

Credit Counseling Centers of Oklahoma, Inc.

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News, views, & comments from your not-for-profit agency that has been helping people improve their quality of life since 1968.

Tulsa Student Among 2009 National Financial Literacy Poster Contest Winners.

Picture yourself a millionaire. That's exactly what more than 4,000 school-aged children from across the country did by entering the National Foundation for Credit Counseling's 2009 financial literacy

our youth learn financial responsibility and this contest is a creative way to reinforce the message of how important setting financial goals can be."

The annual poster contest is designed to engage students in think-

expression of theme. Additionally, an Overall Winner was chosen. National judges representing a cross-section of the media, government, education and consumer groups selected this year's winners and concurred that this year's theme of "I'm going to be a millionaire because I..." was best represented through the artwork submitted by:

"It is so important that our youth learn financial responsibility and this contest is a creative way to reinforce the message of how important setting financial goals can be."

Margo Mitchell

Overall Winner:

Leah Ellyson, 11th grader from North Marion High School in Farmington, WV

High School Winner:

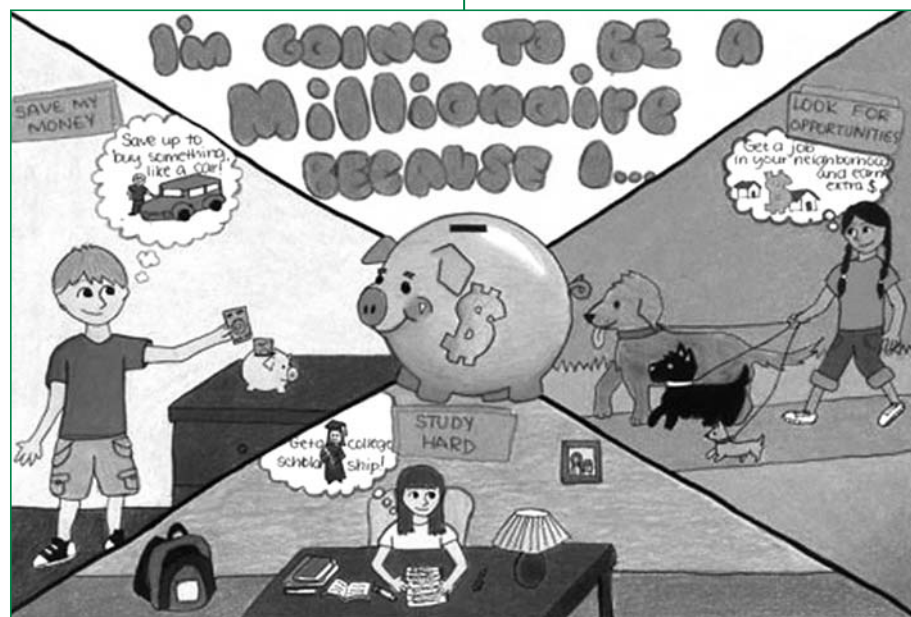
Stacia Shewmaker, 12th grade, Blackman High School, Rockvale, TN

Middle School Winner:

Jessica Sheno, 8th grade, School of St Mary, Tulsa, OK

Elementary School Winner:

Jenna Fink, 4th grade, Sparks Elementary, Frisco, TX



poster contest. With close to three times the normal number of entries, the NFCC chose its national winners and 8th grader Jessica Sheno from Tulsa's School of St. Mary won the Middle School category.

"What an honor to be able to award a local student with this prestigious national award," stated Margo Mitchell, President and CEO of Consumer Credit Counseling Service of Oklahoma. "It is so important that

ing about how to manage money effectively, and offers them a creative outlet to express their knowledge. It also provides the opportunity for recognition of student artwork, and rewards local and national winners with U.S. savings bonds and other prizes.

Posters were judged in three grade categories: elementary school, middle school and high school and were judged on creativity, artistic style and

Debt Settlement Industry Can Be Dangerous for Consumers.

Consumers in financial distress are often focused on one thing - relief. After all, the mailbox is full of collection letters and the answering machine is filled with collections calls. Money is tight and it seems as though there's no way out. It is at this time that consumers feel at their lowest and then hear a commercial that says they can be debt free in a matter of months. The offer that sounds so tempting may be from a debt settlement company. And it is part of our mission at CCCO to help the consumer know the difference by knowing their options.

