

Alliance Collection Service, Inc. Newsletter

"Information you can use"
888-764-3449 www.alliancecollectionsservice.com

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Issue: 47



Welcome to Alliance Collection Service, Inc.

Consumer Financial Protection Act of 2010 - (Excerpts from Collector Mentor)

In July, 2010, President Obama signed into law the Dodd-Frank Wall Street Reform and Consumer Protection Act. This statute undoubtedly marks a sea of change for our industry, debt collection. Title 10 of the Act is known as the "Consumer Financial Protection Act of 2010" (CFPA) and has the potential to effectuate sweeping changes across many aspects of the collection industry, according to Tomio B. Narita of Collector Mentor.

The CFPA establishes a "Bureau of Consumer financial Protection" that will assume broad regulator powers over debt collectors and virtually all other "covered persons" who have any connection to consumer financial products or services. The Bureau will have exclusive rule-making authority with respect to all significant federal statutes that impact the collection industry, including the Fair Debt Collections and Practices Act, (FDCPA), Fair Credit Reporting Act, (FCRA) and others," according to Narita.

At ACSI, many of our clients continue to experience substantial changes in rules and laws in multiple areas of their business. This Act promises to make things even more complicated, mainly due to the uncertainties that remain as to how it will impact the collection industry. One thing is for certain, major changes are coming in the very near future. With numerous changes to Medicare, Medicaid, HIPAA, HITECH, RAC, and many other government programs, the CFPA promises to add to the burden of running a business, if that business is considered a "covered entity". Our medical clients know what that means all too well.

According to Narita, the CFPA also defines "service providers" to include "any person that provides a material service to a covered person in connection with the offering or provision of such covered person of a consumer financial product or service," including a person who "processes transactions relating to the consumer financial product or service." Thus, if you are a debt collector, or even a "service provider" for a debt collector, you are likely subject to the CFPA.

[ACSI "A company large enough for what you need, small enough for what you want."](#)

In This Issue

[Payment Plans](#)

[A Law to Watch](#)

[Collection Fees](#)

[A Word Of Inspiration](#)

[Featured Article](#)

[ACSI Collector's Pledge](#)

A Word Of Inspiration



"Another One Bites the Dust"

I just read another article concerning the big city phenomena that is "Mega Church." Apparently, another one has filed bankruptcy on its \$43 million dollar spread. Does anybody else see a problem here? Maybe some "Christian" millionaire will buy that thing and turn it into a hotel for the homeless and eradicate California's homeless problem overnight. What are we thinking? If the consumer

The CFPA will have far reaching affects on many of us that deal with debt at any level. We will continue to monitor the progress of the Act and pass along updates as they become available.

(Excerpts from Collector Mentor September/October 2010 edition, by Tomio B. Narita, "an overview of the consumer financial protection act of 2010 for debt collectors"; pages 14-16.

Technology Has Made Us Lazy Communicators

I recently received an email from a friend with so many typos and misspellings that I could barely read it. Keep in mind, this person is highly educated and typically a pretty good writer. I had to pick up the phone and call him just to figure out that he wanted to know where we were going to meet for lunch. This incident got me to thinking. How often do we let the convenience that comes with modern technology make us poor communicators? After paying close attention to this for a month or so, I think the answer is pretty much what I expected.



Now I know that you can't apply the same professional standards of communication to a friendly Saturday afternoon text that you do to an office memo. But my point is, have we started using the same kind of lazy shorthand in our professional correspondences that we use when telling our spouses that we will pick up the dry cleaning? You may argue that sometimes short and sweet works better. I agree. However, there are situations where we should all concentrate more on making sure the message received is the message we intended. Here are a few examples of what I mean.

* Spelling and grammar still matter. Wow, it makes me feel old just typing that, but it is true. Don't you think it is interesting to know that all modern word processors have a spell check function, but for some reason people can't spell three letter words anymore? My high school English teacher used to always say that bad spelling is a sign of ignorance and laziness. That's pretty harsh, but she probably had a point. That being said, I am the world's worst speller. When I send out a handwritten note, I first type it into my word processor to insure proper spelling. Now that is embarrassing. But I do it every time to make sure that the person getting the card doesn't think I am unprofessional or illiterate. The same thing applies to grammar. Since when did it become acceptable to send a client an email that has 300 words, but only one period? I see this happen all of the time.

