



# INDI UNIT NEWS

Volume 4, Issue 1  
Spring 2009 Edition

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## PRESIDENT'S MESSAGE

By: **JEFF RATTLER**

With my term as President of the Indiana Collectors Association coming to an end in May, I want to take this opportunity to thank everyone for their support over the last four years. I would like to recognize the Board for their dedication to our association. I will be taking a new position on the board, as a National Director. Our current Vice-President, Jim McNally will become our next President. Jim is from Connersville and is President of the Connersville Credit Bureau. I'm confident that Jim will provide strong leadership to our association.

In some of the previous articles that I've written over the last four years, none could be more important than my message of getting involved in our association.

The State Legislators are now in session and will be until mid April. As every member of our associations knows, legislators play a big role in the way we do business. I'm suggesting that you log onto the ICA website and go to the legislative tab. This will allow you to look at Indiana's State Bills that have been introduced and information about other bills progress. A lot of times a legislator may not understand how a bill can affect us. Therefore, it's our job to educate legislators about our business. I suggest that you get to know your legislators, many are approachable and eager to hear your concerns.

The Board of Directors held a board meeting in Kokomo Tuesday, February 11<sup>th</sup>. There were enough Board members present to have a quorum. In brief, we discussed many pressing issues. I'll mention a few.

We discussed the possibility of a legislative assessment to help cover Lobby Expenses. We increased our ACPAC contribution to ACA from \$500.00 to \$1,000.00. We feel that ACA does an excellent job at the national level. Also, we've decided that we will put out two newsletters, one in March and one in September.

Finally, we worked on the agenda for the annual spring meeting that will be held May 12<sup>th</sup> and May 13<sup>th</sup> at the Downtown Indianapolis Embassy Suites. As always, our spring meeting will prove to be interesting and informative. Hope to see you there.

## MARK YOUR CALENDARS!



**2009 ANNUAL SPRING MEETING**

**MAY 12 & 13, 2009**

**EMBASSY SUITES-DOWNTOWN INDIANAPOLIS**

**WATCH FOR AGENDA & REGISTRATION COMING SOON!**

INDIANA COLLECTORS  
ASSOCIATION  
7155 N Co Rd 400 West  
SCIPIO, IN 47273

# COMMITTEE REPORTS

## NATIONAL DIRECTOR'S REPORT

By: **FRED RAMIREZ**

### ACA UPDATE

On November 19<sup>th</sup>, 2008, ACA's Board of Directors met by teleconference to vote and discuss three items;

Elimination of separate fees for the Asset Buyers Division, Creditors International, Government Services Program and Healthcare Services Program.

Proposed dues increase.

Change of ACA's fiscal year to a calendar year.

All three were approved by the majority of the Board. The dues increase is effective immediately. The fiscal year change passed, but needs to be approved by a vote of the membership at the Annual Meeting of the Membership in July in Las Vegas.

Even though some dues will be increased by the approved proposal, some members will actually see a reduction due to the elimination of additional fees/dues for the ACA programs and other division memberships.

The change to a calendar year was done to better align the association with the fiscal year cycles of most members.

### ICA UPDATE

For the past year, your ICA board members have been working on updating our Association Bylaws and adding a new Standard Operating Procedures (SOPs) document to our Bylaws. You will soon have an opportunity to see and review the changes we proposed and the new SOPs.

The updated Bylaws will provide our Association with more flexibility to meet by teleconference when needed and use email to vote on issues presented to the Board. In many ways, it brings us forward into the 21<sup>st</sup> century.

We hope you will take some time to review the documents once you receive them and to attend our upcoming Spring Meeting in Indianapolis during which we will ask you to approve these changes.

This will likely be my last article as National Director for the Association since Jeff Rattler (our current President) is scheduled to take over as a new Director

in May. It has been a pleasure and a privilege to serve the Association in this capacity.

If you have the time and desire to serve your Association, there is no better time than now to do it. Thanks...

