business consultant who helps companies to design, implement and update their credit policies. He is author of four books on the topic of commercial credit risk management and debt collection including his most recent book, "1001 Collection Tools, Tips, and Techniques". You can contact him by email at mcdennis@coveringcredit.com

*Great Falls CPI
Proudly Endorses
Sue Cassell, PCE
District 10
First Vice President*

A LOOK AT THE FOUNDATION



by Esther T. Brinkley, CA, MPCE

In 1987 at the August meeting of Credit Professionals International in St. Louis, MO, the Foundation was started. Past International President Hazel Knopp came up with the idea and another Past International President, Venie Whitt, became the driving force behind getting something going to acquire national recognition—the Walk-A-Thon.

It was not until 1989 that the charter was granted for a 501(c)(3) corporation committed to credit education and presenting other avenues of carrying education into communities, schools, and other areas. The Foundation was established as a tool for us to accept tax-deductible donations. In the beginning The Credit Education Resources Foundation was called CERF. Later it has become known as “the Foundation.”

Last year Terry J. Rowe wrote an article entitled “What You Should Know About Your Foundation.” This article was used as one of the 2003-2004 manual topics and is included in the current web site: www.creditprofessionals.org

Notice Terry called it YOUR Foundation. If you have not taken time to explore this site you are missing out on an excellent opportunity to learn what Credit Professionals International and the Credit Education Resources Foundation is all about. Don't have the facilities to view this web site? Someone in your association does and would probably be happy to print off some part of the site and share it at your meetings or you could go to the local library and see it for yourself.

This year as President of the Foundation, it is my intention to continue the great work which has been a continuing effort by all the Presidents who have preceded me. Our first President was Ruth Zardezed who served two terms. Since that time Sue Heusing served two terms and next came Nona Ellzey who served four terms. George Reinberg served one term. Mary Nebeker served one term. Mary Jo Mularz served one term with Mary Nebeker returning for two terms. Terry Rowe then served three terms from 2002 until 2004.

My goals this year are:

- To increase awareness of the Foundation in the locals and in the communities.
- To try to renew interest in the local, in the State, and/or in the Districts to participate with a Walk-A-Thon or whatever "A-Thon" you might choose.
- To get each District to bring at least \$700 for the International "A-Thon."

In order to reach these goals, I ask that you each take part in sharing the audio tapes and CDs, and *The Instructor's Guide* for "Take Charge of Your Life", along with the companion PowerPoint presentation. In addition I want you each to actively participate in a "Walk-A-Thon" or whatever "A-Thon" works best for your area. Be creative. At International in Atlanta, the Districts participated in a "Duck-A-Thon."

If you are certified, become a mentor for someone who is not certified. If you are not certified, seek out a mentor. The Certification Program has become easier, due to workshops and Certification Chairmen in some of the Districts.

It is the responsibility of each of us to make the Foundation and Credit Professionals International become recognized in our communities.

Terry Rowe told us in her outstanding article last year, "Get the word out to your local, State, and District meeting about the Foundation and the educational opportunities it provides to the membership and communities through Credit Professionals International."

She continued by adding, "If you have questions concerning making contributions to the Foundation or working with the Foundation, please contact the Foundation President, the Corporate Office or Credit Professionals International web site or any District President or CPI officer or board member."

It is my challenge to you to become more aware of the Foundation, how the funds are acquired, how funds are used and what it has to offer you as a member, your local, and the community where you live. We are always looking for new ideas in gaining revenue and in getting the message out to other members and to the public. Pass all your ideas along to any board member. We want to hear what you have to share.

About the author:

Esther Thompson Brinkley, CA, MPCE, is the President of the Credit Education Resources Foundation. She is Vice President of District III and IV Dixie Council and Past President of the State of North Carolina. Esther is recently retired from Piedmont Federal Savings and Loan Association after 42 years of service. Her life is filled now with family, serving as a Mary Kay Beauty Consultant, Credit Professionals, volunteering and travel. She can be reached at ebrinkley1024@earthlink.net.

\$\$ Take Charge of Your Life \$\$

This 73 minute audio program, available on tape or CD, covers the basics of money and credit management and is intended to help today's consumer learn to take charge of his or her financial future. It was designed by members of Credit Professionals International to be used in presenting credit seminars and for placement in public libraries and schools for consumer education.

Tape	1-5 copies	\$11.00 each
	6+ copies	\$8.00 each
CD	5 copies	\$15.00 each
	6+ copies	\$12.00 each
Instructor's Guide		\$6.50 each
		<i>(prices include shipping)</i>

The Instructor's Guide is available as an accompaniment to the tapes and CDs and contains pages that may be copied over onto overhead transparencies or used as handouts, and there is a 70-slide PowerPoint presentation available with the guide which includes notes and handout masters. Contact the Corporate Office for information on volume discounts or to place an order.

WHAT IS CPI?

The association now known as Credit Professionals International (CPI) was established in 1937 for individuals working in the credit industry. CPI's focus is on strengthening the credit industry and the individual through education and interaction. Our mission is to support our members by providing opportunities for networking, career development, and community involvement.