* Letter writing on paper is a lost art. When was the last time you actually wrote a letter to someone? If you are like me, you probably think back to heartfelt love notes passed around in high school. That is kind of a shame. There is something about the time and dedication it takes to send someone a letter, whether professionally or personally. A more common example is when we send out hand written "thank you" cards. I am always amazed by how surprised people are when they get a card from me. That tells me that they don't receive them too often. This is something to keep in mind the next time you want to make a good impression. If handwritten correspondences are a thing of the past, set yourself apart by using them as often as possible. How retro!

* Don't confuse a quick text with a professional email. We have already talked about this one, but it is so common. Granted, many times a quick five word email will suffice. But more often than not, limiting yourself to a quickly pecked

mentality of "The Church" makes me sick, I can't imagine how God must feel(see Ecclesiastes 5). I wonder what message Jesus might preach if He was invited in (no pun intended) to speak at one of these establishments - maybe a story about a rich young ruler, perhaps. I know there have to be a few good Christians that are attending these services, but I thought a major attribute of Christianity was humility, "if My people who are called by My name would humble themselves...". What happened to putting others before ourselves?

Let me plead with the Christians reading this to do something this month to help restore dignity to the term "church" by simply being faithful to God and what He has asked you to do. To Him be the Glory.

Live free in Christ,

Judge Kevin Crook

HEALTHY TIP



10 Health Benefits of Spinach

Popeye the sailor always ate his spinach to get a boost in strength. Maybe we should be doing the same thing.

1. **Sight:** Spinach contains a natural pigment known as lutein, and lutein has been studied and shown to have properties that help to prevent cataracts. Lutein also helps to prevent weakness in the eye muscles caused by aging.

2. **Cancer:** Spinach is also loaded with natural antioxidants called flavonoids. As an

out email, means that you are sacrificing important details and context. Yes, we all want an answer quickly, but isn't it equally important that the message make sense when people try to read it?

* Sometimes a phone call is the only thing that works. I am ending this article with the big one. Again, I am very guilty of this. You have a million things to do, 20 emails to return and a text from your wife about picking up groceries. The last thing you want to do is make a phone call to a client about something you could probably just email them on. We are constantly weighing our options in this area. We convince ourselves an email is just as good as an old fashioned conversation. Wrong. I know this from experience. Not too long ago, I sent a client a quick email in response to a question. Five emails later, I realized a two minute conversation would have saved us both a tremendous amount of time. In 2010, the modern default is an email. All I am saying is give it some thought the next time. Don't allow yourself to be on autopilot. Try and decide if your email is solving a problem and answering questions or is it just going to generate another Reply. Sometimes the phone still works best.

With all the conveniences modern communication tools offer us, there is still a need for critical thinking, attention to detail, and common sense. By applying a few of these tips to your everyday interactions, you will set yourself apart from the pack. Of course, I am now paranoid that this article is full of typos, misspellings, and confusing ideas. We are all a work in progress.

Jesse Hamby
Tennessee Sales Director
Alliance Collection Service, Inc.

A law that you need to watch

Telephone Consumer Protection Act

The Telephone Consumer Protection Act (TCPA), and many of its recent changes, is causing concern in our industry for many reasons. Like many of the other acts that you have to deal with, this one is not clear in many areas. This is no surprise to many of us because we have become somewhat accustomed our government mandating rules but not clarifying what the rules are.



One thing that the TCPA addresses, and causes some concern, is the laws position on cellular phone numbers. An increasing number of people are providing a cell phone number as their "home" number when they sign in for medical care. The new law proposes limited, if not restricted, contact with people using cell numbers even if they give it to you as the home number.

Here are a few links if you would like to view them and learn more:

Consumer financial protection act
CFPA - <http://www.opencongress.org/bill/111-h4173/show>

Telephone consumer protection act
TCPA - <http://www.fcc.gov/cgb/policy/TCPA-Rules.pdf>

antioxidant, flavenoids help the body fight against cell damage from within. Which also helps the fight against cancer, reducing a person's chances of contacting various forms of cancer, especially prostate cancer.

3. Energy: Perhaps this is where Popeye gets his powers from spinach. Iron is high in the leafy plant, and iron helps to carry blood throughout the body by helping to build red blood cells. More oxygen throughout the body and stronger red blood cells means more energy and less fatigue.

