

F&I Non-Negotiables
By Gil Van Over

Ben Franklin once said (something to this effect anyway) “*the only certain things in life are death and taxes*”. Or was it taxes and death?

I surely can't argue that death and taxes are certain, but I can add another certainty...people will get away with what they can.

Many F&I Managers are no different. Unless the Dealer Principal's expectations are clearly communicated and strictly enforced, many F&I Managers will take the “manage the minimum” mantra as far as they can. In other words, as little documentation as possible.

One effective method I've seen in my travels used to combat this “manage the minimum” is a list of practices that are absolutely not tolerated by F&I Managers. This list, known as *F&I Non-Negotiables*, is communicated to the F&I Managers so that there is no mistaking what behaviors **are not expected**. Here are examples of ways to communicate your expectations.

1. Each manager must sign an acknowledgement form that affirms his or her understanding of the non-negotiables and the fact that violation of any one of the non-negotiables is cause for termination.
2. The manager is provided with a laminated 3 x 5 inch card that lists the non-negotiables. This way, the manager can always carry it in his wallet or her purse.
3. The list of expectations is clearly laid out in the dealership's policy and procedure manual.
4. A poster sized list of non-negotiables is hung in the conference room where monthly F&I meetings are held. The room also conveniently doubles as the lunchroom.

THE LIST!!!

Without further delay, here is a sample list. Feel free to use it as is or add any other practices that you may have had issues with in the past:

F&I Non-Negotiables

1. Line one of the Retail Installment Sales Contract (RISC) will reflect only the price of the vehicle we are selling, hard adds, taxes and dealer doc fees.
2. GAP, VSC's, Maintenance, Tire & Wheel and Lojack must be individually disclosed as other charges on the RISC.
3. Credit Life and A&H must be individually disclosed as insurance items on the RISC.
4. We will not allow our customers to sign blank documents.

5. We will safeguard our customer's non-public, personal information.
6. There will be a signed F&I menu in every deal that clearly documents the customer's acknowledgement and acceptance of each F&I product and its corresponding price.
7. There will be a product registration signed, priced and dated for each product we sell and product registrations will reflect the price of only the product being registered.
8. There will be a cash receipt in every deal file that reflects the exact amount of cash we report to our lenders as having been received from our customer and we will not collect any more or less from him or her in this transaction.
9. Customers will always be provided the "Customer Copy" of documents they sign.
10. You and our customers will each place your initials in close proximity to every handwritten change you make to any preprinted document signed by that customer.
11. You will report all incidents of non-compliance with any of these "Non-Negotiables" to the Dealer Principal or my designate.

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