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TIPS FOR PULLING CREDIT SCORES

If you are pulling an Experian credit report and you want a credit score, we have two ways you can receive them.

First, we can turn a score model on full time so it will be on each report without you requesting one. If you request a different score model, the "hard-coded" model will be turned off, so you will only receive one score. If you wanted to compare the two models, you would need to request both models.

Second, we can assign your subcode a "keyword" or "by request only" status. That way you will only receive credit scores if you request one or more.

IMPLEMENTATION THE "REDFLAG" SOPs

Redflags from the credit bureau:

- Fraud or active duty alerts
- Freeze notice
- Address discrepancies with those given by the consumer
- Personal information different than those given by the consumer
 - SSN different or checks to another
 - Phone Number different than on application
 - DOB different than on application
- Applicant fails to provide all the required personal identifying information.
- Patterns of activity inconsistent with or unusual patterns of activity of the applicant or customer including, but not limited to:
 - Recent and significant increase in inquiries
 - Unusual number of recently established credit relationships
 - Changes in use of credit
 - Accounts closed for cause or abuse.

Experian's **Authentication Solutions** provides:

Verification of::

- Name
- Address
 - Address/city/state/zip consistency
 - Residential or business
 - Address match to name
 - High risk address
 - Dwelling type
- Social Security number
 - Validation of format and Confirm issuance
 - Deceased
 - State and year of issuance

- Ability to validate full or last 4 digits SSN prior to DOB (if both supplied)
- Returns SSN if not provided
- Date of birth
- Driver's License number
- Telephone number
- Area code validity
- Prefix match to Zip code
- Residential or business phone
- Match to name and/or address
- High risk number
- Notice of high-risk addresses & phone numbers
- OFAC Screening
- A verification score. (1 - 999, lower scores indicate higher likelihood of fraud)

Authentication Solutions searches several data bases, Telephone and area code files, Experian Credit Bureau header, USPO change of address data base, SS Administration, OFAC SDN list, Driver's license data, Business address and phone data, Experian High risk address and phone data.

Required Input: First and Last name and complete address.

Data Returned: Middle name, SSN, year of Birth, Telephone Number, DL Number, Previous Address

If this is the type of data you need for your RedFlag program, please call or e-mail us. And as usual, there is more information on our web page.

RESIDENTIAL LAND LORDS

Experian has a new program for businesses operating out of a residence. No Site Inspection is require, if we provide a decision only, and do not provide a copy of the the credit report.

We have a program called "DECISIONING." The creditor can determine the income, credit, employment, residential and other criteria needed to approve or disapprove the tenant. When we pull the report, the program determines if the applicant qualifies per the criteria and then it issues an acceptance or denial letter.

10 EASY WAYS TO SAVE OVER A GRAND ON GAS

1. Get that "Check Engine" Light Checked Out:

Possible Savings: Off the charts

2. Check Your Tire Pressure:

Possible Savings 133.9 gallons/year (\$542/yr)

3. Change Your Air Filter:

Possible Savings 60.9 gallons/yr (\$247/yr)

4. Drive 60 on the Highway, Not 75:

Possible Savings: 57.8 gallons/year (\$234/yr)

On the highway, stay close to the speed limit, and keep your speed as constant as traffic allows. Most cars reach optimal gas mileage at about 60 miles per hour. Speeding up increases wind resistance against the car, making the engine work harder and burn more gas. According to the EPA, each 5 mph over 60 that you drive decreases fuel efficiency by up to seven percent.

5. Turn Off the A/C:

Possible Savings 31.9 gallons/yr (\$129/yr)

Some air conditioners rob an engine up to five percent of its fuel economy. There is some controversy about this one -- many newer cars are able to compensate for the energy used by an air conditioner and don't suffer the same penalty for keeping cool.

6. Get Your Engine Tuned:

Possible Savings 25.8 gallons/year (\$104/yr)

7. Drive Calmly in the City

Possible Savings: 17.9 gallons/yr (\$73/yr)

8. Lose Weight:

Possible Savings 13.1 gallons/yr for each 100 pounds you remove (\$104/yr)

9. Lose the Roof Rack

Possible Savings 13.1 gallons/year (\$53/yr)

10. Change Your Oil on Time

Possible Savings 6.6 gallons/year (\$27/yr)

(by Sean Tucker, Tuesday, June 24, 2008, Yahoo, Copyrighted, U.S.News & World Report, L.P.)

VERIFICATION TIP

When you request an employment verification, please provide the phone number of the employer's Personnel or HR Dept.

AMERIPRISE FINANCIAL SUES TVA EMPLOYEES CREDIT UNION

Knoxville TVA Employees Credit Union was sued in federal court this week in connection with an alleged misappropriation of funds.

In the lawsuit, Ameriprise Financial Services alleged that Foster Blount, who at the time was an agent of Ameriprise, collected more than \$1.7 million in checks that were supposed to be deposited into client accounts held with Ameriprise Financial.

According to the suit, the credit union allowed



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Blount to open a depository account in the Ameriprise name or to use that name in connection with an account, without getting evidence of his authority to do so.

The suit says Blount misappropriated funds for his personal use, and that Ameriprise — which has or will reimburse its clients for their losses — will incur a loss of more than \$2 million.

