



Chief Compliance Officer Series: Compliance Analytics

Legal Disclaimer

This information is not intended to be legal advice and may not be used as legal advice. Legal advice must be tailored to the specific circumstances of each case.

Every effort has been made to assure that this information is up-to-date as of the date of publication. It is not intended to be a full and exhaustive explanation of the law in any area, nor should it be used to replace the advice of your own legal counsel.



Who is KirkpatrickPrice?

KirkpatrickPrice is a licensed CPA firm, providing assurance services to over 300 clients in more than 42 states, Canada, Asia and Europe. The firm has over 10 years of experience in information assurance by performing assessments, audits, and tests that strengthen information security, and compliance controls.



Services Overview

- Regulatory Compliance

- CFPB Guidance and audit services:

- Policy & Procedure
- Risk Assessment
- Vendor Compliance Management
- CFPB Mock Audit

- Information Security

- Guidance and audit services:

- PCI DSS 3.0
- SSAE 16
- SOC 2
- FISMA
- ISO 27001 / 27002

Welcome

Jessie Skibbe is a former Chief Compliance Officer with 10 years of ARM industry experience. As Director of Compliance Services for KirkpatrickPrice, she is focused on assisting clients in meeting regulatory compliance & information security objectives.

- ACA Certified Credit & Collections Compliance Officer (CCCO)
- ACA Scholar Designation
- ISC2 Certified Information Systems Security Professional (CISSP)
- DBA Certified Receivables Compliance Professional (CRCP)
- PCI SSC Qualified Security Assessor (QSA)



Definition

- Analytics
 - The discovery and communication of meaningful patterns in data. Especially valuable in areas rich with recorded information, analytics relies on the simultaneous application of statistics, computer programming and operations research to quantify performance. Analytics often favors data visualization to communicate insight.

Source: Wikipedia (<http://en.wikipedia.org/wiki/Analytics>)



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Definition

- Compliance Analytics:
 - A component of *Management Review*, performed in the Check Phase of your overall Compliance Management System
 - Effective tool for the reporting of Compliance Issues to the Board of Directors & Senior Management



Welcome

Anne Thomas is Senior Compliance Counsel and CCO for Cavalry Portfolio Services, LLC in charge of designing and implementing Cavalry's compliance program. She has worked in the credit and collection industry since 2004.

- ACA Certified Credit & Collections Compliance Officer (CCCO)
- ACA Scholar & Fellow Designations
- DBA Certified Receivables Compliance Professional (CRCP)



Where to Start?

- Map the regulatory requirements
 - Identify the requirements (State, Federal, Clients, etc.)
 - Map the requirements to your processes
 - Develop or purchase programs to analyze and report on data to ensure compliance
 - Develop action plans where applicable
 - Take Action



Capturing the Data

- **Complaints**
- **Call Monitoring**
- **Training Results**
- Internal Audit Results
- Vendor Management Audit Results

Consumer Complaint Response

- The Chief Compliance Officer's role
 - Ensure complaints are:
 - Promptly addressed
 - Categorized appropriately
 - Review of complaints
 - Analysis of complaints
 - Identify weaknesses in the Compliance Management System
 - Challenges



Complaints

- Exam procedures reference:
 - Determine if complaint data and individual cases drive adjustments to the business practices as appropriate.
 - Determine whether the entity has a process for analyzing complaints to identify patterns of debt collection practices that violate the law or pose risks to consumers. For example, such analysis might indicate violations by a particular employee or service provider or data integrity problems associated with a particular set of accounts or portfolio.



Written Complaints Received

Category	First Quarter 2014			Previous Quarter Monthly Avg.
	January	Feb	March	
BBB	2	2	1	1
CFPB/FTC	3	2	3	3
AG/State Agency	0	1	2	1
Consumer Law Suit	0	1	0	1
Total	5	6	6	5

Consumer Direct Complaints - Written and Verbal

Category	First Quarter 2014			Previous Quarter Monthly Avg.
	January	Feb	March	
Communication Tactics	2	1	3	2
Cont'd attempts to collect debt I do not owe	10	12	9	10
Disclosure verification of debt	0	0	1	1
False statements or representation	1	1	1	1
Improper contact or sharing of information	2	2	2	2
Taking or threatening to take an illegal action	1	4	1	2
Total	16	20	17	16



Complaints

- Taking it to the next level:
 - Portfolio ID
 - Client
 - Collector

Call Analytics

- Utilize scorecard data to measure overall compliance posture
- Ensure policies and procedures for call monitoring are followed
- Identify weaknesses and opportunities for improvements
- Measure the affects of changes and improvements



Call Analytics

Collector Call Analytics - Compliance

Category	First Quarter 2014			Previous Quarter Monthly Avg.
	January	Feb	March	
Agents	100	103	103	80
Calls Monitored	498	507	519	336
Average Calls Per Agent	4.98	4.92	5.04	4.2
Failed Status	234	189	123	98
Failure Rating	46.99%	37.28%	23.70%	29.17%
Average Compliance Score	88	85	93	88
Disciplinary Actions	60	55	45	51

Call Analytics

- Taking it to the next level
 - By Manager
 - By Site
 - By Trainer
 - Voice Analytics Statistics

Employee Training

- Overall measurement of compliance knowledge
- Identification of weaknesses and opportunities for retraining

Employee Training

Employee Training Statistics

Category	First Quarter 2014		Previous Quarter
	Tested	Avg. Score	Avg. Score
FDCPA	89	83	92
Security Awareness	58	80	85
UDAAP	58	100	100
ECOA	45	100	100
EFTA	45	100	100
FCRA	89	100	100

Employee Training

- Taking it to the next level:
 - Modular Training & Evaluation
 - Score vs. pass/fail testing

Coming up Next

Chief Compliance Officer Series: Constructing an Internal Audit Framework

When: November 2014 (TBD)

A detailed look at internal audit. What to audit and how often.



Thank you for attending our Webinar

Q & A

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