



OFFICE OF INSPECTOR GENERAL

Audit Report

2015-FMIC-C-016

Opportunities Exist to Enhance
Management Controls Over the CFPB's
Consumer Complaint Database

September 10, 2015

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
CONSUMER FINANCIAL PROTECTION BUREAU

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Abbreviations

CFPB	Consumer Financial Protection Bureau
Consumer Response	Office of Consumer Response
Dodd-Frank Act	Dodd-Frank Wall Street Reform and Consumer Protection Act
DT	Data Team
GAO	U.S. Government Accountability Office
OIG	Office of Inspector General
QA	Quality Assurance



Executive Summary:

Opportunities Exist to Enhance Management Controls Over the CFPB's Consumer Complaint Database

2015-FMIC-C-016

September 10, 2015

Purpose

The Consumer Financial Protection Bureau (CFPB) publicly discloses certain consumer complaint data through its Consumer Complaint Database, which is available on its website. Our audit objective was to assess the effectiveness of the CFPB's controls over the accuracy and completeness of the Consumer Complaint Database. We evaluated several of the CFPB's management controls relevant to the Consumer Complaint Database. Our audit covered processes performed from January 1, 2014, through June 30, 2014, and included all complaints in the Consumer Complaint Database through June 30, 2014.

Background

The CFPB's Consumer Complaint Database is intended to provide consumers with timely and understandable information to help them make responsible decisions about financial transactions and to ensure that markets for consumer financial products and services operate transparently and efficiently. The database is updated daily with complaint data that are extracted from an internal case management system and then populated to the CFPB's internal Data Team (DT) Complaint Database. A file of public complaint data is then generated and published.

Findings

We identified areas in which management controls should be improved to enhance the accuracy and completeness of the Consumer Complaint Database. The Office of Consumer Response (Consumer Response) has implemented controls to monitor the accuracy of complaint data in the internal case management system, which contains all consumer complaints received by the CFPB, but it has not established separate management controls to ensure the accuracy of data extracted from the system and included in the Consumer Complaint Database. We found several noticeable inaccuracies in our analysis of the 254,835 complaints in the Consumer Complaint Database as of June 30, 2014. Although the number of complaints with inaccuracies that we identified was relatively small, enhancing existing controls would help ensure that as the number and types of complaints published increase, overall reliability of the data is maintained.

We also found that Consumer Response does not (1) review all company closing responses, including verifying whether the company-selected response is consistent with the definition, and (2) consistently publish untimely company closing responses in the Consumer Complaint Database. In addition, we found that Consumer Response allows 60 days for consumers to dispute company responses, rather than 30 days as stated in Consumer Response publications. Further, consumers are not consistently offered the opportunity to dispute untimely company responses. Finally, although the Consumer Complaint Database website asserts that complaint data are refreshed daily, we found that Consumer Response did not consistently notify the public when the database was not updated. Consumer Response has resolved the causes for the majority of the daily update failures that we observed, but it has not established procedures to inform the public when complaint data are incomplete or outdated.

Because the DT Complaint Database plays a role in the daily update process, our findings should be considered in conjunction with the security control deficiencies associated with the DT Complaint Database that were identified in [OIG Report No. 2015-IT-C-011](#), *Security Control Review of the CFPB's Data Team Complaint Database*, July 23, 2015. That report is restricted due to the sensitivity of its content, but a high-level summary is available on our website.

Recommendations

We are making recommendations to improve controls over the accuracy and completeness of the CFPB's Consumer Complaint Database. In its response to our draft report, Consumer Response concurs with our recommendations and indicates that it has already initiated actions to address them. Consumer Response also stated that it implemented a system change to update the process for untimely company responses and related consumer disputes, and it is replacing the DT Complaint Database.

Summary of Recommendations, OIG Report No. 2015-FMIC-C-016

Rec. no.	Report page no.	Recommendation	Responsible office
1	15	Implement controls to separately assess the accuracy of complaint fields in the Consumer Complaint Database.	Office of Consumer Response
2	15	Formally document standards for the data entry of complaints with foreign addresses.	Office of Consumer Response
3	15	Implement the planned address verification tool to enhance the accuracy of consumer-provided location information in the Consumer Complaint Database.	Office of Consumer Response
4	19	Develop approaches for monitoring company closing responses to ensure consistency with the response definition.	Office of Consumer Response
5	19	Verify the effectiveness of the recent system change to ensure that untimely company closing responses, regardless of investigation status, are published.	Office of Consumer Response
6	23	Formally clarify the time limit for consumers to dispute company closing responses.	Office of Consumer Response
7	23	Verify that the recent system change ensures that <ol style="list-style-type: none"> a. consumers can dispute untimely company closing responses within a defined time frame. b. consumer dispute data are properly published in the Consumer Complaint Database. 	Office of Consumer Response
8	27	Develop and implement a policy that states when the public should be notified of Consumer Complaint Database update failures and includes procedures for the notification process.	Office of Consumer Response



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September 10, 2015

MEMORANDUM

TO: Christopher Johnson
Acting Assistant Director, Office of Consumer Response
Consumer Financial Protection Bureau

FROM: Melissa Heist *Melissa Heist*
Associate Inspector General for Audits and Evaluations

SUBJECT: *OIG Report No. 2015-FMIC-C-016: Opportunities Exist to Enhance Management Controls Over the CFPB's Consumer Complaint Database*

The Office of Inspector General (OIG) has completed its final report on the subject audit. We conducted this audit to assess the effectiveness of the Consumer Financial Protection Bureau's (CFPB) controls over the accuracy and completeness of its Consumer Complaint Database.

We provided you with a draft of our report for review and comment. In your response, you concur with our recommendations. We have included your response as appendix B in our report.

We appreciate the cooperation that we received from the Office of Consumer Response. Please contact me if you would like to discuss this report or any related issues.

cc: Sartaj Alag
Stephen Agostini
J. Anthony Ogden

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Introduction

Objective

Our objective for this audit was to assess the effectiveness of the Consumer Financial Protection Bureau's (CFPB) controls over the accuracy and completeness of its public-facing Consumer Complaint Database. We conducted our audit using the following definitions provided in guidance issued by the U.S. Government Accountability Office (GAO):¹

Accuracy refers to the extent that recorded data reflect the actual underlying information.

Completeness refers to the extent that relevant records are present and the fields in each record are populated appropriately.

To accomplish our objective, we evaluated several of the CFPB's management controls that are relevant to the Consumer Complaint Database. Although in this audit we did not test the general and application controls of the systems involved in complaint processing, the Office of Inspector General's (OIG) recent security control review of the Data Team (DT) Complaint Database, which supports the Consumer Complaint Database, tested the adequacy of selected information system security controls.² The scope of the present audit covered processes performed from January 1, 2014, through June 30, 2014, and included all complaints in the Consumer Complaint Database through June 30, 2014. Details on our scope and methodology are in appendix A.

