

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; a website—www.creditprofessionals.org—that has a special members-only section loaded with helpful information; local monthly meetings with educational speakers, programs and networking opportunities; and the opportunity to attend state, district and international seminars and conferences.

Members also receive *The Credit Professional*—an annual 40-page magazine filled with articles relevant to those working in the credit industry; *The Credit Connection* quarterly newsletter containing legislative news, helpful articles, program ideas and membership news; the Pre-Conference and Post-Conference Capsules; and the online CPI Membership Directory.

Credit Professionals International also offers a four-level certification program, which provides a vehicle for members to receive recognition for participation in continuing professional development through courses in the workplace, attendance and participation in seminars, conferences, college courses and activities at all levels of the association.

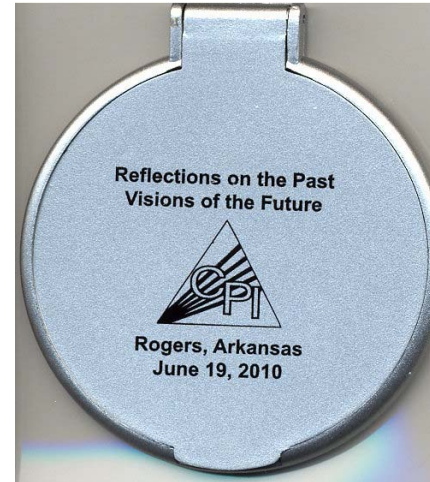
Visit our website at www.creditprofessionals.org

Credit Professionals International

*2010-2011
Education Manual*

TABLE OF CONTENTS

Introductions <i>by President Billie Plasker, PCS</i> <i>by First Vice President Diane Radcliff, PCE</i>	3-4 5-6
Make It Personal: Engaging Leadership in Challenging Times <i>by Rich Schlentz</i>	7-13
Life Is... <i>by Barbara Chapin, CCCE/MPCE</i>	14-21
Debt: Be Careful How You Use It <i>by Harvey Armour</i>	22-30
Measure Twice, Cut Once <i>by Charlotte Freeman Maness, CCCE/MPCE</i>	31-35
The Tao of Signature Self-Defense <i>by Thomas Grogan</i>	36-43
The 4 “D’s” of Taxes—Dreaded, Despised, Depressing and Deductions!!! <i>by Gail Ottinger, CCCE/MPCE</i>	44-49
Snap, Crackle, Pop Presentations <i>by Lisa Fields</i>	50-56
Why Should a Credit Professional Be Interested in America’s National Energy Policy? What Does Energy Do for M? <i>by Richard F. Storm, P.E.</i>	57-65
One in 1,514,821 <i>by Anne Hammond, CCBE/MPCE</i>	66-72
CPI Membership Campaign	75
What Is CPI	76



**Get Ready!
Get Set!
Go!**

MEMBERSHIP CHALLENGE 2010-2011

All CPI Districts are competing in two races:

Race One

Retain 100% of your District’s members

Race Two

Grow your District’s membership

Victory will go to the District with the highest percentage of retention and the highest percentage of new members.

Membership Chairman Diane Radcliff will declare the winners at the 2011 CPI International Conference.

IT’S A WIN WIN CHALLENGE FOR CPI

PROFESSIONAL CREDIT CERTIFICATION



Take advantage of the CPI certification program and gain recognition for your efforts in pursuing professional development through continuing education and leadership activities.

You can advance your career through four levels of professional credit certification:

- ◆ Professional Credit Associate
- ◆ Professional Credit Specialist
- ◆ Professional Credit Executive
- ◆ Master Professional Credit Executive

For an application form and additional information, contact:

Credit Professionals International
10726 Manchester Road, Suite 210
St. Louis MO 63122

Phone: 314/821/9393; Fax: 314-821-7171
Email: creditpro@creditprofessionals.org

Go to the CPI website to download the brochure:

***Professional Credit Certification:
The Key to Your Future***

www.creditprofessionals.org

**Reflections on the Past
Visions of the Future**

REFLECTIONS ON THE PAST VISIONS OF THE FUTURE



I want to thank Diane Radcliff for her great effort in compiling this year's *Education Manual* for us. It takes a lot of work and dedication to get this completed each year and I appreciate all the time and work that goes into the manual. This *Manual* is a great benefit to our membership and it is my hope that each and every one of you uses it in your professional life and at your local association meetings. This is also an excellent tool to obtain speakers for your meetings and to work from to expand into other areas in which your members are interested.

Thank you also to all the authors that took the time to write an article for the *Manual*. I know in this day and age, when we are all stretched to the limit with our many responsibilities, it becomes harder and harder to be able to commit to outside areas, and I appreciate all of you taking the time to do that for us.

Thank you to Charlotte Rancilio of the Corporate Office for her continued dedication to Credit Professionals. Charlotte works with the 2nd Vice President each year to make sure that the *Manual* is completed and that it is ready for your packet and to be mailed, as soon as we receive your dues. This is a big responsibility and very time consuming, but Charlotte does it

with ease and reassures each new officer that takes on this responsibility that we will get it done and that it will be a great *Manual*.

Last year we were invited to be the “GEM “of credit with CPI. This year I have chosen “Reflections on the Past; Visions of the Future” as the theme. We need to learn from our past and follow the direction set by those great leaders that came before us; however, we also must learn to follow new directions and technologies that become available to us and that will benefit our membership. We especially need to learn how to best get our message out to prospective members in the workforce.

We have such a strong history in credit, and it is good to reflect on that, but, if we want to continue with this organization, we must have a vision toward the future and where we want this organization to go. This will take all of our dedication and effort because it is up to each member to help us remain strong, and to help move us forward. We look forward to a strong future for CPI.

*Billie Plasker, PCS
International President, 2010-2011*

2011 CREDIT PROFESSIONALS INTERNATIONAL CONFERENCE

June 16-19, 2011

Marriott Executive Park Hotel

Charlotte, North Carolina

**Education, CPI Business Meeting,
Networking, Social Functions**

DON'T MISS IT!

2011 DISTRICT CONFERENCES

District 3 & 4

April 28-May 1, 2011
High Point, NC

District 8

to be announced

District 5

March 24-26, 2011
Tulsa, OK

District 10

April 15-16, 2011
Pendleton, OR

District 7&9

March 24-26, 2011
Tulsa, OK

District 12

March 18-20, 2011
Chesapeake, VA

THE 2010-2011 EDUCATION MANUAL

For most of the time, I have talked about our Foundation but let's come down a level. It is, in fact, YOUR foundation. The Walk-A-Thons and other fund raisers that you support provide the capital that makes it work. Any funds that it has are to be used to provide credit education for ourselves and for the general public. I encourage you to participate in the fundraisers but I also encourage you to take advantage of the benefits offered.

Always remember:

Your support is the foundation of
THE FOUNDATION.

About the author:

Anne Hammond, CCBE/MPCE, went to work for Equifax in 1954 and retired in 1997. During that time she was an assistant manager and manager in various field offices, a field sales representative, and manager in the Information Technology section of the home office. For the last 15+ years of her career, she was an Internal Consultant working with the industry developing reporting formats, with the corporate legal department, and doing training seminars. After retiring she worked part time as a consultant at Equifax until 1999, and since then has indulged herself with travel and volunteer opportunities.

She has served in most of the offices in local and state CPI and as a committee member on the local, State, District and International levels. She is currently President of the Credit Education Resources Foundation and has served as President of the International Career Club. She is also Secretary of CPI of Atlanta, editor of the Atlanta Bugler, and the current Atlanta Credit Professional of the Year.



Diane Radcliff, PCE
First Vice President, 2010-2011

Talk about excited...if you are, like me, always looking forward to the next adventure, well get ready for the presentation of the 2010-2011 Education Manual!!!! In keeping with the tradition of CPI and the guaranteed Education Program it provides, this year the manual offers an eclectic view of the credit industry.

In putting the manual together, the task at hand was very arduous. However, I contacted all the resources available to me from our in-house CPI members, as well as a number of individuals outside CPI, who were willing to donate their time, talent and experience to provide articles on a wide variety of topics. The end result is a manual that will enable all of us—from the newest to the oldest members—to learn and enjoy.

The information in this manual provides local associations with topics for speakers for all scheduled meetings. It also makes it easy for CPI members to contact the authors to obtain additional information or answers to specific questions. And it gives professional exposure to our talented and knowledgeable authors. I am certain all CPI members will find this manual an excellent educational resource.

I would like to personally thank all of the authors for contributing their expertise by providing articles for this manual.

Your published articles will be forever archived into CPI history!!! A very special thank you to Charlotte Rancilio at the Corporate Office for her patience, tremendous talent, and tireless dedication in putting this manual together.

This year's manual truly exemplifies "Reflections on the Past and Visions of the Future".

Diane Radcliff, PCE
First Vice President, 2010-2011

***The whole purpose
of education is
to turn mirrors
into windows.***

***Sydney J. Harris
(financier and oilman)
(1917-1986)***

Dorothy Utley donated luggage tags printed with the Foundation's logo which were sold as a fundraiser.

Each year at International, we have a series of silent auctions benefiting the Foundation. District Presidents, Foundation officers and members of the CPI Executive Committee bring items to auction. These may represent items from their area or be simply an attractive gift. Members purchase tickets and deposit them in containers before each donation. Drawings are held at the end of the conference. Another popular fundraiser at International is the "Dollars-in-the-Air", where members bid for donated items.

Raising funds is always a challenge but in the words of former Foundation President Mary Nebeker, CCCE/MPCE, "we continue to look for creative and productive ways to gain revenue to teach and train our own members and then to teach the community at large."

Honors

The Foundation recognizes achievement and dedication with the Helen B. Sawyer HERO award. Individuals or associations may nominate members for this award and the final award is voted by the Board of Directors of the Foundation. Since 2004, seven members of Credit Professionals International have been selected to receive the award. Recipients of the award will have displayed:

- Excellence in mentoring-bringing up talent through out the ranks...developing their skills to ensure strong leadership succession in the organization
- Leadership
- Generosity with both time and knowledge
- Practices moral integrity in business and personal life
- Must have a tenacious spirit, yet implemented with compassion
- Wonderful sense of humor
- Considered a role model with contributions to strengthen and enhance Credit Professionals International and the Foundation

Prevention education programs include child-safety publications and the organization's NetSmartz web site to help prevent online victimization of children. It is to be noted that this charity has an excellent rating for use of funds with 94 percent of funds raised going to their programs and the remainder to fund raising and administration.

Funds and Fund Raising

Helen B. Sawyers, CCCE, a Past International CPI President, provided the Foundation with a grant some year ago, part of which was used to fund the "Take Charge of Your Life" program described earlier.

One of the principal means of raising funds is the Walk-A-Thon. Each local, state and district association is encouraged to have a designated fundraiser for the Walk-A-Thon each year. These can be actual walking events where the members solicit sponsorships or donations and then walk. Sometimes associations choose not to get all sweaty by actually walking and substitute such things as bridge parties, throwing fish, dinners (bridge-a-thons, fish-a-thons, din-a-thons—you get the picture!). Many times the members can increase the amounts donated by securing matching funds through their employers.

