

# How To

## Use Automated Collection Agency Interface

Our Collection Agency Interface is an automated reporting service for interactions between a school and the collection agency or agencies that they choose to work with. When you select this service, there are two options available: Automatic Placement and Manual Placement.

### Automatic Placement

As loans become 120 days past due\*, they automatically are coded and placed for collection with the agency (ies) that you have selected to collect your delinquent loans. These loans appear on the weekly *New Placements Report* for each agency (with a copy going to you). If you place loans with more than one agency, each agency will receive an equal number of loans.

You can withhold loans from being placed automatically in collection with an agency. To do this, notify the agency and Campus Partners of your decision. We will code those specified loans as withheld from collection until further notice from you or until the loans become current.

### Manual Placement

If you choose this option, your loans are automatically coded as eligible for collection when they become 120 days past due\*. They are reported with a “49E” status in the appropriate section of the *Past Due Loans Report*. If you decide to place these loans with a collection agency, send us a list of these loans on the *Collection Processing Transaction Transmittal Form*. These loans are then coded for placement to the agency (ies) on the *New Placements Report*, which is generated weekly.

The system automatically calculates the amount placed in collection based on the option you selected. These options are:

1. Accelerate the loan balance.
2. Place the amount past due only.
3. Place the amount past due and the amount currently due.
4. Place the amount past due, the amount currently due, and delinquent charges which may be due.

If the loan has been accelerated when it is placed with a collection agency, the amount placed is the payoff amount. This may be a better option. If your institution places just the past due balance, this sometimes confuses the borrower who thinks that paying the “full” amount due satisfies the entire loan.

If you use **Automatic Placement**, System III will use the option you selected from the list on the previous page to calculate the amount placed in collection. This will be the amount reported to the collection agency on the *New Placements Report*.

If you use **Manual Placement**, you may specify the collection amount when you place the loan into collection, or you may let System III use the institutional option and calculate the amount placed in collection.

### **Collection Agency Numbers**

System III accommodates a maximum of 45 first placement and 45 second placement collection agencies per institution. Each collection agency that we interface with is assigned a five-digit identification number. This number appears on each loan placed with a given agency and on the following reports:

- Student Loan Journal
- Past Due Loans Report
- New Delinquents Report
- New Placements Report
- Collection Agency Inventory
- Exception & Special Billing Report
- Loan Monitoring Report

Institutions that perform their own collection activities or assign their loans to in-house collectors before placing them with a collection agency are assigned numbers in the 90000 range. Therefore, you can benefit from the same reporting as collection agencies.

### **Changing Agencies**

You may discontinue automatic placement of past due loans with a given collection agency but leave loans already placed with that agency for further reporting.

The collection agency is then coded to prevent further automatic placement of loans, but you can manually place loans with that agency by sending us the loans on the transmittal form.

### **What to Do if You Discontinue Association with an Agency**

If you totally discontinue working with a particular collection agency and want to transfer the loans to another agency, send us written notification that you are using a new agency (using a new Authorization Form), a transmittal listing the loans to be transferred, and the name of the new collection agency. If you have not submitted an Authorization Form for the new agency, you must do so when you send your transmittal.

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