Background

The Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) created the CFPB to regulate the offering and provision of consumer financial products and services under the federal consumer financial laws. The Dodd-Frank Act also gave the CFPB the authority to receive complaints from consumers and to make public information about the markets for consumer financial products and services. The CFPB exercises its discretion under this authority to publicly disclose data from a subset of its consumer complaints through the Consumer Complaint Database, which is available on its website at <http://www.consumerfinance.gov/complaintdatabase>. The Consumer Complaint Database is intended to provide consumers with timely and understandable information to help them make responsible decisions about financial transactions and to ensure that markets for consumer financial products and services operate transparently and efficiently.

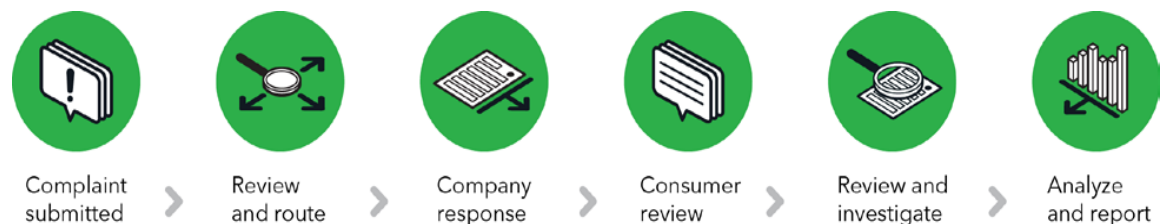
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1. U.S. Government Accountability Office, *Applied Research and Methods: Assessing the Reliability of Computer-Processed Data*, GAO-09-680G, July 2009.
 2. Office of Inspector General, *Security Control Review of the CFPB's Data Team Complaint Database*, [OIG Report No. 2015-IT-C-011](#), July 23, 2015. This report is restricted due to the sensitivity of its content, but a high-level summary is available on our website.

The CFPB's Office of Consumer Response (Consumer Response) is responsible for processing consumer complaints. The CFPB uses consumer complaint data to help supervise companies, enforce federal consumer financial laws, and write rules and regulations. Consumer Response reports to Congress about the complaints received and posts some complaint data, as described in detail below, in the Consumer Complaint Database. Complaint data are also shared with other offices within the CFPB, including the Division of Supervision, Enforcement, and Fair Lending, and with state and federal law enforcement agencies.

The Complaint Process

The life cycle of consumer complaints received by the CFPB is depicted in figure 1.³ These steps are explained in greater detail below.

Figure 1: Consumer Complaint Process



Source: Consumer Financial Protection Bureau, *Consumer Response: A Snapshot of Complaints Received July 21, 2011 through June 30, 2014*, July 16, 2014.

Complaint Submitted

Consumer Response accepts consumers' complaints through the CFPB's website and by phone, postal mail, e-mail, fax, and referral. To facilitate the processing of consumer complaints, Consumer Response contracts for a secure case management system and contact centers. The contact centers handle calls from consumers, address consumer questions, accept complaint submissions, and provide the status of consumer complaints. All complaints, regardless of how they are transmitted to Consumer Response, are processed through and maintained in the case management system. Consumers can log on to a secure consumer portal to enter complaints directly into the case management system and check the status of their complaints. The case management system also contains other types of consumer records, such as inquiries and feedback, which are processed separately from complaints. As of June 30, 2014, the case management system contained 918,447 records, of which 432,121, or 47 percent, were complaints. The CFPB publicly discloses a subset of these complaints through the Consumer Complaint Database, as described below.

3. This section is a description of the complaint process in place at the time of audit fieldwork.

Complaint Reviewed and Routed

Consumer Response screens all complaints submitted by consumers and routes screened consumer complaints within the case management system to the appropriate company. To carry out its responsibility for accurately analyzing and routing complaints, Consumer Response has implemented several controls to monitor the accuracy of complaint data and detect problematic complaints in the case management system. Specifically, Consumer Response reviews complaints, monitors system queues, responds to system alerts, and completes Quality Assurance (QA) Scorecards for a sample of processed complaints.

- **Consumer Response Review.** All complaints submitted by consumers are screened to ensure that they contain all necessary information and meet several conditions, including the publication criteria that are described below. For example, Consumer Response assesses whether the complaint contains sufficient information to support the company identification. Complaints that do not meet these conditions may be returned to the consumer for additional information or, for complaints that are not within the CFPB's jurisdiction, referred to the appropriate regulator. According to Consumer Response management, this initial review ensures that complaints contain the information necessary for proper routing; it is not intended to identify inaccurate information provided by the consumer, unless such information prevents further processing.
- **System Queues.** After an initial review, complaints are routed to different queues within the case management system to progress through the complaint process. Queues are collections of records that have been grouped together for further action. For example, the *Company Review* queue contains complaints that have been sent to companies for a response, and the *Form Review* queue contains complaints that are missing required information. In addition to routing complaints to queues, we determined that Consumer Response staff members monitor assigned queues, which helps to ensure that complaints are processed correctly and in a timely manner.
- **System Alerts.** Consumer Response staff members respond to alerts, which are system-generated notifications of complaints containing anomalies. For example, some alerts identify complaints with conflicting dates, such as a company response date that is earlier than the date that the complaint was sent to the company. Other alerts detect incomplete or inconsistent fields, such as complaints that contain status information that is associated with an inquiry rather than a status that is associated with a complaint. To resolve an alert, Consumer Response staff members manually review the associated complaint and update it, as appropriate, in the case management system. Although system alerts are not designed to prevent the continued processing, including publication, of an associated complaint, we found that by monitoring them, Consumer Response improves the chances that as complaints are routed through the case management system, potential issues are caught, promptly reviewed by staff, and corrected in a timely manner.
- **QA Scorecards.** The Consumer Response team leads document their reviews of processed complaints by completing QA Scorecards. These weekly reviews are performed to assess the accuracy and quality of a sample of processed complaints by checking for duplicates, queue and field consistency, completeness, and proper disposition. The team leads make corrections in the case management system to complaints containing errors that are identified as a result of a QA Scorecard review. We

noted that completing QA Scorecards helps Consumer Response ensure that complaints are processed accurately in the case management system.

Company Response

To respond to a complaint, the company reviews the complaint information, communicates with the consumer as needed, and determines what action to take. Companies have access to their complaints in the case management system via the company portal. Companies access the company portal to check for new complaints received from Consumer Response and to manage complaints and submit responses to Consumer Response. Companies can also use the company portal to report a technical issue or to notify Consumer Response of problems with a complaint by submitting an administrative response. If Consumer Response receives a complaint about a company that does not have access to the company portal, Consumer Response staff members contact the company. The company then completes the required forms to participate, including agreeing to time frames to respond to consumer complaints.

