

BEST PRACTICES FOR COLLECTING DEBT

Our 2008 performance audit on state debt collection identified the following eight best practices that lead to collection success.

Eight Best Practices For Collecting Debt	
1.	Have sufficient written policies and procedures.
2.	Make contact with debtor within 30 days.
3.	Include contact by phone in all collection efforts.
4.	Send reminder letters periodically.
5.	Assign reasonable case loads to collection staff.
6.	Provide flexible payment options.
7.	Take legal actions, such as requesting court warrants resulting in liens against business property.
8.	Performing wage and/or bank matching to identify assets that could be used to pay the debt.

In addition to the significant best practices above, please refer to Appendix C of our 2008 Performance Audit Report No. 1000012 (Collection of State Debt) for the full list of best practices.