## MEMBERSHIP REPORT

By: **David Barnard**

A new year is upon us and quite possibly will present more challenges than many of us have faced in our careers, or lifetimes for that matter. Of course, with each new challenge also comes a new opportunity. Please be sure to attend the Spring Meeting on May 12<sup>th</sup> and 13<sup>th</sup> at the Embassy Suites in downtown Indianapolis to keep abreast of the timely topics surrounding our businesses.

Many of you probably already know ACA International has approved a dues restructuring that may lead to increased dues for some agencies. The good news is you will no longer have to join each affiliate unit such as HSP as that will now be included.

The Indiana Collectors Association will also have an increase in the base rate from \$105 to \$250 paid by all agencies. While we realize this is not the best time to increase dues, we also understand it is necessary. Now more than ever it is imperative we have active lobbyists to help protect all the interest of our Association. The additional increase is to help cover the yearly costs of our lobbyists, IceMiller LLP. Without the constant monitoring of proposed legislation there certainly will be bills presented that may have a serious impact on our ability to conduct business profitably.

I.E. Sales tax on services.

I would like to invite each of you to visit the ICA website for information regarding the proposed Standard Operating Procedures and By-laws we will be voting on at the Spring Conference. Be on the lookout in the very near future for these to arrive in the mail as well. Please do not hesitate to call or e-mail any of the officers if you have questions.

See you in May!

*Our greatest glory is not failing, but in rising every time we fail. -Confucius*

# THE INDIANA COLLECTORS ASSOCIATION BOARD OF DIRECTORS

<b>PRESIDENT</b> , <i>Jeff Rattler</i> , Collection Specialists	(765) 646-6034
E-Mail: collspldata1@sbcglobal.net	Fax (765) 646-6037
<b>VICE PRESIDENT</b> , <i>Jim McNally</i> , Connersville Credit Bureau	(765) 825-4141
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E-Mail: davidb@medshield.com	Fax (317) 613-3745
<b>LEGISLATIVE</b> - <i>Steve Hooley</i> , Business & Professional Svc.	(574) 389-3000
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E-Mail: tyoung@alliedcollectionsservice.com	Fax (812) 375-2448
<b>GRIEVANCE</b> - <i>Linda Reed</i> , Helvey & Associates	(574) 269-1726
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<b>EDUCATION</b> - <i>Thomas Dent</i> , Vision Financial Services	(219) 325-5889
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<b>BOARD MEMBER</b> - <i>Michael Iacovazzi-Pau</i> , Unique Management Services	(812) 285-0886
E-Mail: miacovazzi@unique-mgmt.com	Fax (812) 285-0895
<b>EX-OFFICIO</b> - <i>Tricia Crites</i> , Collection Associates, Inc.	(812) 663-2777
E-Mail: tricia@caicollect.com	Fax (812) 663-2898

**Visit ICA on the web at: [www.acainternational.org/in](http://www.acainternational.org/in)**

## CREDIT REPORTING INFORMATION

The following letter from e-Oscar is used with permission of the California Association of Collectors.

December 11, 2008

Jan P. Stieger  
California Association of Collectors, Inc.  
P.O. Box 254490  
Sacramento, CA 95865-4490

Dear Jan,

Thank you for sharing the concerns and questions that have been voiced by your members regarding the e-OSCAR® application and the consumer dispute process. On-Line Data Exchange, LLC (OLDE) has responded to your concerns and questions below. On-Line Data Exchange, LLC (OLDE) was formed by the nationwide consumer reporting agencies to provide a more concentrated management and technical support structure for the e-OSCAR® platform.

### **Improve Ease of Response**

Our members report that many frivolous disputes are received over and over again on the same accounts from the reporting agencies and they would like to see options added to allow them to respond to disputes more efficiently.

Enable an option so that all data elements can be auto filled with the “same” boxes already checked. Our members say they spend a great deal of time checking the same boxes over and over and that changing a box from same to something else is rare.

#### **e-OSCAR® RESPONSE:**

Auto-fill options are not available within the Consumer Information screen in the e-OSCAR® application to ensure that the accuracy and intent of the Data Furnisher’s response is appropriately documented in the dispute response process.