Walk-A-Thon funds are split three ways. Twenty five percent goes to the National Center for Missing and Exploited Children. Thirty five percent of the funds from the local association comes back to them to be used for their education and outreach efforts. The remaining forty percent stays with the Foundation to be used in its projects and for administrative costs.

Other funds are raised through memorials, personal donations and donations for miscellaneous reasons. For example: to celebrate the Walk-A-Thon's twentieth year, member

MAKE IT PERSONAL: ENGAGING LEADERSHIP IN CHALLENGING TIMES

"It is easy to be brave from a safe distance." Aesop



by Rich Schlentz

Do you recall the World War II poster of Uncle Sam? It read, "We Want You," and I could feel his finger pointed straight at me. It was a compelling poster because there's no mistake whom he's talking to. No question that Uncle Sam wants me because I can make a difference. He knows that each individual is key in making an impact on a local or global level. That's a powerful idea.

Here's the deal: Imagine that same poster. Only this time, the picture includes the faces of the people who look to you for leadership. That might be your team, direct reports, peers, family, community, or church. They all have their fingers pointing straight at you. Now, close your eyes... Can you see it? *They want you.* Yes, you. This is no time for false humility. It's okay

to admit it: They want you because you're their leader. You're important.

Bob Nelson, author of *1001 Ways to Reward Employees*, conducted a survey of 1,500 employees. He wanted to know, in these tight, stressful, changing times, what recognition items were most important to corporate workers. Number six was "time with their manager." Do you ever think of yourself as a top-ten recognition item? How does that feel? Here's how Mr. Nelson explains it:

"In today's fast-paced world of work in which everyone is expected to get more done faster, personal time with one's manager is, in itself, also a form of recognition. As managers are busier, taking the time with employees is all the more important to do. As Roy Moody, president of Roy Moody Associates puts it: "The greatest motivational act one person can do for another is to listen."

You might be wondering where money ranked in this survey. A "cash reward" ranked fifteenth. There you have it. When it comes to demonstrating how valuable someone is, you are more important than cash. I guess cash is not "king" (or queen)—you are. They want you. Dare to give them what they want: more of yourself.

It's the relationship, stupid. For too many years leaders have focused on policies and procedures and ignored the importance of meaningful relationships. Howard Behar, who runs Starbucks retail operations, said, "We are not in the coffee business, serving people. We are in the people business, serving coffee." He gets it. We are all in the relationship business.

Often I find that leaders and organizations get confused over the business that they're really in. This confusion comes from the thought that their business is the same as their industry or

Applying for Grants

An applicant for a grant from the Foundation should send a description of the project with details of what the project is expected to accomplish, what funds are requested, how these funds will be spent and what time period will be covered. Periodic progress reports should be sent and a final report when the project ends. Applications should be sent to the Foundation president and the board of directors will vote whether to accept or reject the project.

National Center for Missing and Exploited Children

The Foundation has an ongoing relationship with the National Center for Missing and Exploited Children. NCMEC provides services both in the U.S. and internationally to families and professionals free-of-charge to help prevent and assist in missing or sexually exploited child cases.

Services include age enhancement, facial reconstruction, and imaging/identification services; case/lead analysis; photo and poster distribution; infant-abduction prevention; recovery/reunification assistance; law-enforcement training; and legal resources from prosecutorial training to best-practice legislative models.

The America's Missing: Broadcast Emergency Response (AMBER) Plan promotes instant community notification about a missing child, while the Lost Child Alert Technology Resource (LOCATER) gives law enforcement agencies a rapid way of creating and disseminating posters and the Project America's Law Enforcement Retiree Team (ALERT)/Team Adam provides on-site assistance by search experts.

Instant reporting of missing or sexually exploited children is available through the National Center for Missing and Exploited Children's 24-hour, toll-free Hotline 1-800-THE-LOST and on the Internet at the CyberTipline (www.cybertipline.com).

Foundation meetings each year. One is at the International Conference, usually in June, and the other at the Strategic Planning Meeting held in St. Louis, MO each year. The meetings are open and all CPI members are encouraged to attend.

Money that is received by the Foundation is designated as donations. These moneys will be used to create educational information and opportunities for our members and for the general public. “Take Charge of Your Life”, an audio program, is an example of the material prepared and distributed. This series of seven lessons, which could be subtitled as “How Credit Works”, was written by authorities in the field of credit, compiled and professionally recorded. It was made available in cassette tape and CD format together with an Instructor’s Guide. A free copy of the guide was available to each local association on request.

Another education product funded regularly by the Foundation is “The Credit Professional” magazine sent to all members, with extra copies available for distribution to businesses and libraries.

The Foundation also initiated our CPI Certification program, which builds on the life and career experiences of members, to provide recognition of knowledge and ability. Many members have been certified and re-certified at one of the four levels: Professional Credit Associate, Professional Credit Specialist, Professional Credit Executive, and Master Professional Credit Executive.

Grants from the Foundation have helped local associations finance outreach programs such as check writing schools, scholarships for members to attend educational events and other projects.

products. But they’re not. You should be an expert within your industry and have cutting edge, world-class products. But neither of these are your business. Your business is relationships, the ones that connect you with your customers and your people.

Once, while attending a home school conference, I heard a speaker address the age-old debate of “quality time vs. quantity time.” He concluded by telling the parents in the audience that “magically, quality time will always appear somewhere in the midst of quantity time.” That has stuck with me, and it makes sense in the workplace as well as the homeplace.

One specific way to demonstrate your understanding of the relationship business is to spend more quantity time with the people you lead and influence. Where are you going to find this time? How are you going to make the necessary moments available? You decide—but it must be done, if you’re to expect the quality of relationships that produce commitment and loyalty.

It is important that you are fully present for the people you lead. Not just in the building, but available and accessible. Today, it’s harder than ever to really “be where you are.” The battle to be fully present is being lost on both personal and corporate fronts. So what’s to be done?

I love to run in local parks. In these times of solitude, I get my best thinking done. I solve problems, create speeches, invent chapters for my books, and hear the voice of God. I often run past people in the park who are talking on their cell phones, have an iPod strapped to their bicep, or have some other technology device dangling from their waistline. I cringe. They are walking in a beautiful park, but they are not here. They are not present to their environment.

Staci Eldredge, author of *Captivating*, wrote, “The gift of presence is a rare and beautiful gift. To come—unguarded, undistracted—and be fully present, fully engaged with whoever we are with at that moment.” When I typed in this quote, it was

Mother's Day, and I couldn't help thinking, *this is why mothers are loved and revered. They know how to give us the gift of their presence.* Mothers are good leaders because they engage their "followers." Your followers desperately want to receive the gift of your presence. Will they get the chance?

Open Up And Let Them In

While watching the movie *Private Ryan*, I became mesmerized by the relationships within the group of men that were sent to find Private James Francis Ryan. Their leader was Captain John H. Miller, played by Tom Hanks. While he tried to keep his civilian life at a distance, his platoon ached to know more about him. Late in the movie, to break up the tension and dissension between his men, he began to tell them stories about who he really was. He's not just a Captain. He is a husband and schoolteacher with real dreams of returning home someday. His men are locked in on him as he shares these parts of himself. No one can engage whole-heartedly with the person who remains a mystery.

I've had the opportunity to work beside some inspiring leaders who have built engaging cultures. Tom Turner is one of them. I met with Tom and his six key managers regularly. Tom wanted to create ongoing learning opportunities that would help his team members grow personally and professionally. He was smart enough to know that better people make better organizations.

Tom didn't just "send" his team to workshops; he was fully involved with the entire process. When it came time for him to share his personal development vision, he let it all out. He shared with his team how he attempted to create and maintain balance in his own life, how he was committed to being a good dad and why that was important to him. If that meant leaving work in time to coach his son's baseball team, he would do it.

Tom also shared his professional goals. He discussed where he wanted to "grow to" in the company and the skills he still needed to get there. He mentioned how important his team was to him and the type of leader he wanted to be for them. He shared how

organization's organizing document (such as the articles of incorporation, trust documents, or articles of association) must limit its purposes to being charitable, and permanently dedicate its assets to charitable purposes. The organization must refrain from undertaking a number of other activities such as participating in the political campaigns of candidates for local, state or federal office, and must ensure that its earnings do not benefit any individual.

In the United States, any charity that qualifies as tax-exempt under Section 501(c) (3) of the Internal Revenue Code is considered to be a "private foundation". Also an individual, family, corporation, or some other single source funding a private foundation customarily donates its principal funds and, more often than not, it does not solicit funds from outside.

Our foundation was organized and designed to develop and implement a program of credit education for the consumer through publications, meetings, study groups and seminars. Members of Credit Professionals International conduct programs around the United States for students, senior citizen groups, civic and service clubs, for the general public and for our members.

We are considered a non-profit organization or NPO. Non Profit Organizations first appeared in history in ancient Egypt and Rome while, in pre-revolutionary United States, settlers donated time and money to build schools and churches. Some other non-profit foundations include the Bill and Melinda Gates Foundation, the Rockefeller Foundation, the American Cancer Society, etc. So you see we are in good company.

Each year the President of Credit Professionals International appoints the President, and Vice President of the Foundation to a one-year term. The four members of the Board of Directors are also appointed by the International President. Directors serve two-year terms with two being appointed each year. The Foundation President appoints the Walk-A-Thon Chairman and other committee chairmen and members. There are two

ONE IN 1,514,821



by Anne Hammond, CCBE/MPCE

There are many foundations, probably more than the million plus figure above. All are dedicated to some type of charitable work be it research, healing, the arts, etc. However, the Credit Education Resources Foundation, our foundation, grew from Credit Professionals International's dedication to furthering education for our members and others.

The Credit Education Resources Foundation had its beginnings in 1987 and was finally chartered in 1989. It was founded in response to the growing need for consumer credit education and is a not-for-profit organization under federal tax law.

The benefits of 501(c) (3) status include exemption from federal income tax as well as eligibility to receive tax deductible charitable contributions. There are several requirements that must be met for a charitable organization to obtain not-for-profit 501(c) (3) status from the IRS. These include being organized as a corporation, trust, or unincorporated association. And the

his hero, his own dad, had shaped him as a person and as a leader. Some of Tom's personal and professional vision was so meaningful to him, it caused him to become emotional, but he didn't hold that back either.

This is what I know about the six people who follow Tom Turner: They are deeply loyal to him. They are committed to their own personal development, to the department goals that they set together, and to their leader. They respect and admire him. You can see it in their eyes, hear it in their voices, and watch it in their actions. They are fully engaged—souls, hearts, and minds. And this is because Tom is real: He lets them in. He doesn't put on the "corporate" face when he comes to work. He wears his own face consistently and is rid of wax. This posture takes courage and gets results.

Peeling Back the Myths

Tom and other courageous leaders like him have helped debunk some corporate myths. Let's address a few. One goes like this: "I don't bring my personal life to work." What does that mean? Can you actually live two separate lives? Exactly where on your body do you draw the line that splits your personal and professional self? You are not a one-dimensional being, and you cannot be a one-dimensional leader. To be an engaging leader, you must willingly share all of yourself with the people you lead. If you do not get personal, you will default to leading impersonally—and that doesn't work very well.

