

## Knowledge is Power When a University Reviews Their Collections Process

**Client:** American University of Puerto Rico  
**Contact:** Magda Cancel Pérez, CPA and Comptroller

American University of Puerto Rico (AUPR) is a higher education institution serving the north central region of Puerto Rico. Established in 1963 as American Junior College, the institution initially served business professionals in need of secondary education. In 1988, American Junior College changed its name to American University of PR. Presently, the institution offers associate's, bachelor's and master's degrees. In its 47 years of existence, AUPR's enrollment grew from 300 students to now more than 3,200 students.

"As you can imagine, the workload is huge when we have to work both active and inactive students' accounts," said Magda Cancel Pérez, AUPR's Comptroller. Magda is responsible for the direct supervision of all accounting and financial functions for the university which includes supervising the Bursar's and Collection office. This office serves as the central collection point for all money received and manages the university's accounts receivable function.

"Given the importance of cash flow for a university's daily functioning, I want my office personnel to focus on what will give us the highest recovery at this point in time, which is active students. Thanks to Transworld Systems, we have been given the opportunity to streamline our collections process. In-house, we spend more time on active students' accounts and outsource the majority of our inactive students' accounts to our GreenFlag<sup>SM</sup> Profit Recovery system."

AUPR began using Transworld Systems' services in 2005. They had several bad experiences with other collection agencies in the past, and at the time, their collection efforts were done completely in-house. They decided to give Transworld Systems a try, and they now utilize both the Phase I and Phase II collections services.

"When our enrollment continued to grow, so did the workload, and just hiring more people didn't solve our problem. That's when we decided to try Transworld Systems' program as we loved the options available to customize our collections program and have full control throughout the entire process," said Magda. "We've been thrilled with our results so far receiving a combined Phase I and Phase II recovery rate of 52%."

Magda said AUPR has benefited tremendously from using Transworld Systems' services, with the biggest benefits being:

- Fast, effective service at a low cost
- Recovered money is paid directly to AUPR

- Significant cash flow increase for the university
- Noticeable decrease in the number of delinquent accounts the university follows up on, which also leads to a decrease in expenses spent on in-house collections efforts
- 24/7 monitoring access of submitted accounts
- Monthly Phase II statements to keep up-to-date on account statuses
- Excellent service from their Transworld Systems' sales agent, Julio Ayala

"AUPR is the picture-perfect Transworld Systems' client. They use our service as part of their daily collections program and follow through with their commitments, and that's what gets them great results. In fact, they have the highest recovery rate of all my clients," said Julio. "Magda always tells me that using Transworld Systems is easily the best collection decision AUPR ever made."

Magda and her team at AUPR said the best advice they can offer to other Transworld Systems' education clients is to keep using the service. "Let alone this service really works and for such a low cost, it's a great way to keep track of your accounts in one place. When we submit accounts to Transworld, we put a hold on those accounts in our system that serves as a reminder for us when contacting the students. Collections used to be a headache for our team, but now that we use Transworld Systems, the collections process is actually a positive experience. They are great partners to work with."