Consumer Review

Consumers can check the status of their complaints and view company responses via the consumer portal. Consumers may provide feedback and dispute a company response with which they disagree by logging into the secure consumer portal or by calling the CFPB.

Review and Investigate

Consumer Response reviews the feedback consumers provide about company responses to help prioritize complaints for investigation. Complaints are sent to the Investigations section of Consumer Response when the consumer disputes the company's response or the company's response is not timely. Consumer Response may periodically investigate other complaints based on a review of the complaint, the company's response, and the consumer's feedback. For selected complaints, the Investigations section may ask companies and consumers for additional documentation. The Investigations section then determines whether the company violated any federal consumer financial laws. If Investigations suspects a violation, the case is referred to the CFPB's Division of Supervision, Enforcement, and Fair Lending for further consideration.

Analyze and Report

Consumer Response periodically reports to Congress about the complaints received and also posts some complaint data, as described in detail below, in the public-facing Consumer Complaint Database. Consumer Response also shares complaint data with other offices within the CFPB and with state and federal law enforcement agencies. According to the CFPB, it uses the information shared by consumers and companies throughout the complaint process to gain a better understanding of what is occurring in the financial marketplace and to help the market work more efficiently for consumers.

Consumer Complaint Database Overview

The CFPB released the public-facing Consumer Complaint Database on June 19, 2012. According to the CFPB, the Consumer Complaint Database is intended to help provide consumers with “timely and understandable information to make responsible decisions about financial transactions” and to ensure that markets for consumer financial products and services “operate transparently and efficiently.”⁴ The database allows the public to see what is being complained about and why. Although the CFPB does not verify the facts alleged in complaints, it takes steps to confirm the commercial relationship between the consumer and the company. Trade associations and companies have expressed concern that disclosing unverified consumer complaints may open the data to manipulation and may unfairly damage the reputations of companies. Alternatively, consumer groups have indicated that the data can help consumers to detect trends of unfair practices and that disclosure is a useful tool to improve the operation of consumer financial markets. The CFPB believes that the information presented has value to the public and that “the marketplace of ideas will determine what the data show.”⁵

The public-facing Consumer Complaint Database consists of a subset of the complaint data in the internal case management system. Although only complaints that meet the CFPB’s publication criteria, which are described below, are contained in the Consumer Complaint Database, the internal case management system contains both public and nonpublic complaints. In addition, the internal case management system contains consumer complaints since July 21, 2011, when the CFPB began accepting them, while the Consumer Complaint Database includes data from consumer complaints submitted on or after December 1, 2011.

As of June 30, 2014, the Consumer Complaint Database contained 254,835 complaints⁶ from consumers submitted on or after December 1, 2011. These complaints involved a variety of financial products and services, including bank accounts or services, credit cards, credit reporting, debt collection, mortgages, money transfers, private student loans, and vehicle or other consumer loans. Over time, the CFPB phased in additional products and services under its authority to expand the services covered in the database. In the most recent additions, in July 2014 and January 2015, the database was expanded to include (1) payday loans dating back to November 6, 2013, and (2) prepaid cards, other consumer loans, and other financial services dating back to July 19, 2014.

Data in the Consumer Complaint Database

The public-facing Consumer Complaint Database contains anonymized complaint data provided by consumers, including the type of complaint, the date of submission, the consumer’s zip code, and the company that the complaint concerns. The database also includes information about the actions taken by a company in response to a complaint, including whether the company’s

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4. Consumer Financial Protection Bureau, *Disclosure of Consumer Complaint Data*, March 25, 2013, http://files.consumerfinance.gov/f/201303_cfpb_Final-Policy-Statement-Disclosure-of-Consumer-Complaint-Data.pdf, as published in the *Federal Register*, 78 Fed. Reg. 21,218 (Apr. 10, 2013).
 5. Consumer Financial Protection Bureau, *Disclosure of Consumer Complaint Data*, March 25, 2013, http://files.consumerfinance.gov/f/201303_cfpb_Final-Policy-Statement-Disclosure-of-Consumer-Complaint-Data.pdf, as published in the *Federal Register*, 78 Fed. Reg. 21,218 (Apr. 10, 2013).
 6. As of September 1, 2015, there were approximately 443,000 complaints in the Consumer Complaint Database.

response was timely, how the company responded, and whether the consumer disputed the company's response. According to the CFPB, the Consumer Complaint Database does not include consumers' personally identifiable information. The consumer complaint data displayed for each field in the database is populated in one of three ways:

- generated by the case management system
- provided by the consumer
- provided by the company involved

The Consumer Complaint Database contains features to allow users to filter data based on specific search criteria; to aggregate data in various ways, such as by complaint type, company, location, date, or any combination of available variables; and to download data. Table 1 summarizes the 14 fields in the database at the time of audit fieldwork and the source for the data displayed in each field.

Table 1: Summary of Consumer Complaint Database Fields

No.	Field name	Description	Displayed value type	Data source
1	<i>Complaint ID</i>	The unique identification number assigned by the CFPB.	Number	Case management system
2	<i>Product</i>	The type of product the consumer identified in the complaint.	Text (category)	Consumer
3	<i>Sub-product</i>	The type of sub-product the consumer identified in the complaint.	Text (category)	Consumer
4	<i>Issue</i>	The issue the consumer identified in the complaint.	Text (category)	Consumer
5	<i>Sub-issue</i>	The sub-issue the consumer identified in the complaint.	Text (category)	Consumer
6	<i>ZIP code</i>	The consumer's reported mailing zip code for the complaint. <i>Note:</i> Includes only the first five digits and is blank for complaints submitted with nonnumeric values. Excludes zip codes for areas with populations of 20,000 or fewer persons.	Number	Consumer
7	<i>Submitted via</i>	How the complaint was submitted to the CFPB.	Text (category)	Case management system
8	<i>State</i>	The consumer's reported mailing state for the complaint.	Text (category)	Consumer
9	<i>Date received</i>	The date the CFPB received the complaint.	Date	Case management system
10	<i>Date sent to company</i>	The date the CFPB sent the complaint to the company.	Date	Case management system
11	<i>Company</i>	The company about which the complaint is being made.	Text	Consumer ^a
12	<i>Company response</i>	How the company responded to the complaint.	Text (category)	Company
13	<i>Timely response?</i>	Whether the company gave a timely response.	Yes/No	Case management system
14	<i>Consumer disputed?</i>	Whether the consumer disputed the company's response.	Yes/No/Blank	Consumer

Source: OIG review of the CFPB's Consumer Complaint Database.

^aThe CFPB authenticates the consumer's identification of the relevant company and finalizes the entry as appropriate.