Let's consider another corporate myth. "I don't get too close to my people. That just leads to trouble, so I keep a safe distance." Since most of these comments come from men, I can attempt to interpret this primitive language for you: "I am afraid of getting close to people. I don't even really know myself that well, and I fear if others get too close to me, they might see through my mask and uncover my real weaknesses!" Enough already. Stop the lies!

A question I'm often asked is, "Rich, how about keeping appropriate boundaries? Doesn't a leader have to know where to draw the line?" Here's my response. We have a crisis in corporate America—the lack of meaningful relationships between leaders and followers. Let's not resist the solution because a minuscule percentage of people have abused it.

Have you seen news reports when a commercial airliner crashes? Have you continued to fly? Yes, because you know it remains the safest way to travel, even though every crash makes the headlines. Don't let a few highly publicized relationship abuses stop you from doing what is right and effective. Those who are looking to take advantage of others, who are clueless when it comes to understanding appropriate boundaries, aren't reading this article. You are. You can make the difference.

Ultimately, we choose to follow people we know, respect, and trust. If you have the title "Leader," "Supervisor," or "Manager" attached to your name, look behind you. Anyone following? If not, you're just out for a walk.

In one of the final moments of *Saving Private Ryan*, a mortally-wounded Captain Miller pulls Ryan close and whispers in his ear, "Earn this..." Those words ring true today. As engaging leaders, you will need to earn this. You build and foster an engaging culture by building strong, trusting, relationships and by letting others get close to you. Share who you are. They want you—Let them in and make it personal.

Recommended Action Steps

- ❖ Begin to share with your team things about yourself that they might not know from working with you. Start slowly. Tell them about your family, your hobbies, your interests, where you grew up, what and who has shaped your life. Have the courage to be a leader that discloses your true self.
- ❖ Reduce your multi-tasking. My brother, an elite-level track coach said it best when I asked him about the

America and the local YMCA.

Storm Technologies, Inc. is located in Albemarle, North Carolina, and specializes in coal combustion optimization.

Dick and his wife, Ginny, enjoy their family of three sons and sev-

Coming in June 2012

Credit Professionals International

75th Anniversary

International Conference

St. Louis, Missouri

Mark your calendars

Plan to attend!

**If you have historical data to share
or items to display,
contact the 75th Anniversary
International Conference co-chairmen now.**

Linda Bridgeford, CCCE/MPCE

Sharon DeShazer, CCCE/MPCE

**For contact information, see
The CPI Member Directory**

American Coal Council (www.americalcoalcouncil.org)
Clean Coal Coalition (www.cleancoalusa.org)
CARE- Citizens' Alliance for Responsible Energy
(www.responsibleenergy.org)
The Heartland Institute (www.heartland.org)
The Heritage Foundation (www.hertiage.org)
The Competitive Enterprise Institute (www.CEI.org)

About the author:

Richard F. (Dick) Storm, P.E.

Dick Storm is CEO/Senior Consultant with Storm Technologies, Inc. He is a strong proponent for doing all that he can to improve the efficiency of America's fleet of coal fired boilers. Having worked in the field of engineering since the 1960's, he has over four decades of experience in fine tuning coal fired boilers for lowest NOx, best efficiency and maximum fuel flexibility. Storm believes in being good stewards of America's domestic energy resources. He is a member of the American Society of Mechanical Engineers, National Society of Mechanical Engineers, Certified Energy Manager-Associated of Energy Engineers, and the American Coal Council.

Dick is a widely recognized author for many technical publications such as, POWER Magazine, WORLD COAL, and many others. He is also very well known for presentations at key conferences in the field of energy and has taught "Combustion and Performance Optimization of Large Utility Boilers" to thousands of utility O & M personnel worldwide over a span of 25 years.

Dick is a member of the Board of The Williamson School of Mechanical Trades in Media, Pennsylvania. He is also a member of Rotary International, teaches an adult Sunday school class at Central United Methodist Church in Albemarle, North Carolina, and serves on many other boards such as the Boy Scouts of

benefits of cross training (the athletes' way of multi-tasking): "It's a sure way to become mediocre in several events." If you're mediocre at building meaningful relationships with those you lead, perhaps you should dedicate more attention and time on them.

- ❖ Look at your calendar and ask, "What actions have I taken this week and what commitments do I have scheduled that are focused on strengthening strategic relationships in my work and life?" Hold yourself accountable for aligning what you do with what you believe. Gandhi wisely remarked, "There is more to life than increasing its speed." Slow down. Focus. Pay attention. Be there. Build relationships. This isn't magic—only fundamental. Do what's really important, and you will find that the benefits will multiply across your organization.

Make time for people—make it personal.

About the Author

Rich Schlentz

Rich Schlentz is the founder of EXTRAordinary! Inc., a movement dedicated to reviving the American workplace one culture at a time. He consults, speaks, and writes about creating engaging work environments. www.extraordinaryinc.com

LIFE IS...



by Barbara Chapin, CCCE/MPCE

Life is spending time with family and friends. Watching a ball game or lying in a hammock on a Saturday afternoon. Or, sometimes, life is regretting things we did not do. One of the biggest regrets is not telling our loved ones how much we care.

There are many ways we can express our love to our family. One that we sometimes overlook and end up regretting is protecting our family members from the unexpected. It is important for us to make sure our family can continue without financial hardship, if we are no longer around to help them.

Life insurance is a practical way to protect your family's financial hopes and dreams. The death of a family member can be devastating to survivors both emotionally and financially. Life insurance can provide cash to help with your family's immediate and long-term needs.

Immediate needs include funeral expenses, unpaid medical bills, taxes and income replacement. Long-term needs include costs

Much more American industry will be off-shored as a result of onerous and ridiculous air pollution, mining, water and energy production restrictions. The problem is that, once these laws and rules are passed by Congress, the impact will not be felt until a few years later, after the jobs are lost. In many cases, such as heavy manufacturing, once the jobs are lost offshore, it is not reversible, and will contribute to the weakening of America.

Storm Technologies, Inc. has had a difficult time buying steel pipe “made in America”. Because of competitive pressures, we are forced to buy foreign steel for the raw material of some of our products, even when we want to buy American. The EPA and Congress are out of control and the consequences of citizen inaction for America’s future are serious. This is not an exaggeration.

In closing, let me ask you to do something. Please check the facts on energy and environmental policy before you vote. Before elections, become informed and tell your friends and neighbors about the true facts on energy. The general public, politicians, public school teachers, the print media, mainstream TV news and overall public opinion is severely misguided. Due to poor energy understanding, the policies of Congress will likely result in energy shortages, continued economic stagnation, and a less bright future for America’s youth, if we do not get involved. Those that understand Energy, Economic Prosperity, and Reasonable Environmental Protection and the need to educate the public are in the minority.

These are the four E’s: Energy, Environmental, Economics and Education. We have got to improve the balance of these. Will you help keep America strong? Do some research and be one of the energy-wise citizens of America who spread the word. Do your part to keep America strong!

For more information on Energy, Coal and Facts, visit the following websites:

Storm Technologies, Inc. (www.stormeng.com)

surpassed America as the largest consumer of coal and soon will use more energy than any other country in the world. Remember, in the 1960's, how America exported Chevrolet and Ford vehicles, steel making equipment and power plants? Now you see where the products you purchase—large and small—are manufactured. Even large coal and nuclear power plants are “Globally Sourced”.

This is politically correct for “not made in America”. This means the jobs that used to be in America are being exported by the hundreds of thousands. In my view, the EPA, Congress and the Obama Administration are on an Anti-Business, Anti-Industry tear. Take the EPA “Endangerment Funding”. Within weeks of taking office, the new EPA Administrator, Lisa Jackson, determined that carbon dioxide was an endangerment to humanity. Carbon dioxide causes plant life to thrive and is used to make bananas yellow.

The EPA attacks on industry and the ever-increasing costs of energy (because of rampant, out of control regulations) are driving manufacturers overseas. Just this summer, hundreds of thousands of high-paying oil production workers' jobs were lost due to the moratorium on drilling in America. Restrictions on mining coal are increasing. Restrictions on coal ash storage are increasing and there is an ever-increasing restriction on any waste or the contents of flue gas in any smoke stack. Life has risks. We do not stop driving cars because 40,000 people are killed in auto accidents each year. The benefits of manufacturing in America and having abundant and reasonable cost electricity outweigh the anti-industry, out of control EPA regulations.

The Heritage Foundation estimates the increased cost of the carbon tax, which passed the house on the Waxman-Markey bill, to be over \$3,000 per year for a family of four and will destroy over a million jobs. If the Senate and Obama proceed on the carbon tax, then electricity rates will go up 90%, gasoline prices 58% and natural gas 55%. I think this is an understated analysis because it assumes that the same job base remains in America.

associated with maintaining your lifestyle, such as home maintenance, childcare, and extended care for a disabled child or elderly parent, as well as all the other expenses necessary for the members of your family to continue to live the life to which they are accustomed.

Life insurance is about life. It is not for the people who die but for the people who live. All of us like to think that we will live to a ripe old age. Not all of us will. And we have no way of predicting if a disease, accident and/or a natural disaster will cause our untimely death. This is why it is important for you to take actions that will financially protect those who depend on you.

Many people realize the need for life insurance but keep putting off purchasing any until it is too late. In fact, only 53 percent of adult Americans have life insurance protection. Less than half of these have individual policies. The others depend upon group insurance, leaving them underinsured as well as vulnerable to being uninsured if they lose their job.

You may think that life insurance is confusing, expensive and complicated. You may think you don't know enough to make the right decisions for you and your loved ones. The reality, however, is that you are making the wrong decision for yourself and your family when you postpone purchasing life insurance. Your failure to act leaves you and your family exposed financially.

Let's take the confusion out of shopping for life insurance by taking a closer look at the options that are available to you and exploring choices you can make to keep costs within your budget. Armed with the right information, you will find that purchasing life insurance isn't complicated at all.

The first step to take is to determine your needs. The best way to do that is to begin with calculating what long-term expenses you have that your loved ones would be responsible for if you were not around.

A LIFE NEEDS analysis worksheet is a great way to get a quick estimate. There are many insurance companies that provide online websites with calculators to assist you with your estimate. (Example: statefarm.com).

Now it is time to figure out how much you need to meet your current expenses. Don't be surprised by the number you get.

Loans (mortgage, credit card, auto, student)

YOU _____ SPOUSE _____

Income Replacement (wages)

YOU _____ SPOUSE _____

Final Expenses (funeral, medical, estate tax)

YOU _____ SPOUSE _____

Education (estimated college expenses)

YOU _____ SPOUSE _____

Estimated Life Insurance Needs

YOU _____ SPOUSE _____

Things to Consider:

How much of your income would your family need each year, if you weren't around to provide for your family?

\$ _____

How long will your family need this income? Five years?