4. Cholesterol: Cholesterol is that bad stuff that brings about blockages in the arteries. Vitamin A, Vitamin C and Vitamin E all help to prevent or lessen the build up of that cholesterol within the arteries. Guess what contains its fair share of all those vitamins? If you guessed spinach, you win the prize! Sorry, not really. No prizes being handed out today. I can't afford them.

5. Bone strength: Or maybe this is how Popeye builds his strength with spinach. Vitamin K is also common within spinach, and Vitamin K helps the bones to retain higher levels of calcium. And that calcium keeps the bones strong and helps to prevent osteoporosis, a disease in which bone density is reduced and fractures become more common.

6. Blood pressure: Sodium raises your blood pressure. Spinach doesn't have a lot of sodium. But it does contain plenty of potassium, and potassium helps to lessen the effects of sodium and helps to keep blood pressure lower. So, eat your spinach! But always check with your doctor about what to eat if you are suffering from high or low blood pressure or if you are suffering from any disease or are just not feeling well.

7. Diabetes: Eating spinach regularly is known to regulate blood sugar levels, so diabetics

We recommend that you put into your patient financial agreement, as soon as possible, language that would give you specific permission to contact your debtors via their cell.

This will be of great service to you when the rules become final and take affect. Have your attorney or board look it over to makes sure it fits in with your business model but have something like this inserted into your documentation:

"I give permission to service provider and provider's business associates to contact me via the numbers I have provided on issues associated with my account with provider to include cellular numbers connected with me or my account."

Until the changes are finalized, it is difficult to say specifically what language will be required but this will give you a good start.

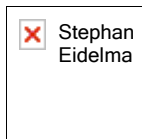
We at Alliance will continue to monitor this bill and keep you posted when updates are made available. You can also monitor "Legal Issues" on our website at www.alliancecollectionsservice.com/legalissues.php.

Thank you for being our client.

Tony Palmer
Director of Collections
Alliance Collection Service, Inc.

Collection Fees Should Be Based on Work Requirements

Posted by Stephanie Eidelman on September 20, 2010 / Inside ARM



Decades ago, the commonly accepted fee for contingency collection services was in the neighborhood of 33 percent. Over the years, various pressures have pushed that average closer to 16-18 percent. One might think that the reduction in fees would be compensated for by improvements in technology. In some ways, this is true. However the reality is more complex.

At the Debt Connection Symposium last week in Las Vegas, Steve Leckerman (EVP and COO of NCO Group), Warren Rosenfeld, Esq. (former CEO of You've Got Claims), John Rousseau (Portsider Group), and Troy Withers (operations manager of Ally Financial -- formerly GMAC) participated in a panel discussion titled "When is 'Enough' Enough?" The core issue at hand was whether collection agencies and law firms feel that they have the leverage to negotiate price with their creditor clients, or whether they feel compelled to take business regardless of profitability. In fact, Rousseau contended that many -- on both sides of the equation -- don't even know for sure whether any particular client business is (emphasis added) profitable.

Rosenfeld explained that as technology became a new reality for collectors, the early tendency was to believe "Okay, we've bought computers, we've invested in a dialer, etc... that's done." As time went on, they began to understand that these investments would be recurring and that there will always be a need to upgrade to the latest technology. So while fees have decreased, some costs have actually increased. Leckerman also added that the cost of entry into the

should probably eat some spinach. It's all the magnesium in spinach that helps this vegetable to regulate blood sugar levels.

8. Weight loss: Spinach doesn't have a lot of calories, about 40 calories per cup of uncooked spinach. That combined with the fact spinach has twice as much fiber as most other lettuces means spinach is an excellent food for losing weight. The low calories means you can eat until you're more than full. The extra fiber means your body isn't going to hang onto much of that spinach (or anything else, for that matter) for very long.

9. Aging: Considering all the anti-oxidant properties, vitamins, minerals, lutein and everything else found in spinach, this eatable green is known to strengthen the skin and thus to help with wrinkles and such with bring about the more aged look. So maybe try some spinach instead of going to the plastic surgeon. Just an idea. Don't mean to tick off any plastic surgeons.

10. Stronger teeth: Remember all that Vitamin K from spinach that strengthens the bones? Well, your teeth are bones. Which means if you want stronger teeth, eating spinach is a bright idea.

