



President's Note

Welcome to the 2009 Q1 edition of *SOLUTIONS* newsletter. It's been quite an event-filled last few months for us.

First we attended CUNA's Governmental Affairs Conference in Washington, D.C. last month. Despite the current economic state, the show was relatively crowded each day. We had many folks stop by our booth and discuss how we could help them with their collection processes. We even had editors from *CU Times*, *CU Journal*, and *CU tech-talk* meet with us to get our perspective on how the economy was affecting credit unions. (See pics in our top story.) It was a very exciting show and we were glad to have participated.

In other news, we successfully helped Bay Federal streamline its collection operations last month and are in the process of evaluating Southland's operations.

We would also like to announce that we have completed a collections case study article with Financial Partners. We have been working with them for a long time and are very grateful for their participation in this story, as it shows how we can help make a collections process more efficient within a credit union. We have included an excerpt in this issue.

In addition, we would like to let you know that we will be attending the Texas Credit Union League meeting and the Florida Credit Union League meeting. We hope to see you there!

We hope you enjoy our latest issue of *SOLUTIONS*. And, as always, we appreciate your business and look forward to serving you.

Warm regards,
Bill Garcia

SIF Attends a Surprisingly Crowded 2009 GAC



GAC attendees enter show

Most of our stay in Washington, D.C. last month for CUNA's Governmental Affairs Conference (Feb. 22-26), the temperature was in the 20s and 30s outside. But inside the D.C. Convention Center where the GAC was held, it was warm and a surprising hotbed of activity — especially in the collections arena, where we were squarely center stage.

Talking with dozens of attendees about how to enhance their collection operations, we also met with a few of the industry's top editors: Lisa Freeman, Managing Editor for *Credit Union Journal*; Sarah Cooke, Editor-in-Chief of *Credit Union Times*; and Tom Wright, Editor and Publisher of *CU tech-talk*.

Each editor asked us how collections has been affected by the current state of the economy and the credit union industry.



CU tech-talk meeting

We provided our insight as to what was going on and what credit unions can do to enhance their collection operations, making this process more efficient. We suggested a simple collections check-up is all that's needed to get back on the right track to enhanced efficiency in this area.



CU Journal meeting

Overall, the show was a success for us, as we hope it was for many other vendors and credit unions. This industry needs to keep moving forward, not getting bogged down with what's taking place elsewhere. This is a strong industry and we are proud to be a part of it, assisting others to make it better. We look forward to attending the GAC again next year.

Bay Federal and Southland CUs Leverage SIF

We are pleased to announce that we have signed [Bay Federal Credit Union](#) (\$680 million; 65,524 members; Capitola, CA) and [Southland Credit Union](#) (\$417 million; 33,186 members; Downey, CA) to consult on their collection operations. We have already nearly concluded our work with Bay Federal and have just commenced with our evaluation with Southland this month.



Tradeshows Attending:

[Texas Credit Union League](#)

April 14-17, 2009
Austin, TX

[Florida Credit Union League](#)

June 17-20, 2009
Orlando, FL

Case Study: Financial Partners CU

In an effort to continue enhancing its in-house operations, [Financial Partners Credit Union](#) (\$727 million; 61,753 members; Downey, CA) proactively looked to improve the quality and productivity of its in-house Collections and Recovery team to ensure proper controls were in place and adequate monitoring was being conducted. The credit union also wanted to update its underwriting criteria, minimizing exposure as its loans aged.



“To ensure all aspects of our in-house operations were of the highest quality, we started looking for subject matter experts who could evaluate our operations and make recommendations to improve our collections and recovery performance,” states Nader Moghaddam, President/CEO of Financial Partners Credit Union. “We also looked for experts who could update underwriting guidelines for consumer loans based on current industry standards and best-in-class examples.”

That said, Moghaddam called upon Solutions in Finance (SIF), an established lending and collections consultant for credit unions. Moghaddam had first worked with SIF in 2003 when he was EVP of another credit union. Because of the positive experiences at his previous credit union, he again hired SIF to work with Financial Partners in 2005. Since then, SIF has been doing various projects for Financial Partners in both the lending and collections areas.

See the rest of the story at www.solutionsinfinance.com/financialpartners.

Time for a Collections Check-Up?

With collection operations becoming top-of-mind as of late, we have created a “Top 10” Collection Operations check-up list for credit unions looking to streamline this process. With guidance from Solutions in Finance, the list can help credit unions enhance the management of this rising business due to the current state of the economy.

With the down economy, it’s important that your collection department hits on all cylinders. Many clients are contacting us to come back and take another look to see what else can be done in their collection department to minimize delinquencies and charge-offs.

Our Top 10 Collections Check-Up list includes:

1. Is your collection department structured properly?
2. What collections strategies are you using?
3. Are you utilizing technology properly?
4. Are process efficiencies in place?
5. Is the department performing at a high level for maximum results?
6. How do you measure performance?
7. Are you staffed properly?
8. Do you have the proper expertise and skill-set levels on staff?
9. Are repossessed, vehicle sale results up to industry standards?
10. Are you maximizing charge off recoveries?

For more information about our check-up list, contact us at 888-447-0324.

Copyright Infringement

It has been discovered that the proprietary information we provide to you has been compromised. As a reminder, we would like to let you know that all of our lending and collection operation recommendations are proprietary and the sole property of Solutions in Finance, Inc.

This information; which includes roll rate, performance metrics, performance scorecards, and all other information included in our recommendation documents; is not to be shared with other credit unions or outside vendors. This stipulation is always disclosed at the time of the proposal/contract agreement.

SIF Services

Business Lending Services

We have nearly 10 years of business-lending experience, which includes business lines of credit, credit cards, term loans, equipment loans, and real estate loans, and more.

Consumer Lending Services

We can assist you with establishing loan-underwriting guidelines and with planning and managing the implementation process.

Collection Operations

As independent consultants, we specialize in exploring opportunities and implementing strategies for decreasing delinquencies, charge-offs, and collection operating costs.

Collection Management Services

We offer co-sourcing opportunities for clients in professional collection management. With this service, we manage your daily collection operations, reporting directly to the CEO or other senior executives.

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