Ten Years? Indefinitely?

years _____

Indefinitely _____

Clean coal will be required for decades to come. It is a myth that windmills and solar will be able to power America. We should build windmills and solar collectors where they are practical, but we should not allow the proponents of alternative power to misguide us into thinking that renewable power can replace fossil fuels anytime soon. What is a fossil fuel? Fossil fuels are coal, oil, and natural gas. These provide 86% of your energy. They are organic and all of them, including natural gas, contain carbon. The war on carbon by some people and politicians is a war on the American lifestyle and our economic competitiveness in the world.

What about national security? Restricting oil and gas exploration and drilling in the Gulf, Alaska and in America—from within our borders—only increases oil imports from unfriendly countries. Imported oil is now about 70% of what we need.

China burns more coal than America and is building a new coal plant every week or two. China has built more coal fueled electricity production in a year, than many large electric utilities needed over 100 years to build. This is not an exaggeration. In 2007, China built more coal fueled power generation in one year than Britain built in its history. China, in 1990, had over 360 million citizens living in poverty. In 16 years, the poverty level of China dropped from 350 million to about 100 million. Coal-generated electricity from 1990 to 2006 doubled.

Been to Wal-Mart recently? Check where your purchases were made. Do you see the correlation? Use energy, build factories, see an economy grow. Asia gets it. America's energy policy is mangled and has been since before the Department of Energy was formed in the 1970's.

Everyone wants clean air and clean water! I would like my seven grandchildren to have as good of an outlook in life as I have had. Energy built America's economy, in my lifetime, to be the strongest economy in the world. As this is written, China has

In engineering terms, America's energy consumption which is absolutely and positively needed to power our lifestyles and our economy, uses about 100 Quadrillion BTU's in energy equivalence per year. Here is what 100 Quadrillion BTU's mean in everyday terms for the average American:

- Over 6,000 pounds of coal per person per year average is burned to produce America's electricity.
- We need over 1.1 billion tons per year of coal.
- America uses about 20 million barrels of oil per day or about 3 gallons average per person per day.
- Twenty percent of our electricity is produced by nuclear power.
- Twenty-three percent of America's total energy is provided by natural gas.
- About 2% of our electric power is provided by renewable power (excluding old hydropower dams built over 75 years ago.) Together these amount to about 7% of our total so called, "GREEN" electricity generation.

My point is that America needs "all of the above" solutions to meet our future energy needs. America's insatiable appetite for energy, which includes air conditioning, warm food, easy travel, my computer, TV, and electric power to energize modern medical advances, etc.

America has a hundreds-of-years supply of a precious national treasure of energy within our borders. The products of combustion of this national treasure are naturally occurring, colorless. The carbon dioxide resulting from combustion is the same as that in your lungs now. Farmers and agricultural products thrive on this harmless gas. The national treasure of energy I am referring to is coal. America has more coal energy within its borders than the Middle East has in oil energy. Some call the United States the Saudi Arabia of coal.

If you select indefinitely, what interest rate would you like to

Earn on your savings? (1-10%)

% _____

How much would you like to allot for Final Expenses?

\$ _____

How much for children's education?

\$ _____

How much for other expenses—charitable giving, emergency fund, or funds for a special needs family member

\$ _____

The PLUS side. List your Assets:

Assets you're willing to liquidate.

Mutual Funds

YOU _____ SPOUSE _____

Savings Accounts, Certificates of Deposit

YOU _____ SPOUSE _____

Stocks, Bonds

YOU _____ SPOUSE _____

401K, Pension Plans, Retirement

YOU _____ SPOUSE _____

Any Other Assets

YOU _____ SPOUSE _____

Home Value

YOU _____ SPOUSE _____

Current Life Insurance (Individual and Group)

YOU _____ SPOUSE _____

Let's Figure Your Amount

Take your ESTIMATED LIFE NEEDS

YOU \$ _____ SPOUSE \$ _____

SUBTRACT your TOTAL RESOURCES

YOU \$ _____ SPOUSE \$ _____

Estimated ADDITIONAL Life Insurance Needed:

YOU \$ _____ SPOUSE \$ _____

The type of policy you choose is an important decision.

Term Life Insurance—is the simplest form of life insurance. It provides death protection for a stated period or term (one, five, ten, twenty or more years). You'll pay the same low premium for the term of the policy. You may continue coverage beyond the original term of the policy (but the new premium will be calculated at your current age) or you may convert it to a policy with premiums and coverage that last as long as you live. It is a policy that can provide short-term coverage on a limited budget.

There are two common types of term life insurance:

- **Level term:** the amount of protection remains the same during the coverage period.
- **Decreasing term:** the amount of protection gradually declines during the coverage period. (This type of policy is commonly known as Mortgage life Insurance).

Permanent Insurance—is designed to provide protection for as long as a person lives. The most basic form of permanent insurance is called whole life or ordinary life insurance. Premiums usually remain level and generally are payable until the insured dies. Premiums collected are more than are needed to provide the pure death protection. Cash values are accumulated to offset the increasing cost of protection in the later years. These

- Consider the history of England and the industrial revolution of the 19th century. As the demands for “better things for better living” became invented and possible, they needed steel. Britain used enormous amounts of timber to produce the needed charcoal to produce steel. Most of the forests were denuded until the use of coal was perfected!

This is a quick trip around the world today, and a brief review of a few historical facts to remind us that, in America, we still depend on coal for about 50% of our electric power generation. Our economy is powered by energy and we use a lot of energy to power our life styles. How much?

Remember the BP oil spill this summer? This was horrible and eleven lives were lost on the Deepwater Horizon Drilling Rig when it exploded. The millions of gallons of oil discharged into the gulf were just enough to power America's transportation fleet for a few hours.

America uses about 20 million barrels of oil per day. At 42 gallons per barrel, that is 840 million gallons per day. In America, we have about 250 million registered cars, SUV's and light trucks that families use to commute to work, take children to school or travel to grandparents for visits. Each time you pump 10 gallons of gasoline into your car think about the other 250 million people who do the same thing. This total oil consumption in America, mostly for transportation fuels, comes to about 10,000 gallons per second.

Have you ever visited Alaska? Have you seen the Alaskan Pipeline? It is 48" in diameter and passes about 1 million barrels of oil per day. I illustrate this example to make the point—imagine 21 pipelines lined up, each 4 feet in inside diameter. That is the equivalent amount of oil needed to fuel our trucks, planes, trains, boats, lawnmowers and cars.

America's quality of life compares to the rest of the world:

- About 7 billion people are on the planet.
- About 3.6 billion (about half) lack adequate access to electricity.
- About 1.6 billion, more than five times the population in the US, have no electricity.
- Basic human needs for healthy lives require electricity, such as clean drinking water, light, warmth, food preservation by refrigeration, and sanitary waste disposal to keep water clean.
- About 2.5 million women and children die prematurely from breathing fumes from burning biomass stoves each year. Biomass is a polite term for cow dung. I have visited Pakistan and India where your eyes burn from excessive air pollution.
- Asia's pollution from open fires has created what NASA refers to as the "Asian Brown Cloud" of pollution over the Pacific Ocean. Some experts attribute 20% of Los Angeles, California's particulate pollution to the Asian Brown Cloud, transported across the Pacific by westerly winds.
- Compare energy and economics to Haiti, which has been in the news recently. When the January earthquake destroyed the country, Haitians had virtually no access to electricity. They depended on felling 50 million trees per year to produce charcoal for fuel. Destruction of the Haitian forests has left the countryside barren, leading to a continuing loss of agricultural productivity and vulnerability to flooding (like the Asian cities of Lahore, Delhi and Manila). The burning of charcoal briquettes also releases fumes that hang in a heavy haze over towns like Port-au-Prince and contribute to a host of respiratory illnesses.

cash values are available during the insured's lifetime for the policy owner to borrow (with interest charged) to help meet temporary or emergency needs. Borrowed amounts reduce the cash value and the death benefit. If the policy owner surrenders the policy, they will receive the guaranteed cash value less outstanding loans and interest.

Whole life basic facts

- Premiums are payable to age 100 and guaranteed never to increase.
- Guaranteed death benefit passes on tax free to beneficiaries.
- Cash values you can borrow against to supplement income down the road
- Potential dividends that can be used to acquire additional insurance

Universal life Insurance—this offers many of the traditional advantages of whole life insurance (such as long term insurance protection for life) but also offers flexibility. Coverage amounts and premium payments are flexible to help meet changing needs during an insured person's lifetime (subject to certain conditions).

Universal Life basic facts

- Raise or lower premiums, depending on your changing needs or financial situation
- Death benefit passes to beneficiary's tax free
- Account value grows tax-deferred

Universal Life Account Value

When you purchase a Universal Life policy, your premiums are deposited in an account. Each month, the cost for all your insurance benefits, a monthly expense charge, and an issue charge are deducted from your account value. Every month, your account value earns interest. The interest rate varies but is guaranteed.

It is wise to explore life insurance options while you are still healthy, since health problems can make the life insurance expensive or unavailable. There are several factors that determine your initial premium for your life insurance policy.

These factors are: your sex, your age (premiums increase with age), use of tobacco or nicotine products, and existing or pre-existing health problems.

Armed with this information, you are ready to meet with a qualified insurance professional, who can help you choose a policy to meet your needs and fit your budget. Your insurance professional is licensed through the state in which they reside. These licenses are to be displayed at all time. The Office of Financial and Insurance Services Licensing can provide you with a listing in your area.

When you buy life insurance, you buy a promise of protection against financial loss caused by death. The promise is only as good as the company that stands behind it. In today's market, you need to be concerned about the financial strength of the insurer and its customer service. Companies can provide you information on their financial stability or their ratings.

Once you have a life insurance policy in place, you can revisit it, especially during different life events, to make certain the coverage is still appropriate.

About the Author

Barbara J. Chapin, CCCE/MPCE

Barbara Chapin, CCCE/MPCE, is a licensed resident producer in property, casualty, life and health in the State of Michigan. She is currently employed by David Giesen State Farm in Jackson Michigan. This was her retirement job from the financial sector. She started her career in banking in 1971 and held management/supervisory positions for a local bank and credit union until starting her career in insurance.

Barbara has been a member of Credit Professionals International since 1971. Her local association is in Jackson Michigan. She has held all offices on the local, district and international levels and

WHY SHOULD A CREDIT PROFESSIONAL BE INTERESTED IN AMERICA'S NATIONAL ENERGY POLICY? WHAT DOES ENERGY DO FOR ME?



by Richard F. (Dick) Storm, P.E.

America's economy runs on energy. About all of the comforts and conveniences that make our life styles and the high quality of life we have come to accept as God-given rights are made possible by energy. Look around you right now. Did you enjoy air conditioning during this hot summer? How about traveling to a meeting thousands of miles away, flying a commercial airliner that uses tens of thousands of pounds of jet fuel to make that possible? A Boeing 747-400 consumes about 11 tons of jet fuel per hour. How about using your microwave oven to warm dinner or driving the family to see friends?

