

Credit and Financial Development Division

NEWSLETTER

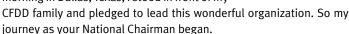
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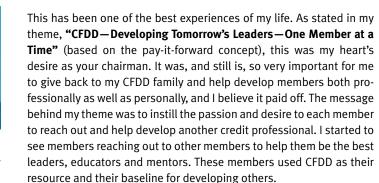
Letter from...

Sheila Roames, CCE CFDD National Chairman

Just as all chairmen before me, I cannot believe how quickly this year has passed. Only 10 months ago, on a beautiful Tuesday morning in Dallas, Texas, I stood in front of my



What a journey it has truly been and there are many members to thank for all our success. I would be remiss if I did not say a special thank you to my Vice Chairmen Lynn Kendrick, CBA and Barbara Condit, CCE who have been remarkable teammates. They played a pivotal role in my success this year. CFDD will benefit for years to come from their leadership. A huge thank you must also go out to Mary Moore, CBA and Wendy Bartlett, CCE for always being available for me, and for their amazing guidance. Another huge thank you goes to our CFDD administrator, Melanie Brohawn and our NACM-National staff for all of their hard work and support of CFDD. Without them we would not have been able to produce what I think is an awesome newsletter, nor a spectacular National Conference, as well as astounding member support.

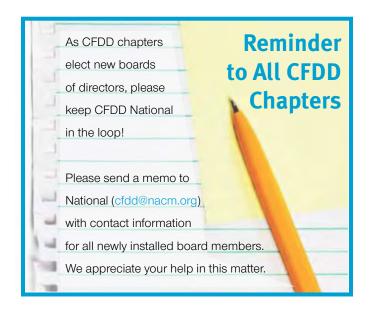


It has been a true honor and a privilege to serve as your National Chairman. I look forward to the upcoming leadership and serving as a mentor in the years ahead. Please continue to pay it forward and help develop tomorrow's leaders, one member at a time.

Credit Congress is just around the corner. Please be sure to sign up for our Installation and Awards Luncheon to be held on Tuesday, May 21st. I look forward to seeing all of you in Las Vegas in just a few short weeks. Safe travels to all.

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Letter from...

Lynn Kendrick, CBA
CFDD National Vice Chairman
Education, Programs and
Chairman-Elect

Where has the year gone? It's hard to believe that the 2013 Credit Congress is just around the corner. It has been a busy year.

As soon as I got back from last year's Credit Congress, the plans started on our CFDD Conference and silent auction. I had a wonderful committee working on getting items for the silent auction and also reminding our chapters about making their donations to the scholarship fund. We wrote letters and made phone calls and, as usual, our chapters were very generous with their donations. We had around 100 items donated for the silent auction including a Kindle Fire, collector's items, a multitude of gift cards and many other popular entries.

CFDD has the most generous, committed and wonderful members of any organization. We raised over \$4,300 from the silent auction alone and our chapters donated over \$7,000. All of this money goes into the National Scholarship Fund, so we are able to award scholarships to our members in order to help them continue their education in the credit field.

After the first of the year, I reviewed some of our national programs. We made a few minor changes, but NACM does a wonderful job keeping all of the information current. Remember, there is no charge for the national programs which are a helpful tool for your monthly meetings.

Now it is time to be making plans to attend this year's Credit Congress in Las Vegas. I always look forward to this event. The classes and speakers are top-notch, and the networking is wonderful. It is always good to hear various ways on how to handle different situations. Each year, I come back with new ideas to improve our credit department. If

SILENT AUCTION
2013 CFDD National Conference

CFDD's popular Silent Auction is on its way! You can help fellow credit professionals achieve their educational goals



by donating and/or bidding on items for the Silent Auction. All proceeds raised will be used for the CFDD Scholarship Fund. Donations are welcome from individuals, chapters and corporations. Items should be new, with a starting value of \$25. For more information about the 2013 Silent Auction, please click here.

you have never had the opportunity to attend Credit Congress, you really should. It is an experience you will never forget.

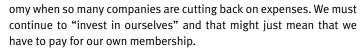
I would like to thank everyone for allowing me to serve as Vice Chairman for Education and Programs as well as Chairman-Elect. Serving on this board has allowed me to grow both professionally and personally.

I hope to see you at the Rio Hotel in Las Vegas May 19-22.

Letter from...