Blount could not be reached for comment. Glenn Siler, president of the credit union, declined to comment. (www.creditandcollectionnews.com, News Sentinel staff, Originally published 02:28 p.m., July 10, 2008, Updated 02:28 p.m., July 10, 2008)

ACA STUDY SHOWS COLLECTION AGENCIES RECOVERED \$40 BILLION IN 2007

Collection industry trade group released a study showing the impact collectors have on the American economy.

Debt collection agencies in the U.S. collected \$40.4 billion for their clients in 2007, saving the average American household \$354, according to the results of a study sponsored by collection industry trade group ACA International and conducted by PricewaterhouseCoopers (PwC).

The study, "Value of Third-Party Debt Collection to the U.S. Economy in 2007: Survey and Analysis," was based on a nationwide survey of collection agencies. It is a follow-up to the widely-cited 2005 collection industry report also conducted by PwC.

The survey revealed that collection agencies in the U.S. employ more than 216,000 people, including 122,000 collectors. In 1990, the industry counted just 70,000 employees. The study estimated that the industry, through direct employment and indirect economic impact, supported 420,000 American jobs with a payroll of \$15.9 billion in 2007.

Private businesses charged off an estimated \$152.5 billion in bad debt in 2007, according to the study. The report estimated that collectors successfully returned \$40.4 billion to American businesses last year, representing a 20.9 percent reduction in private sector bad debt. The study said that if Americans were forced to pay higher prices due to cover bad debt expenses returned by collectors, the average household would have spent an additional \$354 last year.

"What this report shows is what our members have long known — that debt collection companies are an indispensable part of keeping the U.S. economy afloat," said ACA CEO Gary Rippentrop.

The report also showed the increasing reliance of government entities on private debt collectors. In fiscal year 2006, the federal government referred \$17.5 billion in delinquent receivables to private collection agencies resulting in collections of \$739.6 million; up from \$693.5 million in 2005.

In addition to the \$40.4 billion collectors returned to clients in 2007, the study showed that accounts receivable management companies earned some \$6 billion in revenues from the collection of purchased debt.

To view the entire study on ACA's web site, visit: <http://www.acainternational.org/images/12546/pwc2007-final.pdf>. (by Patrick Lunsford, insideARM.com, June 26, 2008)

Collection Agency Owner Faces 10 Years for Stealing from Client

The owner failed to remit more than \$100,000 in federal Perkins student loan collections to a university client, prompting federal charges.

The owner of a Florida student loan collection agency faces up to 10 years in prison for purposefully failing to remit \$115,000 that the company had collected on behalf of Mississippi State University.

Nickie Bradley, owner of Cape Coral, Fla.-based H.W. Ketchum Collection Agency, pleaded guilty Thursday in federal court to one count of theft of public money. Because her agency was collecting on Perkins loans backed by the U.S. Department of Education on behalf of public university Mississippi State, the case was heard by a U.S. Magistrate Judge -- Sheri Polster Chappell -- and sentencing will follow federal guidelines.

Bradley could face 10 years in prison, three years of supervised release and fined \$250,000.

Bradley withheld the money her company collected on behalf of Mississippi State in 2006. The company had been experiencing financial difficulties since Bradley moved H.W. Ketchum from Michigan in 2001. The move prompted the migration of many of her local clients, such as the University of Michigan and Michigan State University.

H.W. Ketchum had been in business for 27

years, according to court documents. At its height, it employed 21 people. But when business dried up after the move to Florida, Mississippi State was soon her only client. To keep the business afloat, Bradley began to delay the remittance of collected money to the school. She also took out lines of credit on her home to keep the business going. But H.W. Ketchum was forced to close in October.

Bradley told Chappell that she used Mississippi State's money for business and personal purposes.

Because she cooperated with investigators, the U.S. attorney assigned to the case and Chappell agreed to release her without bond until her sentencing. A date has not been set for sentencing. (by Patrick Lunsford, insideARM.com, July 7, 2008)

EXPERIAN REPORTS LARGEST INCREASE IN AUTO INSOLVENCIES SINCE 2001

The total number of insolvencies in the automotive industry for the first half of the year now stands at 134 — an increase of 10.7% compared with the first half of 2007, according to Experian, the global information services company.

Experian reported that the number of automotive companies going bust rose by 30.9% during the second quarter of 2008, compared to the year-ago period. Despite a positive start to the year, 72 automotive businesses failed during April, May and June, representing the biggest increase in Q2 automotive failures since 2001.

The automotive industry had the 10th highest increase in insolvencies in Q2 of the 34 industries tracked by Experian. Overall, the total number of businesses in all sectors going bust in Q2 rose by 19.7%. (7-29-08, crmag.net)

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KCB Information Services offers: Consumer credit reports, Business Credit reports, Employment Credit reports, Residential Mortgage Credit Reports, Merged Credit Reports, Criminal background checks, Tenant Screening Reports, Flood Zone Determination, Flood Life of Loan Certification, Identity Authentication and KCB Checking History Reports.

KCB Information Services has served businesses since 1928 and serves Central Illinois for Experian and Equifax.