On a national scale, reasonable cost energy is required to power America's economy and to provide the motive force needed to energize manufacturing factories that employ hundreds and sometimes thousands of workers. Consider some facts of how

About the author:

Lisa Fields

Lisa Fields is a dynamic and engaging presenter. Her clients have included Fortune 500 companies, small family-owned businesses and just about any other type of organization you can imagine. Lisa's passion for social media, visual storytelling, customer relationships, leadership development, conflict resolution and training/consultation enables her to produce results that strengthen organizations, motivate employees and exceed her clients' expectations.

Her dedication to meeting her clients needs has led her to crawl under homes with pest control specialists, ride along with paramedics as they responded to calls for medical assistance, and coach 911 operators as they coordinated emergency services.

Ms. Fields has a Masters Degree in Adult Education from North Carolina A & T State University and received her undergraduate degree in Business Administration from Culver-Stockton College. She has done post-graduate work in the area of exceptional learners and is qualified in the Myers-Briggs Type Indicator.

has chaired many of the committees at all levels. She has 38 years of perfect attendance. As a Past International President, Barbara is currently serving as Budget Chairman for Credit Professionals International.

Barbara achieved her society designation in 1984 as a Certified Consumer Credit Executive and, in 2000, her CPI designation of Master Professional Credit Executive. She is also a member of the Career Club.

Barbara is married and enjoys reading, golfing with her husband and friends and watching college basketball and football.

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

This 73 minute audio program covers the basics of money and credit management

Now Available at a New Low Price

Just \$8.00 for each audio CD

Download, at no cost, the Instructor's Guide along with a 70-slide PowerPoint presentation from the CPI website:

www.creditprofessionals.org

Mail orders, with check, to the CPI Corporate Office, 10726 Manchester Road, Ste. 210, St. Louis MO 63122

Or e-mail orders to creditpro@creditprofessionals.org and pay via PayPal, available on the CPI website.

DEBT: BE CAREFUL HOW YOU USE IT



By Harvey Armour

This article addresses the merits of various reasons for incurring personal/family debt and explains how to deal with personal/family debt problems.

Would you be interested in a legitimate way to add tens of thousands of dollars to your financial resources without having to take investment risks? You can accomplish this by using credit wisely.

An article in *The Wall Street Journal* (9-16-07) stated the following about the use of credit: “When it comes to building wealth, saving and smart investing get the most ink. But understanding how to manage your debt can be even more important to your financial future.”

So, what can you do to wisely manage your use of credit? Let’s first consider common reasons why people incur debt. [Note: When we use the term “incur debt,” we are referring to any situation in which the use of credit will result in having a debt that won’t be **completely** paid by the end of the grace period

her presentation was certainly a remarkable example of adding an unexpected moment to a presentation.

Now for most of us, we can’t—nor would we want to—obtain a real brain; however, there are a number of ways we can add an unexpected moment to our speech. An unusual story, optical illusion, video clip, music, group activity or experiential exercise can give us an appropriate method of directing the attention of the audience back to our presentation.

Adding emotion to a presentation can be another powerful way to create a lasting impression. Subway, the sandwich chain, made a number of attempts to market the fact that they had six subs that contained less than six grams of fat. While the message was simple, it was not positively impacting the buying behavior for this restaurant chain. Jared Fogle began to tell his story about how he lost over 200 pounds by simply eating Subway’s low fat subs. People could relate to a real person who had made such a courageous public demonstration of both his struggle and success. The emotional factor was just what Subway needed to help create demand for their low fat product.

When you make the commitment to continuously enhance your presentation skills, you are, in fact, making a significant investment in your professional career. Part of your brand or trademark will be the ability to make a favorable impression through your presentation. The topic or subject matter does not matter; it’s the knowledge, skill and passion you will deliver that will launch you into the path you seek. Authors Ethan Rasiel and Paul N. Friga, in their book *The McKinley Mind*, give us the following practical wisdom, “Presentation is the ‘killer skill’ we take into the real world. It’s almost an unfair advantage.”

“I know you cannot see this but...” frustrate me. I want to reply “If you know I cannot see this slide, then why did you place it on the screen?”

If we created resumes the same way many presenters develop their PowerPoint presentations, I’m certain our resumes would be thrown in the trash. A good PowerPoint, just like a good resume, gives our eyes the break they need. When all the available space on a slide is crammed with words, pictures, graphs and charts, we begin to experience sensory overload. It’s always important to remember, “You are the cake, and the illuminated slides are simply the frosting on your cake.”

The term Curse of Knowledge, as described by the Health brothers, simply means we start to forget what it’s like not to know what we know. The Curse of Knowledge is in direct opposition to the goal of simplicity. It’s a common mistake to make and can be easily corrected by having others, with little knowledge of your topic, give you feedback after you have practiced your presentation. Creating a simple presentation may, in fact, take more time and effort but the result will be welcomed and remarkable.

Continuous partial attention is a term first coined by Linda Stone. She states, “Continuous partial attention describes how many of us use our attention today.” She further explains, “To pay continuous partial attention is to pay partial attention—CONTINUOUSLY.”

Because so many people now have diminished attention spans, messages can benefit from unexpected moments. During her presentation for the TED (Technology, Entertainment and Design) gathering, Jill Bolte Taylor, a brain researcher, described, in great detail, what happened the morning of her stroke. While she is a natural storyteller, she suddenly grips the members of the audience when she is handed a real brain that even includes an intact spinal cord. This unexpected addition to

during which interest charges won’t be incurred if the balance is paid in full.]

Imprudent Reasons for Incurring Debt

Probably the primary reason why many people in our society go into debt is because of their desire for instant gratification.

In order to purchase things sooner than if they were to wait until they have saved enough money to make the purchases, people are willing to go into debt to immediately get what they desire. In essence, they want to enjoy a standard of living for which they would otherwise need to wait before they could afford it.

On page 59 of his book entitled *Master Your Money*, Ron Blue, a prominent writer and lecturer on family financial matters, says with regard to incurring debt:

[D]ebt always mortgages the future. The first priority use of future income must be debt repayment. . . The freedom of choice disappears.

Current marketplace wisdom says to you ‘Raise your standard of living by buying what you want and pay for it while you enjoy it,’ but the reality is that you may be sentencing yourself to a lower standard of living in the future.

People may think that going into debt will raise their standard of living, but over a period of years the interest charges will steadily **reduce** their ability to maintain their standard of living.

Let’s look at a couple of examples that illustrate how interest payments can negatively impact a person’s or a family’s standard of living.

In this first example, let’s assume you purchase a new automobile every five years and that you finance \$20,000 of the cost with a five-year loan at an interest rate of about 10%. Your total interest cost over the five-year period would be approximately \$5,500

and, over a 40-year period, your total interest cost would be about \$44,000. Moreover, assuming the amount you paid in interest could have been invested at an average annual return of 8%, the total reduction in your standard of living after 40 years would be roughly \$326,000 before taxes—almost one-third of a million dollars!

Now, let's look at another example. Assume you maintain an average balance of \$2,500 on credit cards that carry an 18% average interest rate. You would pay total interest of approximately \$2,250 over a period of five years and about \$18,000 over a period of 40 years. Again, assuming the amount paid in interest could have been invested at an average annual return of 8%, the total reduction in your standard of living after 40 years would be about \$116,000 before taxes. Furthermore, if your average credit card balance is \$10,000, which is currently about average for credit card users who don't pay the entire balance each month, you would suffer a pretax reduction of more than \$464,000—close to a half million dollars – in your standard of living over a 40-year period.

With prudent money management, most people are capable of paying cash for almost *everything* they *need* and for most of their *wants*, with the primary exception being the purchase of a house. However, it may take a few years to make the transition to being able to do so. The important thing to consider is that the sooner you start, the greater will be the long-term benefit to your standard of living.

The secret of how to be able to pay cash for virtually all of your needs and for most of your wants is actually relatively simple. Live more modestly than you otherwise would—at least until you are regularly saving enough to eventually be able to cover the costs of your expected future major expenditures, including what is likely to be needed for you to live comfortably during your retirement years.

understand the benefits of this savvy business transaction. After listening, we both agreed one of the main goals for his presentation was to clearly communicate how much he appreciated each person's individual contribution and the importance of quickly embracing this new organization. It was critical for him to simply and clearly describe his vision.

The success of this merger was dependent upon the commitment, energy and trust of his employees. One of the ways we chose to communicate his goal was to embed, or place within the presentation, a video clip that showed two teams passing a basketball. His employees were asked to count how many times the team passed the basketball. Many in the audience were proud to announce what they perceived to be the right answer; however, they were tricked when they were then asked an additional question. The question asked was, "But did you see the moon walking bear?"

The video clip was shown once again and, indeed, this time it was clear there had always been a moon walking bear in the video. The point he made was when you are focused on one goal you might miss another one. My clients point was simple, things are not always the way they appear to be.

Dan Heath and Chip Heath in their book, *Made to Stick: Why Some Ideas Survive and Others Die*, give steps to create a stronger foundation for your ideas or, in our case, presentations. One of the important points the brothers make is, in order for a message or presentation to stick, it has to be simple. Many times when I leave a presentation—due to the vast amount of content and the maze of PowerPoint slides—I find myself unsure of the presenter's goal.

Now when was the last time you heard somebody exclaim, "Oh, now that was an amazing PowerPoint, wasn't it!" Nope, most of the time we cringe when we have to sit through another PowerPoint filled with word after word placed on a projected slide. Presenters who point to a complex slide and utter the phrase,

great tool to find out additional information related to the organization, person or event.

You can further personalize your presentation by using photographs that are both relevant and unique to your specific presentation. This is neither difficult nor time consuming. It can be accomplished with a simple Google search. And yet it is so rewarding. It is important to be aware that photographs, like other artwork, may include copyright issues. Always ask permission to use a photograph before placing it in your presentation.

Recently, I was invited to be the Keynote speaker for St. Charles Community College Staff Appreciation Day. As soon as our letter of agreement had been signed, I began my research. St. Charles Community College was rich with information I could use to customize my Appreciation Application presentation.

Kanna Taylor, a marketing and communication specialist for St. Charles Community College, reported in her blog, “She (Lisa Fields) did a great job of researching SCC so that she really knew her audience. She even interacted with us via Facebook and Twitter beforehand, which thoroughly impressed me.”

Before I present any program, I make sure a copy of it is shown to the person who has invited me to speak. I once placed a picture of an “official leader” into my presentation and, because of this practice, had enough time to remove the image when I was told that person was no longer employed by the organization.

What’s the goal of the presentation? This simple question can sometimes call for a more in-depth conversation and series of questions.

One of my clients asked me to design a visual storytelling presentation to help dispel a toxic rumor. His company had recently merged with another firm. His employees thought he had sold his entire company to the new player. They were hurt, concerned about their future employment, and didn’t know or

Thus, rather than purchasing a brand-new car the next time you decide to replace your car, buy a significantly lower-priced car that meets your basic needs. Then, take the following steps that should eventually enable you to pay cash for your cars:

- (1) After you have paid off your car loan, begin making payments to a savings account that you have established to pay for your next car.
- (2) Keep your car as long as possible—preferably for at least 3-5 years after the car loan has been completely paid.
- (3) When you purchase your next car, try to limit the purchase price to the amount that you have saved for it. However, if you really need a better car that will cost more than what you have saved, finance as little of the price as possible.
- (4) Repeat the first three steps.

