

**Presented to:**

Texas Municipal Courts Education Center  
Pre-Conference Session

**Collections**

**Office of Court Administration  
Collections Team**

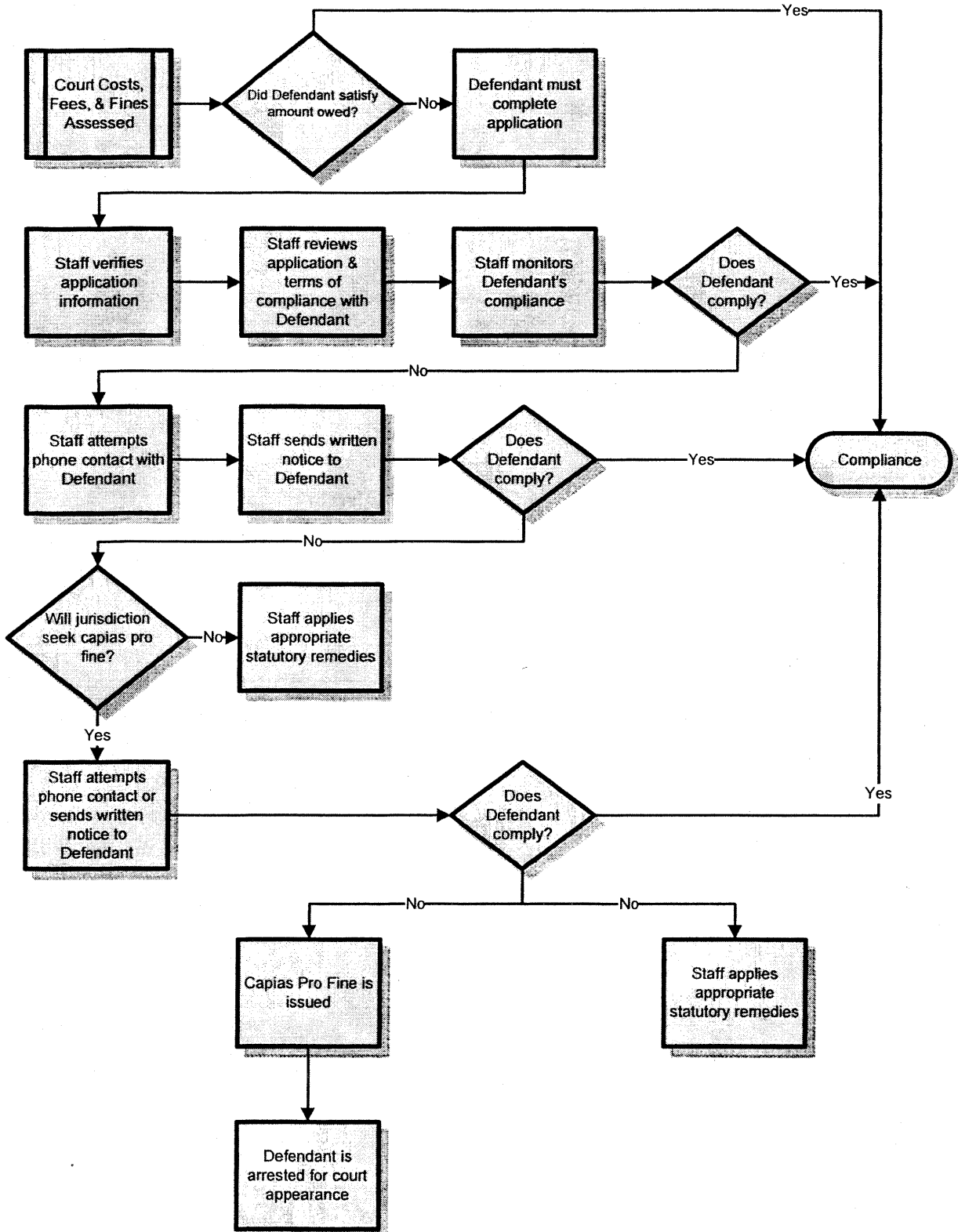
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Conceptual Flowchart

# Collection Improvement Model

This model does not apply to defendants who have been determined to be indigent.



