

Defeat Debt

Credit Advisors Foundation

Volume 47, Issue 10

The Real Story—Stress and Debt

Stress is not in and of itself good or bad. It is experienced differently by everyone and involves us physically, mentally and emotionally. Stress can motivate, and stress can energize. It can create positive or negative results, depending ultimately on how we perceive the stressor and how we respond to it. Consciously working to develop skills to improve our ability to handle stress can make a difference in the amount of influence stress commands in our lives.

The longer we postpone dealing with stress, or the longer stress remains unmanaged, the greater the



Physical reactions to stress may include headache, stiff neck, and tight or sore shoulders.

risk of anxiety, increased tension and other negative results including negative impact on our physical and mental wellbeing. Some types of negative physical reactions experience under stress may include rapid heartbeat or breathing, headache, stiff neck, tight or sore shoulders, backache, upset stomach or nausea. Mental and emotional indicators of stress may be expressed through worry, frustration, exhaustion, lack of concentration, jumpiness, moodiness, irritability, intolerance, and extreme highs and lows in attitude or outlook, like depression.

The causes of stress come from all areas of our lives. Our everyday lives produce many small stressors from seemingly innocuous influences like the weather, traffic jams, road construction or our expectations, both of others and ourselves. In addition, health issues, working situations, and life transitions like getting married, having a baby, losing your job, the empty nest, divorce and retirement

can produce great amounts of stress with which to cope.

Some fun facts about stress from www.my.webmd.com:

- Forty-three percent of all adults suffer adverse health effects from stress.
- Seventy-five to ninety percent of all doctor's office visits are for stress related ailments and complaints.
- Stress is linked to six leading causes of death: heart disease, cancer, lung ailments, accident, cirrhosis of the liver and suicide.
- OSHA says stress is a hazard in the workplace: lost hours due to absenteeism, reduced productivity, workers comp—cost to American industry \$300 billion annually.
- Lifetime prevalence of an emotional disorder is more than fifty percent, often due to chronic, untreated stress reactions.

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Inside Story Headline

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So how does all this talk of stress relate to credit and debt?

Consider this: more than half of all employees nationwide are living paycheck to paycheck. Meanwhile, according to the Federal Reserve, on average, twenty-two percent of a household's wages are committed to paying the interest and a part of their principal debts, while twenty million households' pay anywhere from thirty-five to seventy percent. So, if a third of your income goes to taxes and twenty-two percent of your income goes to making payment on interest, just keeping up with minimum payments can be stressful.

Try to put yourself in the shoes of someone who owes more than they can afford to pay each month. Stress accumulates as each day more credit card bills arrive, embarrassment about their financial situation increases stress levels, and you end up unable to get the sleep you need to be effective at work as you lay awake at night worrying about what to do with your debt. In some cases, one will try to carry the burden alone, increasing the family debt load in an attempt to stay ahead and then tries to hide the problem from their spouse. (Please, please note: sooner or later, they always find out.)

Now you start getting behind on the bills. (Almost sixty percent of



Stress accumulates as day after day, more and more credit card bills arrive.

cardholders were charged a late fee last year.) The stress continues to build. The creditors start calling you at work. It's always on your mind. Balances continue to rise while late charges and over-limit fees continue to accrue. Does this sound like anyone you know?

People can actually make themselves sick mentally and physically with the worries debt brings. (Not to mention the potential for additional medical bills due to dealing with the effects). Our society pays immensely for the toll of personal debt. It seems that many times it is the family structure that suffers the most. It can start with the shame of the breadwinner's being unable to repay the debts. It is not uncommon for parents to hide debt problems from their children (children shouldn't have to cope with adult worries), yet parents will break out in rages of anger when the child asks for something that cost money, creating family problems beyond not being able to pay the bills.

Sometimes it snowballs into the "family secret". The family may isolate themselves from friends and neighbors. Parents may have children answer the phone to avoid bill collectors and not pursue the social contacts or networking necessary to further their careers—in essence, unwittingly continuing debt problems that might be eased through promotions and pay increases. Sadly, children, in an effort to help out Mom and Dad, may avoid making friends, not bring friends home, or withdraw from social interaction themselves to avoid difficult or uncomfortable questions.

Is it any wonder that more people



As bills continue to fall further behind calls from collectors increase, and stress continues to build.

are afraid of financial problems than are afraid of death?

Again, does this sound like anyone you know?

Co-workers? Friends? Family? Or possibly, even you?

If you think you or someone you know may be suffering from debt

stress, don't delay :

Tell them no one has to face debt stress alone.

Let them know help is available and just a phone call away. Credit Advisors Foundation can help.

Talking to a certified credit counselor can help ease the burden. The credit counselors will help to find patterns or repeated causes of debt stress

If you think of someone who may be suffering from debt stress, let them know no one need face the burden alone.

AND assist in the creation of a plan of stress relief for your specific situation.

While eighty-five percent of what we worry about never happens, WE CAN improve or change the other fifteen percent of what we worry about—including debt worries.