Is it possible for there to also be a field for the furnisher to report this as a repeat dispute for which verification was previously provided?

#### **e-OSCAR® RESPONSE:**

The Compliance Condition Code (CCC) may be used to provide information regarding the disputed status of the loan in compliance with the Fair Credit Reporting Act and Fair Credit Billing Act. Each individual Data Furnisher should review the Compliance Condition Code options and consult with its internal legal counsel or compliance officer to determine the code that is most appropriate for the circumstances it is reporting. The use of the Compliance Condition Code will not prevent further disputes on the account, but will allow the Data Furnisher to notate the dispute status/circumstance of the account.

If the individual Data Furnisher chooses to provide a CCC on an account, the Data Furnisher should remember to update the CCC to XR (to remove the most recently reported Compliance Condition Code) when the code is no longer applicable.

Enable an option so that the data elements on record are auto-filled into the response sections.

#### **E-OSCAR® RESPONSE:**

For security and compliance reasons, e-OSCAR® cannot access a Data Furnisher’s records to auto-fill fields in the ACDV for the Data Furnisher.

Additionally, auto-fill options are not available within the Consumer Information screen in the e-OSCAR® application to ensure that the accuracy and intent of the Data Furnisher’s response is appropriately documented in the dispute response process.

## **Batch/API**

We would like to see better access to the data in download or batch mode. The information we have received on the current batch options reflected a high implementation cost of \$15,000 and added monthly cost of \$750 in addition to the 30 cent transaction cost. We would like to see some work done to offer a lower cost standardized batch response options.

### **e-OSCAR® RESPONSE:**

The current batch implementation costs are reflective of the various components necessary to create a secure, efficient, and functional batch process between e-OSCAR® and a Data Furnisher. These components include but are not limited to programming requirements, hardware requirements, software requirements, technical requirements, and security requirements. At this time, a lower cost, standardized batch response option is not feasible. We will continue to evaluate batch processing options.

## **DR Notifications**

Some of our members are still confused as to what they should be doing with DR Notifications in order to better comply with FCRA.

One concern raised revolves around the fact that there are apparently 3 types of DR Notifications. Perhaps they can be combined together within the systems.

### **e-OSCAR® RESPONSE:**

A Dispute Response (DR) notification is a notification that tradeline data is modified or deleted by CRA.

The CRA will provide a Data Furnisher (DF) with a notification if tradeline data has been modified or deleted by a CRA.

The CRA will provide a Data Furnisher (DF) with a notification if tradeline data has been modified or deleted under the following circumstances:

The DF responds to a dispute (in e-OSCAR®, an ACDV) and requests that the CRA modify or delete account information. Account information is modified or deleted because the DF did not respond to the dispute by the Response Due Date. A change is made per the internal policy of the CRA.

These notifications cannot be combined in e-OSCAR® because they are “triggered” by different events. In the e-OSCAR® application, however, the three different types of notifications may all be viewed in a single report. e-OSCAR® Notifications training is available to individual e-OSCAR® Data Furnishers to assist them in identifying and locating the DR and Block notifications. Data Furnishers may view the training schedule at <https://eoscar.on.intercall.com>.

Please consult with your Association’s legal counsel or compliance representative and/or partner with the individual Data Furnishers within the Association to determine the action required for each DR Notification to comply with the FCRA.

Our members would like a better understanding of the changes made by the CRAs rather than by themselves and what constitutes a change by a CRA.

### **e-OSCAR® RESPONSE:**

Each individual Data Furnisher should contact each CRA for detailed information on the changes that are made per the internal policy of the CRA.

What, if any action, should our members take in response to a CRA change?

### **e-OSCAR® RESPONSE:**

A notification is sent to a Data Furnisher for informational purposes. Data Furnishers should ensure the information they are reporting to the CRA is accurate, which may require a change to their internal records.

e-OSCAR® Notifications training is available to individual e-OSCAR® Data Furnishers to assist them in identifying and locating the DR and Block notifications. Data Furnishers may view the training schedule at <https://eoscar.on.intercall.com>.