Barbara Condit, CCE CFDD National Vice Chairman Member Services and Publicity

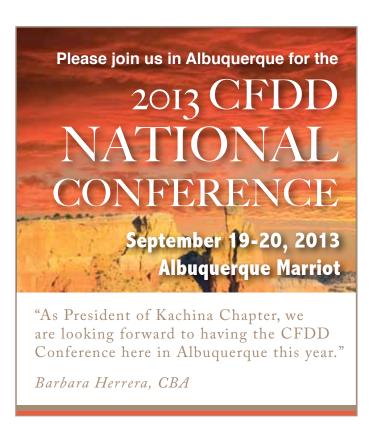
One of my responsibilities this past year was to find a way to increase our membership. This was a difficult task during a down econ-



This year we asked your chapter to partner with its local affiliate to find ways to increase membership, and for some of our CFDD chapters this has been a huge success. We also received some great feedback on the discounted membership provided by NACM-National and the desire to have this program continued.

(continued on page 3)





Despite our current economy, the latest records show a gain of 43 new members spread out over 14 chapters and I am anxious to see the results of the April membership reports. We regret that we lost four chapters in 2012, all from the East Coast. However, your National board has been actively encouraging the members of these disbanded chapters to become direct members, but success in this area has been limited. Therefore, we are reaching out to our membership and asking that if you have friends from a disbanded chapter, to please encourage them to become direct members. Sometimes all it takes is a call from a friend to get them involved again, as they already know the benefits of membership.

Congratulations to each of you for carrying out Chairman Roames' theme of "CFDD—Developing Tomorrow's Leaders—One Member at a Time" as you understand the value of your CFDD membership and paying it forward!

My second responsibility was to coordinate our CFDD newsletter. This past year, newsletters were based on topics your board felt were important to the membership.

The July newsletter focused on Chairman Roames' theme for the year and membership campaigns, old and new. The October newsletter focused on the National Conference in Seattle, National Scholarship fundraising results and the membership campaign. The January newsletter focused on obtaining a professional designation and how this can be an investment in your career.

This month's newsletter brings the year to a close with letters from your National officers recapping their year, and provides you with information on the National CFDD Conference in Albuquerque, NM. We also remind you to sign up for Credit Congress as there is still time and we do want to see you in Las Vegas.

Let me say it has been an honor to serve as your Vice Chairman, Publicity and Member Services. I would like to send a special thank you to all our chapters and members who were always ready to help with articles and chapter news. Information provided from our members is

what makes our National newsletter a success and continues to provide valuable information to each of you.

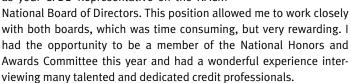
I also had the pleasure of serving as the Chairman of the Publicity Award Committee and I want to thank the CFDD chapters who have submitted applications for this award. I look forward to announcing the winners at the CFDD Luncheon held during Credit Congress.

Speaking of Credit Congress, as I said, it's not too late to sign up, and please include the CFDD Luncheon when registering. You don't want to miss out on a great event! Where else can you network and enhance your education, all while having a great time with colleagues. Oh and don't forget the closing night party!

Letter from...

Mary Moore, CBA CFDD National Board of Directors Representative

I have had the honor and privilege of serving as your CFDD Representative on the NACM



I hope to see each of you in Las Vegas at Credit Congress. If you have not attended Credit Congress, I would highly recommend it. The educational opportunities are first-rate and no matter how long you have been in credit, you will always walk away with new ideas. There are several "tracks" available with something for everyone. The Expo Hall provides the opportunity to speak with exhibitors about the tools available to make our jobs more effective and efficient. If you do attend, be sure you are signed up for the CFDD Luncheon. I hope to see each of you there.





The Annual CFDD Luncheon at the 2013 Credit Congress

Mark your calendars and plan to join us on Tuesday, May 21st for the annual CFDD Luncheon! During this always lively networking event, we will install our new leaders for 2013-2014, honor high-achieving chapters and recognize this year's award winners and scholarship recipients.

An additional fee of \$69 will be charged for each attendee at the CFDD Luncheon. For more information about the Luncheon and related CFDD networking and educational resources, please contact CFDD National at cfdd@nacm.org or call 410-740-5560.

Top Ways to Reduce Internal Fraud by Collection Employees

Crime often is a matter of opportunity, especially for those involved in fraud. And, while U.S. businesses appear to be aware of scams and schemes by professional criminals who are out there to defraud them, experts polled by NACM reported that the fastest-growing type of fraud at present is occupational (internal) fraud.

