

Submitter: Daniel Jurgens

Institution: Oklahoma State University

Location: Stillwater, Oklahoma

Date Founded: December 25, 1890

Size: 21,872

Type: Public

Carnegie Classification: Two

Vice President for Finance: Harry Birdwell

Controller: David Bosserman

Our practice deals with the collection on Federal Perkins Loans and other federal and institutional loans that are collected by the school. Our office has been using the Loan Management Software (LMS) for the last three years. The software is a component of Student Information Systems (SIS) which is the main software used at the University. Within this software is a collection module which we use to help track our contacts with individual borrowers.

The major benefits from using this collection module include: assignment of accounts to internal and external collectors, a tool for calling delinquent borrowers, increased collection on student loans, and statistics for tracking collector activities. The assignment of accounts to internal and external collectors provides the coding needed to track accounts through their payment and/or nonpayment cycles. The tool for calling delinquent borrowers provides each collector with a list of borrowers in each category of delinquency that can be chosen for collector contact. A monthly schedule is maintained for each collector and the contacts to be performed. Increased collections result from improved tracking and increased contacts with delinquent borrowers. The statistics for tracking collector activities allows the manager a way to evaluate each of the individual collector's performance.

Each month the process is started with program that assigns accounts to internal collectors based on the category of the account. Then, a focus report is run, which pulls the status of all current open loans assigned to collectors. The report pulls each

individual's account number, amount due, borrower name, category (determined by days past due), last pay date, last review date, placement date, due date, and collector. The report is sorted by collector and then by category. The report is distributed to each collector as a contact list for the current month and an evaluation of contacts made in the previous month. Once the list is received, the collector is responsible for attempting to contact all borrowers that have not been contacted or who have not made payment within set deadlines. As the collector works the list, they update the borrowers file with notes and the last review date is automatically updated in the system. The evaluation is set at the same time each month and compares the last review date and last payment date with a predetermined date. The last review date or payment date must be greater than the predetermined date to get a positive rating. Also, the predetermined date is set to assure that all due diligence has been performed on each account. The collectors are then evaluated on the cumulative totals for all borrowers assigned to them. The process is repeated monthly. Collectors are evaluated for their productivity.

In summary, the collection module is an effective way to increase productivity and collections in the school's loan office. It also provides a method to monitor and evaluate the student loan collector activity and provide statistics of the activity.