Membership benefits include this educational manual with articles written by outstanding members of the credit industry; local monthly meetings with educational speakers and programs and networking opportunities; and the opportunity to attend seminars and conferences. Members are also eligible to subscribe to a variety of publications at reduced rates: CREDIT CONNECTION (a quarterly newsletter with legislative updates), THE CREDIT PROFESSIONAL (a bi-annual magazine) and the International Membership Directory.

Credit Professionals International also offers a four-level certification program available through the Credit Education Resources Foundation. See our website for additional information: www.creditprofessionals.org

TALK IT UP FOR CPI



CPI DISTRICTS

Credit Professionals International is comprised of six Districts. They are:

- District 3 & 4: States of Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee
- District 5: States of Illinois, Indiana, Michigan, New York, and Ohio
- District 7 & 9: States of Arkansas, Colorado, Kansas, Minnesota, Missouri, Nebraska, New Mexico, North Dakota, Oklahoma, South Dakota, Utah, and Wyoming
- District 8: State of Texas
- District 10: States of Alaska, Arizona, Hawaii, Idaho, Montana, Oregon, and Washington; Provinces of Alberta and British Columbia, Canada
- District 12: States of Pennsylvania, Virginia, West Virginia, and Washington, D.C.

Credit Professionals International Professional Certification

You've worked long hours in the credit industry, gone to school and provided credit education for consumers. What's your reward?

You can become a Certified Credit Professional through CPI's certification program.

Credit Professionals International offers four levels of certification. You receive points based on your education level, your years of employment in the industry, your credit education efforts, continuing education and participation in credit association activities.

Levels of Certification:

Professional Credit Associate (PCA): Any combination of units from the scoring guide which total 300 points. \$25 fee.

Professional Credit Specialist (PCS): Any combination of units from the scoring guide which total 500 points. \$35 fee.

Professional Credit Executive (PCE): Hold position at management or exempt level in one's company, plus any combination of units from the scoring guide which total 750 points. \$45 fee.

Master Professional Credit Executive (MPCE): Must have held position at management or exempt level in one's company for at least five years, plus any combination of units from the scoring guide which total 1200 points. \$55 fee.

QUALIFICATIONS: Work Experience, College Credits & Degrees, Credit and/or Business related workshops and seminars. Participation in CPI and other Credit Associations. Units are awarded based on immediate past five years.

ELIGIBILITY: Any CPI Member can apply if they have the required number of units. Retired members can qualify for PCA or PCS at any time. If required positions were held during the last five years of employment. Applications for PCE & MPCE will be accepted.

TIME SPAN: Certification is valid for five years and renewable upon payment of the original fee. Your original points are always retained. You may work toward the next level by submitting the additional points and paying the additional fee.

FEE: The certification fee should be submitted with the personal data forms. Refunds will be made if the forms are incomplete.

CREDIT PROFESSIONALS INTERNATIONAL

“TALK IT UP FOR CPI ”
AND OBTAIN A NEW MEMBER!!
TALK UP EDUCATION
PERSONAL DEVELOPMENT
LEADERSHIP AND NETWORKING.

Announcing awards for the 2004-2005 Membership Campaign

INDIVIDUAL

Every member who recruits a new member will receive \$5.00. Please notify the Corporate Office when the new member's dues are paid to receive your funds.

LOCAL

Each local association that retains its membership will receive a Certificate of Appreciation. The names of all local associations retaining their membership will be entered in a drawing to be held at the 2005 International Conference. The local drawn will receive \$50.00.

Each local association that increases its membership will receive a Certificate of Achievement. The names of all local associations increasing their membership will be entered in a drawing to be held at the 2005 International Conference. The local drawn will receive \$50.00

DISTRICT

The District with the largest percentage of local associations maintaining their membership will receive \$50.00. The District with the largest percentage of local associations increasing their membership will receive \$50.00.

The Corporate Office will retain the records and calculate the winners at the local and District levels. Campaign ends May 31, 2005.



Come Join Us in Ann Arbor
International Tree City Credit Conference
June 8-12, 2005

Conference information and registration forms will be posted very shortly on our Credit Professional website at:

www.creditprofessionals.com

The Ann Arbor association is planning a "tour day" starting in the morning on June 8 with a trip to nearby Dearborn where you'll go back to yesteryear with a tour of Greenfield Village or the Henry Ford Museum and the Ford Rouge Automotive plant.

For those of you who have never taken the True Colors personality test, you're in for a real treat. Barb Saxton, who has done her presentation for many associations over the years, will delight the audience with her thoughts and wisdom on how to get along with everybody just by learning their personality.

It will be a good opportunity for those who have never been to Michigan to get a flavor of a Midwestern college town with a small town atmosphere. Ann Arbor offers a wide array of activities to fill your day. From theaters, museums, sporting events, shopping and restaurants galore, there is something for everybody to see and enjoy.

SEE YOU IN ANN ARBOR

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