**Bankruptcy Notifications (Block Notifications)**

Bankruptcy Notifications are not provided in e-OSCAR®. The items referenced in the questions are related to Block Notifications.

We would like to have access to more of the details and any supporting documentation provided to the CRAs which lead to a Block Notification.

e-OSCAR® RESPONSE:

The Data Furnisher should contact the CRA for additional information on block notifications it receives from the agency.

It is common for our members to have received no notification at all regarding ID theft on accounts and for them to then receive a Block Notification.

e-OSCAR® RESPONSE:

A block notification is provided to you when an item has been deleted from reporting due to identity theft

When a consumer:

provides proof of identity theft to the Consumer Reporting Agency (CRA)  
identifies an item reported by the Data Furnisher (DF) as being the result of identity theft

The CRA must:

block the item within 4 days and  
notify the Data Furnisher that the item has been blocked

Please consult with your Association's legal counsel or compliance representative and/or partner with the individual Data Furnishers within the Association to determine the Data Furnishers' obligations under the Fair and Accurate Credit Transactions Act (FACT Act) with respect to Block Notifications.

**Repeat and Paid Account Disputes**

CDIA guidelines request that collection agencies not delete accounts that are paid. In these harder economic times, it is an added burden for our members to respond to multiple disputes lodged with CRAs especially on accounts that are already being reported as paid... In an on-going effort to support the integrity of the credit reporting system and to remove barriers to the desired compliance procedures, we request that the e-OSCAR® fee be waived for collection agencies responding to disputes on paid accounts as well. We feel these policy changes could send a strong signal to our members and the unethical elements in the credit repair industry that agencies are not supposed to delete paid items and that the system supports and encourages compliance with the CDIA guidelines rather than imposing additional costs to fulfill those guidelines.

e-OSCAR® RESPONSE:

The e-OSCAR® fee for responding to a consumer dispute cannot be waived. Please contact CDIA directly for further information on the implications of deleting a paid account and for information regarding the guidelines they have provided for paid collection accounts.

Thank you again for sharing your members' concerns and questions. We hope the above responses will be helpful to you and your members in understanding the capabilities and features of the e-OSCAR® application.

Best Regards,

Laura Skipper  
e-OSCAR® Operations Manager

# 5 ASSUMPTIONS TO AVOID IN A RECESSION

Submitted by: Paul Morrow, Netgain4Results

In a recession like the historic one we are now witnessing, human nature and instincts are bound to affect many business decisions along the road to recovery. And human nature and instincts are what people tend to rely on when times are tough. True, every business professional, including sales professionals, should use their instincts at times. But there are some instincts--based on faulty assumptions--that should be avoided at all costs. I am talking about instincts you may be having right now, ones that may hurt the growth of your business or client list for months and years to come. Here are five things you may be thinking right now that should be avoided in 2009 and beyond.

## 1. "It's Too Difficult to Sell in This Economy."

Whether you realize it or not, your customers and prospects need your help now even more than when the economy was good. Only you--and the solutions your company offers--can help improve cash flow at a time when the bottom line needs the help your company provides the most. These are trying times for your prospects, too, so they must consider all options to improve cash flow and consider accepting your help.

And even though the current economy might result in a longer sales cycle, it is still a good time to ask for the business. In the collection industry, just as it is in most industries, sales are developed by building relationships with prospects. These relationships are built over a period of time, and this is why most sales cycles are often six months long or longer. Therefore, if you reduce or stop your sales activity, it will take at least six months to realize the efforts of your renewed sales activity once it is restarted in the future. How do things look right now for you and your firm? If you do not have a sufficient number of true prospects in the sales cycle at this time, you will probably not be able to close enough new sales to realize the type of growth you might have projected for 2009.