The last word: Spinach isn't for everyone. In fact, if you suffer from gallbladder or kidney troubles, you shouldn't be eating spinach. Spinach contains an oxalic acid which is not good for those who suffer from problems with kidneys and gallbladders. Talk with your doctor about your diet.

<http://healthmad.com/nutrition/10-health-benefits-of-spinach/>



WE WOULD LIKE TO KNOW:

What advice would you give to other Practice Managers when

industry has changed substantially due to the numerous and inconsistent security requirements imposed by clients. Withers noted that as lenders, they are continually asked for tighter and tighter security by regulators.

Rousseau indicated that creditors dictate work standards for their debt collection agencies and law firms without understanding the costs. As a result, the fees they establish are arbitrary. He contends that this is a one-way street to an unproductive relationship with poor financial results for all involved.

To combat this paradigm, Rousseau proposed a Dynamic Accounts Receivable Expense Strategy (DARE), which evidently he originally dubbed the Full Utilization of Collection Knowledge program (you create the acronym). This involves full understanding of the true cost of each of the components of the work standards.

Some examples: How much does it cost to pull a collection score? How much to report to one credit bureau -- how about two? How much for a manager review? What does a contact or no contact cost? How much to leave a message on an answering machine? How much for a letter? How much to allow client monitoring/auditing? All of these and more are frequently listed by creditors as required meaning that often, the sum of the cost of the work standards may well exceed the potential yield of the account.

Rousseau says that contingency collection fees need to be based on the actual costs of the components in the work standards. This will help to ensure profitability for agencies and law firms, and better net back to the client. A clear understanding of individual activity cost -- and client priorities -- will also provide a clearer road map for process improvement and efficiency gains.

Additionally, both creditors and their service providers should be willing to entertain creative approaches such as work standards by score yield or balance, or fees based on account score range or balance. But this is only possible if each side truly understands the cost dynamics of the others' business.

What are you seeing from your creditor clients in fee negotiations? Or are there any negotiations at all? Are clients requiring more work for the same rate?

Stephanie Eidelman is the President and Publisher of Kaulkin Media and insideARM.com. She can be reached by [email](mailto:seidelman@kaulkinmedia.com).

<http://acm-ms.blogspot.com/>

Compared to what I put God through....

From time to time God , I believe, places us into positions of difficulty in our lives in order to remind us that we have lives filled with opportunity and good and to help us to grow and mature. Each of us has faced adversity in our years on this planet, some of us more so than others, granted; however, do we stop often enough to consider how we bless others or how we might bless others, especially those under our supervision, due to our experience in a particular area?

As most of you know, I have four children. I learn every day of how different they are from one another and from me. Each has their unique traits, both positive and negative, but I



they are considering a new EMR System?
[CLICK HERE FOR MORE INFO](#)

Please email me with your advice
shill@alliancecollectionservice.com

Collectors Pledge

I believe every person has worth as an individual

I believe that every person should be treated with dignity and respect

I will make it my responsibility to help consumers find ways to pay their debt

I will be professional and ethical

I will commit to honoring this pledge

Alliance Collection Service Offers More



At ACSI, we pride ourselves in providing a necessary service without risking our client's good name by treating debtors with respect and dignity. We have added a number of services over the years and continue to build on a great foundation made possible by great leadership and great clients.

love them all equally. As each faces their own challenges in life, I am reminded that we cannot deal with every individual in the same way. Personality traits in each person differ greatly, thus, any response or advice we give during a time of change for that person must be geared toward that person's personality and life. If we fail to take the time to consider this and all the possible ramifications that could come from our response, we are at risk of damaging this person for the rest of his/her life and likely suffering at least some level of loss in our own lives and positions.

I have seen, as I am sure you have, some parents and supervisors who just "don't have time" to consider the differences in people. Usually, these people apply one set of rules to everyone. My own dad was this way. This strategy may be great for the supervisor who may save an immense amount of time and energy; however, in the long term this supervisor may be at risk of losing a valuable employee or at least having that employee feel unimportant enough that they just "check out" to a degree. The employee will likely become a nine-to-fiver, watching the clock and not caring about the company for whom he/she works. In his/her mind, it is a fair trade. "If the company, or supervisor, doesn't care about me, then why should I care about them?" It is a sad end to what may have been avoided if someone could have taken a minute to consider the long term affects of a given situation. If you think about it, how many children have you met whose parents just let them go, do as they please, and make statements like "well, boys will be boys or girls will be girls? More often than not, I am convinced they just don't want to spend the energy to deal with it. How lazy am I as a parent if I don't at least make an effort to understand what is truly going on in my children's lives and give direction accordingly instead of telling them to "figure it out" or "that's life"? And can that same question be posed to me as a supervisor of persons?

