

# Defeat Debt

Credit Advisors Foundation

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## The Real Story—Referring a Credit Counseling Agency

You are now successfully in a debt management program but you probably know others who could gain from your courage and success. How do you know when to suggest they seek help? If you think they may need credit counseling, here are some questions to help them decide:

Are you more-often-than-not late paying at least one of your monthly bills?

Are you unable to make the minimum payments on your credit cards?

Do you use cash advances from one card to pay another?

Have you found yourself avoiding calls from your creditors?

Have your own attempts to set up payment arrangements with your creditors been unsuccessful? Credit Advisors

Foundation can provide them with valuable education and services at any time, however, if they answered yes to one or more of the questions above, it may be time to seriously consider the credit counseling options available. Why CAF? Because CAF can help! Here's the information you need

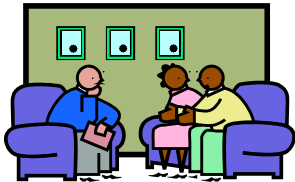
to share with others: What to do first? Decide what needs to be accomplished. Get out of debt? Stop the calls? Create a budget? Knowing basic goals will help find the service that best fits these needs. Tell them when they contact a credit counseling agency to find out what type of assistance is offered. Find a credit counselor who is accustomed to handling the type of debts they have, like mortgages, auto loans, bad checks, federal taxes, finance companies and of course, credit cards. Know that, unlike Credit Advisors Foundation not **all** agencies handle everything. Beware of agen-

cies offering quick fixes. How long did it take the situation to reach this point? Solutions, in most cases, will not happen over night.

Is the agency accredited by a qualified national organization, such as The Council of Accreditation (COA)? CAF is! (Accreditation assures that the agency is concerned with industry best practices to offer the highest level of service possible.) Is the agency a member in good standing with the Better Business Bureau? CAF is! What about membership in industry organizations? One example would be the American Association of Debt Management Organizations (AADMO). (That's right, CAF is!) Ask about the agency's privacy policy. Will they sell personal information to others? (Nope.) What is their security policy? (See the CAF website.) Is the personal information shared safe? (Firewalls and shredding say yes, at CAF.) Does the agency have the electronic capabilities to make it easy to receive funds and to send funds to creditors? (EFT/ACH? Yes, again!)

Does the agency have a not-for-profit status? (Yes, CAF!) Keep in mind that a non-profit

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*Credit counseling agencies can provide you with valuable services.*

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## Kid's Korner

### Celebrating Your Child's Birthday

While we have discussed budgeting numerous times before in Defeat Debt (and will again), one area of budgeting we have not looked at is your child's special day. Trends in the United States centering on our children's birthdays indicate parental behaviors reflecting a 'more is better' attitude.

Maybe this comes from our consumer society, maybe it has to do with our desires to 'keep up with the Joneses', or simply the misguided perception that this is what our kids want and need. Whatever the reason, birthday celebrations for children are becoming more difficult to plan than a presentation at work or even a once-in-a-lifetime wedding.

Children, of course, enjoy recognition at these stepping-stones in life. While

tons of balloons, huge cakes, guest performers, and lots of people may seem fun; it can be overwhelming to a child. Not to mention, the expense can be overwhelming to your pocketbook.

So what to do?

As you have heard so many times before, the best things in life are free...or at least, relatively inexpensive. Contact your child's teacher or day care provider. They may have some great age-appropriate ideas for the event. Other ideas? Donate a copy of your child's favorite book, in their honor, to the school or local family shelter. Plan a special 'lunch date' (at school or their favorite restaurant) or picnic with



*Celebrate your child as a valuable part of your family.*

your child. Remember this lunch date can be just you and your child, not everyone your child knows. Work together with your child on an activity (baking and icing the cake), hobby, or craft that interests them. Watch the first video of your child's life together and tell them the story of

how they became part of your family. Maybe the two of you could draw pictures together telling

this story.

Most importantly, spend quality time with your child. On the special day let your child know you love them and celebrate them as a special and valuable part of your family.

## Achievement Recognition—Get Out of Debt with No Regret

Eighty-five more families achieve their American dream of being debt free in October 2003.

### Congratulations!!

"It does our heart good to be able to assist these folks in their effort to be debt free," said Barry Fouts, vice-president of Client Care at Credit Advisors Foundation. "These are the people who accepted the challenge to examine their financial situations, learn their options and set goals for solutions to reach a brighter future."

How did they do it?

Eighty-five families from across the U.S. followed their dreams and goals to success. Sticking to their budgets through thick and thin, reading the Defeat Debt newsletter, reviewing the Credit Advisors Foundation statement sent to them each month, and comparing it to the creditor statements they received, these clients became credit smart

in managing their debt.

While any one of them could have given in or given up and filed for bankruptcy, these successful people planned their steps and worked their plans. Even in the difficult times, when it seemed as if the creditors would never cooperate, or the income to make payments would not cover all expenses, these CAF clients were motivated to keep their eyes on the goal—and achieve!

You can achieve it too!

