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## NEWS FOR OREGON'S COLLECTORS AND CREDITORS : SUMMER 2016

# Southern will be moving to a new location later this summer!

## Scheduled for late September or early October

**It has been more than five years since Southern moved our main office from Stewart Avenue to our current downtown location, but it's time for us to move again!** Due to a combination of increased contracts and dearth of available parking, we are heading to the north end of town later this year. As you may be aware, the city of Medford traded a city parking lot to the Jackson County Housing Authority a couple years ago to settle a long-standing legal case. By doing so, the city eliminated about 65 parking spaces in this area of downtown without replacing them. A number of area businesses have been affected, including the University Club, Southern Oregon ESD, and the potential opening of the old Holly Theater. We already have three parking permits and will need more, but there is simply no place within three blocks for employees to park. Why do we need more parking? Because we have been hired to do more work across the county and across the state, we need to hire more staff. These new contracts are confirmation for us that bigger isn't always better. For the state-wide contract, we were competing in an RFP process against some of the largest collection agencies in the country. What mattered for this client, and matters to more businesses every day, is how people are treated, compliance to laws and regulation, AND collecting the most money at a reasonable fee. For the county contract, we were competing against one of the largest companies in the region who previously held the contract for several years. We are very happy to announce that after about 8 months we have already collected more for Jackson County than the other agency did in the previous several years! We are proud to be a partner with all our clients, helping them recover what is owed to reduce costs for all their customers and in the case of local governments, reduce costs for all their citizens.

Our Mission:  
**“Betterment”**  
 Our Values:  
 Respect People  
 Exceed Expectations  
 Be a Great Neighbor  
 Maximize our Client’s ROI

Three locations in Oregon:  
 201 W 6th. St. Medford  
 541-773-6238  
 785 NE 7th St. Grants Pass  
 541-479-9390  
 536 NE Winchester, Ste D  
 Roseburg  
 541-464-8414  
 800-283-0222  
 www.socredit.com

## What is your computer putting in the blanks?

**What does your computer system (or your staff) enter into fields you have no date for, or you know you have bad data?** For example, you get a Mail-Return and no forwarding address on a bill, do you enter "General Delivery" into the address line? Or the social security number is blank, do you enter 111-11-1111? These types of policies can lead to unforeseen problems when trying to locate and collect your bill. With more processes being handled electronically...

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## How do we lessen the risk of being sued?

### Reconciliation!

#### Together we can avoid lawsuits

In today's debt-collection world, creditors and debt collectors can pay significant legal fees to defend themselves when they really didn't do anything wrong or harmful to a consumer, but there was an error in the billing/accounting/payment process. In some instances, debt collectors are paying thousands in settlement demands just to conclude a case that will cost three times as much to defend. At the root of many of these issues can be problems with the debt collector having the incorrect balance in their system. Maybe a payment has been made directly to the creditor and not reported to the collector. Maybe a credit had been posted to the account. Maybe an employee of the creditor has made a new arrangement with the consumer or debtor and not kept the collector "in the loop". In cases like these, the collector could be collecting a debt that is incorrect or not owed, and found in violation of the FDCPA. And the creditor may be liable for defense costs as well. How can we avoid these costly issues? One way is to perform regular reconciliation. Maybe it only needs to be done annually, maybe weekly. In either case, it is good practice to regularly create a file of accounts that you think you have sent to collections and compare the names and balances due to what the collector has in their system. At Southern, we have this process in place with many of our clients, but not most. It can be a lot of work for sure, especially if your system cannot create the list easily. But it can be very worthwhile if your firm has hundreds of accounts in collection, you have changed software once or twice, or staff has turned over since using your collection agency. When things change, processes can break down or be forgotten. If you are interested in setting up regular reconciliation with Southern, please contact your Client Consultant for more information. We want to help keep everyone out of court!

#### *Quality Assurance and Client Satisfaction*

**Southern is serious about providing the very best customer service**, and that means putting resources where our intentions are! Even though we are a small company (about 30 employees) we have a full-time QA Coordinator. Sue Curry recently had her 7th anniversary with Southern and for the last several years she has served in this capacity. Sue spends significant amount of time on our Client Satisfaction Program. She reviews all Client Issues we have logged and is responsible to close these items as they are rendered completed. Sue also sends out letters in some of these cases asking for our client's input on how we handled the issue and if you are satisfied with our efforts. All of these responses are taken very seriously, and are used to continually improve our overall client satisfaction.

Please let us know if there is any area you believe we can improve.



#### *Blanks continued:*

...accounts with SS numbers like 111-11-1111 get "mashed" together even though the names are completely different. If your system or staff enter a number like this over and over, you can end up with many accounts trying to be reported to credit bureaus with mis-matched names as the computers try to match by SS number. What about "General Delivery" as an address? The issue with this is, if we are working with a name and no address, we may not be able to determine who the correct debtor is. It is always best to give Southern the "last known address" even if it is no good. Skip-trace records work better looking at the trail as to where a person was, not necessarily where they are!



**SOUTHERN**  
Oregon Credit Service

Southern people demonstrate our professionalism and expertise through our many national certifications. Collectors become Professional Collection Specialists, with Legal Collectors adding Certified Commercial Collector designation. Our Quality Assurance Coordinator is a Certified Compliance Officer, and our entire company has been Professional Practices Management System (PPMS) certified since 2008! Other managers and employees hold several more certifications, and Southern is a proud member of the BBB with an A+ rating!