## 2. "I'll Just Cut the Sales & Marketing Budget."

In this economy, every company, including yours, needs to adjust expenses to ensure profitability. There are many ways to cut costs; however, cutting costs by reducing sales and marketing expenses is counter-productive and should be the last place, not the first place, to look for cost savings. During 2008, which was already a difficult economy, agencies that maintained or even increased investments in time and money in sales activities were able to overcome the negative effects of reduced liquidations. For example, in 2008 one of my clients missed their projected goal for growth within their existing customer base; however, due to the acquisition of new clients, they exceeded their overall revenue goals for the year.

## 3. "We'll Be Happy Just Keeping What Business We Have This Year."

Standing still is not an option for businesses that want to survive. Because of this, you cannot be happy simply keeping your current clients. You must continue to grow, and there are ways to measure this growth to ensure it happens.

Revenue growth should be measured in terms of year-over-year increases from clients that were doing business with you before the year began and revenue generated from new clients that started doing business with you in the current year. These are only two important measurements that need to be analyzed to help predict how successful a year 2009 will be.

What happens to your business in 2009 started with what did or did not happen in 2008. Because of policies and measurements put in place last year or earlier, agencies I worked with in 2008 generally have enough new revenue this year to overcome any negative results due to the economy. In other words, without new business generated this year based on things put in place in 2008, this year could have been truly awful, instead of just difficult, for these companies.

## 4. "In This Economy, I'll Take All the New Business I Can Get."

You will also have to keep in mind that you should still be looking for the right opportunities for your agency. You do not want to take on a new client just to increase placement volume. You should use the same criteria for new clients that you have always used in good times. Look for solid prospects that will fit the infrastructure of your agency. You should continue to research your prospects before you start the sales cycle in order to avoid wasted sales time.

## 5. "I Don't Have Enough Salespeople to Meet Our Goals."

One growth strategy would be to use your existing, non-sales staff--people who come in contact with your clients--to help identify revenue enhancement opportunities. These kinds of staff members should be trained to look for new opportunities within your customer base by asking leading questions that might open the door for additional placements or a different type of placement.

There are ways to reward this type of activity that should be considered. I know some owners who offer a bonus to client service staff who bring new sales opportunities to the attention of management. It is important to train your staff to know how to do this in a very positive manner for the client and ultimately for your agency.

*Got a Sales or Sales Management Challenge and Want Some Help Solving It? Call Paul Morrow today at 877-533-1680, x702, or Via Email at [paul@netgain4results.com](mailto:paul@netgain4results.com).*

# STATE LEGISLATIVE REPORT

**By: Steve Hooley**

## **BILLS, BILLS, BILLS**

Not the kind of bills you collect, but these bills can sometimes be far worse.

The last day for bills to pass out of committee in their house of origin was Wednesday, February 18. From that day on it is the twists and turns of amendments. A few things look pretty certain, if you do business with either banks or mortgages, there are going to be some changes coming your way, mirroring the populist national crisis's . The good news is -so far- we have avoided the dreaded sales tax on services in Indiana.

I won't give a complete run down here because changes happen so fast that the information will be outdated when you receive it, but what I can do is give you a list of several bills we are watching right now. You can watch the progress of these bills, as well as see what other bills may be changing at: <http://www.in.gov/apps/lisa/session/billwatch/billinfo>.

**HB1121 Identity deception**

**HB1173 Small loans and check cashing transactions**

**HB1542 Property exempt from execution, including bankruptcy cases**

**HB1612 Various financial institution matters (including debt management companies)**

**HB1633 Foreclosure of residential mortgages**

**SB0060 Prohibit retention of certain access device data**

**SB0294 Identity deception**

**SB0477 Department of workforce development collections**

Together with our legislative associates at Ice Miller, we will continue to closely monitor the activity in the General Assembly until the scheduled last day of adjournment on April 25, 2009.

## **EFT NETWORK, INC.**

**Submitted by: Chris Fulton, EFT Network, Inc.**

With the current financial meltdown, liquidity has never been more important for both your collection agency and for your clients. EFT Network, Inc. has a proven track record working with collection agencies. EFTN's ACH and Check 21 Payment processing services are designed to help collection agencies collect and deposit payments faster, electronically. We can help you to drive your collection rates higher and to reduce your operating expenses.

