

# Defeat Debt

Credit Advisors Foundation

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## Keeping Focus: Answering the Hard Questions

You've created a budget. You've established both short term and long term goals according to what is right for you and your family. You're going through the process of paying down your debt. You've taken the time to examine your spending behaviors and are working toward correcting and redirecting those behaviors towards more positive and productive outcomes. You've made great strides. Good for you!! But do you feel restless? Unsettled? Like something is not quite right? It may be time for the next step on your journey to freedom from credit and debt.

It may be that you have yet to confront your subconscious relationship with money and credit. In other words, the "why's" of it all.

Why do you behave the way



*Checking the beliefs behind behaviors helps you keep focus on your goals.*

you do with money or credit and debt? Why do you have the unhelpful spending behaviors you have been trying to change? What belief system is lurking behind it all? It's time to ask the hard questions. Why did you live with the resulting problems, sometimes for years? Especially when they often affected so many different aspects of our lives like our most valued relationships with others? Why did you try to cover up or deny those problems? Why do some of us even deny we attempted to cover up the problems?

Why are we so good at spotting the problems of others without examining how we contribute (either consciously or unconsciously) to our own?

Did you know that according to a recent study conducted by ACA International (Association of Credit and Collection Professionals) 92 percent of Americans believe consumers are too far in debt? We wonder what the responses would have been if these same Americans were asked if *they* had too much debt?

This same study examined the reasons Americans say

they pay their bills. The results, in order of prominence were

If they don't pay:

- they will be called by collection agencies
- they won't be able to make additional purchases (hmmm?)
- their credit score will go down

Far less frequently, consumers cited concerns of the impact on their creditor and concerns for the impact on the American economy. Unfortunately, all of these reasons are much more focused on external reasons for the paying of bills than intrinsic or internal reasons. We seem much more concerned with the consequences imposed on us by others if we don't fulfill the responsibilities we've previously agreed to in acquiring credit than for any consequences we impose upon ourselves in relation to our self image, self respect or self esteem.

Now, granted, that's a pretty tough assessment, but only if you believe that is the whole story. Defeat Debt doesn't think it is.

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## Keeping Focus

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What about our societal predilection towards *not* discussing money, credit, debt or the attending issues surrounding these topics? Isn't it odd that we are highly concerned with and steadily discuss the pros and cons of educating our children about sex and yet, are seemingly unconcerned with educating them about personal finance and the consequences of their credit and debt decisions?

It seems that with credit and debt, the moment the questions become "threatening" we develop defensive reasoning to protect ourselves from embarrassment, vulnerability or the appearance of incompetence.

But why?

How many of us had a class in school that explained all there was to know about credit and debt? (Yet, how many

of us signed up for driver's education?) How many of our parents knew enough to teach us? (Credit cards did not insinuate themselves into the wallets of the American general public until the 1960's and credit qualifications were eased just over 20 years ago. We haven't had terribly long to learn about it, now have we?)

How many of our parents learned what they understood about credit and debt from parents who experienced (or experienced themselves) the credit and debt hardships of the Great Depression? And why, no matter how much money we have, does it seem we would be okay if we only had a little more?

Yet, we say we know money isn't



*It's time to ask and answer the hard questions.*

everything, that there's more to life than money, then we go on that shopping spree with a credit card, or that cruise we'll be paying for, for the next 10 years.

So yes, it's time.

It's time for us to ask and answer (honestly) the hard questions. The questions about how we came to this point in our relationship with money, credit and debt. It's time

to step up on our success so far and seek a more fulfilling success.

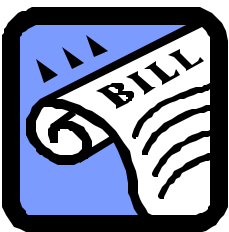
It's time to understand that when it comes to credit and debt, as with any relationship, it's not about controlling and winning, it's about managing our interaction in new winning and productive ways.

## Fair Credit Billing Act

Checking your credit report periodically is an excellent way to detect identity theft, but checking your monthly creditor statements may provide you with faster opportunities for detection. What if you are billed for something you never ordered? Or perhaps you are charged twice for the same item or a credit never shows up on your account? Yes, these instances can be frustrating to resolve but according to the Federal Trade Commission (FTC) with some patience and knowledge of the dispute settlement procedures provided through the Fair Credit Billing Act (FCBA) they *can* be corrected.

The FCBA applies to "open end" credit accounts, such as credit cards, and revolving charge accounts – such as

department store accounts. It does not cover installment contracts – loans or extensions of credit you repay on a fixed schedule, cars, furniture or major appliances purchased on an installment basis for example.