### Model Components of Texas Collection Improvement Program

Program Component	Importance and Flexibility of Component
1. Written Collections Procedures	<p><u>Importance</u> A written procedure ensures consistency and provides a blueprint that can be used regardless of changes in personnel.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• Some programs have created detailed procedure manuals.</li> <li>• Some programs rely on internal memos and other written directives.</li> </ul>
2. Dedicated Staff	<p><u>Importance</u> Without dedicated staff, collection activities tend to be neglected or ignored; cases are not continuously monitored to ensure payments are made, phone calls and notices to delinquent defendants are not timely, and a large backlog of uncollected cases develops.</p> <p><input type="checkbox"/> Staff should have a basic understanding of collections (in this context, collections is not defined as receipting money or cashiering). The collections function is designed to facilitate payment/compliance by applying collections industry techniques to encourage the offender to pay (comply).</p> <p><input type="checkbox"/> Historically, staff turnover rates in the collections industry lead all other professional categories. This reflects the difficulty of the job and why it can rarely be effective if attempted on a casual basis.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• Each local program must have a minimum of one staff person whose priority job function is collection activities.</li> <li>• The priority collection job function may be concentrated in one individual employee or distributed among two or more employees and need not require 40 hours per week of FTE time.</li> <li>• However, it must be a priority. Designed to ensure that the collection of court costs, fees, and fines is a priority.</li> </ul>

Program Component	Importance and Flexibility of Component
3. Immediate Payment Expectation	<p data-bbox="638 254 776 281"><u>Importance</u></p> <p data-bbox="638 287 1386 386">Immediate compliance reduces the court's costs associated with managing compliance, and it reduces the increased risk of arrest for the defendant.</p> <p data-bbox="638 392 1333 491"><input type="checkbox"/> *Human nature - if defendants have the opportunity to postpone compliance with the court's order, most of them will.</p> <p data-bbox="638 497 1338 596"><input type="checkbox"/> *Decreases staff workload - instead of processing many payments from each defendant, you only have to deal with one.</p> <p data-bbox="638 602 1110 630"><input type="checkbox"/> *Sends a clear message of compliance.</p> <p data-bbox="638 636 753 663"><u>Flexibility</u></p> <ul data-bbox="686 678 1386 966" style="list-style-type: none"> <li data-bbox="686 678 1386 777">• Generally, the judge announces from the bench before court begins that court costs, fees, and fines will be due upon assessment.</li> <li data-bbox="686 783 1386 852">• Some programs post notices in key areas around the courthouse and sometimes in the courtroom itself.</li> <li data-bbox="686 858 1386 966">• Some programs advise criminal justice system stakeholders of this requirement through meetings and memos.</li> </ul>

Program Component	Importance and Flexibility of Component
4. Application and Contact Information	<p data-bbox="641 247 787 277"><u>Importance</u></p> <p data-bbox="641 283 1388 913">Designed to capture contact information and determine financial ability to pay. <input type="checkbox"/> Defendants who need time to pay usually do not object to completing the application, while others who actually can pay in full will do so and leave because they do not want to spend unnecessary time and effort to complete the form. <input type="checkbox"/> Prevents setting a defendant up for failure. By having and reviewing a defendant's financial status, collections staff can place the defendant on an appropriate payment plan. <input type="checkbox"/> Without this process the defendant is placed on the "honor system." Private companies and financial institutions do not extend credit without first obtaining contact and financial status information from the borrower, why should the courts? One need only look at the FIRST step taken by the private sector (skip tracing), when an account is referred to collections, to understand the importance of this component. <input type="checkbox"/> Personal identifiers, such as social security numbers and bank account numbers, are not required or recommended on the application form.</p> <p data-bbox="641 924 755 953"><u>Flexibility</u></p> <ul data-bbox="690 966 1388 1501" style="list-style-type: none"> <li data-bbox="690 966 1388 1029">• Ideally, the application is taken immediately following court by the collections/compliance office or officer.</li> <li data-bbox="690 1039 1388 1102">• One municipal court takes the application during court before the defendant sees the judge.</li> <li data-bbox="690 1113 1388 1176">• One county takes the application during pre-sentence hearings for their criminal misdemeanor defendants.</li> <li data-bbox="690 1186 1388 1249">• Several counties take applications for justice court cases over the phone.</li> <li data-bbox="690 1260 1388 1365">• One municipal court distributes applications at sentencing and defendants are given 10 days to return it or pay in full.</li> <li data-bbox="690 1375 1388 1501">• Programs may use a single form for both the application and contact information. The required information must be obtained within one month of the assessment date.</li> </ul>