The physical, emotional and mental impact of negative debt stress doesn't have to keep you down.

Do it now. Turn your debt stress around into motivation for new opportunities and a new low stress tomorrow.

Word Search

	A	P	H	Y	S	I	C	A	L	E	D	P	
	K	B	X	C	T	O	W	C	I	T	L	R	
The Word Search puzzle includes words from the articles from this months newsletter:	F	I	S	R	T	E	A	H	F	U	N	O	
Absenteeism	W	L	B	E	S	J	R	E	E	T	R	D	
Motivation	O	L	Q	D	N	G	E	C	M	I	Z	U	
Bills	Original	R	S	P	I	S	T	S	K	E	T	L	C
Check	Physical	R	Z	L	T	Y	B	E	W	K	S	A	T
Creditors	Productivity	R	Z	L	T	Y	B	E	W	K	S	A	T
Debts	Secret	Y	U	B	O	N	D	J	E	R	B	T	I
Life	Stress	Y	U	B	O	N	D	J	E	R	B	T	I
Mental	Substitute	C	E	T	R	W	H	Y	V	I	U	N	V
Worry		D	U	N	S	T	R	E	S	S	S	E	I
		T	N	O	I	T	A	V	I	T	O	M	T
		O	R	I	G	I	N	A	L	I	Q	E	Y

Avoid a Catch 22 with Check 21

As of October 28, 2004 balancing your checkbook to your bank statement will become more important than ever before. Why? Because the Check Clearing for the 21st Century Act goes into effect as of that date.

What is Check 21? Simply put, Check 21 will allow your bank to replace the paper check you write with what is known as a "substitute check" made from a digital copy of the original. While Check 21 involves creating digital images of check (which may be processed electronically) they are still processed under the laws and regulation of paper checks. (With electronic check conversion or e-check, which some creditors already use, a check is converted into an electronic funds transfer and routed through the Automated Clearing House—ACH—just like your EFT payment to CAF.) How would a Check 21 appear on your monthly bank statement? The substitute check will still list with any other checks while the e-check appears with other ACH/EFT activity.

What's covered under Check 21? All checks are covered, including, for

example, business checks, payroll checks, cashier's checks and personal checks.

Check 21 allow banks to make the decision of whether to process substitute checks manually or electronically, but everyone must accept the substitute checks just as they would the original.

What do consumer groups say about Check 21?

You won't be able to get your original paper checks back because your bank doesn't have them.

These substitute checks you write may clear sooner, but Check 21 does not require banks to recognize deposits as fast as they clear checks. As a result, you may or may not gain access to the funds from the checks you deposit sooner to cover checks that are clearing faster. This may increase your chances of being assessed bounced check fees.

Remember, not all checks copies are equal. The consumer must specifically ask their bank (and it is recommended that this is done in writing) for a substitute check—which states clearly "This is a LEGAL COPY of your check. You can use it the same way you would use the original check". You may not

receive the same rights with other types of copies.

While Check 21 will save money for banks on processing and transporting the original checks, banks are not required to pass savings on to consumers and may charge additional fees for certain services.

Finally, there still are risks that substitute checks will be improperly charged to consumer's account or duplicated with the clearing of both the substitute check and the original check. Generally, banks are allowed 10 business days to recredit the consumer's account prior to the completion of the investigation when a claim is filed, but only up to \$2500. Remember, exceptions include new accounts, suspicions of fraud, or accounts that are repeatedly overdrawn.

Watch for updates from your bank about Check 21. If you are unclear about your bank's policies and procedures in regard to the ACT, don't be afraid to keep asking questions to get the answers you need or take your business to a bank that can explain it to your satisfaction.

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We're on the Web!!
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Get out of debt, with no regret!

The Kitchen on a Dime—Pumpkin Bread

Fall brings warm, spicy aromas from your kitchen with this recipe:

Ingredients:

1 can—15 ounces—pumpkin (not pie filling)
1 2/3 cups sugar
2/3 cup vegetable oil
2 teaspoons vanilla
4 eggs
3 cups flour (all-purpose or whole wheat)
3/4 cup coarsely chopped nuts
1/2 cup golden raisins or chopped dates
2 teaspoons baking soda
1 teaspoon salt
1 teaspoon ground cinnamon

1/2 teaspoon baking powder

1/2 teaspoon ground cloves

Directions:

Adjust oven rack to lower position, placing tops of pan at center of oven.

Pre-heat oven to 350 degrees.

Grease bottom of 9x5x3 inch loaf pan.

Stir together pumpkin, sugar, oil, vanilla, and eggs in large bowl.

Stir in remaining ingredients.

Pour into pan.

Bake for one hour and fifteen minutes (until toothpick inserted in center comes out clean).

Cool for ten minutes.

Remove from pan, loosening sides with knife if needed.



Spices, nuts, raisins and dates make this pumpkin bread desert worthy.

Cool completely on a wire rack.
(Approximately two hours).

Slice and serve with whipped topping.

Makes six—two slice servings.

83 cents per serving.