Basically the same steps can be applied in making virtually any major purchase. Within less than 10 years and perhaps less than five years, you should be able to pay entirely in cash for your cars and for other major purchases you make.

A second reason why people go into debt is because they believe they will receive a big benefit from claiming an income tax deduction for the interest paid on certain types of loans.

But, even if the interest is deductible, it will not be as beneficial as you may think. For instance, if you pay a combined federal and state income tax rate of about 33% for each additional dollar of taxable income, you will reduce your taxes no more than \$33 for every \$100 you pay in interest, assuming it is worthwhile for you to itemize rather than take a standard deduction. In other words, you will be paying about three dollars of interest for every one dollar by which you may be able to reduce your income taxes. And, if your combined income tax rate is close to 20%, you will be able to reduce your taxes by no more than \$20 for every \$100 you pay in interest.

A third reason why people go into debt is to avoid reducing their existing savings. But, by borrowing rather than using existing savings to pay with cash, you are almost certain to have *less* future savings than if you used the savings to pay down the debt faster. This is because the costs of borrowing are almost always substantially higher than the rates that can be earned on savings. You don't increase your wealth by paying 18%—and perhaps even more—on a debt while earning 3% or less on a savings account.

A fourth reason why people go into debt is to purchase items while they are on sale or before the prices of the items increase. However, even if there is a large discount on an item, it may not be prudent to incur debt to purchase it. For example, to justify the cost of using a credit card that charges interest at an annual percentage rate of 18%, you would need to realize a saving of more than 18% off the usual cost of the item, assuming you take two years or longer to completely pay the balance of the purchase price. And, the more time it takes you to pay off the balance of the purchase price, the greater the discount will need to be for you to realize a benefit from the sale.

Prudent Reasons for Incurring Debt

Now that we have considered several common imprudent reasons for incurring debt, let's consider a few reasons that make more sense. But, keep in mind that almost all your debts should be completely paid as soon as possible in order to limit the damage to your long-term standard of living.

Incurring debt may be practical when it will enable a person to increase their earning power. For example, a student loan may enable a person to prepare for a job that will significantly increase their earning power. Another example is a loan for a car that is necessary to get a job or to get a better-paying job.

Incurring debt isn't imprudent if a person can borrow at a lower interest rate than the rate of return they are assured of earn-

throughout the audience have congratulated you on your great presentation.

For most professionals, fear strikes your heart when you discover you must give a presentation or speech. The following statement just might enter your consciousness: "I'd rather die than give a speech." There are tools and practical wisdom that, if used, can decrease your "stage fright" and give you the remarkable results you are seeking.

When you are asked to give a presentation or speech, you need to ask yourself this very simple question, "Why did they ask me to present this talk?" We all have unique knowledge, skills and ability, so it's important to place your personality into the piece. If the professionals just needed factual information, they certainly could have found books to read. So ask yourself, "What can I teach the group?" This will be demonstrated by your communication skills.

The passion you have for your topic is certainly an important factor. The best presentations combine solid research and facts with those emotional elements that drive our behavior. Stories are always an important element in any presentation. Roger C. Schank, a cognitive scientist, stated the importance of stories best when he said, "Humans are not ideally set up to understand logic; they are ideally set up to understand stories."

In order for people to remember your presentation, they must, in fact, understand the importance and relevance of the talk. Story-telling can be a powerful tool; it can be the bridge that connects the importance and relevance of your presentation.

Building rapport from the very beginning of your presentation is critical. If the audience feels accepted and appreciated, they will give you the attention and respect you crave. One easy way to build and maintain rapport is to personalize each presentation. Personalizing each presentation is one of the characteristics of a professional public speaker. Google is a

SNAP, CRACKLE, POP PRESENTATIONS



by Lisa Fields

Tom Peters, in his article “The Brand Called You,” highlights the importance of self-promotion. “Corporations know the value of branding”, declares Mr. Peters, “and so should you.”

He further encourages professionals to make presentations for their company, local community college, and panel presentations and then climb the step towards presenting at your industry’s annual convention.

Tom Peters writes “You get credit for being an expert, you increase your standing as a professional, and you increase the likelihood that people will come back to you with more requests and more opportunities to stand out from the crowd.”

You just gave the best presentation of your professional career. You planned, practiced and remembered each important piece that needed to be aligned. Several of your mentors scattered

ing on an investment. However, if there is uncertainty regarding either the return of the principal amount that will be invested or the earnings expected from the investment, incurring debt in such a situation would be risky and, therefore, imprudent.

Incurring debt when there is an emergency may be reasonable. One such situation would be to pay the costs of visiting a seriously ill relative who lives a great distance away. Another such situation would be to pay the costs of major repairs for your car. But, it would be wiser to build an emergency savings fund in advance to pay for such emergencies.

What to Ask Yourself before You Decide to Incur Debt

Before you make a decision to incur debt for any reason, ask yourself the following questions:

1. Do I **need** to make the purchase now or can I postpone the purchase until I have the cash?
2. What will be the **total cost** of using credit and am I both willing and able to pay the cost? To answer this question, consider the following:
 - Am I sufficiently confident that I won’t lose my job or have a significant reduction in my pay before the debt is entirely paid?
 - Can I make the monthly payments on the debt out of my current income and still have more than enough money left to meet my family’s **necessary** expenses? Keep in mind that your ability to make debt payments will decrease if the prices of food and other necessities increase faster than your income.

What You Can Do If You Are Deeply in Debt

Many people choose bankruptcy as the quickest and/or the easiest way out of their debt problems, but most people who have a large

amount of debt could make it manageable by taking the following steps:

1. **Stop using credit, except for genuine emergencies.** Studies show that people spend more when they use credit cards rather than cash, and that the more credit cards people have, the more they go into debt. Therefore, it may be advisable to get rid of all of your credit cards, except perhaps one that may be needed in special situations. Also, don't depend on a consolidation loan or a home equity loan to solve your debt problem. Such loans provide only a temporary solution to dealing with debt problems, because they may cause you to become complacent, rather than to try to find a permanent solution.
2. **Prepare a list of all of your debts.** Include the name and telephone number of each creditor, the balance owed, the interest rate being charged, and both the amount of the monthly payment and the date it is due. The best **financial** strategy is to pay more than the minimum, particularly on debts with the **highest interest rates**, because this will cut interest expenses the most. On the other hand, there may be a **psychological** benefit from paying off debts with the **lowest balances** first, because this will more quickly reduce the number of debts and give you a feeling of making faster progress. Regardless, if you are having difficulty making even the minimum required payments on time, **call the creditor** to explain your situation. Most creditors will be more patient if you keep them informed, and they may be willing to waive your penalties, cut your interest rate, and/or adjust the billing cycle for your account.
3. **Prepare a modest financial budget.** Your budget should reflect your desire to get out of debt and, therefore, it should demonstrate your willingness to substantially reduce your **discretionary** spending for such things as eating out, gifts for others, vacations, etc. Reducing discretionary spending will give you more money to pay your **nondiscretionary** obligations such as mortgage or rent payments, utility bills,

About the author:

Gail Ottinger, CCCE/MPCE

Gail Ottinger, CCCE/MPCE, is a Past International President of Credit Professionals International (98-99). She has been a CPI member since 1974 and currently serves as Parliamentarian & Treasurer in her local association, as well as Parliamentarian for District III & IV and for International. She is also the International Volunteer Bookkeeper.

Gail is a Real Estate Broker and Office Manager for East Carolina Auction Co. in Kinston, NC, where she resides. She is also Accounts Payable Manager for Howard & Carter Funeral Home and self-employed as a Mary Kay Consultant.

CREDIT EDUCATION MATERIALS
free for
CREDIT EDUCATORS

Credit Education Resources Foundation
www.creditprofessionals.org
Program: "Take Charge of Your Life"

Federal Trade Commission
www.ftc.gov
Programs: "Read Up! Reach Out!"
"Protect Your Identity Day"

Federal Deposit Insurance Corporation
www.fdic.gov/consumers
Program: "Money Smart"
(adult and young adult versions)

Donations

Don't forget your donations to charities. Americans typically overpay taxes due to "Garage Sale" donation values. (under-evaluating donations) Charitydonations.com is an excellent website which, for a small fee, will provide you current values for the items you donated.

Tax Programs Alert

If you file your own taxes using a TurboTax program or e-file through www.irs.gov, make sure you plug in your figures correctly because these programs will not catch most of these as errors and you could be subject to a penalty if it is found that you owe more taxes. Just keep in mind that reliance on tax preparation software is no defense against an IRS penalty.

Summary

Your income taxes can be minimized. The amount you pay is not fixed, nor is it the same for everyone who receives the same amount of income. One reason is that federal tax law treats different types of income differently. In other cases, it is due to a taxpayer's age or to other personal circumstances. But frequently the difference is due to how much a taxpayer knows he or she can do—what legal tax relief he or she is aware of to minimize the tax liability.

Federal, state and local governments are your partners, whether you like it or not. They dip into your income and they set the rules for doing so. What you can do is take full advantage of the legitimate outs and relief's. Many are designed to ease your tax load.

This is where tax planning is important. In any given year, you can make plans to pay more in taxes or to pay less, whichever is to your advantage. Keeping good records, receipts and knowing the rules, you can often treat taxes like most other expenses, adjusting them up or down.

etc. Furthermore, even some so-called nondiscretionary expenses, such as food, can be reduced significantly by making adjustments in your eating habits.

4. ***Additional income may be necessary.*** If you are married and only one of you has an income-producing job, it may be beneficial for the other spouse to get an income-producing job, at least until most of the debts are paid. If the spouse who has been unemployed can't get a job that provides sufficient additional income after taking into consideration the added expenses that would be incurred as a result of getting a job, it may be necessary for the spouse who is already employed to get a temporary part-time job, in addition to their regular job.
5. ***Decide if it would be worthwhile to sell some of your assets.*** Such assets may include one of your cars or even your house. Certainly, selling a house to move into a less expensive house or an apartment is a difficult decision for most people. Nevertheless, sometimes it is necessary to do so to obtain enough money from the sale and/or from the reduction in both monthly payments and housing-related expenses to help substantially reduce your debts.
6. ***Get financial counseling as soon as possible.*** Proverbs 15:32 states, "He who regards instruction as worthless despises his own soul, but he who heeds criticism for a fault gets understanding." And, Proverbs 19:20a advises, "Listen to counsel and receive instruction. . . ." The longer you wait to get financial counseling, the more difficult it is likely to be to get your financial affairs into satisfactory condition. Although you may think you can handle matters on your own, this could be wishful thinking or perhaps foolish pride. A good financial counselor can provide insights to help you understand what is necessary for you to deal prudently with your debts.
7. ***Pray that God will enable you to maintain a self-disciplined lifestyle.*** Galatians 5:22-23 mentions self-control as one of the desirable characteristics of a person. Even if you learn ***how*** to

make prudent financial decisions, your success will depend primarily on the extent to which you *practice* self-control when spending, as well as when using credit. Self-control won't guarantee success in your financial affairs, but the lack of self-control will virtually guarantee that you will be considerably less successful in managing your finances than you otherwise could be.

