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ACA Collector Connector

VOLUME 37, NUMBER 1, WINTER 2024



Marriott Fort Worth at Champions Circle

Inside This Issue: Our 2024 Conference Hotel and 4 Great Articles

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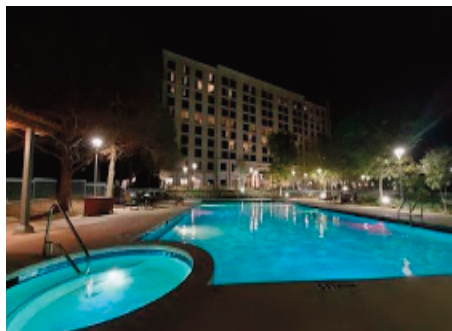
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About the Cover:



The Marriott Fort Worth at Champions Circle is relatively easy to get to; it’s at the junction of Texas Hwy 114 and I-35W, just 24 miles from DFW Airport. The hotel is surrounded by the golf course, BigShots Golf, and a Tanger Outlet Mall. Close by is the Texas Motor Speedway (it’s huge!). Speaking of huge, the pool is not your everyday “hotel pool.” The hotel is in a pristine location that overlooks an extraordinary 18-hole Jay Morrish-designed golf course. They have a wonderful new on-site restaurant, Jackdaw, which is a culinary fusion of Irish and American fare prepared by their very own chef. The Jackdaw bar has signature cocktails, craft beers including O’Reilly Red Ale, made just for them by Cowtown Brewery.

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“Over 50 years ago, my family started a collection firm when I was 12 and I have worked in the ARM industry since. In 1990 I became an ACA Certified Instructor and have trained thousands of ARM industry owners and collectors. In 2004-2005, I served as your President of ACA International. In 2020 I joined the team at Applied Innovation Inc.

Today, I'd like to take this lifetime of ARM industry experience and help your organization grow and prosper with the solutions offered by Applied Innovation and our dynamic team. There are many pathways to choose. Let me help lead the way.”

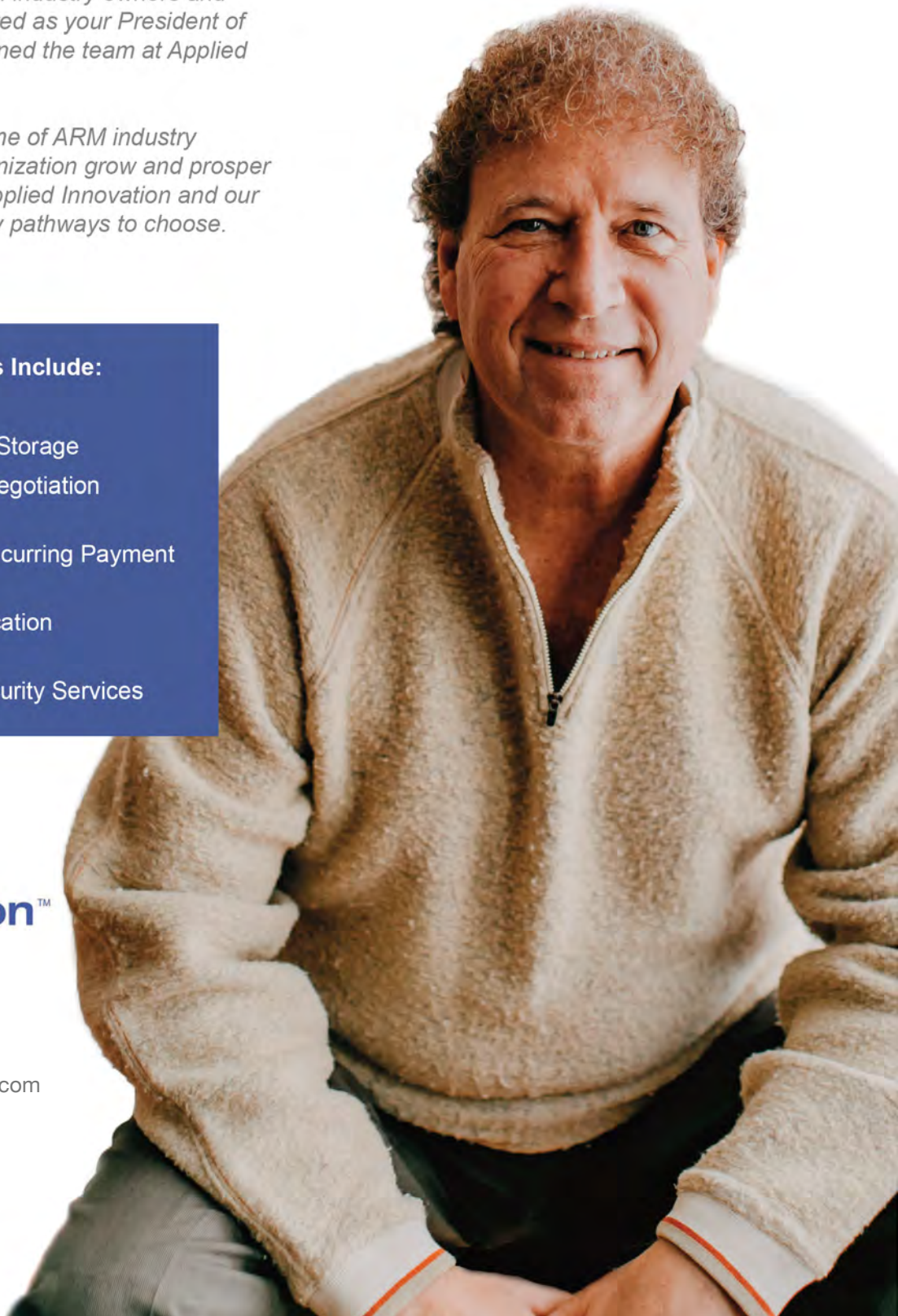
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FROM THE PRESIDENT

By Barbara Garner



THE SWCA 2024 CONFERENCE DATE HAS BEEN SET!