CCCO suggests consumers ask the right questions when considering using a debt settlement company:

- What is debt settlement? Debt settlement can also be known by other names such as debt arbitration or debt negotiation. It is a process through which your creditor accepts less than the full amount owed, yet considers the balance as paid. Settlement companies often advertise that they can save you 50 percent or more, with repayment typically taking between two and four years.
- If the consumer doesn't have the money to repay their debts, where does the money come from for the settlement? A settlement company may suggest that the consumer stop paying their creditors and instead begin making deposits into a special third-party account. The settlement company will attempt to negotiate a settlement offer with the consumer's creditor once enough money relative to the debt is on deposit. This may take six months or more, although the exact length of time will vary with circumstances. During this time, the balance on the account can continue to grow if interest and various penalty fees continue to be charged by the creditor. As a result, the consumer

may owe more than when he started and their credit may suffer because of their failure to make any payments on the debt. Even worse, legal actions such as wage garnishment or a judgment may be filed against the consumer during this time.

- How is settlement reported to the consumer's credit report? Debts paid off as part of a negotiated settlement will generally show "paid by settlement" on a consumer's credit report. If the consumer later applies for new loans,



the prospective lender will understand that a debt paid by settlement means that the repayment did not cover the total debt that was accumulated, but that the creditor accepted a lesser amount.

- What happens to the consumer's credit score? The consumer's credit score is based on information contained in the credit report, with the highest consideration given to how the consumer repays their debts. As stated above, if the consumer is not repaying the creditor or has missed payments, it will show on their credit report and potentially lower their credit score substantially.
- What are the fees charged by debt settlement companies? Different

settlement companies have different fee structures, but there are two basic approaches. In one model, the settlement company's fee will be a percentage of their total debt. The fees under this arrangement typically range from 13-20 percent. For example, if the consumer owes \$30,000 and the settlement company charges the consumer 15 percent, then the consumer will pay \$4,500 in fees. Another option the settlement company may offer is to base their fee on the

amount of debt reduction they can negotiate. Fees under this model can be as high as 35 percent. If the settlement company negotiates a consumer's \$30,000 debt down to \$15,000, and charges 25 percent fee, the consumer will owe the settlement company \$3,750 in fees. Additionally, some companies also charge a monthly fee that can range from about \$19 - \$89 a month for the entire program.

- How soon will the settlement company begin making payments to the consumer's creditors? Some debt settlement companies front-load their fees. In other words, they collect a significant part of their fees before any payment is made to the consumer's creditor. If the consumer has stopped paying the creditor and is instead sending money to the settlement company account, that money is likely going to satisfy the settlement company fee before the consumer sees any benefit. It can be months after the consumer starts the settlement program before the creditor receives any payment.

CCCO stands ready to help any consumer struggling to repay debt. Trained and certified counselors can help consumers evaluate their debt resolution option that is right for them. Their road to financial freedom can start today.

Tom Simpson Celebrates Milestone with CCCO.

Who knows what good one person can accomplish in 30 years of dedicated service to an organization? Well, at CCCO we have a shining example in Tom Simpson. Yes, it is hard to believe but Tom celebrated his 30th anniversary with CCCO. What is equally impressive is that as a credit counselor he has assisted more than 18,000 clients to date during his career. And just since



Tom has been at his desk and dedicated to consumers in the metro Tulsa area for 30 years.

1990, he has returned more than \$20 million to creditors. That is quite an accomplishment. So it was no surprise in 1989 that Tom was recognized as Outstanding Counselor of the Year from our national organization, NFCC.

The CCCO employees had a

chance to recognize all of Tom's accomplishments this past April with a celebratory luncheon. Joining the celebration was Victor Schock who hired Tom in 1979.

So when we asked Tom what his favorite memory was since joining CCCO in 1979, it was really hard to choose just one. "I have so many favorites from the fact when I started we were at 2140 S. Harvard in the back of the building with five employees. Now we are in Sapulpa, Broken Arrow, Muskogee, Claremore and Pryor," stated Tom. "But the one story I like is the first time I gave a speech for credit counseling," he continued. "It was at Tulsa Mental Health (Parkside) and while I was giving my presentation, one of the patients started playing the piano. I did ultimately finish the speech and had the chance to share my experience with Vic. He laughed and said 'that always happens to me when I visit there'. What an experience. I still give speeches but really have a hard time if there is a piano in the room."

Tom is a wonderful person with a great big heart for helping his clients. So it was no surprise to hear Tom's answer to our next question. "After 30

years, what keeps you motivated?" Without hesitation Tom remarked "Simply helping the individual clients. The best thing about my job is there is no hidden agenda. I do not have to sign clients up for our program. If I feel they can handle the debts on their own, I have no pressure to sign them



Tom is pictured here with Vic Schock, former President and CEO that hired Tom in 1979.

on a DMP program. I have the ability to recommend the best course for the clients and what is the best course for the family."