About the Author

Harvey Armour

Harvey Armour has a BBA degree with a concentration in accounting and an MBA degree with a concentration in finance. He also has earned certificates as a Certified Public Accountant and as a Chartered Financial Analyst. For more than 30 years, Mr. Armour has served as a volunteer to provide personal and family financial counseling. In addition, he has taught numerous seminars on personal and family financial management.

Medicare. For self-employed taxpayers—15.3% on the first \$106,800 of their net earnings and 2.9% on any amounts above that.

Medical

Annual limits on deductible pay-ins to health savings accounts went up in 2010. The maximums increased to \$6,150 for account owners with family coverage and as much as \$3,050 for single coverage. The limits on deducting long-term-care premiums are a bit higher also. The age bracket and maximum deductibles are as follows:

71 or older	\$4,110 per person.
61 to 70	\$3,290
51 to 60	\$1,230
41 to 50	\$ 620
40 & younger	\$ 330

Dividends & Capital Gains

Currently, qualified dividends and long-term capital gains are taxed at a rate of 15% or zero percent for the taxpayers in the two lowest tax brackets. These rates are scheduled to expire at the end of 2010, at which time capital gains would be taxed at 20% and dividends would be taxed at ordinary income tax rates.

Energy Savings

You can claim a 30% credit for the cost of energy-saving improvements to your principal residence, subject to an overall limit of \$1,500 that applies to aggregate expenditures in 2010. Qualifying improvements include insulation, exterior windows and skylights, exterior doors, certain metal or asphalt roofs, heat pumps, water heaters and boilers, furnaces, and air conditioners that meet specified energy efficiency requirements in the International Energy Conservation Code.

SMART LAND
the most powerful solution for your property

Lucinda H. O'Quinn

Take control of your business!

OFFICE: (337) 721-5720
FAX: (337) 721-5721
EMAIL: lucinda@lacassane.com

Property & Lease Management Software

Standard Deductions

With near zero inflation, taxpayers will be getting very little in the way of automatic tax decreases in 2010, as most deduction and credit amounts are remaining the same as in 2009. The personal exemption is staying at \$3,650. The standard deduction is increasing by \$50 for heads of households, to \$8,400, but for others, the standard deduction is staying the same: \$11,400 for joint filers and qualified widow(er)s, \$5,700 for single persons and married persons filing separately. The additional standard deduction for those age 65 or older or blind stays at \$1,100 for single taxpayers and heads of households, and \$1,400 if married filing jointly or separately.

Two add-ons to the standard deduction expired with 2009. The allowance of up to \$1,000 of property taxes paid and the addition of casualty losses incurred in presidential declared disaster areas.

Making Work Pay Credit

The Making Work Pay Credit is still in effect through 2010. This provides a refundable credit of 6.2% of earned income, up to \$400 for eligible single persons and \$800 for eligible married couples who file jointly. It has been proposed to make this tax credit permanent.

Earned Income Credit

The Earned Income Credit was changed for 2009 & 2010 to provide a higher tax credit for families with three or more children, and the credit is made available over a wider range of income levels. This has also been proposed to make these changes permanent.

Social Security

There's no cost-of-living hike for Social Security beneficiaries this year, therefore, there is no change in the Social Security wage base. It will stay at \$106,800 for 2010 because by law, the taxable wage base can't rise if there's no cost-of-living increase. The tax rates don't change, either: 6.2% for FICA tax and 1.45% for

MEASURE TWICE, CUT ONCE



by Charlotte Freeman Maness, CCCE/MPCE

I'm sure we have all heard this many times as an adage to remind us to carefully plan our work. Surely, this is most appropriate for a carpenter or seamstress. Cut the wood or the fabric improperly and the piece is ruined. It is much better to double check than to make a mistake. This familiar saying is one that is used as a reminder to take the extra time to avoid potential mistakes. Stephen Covey tells us to "begin with an end in mind".

We have all been introduced to the methodology for Continuous Improvement, why is it important, what are the steps and the results that come from goal setting and planning.

Several years ago, I was privileged to work for a Malcolm Baldrige Award International Judge. Who is Malcolm Baldrige and what is the award?

I didn't know that much about either until I was the Human Resources Director for a bank division, headed by this man who was a judge for this prestigious award. Believe me, I learned all

about this award, what constitutes the winning of the award, and the basis for this quality improvement process.

Malcolm Baldrige was Secretary of Commerce from 1981 until his death by accident in 1987. He was a proponent of quality management as a key to this country's prosperity and long-term strength. He took personal interest in the quality improvement act that was eventually named after him and drafted one of the early versions. Congress ultimately named the award in his honor and it is still alive and well today.

The categories for this award are:

LEADERSHIP,
STRATEGIC PLANNING,
CUSTOMER AND MARKET FOCUS,
MEASUREMENT,
ANALYSIS AND KNOWLEDGE MANAGEMENT,
WORKFORCE FOCUS,
PROCESS MANAGEMENT and
RESULTS.

We have also been introduced, I would imagine, to SMART goal setting. **Specific, Measurable, Attainable, Realistic and Timely.** In other words, WHAT are going to do? WHY is this important to do at this time? And HOW are we going to do it?

Now, if I may, let me introduce you to another acronym that will only strengthen the quality process to achieve results for customers, organizations, or any project underway. This is the PCDA cycle known as the Deming wheel, named after W. Edwards Deming, a Quality Management pioneer. This is also a cycle for Continuous Improvement.

PLAN, DO, CHECK, ACT!!!!—It is as simple as that. This can truly be the journey from facing a problem to solving the problem. It works on everything we do personally and professionally. I challenge you to try it and see for yourself.

Government does not produce goods or provide services it can sell to earn income. The only source of income for government is to take the money from people who do provide goods and services. I heard a speaker from the North Carolina Institute of Government explain the situation this way: We get to pay to belong to a number of governmental entities.

Since I am a citizen of my county, I get to pay property taxes and because I am a citizen of my state, I get to pay state income taxes. Since I am a U.S. citizen, I get to pay federal taxes, social security taxes, and Medicare taxes—just to name a few. When I buy goods or services, I am allowed to pay sales tax and when my car needs gas, I get to pay taxes into the highway fund. My power bill, phone bill and cable bill all include taxes.

Although no one likes to pay taxes, we all have to deal with them in our business and personal lives on a daily basis. Because there is no way for us to escape taxes, the goal of this article is to help you make dealing with them as painless as possible. And knowing the rules is the first step.

2010 started with one set of tax rules and it will end with a far different set. Between Congress and our President's recommendations, we could see many more changes for 2011 and beyond.

It's important to keep in mind that tax planning is something to think about **ALL** the time, not just when the filing deadline rolls around on April 15th. It's a constant—something you should take into consideration whenever you make a business or personal financial decision.

You don't have to know all of the technical sides of the tax laws, but you should have a basic knowledge to make prudent decisions, to know when you should seek advice and to be able to evaluate the advice you receive. It is impossible to list all the tax information you may need in this publication, but I've tried to cover some of the basics that would help benefit the majority of our readers.

**THE 4 “D’S” OF TAXES
DREADED, DESPISED,
DEPRESSING & DEDUCTIONS!!!**



by Gail H. Ottinger, CCCE/MPCE

When it comes to paying any kind of taxes it affects most of us with that **dreaded, despised** and **depressing** feeling, but dealing with income taxes often brings on a double dose of these feelings.

I was taught early in life how important it was to live within my means. If I couldn't afford something, I simply did without or supplemented my income so I could get it. But the depressing aspect of our Government is that they just keep on spending and really don't know what it means to have a balanced budget.

Former President Ronald Reagan once said, "Government's view of the economy could be summed up in a few short phrases: If it moves, tax it. If it keeps moving, regulate it. And if it stops moving, subsidize it." The last projection is that we will have an estimated budget deficit of \$1.4 trillion dollars this year. Yes, trillions!!

Let's talk about first steps for quality performance and results. In the SMART goal setting philosophy, we begin with Specific and Measurable. In the Baldrige criteria, we find strategic planning as one of the categories for measurement. In the PDCA wheel, the first step is simply PLAN. Needless to say and understandably, our success results from setting a goal, making it measurable and planning the steps to succeed. This is true in our work, our personal lives and everything we do.

As you can easily see, planning is the very first step in all the models. We identify and recognize a problem or need; break it down into smaller, more measurable components; and outline the methods and solutions that can be taken in solving the problem or improve the process. This always includes measuring correctly the factors that cause the problem, as well.

The Baldrige focus on Measurement encourages management, effective use, analysis and improvement of data and information to support key ORGANIZATIONAL processes and the organization's performance management system. What does this really mean? It has been said, "If you can't measure it, you can't manage it."

I think you get the major points I am making in goal setting for results.

This process can be used simply on projects in our every day lives. Have you ever dreaded doing something, procrastinated, and finally jumped in to get it done? Then, amazingly, after getting it done, you have asked yourself, "Why did I wait and dread to do this?" We all have.

We don't necessarily have to literally go through these steps, but I encourage you to pick up a pen and paper and jot down the goals you want to reach. Look at them and make them SMART, SPECIFIC, MEASUREABLE, ATTAINABLE, REALISTIC, AND TIMELY. Ask yourself what am I going to do, why is it important, and how am I going to do it. These goals can be as

professional as career moves, retirement, educational pursuits, reinvention of yourself, and many other lofty challenges. Or, they can be as personal as financial improvement, weight loss, exercising regularly, taking a life-long dream trip, to even cleaning out closets and throwing away!!

My family went with friends to the World's Fair in Knoxville, TN, back in the 80's. Late at night on our trip, we realized that we were not on the right highway. The wife of the gentleman driving reminded him of this by saying that we were lost! Being totally in control, he very sharply replied, "But, we are making good time." I have never forgotten this and have often used it as an analogy in planning our work and working our plan. We may be making good time on the wrong road!

Earl Nightingale, a motivational speaker whom I have admired for most of my life, since my Dad introduced me to his radio talks, said, "People with goals succeed because they know where they're going."

And the famous Yogi Berra told us his philosophy on this by saying "If you don't know where you are going, you might wind up someplace else." On our trip to Knoxville, believe me, we almost ended up somewhere else.

I have introduced you to some high level quality improvement models and I hope you will find them useful. However, do not be overwhelmed by these in planning and executing you own goals. Simplify to suit your plans and see the fantastic result that will occur.

Jim Rohn says, "GOALS. There is no telling what you can do when you get inspired by them. There is no telling what you can do when you believe in them. There's no telling what will happen when you act upon them."

**Measure twice....cut once!!! Absolutely!!! The end result?
Success!**

also a graduate of the FBI Citizens Academy. In pursuit of expanding his company's services, Mr. Grogan has recently earned a degree in Network Security with high honors (Summa Cum Laude) and is currently training in computer & digital forensics. He is also CompTIA Security+ certified.