Hello to all! I trust everyone is healthy, wealthy and wise... or as close to that as possible! I know, I know, it's hard to do three things at once. Anyways, I hope your 2024 is off to an excellent start with everything under control. On a personal note, I just finished jury duty while my car is in the body shop from a non-injury rear end accident. All is well, no sympathy necessary, well, of course unless you must.

After some back and forth in various forms with various parties, it's now finalized. **Our conference is scheduled to take place at the "MARRIOTT DFW CHAMPIONS CIRCLE", located in Fort Worth, Texas, September 23rd through the 25th.** Mark your calendar now and plan

on attending. With expert speakers and leaders from all corners of our industry, the conference will be about championing growth, fostering collaboration, and advocating for the positive impact we can have on our industry.

Our conference is a knowledge-sharing platform for attendees to bring insights back to their respective workplaces and drive positive change.

If you would like to have a hand in planning the conference, please contact Tom Morgan or myself. We are looking for a few members to join us by serving on a Planning Task Force subcommittee, there are 6; Attendee Registrations, Exhibitors/Vendors/Sponsors, our Educational Program, our Special Events, Food & Beverage, and Manpower (helpers at the conference).

During our conference the election for board members will take place. If you would like information on running for a board seat, please let us know. We are always looking for a few members to be a part of the Board of Directors and contributing their skills and ideas for the future of our Association.

With all the new legislation appearing this year which affects our industry, I encourage everyone to be involved. Advocacy provides a collective voice, ensuring our industry's perspectives are heard by policymakers. It's a proactive stance against potential threats, safeguarding our industry's interests. If you would like to be involved on your state's level, please contact Tom Morgan, Paul Nagy, or me. We are looking for volunteers. Included in this magazine is an article on one of our members who fought the battle of identity theft. This real-life experience highlights the importance of data security in our industry. It must always be kept front and center.

If you have not renewed your membership, please do so now. Your renewal helps to ensure continuity and financial stability for the Association. I'm very excited as we move forward into 2024. It is my honor to serve as your President. 2024 is going to be a year of growth for the SWCA. I am honored to be a member of your association and working with everyone. I'm very proud of what our industry does. If you have any suggestions or ideas, please email or call me at any time.

Barbara Garner
Barbara Lee-Garner,
President 2023-2024

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EXECUTIVE DIRECTOR'S COMMENTS By Tom Morgan



OUR CONFERENCE JUST GOT BIGGER AND BETTER!

Just as we announced that our 2024 conference would be in October, the Florida unit announced their conference would be held at the same time as ours. Major oops! If there is anything that our vendors dislike it is when two or more ACA unit meetings occur at the same time. It is hard to be in two places at the same time. Recognizing that we had a problem (FL could not change their dates), we reached out to the folks at our conference hotel (Marriott Fort Worth at Champions Circle) and they immediately went to work and found a new time for the conference **(September 23 - 25, 2024). So, mark your calendars.**

Next, we received more good news! Jared Buchanan, the president of the Missouri unit, called me and asked if we could have a meeting to discuss their involvement in our conference. Long story short, a meeting was held, the discussion was wide ranging and by the end of the meeting, all agreed that both the Missouri and Kansas units will have an active role (beyond just attending) in our conference.

To recognize this change, our conference is now the “Mid-America Collection Conference.”

To make things happen, the leadership of the three units are working together to form a “Conference Planning Committee” which will include six (6) sub-committees that will work on a specific aspect of the program. **The six sub-committees are shown on page 21.**

We are asking for some volunteer help to serve on the sub-committees. If you would like to help by providing a management level person to be on a sub-committee, we will give your company a \$100 discount off your conference registration expense. If you are interested, please give me a call (903-530-4040).

As always, I am, as your Executive Director, here to assist members. I work for you and I am blessed.

As we move into Spring, we wish great success for all of our members (that includes TX, OK, MO and KS). I hope to see everyone at our conference if not before.

Regards,
Tom Morgan,
Executive Director

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SELLING VALUE VS. FEE By Marc Trezza

WHY THIS HAS BECOME A DO-OR-DIE PROPOSITION!

Hooray! You're a contestant on the new game show, Set Your Fees! Let's listen in on the cheesy announcer. He seems to be giving us a choice of three doors...



"Door #1 is sponsored by **Recession and stiff Competition**. Faced with uncertain revenues and reluctant prospects? Lower your agency's fees, to help you lock in contracts!

"Or choose Door #2, sponsored by **Inflation**. The cost of everything else is going up, up, up. If you want to stay in business and make a profit, you'll need to raise, or at the very least, stop lowering your fees!

"Perhaps Door #3, whose sponsor is... uhm... it's scratched out and hard to read... ah yes, it's **Confusion**. Not sure what to do? Close your eyes, don't change anything, and pray for the best!"

The countdown music is playing, the audience is shouting... the pressure is on! Which door should you choose? While you're deliberating, think about this:

There are two schools of buyers of agency services:

Price (Fee) Buyers and Quality Buyers.

Both schools will choose the agency that offers what they perceive as the highest value, but their definition of value differs.

Price Buyers: Best Value = good enough quality at the lowest possible fee.

Quality Buyers: Best Value = highest possible quality/results at a reasonable fee.

The two schools also have different tendencies when faced with financial challenges:

Price Buyers save money by spending less on everything. They accept lower quality. Inevitably they become unhappy with the level of service, but in many instances, buyers become and remain Price Buyers because their experience with agency salespeople has been solely those who are shopping rate, because those salespeople do not know how to sell value. So, buyers change only for lower fee.