Program Component	Importance and Flexibility of Component
5. Verification of Contact Information	<p><u>Importance</u> Simple verification of two key pieces of information (home/contact phone and employment/source of income) is essential. Experience shows that if these two pieces of information are correct, then the remaining information on an application is most likely correct. □ In the (different, but not unrelated) context of indigent defense, the Task Force on Indigent Defense recently released a study which concluded that “a comprehensive screening and verification program would generate financial benefits for those counties with a sufficient number of criminal arraignments.”</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• Ideally, verification by a collections/compliance office or officer is completed while the defendant is at court.</li> <li>• In one municipal court, the bailiffs verify the information on the application during court and before the defendant sees the judge.</li> <li>• In one county, the application is forwarded to the collections/compliance office within 24 hours of appearance for verification.</li> <li>• Several counties use an automated system to verify information on the application while the defendant is still in the courthouse.</li> </ul>
6. Defendant Interview	<p><u>Importance</u> According to the American Collectors Association the number one reason for payment default is confusion; this problem can be magnified in the justice system. This component is designed to ensure the defendant knows his/her responsibility and the consequences of failure. □ If this component is applied effectively, the defendant should always know what to do and who to contact if there is a problem.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• Ideally, the interview is conducted by the collections/compliance office or officer before the defendant leaves courthouse.</li> <li>• In one city, interviews are conducted by the judge after the application has been completed and verified.</li> <li>• In one city, interviews are conducted by designated staff at the cashier’s window following court.</li> <li>• In several counties, interviews for justice courts are conducted by the collections staff over the phone within 48-72 hours following court appearance.</li> </ul>

Program Component	Importance and Flexibility of Component
7. Payment Terms	<p><u>Importance</u>            Designed to expedite the payment process wherever and whenever possible. The longer a defendant is in the system, the greater the expense burden to both the defendant and the system. Additionally, the longer a defendant is in the system, the greater opportunity there is for default. <input type="checkbox"/> The program is not designed to create court orders. It is designed to create a specific framework for the enforcement of court orders.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• The application of this component must never conflict with judicial authority or discretion.</li> <li>• Any payment terms established or ordered by the court acting within its statutory authority or discretion is acceptable.</li> <li>• Ideally, payment terms are uniform and relatively short.</li> <li>• One example is: For misdemeanors - 50% of the total amount due must be paid within 48 hours, 80% within 30 days, and 100% within 60 days.</li> <li>• Some programs allow establishment by the collections/compliance office or officer in individual cases, using the guidelines promulgated by the judge(s).</li> <li>• One county court at law requires defendants to pay in full within 90 days of sentencing, but allows extended term payment plans if the defendant cannot pay in full within 90 days.</li> <li>• One county requires payment in full within six months.</li> </ul>
8. Account/Payment Plan Compliance Monitor	<p><u>Importance</u>            Designed to ensure effective case compliance management and timely follow-up of cases in which the offender defaults. <input type="checkbox"/> Timely follow-up is crucial to the collections process. Poor follow-up is usually at the root of any troubled collections program.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• Ideally, cases are assigned to the collections/compliance staff to monitor for compliance.</li> <li>• One county employs a single coordinator that monitors each court to ensure the court staff is monitoring compliance with payment agreements.</li> <li>• Several cities and counties have court collection software programs that monitor cases for compliance automatically.</li> </ul>

