

NACM



Phoenix Chapter

Credit and Financial Development Division

First Quarter, 2012

Volume 6

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**Happy New Year to all and Welcome 2012!
Wow, where did 2011 go?**

Sheila C. Roames, CCE
President, CFDD-Phoenix Chapter



This past year was an excellent year for our Chapter. Our membership grew; we added new designations added to our Chapter thanks to our amazing education program; our chapter received yet another Program Award from CFDD National, we gave several scholarships, and raised money for our

scholarship fund thanks to our dedicated members purchasing tickets and member companies donating items for the fundraiser.

Points of Interest:

- Membership in CFDD, Broadening Your Business Knowledge
- Setting SMART Goals in 2012 – Get What You Want
- How Do I Get My Property Back That My Debtor Has Transferred To Others
- NACM & CFDD in the Southwest

We installed our new Board of Directors in 2011 for a two year term. Thank you to all of you who took the time to vote for your new officers, we are all honored to serve this fantastic organization

Thanks to our very creative Vice President, Ellen Wodiuk, CBF our programs were remarkable in 2011 which helped educate our membership benefiting the new beginners to Credit as well as the seasoned Credit Personnel.

We are very interested in utilizing the various talents amongst our CFDD Phoenix Members and promoting from within, therefore we are encouraging our members to be our Presenters at our “CFDD Day”. There is so much talent and knowledge within our very own members that can benefit the rest of our membership. Please contact our Vice President, Ellen Wodiuk, CBF, if you are interesting in presenting.

I would like to thank all of you, who support your local chapter by attending monthly meetings because it is “CFDD Day” as well as your company and personal donation of items for our monthly raffles. All proceeds go directly to our scholarship fund. We could not do this with out you!

Please mark your calendars and save the date for the following events; June 10-13, 2012 is the 2012 NACM Credit Congress in Dallas, Texas. Our CFDD National Conference is slated for September 2012 in the Pacific Northwest!

As we look forward to the year ahead, filled with awesome credit programs, great fundraiser opportunities, membership drives and scholarships to be given out, you cannot help but be super excited about it. Please continue to support your local chapter by attending (and bring guests) every CFDD DAY. Hope to see you all real soon!



Revised, *Edited* Article: Setting SMART Goals in 2012 – Get What You Want!

Colleen Kettenhofen

“Set a specific goal and take action. Goals are nothing without action.”

Does the new beginning represented by a New Year get you dreaming of how you can achieve more in the coming 12 months?

Whether you want to increase sales, grow your business, take a long-deserved vacation, or lose weight, you can make greater success possible. How? By setting SMART goals. Each one of these five SMART goal techniques leads to taking action on your goals, because, ultimately, goals mean nothing without action.

Now, if you’ve heard these techniques before, chances are you didn’t put them into practice. But, when you apply them diligently, I guarantee they will work for you. It’s been true for me. Since I’ve used them to commit to my dreams of being an author and speaker, I’ve enjoyed a career that gets better every year.

SMART goals stand for Specific, Measurable, Attainable/Action-oriented, Realistic, and Time specific. Be sure to practice these techniques faithfully and consistently to reach your goals.



Specific: Write down your specific smart goals. Then, write down an *affirmation* for each of your goals on an index card. *The affirmation is the secret ingredient.* Make sure it starts with the words “I am” to keep it personal, positive, and in the present. Next, add a feeling word such as “happily,” or “easily,” or “peacefully.” Next, add a verb or action phrase such as “enjoying my new promotion as a director,” or “losing weight by walking thirty minutes five days a week.” Finally, state a specific month and year for when you’d like to have attained that goal.

Measurable: One of my affirmations for a specific goal in 1995 was this: “I am easily conducting speaking engagements all over the world, including in Hawaii, by March 1996.” Write down a specific date. As a matter of fact, be as *specific* and *measurable* as possible including things like a job title promotion, specific sales goal, or amount of money you’d like to be earning.

Attainable/Action-oriented: One the back of the index card, I spent several minutes each morning writing down action steps for how I would achieve this goal. I then visualized myself taking action and reaching it. Olympic athletes do this because they *know* it gets results!

Realistic: My goal of doing business in Hawaii might seem unattainable yet having “interviewed” dozens of business speakers who gave presentations at conferences in Hawaii, I knew this was realistic, and have since achieved it. I set the same goal for speaking in Alaska, which is – now a favorite place for me to work. I say this not to brag, but to let you know that, if you practice these techniques, they can work for you, too. Yes, I had to overcome my skeptical thoughts, but experience has taught me how well it works.