Buyers have listened to seller-driven, feature-based canned sales pitches over and over again. Too often, when an agency says "Why us?" – it is a list of features everyone has; from no collection-no fee, to state-of-the-art whatever, etc. That is how you convince someone of the value of hiring an agency – NOT how you convince a buyer of the value of CHANGING agencies. Unless your market is creditors who have never used an agency – the approach is all wrong! It has no value to someone who already has an agency and likely has all those things!

What buyers have rarely experienced is a collection salesperson with real operational knowledge who collaborates with them on solutions, based on what the buyer has indicated would be a positive change that they would value.

Of course, there's a large contingent of creditors who wander between those schools. During good times, they're willing to swing toward high quality, as long as the fee isn't crazy. During lean times, their desire to conserve cash shifts their preference to low fee offerings, and the result is getting a cut-rate level of service at a cut-rate fee. We all know that an agency cannot afford to provide the same levels of service at a 15% fee that they can provide at a 25% fee. When recession winds blow in our face or other downturns shake your confidence, remember that there are always Quality Buyers. The number of adherents to that school may dwindle, but the school doesn't close.

Remember, there are always Quality Buyers.

Also, financial downturns don't affect everyone uniformly. There will always be segments and individual prospects in your markets that are growing, thriving, and looking for help from a higher-quality scope of agency services like yours. Some just need the opportunity to talk to a salesperson who can actually collaborate with them on solutions that provide buyer-defined value.

The game show music has stopped and it's time to make a decision.

You know that turning to Door #1 is a losing game. There's no guarantee you'll be the lowest fee. If you do win, you'll struggle to deliver work that your agency will be proud of and competitive, and still achieve an acceptable profit. *Plus, it's difficult to recover from a price-cutting precedent.*

You choose Door #2. You choose to sell value instead of reduced fees.

The audience cheers! They're ecstatic.



Quality Buyers save money by focusing on value (return). They invest more in the few things that will have the greatest impact, and accept higher prices.



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**Steve Miller, CEO
Professional Recovery
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“Our relationship with Marc Trezza has been an invaluable asset to our agency, transforming a floundering sales department into a powerful source of company growth.
Thank You Marc!”

**Shawn Schlag, VP
ATG Credit, LLC**

“The first year of implementation we saw a 25% increase in new sales over the prior year. Year two, we saw a 50% increase in new sales. If you truly care about increasing your agency’s profitable growth, hire Marc Trezza. It’s definitely worth the investment.”

**Michelle Camp
Director of Operations
Express Recoveries, Inc.**

“I wish I’d hired Marc Trezza a long time ago.

I have only three words to rate the effectiveness, quality, and professionalism of our partnership with Marc Trezza and SNC: *Excellent, Excellent and Excellent!*”

**Debbie Frank, CEO
Collection Bureau
Services Inc.**

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**Patrick Miller
Director Of Operations
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2023 IS BEHIND US, HERE IS WHAT'S TO COME IN 2024

By Michael Lamm

TOP 10 PREDICTIONS

Sector-Specific Digital Transformation

Foresee heightened M&A activity within companies offering tech-enabled outsourced business services. The driving force behind this surge is the urgency to adapt to evolving digital demands (Generative AI & LLM leading the way), leading to strategic consolidations. Companies are strategically acquiring specialized solutions (technology and services) to optimize operations and enhance delivery.

Increased Delinquencies in Unsecured Asset Classes

Anticipate a continued rise in delinquencies within the unsecured asset classes for the four largest U.S. banks, driven by credit card balances reaching unprecedented highs. This trend is expected to have downstream effects, impacting debt buyers, agencies, and law firms as they navigate the increased volume.

Student Loan Payments Impacting Younger Consumers

Predict continued significance of student loan payments affecting the younger consumer demographic. Younger consumers, known for their engagement with digital channels, will face financial challenges due to student loan burdens. Businesses optimizing digital strategies are poised to gain a competitive edge in reaching and serving this demographic.

Healthcare Debt as an Election Year Issue

We at CAS predict healthcare debt to remain a contentious issue during an election year. Politicians will view addressing healthcare debt as a potential "reach across the aisle" moment, making it a central point of discussion during the election. Anticipate additional states tacking on legislation similar to New York and Colorado around the utilization of credit reporting on medical debt.

Slow(er) Adoption of Large Language Models (LLMs)

Envision a more measured adoption of

Large Language Models (LLMs) than initially projected. Consumers will become increasingly aware of distinctions between LLMs and human interactions, slowing down the adoption rate in the obvious use case. However, LLMs and Generative AI tools are anticipated to find utility in non-obvious use cases, showcasing their value in specific applications. Companies that raised money under the guise of AI/machine learning will be flushed out when cheaper solutions become available due to LLM availability.

Focus on Operational Efficiency

Witness M&A activities centered around enhancing operational efficiencies within the sector. Acquiring firms prioritize targets that offer synergies in processes, tools, and technological capabilities to streamline operations, reduce headcount and/or improve service delivery while minimizing costs. Large language models will be a great equalizer for those who missed the early innings of technology transformation when applied correctly.

Geographical Expansion Strategies

Non-public firms in the sector are expected to pursue strategic acquisitions to penetrate new geographical markets, in particular to solve labor shortages as the US labor market and employment statistics remain strong. The focus will be on acquiring companies with localized expertise and established networks, facilitating market entry and expansion while catering to regional client needs.

Emphasis on Talent and Expertise

Expect acquisitions geared towards acquiring specialized talent and domain expertise in the sector. Companies seek to integrate skilled teams and subject matter experts to accelerate innovation, strengthen service capabilities, and meet evolving client demands.

Importance of Data Security and Compliance

Acknowledge the critical role of cybersecurity

and data privacy in M&A decision-making within the sector. Acquirers prioritize targets with robust data security measures and compliance frameworks, given the sensitive nature of outsourced business services and the increasing cost of insurance (or changing coverage profiles).