Program Component	Importance and Flexibility of Component
9. Phone Contact	<p><u>Importance</u> This is generally the first step (along with sending a notice) in any standard collection process. It is standard operating practice to initiate phone contact as soon as possible following default. <input checked="" type="checkbox"/> Timely follow-up is crucial to the collections process. Poor follow-up is usually at the root of any troubled collections program.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• Ideally, delinquent defendants are called immediately by the collections/compliance staff assigned to monitor their cases for compliance.</li> <li>• Within one month of a missed payment, a phone call must be made to a defendant who has not contacted the program staff. The phone call must be documented.</li> </ul>
10. Mail Contact	<p><u>Importance</u> This is generally the first step (along with a phone call) in any standard collections process. It is standard operating practice to send out notification of delinquency as soon as possible following default. <input type="checkbox"/> Timely follow-up is crucial to the collections process. Poor follow-up is usually at the root of any troubled collections program.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• Ideally, defendants are sent a delinquency notice immediately by the collections/compliance staff assigned to monitor their cases for compliance.</li> <li>• Within one month of a missed payment, a written delinquency notice must be sent to a defendant who has not contacted the program staff. The written notice must be documented.</li> <li>• One county utilizes a collection vendor to send delinquency notices to delinquent defendants.</li> <li>• Several cities and counties use automated computer systems to send delinquency notices to delinquent defendants.</li> </ul>

Program Component	Importance and Flexibility of Component
11. Pre-Warrant Notice	<p data-bbox="638 243 781 273"><u>Importance</u></p> <p data-bbox="638 279 1386 485">Notification that collection/compliance efforts are about to be escalated is generally a standard procedure in any collections process. □ This notice also serves as a final courtesy attempting to give a defendant every opportunity to comply with the order of the court.</p> <p data-bbox="638 491 753 520"><u>Flexibility</u></p> <ul data-bbox="686 533 1382 1444" style="list-style-type: none"> <li data-bbox="686 533 1382 709">• Ideally, defendants are called or sent a pre-warrant notice when a defendant has not responded to previous attempts to be contacted by collections/compliance staff assigned to monitor their cases for compliance.</li> <li data-bbox="686 716 1382 814">• One county utilizes a collection vendor to send pre-warrant notices to non-responsive delinquent offenders.</li> <li data-bbox="686 821 1382 919">• Several cities and counties use automated dialers or systems to call or send pre-warrant notices to non-responsive delinquent offenders.</li> <li data-bbox="686 926 1382 1066">• One county uses a warrant specialist (actually a collections supervisor) to make final attempt pre-warrant calls to non-responsive delinquent defendants.</li> <li data-bbox="686 1073 1382 1192">• Several cities and counties use warrant officers to make final attempt pre-warrant calls to non-responsive delinquent defendants.</li> <li data-bbox="686 1199 1382 1360">• If a <i>capias pro fine</i> (“warrant”) will be sought for a defendant, a phone call must be made or written notice must be sent to the defendant who has not contacted program staff within one month of the last collection effort.</li> <li data-bbox="686 1367 1382 1444">• The phone call or written notice must be documented.</li> </ul>

Program Component	Importance and Flexibility of Component
12. Warrants	<p><u>Importance</u></p> <p>The warrant is the ultimate consequence for failing to comply with an order of the court. It is designed to encourage personal accountability and respect for court orders. □ In situations where a defendant continues to fail to comply with a court order and has been notified that a warrant will be issued for non-compliance, a warrant should be issued so that defendants do not come to believe that the threat of a warrant is just that, a threat, and they do not have to comply. □ The threat of a warrant and the possibility of incarceration often produces compliance.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• Generally, programs work to identify hardcore cases – such as known repeat offenders - that require the court’s attention without the use of the warrant. But when all efforts fail, they will recommend issuing a warrant as a necessary next step in the enforcement process.</li> <li>• Some courts have elected not to issue warrants for failure to pay court costs, fees, and fines.</li> </ul>
13. Use of Law Enforcement	<p><u>Importance</u></p> <p>Once a warrant is issued it can become an extremely effective tool in encouraging compliance. Service of the warrant sends a strong and clear message to lawbreakers and the entire community that compliance is not optional. □ One of the most cost effective and successful uses of law enforcement officers in the collections process has been establishing contact with the defendant to arrange for resolution prior to field service.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• Some programs have warrant officers assigned to and working directly with the collections/ compliance office on warrant cases.</li> <li>• Some programs use warrant officers, marshals, and in some instances constables assigned to law enforcement agencies to contact defendants or serve warrants.</li> </ul>

