

SUCCESS STORY

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SEAN SANDER
Business Services & Collections Manager
Waukesha County, Wisconsin

State of Wisconsin, Waukesha County, Collections Division

- Located in southeastern Wisconsin, Waukesha County includes 37 municipalities within 576 square miles of suburban and rural areas
- Boasts a population of over 380,000
- The Collections Division handles delinquent collections needs for a majority of the internal county departments and other municipalities throughout Waukesha County

Results At-A-Glance

- ✓ Deployment of tools such as RPCS provided an infrastructure and centralized database for effective collections and monitoring as well as additional revenue generation.
- ✓ The county went from collecting \$800,000 in 1992 to \$2.5 million in 2005. \$2.5 million equates to a \$.05 savings in the County's tax levy rate of \$1.83 per \$1,000 real property tax levied. Using RPCS since 1994 the County has collected over \$22 million on behalf of taxpayers.
- ✓ The county's revenue recovery rate on delinquencies is 37 percent—triple the industry average for collection of delinquent governmental accounts.

Uniquely Tailored for Government with In-depth Collections Roots

In 1992, Waukesha County conducted an internal audit on collections. The results identified a need for a collections manager. Sean Sander was brought in the following year to spearhead building a centralized collections department and to help the county ramp up its efforts in this arena.

Coming from a collections agency background, Sander was familiar with RevQ software. He had heard of a growing number of government agencies in California deploying RevQ's RPCS tool to help manage collections. "What I liked about RevQ back then and still do today is that they have a very solid experience and reputation in the collections market. They understand the



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collections business and what is needed to get the job done. They applied this knowledge and created a unique product tailored to the government sector that they keep current with the latest collection trends and tools,” said Sander. “I trusted the company and its product and knew that it would help accomplish what we needed to do.”

Waukesha County deployed RPCS in 1994 after internal completion of a return on investment (ROI) analysis which demonstrated a payback period of less than 1 year on the purchase of RPCS. Going from no system to a full-fledged solution helped increase productivity levels by more than 300 percent. It also enabled the County to redirect over two full time staff equivalents that previously worked on manual collection activities to other non-collection related critical functions. The county was now able to tap into a wide range of features from RPCS such as prioritizing payments to pursue the accounts with the highest rate of return first. The staff also utilized a variety of reporting formats to produce and package information for clients that was previously unavailable or very costly to assemble.

RPCS features allowed the Collections Division to automatically calculate and add percentage fees to amounts collected. This enabled the county to produce over \$800,000 of new annual revenues for the County and over \$300,000 in added revenue for the collections division. Furthermore, staff members were now able to “packet” multiple accounts

together so that a collector can pull together various debts owed by the same person and manage those accounts providing consistent treatment throughout the process. This also maximizes efficiencies and economies of scale.

Surprisingly, Waukesha County discovered that one in five referrals to its division have outstanding balances in more than one department. RPCS’s costing feature also allows the division to capture and manage the cost of collection to ensure the cost of collection does not exceed the amount collected. The County currently collects over \$4.25 for every \$1 of collection expense (fully loaded cost including depreciation, space rental and other indirect costs etc).

County Recovered \$2.5 Million in 2005

“Prior to implementing RPCS, we had staff using mail merge Word software to send approximately 20 delinquent letters a day. Now, we can easily produce 500 letters a day. This is the difference of having a smart solution that works,” said Sander. “We went from two full-time collectors to four in the last 10 years and do not anticipate adding additional help as RPCS has helped streamline many of the time consuming tasks – freeing up our staff to get on the phone with debtors.”

The county collected a total of \$2.5 million in 2005. A bulk of this is due to the creation of a division specifically catering to collections and employing the



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latest solutions and technologies such as RPCS to increase collections and the revenue recovery rate. The success of the Collections Division caught the eyes of neighboring municipalities that have asked Sander and his team to manage their collections. To date, they handle collections for 20 out of the 37 municipalities in the county, and have generated over \$1.7 million in recoveries for them and have never lost a customer.

As a self-funded entity of the county, the Collections Division operates on income that it generates through interest and percentages accrued on amounts collected. The division is structured as an internal service fund similar to an outside collection agency. Internal and external customers receive

100% of the amounts collected and are charged a performance based contingency fee. The software's ability to automatically calculate, tabulate and manage these costs has helped the division produce a consistent stream of revenue to continue its self-operating business model. In addition, having the capability to monitor and track collectors' performance can now provide staff members the opportunity to telecommute or work from their homes if they needed to. "RPCS provides me with the tools to monitor the staff's performance. They don't need to be in the office for me to know that they are doing their job. Staff is now accountable for their day-to-day progress. But with that also comes flexibility, which is a tremendous benefit," notes Sander.



About RevQ

RevQ is part of the Columbia Ultimate family of companies, providing industry leading software and consulting services to improve collections for the public sector. Leveraging innovative collections tools, techniques and technologies, the RevQ staff provides over 90 years of collective government experience and unsurpassed expertise in delivering compliance improvement and revenue results, which are critical to today's Courts, Taxation and other public sector entities.



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