Rationalization of Price Expectations

As we have all experienced inflation and whiplash in pricing/supply/demand in all segments of life, pricing expectations are beginning to converge. Sellers, bootstrapped companies especially, lived the ebbs and flows of the pre and post COVID world. Some businesses did extremely well for non-obvious, non-repeatable reasons and others struggled. What we at CAS also believe happened as an externality of this rise and fall is sellers' expectations reset and buyers also know it's now more competitive than ever with record amounts of dry powder and appetite.

Conclusion and Impact to M&A Volumes

2024 will see increased M&A deal volumes in the tech-enabled outsourced business services vertical. In the accounts receivable management (ARM) vertical, deal flow will accelerate as the gap widens between the "haves" and "have nots". Scale will continue to become important as fee rates compress, cost of compliance increases, and adoption of technology tools become table stakes.

About Corporate Advisory Solutions

Corporate Advisory Solutions (CAS) is a merchant bank (Securities conducted through Finalis Capital Member FINRA/SIPC) dedicated to partnering with clients to maximize shareholder value through a suite of transaction consulting and strategic consulting services.

About Michael Lamm

Michael Lamm, is the Managing Partner of Corporate Advisory Solutions and he can be contacted at MLamm@corpadviosolutions.com.

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THE HIDDEN DANGERS IN TRUST: A CAUTIONARY TALE FROM THE PASADENA, TEXAS CHAMBER OF COMMERCE

By Chuck Gallagher, Business Ethics Speaker and Author

In the heart of Pasadena, Texas, a story unfolded as a stark reminder of the vulnerabilities small to medium-sized businesses (SMBs) face in internal fraud. Fraud is likely to strike those organizations where trust is high, and attention to simple fraud prevention is ignored or unknown. As a business ethics and fraud prevention speaker and consultant, I see, all too often, this story repeated over and over. Fraud can be prevented or, at the least, minimized. It doesn't have to be this way!

You see, the Pasadena Chamber of Commerce, a seemingly robust and trustworthy organization, fell victim to a staggering embezzlement scheme that siphoned over \$1 million from its coffers. This incident, involving Jamie Huffar, a former finance director at the Chamber, highlights a critical issue: the disproportionate risk of fraud SMBs face due to a blend of deep trust and inadequate controls.

Huffar, initially hired as a bookkeeper, ascended to finance director, a position she exploited to orchestrate a complex web of theft and forgery over five years, beginning in 2017. Her methods varied and cunning, from opening credit cards under other people's identities to skimming profits from fundraising events. The stolen funds were spent on cosmetic surgeries, luxurious trips, high-end electronics, clothing, and premium seats at the 2022 World Series.

This case highlights the critical need for robust fraud prevention strategies in SMBs. Some of the solutions seem apparent, yet many below are ignored even though they are logical. So, what can be done to reduce the possibility of fraud?

Regular Audits:

- **Importance:** Regular audits are crucial in detecting discrepancies in financial records.

They act as a deterrent to potential fraudsters within the organization. Yet, audits are not designed to detect fraud!

- **Implementation:** Engage external auditors for unbiased reviews. Surprise audits can be particularly effective as they do not allow time to manipulate records. The other critical item is that people don't know the levels of attention that the auditors review. Fraudsters fear detection most... so the surprise is quite a deterrent.

Segregation of Duties:

- **Rationale:** When duties are segregated, the likelihood of a single individual perpetrating fraud without detection decreases significantly. In almost every circumstance where fraud is perpetrated, too much "trust" is placed in one person.
- **Application:** Divide financial responsibilities among different staff members. For instance, the person who authorizes payments should not be the same individual who reconciles bank statements.

Background Checks:

- **Necessity:** Comprehensive background checks can reveal past indiscretions that might indicate a propensity for fraudulent behavior.
- **Process:** Include checks of criminal records, credit history, and past employment verification. Simple though it may seem, having someone open the bank statements, credit card statements, or other accounts payable can provide a separate set of eyes that, simple as it may seem, is an effective prevention mechanism.

Continuous Monitoring:

- **Advantages:** Continuous monitoring helps in early detection of fraud, preventing significant losses. The number one way fraud advances is the fraudsters' belief that they will not get caught.
- **Techniques:** Use software to track financial

transactions and set up alerts for unusual activities. With the advent of new AI tools, this is becoming more impactful.

Digital Banking Tools:

- **Benefits:** Digital tools offer enhanced security features and easier transaction tracking.
- **Examples:** Implement online banking solutions with multi-factor authentication and real-time alerts. It's particularly beneficial to have the alerts go to someone other than the primary financial representative of the organization.

Fraud Detection Software:

- **Utility:** These software programs can analyze patterns and flag transactions that deviate from the norm.
- **Selection:** Choose software that integrates well with your existing financial systems and is user-friendly.

Ethics Training:

- **Purpose:** Regular training reinforces the importance of ethical behavior and the repercussions of fraudulent activities. Most people assume that ethics training is boring and serves only to "check the box." While this may be true for some... the programs I offer address the "why" people make poor choices. When we can remove the "Whys," we improve the ethical actions of all.
- **Methodology:** Incorporate real-world scenarios and role-playing exercises to make the training more engaging and effective.

Whistleblower Policies:

- **Significance:** A precise and safe reporting mechanism encourages employees to report suspicious activities without fear of retaliation. Whether complicated or straightforward,

Continued on page 24

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YOUR RESOLUTION FOR 2024: BEEF UP THOSE DATA SECURITY CONTROLS **By Debra Ciskey**

Information security is a critical aspect of any business, regardless of its size. Small businesses are particularly vulnerable to cyber-attacks due to their limited resources and lack of expertise and resources. In this article, we will discuss the importance of data security controls for collection industry members, regulatory requirements, and recent data breaches in Texas.