It also turns out that the ones perpetrating the crimes most often are considered "good" employees, those who have excelled in their positions for a number of years with few reasons for concern. Whether caused by economic struggles, living outside of one's means, anger, depression or the fraudster's personal joy in "outsmarting" company higher-ups; it's happening out there in credit and collection departments with increasing frequency. The key to combating this is to simply take away the opportunity, which can be accomplished in a number of ways, including the following:

Institute a separation of duties. It seems a common-sense measure, but giving one employee too much control is a bad idea. And it's a mistake continually being made by U.S. businesses, especially those with limited staff. The separation of tasks such as opening mail, preparing deposit forms, taking deposits to the bank and filing proofs of deposit can help spread out control and make it more difficult to commit fraud.

Check on your business often, and at random times. Performing spot checks and mini audits, preferably unannounced, can help catch someone committing wrongdoing flat-footed. Additionally, these checks can ensure the processes in place to track things like cash and inventory are up-to-date and being followed properly by employees.

Maintain good relationships with customers and employees. Credit professionals who foster strong relationships are much more likely to have customers or employees suspicious of fraudulent activity willing to contact them with a warning. That could mean someone calling about odd charges on their account or customer complaints of missing inventory. It could also encourage an employee to use the anonymous tip line or mailbox (which your company should have in place) to raise a concern about potential fraudulent activity on the part of a coworker.

Rotate who works with customers. As just noted, building relationships remains a vital part of credit and collection activities. However, building a relationship does not have to be exclusive to one person on the staff. Periodically rotating who is handling what accounts can prevent a credit-collection employee from getting a bit too close to a debtor. Separating duties and rotating accounts means others in the chain will see the account. Whether it appears to be in good standing, or if manipulations and abnormalities are present, more sets of eyes on an account over time is better.

Pay attention to red flags. Though these can lead to unfounded results, some of the most likely scenarios for an employee, especially one who has previously garnered trust, are tied to events outside the workplace. This can include a need for cash because a spouse lost a job, or a family member has been subjected to sudden, high medical bills or addiction issues. Additionally, massive changes in behavior and in an employee's lifestyle often don't happen in a vacuum. Knowing your employees and taking note of life changes can help tip off a credit manager or business owner when to quietly investigate that employee's work activity. If it leads to nothing, great...but if it uncovers abnormalities akin to instances of fraud, it could save a company thousands, if not millions of dollars. Don't turn a blind eye to red flags simply because this employee has been a good guy to talk to about sports, or because that employee has been a top performer with a sweet disposition at the coffee machine. Be aware of what is going on.

CFDD Newsletters

Did you know that you can access not only the National CFDD newsletters, but also other chapter newsletters from the National CFDD website? Need a fresh topic for an upcoming meeting or a new fundraiser idea? Is your chapter ready to launch their newsletter, but needs some direction? Check out what other chapters are doing by logging onto the CFDD Members Only Area and clicking on Chapter Newsletters from the menu on the right.



Chapter News

CFDD Phoenix

Many CFDD members and non-members came out to experience the 2013 Annual Southwest Business and Construction Credit Conference held in early April. The CFDD exhibitor table had plenty of visitors, many purchasing raffle tickets and raising \$370 for the scholarship fund in the process.

Donations ranged from a beautiful hand-painted sink, D-Back tickets, wine and Starbucks baskets to jewelry bowls and gas cards. Many thanks to everyone for their generous donations that helped make the raffle a success.

We also want to thank SWBCS for the opportunity to collaborate with them and support their continuing education opportunities for all members. See you next year!

CFDD San Diego

The San Diego Chapter gained two new members so far this year. However, it is sad to report that member Grace Bentivegna of Hydroscape is retiring and as a long-time supporter of CFDD, and who is also a past President and Board member. The chapter will miss her energy and guidance.

Five members of the chapter will be attending Credit Congress. Among them, Tracy Cox of Hawthorne Machinery will be attending for the first time due in part to receiving a local scholarship. The chapter is holding three major fundraisers this year, two of which are Basket Raffles held in the Spring and Fall, as well as a Day-at-the-Races fundraiser held at the Del Mar racetrack. This has been a great success in the past and affords members time to catch up with current and past CFDD members who now live in the LA or Phoenix area, as well as some from considerably further away.

We are happy to announce that member Mike Bauler, CCE of Harvest Meat Co. is celebrating 15 years in CFDD this April.

And the winner of the CFDD Scholarship Fundraiser is:

Rosa Apodaca, CCE of Western States Petroleum from Phoenix, Arizona

Congratulations, Rosa! We look forward to seeing you at Credit Congress in Las Vegas!

The raffle raised \$1,440 for the CFDD Scholarship Fund.

Thank you to all who participated and to NACM-National for donating the free Credit Congress registration.



CHAPTER

MEMBER

COMPANY

AWARD/ACHIEVEMENTS

Tacoma

Jennifer Clark

Interstate Distributor Co.

