



**CAMBRIDGE**  
**CREDIT COUNSELING CORP.**  
A Professional Debt Counseling Agency



# 2006 Annual Report

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[www.cambridgecredit.org](http://www.cambridgecredit.org)

# About Cambridge

Cambridge Credit Counseling Corp. ("Cambridge") is a professional debt counseling agency, providing financial education, credit and debt management services to consumers nationwide. As an ISO 9001:2000 certified company registered to the AICCCA Code of Practice, Cambridge focuses on providing consumers with the education, tools, and budgeting skills necessary for them to become more financially responsible.

Cambridge deliver its educational initiatives to the general public through a variety of seminar and outreach programs, and, in a more targeted, one-on-one form, to individual consumers in financial distress who contact our company every day in search of assistance. The company regularly conducts financial literacy seminars throughout our local community, including for a number of non-profit social service agencies, colleges and high schools. Through our educational division, GoodPayer.com, Cambridge also provides a variety of free online resources, including informational articles, credit tutorials, and an electronically storable budgeting feature. Finally, and perhaps most important, Cambridge offers comprehensive financial assessments and education to consumers interested in improving their financial well being. If an assessment indicates that a consumer would be unlikely to alleviate their debt without creditor concessions, Cambridge will offer the option of enrolling in the company's debt management program (DMP) to help them establish an affordable and convenient plan to repay their current debts in a timely manner. If creditor concessions are unlikely or unnecessary under the consumer's circumstances, one of Cambridge's professional, AFCPE-certified counselors will advise that individual of any other appropriate steps they may take to alleviate their financial burden.

Cambridge offers state-of-the-art technology to its clients, helping ensure that most payments are disbursed to creditors within 24 to 48 hours of their receipt, and that clients have 24-hour access to their account information. Most important, Cambridge extends the full range of its services to all consumers, regardless of their ability to pay.

## Statistics for 2006

### Education

<b>Number of Counseling Sessions:</b> .....	36,983
<b>Post-Counseling Sessions (New Clients):</b> .....	13,008
<b>Post-Counseling Sessions (Non-Client):</b> .....	11,641
<b>Community Education Seminars Held:</b> .....	522
<b>Total Seminar Audience:</b> .....	7,378
<b>Net Gain Participants:</b> .....	20,000
<b>Free Education Materials Provided to the Public:</b>	19,019

### DMP Services

<b>Counseling Sessions Resulting in a DMP (%)</b> ...	11.77%
<b>Number of New Clients:</b> .....	4,336
<b>Number of Active Clients:</b> .....	25,452
<b>Client Payments Received:</b> .....	318,313
<b>Client Services Calls:</b> .....	70,942
<b>Payments Disbursed on Behalf of Clients:</b>	\$140,593,000
<b>Client Median Net Income:</b> .....	\$30,672
<b>Client Homeowners (%):</b> .....	31%

### Groups Serviced

#### Gender

<b>Male</b> .....	39%
<b>Female</b> .....	61%

#### Age

<b>18 - 24</b> .....	1%
<b>25 - 34</b> .....	14%
<b>35 - 44</b> .....	16%
<b>44 - 54</b> .....	35%
<b>55 -64</b> .....	20%
<b>Over 65</b> .....	14%

## Education

Cambridge maintained its commitment to educating the public throughout 2006. Our education team conducted 522 seminars, ultimately reaching 7,378 individuals. These sessions were offered to a wide variety of non-profit agencies, high schools and colleges, including: American International College, Asnuntuck Community College, Bay Path College, Early Childhood of Greater Springfield, East Longmeadow High School, Future Works, Hallmark Institute of Photography, Hampden County Correction Center, Job Corps – Westover, Latino Chamber of Commerce, Manchester Community College, Minnechaug High School, Partners for the Community, Phoenix House, Sanford Brown Institute of Criminology, Hampden County Sheriff's Department, Springfield Technical Community College, UMASS, The Newington, Connecticut, VA Hospital, WAITT House and YOU Inc. In addition, 20,000 high school students participated in Cambridge's 16-week Net Gain program. Net Gain is a partnership with USA TODAY and the Naismith Memorial Basketball Hall of Fame. The goal of the program is to offer an innovative and practical curriculum instructing students on the basics of credit and debt, and how to be responsible users of the financial resources that will be available to them as they reach adulthood.