Just follow the leaders. Keep reading the informative articles in Defeat Debt. Check your creditor statements. Compare them to your Credit Advisors Foundation statements. Send us any creditor statements showing discrepancies. Make your payments on time. Access the Credit Advisors Foundation website at [www.creditadvisors.org](http://www.creditadvisors.org). You can read more informative articles to

increase your credit knowledge, access your CAF account for up to the minute status, make use of interest payment calculators, and bank rate monitors. Go for the goal and achieve your dreams!



*Get out of debt with no regret!  
You can achieve it, too!*

## Word Search\* Word Search

Word Search this month takes a second look at the credit counseling agencies available to help you achieve your financial goals. Credit Advisors Foundation is a premier credit counseling agency.

Agency Consumer Financial  
Benefits Counselor Goal  
Budget Credit Privacy  
Certified Debt Secure  
Education

C O N S U M E R F  
O R T E G D U B I  
U L E V C C D E N  
N G Q D W E P N A  
S P O V I R X E N  
E E Z A I T J F C  
L U C V L I M I I  
O B A U W F T T A

## Credit Counseling

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status does not guarantee affordable fees. (Consider non-profit hospitals and the bills they send out.) Ask about fees and contributions. Once a member of a debt counseling program, how long does that agency hold money before funds are sent to the creditors? (15 days.) What happens to the first funds (payment or deposit) sent? (To the creditors!)

Ask specific questions about the counselors. Find out about their education and training. Are they certified credit counselors? (CAF counselors are!) Does the credit counselor evaluate the budget *before* suggesting solutions? (Yes!) Are fees and contributions considered within the budget? (Yes, Yes, Yes!)

Ask about benefits that are available from creditors as a member of a debt management program. Understand that these benefits are at the discretion of the creditor only and are subject to change without notice. Does the agency report to the credit bureaus? (CAF does not add any notations to your credit bureau.) Will and how, will credit counseling show up on a credit report? Will it affect the credit score? For example, First USA, now Bank One, will report an account as delinquent until three consecutive monthly payments at the approved new minimum amount are received. They will then list the account as current.

*The majority of creditors will work with consumers in their attempts to resolve debt problems.*

Others, like Citibank, add a note to the credit bureau listing that the account has been placed with a credit counseling agency. Once the program is completed and the accounts are paid in full notations are dropped. Know that Fair Isaac & Co, who developed the formula for determining credit scores that most creditors use, no longer considers notations of debt counseling in its calculations of FICO scores. The majority of creditors will work with counseling agencies in their attempts to resolve debt problems. Joining a debt counseling program notifies creditors that that there is a sincere desire to pay what is owed. They also know from experience that the likelihood of success increases dramatically in a debt management program. What should be expected in a program? Be realistic! **Do not** expect to receive additional credit during the time in credit counseling. Many creditors will

eliminate benefits if new debt is acquired. **Do** expect to learn about managing money and how to avoid similar situations in the future. According to creditors and consumers who have successfully completed a debt management program, the number one strategy is: **STICK WITH IT!** Number two? **BE AN ACTIVE PARTICIPANT!** Are monthly deposits to the agency made in a timely manner, so that the agency can send prompt payments to the creditors? Open statements from creditors. **READ THEM.** If there are questions talk to your counseling agency. Credit Advisors Foundation supplies a client handbook—**READ IT!** Client handbooks can help to understand unfamiliar terminology and processes in a debt management program so that the right questions are asked to get the information needed to make more informed choices. Most importantly, find an agency that fits. Work with this agency to accomplish goals to make a better, more financially sound future. Only the best from the client **and** the agency will help in becoming a *credit smart* consumer!

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**We're on the web!**

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

Get out of debt, with no regret!



## The Kitchen on a Dime—Holiday Brisket

With Holiday Brisket on your table, you'll look like you worked hard in the kitchen. What your guests don't know is it's only 20 minutes to get this dish into the oven, and by planning ahead (and buying on sale) only \$1.01 per serving. What a holiday treat!

- 1 3 to 4 pound fresh beef brisket
- 1/4 teaspoon seasoned pepper
- Dash of salt
- 1 large oven cooking bag
- 1 tablespoon all-purpose flour
- 3 medium carrots, chopped
- 3 stalks celery, chopped
- 3 medium onions, chopped
- 1 7-1/2 ounce can recipe-ready tomatoes
- 1/2 cup port wine
- 1 envelope onion soup mix

1 teaspoon dried basil

1 bay leaves

Remove excess fat from brisket, sprinkle with seasoned pepper and salt. Place flour in oven cooking bag, shake, and add brisket. Set bag with brisket in roasting pan.

Combine carrots, celery, onions, undrained tomatoes, wine, soup mix, basil and bay leaves; pour over brisket in bag. Close bag; cut slits in top of bag.

Roast in a 325 degree F oven for 2-1/2 to 3 hours or until tender. Remove bay leaves. Slice meat across the grain into 1/4-inch-thick slices. Skim fat from pan juices; serve with meat.

Makes 12 main-dish servings.



*Holiday Brisket fresh from the oven makes your table festive and hearty.*