Mr. Grogan also teaches monthly seminars on Identity Theft and it's relation to forgeries/signatures. If you would like to retain Forensic Document Laboratory, Inc. please contact the firm at 888-284-7954 or email admin@thomasgroganfde.com

*www.thomasgroganfde.com
www.linkedin.com/in/fordoclabsinc*

***Forensic Document Laboratory, Inc.
1800 Camden Road
Suite 107-137
Charlotte, NC 28203***

WHERE CAN A CPI MEMBER FIND:

Resources

Fellow CPI Members

Credit Education Materials

Career Enhancement Information

And news at Every Level:

Local, State, District, and International

THE CPI WEBSITE—THAT'S WHERE

www.creditprofessionals.org

- No one can duplicate the entire intricate subconscious writing habits of another.

About the author:

Thomas Grogan

Thomas Grogan is a certified forensic document examiner and internationally court qualified handwriting expert. He is the president and chief examiner of Forensic Document Laboratory, Inc., based out of Charlotte, NC. Mr. Grogan has worked in handwriting since 1997 and has successfully served an apprenticeship under renowned handwriting expert Don Lehw (who has appeared numerous times on the Nancy Grace Show on CNN Headline News and TruTV). He received supplemental training and certification from the American Institute of Applied Science. He also successfully participates in annual proficiency trials in forensic handwriting analysis from LaTrobe University, Victoria, Australia.

Mr. Grogan founded Forensic Document Laboratory, Inc. in 2007 and deals with national and worldwide cases involving (but not limited to) questioned and disputed signatures, medical and insurance fraud, anonymous and threatening letters, handwriting and typewriter identification, and altered documents. He has provided services to hundreds of clients ranging from private individuals and law firms to government and law enforcement agencies. Major clients have included the Federal Bureau of Prisons, Federal Public Defenders Office, US Department of Justice, and Yank Barry (Global Village Marketing International).

Mr. Grogan's professional associations include the FBI Charlotte Citizens' Academy Alumni Association; the FBI's InfraGard, North Carolina Chapter; the North Carolina Association of Private Investigators; the Carolina IT Professional Group; and the NC4 CyberCop. Mr. Grogan is

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 the most recent role, from which she retired, as Senior Manager in Human Resources at First Union National Bank (now Wachovia/Wells Fargo). 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 was inducted into the Hall of Fame for Credit Professionals International in June, 2009.

Charlotte is a musician, has served as organist for Central United Methodist Church in Albemarle, N. C. for 30 years, and teaches an Adult Sunday School Class, named after her late husband. She is Chairman of the Board for the Stanly County Concert Association, Past President of Albemarle Lions International, a member of Women's Mining Coalition, and owns her own businesses, which include travel and human resource consulting, in addition to her speaking career. She serves as Human Resources Director and a member of the Board of Directors for Storm Technologies, Inc. in Albemarle, NC. She is Secretary/Treasurer of the Stanly County Manager's Association. She enjoys theater and recently played in the Uwharrie Players' production of STEEL MAGNOLIAS.

Charlotte enjoys life to the fullest, has two wonderful children, Jimmy and Jeanina, and two marvelous granddaughters, Logan and Lena. She believes that life gives back as much as we give to it.

THE TAO OF SIGNATURE SELF DEFENSE



by Thomas Grogan

“I’m not a handwriting expert, but...” That’s the way many of my clients’ phone calls start. From there, I explain the purpose, skills, and limitations of forensic handwriting. Sometimes I have a clean slate to work with, often times I have to dispel the myths that are propagated in TV shows like “CSI” or even the flush of forensic “wannabes” that have done more harm than good to establish true and ethical forensic analysis.

First, let’s talk about what forensic handwriting is not. It is not graphology. Graphology is the study of determining personality traits from the handwriting and establishing a psychological profile based on the formation of the letters and position of the writing on the page. Document examination does not involve the personality characteristics of a writer, only whether a specific writer is the author of the writing or document that is in question.

Think of it like astronomy and astrology. Both study the stars but each has different applications. The same goes for document

Use the same signature for signing all legal documents, as well as the same kind of pen and ink. If you write a lot of checks, gel based ink is best to defend against “check washing.” Check washing is still used today. It is the practice of stealing someone’s mail en route, soaking the check in an acetone based solution, causing the ink (with the exception of the pre-printed ink of the bank) to lift off the check. Once the check is dried, the would-be forger literally has a blank check to make out to whomever they want for whatever amount they want.

Practice your signature until you become skilled at signing it rapidly, and stylize your writing until it is difficult to imitate. An accurate measurement as to how difficult your signature is to forge would be to sign your name, give to a family member or trusted friend, and see if they’re able to successfully copy it freehand.

It is also advisable to have more than one signature: the one you use for correspondence, and one you use for signing legal documents. Remember, any unique style you can introduce to your signature to individualize it will make it easier to prove your case, should you be the victim of forgery or identity theft.

Facts About Handwriting

- No two people write exactly alike but some people are good at imitating small amounts of writing especially a signature.
- There is natural variation in everyone's handwriting.
- Identification requires determining if differences in handwriting are due to natural variation of a writer or a different writer.
- Writing can be identified as belonging to an individual when there are sufficient similarities of the individual characteristics of writing and no basic structural differences.
- The more diverse and unusual the accumulation of mutual characteristics and individual handwriting habits, the more positive the identification of the writer.

writing. Handwriting is a highly complex skill that takes years of practice to develop proficiency. I have never seen a person with low skill level all of a sudden be able to copy a handwriting style that is intricate and complex. Slow meticulous writers can be imitated because forgeries are written slowly and carefully. A signature that varies considerably is easier to imitate than one that is more consistent. According to Susan A. Greenfield in *Journey to the Centers of the Mind*, handwriting, especially a signature, is the only universally accepted outward sign of an individual.

To protect your signature from being forged, you should:

- Develop a complex signature with numerous changes of direction that cannot be easily imitated.
- Develop your handwriting skill until you attain a high level, which is difficult to duplicate.
- Write rapidly.
- Stylize your writing. The more individual the writing, the more difficult it is to imitate.
- Be consistent in your writing. It is also advisable to have more than one style of signature, one for correspondence and one for signing official or legal documents.
- Illegible writing is more difficult to imitate.

The best way to make your signature a hard target is to make your signature consistent and complex. The complexity of a signature is measured by how many times the lines cross one another. When possible, write using long strokes and change the direction. The more illegible the writing, the more difficult it is to forge. This forces the forger to concentrate on the formation of the letters and not the letters themselves. I tell people, "I don't care if your name is Alexander Xavier Snuffilupicus, include as many letters of your name into your signature, just don't make it easy to read." Also, concentrate any embellishments to the lower case letters. Forgers like to make only the first letter of the name look the same and typically get sloppy in the lower case letters. It is in this place that their natural subconscious habits kick in and the forgery is detected.

examination and graphology. They both study handwriting but each has a different focus, each is a different discipline and, therefore, they require different forms of training to acquire competency in each. Just because someone is a graphologist does not mean they are qualified to perform forensic document examination. Make sure your expert has the training, skill and experience in industry accepted forensics methodologies.

Until recent years, the only document examiners have been former government employees. Opportunities for the private practitioner were next to null. Very few colleges nationwide offer any extent of document examination—and only rudimentary at best—as introductory courses in criminal justice degrees. The only form of training that was available during pre WWII (1939) was self taught. This form launched the likes of such renowned handwriting experts as Osborn, Hagan, Ames, Stein and others. Correspondence courses have also provided a degree of training but without the hands-on experience and side-by-side training.

The most effective and widely accepted form of training to date is the apprenticeship. All professional organizations for document examiners require at least a two-year apprenticeship with a full time, qualified examiner. There are no state or nationally recognized certification programs for the specialty field of forensic document examination. An examiner's certification comes from the apprenticeship or training which he/she served. Even "board certifications" are based only on the specific organization's standard, completely independent of other organizations.

According to Hilton, in his book "Scientific Examination of Questioned Documents," (Callaghan & Co., Chicago, IL., ©1956): *"The most important qualification of a witness is his ability to do the work. There is no school at which a document examiner, unlike an engineer or a doctor, can study to prepare himself. Some universities have offered special courses on questioned document examination, but these have not as yet been*

of high enough caliber to develop a proficient worker. Rather, they give only a survey of the principles of the work. Self-study is the chief means of gaining this special knowledge, and some men have been able to supplement this study by apprenticeship or association with a recognized document examiner or in a recognized laboratory. Self-education must include study by experimentation and systematic research. Publication of results in books and recognized journals is good evidence of this phase of competency. The usual recital of the answers on the various qualifying points unfortunately tends to make even the most incompetent man sound qualified. But this method of determining the fitness of an expert is of long tradition, and at the present there does not seem to be any better means for a court to determine who is and who is not qualified."

According to the Federal Rules of Evidence, Article VII, Rule 702, *"If scientific, technical, or other specialized knowledge will assist the trier of fact to understand the evidence or to determine a fact in issue, a witness qualified as an expert by knowledge, skill, experience, training, or education, may testify thereto in the form of an opinion or otherwise, if (1) the testimony is based upon sufficient facts or data, (2) the testimony is the product of reliable principles and methods, and (3) the witness has applied the principles and methods reliably to the facts of the case."* Also, legal authorities agree that, *"An expert is a person who has special and competent knowledge of a subject, and who obtained this special knowledge either through study or through experience."* (Miller vs. State, Okla. Cr. 255, 131 Page 717)

Now that we've established what a forensic handwriting expert is and is not, let's get down to practical concepts.

Identity theft has been in the headlines frequently in recent years. As the crime becomes more prolific and widespread, what can you do to protect yourself? There are a plethora of resources and services that help protect you from identity theft and assist you in reclaiming your innocence when (not if) you are a victim. Self

defense is a state of mind, not an event. If you can look at your life through the eyes of a criminal, identify the chinks in your armor, correct them and essentially become a "hard target", you greatly reduce your chances of becoming a victim.

Right now, I would like you to look at your signature through the eyes of a forger and make your handwriting a "hard target" for them. This is not to say that your signature is forgery-proof but, in the event that someone does attempt to fraudulently sign your name, there will be enough elements to your known handwriting for a skilled expert to prove to the courts beyond a reasonable doubt who authored that questioned document.

One of the most important elements of identity is your signature. Your signature is still the legal authorization required on documents. Therefore, one of the essential things you can do to prevent identity theft and fraud is to make your signature difficult to copy. Forgery is difficult because no two people write alike. It is impossible to duplicate the subconscious habits of another writer. A forger will tend to draw, rather than write, a signature. A trained forensic document examiner can identify forgery, in part, because of natural tremors that show up under microscopic examination.

Your signature identifies you when you sign legal and financial documents. Your signature can be easily forged if:

- You over-simplify it. (what I call "doctor handwriting")
- You have a low skill level.
- You write very slowly.
- You adhere closely to the rules of penmanship.
- Your signature varies widely from one signing to the next.
- Your signature is legible.

An oversimplified signature is one that contains few changes of direction. It may consist of an initial instead of the first name. A low skill level is the result of not developing the habit of