The CFPB's Publication Criteria

The CFPB defines the following publication criteria for public complaints; complaints that do not meet these criteria are not published, according to the CFPB. To be included in the public-facing Consumer Complaint Database, complaints must

- not duplicate another complaint by the same consumer
- not be a whistleblower complaint
- involve a consumer financial product or service within the scope of the CFPB's jurisdiction

- be submitted by a consumer who has an authenticated relationship with the identified company

The CFPB provides a disclaimer on the Consumer Complaint Database website related to the content published. The disclaimer states that the CFPB does not verify all the facts alleged in complaints but takes steps to confirm the commercial relationship between the consumer and the company. Specifically, the CFPB describes controls to ensure that complaints come from actual customers of the company and that companies are given adequate time to challenge the consumer-company relationship. Additionally, the CFPB's website notes that the Consumer Complaint Database lists only submitted complaints that companies have had an opportunity to respond to and does not include complaints referred to other regulatory agencies, complaints found to be incomplete, or complaints that are pending with the consumer or the CFPB.

Consumer Response established policies for removing records from the internal case management system and for withholding and withdrawing complaints from the Consumer Complaint Database. As of June 30, 2014, we noted that no records have been identified for deletion since the removal policy was established in December 2013. Specifically, Consumer Response withholds complaints for reasons such as the inclusion of material false statements, consumer withdrawal, and the presence of confidential trade secrets. As part of the withholding and withdrawing complaints policy, Consumer Response evaluates requests to withhold complaints that are submitted by consumers, companies, or CFPB personnel. According to Consumer Response management, this policy can also apply to removing complaints that contain significant inaccuracies.

Consumer-Company Relationship

In accordance with the CFPB's publication criteria, a complaint is listed in the Consumer Complaint Database when the company responds confirming a commercial relationship with the consumer or after the company has had the complaint for 15 days, whichever comes first. Companies have 15 days to respond to complaints via the company portal and are expected to close most complaints within 60 days by providing a final responsive explanation to the consumer. If a complaint cannot be closed within 15 days, a company may indicate that its work on the complaint is in progress and provide a final response within 60 days. If a company demonstrates by the 15-day deadline that it has been wrongly identified in the complaint submitted, no data for that complaint will be posted on the Consumer Complaint Database.

A company response is late when it is received after 15 calendar days. If a company response is considered late, that response is displayed in the *Company response* field, and the *Timely response?* field shows *No*. Consumer Response considers a company response to be untimely when (1) no response is received after 30 calendar days or (2) a follow-up response is not provided to an *In progress* selection within 60 calendar days from the date the complaint was sent to the company. Company responses that are untimely are displayed in the Consumer Complaint Database with *Untimely response* in the *Company response* field and *No* in the *Timely response?* field. Complaints for which a company response is not received after 60 days are routed directly to Investigations for review.

Company Responses

According to the CFPB, company responses provided to Consumer Response should include descriptions of steps taken, communications received from the consumer, any follow-up actions or planned follow-up actions, and the response categorization. When responding to a consumer complaint, the company selects the applicable response category based on Consumer Response’s response category definitions.

Company response categories are either closing responses or administrative responses. The Consumer Complaint Database contains only complaints with closing responses.⁷ Definitions of the company response categories for closing responses are shown in table 2. Companies can select from five of the six closing response categories; the case management system automatically populates the company response category with *Untimely response* when the company’s response is untimely.

Table 2: Summary of Company Responses in the Consumer Complaint Database

<i>Company response categories</i>	<i>Consumer Response definition</i>
<i>Closed with monetary relief</i>	Objective, measurable, and verifiable monetary relief provided to the consumer
<i>Closed with non-monetary relief</i>	Explanation provided to the consumer indicating the steps taken or will be taken to include other objective or verifiable relief to the consumer
<i>Closed with explanation</i>	Explanation provided to the consumer tailored to the individual consumer’s complaint
<i>Closed</i>	A final response to the consumer, closing the complaint without relief or explanation
<i>In progress</i>	Interim responsive explanation to the consumer and the CFPB, indicating that the complaint could not be closed within 15 days
<i>Untimely response</i>	A company response was not provided within 30 days, or a response was not provided within 60 days after an initial response of <i>In progress</i>

Source: OIG review of the CFPB’s *Company Portal Manual* as revised February 2014.

Companies can also provide Consumer Response with administrative responses, in which case the complaint is not published. Companies submit administrative responses to report a technical issue with the company portal or to notify Consumer Response of problems with a complaint. Examples of administrative responses include *Incorrect company*, which represents a mismatch between consumer and company, and *Duplicate CFPB case reported*, which indicates that the complaint is a duplicate of a complaint from the same consumer that the company has already received from the CFPB and responded to via the company portal.

7. Because the interim *In progress* company response indicates that the company needs more time to provide a final closing response, we include it with company closing responses.

Consumer Disputes

The CFPB provides consumers with the option to dispute company closing responses. Consumer Response notifies consumers through the consumer portal when the company has provided a closing response and requests that consumers inform the CFPB within 30 days if they want to dispute the response. Consumer Response does not notify companies when consumers dispute the company's response. The CFPB uses disputed complaints, as well as other information, to help prioritize complaints for investigation. As shown in table 1, the Consumer Complaint Database displays disputed complaints in the *Consumer disputed?* field.

The *Consumer disputed?* field of the Consumer Complaint Database displays one of three values to represent the consumer's dispute feedback: *Yes*, *No*, and *Blank*. When the consumer disputes a company response, the database reflects *Yes* in the *Consumer disputed?* field. When the consumer responds that he or she does not wish to dispute the company's response or the dispute period ends,⁸ the *Consumer disputed?* field displays *No*. Because complaints are published before the dispute period ends,⁹ the *Consumer disputed?* field defaults to a *Blank* value. Accordingly, *Blank* values may change over time.

Extracting Data From the Case Management System and Posting to the Consumer Complaint Database

The Consumer Complaint Database website states that the data are refreshed each day. In this daily refresh, new complaints that meet the publication criteria are posted to the database and available updates are made to existing complaints. Through this daily update process, updated complaint data are extracted from the case management system and populated to the internal DT Complaint Database, where a file containing public complaint data is created. That file is then uploaded to the public-facing Consumer Complaint Database. While the Consumer Complaint Database is generally refreshed once per day through the daily update process, the case management system runs in real time and is constantly updated.

As detailed in OIG Report No. 2015-IT-C-011¹⁰ and listed in the publicly available Executive Summary of the report, the OIG identified several security control deficiencies related to configuration management, access control, and audit logging and review for the CFPB's DT Complaint Database.¹¹ The findings presented in this report should be considered in conjunction

8. The case management system automatically enters *No* in the *Consumer disputed?* field after the dispute period ends.

9. A complaint is listed in the Consumer Complaint Database when the company responds confirming a commercial relationship with the consumer or after the company has had the complaint for 15 days, whichever comes first.