Whether your need is for Web Payments or Remote Deposit Capture using a scanner or a fax machine, Telephone Checks, Recurring ACH Payments, Accounts Receivable Conversion, Back Office Conversion, RCK or Returned Check Systems, EFT Network's modular packages create a customized, comprehensive payment processing system that best suits your business needs. Our web web-based programs fully integrate with a variety of receivable and collection packages eliminating the need for costly and error-prone data entry. Because our system is completely web-based, you need never worry about software maintenance or upgrades.

At EFT Network, we take pride in helping our collection agency clients increase revenue and improve efficiency. Headquartered in Hawthorne, NY with a second processing site in Columbus, OH, the company has grown and evolved to be one of the leading providers of check payments processing and clearing solutions.

Contact one of our experts today by calling 800.492.2794 or by email at [www.sales@redeposit.com](mailto:www.sales@redeposit.com).

We would like to take this opportunity to thank the Indiana Collectors Association for including EFT Network in your Fall Conference.

# EVOLUTION OF CREDIT CARD PROCESSING

**Submitted by : Brian Wasserman, Transactional Services, Inc.**

I have always been told, that in order to know where you are going, you have to know where you have been. In looking back at the evolution of credit cards, and processing, nothing could hold truer. It is amazing as to how far and how fast this industry has grown. Just to put things in perspective, over 35% of all Consumers spending in the United States, is done with a credit card of one form or another.

With this obviously, comes opportunity. Opportunity for your organization in both the acceptance of credit card payments, and of course as a product line for your business. However, there may be one area that has gone virtually unnoticed. And that would be to partner with an Electronic Payments Company to accomplish multiple tasks.

To begin with, you would create an additional revenue stream that is outside your core business. Given today's economy, it is extremely important to diversify. Secondly, it will give you entree' to potential customers that you may have had difficulty in arranging a meeting, and thirdly it will separate you from the rest of the other agencies competing for the same business by being able to offer something different, but more importantly also beneficial to your customer.

At TSI we specialize in these types of relationships, and are always looking for Business Partners who want to expand their core business, generate additional business, and are looking for new forms of revenue. If this sounds like something you would be interested in, please feel free to contact me directly. I can be reached at the information provided below.

I want to thank the members of the Indiana Collectors Association for allowing my company the opportunity to participate in all of their functions and for allowing TSI to be a part of their organization.

Transactional Services, Inc.  
1155 South Semoran Blvd. Suite 1111  
Winter Park, Fl. 32792  
Mr. Brian Wasserman  
(407) 678-5886 ext. 22  
(866)878-5886 ext. 22  
brian.wasserman@tsipay.com

## TRAINING PRODUCTS AVAILABLE IN THE ICA LIBRARY

The following training materials are available to ICA members free of charge. It is important that the two week time limit for each member be followed, so that others may use the materials. To obtain any of these, please contact Anne Young at [anne.young@decaturwb.co](mailto:anne.young@decaturwb.co)

### VCR TAPES

Professional Telephone Collectors' Techniques  
Without A Doubt Training Kit  
The Check's In the Mail  
Playing Fair  
What's Fair-Communication & Contact Under the FDCPA  
Compliance At Every Step  
The Problem Solvers  
Keys to Successful Collections  
Let Their Emotions Be Your Guide  
Problems and Solutions

### AUDIO CASSETTE TRAINING SERIES

Collection Problems and Solutions  
Basic Telephone Collecting

Skiptracing

### CD-ROM

Introduction to FDCPA Version 5.2  
Introduction to FDCPA Version 6.02  
Computer-Based Training Professional Telephone Techniques  
Version 3.0  
Computer-Based Training Professional Telephone Techniques  
Version 5.0  
Learning to Lead-Skills for Effective Leadership  
Getting to Know the FDCPA



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