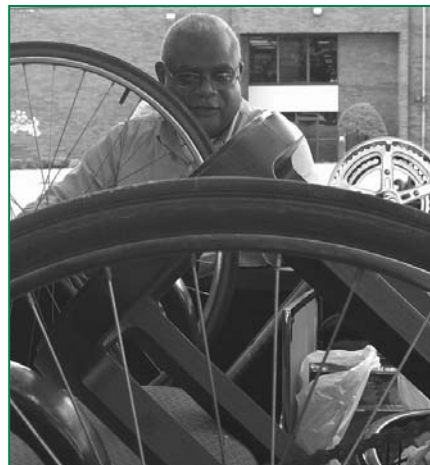
Tom, in a word, we say you are a man of Integrity. We are so proud you chose to share your career with us at CCCO.

Congratulations to Julie Bailey for celebrating her 10th year with CCCO. We so appreciate your dedicated service and representing CCCO as it helps people improve their quality of life since 1968.

United Way Stuffs the Bus. CCCO Helps and Stuffs the Truck.

When it comes to giving back to the community, CCCO employees are never one to set on their laurels. So when we heard of United Way's "Stuff the Bus" campaign to celebrate their 85th anniversary . . . everyone wanted to jump right in.

On June 12, United Way asked the community to help stuff a school bus with school supplies, food, household items and much more to benefit at-risk youth and families. The donations then were given to United Way partner agencies serving infants through high school-aged youth as they prepare to go back to school.



With the help of Randy McKenney and his pick-up, CCCO staff searched for items to donate to the United Way's

"Stuff the Bus" campaign. In just two days, CCCO staff completely overstuffing Randy's truck and helped United Way reach their "Stuff the Bus" goal.

"It was a great tribute and with gratitude we would support a campaign that is initiated by United Way," stated Margo Mitchell, President and CEO of CCCO. "The United Way has been a long-time supporter of CCCO and our community programs. This was a way to help those who have helped us and it was a great time for the staff."

Offices in Northeast Oklahoma

CCCS of Oklahoma has trained and certified consumer credit counselors who offer financial management and credit education services from 5 locations throughout Tulsa and northeastern Oklahoma.

Broken Arrow

317 South Main

Claremore

104 South Missouri, Suite 205

Muskogee

323 West Broadway, Suite 404

Pryor

5101 South Mill

Sapulpa

19 North Main
Community Resource Center

Tulsa

4646 South Harvard

CCCS Services

CCCS of Oklahoma is a not-for-profit agency that has been helping people improve their quality of life since 1968.

Financial Counseling

Certified consumer credit counselors provide you with confidential advice about credit, budgeting and money management; and will work with you to develop a financial action plan specifically suited for your

needs. For people that are homebound and experiencing a financial crisis, our senior specialist will provide guidance, assistance and referrals.

Debt Management Plan (DMP)

If you are overextended, you may qualify for a Debt Management Plan where you may receive reduced interest rates, waived late fees, fewer collection calls and peace of mind. DMPs serve the dual purpose of helping you repay debts and helping your creditors receive the money owed them.

Housing/Reverse Mortgage Counseling

This program is certified by the US Department of Housing and Urban Development as a comprehensive housing counseling program. The services range from pre-purchase counseling to reverse mortgage counseling.

Community Education

Ideal for your company, church, school, civic organization or community agency, everyone will learn to understand budgeting, the wise use of credit, balancing a checkbook, credit reports, credit scoring, money management, savings and identity theft.

Bankruptcy Counseling and Education

Includes Pre-filing Counseling where you receive budget and credit counseling now required during the six months prior to filing. Then before the bankruptcy is discharged, you must complete a financial management course – CCCS services include a Pre-Discharge Education course that meets this requirement. CCCS is approved to issue certificates in compliance with the Bankruptcy Code. Approval does not endorse or assure the quality of an agency's services.

Consumer Credit Counseling Service of Oklahoma

4646 South Harvard

Tulsa, OK 74135-2908



CCCS of Oklahoma is a nonprofit, community-based organization that provides confidential counseling, guidance, debt management and education programs to financially troubled customers. A Member of the National Foundation for Credit Counseling® (NFCC). For more information on CCCS, call (918) 744-5611 or visit www.cccsofok.org