Importance of Data Security Controls for Debt Collectors

Small businesses are often targeted by cybercriminals because they are perceived as easy targets. A data breach can have serious consequences for a small business, including loss of revenue, damage to reputation, and legal liability. Compliance with the FTC Safeguards Rule will reduce the risk of data security breaches. The fact that the deadline for compliance with the rule has passed doesn't mean that any business should give up on creating and implementing data security controls.

At a high level, the Safeguards Rule requires controls in the following areas:

1. Designate a qualified individual to oversee and implement your Information security program,
2. Conduct a risk assessment in which you identify security risks or threats and describes how you will mitigate the identified risks by implementing your information security plan,
3. Design and Implement safeguards that control the risks and weaknesses identified by your risk assessment, and includes processes for authenticating authorized users of your data systems, encryption of all consumer information,

implementing multi-factor authentication of users, and implementing controls designed to detect unauthorized access,

4. Test the effectiveness of your key controls and implement penetration and vulnerability testing,
5. Implement controls and train personnel on their responsibilities related to the controls,
6. Oversee service providers who have access to consumer information and assess risks to your company of service providers' information security failures,
7. Evaluate the results of your controls and the results of risk assessments any other circumstances that may require adjustments in your controls or practices,
8. Create an incident response plan that specifically identifies the roles and responsibilities of individuals involved in incident responses, mitigation and revision of controls that may have failed, and
9. review the required reporting from your qualified individual related to the status of your company's compliance with the Safeguards Rule, consider the QI's recommendations, and strengthen your controls where appropriate.

Recent Data Breaches in Texas

Texas was among the most targeted locations for cyberattacks in 2023, and some of the state's biggest companies did not make it out of the year without user information becoming available to unauthorized third parties. For example, mortgage loan titan Mr. Cooper's recent data security breach left 14.6 million of its customers' private information compromised. According to data from Texas Attorney General Ken Paxton's office,

approximately 1,182,962 Texans were affected by the Mr. Cooper data breach.

But Mr. Cooper is far from the only Texas company to have its user information become a target for hackers. Millions of other Texans became victims of cyberattacks in 2023, with a wide net of industries and cities as the target. From health care to banking, it's possible your data is out there somewhere.

Data security controls are essential for collection industry members to protect their sensitive information. Businesses holding customer information must comply with privacy and data security regulations. Failure to comply with these regulations can result in significant fines and legal liability. Recent data breaches in Texas serve as a reminder of the importance of implementing robust data security controls. It is not too late to take proactive steps to protect sensitive information and establish a culture of security that will enhance business and consumer confidence.

- <https://www.msn.com/en-us/news/us/has-your-private-info-been-compromised-these-six-texas-industries-were-hacked-in-2023/ar-AA1mt4Wp> (last accessed: 1/12/2024)

About Debra Ciskey

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WHAT JUST HAPPENED TO ME???

By Barbara Garner

One Member's Scary Experience!

Friday, January 5th, mostly went as weekdays tend to go. Alarm clock, breakfast, commute, work, commute, glad to be home, check the mail. That's odd, there's an unsolicited credit card in today's mail, from the company we already use for our primary card. It's a legitimate looking card, has my name on it and it came with the usual information letter. Another oddity, it has a very large credit limit. Oh well, I'll call them later with some obvious questions. I call the company and that sets off a marathon of unanswered questions, misinformation, stonewalling, aggravation, apprehension, uncertainty and loss of sleep. This may sound familiar if it's happened to you. The sad and infuriating part is this scenario is played out innumerable times every day in every corner of the world. The following is some insight into my journey and lessons learned from it.

I called the card issuer and was asked about a profile and PIN number that I did not set up. Someone, somewhere had changed my profile and address. My credit report had my address in Colorado (I live in OK). In the blink of an eye, I no longer exist. Aren't there safeguards against this very thing? With the right equipment, perseverance and nefarious skills, these safeguards can be defeated. At that point I, the legitimate account holder, am odd man out and caught up in a Catch 22 whirlwind trying to get answers and help. If you are the victim of identity theft, trying to prove who you are is a nightmare.

After six days of frustration and no progress talking to numerous company representatives with various titles it was finally resolved. I received a letter from the company dated

January 4, which is one day before I received the credit card. The letter states they were aware of irregularities and the card was never activated nor used. In spite of my unpleasant journey, I was luckier than many. The company's safeguards held and performed as expected but this was not releasable over the phone and the source of much consternation on my part. Do your due diligence. Protect, review, update. Constantly watch for questionable activity and entries. If it doesn't look right, ask questions.

Our industry speaks a lot about protecting data. My brief no cost adventure into the consumer side of credit card fraud reinforces the importance of data protection. The damage done by this crime to both merchants and consumers is unfathomable and a very real concern to both. This activity is not new but is worthy of a reminder. Consumers and clients trust us with personal information. Are you doing everything you can to protect and prevent; personally and professionally?

Keeping yourself protected from identity thieves with three easy tricks

By: Christopher Gay, Absolute IT Services, Inc.

Today's world is a complex reality of both online and offline interactions where we're asked to prove who we are. Securing your identity in this world becomes critical to not only your safety, but also your sanity. The bad actors looking to take advantage of you by compromising your identity utilize many different methods to gain access to your personal information.

Trying not to sound too repetitive, but here are a few simple tips and tricks that you can use to protect yourself from identity thieves:

- **Watch what you post online** - Everywhere from your bank and credit cards to your doctor's office use your birthdate as a means of identity verification. Make sure that you don't post information online that can enable a bad actor to decipher your entire birthday. Posting the month and day is okay, but don't give them the information needed to figure out the year.
- **Check your statements** - When a bad actor gets their hands on your banking or credit card information, they often try small transactions first to see if the information is correct and to see if you are watching your statements. A small \$1 or \$5 transaction might not seem worth the hassle of disputing or changing your account information, but it is often a prelude to a larger charge.
- **Shred your documents** - It might not seem like much, but the copy of your credit card statement, paperwork from your doctor or even the latest credit card offer can have information that a bad actor can use to compromise your identity. Marking out, shredding or otherwise destroying that information goes a long way to protecting your identity.