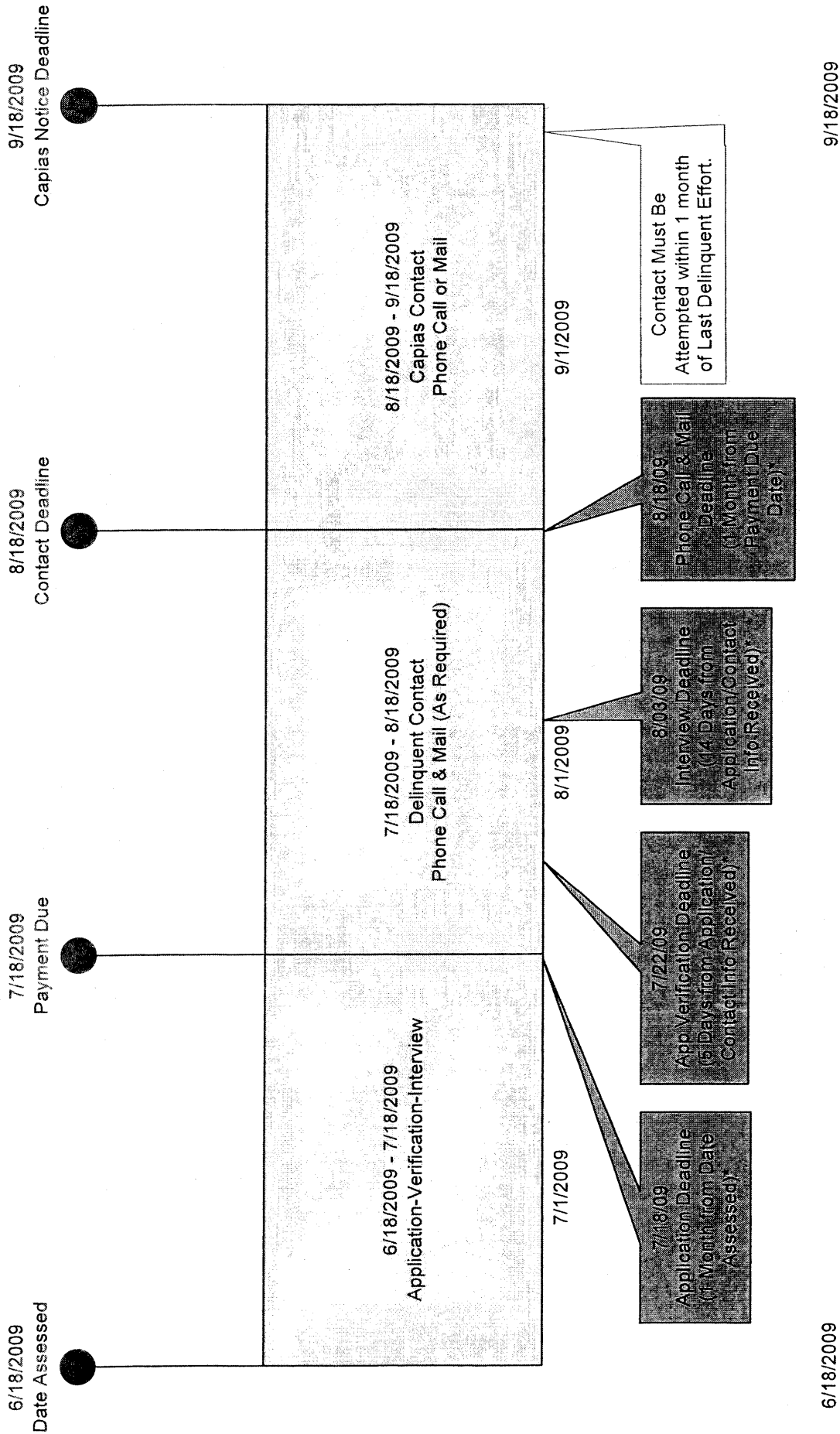
Program Component	Importance and Flexibility of Component
14. Post-Warrant Notices and Calls	<p><u>Importance</u></p> <p>The collections process does not end with the issuance of a warrant, and notification sends this message. <input type="checkbox"/> Notifying the defendant that an arrest warrant has been issued should be considered mandatory if previous notifications have advised of this intent; it would be mandatory if the Fair Debt Practices Act applied. <input type="checkbox"/> A phone call or notice advising that a warrant has been issued may be the one contact that finally gets the attention of the defendant and results in compliance.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• Some programs use in-house staff to make these follow-up calls and send notices.</li> <li>• Some programs use law enforcement officers to make these calls and send notices.</li> <li>• Some programs rely on third party collection agencies or firms to make these calls and send notices.</li> </ul>
15. Alternative Compliance Options	<p><u>Importance</u></p> <p>Individuals who are unable to pay are not exempt from compliance with court orders. The Collections Improvement Program is designed to give those defendants a reasonable compliance option. This can be accomplished with an assignment to a community service or public works program in lieu of payment of court costs, fees, and fines.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• Some programs work with community service or public works programs managed and operated by the county or city.</li> <li>• Some programs work with their Community Supervision and Corrections Departments who manage community service or public works programs.</li> <li>• Some programs have created their own community service or public works programs.</li> </ul>
16. Use of Statutorily Permitted Collection Remedies	<p><u>Importance</u></p> <p>Using statutes designed to assist with enforcing compliance with court orders for the payment of court costs, fees, and fines is strongly encouraged because it increases the opportunity for success.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• Ideally, programs use both the Texas Department of Public Safety's (DPS) Failure to Appear program for non-renewal of drivers licenses and the Texas Department of Transportation's (TxDot) Scoff program for non-renewal of vehicle registration, for defendants who fail to pay court costs, fees, and fines.</li> </ul>

