**Procedure for Use of Collection Agencies**

Georgia’s Technical Colleges have certain unpaid accounts for tuition, fees, and/or miscellaneous expenses that they are unable to collect through ordinary collection efforts. A collection agency is experienced, staffed and equipped to collect unpaid accounts for the Colleges. Below are procedures used when obtaining a collection agency to secure bad debt.

* A student account is deemed uncollectible by ordinary collection means of the College when the student has been notified of the debt in writing 2 times according to TCSG due diligence procedures.
* The collection agency notification is considered the 3rd time.
* The student’s ID is added to the Collection list in TGACOLC and the account is put on hold to block registration, grades and transcripts.
* Completion of a collection form is required by the collection agency specifying name, latest known address, current phone number, birthdate, social security number, amount owed, and the default date.
* The collection agency will report any collections to the college monthly on a payment invoice.
* Student payments are posted to the student banner account and the collection balance on SOAHOLD is updated to reflect payment.
* Banner report TGRCOLC should be run to show all student activity since the last time the process was run in update mode.
* Once full payment is collected the hold is removed and the student is to be removed off of the collection agency list (TGACOLC).

The following one-time steps should occur prior to using these procedures:

* Establish the Collection Agency in SPAIDEN as a nonperson.
* If using a hold code other than BU, set up the Hold code in form STVHOLD (Collection Agency).
* Set up a new Delinquency Code in TTVDELI. The Delinquency code is 97, Don’t Send to Collections.
* Set up a Population Selection that will later load the students into form TGACOLC, establish the List to go to the Collection Agency as well as optionally putting the students on hold. Note: ZFRWRIT is set up to generate a population selection, if necessary.
* Each term, the college should be updating the bill date, due date and statement date after “Due Diligence”. This can be done by using the DTAE menu, option >> Roll Balances forward for billing. TSRTBIL in STATEMENT mode can also be run.

For each student loaded into the Population Selection, process ZSPCOLC will perform the following steps:

* Form TGACOLC will be updated, loading the Student ID and default date.
* The requested hold will be placed on the student, with description “Collection Agency” and the dollar amount being turned over. If a hold code is not requested and the student doesn’t have a current WO or BU hold code, the process will generate a BU hold.
* An extract file will be generated for the collection agency which includes but is not limited to: SSN, Name, Name Suffix, Student ID, last known Address, City-State-Zip, MA Phone Number, birthdate, Original Amount, Amount owed, and Default Date.
* If using Williams and Fudge Collection Agency, upload the file to [www.wfcorp.com](http://www.wfcorp.com) via the secure web site. Note: If not using Williams and Fudge, it is recommended that a secure web site be used.

Students will not process into the Collection File for the following reasons and must be handled manually:

* Application of payment errors in TSAAREV
* Balance error – process cannot determine the balance for collections
* Student was less than 18 when the debt occurred
* Delinquency code = 95, 96, 97 (loaded in form TSAACCT)

The following procedure is to be used for student accounts that have not previously been written off. This is to record full or partial monthly payments made to the College.

* The collection agency sends a check for all payments made to them during a given month.
* The check is recorded in Banner to the student’s account as 5BOO, 5TUI, 5PEL, etc. for the full amount that flows thru TGRFEED.
* The 25% fee to the Collection Agency is handled from PeopleSoft.

For student accounts that have previously been written off in either a current year or a prior year:

* Reverse the write off for the amount sent from the collection agency
* Un-apply payment for that term
* Reapply payment – this puts the charges back on the original detail code
* Record as 5BOO, 5TUI, 5PEL, etc for the total amount.
* The 29.87% fee (or the college applicable fee) to the Collection agency is handled from PeopleSoft.

Before you post any collection payments, run TGRCOLC, in AUDIT mode, to see any changes have been made to any collection student’s accounts. If your college accepts payments in-house for students that have been sent to collections, this should show you the Williams and Fudge students whom you have taken payments from since the last time TGRCOLC has been run.

Once monthly payments have been posted into banner, run TGRCOLC in audit mode (leave dates blank in TGRCOLC). The report will show:

* Accounts that received any activity since the last time TGRCOLC was run in UPDATE mode.
* Report Total Charges should show if any charges were posted to student accounts since the last time TGRCOLC was run in UPDATE mode.
* Report Total Payments should normally be the amount of payments received from Williams and Fudge and should balance to the Invoice Paid list received from the vendor for the month.

Once you verify the report, run TGRCOLC in update mode. Any students who paid their collection debt in full should be manually removed from TGACOLC.

*\*\*\* After ZFRWRIT (the write-off process) is run in update mode TGRCOLC should be run (audit and update) to reflect these changes made to student accounts. Failure to do this will combine write off totals with collection payment totals the next time TGRCOLC is run.*

*\*\*\*\*If you have not been deleting students with zero balances from TGACOLC, you can run a pop sel to find the students with zero balances that have any entry in TGACOLC. This will help you find the students you will need to remove from TGACOLC.*