10. Office of Inspector General, *Security Control Review of the CFPB's Data Team Complaint Database*, OIG Report No. 2015-IT-C-011, July 23, 2015. This report is restricted due to the sensitivity of its content, but a high-level summary is available on our website.

11. From an information security perspective, *configuration management* refers to establishing and maintaining the integrity of products and systems through control of the processes for initializing, changing, and monitoring their security configurations. *Access controls* protect a system's resources against inappropriate access. *Audit logging* and information system monitoring are key components of an overall organizational information security continuous monitoring capability and are used to detect attacks and identify unauthorized usage.

with the security control deficiencies associated with the DT Complaint Database that were identified in that report.

According to Consumer Response management, the daily update process is a temporary measure until the agency is able to create an application programming interface that will extract data directly from the case management system daily. In January 2014, the CFPB began a project that includes the application programming interface development effort. Consumer Response management indicated that an interim system, which includes replacement of the DT Complaint Database, should be in place in the fourth quarter of 2015.

Consumer Response is ultimately responsible for ensuring that the Consumer Complaint Database is updated daily and that the correct data have been uploaded. The CFPB's Office of Technology and Innovation is responsible for the integrity of the daily update process and maintains the DT Complaints Database that supports the process. To verify that the daily update process is functioning properly, Consumer Response reconciles the number of published complaints, by product, to the number of similar complaints in the case management system. We found that by performing this reconciliation, Consumer Response helps ensure the completeness of the Consumer Complaint Database. In addition, we noted that Consumer Response has implemented controls in the daily update process to exclude records that do not meet publication criteria from the public database. These controls also help ensure that the Consumer Complaint Database is complete.

Relevant Regulations and Guidance

GAO's *Standards for Internal Control in the Federal Government* provides the overall framework for establishing and maintaining internal control and for identifying and addressing major performance and management challenges and areas at greatest risk of fraud, waste, abuse, and mismanagement.¹² These standards state that internal control is a major part of managing an organization and that internal control comprises the plans, methods, and procedures used to meet missions, goals, and objectives. These standards also state that internal control serves as the first line of defense in safeguarding assets and preventing and detecting errors and fraud. The CFPB complies with the Federal Managers' Financial Integrity Act of 1982, which requires agencies to establish internal controls in compliance with GAO standards.

In compliance with federal requirements,¹³ the CFPB issued its *Information Quality Guidelines* to promulgate its quality standards for disseminated information.¹⁴ The CFPB's Legal Division concluded that the *Information Quality Guidelines* do not apply to the Consumer Complaint Database because the published complaint data do not meet the definition of disseminated "information." The Legal Division also noted that the CFPB's disclaimer sufficiently counters

12. U.S. Government Accountability Office, *Standards for Internal Control in the Federal Government*, GAO/AIMD-00-21.3.1, November 1999.

13. Section 515 of the Treasury and General Government Appropriations Act for Fiscal Year 2001, Pub. L. No. 106-554, referred to as the Information Quality Act.

14. The CFPB's *Information Quality Guidelines* are available on its public website at <http://www.consumerfinance.gov/informationquality>.

any appearance that the Consumer Complaint Database represents the agency's views, and therefore, the database is not subject to the *Information Quality Guidelines*.

In March 2013, the CFPB issued the final policy statement *Disclosure of Consumer Complaint Data*, which addresses the publication of consumer complaints via the Consumer Complaint Database. The final policy statement outlines the publication criteria for complaints, the timing of the inclusion of data in the database, and the criteria for confirming a consumer-company relationship, among other items. It also describes the legal authority to disclose consumer complaint data in the database and summarizes comments submitted by industry groups, consumers, and other members of the public regarding the database. In this final policy statement, the CFPB states that it will continue to issue periodic reports about complaint data, such as *Snapshots of Complaints Received* and *Consumer Response Annual Reports*. In addition, the CFPB issued a final policy statement in March 2015 to expand the Consumer Complaint Database to include consumer complaint narrative data.¹⁵ Because this final policy statement was implemented after the conclusion of our fieldwork, it was not included in the scope of our audit.

15. Consumer Financial Protection Bureau, *Disclosure of Consumer Complaint Narrative Data*, March 12, 2015, http://files.consumerfinance.gov/f/201503_cfpb_disclosure-of-consumer-complaint-narrative-data.pdf, as published in the *Federal Register*, 80 Fed. Reg. 15,572 (March 24, 2015).

Finding 1: Additional Controls Are Needed to Enhance the Accuracy of the Consumer Complaint Database

We found that Consumer Response has implemented controls to monitor the accuracy of complaint data in the internal case management system, from which complaints are extracted for inclusion in the public-facing Consumer Complaint Database. However, it has not established separate management controls to ensure the accuracy of data in the Consumer Complaint Database. As a result, we found examples of noticeable inaccuracies in our analysis of the 254,835 complaints in the Consumer Complaint Database as of June 30, 2014. We identified 5 complaints with foreign addresses for which the zip code was improperly displayed in the database. Consumer Response has established limited guidance for the data entry of complaints associated with foreign addresses. Additionally, OIG Report No. 2015-IT-C-011 identified deficiencies in configuration management, access control, and audit logging and review for the DT Complaint Database, which is used in the daily update process for the Consumer Complaint Database. Federal internal control standards state that agencies should establish controls, such as comparing different sets of data to analyze relationships among the data, to help monitor and ensure accuracy. In addition, these standards state that policies and procedures enforce management directives and help to ensure that appropriate actions are taken. Although the number of complaints with inaccuracies that we identified was relatively small, enhancing existing controls would help ensure that as the number and types of complaints published increase, the overall reliability of the data is maintained.

Consumer Response Relies on Controls in the Internal Case Management System and Does Not Separately Assess the Accuracy of the Public-Facing Consumer Complaint Database

According to Consumer Response staff members, they primarily monitor data quality by addressing system alerts that flag potentially inaccurate complaint data in the internal case management system and by completing QA Scorecards. While these accuracy controls for the case management system help reduce the risk of inaccuracies in public and nonpublic complaints, they do not specifically ensure that complaint data meet data standards applicable for published complaints. For example, Consumer Response began accepting credit card complaints on July 21, 2011; however, according to the final policy statement, credit card complaints submitted only on or after December 1, 2011, are to be published in the Consumer Complaint Database. As this data standard applies only to published complaints, controls in the case management system are not designed to identify earlier-dated complaints as inaccurate.