Time specific: In 1995, I gave myself nine months to parlay my experience as a manager and award-winning salesperson into sharpening my knowledge as a leadership expert. From there, I could achieve the goal of becoming a professional speaker. It included developing a brand and marketing materials to attract the clients who could use my expertise. This initial hard work in the first nine months set my dreams in motion and led to my success today.

Be sure to review your goals and affirmations – during that first hour of the morning and the last hour before bedtime – when your subconscious is most amenable to suggestion. And add another secret ingredient – visualize how it *feels* to already have achieved those goals.

Keep your written SMART goals in your wallet and post them on your bathroom mirror as well as other places you can easily see them. After a while, your mind automatically comes up with action steps for how to achieve them.

Most important, don't wait another day. Dream about your future now and set SMART goals to make that dream real within the next 12 months!

##

Colleen Kettenhofen is an international workplace employee and management expert, corporate speaker, and career turnaround specialist. She has recently interviewed more than 200 managers and CEOs for her new book, *Secrets Your Boss Isn't Telling You*. A media expert, she has appeared on numerous radio shows and has written more than 40 popular articles on diverse workplace issues. She has published 10 audio programs and two books, available on her website www.BounceBackHigher.com. To have Colleen assist with successful goal-setting in your organization through her keynotes, seminars, and workshops, call toll-free (800)323-0683 or (623)340-7690 in Phoenix, AZ.

Membership Corner — CFDD's 86 in 86 National Membership Drive

E. Wodiuk, CBF

As we celebrate our 86th year the membership concept is to add "86 new members nationwide" to our professional organization. In Phoenix we are well into our Membership dues drive for 2012; we have gained a few and lost a few. The board thanks all of you for your prompt responses and payments for the annual dues.

SO You could be a WINNER, here's how... CFDD National is offering members who successfully recruit new members to be entered into a drawing to win "Registration fee" at the CFDD National Conference in Seattle 2012. Also any member who successfully recruits 5 new members will receive a \$50.00 gift card!! Wow, that is great incentive to ignite and invite a guest to a meeting!

Anyone who needs information on how to recruit, invite or investigate a new member please feel

free to contact your friendly neighborhood board members! Happy New Year!



National Association of Credit Management

Education & Scholarship Information

Dee Polito

Education/Scholarship Chair,
CFDD-Phoenix Chapter

On-Line Courses Begin in 2012

- Online Accounting Course
- Online Credit Law Course
- Online Business Law Course



Local Courses Begin January 2012.

Southwest Business Credit Services, NACM of Arizona, has proudly sponsored and offered classes for the CAP and ACAP programs.

In January, Principles of Business Credit will begin. In February, Basic Financial Accounting will be offered. These intensive programs offer a comprehensive look at the credit function. The National Education Department developed the Credit Administration Program (CAP) and the Advanced Credit Administration Program (ACAP) to meet the educational needs of today's credit professional. Both programs comprise a series of college-equivalent courses designed to improve or enhance the credit professional's skills and knowledge. For more information please contact Nancy Slaughter at (602) 252-8866.

Attention! CBA, CBF, and CCE testing information.

- Paperwork Deadline for the National Certification (CBA, CBF and CCE) Exams
- **Certification Schedule**



- **Scholarship Form**



- **CAP/ACAP Programs**



QUESTION: HOW DO I GET THE PROPERTY BACK THAT MY DEBTOR HAS TRANSFERRED TO OTHERS?

ANSWER: USE THE FRAUDULENT TRANSFER ACT AND DEAL WITH DUMB DEBTORS!

Mike King, Esq.

Gammage & Burnham, P.L.C.



Let's start with how not to defraud creditors. Lawrence Clarkston was a classic dumb debtor! (In re Clarkston, 387 B.R. 882 (Bkrtcy.S.D.Fla. 2008)). Lawrence Clarkston owned real estate in North Carolina. He owed \$97,000 for child support to one of his ex-wives. The property in North Carolina was Mr. Clarkston's only significant asset. He was insolvent!

Mr. Clarkston deeded the property in North Carolina to his then-former wife, Connie Clarkston (not the one to whom he owed the child support). All he received for deeding the property to the former wife was that she paid off the mortgage of \$13,800. She sold the property two months later for \$44,712.41. Mr. Clarkston then filed for Chapter 7 bankruptcy. (Did we mention that Mr. Clarkston was living with his then-former wife, Connie Clarkston at the time of transfer of the property?) Some time after that, Lawrence Clarkston and Connie Clarkston remarried.