Obviously we live in a busy world and can hardly spend time to babysit every individual we supervise. I am not advocating that at all. But if we can consider the benefits of considering the differences in personalities in others, then we might be able to invest a moment or two now to save weeks and months in the future and possibly make our own lives a little less stressful in the process.

George Benard Shaw wrote: "This is the true joy in life-that being used for a purpose recognized by yourself as a mighty one. That being a force of nature instead of a feverish, selfish little clod of ailments and grievances complaining that the world will not devote itself to making you happy. I am of the opinion that my life belongs to the whole community and as long as I live it is my privilege to do for it whatever I can. I want to be thoroughly used up when I die. For the harder I work the more I live. I rejoice in life for its own sake. Life is no brief candle to me. It's a sort of splendid torch which I've got to hold up for the moment and I want to make it burn as brightly as possible before handing it on to future generations."

I believe this is well said, and I believe that God uses my children to show me how he looks at me. I have given Him much more trouble than my children or an employee could possibly give me. Now if I can just remember that, maybe my hair won't fall out so fast.

Thanks for reading.

Ken Dulaney
Director of Sales & Marketing
Alliance Collection Service, Inc.

"The Shepherd's Hands" to provide for alarm system at



ACSI provides:

Contingency Collection Services

Pre-paid Collection Services (No minimums)

Skip Tracing

Legal Services

National Credit Reporting

Expanded Reporting on Demand

Trending Reports

Training Seminars FREE (on-site or online)

Online Account Access FREE

Secure Account Placement FREE

Digital Call Records FREE

Hot Topic Research

Personal Service (No automated answering system to drive you crazy)

and much more.

Give us a call today at 888-764-3449 and experience a truly transparent and stress free collections process. Or, visit our website at

[Click here](#)



VIDEOS ON ACSI WEBSITE!

The Tupelo Children's Mansion

Tony Palmer, Director of Collections for ACSI and VP of The Shepherd's Hands charity, presented a check for \$5000 to The Tupelo Children's Mansion of Tupelo, MS, in October. The Mansion houses over 40 children at risk and provides them with a safe Christian environment to live and learn. The Mansion requested the funds to install a security system for all the dorms to include pass keys.

ASSOCIATED COLLECTORS OF MISSISSIPPI 2010



Jeff Chambers

In early October, 2010, Mr. Jeff Chambers, President of Alliance Collection Service, Inc., attended the Associated Collectors of Mississippi meeting in Biloxi, MS, accompanied by Tony Palmer, the Collection Manager for Alliance.

NEW TRAINING VIDEO

ACS is proud to announce that we have posted the newest training seminar on our website. Jennifer Hamby of My Credit My Future and Data Facts provides Credit Training 101 in a simple and professional production developed especially for you, your staff, and even your debtors.



Please visit our site and gain new insight on how to manage your credit score today [here](#)

Visit Jennifer's site at www.mcmf.net

ACSI has begun to upload training videos to our website for your use 24 hours a day, **ABSOLUTELY FREE!**

Collection Account Flow Process [CLICK HERE!](#)
(What happens to your account when you place it with ACSI)

Basic Collector Training [CLICK HERE!](#)

Simple Time Management [CLICK HERE!](#)

Also, under the "general" tab, find some fun mixed martial arts exercises with professional MMA trainer Chris Gates.

We hope you find these training videos helpful and informative.

Please email us with your feedback

at

shill@alliancecollectionservice.com

More to come soon!

Ken Dulaney
Director of Sales & Marketing
Alliance Collection Service, Inc.



WE WOULD LIKE TO WISH

A HUGE

CONGRATULATIONS

TO

**MICHAEL AND ANDREA
GIBSON!**

**THEY WERE MARRIED
11-6-10**

**Michael Gibson is the
Collection Supervisor here at
Alliance Collection Service,
Inc.**



Alliance Collection Service, Inc - www.alliancecollectionsservice.com
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