We compared public complaint data with data standards established by the CFPB and analyzed relationships among the data in the Consumer Complaint Database to assess the accuracy of the data. Based on our analysis of the 254,835 complaints in the database as of June 30, 2014, we found examples of noticeable inaccuracies that had not been detected by Consumer Response's controls, including the following:

- We observed 2 public complaints with blank values in the *Date sent to company* field; however, the *Disclosure of Consumer Complaint Data* final policy statement specifies that the case management system automatically populates the date in this field.
- We identified 11 public complaints that had been submitted prior to the initial submission date detailed in the final policy statement. Specifically, these complaints displayed a date of November 30, 2011, in the *Date received* field, even though the final policy statement specifies that only complaints submitted on or after December 1, 2011, should be published.
- We found 13 public complaints that contained *Yes* in the *Timely response?* field and *Untimely response* in the *Company response* field. However, Consumer Response staff members explained that when a company does not provide a timely closing response or does not respond to a complaint, the complaint should automatically display in the public complaint database with *Untimely response* in the *Company response* field and *No* in the *Timely response?* field.

Federal internal control standards state that controls help to ensure that all transactions are accurately recorded and that ongoing monitoring of controls should occur. Further, the standards suggest that agencies compare and assess different sets of data so that analyses of the relationships can be made and appropriate actions can be taken. By implementing accuracy controls that are specific to the public database, such as assessing the public complaint data separately from all the complaints in the case management system, Consumer Response may identify additional inaccuracies in the Consumer Complaint Database.

After we informed Consumer Response staff members of the inaccuracies, they corrected them, including, as appropriate, removing complaints from the Consumer Complaint Database. While the number of inaccurate complaints that we identified was relatively small, enhancing existing controls would help ensure that as the number and types of complaints published increase, overall reliability of the data is maintained.

Guidance for Processing and Publishing Location Data Is Limited

By analyzing the public *State* and *Zip code* fields, we found 5 complaints with foreign addresses that were improperly displayed in the Consumer Complaint Database. Specifically, of the 44 complaints with zip codes of less than three digits that we reviewed, we tested a sample of 5 complaints and determined that all 5 represented complaints with foreign addresses. Consumer Response staff stated that complaints with foreign addresses should be publicly displayed with blank values in the location fields. However, all 5 of the complaints that we reviewed contained some numbers in the *Zip code* field, and 1 of the complaints included data in the *State* field.

Federal internal control standards state that policies and procedures enforce management directives and help to ensure that appropriate actions are taken. Consumer Response staff members reported that verbal direction is given to contact center staff regarding the processing of complaints with foreign addresses; however, such guidance has not yet been documented. In addition, Consumer Response documentation described how zip code data are formatted during the daily update process to publish complaint data. While the documentation described format adjustments for extended zip codes (i.e., zip codes containing more than five digits) and zip codes

that contain nonnumerical values, it did not indicate that any adjustments are made for complaints with foreign addresses. Consumer Response staff members confirmed that there are no procedures in the daily update process to format location data for complaints with foreign addresses beyond the formatting of nonnumerical values in zip codes.

In addition, according to Consumer Response management, the location fields are optional, and Consumer Response does not validate the information that the consumer provides. Consumer Response's policy is to not alter the location information that the consumer provides. For example, if a consumer provided a Connecticut zip code and selected *NY* for the *State* field, Consumer Response would not change the submitted information to make it accurate. Consumer Response management stated that in the future, Consumer Response plans to implement address verification software, which would automatically fill in the city and state based on the zip code provided; however, management did not define an implementation time frame.

The Consumer Complaint Database includes the location fields to enable consumers and researchers to analyze location data for possible trends. Enhancing controls over the location fields will help ensure the validity of those analyses, as well as those done by Consumer Response.

Management Actions Taken During the Audit

Consumer Response indicated that it will remove the DT Complaint Database as part of its project to replace the daily update process with an application programming interface that directly extracts data from the case management system. In May 2015, Consumer Response began implementing a replacement system, called the Consumer Response Database, and estimated that it would discontinue use of the DT Complaint Database in the fourth quarter of 2015.

Recommendations

We recommend that the Assistant Director of Consumer Response

1. Implement controls to separately assess the accuracy of complaint fields in the Consumer Complaint Database.
2. Formally document standards for the data entry of complaints with foreign addresses.
3. Implement the planned address verification tool to enhance the accuracy of consumer-provided location information in the Consumer Complaint Database.

Management's Response

The Acting Assistant Director of Consumer Response concurs with our recommendations and notes that Consumer Response management has made significant progress to address recommendations 1 and 2. In his response to recommendation 1, the Acting Assistant Director states that Consumer Response approved a policy that includes a high-level process for assessing the accuracy of the data in the Consumer Complaint Database. Further, Consumer Response

created a validation report to identify inaccuracies in all database fields by comparing the data in the Consumer Response Database, the case management system, and the Consumer Complaint Database. The specific details of the data validation process will be included in the accompanying procedures that are under development.

To address recommendation 2, the Acting Assistant Director states that Consumer Response created and implemented guidance on data entry standards for contact information and addresses, which includes foreign addresses. For complaints with foreign addresses, the *Zip code* and *State* fields will continue to be blank in the Consumer Complaint Database. According to the Acting Assistant Director, contact center agents have been trained on these data entry standards and this guidance has been implemented at the contact center. In addition, Consumer Response updated the data displayed in the *Zip code* field of the Consumer Complaint Database to consider additional privacy, accuracy, and completeness criteria. These updated criteria include (1) displaying a blank *ZIP code* field for U.S. zip codes that include less than 20,000 residents, (2) displaying a blank *ZIP code* field when a complaint does not have the United States in the country field, and (3) displaying a blank *ZIP code* field when the consumer does not provide a zip code when submitting a complaint.

To address recommendation 3, the Acting Assistant Director states that Consumer Response included a requirement for an address verification tool into the functional and nonfunctional requirements for the next case management system. This high-level requirement will serve as the baseline from which to derive the detailed requirements, processes, and procedures that will work in conjunction to enhance the accuracy of the consumer-provided location information in the Consumer Complaint Database. Project planning and detailed requirements for the next case management system are scheduled to begin in the first quarter of fiscal year 2016.

OIG Comment

We believe that the actions the Acting Assistant Director describes are responsive to our recommendations. The OIG intends to follow up on Consumer Response's actions to ensure that the recommendations are fully addressed.

