

Collector Lawsuit Procedures

1. Pre-Legal Steps: (You can continue to attempt to collect as normal until step 3.)
 - Verify **full time employment**.
 - Check **CCAP** for litigation history, check previous lawsuits, have any been satisfied?
 - Check if is paying child support. Look for “In RE: the Support or Maintenance of...”
 - Check for Tax Warrants (TW) – Make detailed notes in QCS of your CCAP findings.
 - Request Suit Authorization.
2. If a suit is approved, a Suit Authorization request is sent to the client(s).
3. Once we receive Suit Authorization from the client, a Validation letter is prepared for our attorney to sign. Once it’s signed, it is mailed to the debtor.
 - This starts another 30-day Validation period, if requested itemized statements will be sent.
 - **YOU CANNOT ATTEMPT TO CONTACT THE DEBTOR BY PHONE OR MAIL FROM THE TIME THE VALIDATION LETTER IS SENT UNTIL THERE IS A JUDGEMENT!!!**
4. If the debt is not paid in full after the 30-day Validation period has expired, a Summons & Compliant is filed and a court date is set.
 - The only sure way to avoid a Summons & Compliant being filed is to Pay in Full.
 - The debtor can set up a voluntary payment plan during this time, but you cannot suggest that this will stop the legal process. Tell them this will not stop the judgement from being taken.
5. Judgement is received. After the judgement is received you can contact the debtor.
 - a) Ask for payment in full.
 - b) Ask for payment in full over 2-3 payments
 - c) Ask for \$300 – \$400 a month.
 - d) You cannot accept a payment plan for less than \$200 a month.
 - e) If the debtor refuses to set up a payment plan for \$200 or more a month. Explain the following. 20% of take home pay is what gets garnished. If claims their take home pay is less than \$1000 a month. (\$200 is 20% of \$1000), tell them to send copies of their last full month of pay stubs. If verifies take home pay is less than \$1000 a month, a lower payment can be approved. Otherwise proceed with garnishment.
6. Garnishment is filed, letters are sent both to the debtor and the employer informing them the garnishment has been approved by the court.
7. Wisconsin garnishments run 13 weeks before they need to be refiled.
 - Mark-up garnishment accounts and inform if payments stop.
 - You may need to reverify employment if there is an extended delay between garnishments or the payments stop before the 13-week period has ended.
 - The debtor can set up a voluntary payment plan to save the court costs that would be added if we need to refile. The payment plan needs to be close to what they were paying on the garn.