After taking testimony and analyzing the case, the bankruptcy court entered judgment against Connie Clarkston for the amount of the fraudulent transfer she had received from Lawrence Clarkston. Nothing in the reported decision tells us whether the remarriage survived the ruling by the bankruptcy judge.

While Lawrence Clarkston's transfer to defraud creditors earned him a nomination for dumb debtor of the year in 2008, case law is filled with examples of debtors transferring property for insufficient consideration to family members or friends. Giving stuff away to keep it from your creditors won't work if your creditors pursue their rights!

So what are the rules? Most states have adopted some version of the Uniform Fraudulent Transfer Act. In Section 4, the Uniform Fraudulent Transfer Act sets forth the guidelines for determining whether a transfer is fraudulent as to a creditor and can be set aside by a court. The Act provides as follows:

§ 4. Transfers Fraudulent as to Present and Future Creditors.

(a) A transfer made or obligation incurred by a debtor is fraudulent as to a creditor, whether the creditor's claim arose before or after the transfer was made or the obligation was incurred, if the debtor made the transfer or incurred the obligation:

- (1) with actual intent to hinder, delay, or defraud any creditor of the debtor; or
- (2) without receiving a reasonably equivalent value in exchange for the transfer or obligation, and the debtor:
 - (i) was engaged or was about to engage in a business or a transaction for which the remaining assets of the debtor were unreasonably small in relation to the business or transaction; or
 - (ii) intended to incur, or believed or reasonably should have believed that he [or she] would incur, debts beyond his [or her] ability to pay as they became due.

(b) In determining actual intent under subsection (a)(1), consideration may be given, among other factors, to whether:

- (1) the transfer or obligation was to an insider;
- (2) the debtor retained possession or control of the property transferred after the transfer;

- (3) the transfer or obligation was disclosed or concealed;
- (4) before the transfer was made or obligation was incurred, the debtor had been sued or threatened with suit;
- (5) the transfer was of substantially all the debtor's assets;
- (6) the debtor absconded;
- (7) the debtor removed or concealed assets;
- (8) the value of the consideration received by the debtor was reasonably equivalent to the value of the asset transferred or the amount of the obligation incurred;
- (9) the debtor was insolvent or became insolvent shortly after the transfer was made or the obligation was incurred;
- (10) the transfer occurred shortly before or shortly after a substantial debt was incurred; and
- (11) the debtor transferred the essential assets of the business to a lienor who transferred the assets to an insider of the debtor.

So, in Mr. Clarkston's case, the court noted that he was unlikely to testify that he had intentionally defrauded creditors. Therefore, it relied upon the Fraudulent Transfers Act and found that there were "badges of fraud," including (1) a relationship between the debtor and the transferee, (2) a lack of consideration for the transfer, (3) the insolvency of Mr. Clarkston at the time of transfer, (4) transfer of Mr. Clarkston's entire estate, (5) a reservation of the benefits from the property by Mr. Clarkston, (6) secrecy or concealment of the transaction, and (7) threat of litigation at the time of the transfer. While any single "badge of fraud" might only raise suspicions, the court noted that the presence of several of these "badges of fraud," may form the basis for finding actual fraud supporting a claim to get the property back from the transferee.

If, on the other hand, you are not dealing with the dumb debtor transferring to the live-in ex, you may have more problems setting aside a transfer. For example, if adequate consideration has been paid, a conveyance cannot be set aside without actual proof of fraudulent intent. Conveyances into exempt property categories, such as homestead exemptions, may be tougher to attack. (See, *Fidelity National Title Insurance Co. v. Schroeder*, Cal.Rptr.3d 854 (5th Dist. 2009)). Transfers for legitimate purposes, such as estate planning are less likely to be set aside, especially if the transfers occur before the threat of collection action. Transfers to charities, may or may not be fraudulent transfers depending upon the facts.

While the outcome of any fraudulent transfer case will depend upon the facts, dumb debtors and their family members and friends will generally lose because the transfers are to related parties for inadequate consideration. More sophisticated business-driven or estate planning transfers (especially with regard to exempt assets) are less likely to be set aside by a court. Transfers made before the threat of insolvency or collection action are also less likely to be set aside.

If you need some advice or assistance with regard to making proper transfers or attacking fraudulent transfers or conveyances, please call me.



