

OHLONE COMMUNITY COLLEGE DISTRICT

MEMORANDUM

TO: Board of Trustees

FROM: Dr. Douglas Treadway

- Consent Agenda item

DATE: December 14, 2005

SUBJECT: Ratification of Agreement with Western Control to provide collection services

---

Prior to the implementation of Datatel there was no real need for a collection service as students were registered only after payment was received. Datatel established student accounts which provided a significant benefit to our students and staff but also created the possibility for accounts receivable. The District has instituted several collection plans that have either met with resistance or with little success.

After several attempts the staff has developed a comprehensive payment and collection program that will both assist students with their financial needs as well as ensure payment to the District. Collections is the final step in the process. Students can not register for the next term if their balance has not been cleared. Once the term has started and a student has not returned and still owes a balance they receive two emails from the College and five letters prior to being sent to collections. At this point in the process the account holders have been separated from the college for approximately 6 months.

To provide collection service the District entered into a contract with Western Control. They will provide this services and return 100% of the account balance to the District. The collection cost will be born by the account holder. The staff contacted Western's references and all of them gave the service very high marks. Western Control is a collection agency but they do understand the college environment and students. The staff believes that this company will fairly and firmly, with out threats, deal with our former students with past due balances.

RECOMMENDATION

The President/Superintendent recommends that the Board ratify the collection contract with Western Control.