### ***Minimum Wage Law to cut 40,000 jobs***

**You may have heard the Oregon Legislature passed a tiered minimum wage law this year.** This law will take the minimum wage to three different levels, depending on what county you live in (or work at least 20% in). By 2020, the new minimum wage will be either \$12.50, \$13.50, or \$14.50 per hour. A recent article online reported the Democrats who pushed this through "may have made a mistake" and are now offering a "fix-it" bill for next year. Here are a couple pull-quotes from the article:

"But Oregon Democrats acted before state economists even had a chance to weigh in. Last week, state analysts concluded in a prepared forecast the high wage will "result in approximately 40,000 fewer jobs in 2025 than would have been the case absent the legislation."

Hearing the outcry, Democratic leaders quickly admitted they may have messed up. They promised a fix-it bill next year allowing for a lower training wages for young workers and some new hires.

But not everyone in the party or the public is onboard with the proposed changes. Low wage worker activists and some Democrats fear a loophole that will be abused."

You can see the entire story online at the Oregonian at:

[http://www.oregonlive.com/  
politics/index.ssf/  
2016/05/sick leave  
clash nine oregon c.html#incart river  
mobileshort index](http://www.oregonlive.com/politics/index.ssf/2016/05/sick_leave_clash_nine_oregon_c.html#incart_river_mobileshort_index)

### ***Southern adds Washington and Idaho Collection Licenses!***

**Southern is happy to announce adding two state collection licenses in 2016; Washington and Idaho!** The debt collection industry is a patchwork quilt across the nation when it comes to standardized regulatory requirements. There is a federal law, the Fair Debt Collection Practices Act (FDCPA) that was passed by Congress in 1978. This law was meant to be a "floor" of regulation, or minimum standard for behavior by debt collectors. Individual states were allowed, and encouraged, to pass their own, more strict laws. What this has meant is over 40 different licensing guidelines across the nation.

Some states have reciprocal agreements where if the debt collector is licensed in one, they can try to communicate and collect from consumers in the other. But other states have very restrictive licensing requirements. States like Utah or Colorado do not allow any communication unless you are domiciled (have an office plus a bank account) physically in the state. Other states require individual tests to be taken (Nevada and Tennessee). This can make trying to collect from mobile consumers costly, difficult, or illegal!

Southern has had a strong network of debt collectors located in many of these states we can send (or "forward") an account to in an effort to continue collecting for our clients. As regulation has become more of a burden, fewer agencies will accept accounts on our behalf, especially at the age or fees we need to send them. By getting licenses in Washington and Idaho, Southern will now be able to communicate with consumers in these states without fear of violating state laws.

### *Get the Most from Southern's Benchmarking!*

**What is "Benchmarking"?** For the purpose of this post, we will consider how Southern uses Benchmarking in two ways that can have a significant impact in positive ways on your business.

First, we like to offer an Annual Meeting with our clients and their staff to consider how things have gone, how they are going, and how we expect them to go on the future. Our Client Consultants offer to meet over lunch with our clients and look at a variety of reports and data and compare what has gone on with collections and recovery on the accounts placed for collection. We compare, or "benchmark", these results with the history of the relationship with your company as well as considering performance with similar firms in the same industry (of course no names are shared!).

In this way, we can regularly meet and answer questions about our services, performance, and any issues in the collection process. We can also demonstrate results, look at cost analysis, and help determine if your firm is getting the most from your collection agency. And you get a free lunch! WIN-WIN!

The second version of Benchmarking I would like to share is the benchmarking group I belong to. Since 2010, I have been participating with 8 other collection agency owners in regular meetings, email chains, and phone calls about everything collections. This industry group consists of agency owners from across the country, South Carolina to Pennsylvania to the mid-west and back to the west coast. We discuss EVERYTHING about running a collection agency, looking for tips and trends and improvements we can make.

I cannot tell you how valuable this group has been to Southern over the last 5+ years, as the benefits are literally not quantifiable. We meet twice each year in-person for 2 1/2 days, sequestered in a hotel or other meeting room talking to each other, hosting a variety of vendors and industry experts. In some cases we have been able to combine our smaller companies into one volume buying entity, saving money while getting a great service we might not otherwise have afforded. Industry experts and vendors may not make a trip to meet with me and talk about my 30 employee-firm, but they will meet with our group and talk to 9 companies and our almost 200 employees.

All of our clients have benefited from my Benchmarking group over the last 5 years. All of our clients can benefit from a free lunch and a benchmarking review of our services!

### *SOCS Anniversaries for 2nd Qtr—2016*

Brian Watkins, President/Owner —26 years  
 Carol Walters, Legal Support —19 years  
 Tami Freeman, Support Supervisor —18 years  
 Suprina Ladore, Collector —12 years  
 Justin Culver, Collector — 5 years  
 Suzie Aguilar, Collector — 5 years  
 Carolyn Thomas, Client Services Assistant — 4 years  
 Timothy Sampsell, Collector —2 years  
 Christen Wolford, Support—2 years  
 Jodi Jones, Legal Collector—1 year

### *Compliance Quarterly*

**Want to keep up to date on the latest in the credit and collection industry? Want to get best-practices from business leaders? Need some "advice" from a lawyer who knows the creditor world?**

Southern is working on putting a place and time together for regular quarterly meetings to educate and inform our clients on all-things compliance! Some of the topics we will discuss include:

- What happens when an attorney accuses your company of violating the law?
- Spouse responsibility - how to bill and when they owe
- Bankruptcy notices - what they mean and what we can do

And more!

### *"Ask the Collector"*

#### *Questions and Answers*

Each month we post questions and answers for creditors and collectors with some of the most-oft asked or interesting questions we receive. They are posted on our website blog under the "Ask the Collector" category. Go to [www.socredit.com/blog](http://www.socredit.com/blog) and see if there are any questions you have been wondering about!