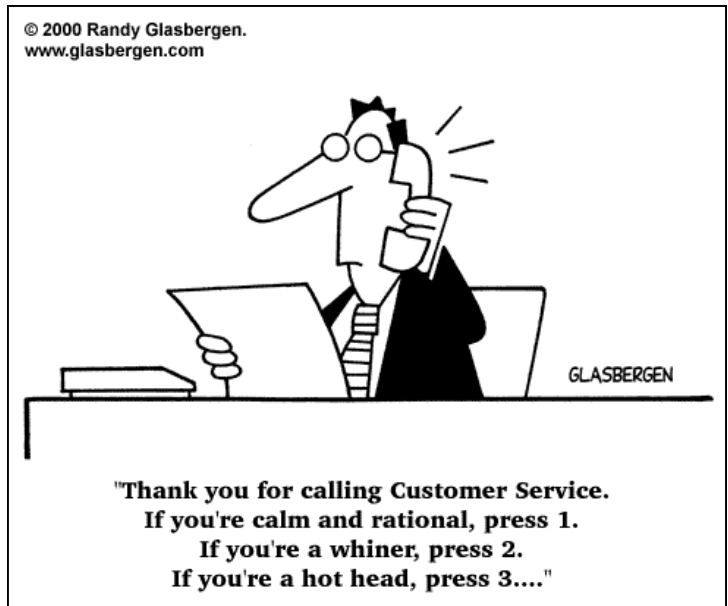
Humor Is Always A Positive Thing!

Submitted by; Sheila Roames



I think that I will never know, What makes these customers pay so slow. The Salesman (Joe) said, "There credit's great," We rushed the order and began to wait... The due date comes and then it goes, That's when we hear the "Tale of Woes." "The checkbook's lost, the Boss is ill, Our dog, Betsy, ate your bill." "Our bookkeeper just got out of jail," "We used your check to make the bail." "We had a fire and then a flood." "We'll need a POD signed in blood!" Next time I hear, "Oh they're as good as gold," I'll quick put them on CREDIT HOLD!

By Unknown Credit Manager



SWBCS 84th Annual Meeting and Awards Luncheon

By clicking on the NACM web link below you'll be able to review a multitude of pictures from the 84th Annual Southwest Business Credit Services (SWBCS) meeting and awards luncheon that was held in December.



<http://www.nacmaz.org/events/2011%20Annual%20Meeting/index.htm>

Happy Birthday
Happy Birthday



| Member | Month | Birth Date |
|------------------|-------|------------|
| JANUARY | | |
| Dan Lehman | | 11 |
| Gwen Stroops | | 21 |
| Sheila Roames | | 26 |
| Alice Garcia | | 29 |
| Kathy McCabe | | 31 |
| FEBRUARY | | |
| Michael Nawrocki | | 7 |
| Rich Adams | | 17 |
| Amy Leyva | | 25 |
| Candace Price | | 26 |
| MARCH | | |
| Patty Chandler | | 5 |
| Brenda Habben | | 15 |
| Rosa Apodaca | | 15 |
| Kim Kemper | | 22 |
| Lynnette Francis | | 26 |



OUR MISSION
and vision



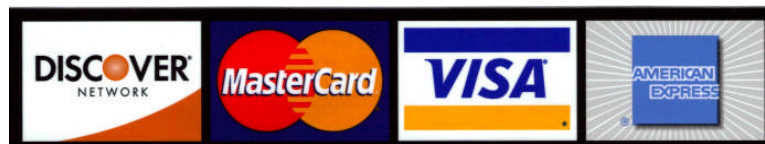
OUR MISSION: The mission of the National Association of Credit Management's

Credit and Financial Development Division shall be to promote active interest in the credit and financial profession, to develop and market educational programs that are vital to the development of the effective professional, and to be a viable force within the NACM network.

OUR VISION: To dynamically impact the National Association of Credit Management's global vision by being the leader in educational programming and direction, thereby setting industry standards for professional excellence.

CFDD-Phoenix

CFDD-Phoenix is able to accept and process membership fees using your debit or credit card. Click on the credit card logos to learn more.



PHOENIX CHAPTER OFFICERS AND BOARD 2011—2013

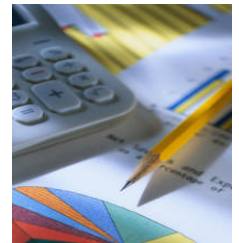


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A Word From The Editor

The CFDD Credit Newsletter is published quarterly by CFDD-Phoenix Chapter for its members, potential members, and other interested credit professionals.

Original articles for publication are encouraged. Previously published and copyrighted articles of interest to the credit community will be reprinted if permissions are given.

All information intended for publication should be sent to:

Don Kruggel at donald.kruggel@grainger.com

All articles submitted are subject to editing due to space limitations and editorial style, but represent the opinions of the individual authors, not that of CFDD-Phoenix Chapter.