These three tricks may seem like common sense, but ask yourself this question, "How often do you do the opposite when you're in a hurry or otherwise distracted?" If you're like most people, that can be quite often. Unfortunately, there are always people who are looking to take advantage of others and making yourself a more difficult target goes a long way.

Christopher Gay, Absolute IT Services, Inc.
Chris can be contacted at
c.gay@absoluteitokc.com.



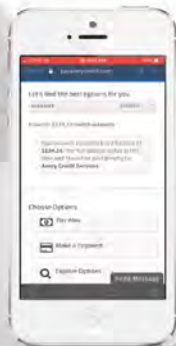
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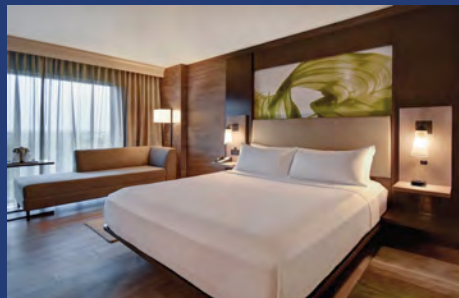


SOME FEATURES OF OUR 2024 CONFERENCE!

SEPTEMBER 23-25, 2024

MARRIOTT AT CHAMPIONS CIRCLE

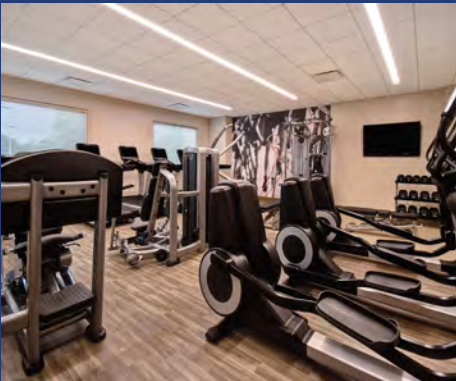
FORT WORTH, TEXAS



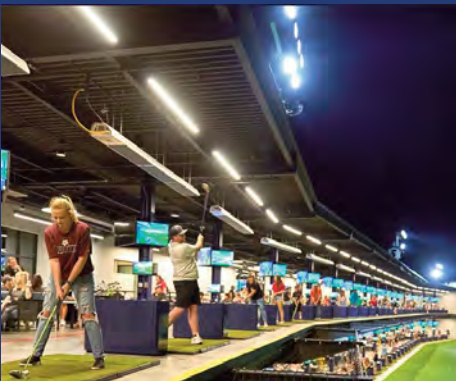
For more detail information, please turn the page!

MORE FEATURES AT THE CONFERENCE (AND AN OPPORTUNITY FOR YOU TO HELP!)

Marriott at Champions Circle



BigShots Golf



Texas Motor Speedway



**AND THE CONFERENCE JUST GOT BIGGER (AND BETTER)
WITH THE MISSOURI COLLECTORS AND THE KANSAS COLLECTORS
JOINING WITH OUR SOUTHWEST COLLECTORS ASSOCIATION FOLKS!**

**AND THE FIRST THING WE ALL AGREED ON WAS THE THEME
FOR THE CONFERENCE:**

“BETTER BETTER WHEN WE ARE ALL TOGETHER!”

Building, Creating and bringing together a lot of very important people (our members) and providing them with an exciting and educational opportunity while blending in our very important exhibitors (Networking anybody?) takes a team. That is your opportunity by becoming one of our team members. What does that mean? **We need volunteers to join one of our six (6) planning sub-committees. They are:**

1 – Attendee Registration: Reaching out to and promoting our members (TX, OK, MO, KS) as well as other ACA International Unit Members. This outreach will begin as soon as possible.

2 – Exhibitors/Vendors/Sponsors: Promoting the conference to those companies that provide goods and services to our member companies. This team will create and promote the various sponsorship opportunities that will be available.

3 – The Educational Program: Sorting out from the many, the few and timely subjects that will make up a conference educational program that will draw in attendees. This team will be responsible for selecting the presenters (Subject Matter Experts).

4 – Special Events: This team will put the 'FUN' in the conference. Given the Hotel location there is no lack of opportunities for our 'Networking' events. With golf, a Speedway, and an Outlet Mall, all in walking distance. There is also a "Buc-ees" nearby!

5 – Food & Beverage: As the program gets developed, this team will look for all of the many (healthy?) Food & Beverage opportunities. Their work is critical, the food has to taste good, there has to be enough of it, and we have a budget to meet. Their work has to be done by one week prior to the start of the conference (hotel requirement).

6 – Manpower & Technology: Team members will assist at the Registration Desk, will run errands as needed at the conference, may assist our speakers with any needs, and they will assist with any technology issues or applications.

**For those of you who might be interested or have questions, contact either
Tom Morgan at 903-530-4040 or tmorgan@texascollectors.com
or Barbara Garner at blee@nbccollections.com.**

**Companies that provide a management level person to work on one of the
six sub-committees will receive a \$100 discount off your conference registration.**

Help us make our 2024 Conference the best ever!

But are you thrilled?

It's likely you may be nervous. Anxious. Perhaps, deeply concerned about revenue. And rightly so.

Winning collection contracts at higher fees during stressed economic conditions requires more skill, dedication, effort, discipline (total sales expertise) than during boom times. It takes a sales approach that understands how to sell value vs. fee focused on the buyer's point of view. This MUST be a buyer-based, NOT seller-based sales approach. Without a much higher level of training, it is not reasonable to expect agency salespeople to be able to do or even understand this.

The job of a collection salesperson has gone way beyond just getting on the phone and making calls. The salesperson must be knowledgeable about operations, be able to talk numbers, be able to collaborate with a prospect to develop solutions that the prospect will value. This is the opposite of a "canned sales pitch." These are all elements of professional collection sales training necessary for even long-time veteran salespeople still utilizing a seller-based sales approach.