Program Component	Importance and Flexibility of Component
17. In-House Back-end Collections	<p><u>Importance</u></p> <p>It is important the collections process continues until there is resolution. There must be a plan in place to continue efforts to bring defendants into compliance and reduce the number of outstanding cases due to the non-payment of court costs, fees, and fines.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• Some programs have specific internal procedures to continue working delinquent cases until resolved.</li> <li>• They use all available tools, including the DPS and TxDot programs.</li> <li>• They also continue to search and make contact with defendants no matter where they are to try to reach resolution.</li> </ul>
18. Contracted Back-end Collections	<p><u>Importance</u></p> <p>It is important the collections process continues until there is resolution. In some instances, it is more cost effective to use contract vendors to work seriously delinquent cases after all internal efforts have been exhausted.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• There are statutory provisions for counties and cities to contract with private collection agencies and firms for the purpose of collecting court costs, fees, and fines.</li> </ul>
19. Reporting	<p><u>Importance</u></p> <p>This component is required by statute. □By analyzing the information provided in the reports, OCA staff are in a better position to provide assistance to the collections/compliance office. □Collections/compliance offices can see how they are doing in relation to other counties or cities. Also, there is contact information should they want to contact another office on a casual basis.</p> <p><u>Flexibility</u></p> <ul style="list-style-type: none"> <li>• Though the Office of Court Administration (OCA) recommends monthly reporting, each program shall report its collection activity data online to the OCA at least annually in a format approved by the OCA.</li> </ul>



# Collection Improvement Program Standard Setup & Communication Timeline

8/4/09



\* In computing any period of time under these rules, when the last day of the period falls on Saturday, Sunday, legal holiday, or other day on which the office is not open for business, then the period runs until the end of the next day on which the office is open for business.

