



THE novadebt CONNECTION

A GARDEN STATE CONSUMER CREDIT COUNSELING ORGANIZATION

November 2009

Community Outreach

By: Becky Winters, Education Developer

Autumn is officially here and with it brings falling leaves, cooler temperatures and the approaching holidays with family and friends. This time of year also brings additional financial strain, so the employees here at Novadebt try and reach out to bring a little warmth and sense of compassion by lending that extra helping hand. The nation's economic woes continue to squeeze local emergency food programs. Demand is up. Donations are down. This year will mark the seventh year that our Freehold office Outreach Group has supported an annual food drive for Freehold Area Open Door Food Pantry during the Thanksgiving holiday. Freehold Area Open Door, Inc. is a non-profit, 501 (c3), interfaith agency that provides emergency food, emergency funding, mentoring and scholarships to those in need from the Freehold area. In continuing our support, we will collect non-perishables, along with frozen turkeys and hams, from November 4 through November 18, 2008. Contributions made by employees for our November 4 and 18th weekly Outreach "Dress Down" days will also be designated to this effort. Our San Diego office will hold a similar drive in support of the food banks in the immediate area of our office location. The need is great at all food banks nationwide, so why not make it an individual or family goal to help in whatever capacity you can in your own communities? It is a great way to share the blessings that we have.

November also begins our annual involvement in the United Way of Monmouth County's *Snowflake Wishes* effort here in New Jersey and the *Toys for Tots* effort in California. Novadebt employees in our Freehold office select a tag that notes three "wishes" of an individual identified by the UWMC, whose ages range from infant to senior. In San Diego, tags with wishes from identified children are selected. It is always fun to see the gift selections begin to arrive in our offices. This drive continues into early December, allowing time for Christmas delivery!!! We will update you on the efforts of "Santa's Helpers" in next month's issue.

In closing, we are proud to announce that Novadebt employees from all of our offices contributed approximately \$8,000 to *Making Strides Against Breast Cancer* during the month of October. This donation was the culmination of year long fundraisers and dress down contributions. It is a testament to the compassionate staff employed here and their never ending commitment to service in their communities.

Thank You Novadebt!

"Novadebt is always there when you need them and have helped me get on my feet. I highly recommend Novadebt to anyone feeling today's financial pinch. I could never have avoided bankruptcy without Novadebt's guidance and support. I am more than halfway through the program and it is a wonderful feeling to see your way out of debt completely. Thank you sooooo much Novadebt!" - *Sonia—CA*

"I am very impressed by both the knowledge and the dedication with which your Counselors do their jobs. I really feel that I have an advocate in Novadebt and that the Counselors give you real-world advice for my current financial situation and my future planning as well." - *Kathy, MD*

If you have any comments, questions, or suggestions for future news bulletins, please email bulletin@novadebt.org.



Welcome to the newest section of our newsletter...**Dear Kim.**

My name is Kim Cole and I am the Education Outreach Coordinator for Novadebt. In my 7 years with Novadebt, I have been asked all kinds of financial related questions. The common thread is that everyone feels they are the only one with that particular question, and they are wrong.

At Dear Kim, our clients will have the opportunity to ask their questions relative to personal finance and view answers to those questions in print.

We will select a few questions each month to respond to in the newsletter. If your question is not one of the lucky questions chosen for print, we will still provide you with a reply directly.

Novadebt will only publish your first name and state, and we will happily accept anonymous questions.

Please send your questions to me via email at kcole@novadebt.org or through the mail:

Novadebt
Attn: *Dear Kim*
P.O. Box 160
Adelphia, NJ 07710-0160

Dear Kim...

Dear Kim,

I have been on the debt management plan for several years and I am about to pay it off. A friend of mine told me that using a credit counseling agency dropped my credit score and now I won't be able to buy a car or a house. Is this true?

Susan, NJ

Dear Susan,

This is a very common question. I consulted both the Fair Isaac Company (FICO) and Vantage Score, which handles the scoring for all three major bureaus, and both have confirmed that the act of consulting a credit counseling agency and joining a debt management program, will not impact your credit score. What is important is what your credit report looked like prior to enrollment with Novadebt and whether you missed any payments while on your debt management plan. That information will remain with you for 7 years.

Dear Kim,

I was watching TV and saw a commercial to get a free credit report. I have never seen my report and was curious to see what was on it. I went on my computer and they asked for a credit card number, How is this free?

Robert, CA

Dear Robert,

First, let me congratulate you for trying to pull your report. You should review your report from the 3 bureaus (Equifax, Experian, and Trans Union) at least once a year. In December of 2004, President Bush signed the Fair and Accurate Credit Transactions Act, also known as the FACT Act. Under FACT, consumers are permitted to receive a free credit report from the three bureaus every twelve months. There is a website that was established by the Federal Trade Commission and the three bureaus which is www.annualcreditreport.com or call 1-877-322-8228. This is the only place that you can access your reports for free under the act.