The definition of a professional collection salesperson has changed, and the marketplace no longer accepts that old approach. This is why it's so tough to get actual buyers on the phone. Buyer-based selling means that the sales process is about the buyer, not about the agency. Features that everyone has along with promises about out-collecting the competition as a reason to hire your agency, are no longer viable. Period. Buyers just do not want to take those calls, and with good reason.

Committing to a more professional sales approach by providing your salespeople with real-world professional collection sales training, (which includes making sure their body of knowledge is where it needs to be) and upgrading your marketing materials so they distinguish you from other top agencies instead of saying the same things that everyone else says – are all essential; unless you are willing to accept anemic sales and lower fees.

Buyers have changed but the sales approach used by most agencies has not. It's like sticking with a collection script that no longer works. A better approach and the training that goes with it are essential. Otherwise, the agency will remain dis-connected to the marketplace, and business that could have been theirs will keep going to competitors who have committed to positive, more effective change.

It's time for agency sales efforts to be as professional as their collection efforts. It's time to close that gap. Otherwise, there is no other way to be competitive except for continuing to cut fees. So, say "Yes" to stop lowering fees in order to get contracts and start selling value in the months ahead, and also commit to a sales management and sales methodology and approach that is in balance with the professionalism of your collection management.

Steel yourself to choose Door #2 and commit to selling value instead of shopping rate (low fees).

The fanfare will blare, the confetti will flutter down and buyers, whether collection managers, patient account managers, or any other type of

creditor, will love you. So will your agency's bottom line and, most importantly (and perhaps not surprisingly), since "Insight Selling" is about selling and building quality long-term partnerships with your clients – so will your clients. The transition from seller-based selling to buyer-based selling is a complete sea change that requires a real commitment from the top.

If necessary, get the help you need. It's not an easy commitment to make, I know. It means changing your Sales Management approach, providing professional collection sales training, and upgrading/improving your marketing materials (such as e-brochures and proposals).

Chart a course for your agency's future that will protect your long-term financial well-being by converting to "Insight Selling." This will enable you to stop selling features and rate, and start selling value at a good fee, as we potentially enter a recession. If you make the commitment to the positive change that will make it happen, the long-term financial benefits cannot be overstated.

About Marc Trezza

Considered the collection industry's leading expert on sales, Marc Trezza has been providing sales management solutions to collection agencies since 1991. He can be contacted at either snctrezza@mindspring.com or (844) 465-3300. Marc is the President of Search Net Corp, www.searchnetcorp.com/agency.

Providing Sales Management Solutions to Collection Agencies Since 1991

COLLECTION MARKETPLACE

If you are looking to buy, sell, hire or acquire, consider advertising in our feature,

"Collection Marketplace". Contact Tom Morgan, for ad sizes and rates.

Call 903-530-4040 or send an email to Tom at tmorgan@texascollectors.com.



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Jim Olson

Founder, Focus 1, 313-624-3300

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whistleblowers are the number one way fraud is detected within most organizations.

- **Implementation:** Develop a confidential and anonymous reporting system and ensure that all reports are taken seriously and investigated promptly.

Response Plan:

- **Essence:** A predefined plan ensures a swift and organized response to fraud, minimizing damage. The three questions always asked are: (1) What did you know? (2) When did you know it, and (3) What did you do about it? The answers to these questions are critical to determining how the organization and its senior leaders survive.

- **Components:** The plan should include legal actions, communication strategies, and steps to prevent future occurrences.

Insurance Coverage:

- **Relevance:** Insurance can provide financial protection against losses due to fraud.

- **Considerations:** Evaluate different policies to find one that best suits your organization's needs and risk profile.

Recommendation: Educate and Involve Employees

Awareness Programs:

- **Objective:** Educating employees about the

signs of fraud and the importance of internal controls can turn them into active participants in fraud prevention.

- **Execution:** Use workshops, newsletters, and regular meetings to disseminate information.

Inclusive Policies:

- **Advantage:** Involving employees in developing fraud prevention policies can lead to more effective and practical solutions.

- **Approach:** Encourage feedback and suggestions from employees at all levels.

Upon uncovering the overwhelming evidence, the Harris County District Attorney's Office brought Huffar to justice, resulting in a 15-year sentence. This case not only highlights the personal downfall of Huffar but also casts a spotlight on the broader issue of internal fraud within SMBs. The Chamber, like many small businesses, placed immense trust in its employees, a trust that was exploited due to a lack of stringent checks and balances.

The COVID-19 pandemic further exacerbated the situation, allowing Huffar to delay audits and other financial controls and continue her fraudulent activities unnoticed. This case serves as a cautionary tale for SMBs, emphasizing the need for robust systems of checks and balances, including consistent audits and vigilant monitoring

of financial activities.

Prosecutors in this case have advised organizations, especially those in the SMB sector, to implement more robust oversight mechanisms. These include regular audits, thorough background checks on employees handling finances, and the use of digital banking tools to monitor accounts, which are less susceptible to manipulation compared to traditional paper documents.

The Pasadena Chamber of Commerce's experience is a powerful reminder of the delicate balance between trust and control in business. It underscores the importance of vigilance and the implementation of adequate financial safeguards to protect against internal threats. For SMBs, this incident is a wake-up call to reassess and strengthen their internal control systems, ensuring that trust does not become a vulnerability.

About Chuck Gallagher

Chuck Gallagher, CSP, is a Certified Speaking Professional and he can be contacted at ChuckGallagher.com, his website or at chuck@chuckgallagher.com or 828-244-1400.

Congratulations!

We recognize our newest Trainer Specialist (TSP)

Tori Clemmons, Automobile Recovery Bureau, Houston, TX

And we have 2 new Professional Collection Specialists (PCS)

J'oni Baker, NTTA, Plano, TX

Marilyn Estrello, NTTA, Plano, TX

Plus 2 new Collection Industry Professionals (they look familiar!)