CBF Designation

CFDD MISSION STATEMENT

The mission of the NACM Credit and Financial Development Division is to develop tomorrow's business leaders through core offerings.

CFDD VISION STATEMENT

To be a leading provider of professional development opportunities through learning, coaching, networking and individual enrichment.

NACM's 117TH **CREDIT** Already registered but In May want to add an event to 2013, your existing registration? **NACM's Credit** No problem. Just use the Congress & 'Add-on' form on the Credit **Exposition celebrates** Congress registration web page (creditcongress.nacm.org/ 117 years of education, register-2013.html) to make enlightenment, unity of the most of your conference purpose, professional excellence experience! and so much more. Join us at the Rio Hotel Las Vegas for the **Register online** year's largest gathering or download of business credit the registration form at professionals in www.nacm.org. the country. Page 6 CFDD News April 2013

CHECK OUT NACM'S LINEUP OF PROGRAMS AND EVENTS

Apr 29	NACM Online Courses: Credit Law, Accounting, Business Law	
May 6	FCIB Online Course: International Credit & Risk Management Online Course SM	
May 19–22	NACM Credit Congress & Expo, Rio Hotel, Las Vegas, Nevada	
May 19–22	FCIB International Credit Executives Spring Conference, Las Vegas, Nevada	
Jun 10	NACM Teleconference: Defending Preference Claims	
Jun 12	FCIB Webinar: Financial Statements, Trends, Payment Terms and Red Flags in International Credit Risk Management	
Jun 13	FCIB Webinar: Combating Money Laundering—How Well Are You Managing Your Company's Risk?	
Jun 18	FCIB Webinar: Financing International Sales Utilizing Forfaiting	
Jun 19	FCIB Webinar: Credit Liquidity Solutions—Receivable Put Overview and Expansion	

Monthly Credit Survey

You are invited to participate in the monthly Credit Managers' Index (CMI) survey of U.S. credit and collections professionals. Each time you take the survey, you receive 0.1 point toward your NACM Career Roadmap. Contribute to the CMI and have your experience count.

The results from the survey are processed and presented each month in NACM's eNews, Business Credit magazine and at www.nacm.org. Since its inception, the CMI has been a startlingly accurate economic predictor, proving its worth most notably during the recession.

The survey asks participants to rate whether factors in their monthly business cycle—such as sales, new credit applications, accounts placed for collections, dollar amount beyond terms—are higher than, lower than, or same as the previous month. The results reflect the

entire cycle of commercial business transactions, providing an accurate, predictive benchmarking tool.

All credit and collections professionals are invited to take the survey each month during the timeframes listed below. NACM membership is not required.

Read more about the CMI here.

Survey Dates

2013 CMI Timeline	Survey Opens	Survey Closes
May	Mon, May 20	Fri, May 24
June	Mon, June 17	Fri, June 21
July	Mon, July 15	Fri, July 19

New National Programs!

The Professional Development Program Committee has been hard at work developing new educational programs for our members. Three new programs are now available: Cultivating Talent, Leadership and Developing Successful Mentoring. These programs are an excellent resource for your chapter meetings.



To access the programs, log onto the CFDD Members Only Area and click on CFDD National Education Programs from the menu on the right. More programs are in the works—stay tuned!

CFDD'S NATIONAL EDUCATIONAL PROGRAMS

CFDD chapters may now order CFDD National's Programs free of charge! Program topics include:

- · Credit Policies and Procedures
- · Ethics-It's a Matter of Choice
- · Financial Statement Analysis and Credit Scoring
- Mediation—An Alternative to Dispute Resolution
- Selling Marginal Accounts—Are the Rewards Worth the Risk?

These programs can be conveniently downloaded from the CFDD Members Only Area of the CFDD National website. Please check out these timely resources!

CFDD Logo Items



Searching for that perfect gift that combines practicality, value and pride? Look no further than CFDD's extensive selection of logo items! From mouse pads to umbrellas, CFDD logo items can satisfy even the most discerning recipient. They also make great gifts for speakers and special guests. Don't delay! Browse the CFDD logo item web pages, part of the online NACM Bookstore, and purchase merchandise that reflects your investment in the CFDD professional credit community!

CFDD logo items currently available:

Portfolio (\$18)

Acrylic Desk Tray (\$10)

Cork Mouse Pad (\$10)

Business Card Case (\$5)

Robotic Book Light (\$5)

Can Holder (\$2.50)

Luggage Grip (\$2.50)

Business Card Album (\$15)

Super Mini Umbrella (\$15)

Mesh Bag (\$10)

USB Drive (\$15)