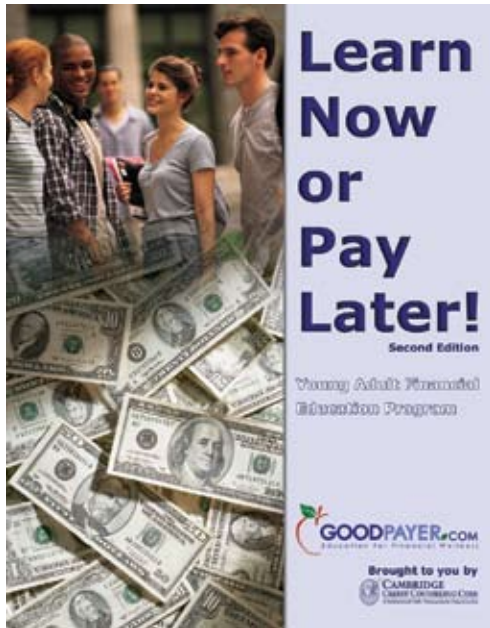
## Service

In 2006, the success of our post-counseling model became evident. Post counseling sessions complement our educational efforts, ensuring that clients create working budgets, journalize their expenses and set appropriate long-term financial goals. Our counselors conduct comprehensive sessions within the first 90 days of an individual's enrollment and then again every six months thereafter. The first three sessions (conducted the 3rd, 7th and 11th weeks of enrollment) are designed to extend our educational efforts beyond the initial counseling period. The goal of these sessions is to determine that the client has successfully implemented the education and tools they have received. Making these repeated contacts allows us to offer any needed support our clients require in incorporating the various aspects of the education we have provided. In random surveys coordinated by our Quality Assurance Department, we have seen improvement in the effect of our educational efforts. Overall, 89.4% of our clients are satisfied with the services provided by our Certified Counselors. This has led to an increase in the amount of clients who journalize their spending. An overwhelming 90.6% of our journalizing clients have reduced unnecessary spending.

## Quality

Cambridge continued its efforts to improve the quality experience of the consumers we assist. Among the improvements introduced in 2006: the company enhanced its websites, Cambridgecredit.org, Goodpayer.com, and Learnnoworpaylater.com; and we also introduced a new automated phone system that directs client calls more quickly to our representatives. The results of these changes have been very well received. Our anonymous survey indicates that our clients' level of satisfaction is higher than ever before. We also continue to be audited every six months by the industry's preferred registrar, Bureau Veritas Certification, to ensure that we remain in compliance with both the ISO 9000 & AICCCA Code of Practice standards. To date, we have not received a single major finding of nonconformance.

# Cambridge's Education Material



## **Learn Now or Pay Later Young Adult Guide, 2<sup>nd</sup> Edition**

The debt accumulated by today's youth forces students to work more, reduces their academic load, and even causes a significant number to drop out of school. Our Young Adult version of *Learn Now or Pay Later* educates high school and college students about the fundamentals of credit, debt and personal finance. The goal of this guide is to empower young adults with the knowledge necessary to create a strong financial foundation. This will allow them to develop the financial skills necessary to succeed in life.

The *Learn Now or Pay Later* young adult curriculum includes: An Introduction to Financial Literacy, The Economy, The Cost of Credit, The Nuts and Bolts of Credit Cards, Credit Reports, Credit Scores, Debt-to-Income Ratio, Budgeting, Checking Accounts, Saving and Investing.

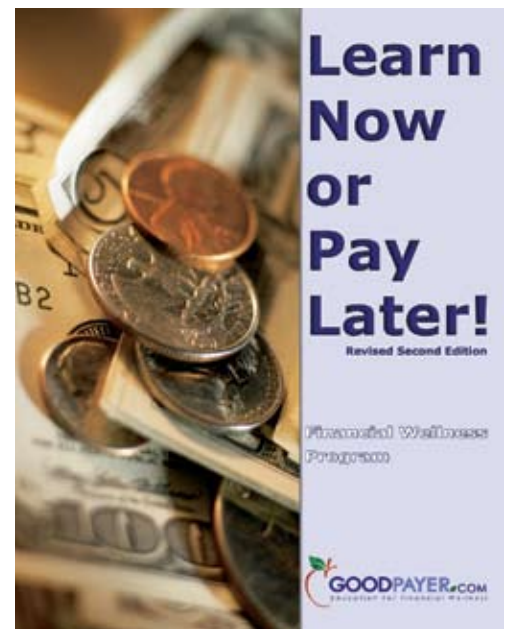
***This 69-page guide is provided, free of charge, to school systems and seminar attendees.***

## **Learn Now or Pay Later Financial Wellness Guide, Revised 2<sup>nd</sup> Edition**

In our world of easy credit, self-directed retirement plans, and even electronic paychecks, today's consumer is faced with a variety of financial issues that did not exist just fifteen years ago. Throw in the intense competition for our money through an unending blizzard of television commercials, billboards, and magazine ads for everything from healthcare to mortgages, and the sheer volume of financial choices can seem overwhelming. Our Financial Wellness version of *Learn Now or Pay Later* helps consumers understand how to utilize their finances to build for retirement and make the informed decisions necessary for financial success. Our guide provides real-world examples and scenarios to help illustrate how to achieve financial freedom.

The *Learn Now or Pay Later* adult curriculum includes: Budgeting, Saving and Investing, Credit Reports, Credit Scores, Re-establishing Credit, Debt-to-Income Ratio, Dealing with Bill Collectors, Checking Accounts, and a variety of other helpful resources.

***This 69-page guide is provided, free of charge, to seminar attendees and those consumers who receive Counseling Sessions.***



## **Budgeting with the Connors**

This DVD program is based upon our *Learn Now or Pay Later* budgeting curriculum. It follows a married couple as they make their way through the budgeting process, including the development of their Initial Budget, the journalizing of their daily expenses, and the construction of their Adjusted Budget. The program illustrates the necessity for individuals within a household to have an open dialogue regarding their spending, and offers insight on how expenses may be adjusted so that a reasonable savings plan can be established.

***This educational video is provided, free of charge, to those consumers who receive Counseling Sessions.***

## Directors and Officers

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