J'oni Baker, NTTA, Plano, TX

Marilyn Estrello, NTTA, Plano, TX

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PROFESSIONAL EDUCATION & COMPLIANCE DEVELOPMENT

Providing Educational Opportunities is a Key Component of the Mission of a Trade Association. We are committed to assisting members with training issues, as well as coordinating professional skills development and training programs sponsored by ACA International. It is our goal to ensure that our SWCA Annual Conference brings together nationally recognized speakers and subject matter experts to present the most up-to-date information regarding the issues facing our members.

If you would like local area training, we can assist with that as well. We are here to assist our members in accessing the finest training available. We look forward to serving you.

Campus ACA is the umbrella organization for ACA International's diverse professional and educational certification programs for collectors and agencies. Some upcoming educational opportunities **(partial list)**:

Date	Event	Location/Type
2/29	Hot Topics: Open Banking	Webinar
3/8	At The Bar – Litigations	Zoom
3/11	Small Agency Jam Session	Zoom
3/12 - 14	HOW: Revenue Growth Summit	Louisville, KY
3/18	Elevate Z: Leading and Being	Webinar
3/19	Conversation Thrillers & Killers	TBD
3/20	Water Cooler Chat	Zoom
3/25-27	Blueprint Quality Management System	Webinar
4/3	Strategic Financing of Debt Purchases	Webinar
4/5	Modernizing IT & Security	Webinar
4/8	Small Agency Jam Session	Zoom
4/29 - 5/1	Washington Insights	Washington, DC
7/21 - 7/23	ACA International Convention	San Diego
9/23 - 9/25	Mid-America Collection Conference & Expo	Fort Worth

For more information and a complete listing of these educational opportunities, visit www.acainternational.org or contact the Education Department at 800-269-1607.

Please let us know how we can better serve your education and training needs!

Southwest Collectors Association (SWCA) is joining with both the Missouri and Kansas Units to create a NEW conference: the 2024 Mid-America Collection Conference!

The theme for this year’s Conference is “Better Better When We Are All Together!”

The Program, is now under construction. If you have a topic that you deem important, let us know. If you are interested in helping to create the conference, come join us, we are looking for some smart and creative members who would like to share their talents and wisdom!

ACA will continue to hold online meetings and the weekly Huddle to cover member issues. Watch for those opportunities! They will be helpful!



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2024 COLLECTPAC NOTICE

By Rick Goforth, CollectPAC Chair

Spring! For those of us in the collection industry, typically the best time of the year! Usually, collections are up and payments are coming in as tax refunds hit our consumers. Why not take some of that influx and invest it in the fight against our state government. Our legislatures are always looking for ways to raise money or control our business and your donation to CollectPAC helps fight that.

As you know, Texas meets bi-annually, approximately January - May. However, our efforts to keep them at bay run year-round. To continue with that, we need your help. At our conference last year, we raised over \$1,075 for the PAC! We're grateful for that, but do need more.

Please mail your **personal check** or **personal credit card** contribution to our Association office at 305 S Broadway, Suite 706, Tyler, Texas 75702, or scan and email your credit card contributions to: info@texascollectors.com. And **remember, PAC contributions cannot be made using a company check or credit card.** We desperately need everyone to consider giving, or consider giving more if you've already made a contribution.

Have a great Spring and **thank you** for helping promote and protect our industry!

Rick Goforth, Chair
CollectPAC

COLLECTORS PLEDGE

- I believe every person has worth as an individual.
- I believe every person should be treated with dignity and respect.
- I will make it my personal responsibility to help consumers find ways to pay their just debts.
- I will be professional and ethical.
- I commit to honoring this pledge.

This pledge represents our members' commitment to professionalism and ethical practices.



American Collectors Association of Texas Political Action Committee CollectPAC Contribution & Pledge Card

Member Contribution Levels

Diamond-\$1,000

Platinum-\$500

Gold-\$250

Silver-\$100

Bronze-\$50

Add my name to CollectPAC's Honor Roll!

Name: _____ Agency: _____

Personal Check for \$ _____ enclosed Charge \$ _____ to my ___ Visa ___ MC ___ Am Ex

Name on card: _____ Card #: _____

Expiration date: _____ Security Code _____ Authorized signature: _____

For more information or to establish a monthly or quarterly payment schedule, contact Tom Morgan at 512-458-8666 or tmorgan@texascollectors.com State law prohibits corporate checks. Mail your check and this pledge card to: ACA of Texas CollectPAC, 305 South Broadway, Suite 706, Tyler TX 75702

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in harbor,
but that's not
what ships
are for.



John A. Shedd, 1928

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IMPORTANT READER INFORMATION

LETTERS TO THE EDITOR

Letters [or emails] to the Editor are welcome but must be signed, please include full name and address. Not all letters can be published. Letters that are published may be edited for space, brevity, clarity and other editorial considerations. We look forward to your constructive criticism; let us know if there is anything in particular you would like to see us address. We appreciate the opportunity to hear from our readers. Unfortunately, there are no letters this quarter.

MEMBERSHIP EVENT POSTINGS

The SWCA Southwest Collector Connector will post member announcements for anniversaries, birthdays, graduations, weddings or other significant events that occur in the lives of our members. Since this is a quarterly publication, the announcements can be in the recent past or in the future. Please send all announcements to tmorgan@texascollectors.com and, if possible, they will be published in the next issue to be published. Include your name and a contact phone number.

WE NEED YOUR HELP

Help us keep our membership records current so that you receive the most up-to-date information possible. This will become especially important during the upcoming year. Contact tmorgan@texascollectors.com or call 903-530-4040 with updated mailing and e-mail addresses and phone numbers. Also, be sure to send us your website address for posting to www.southwestcollectors.org.

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