

Developing a Collections Program – Internally and Externally

Ohio Association of Public Treasurers
Annual Training Program

Presented by Sara M. Costanzo

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Weltman

Weltman, Weinberg & Reis Co., LPA

The single solution for every single creditor.™

Weltman

About Us

About Us

- Nationally-recognized full service collections firm
- We represent nearly every type of creditor, including some of the largest financial institutions in the U.S., in:
 - Bankruptcy
 - Consumer and Commercial Collections
 - Litigation
 - Real Estate Default matters



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The logo for Weltman, featuring the word "Weltman" in a blue sans-serif font with a right-pointing arrowhead at the end of the "n".

Initial Considerations

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Initial Considerations

- Amount of the claim/amount recoverable
- Type of the claim (i.e. tax claim, water/sewer, property damage, ambulance charges, etc.)
- Age of claim – statute of limitations
- Jurisdiction
- Available documentation
- Liable party/parties
- Collectability



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Available Remedies/Courses of Action

- Invoices
- Letters
- Phone calls
- Amnesty offers
- Promise to pay agreements
- Pledge of security/collateral
- Legal action
- Post judgment attachments



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Dunning – Making Demand

- Learn to make an IMPACT
 - I Immediate: Sending reminders when the claim first becomes delinquent; timeliness is next to Godliness
 - M Money: Get payment, even if good faith installments
 - P Pressure: Increase effort along the way; stress urgency
 - A Action: Issuing ultimate demand for payment with foreseeable consequences (i.e. claim may be referred to a third party for legal action)
 - C Coercive: Professional collection activity and/or legal action implemented
 - T Tactical Review: Measure the results of your plan, adjust it

Skip Tracing

- The process of locating a person/company
- Collecting as much information as possible about the assets.
- Records may include phone number databases, credit reports (including information provided on a loan application, credit card application, and in other debt collector databases), job application information, criminal background checks, utility bills (electricity, gas, water, sewage, phone, Internet, and cable), social security, disability, and public tax information



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Internal Records

- Tax records
- Real estate records
- Communications, letters or other documents received
- Incident documentation (evidence of damage or amounts due)
- Contracts or promissory notes
- Past payments (check copies)
- Credit applications



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Public Records

- Documents or pieces of information that are not considered confidential
- Although public records are records of public business, they are not necessarily available without restriction
- Some companies provide access to many public records available on the Internet. Some companies sell software with a promise of unlimited access to public records, but may provide nothing more than basic information on how to access already available and generally free public websites.

Finding a Liable Party – Individual Person

- Driver License
 - State
 - Number
 - Expiration date
- Bank Relationship(s)
- Relatives
- Divorce Records
 - Court records
 - Alimony/child support



Finding a Liable Party – Individual Person

- Children
 - Dependents
 - Obligations
- Other debts
 - Type
 - Creditor
 - Amount
 - Collateral
 - Delinquency



Finding a Liable Party – Individual Person

- Investments
- Non-wage resources
 - Rental income
 - Independent contracts
 - Commissions
- Social Clubs
 - Golf memberships
- Recreational vehicle(s)
 - Boats, RVs, motorcycles



Finding a Liable Party – Individual Person

- Automobile(s)
 - Lease versus own
 - Title, liens and mileage
- Taxes
 - Federal, state, local
- Club Memberships
 - Sam's, Costco, BJ's
 - Shoppers discounts
 - Giant Eagle, CVS



Finding a Liable Party – Individual Person

- Travel
 - Where does the person go daily
- Place of Birth
 - Source for contacts/relatives
- Place of Employment
- Exemptions
- Social Networking
 - Facebook, Myspace, Linked In
- Cell Phone
 - Family plan, work plan



Finding a Liable Party - Business

- Full Legal Name
- Proper Legal Status
- Structure
 - Corporation
 - Sole proprietorship
 - Partnership
 - Limited Liability Company



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Finding a Liable Party - Business

- Location(s)
 - Single or multiple site
- Prior Credit Relationships
 - References
- Landlord Relationship
 - Lease agreement, guarantees, payment history
- Officer(s)
 - Primary contacts
 - Role responsibility



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Finding a Liable Party - Business

- Assets
 - Collateral
 - UCC Filings/renewals
- Principals
 - Shareholders
 - Owner(s)
 - General/Limited
 - Members



Finding a Liable Party - Business

- Vendor Relationships
 - Payment
 - Supply
- Automobile(s)
- Bank Relationship(s)
- Authorized Agent(s)
- NSF Checks
- Websites



Location – Address(es)

- Ownership
 - Deed
- Date of acquisition
- Transfers of ownership
- Encumbrances
- Equity
- Rental
 - Lease agreement



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Location – Address(es)

- Neighbors
 - FDCPA considerations
- Google maps, Zillow, ZabaSearch
- Prior address(es)
 - Ownership
 - Landlord relationship
 - Relatives



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Assets - Valuation

- County data
 - Auditor Site
 - Assessed versus market value
 - Recorder site
- Zillow.com
- MLS comparatives
- Appraisals



Tools and Resources - People

- Nationwide person search
- Cellular and alternate phones
- Statewide person search
- Employment locator
- Email
- Enhanced social networking



Tools and Resources - People

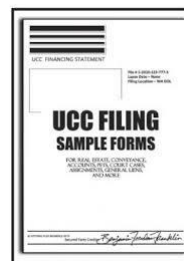
- Sex offenders
- Social security death master
- Voter registration
- Political contributions



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Tools and Resources - Businesses

- Nationwide business search
- Statewide business search
- Corporation filings
- Internet domains
- UCC Filings



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Tools and Resources - Assets

- Motor vehicle registrations/title
- Real property
- Automated valuations
- Search licenses
 - Professional
 - Hunting
 - Concealed weapons



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Questions?



Please feel free to contact me anytime:



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