

ELIZABETH HUNDLEY LIVINGSTON COUNTY CLERK

CIRCUIT COURT CLERK 204 S. Highlander Way, Suite 4 Howell, Michigan 48843-1953 517-546-9816

MEMORANDUM

TO:	Livingston County Board of Commissioners
FROM: Elizabeth Hundley, Livingston County Clerk	
DATE:	12/28/2017
RE:	Resolution authorizing a contract between Court Compliance Corporation, d/b/a Court Services Agency, the Livingston County Clerk's Office, and the County of Livingston for the collection of past due 44 th Circuit Court receivables

The Circuit Court Clerk's office has in excess of \$30,000,000 in accounts receivable, including approximately \$20,000,000 in restitution owed to victims of crimes. The Circuit Court Clerk's office has one collection clerk, who is unable to address all of the past due accounts receivables which require more advanced collection techniques. The Circuit Court Clerk's office is required to accept and distribute all fines, costs, and other assessments made by the Judges of the 44th Circuit Court.

The law currently requires an imposition of a 20% late fee penalty on any receivable over 56 days old. MCL 600.4803.

The Circuit Court Clerk's office has located a collection firm that is willing to accept those late fees in lieu of collection fees, which generally run 30% of the total debt. It is conservatively anticipated that this would provide for an estimated \$750,000 per year in additional collections without the need for additional collections staff. Of that, we anticipate that \$350,000 would be paid out to victims of crimes and the remaining \$450,000 per year would be paid out to the State and the County.

The District Courts in Jackson and Kentwood are currently utilizing the services of Court Compliance Corporation, d/b/a Court Services Agency. Each court administrator has reported an increase in their collections of approximately \$1,000,000 per year and are very pleased with the services they are receiving. This information was confirmed with Julia Norton, Director of Collection Services at the State Court Administrator's Office.

I am requesting approval of this contract with the collection firm for a period of one year with an option to extend an additional four one-year terms.

If you have any additional questions or concerns, please do not hesitate to contact Kristi Cox, my Chief Deputy.