Finding 2: Opportunities Exist to Help Ensure the Accuracy and Completeness of Company Response Data

We found 1 instance in the 30 complaints we reviewed in which a published company response was not consistent with Consumer Response's definition for that response. Although Consumer Response reviews the consumer-provided information and company-submitted administrative responses when processing complaints, it does not perform a review of all company closing responses. According to Consumer Response, it does not perform such reviews because companies are responsible for selecting the applicable response. We also found that at the time of our audit, Consumer Response was not consistently publishing untimely¹⁶ company closing responses in the Consumer Complaint Database. Consumer Response management stated that company closing responses provided after an investigation was opened were not published, to discourage untimely responses. The *Disclosure of Consumer Complaint Data* final policy statement provides that all company closing responses should be shown in the Consumer Complaint Database. Employing controls to monitor consistency of the company closing responses with Consumer Response's definition and consistently displaying untimely company closing responses would help enhance the accuracy and completeness of company response data.

Consumer Response Does Not Review All Company Closing Responses

Of the 30 complaints with company closing responses that we reviewed, we found 1 instance in which the published company response was not consistent with Consumer Response's definition for that response. In that case, the company's detailed response in the case management system indicated that monetary relief was provided to the consumer; however, the company-selected response category was *Closed* rather than *Closed with monetary relief*. During our audit, we were informed that Consumer Response does not review all company closing responses, including verifying whether the company-selected response is consistent with the definition. Although we found only one inconsistency, employing controls to monitor consistency of the company closing responses with Consumer Response's definition would help ensure the continued overall reliability of the Consumer Complaint Database.

We noted that Consumer Response screens all consumer complaints to ensure that the consumer has provided the necessary information and that complaints meet certain conditions prior to sending complaints to the associated company.¹⁷ The Consumer Response team leads also complete QA Scorecards, which assess the accuracy and quality of a sample of processed complaints. Similarly, Consumer Response reviews all administrative responses, which

16. Consumer Response considers a company response to be untimely when (1) no response is received after 30 calendar days or (2) a follow-up response is not provided to an *In progress* selection within 60 calendar days from the date the complaint was sent to the company. We found that if the company provides an untimely response, such as during an investigation, the *Company response* field is not updated with that response.

17. Consumer Response's review ensures that complaints contain information necessary for proper routing; it is not intended to identify inaccurate information provided by the consumer, unless such information prevents further processing.

companies submit to notify Consumer Response of problems with a complaint. In addition, when the consumer disputes the company's closing response or the company response is not timely, Consumer Response sends the related complaint and company response to the Investigations section for review. Consumer Response, based on a review of the company's response, the complaint, and the consumer's feedback, may also periodically investigate other complaints and company responses. Although Consumer Response conducts reviews of consumer-provided information, company-submitted administrative responses, and consumer disputes of company's responses, it does not review all company closing responses.

Consumer Response considers the *Company response* field to be company owned and therefore assigns the responsibility for providing accurate responses to the company. To help companies carry out this responsibility, Consumer Response provides a company manual containing definitions for all company response categories. Consumer Response staff members also work with companies to address questions and educate companies on the complaint process. We believe that by not reviewing all company-provided closing responses, Consumer Response may not detect company closing responses that do not conform to Consumer Response's definition, and these inaccurate company-provided closing responses could be published in the Consumer Complaint Database.

More than 98 percent of the company responses in the Consumer Complaint Database, as of June 30, 2014, were closing responses (i.e., were not *Untimely response* or *In progress*). Although we identified only 1 out of 30 of our randomly selected company responses that was inconsistent with the definition, strengthening controls over company closing responses could help reduce the risk of future significant inaccuracies in the *Company response* field. Accordingly, Consumer Response should consider methods for monitoring company closing responses to ensure that they are consistent with the applicable definition.

Consumer Response Does Not Consistently Publish Untimely Company Closing Responses

We found seven instances in which a company closing response was provided but the *Company response* field in the Consumer Complaint Database did not show that response. In three of these cases, the public company response was displayed as *Untimely response*, although we noted that a closing response was provided at a later time as a result of a Consumer Response investigation. In four other cases that we reviewed, the database displayed an interim *In progress* response for the *Company response* field; however, the case management system indicated that the companies involved had provided a closing response. For the latter four instances, Consumer Response staff members stated that a technical issue prevented the company closing responses from being published, and Consumer Response corrected the affected complaints.

The *Disclosure of Consumer Complaint Data* final policy statement establishes that if a company eventually provides a closing response, that response will be shown in the Consumer Complaint Database and the *Timely response?* field will remain *No*, indicating that the response was not timely. Consumer Response's practice, however, is to not include a company's closing response in the database if it is not provided in a timely manner, which includes after an investigation is opened. As such, once the company response period expires, the *Company response* field is automatically populated with *Untimely response* for complaints with no company response. If the company subsequently provides a closing response, such as during an investigation, the field is

not updated with the response. Consumer Response staff members stated that by not providing timely responses, companies are not meeting their agreements to access the company portal. They also noted that the goal of the complaint process is to get consumers a timely, relevant response to their complaint. Thus, Consumer Response uses the *Untimely response* category in the *Company response* field to incentivize companies to respond in a timely manner and to address consumers' concerns. In addition, Consumer Response staff members may directly contact unresponsive companies or companies with recurring untimely closing responses.

Untimely response represented less than 1 percent of all company responses in the Consumer Complaint Database as of June 30, 2014. Despite the small number of complaints with such responses, we noted that Consumer Response's practice of not publishing untimely company closing responses received during or after an investigation results in incomplete company response information in the Consumer Complaint Database.

Management Actions Taken During the Audit

In February 2015, Consumer Response implemented a system change to automate and formalize the process for untimely company closing responses and related consumer disputes. According to Consumer Response, the system change will allow untimely company closing responses that are received at any time, including during or after an investigation, to be displayed in the *Company response* field of the Consumer Complaint Database. By implementing this change, Consumer Response should provide more accurate and complete company response data in the Consumer Complaint Database. As this change was implemented at the end of our fieldwork, it was not covered in our audit testing. We will assess the results in our follow-up work. This system change is also discussed in the next finding section.

Recommendations

We recommend that the Assistant Director of Consumer Response

4. Develop approaches for monitoring company closing responses to ensure consistency with the response definition.
5. Verify the effectiveness of the recent system change to ensure that untimely company closing responses, regardless of investigation status, are published.

Management's Response

The Acting Assistant Director of Consumer Response concurs with our recommendations and notes that Consumer Response management has made significant progress to address them. In his response to recommendation 4, the Acting Assistant Director states that Consumer Response conducted a comprehensive project to document and analyze current processes and recommend future improvements. One of the key recommendations from this project was to increase company accountability around compliance with company closing response standards as outlined in the company manual. To obtain reasonable assurance that company-provided responses are consistent with category definitions, Consumer Response policies and procedures, and legislative

requirements, Consumer Response intends to monitor company closing responses on a defined basis. The planned monitoring process will leverage quantitative data trends to determine the companies for review.