*Always check your credit card bills for errors.*

*What types of disputes are covered?*

The FCBA settlement procedures apply only to disputes about "billing errors." For example:

- unauthorized charges. Federal law limits your responsibility for unauthorized charges to \$50;
- charges that list the wrong date or amount;
- charges for goods and services you didn't accept or weren't delivered as agreed;
- math errors;
- failure to post payments and other credits, such as returns;
- failure to send bills to your current address - provided the creditor receives your change of address, in writing, at least 20 days before the billing period ends; and charges for which you ask for an explanation or written proof of purchase along with a claimed error or request for clarification.

*To take advantage of the law's consumer protections, you must:*

- write to the creditor at the address

*Checking your monthly creditor statements may provide you with faster opportunities for detection of identity theft.*

given for "billing inquiries," (often found in the small print on the back of your billing statement) *not* the address for sending your payments, and include your name, address, account number and a description of the billing error.

- send your letter so that it reaches the creditor within 60 days after the first bill containing the error was mailed to you.
- send your letter by certified mail, return receipt requested, so you have proof of what the creditor received. Include copies (not originals) of sales slips or other documents that support your position. Keep a copy of your dispute letter.

The creditor must acknowledge your

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# Word Search

C O L L E C T I O N S R

From our articles this month in the Defeat Debt come the words to look for in our puzzle :

L E G A L R T B S N U K

BILLING FOCUS

Q F M W J E D U E X C S

BUDGET INTRINSIC

U O O V Q D E D G L C A

CHARGES LEGAL

COLLECTIONS MONEY

E C N A N I F G R B E S

CREDIT PAYMENT

DEBT PROBLEMS

S U E C B T E E A I S M

DEFENSIVE QUESTIONS

FAIR RIGHTS

T S Y U R J N T H L S E

FINANCE SUCCESS

Fair Credit Billing

I N T R I N S I C L S L

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O N B A G R I A F I E B

complaint in writing within 30 days after receiving it, unless the problem has been resolved. The creditor must resolve the dispute within two billing cycles (but not more than 90 days) after receiving your letter.

N Q E Y H K V F J N G O

S Z D R T H E M P G M R

A L I E S T N E M Y A P

*What happens while my bill is in dispute?*

You may withhold payment on the disputed amount (and related charges), during the investigation. You must pay any part of the bill not in question, including finance charges on the undisputed amount.

The creditor may not take any legal or other action to collect the disputed amount and related charges (including finance charges) during the investigation. While your account cannot be closed or restricted, the disputed amount may be applied against your credit limit. Knowing your rights and responsibilities in such a situation will allow you to resolve issues quickly, as a smart consumer, and give you some added protection against identity thieves.

Compiled from information located on the FTC website, [www.ftc.gov](http://www.ftc.gov)

Sponsored by:



**Seminar Location:  
1850 South 72<sup>nd</sup> St.  
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**FREE!**

## Understanding Credit Reports

Friday, June 17, 2005

11am & 12:30pm

Please RSVP by June 15th

402-501-8182 or  
[emily@creditadvisors.org](mailto:emily@creditadvisors.org)

Out of area? Toll Free Conference  
Call: 1-866-285-7780  
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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

### Ground Beef & Potatoes Casserole

Our recipe this month is a ground beef and potatoes meal, made extra easy in your slow cooker. This recipe makes plenty, but it's so good, don't count on leftovers, as it quickly disappears.

#### Ingredients:

- 1 1/2 pound lean ground beef
- 1 large clove garlic, minced
- 1 teaspoon chili powder
- 1/2 teaspoon pepper
- 1 teaspoon thyme
- 4 to 6 medium potatoes
- 2 large onions

#### Preparation:

Cook ground beef and garlic in skillet until lightly browned. Stir in pepper, thyme and chili powder. Peel and slice potatoes and onions. Put 1/2 potatoes and onions into buttered slow cooker. Add 1/2 browned beef and 1/2 of the frozen vegetables. Repeat the layers. Mix mushroom soup, celery soup with

- 1 can (10 3/4 oz.) condensed cream of mushroom soup
- 1 can (10 3/4 oz.) condensed cream of celery soup
- 1/2 cup milk
- 1/2 teaspoon Worcestershire sauce
- 1 1/2 cups frozen peas and carrots



*This tasty casserole doesn't require a lot of attention.*

milk and Worcestershire sauce and spread over top of slow cooker contents. Cover. Cook on low for 8 to 10 hours or on high for 3 to 4 hours.

Makes 8 servings at \$1.00 per serving.