



## Frequently Asked Questions on Selecting an Agency

There are many factors to weigh when choosing a collection agency. You want an agency that is thorough, has a well-trained staff, and utilizes the latest technology. Yet there are other important issues to consider:

- 1. Is the agency licensed by the state?**- Not all states require an agency to be licensed. Licensed agencies follow state collection laws and are audited annually. Contact the appropriate state licensing department to validate and agency's license.
- 2. Does the agency operate ethically?**- The state office can tell you if any complaints have been filed against a licensed agency. Also look for membership in state and national trade associations, indicating the agency follows standard guidelines and codes of ethics.
- 3. Is the agency located in the geographic area of your collection problem?**- A local agency will know the state's laws and have an established network of resources. It's also easier to make direct contact with the debtor when the agency is local. The particular agency knows the area better than anyone, which will result in greater probability of recovery.
- 4. Will the agency provide references and allow on-site visits?**- A reputable agency will gladly welcome your scrutiny and provide references.