To address recommendation 5, the Acting Assistant Director states that the February 2015 system change to the case management system allows untimely company closing responses, submitted during or after an investigation, to be displayed in the *Company response* field of the Consumer Complaint Database. Additionally, to verify the effectiveness of the system change, Consumer Response created a validation report to identify inaccuracies in the *Company response* field, and all other database fields in the Consumer Complaint Database. The report compares data between the Consumer Response Database, the case management system, and the Consumer Complaint Database. Further, Consumer Response approved a policy that includes the high-level process for assessing the accuracy of the data in the Consumer Complaint Database. The specific details of the data validation process will be included in the accompanying procedures that are under development.

OIG Comment

We believe that the actions the Acting Assistant Director describes are responsive to our recommendations. The OIG intends to follow up on Consumer Response's actions to ensure that the recommendations are fully addressed.

Finding 3: Improvements Should Be Made to the Consumer Dispute Process

Consumer Response publications¹⁸ state that consumers may dispute company closing responses within 30 days of the company's response; however, we found that in practice, the time limit is 60 days. In addition, Consumer Response publications indicate that consumers can dispute all company closing responses; however, we found that consumers are not consistently provided an opportunity to dispute untimely company responses.¹⁹ Although Consumer Response management provided reasonable explanations for giving consumers the additional 30 days to file a dispute, the undisclosed practice of allowing 60 days for consumer disputes could result in consumers not submitting disputes more than 30 days after the company response was submitted because the consumer believes the deadline was missed. Further, Consumer Response staff members explained that the Consumer Complaint Database may contain incomplete consumer dispute data for complaints with untimely company closing responses. This is because consumer dispute information obtained in the investigation process is not always being input into the case management system and, thus, not being published. In February 2015, Consumer Response changed its practice to automate and formalize the process for untimely company responses and related consumer disputes that may be obtained as part of an investigation. This change should ensure that the company response and consumer dispute data in the Consumer Complaint Database are updated accordingly. While this change appears responsive, it was implemented at the end of our fieldwork and was not covered in our audit testing.

Consumer Dispute Time Limit Is Not Consistent With Publicly Disclosed Information

Of the 70 public complaints that we reviewed, we found 19 instances in which the *Consumer disputed?* field was not updated 30 days after the company response was received. For most of these complaints, the case management system automatically changed the *Consumer disputed?* field from *Blank* to *No* 60 days after the company responded because the consumer did not dispute.

We found that public information on the timing of consumer disputes did not clearly reflect Consumer Response's practice. Specifically, Consumer Response publications state that if consumers choose to dispute, they should do so within 30 days after a company's closing response is provided. In practice, Consumer Response provides 60 days (which includes a 30-day grace period) for consumers to dispute, because the case management system is programmed to automatically update the *Consumer disputed?* field 60 days after the company response is provided. Consumer Response management stated that the case management system includes a 30-day grace period, resulting in a 60-day total time limit, for two reasons: (1) Technical

18. Consumer Response publications, such as the *Consumer Response Annual Report: March 2013* and *Consumer Response: A Snapshot of Complaints Received July 21, 2011 through June 30, 2014*, provide a general description of the *Consumer disputed?* field and submission time frame.

19. An *Untimely response* refers to company responses received after 60 days for companies that provided an initial *In progress* response, or after 30 days if the company did not provide an *In progress* response.

challenges with the case management system make it difficult to reopen cases after a specific point in the complaint process, and (2) Consumer Response received feedback that consumers needed more than 30 days to dispute company closing responses. Accordingly, Consumer Response extended the dispute period to 60 days, which is similar to the time frame provided to companies to respond to complaints (in cases in which the company initially responds *In progress*). Consumer Response management acknowledged that the grace period is not advertised and noted that it was not aware of any associated negative feedback from external parties.

Consumer Response's undisclosed practice of allowing 60 days for consumers to dispute could result in consumers not disputing after the 30-day period has ended because they believe that the disputes will not be accepted. In addition, Consumer Response does not notify companies when consumers dispute, so the undisclosed grace period may lead to confusion for companies tracking complaints in the public complaint database. Companies that are unaware of the grace period may believe that a complaint does not require follow-up when the public complaint database does not indicate that a consumer disputed after 30 days; however, the consumer may dispute within the subsequent 30 days.

Consumer Response Does Not Consistently Allow Consumers to Dispute Untimely Company Responses

Although Consumer Response publications indicate that consumers can dispute all company closing responses, we found that consumers were not consistently provided an opportunity to dispute untimely company responses. Of the 15 public complaints that we tested to verify the information in the *Consumer disputed?* field, we found that 5 indicated the consumer was not given an opportunity to dispute the company's closing response. We noted that for 4 of these complaints, the company did not submit a timely response and only provided a response during a Consumer Response investigation. Consumer Response indicated that the remaining complaint, which was received in 2011, did not follow the normal complaint process due to the immaturity of the CFPB's process at that time.

According to Consumer Response staff, consumer dispute information is not consistently reflected in the Consumer Complaint Database for complaints with untimely company closing responses if an investigation of the complaint is initiated. Complaints for which a company response is not received after 60 days are routed directly to the Investigations section for review. In some cases, an investigator obtains a closing response from the company and may offer the consumer the option to dispute the response. However, Investigations does not consistently follow that practice, and when it does, the information is not regularly included in the case management system. As a result, the case management system does not contain consumer dispute data for these cases, and the *Consumer disputed?* field of the Consumer Complaint Database is not updated with dispute information resulting from the investigation.

As described below, Consumer Response informed us that it is implementing a system change to automate the investigation process for consumer disputes. The change should also improve the accuracy of the *Consumer disputed?* field in the Consumer Complaint Database.

Management Actions Taken During the Audit

In February 2015, Consumer Response implemented a system change to automate and formalize the process for untimely company closing responses and related consumer disputes. According to Consumer Response, the system change will ensure that (1) when company closing responses are obtained during an investigation, the case management system is updated to reflect them; (2) consumers are given the opportunity to review and dispute these responses via standard automated channels; and (3) the company response and consumer dispute data in the Consumer Complaint Database are updated accordingly. By implementing this change, Consumer Response will provide more accurate and complete consumer dispute data in the Consumer Complaint Database. As this change was implemented at the end of our fieldwork, it was not covered in our audit testing. We will assess the results in our follow-up work.

Recommendations

We recommend that the Assistant Director of Consumer Response

6. Formally clarify the time limit for consumers to dispute company closing responses.
7. Verify that the recent system change ensures that
 - a. consumers can dispute untimely company closing responses within a defined time frame.
 - b. consumer dispute data are properly published in the Consumer Complaint Database.

Management's Response

The Acting Assistant Director of Consumer Response concurs with our recommendations and notes that Consumer Response management has made significant progress to address recommendation 7. In his response to recommendation 6, the Acting Assistant Director notes that Consumer Response plans to formally clarify that consumers have 60 days to dispute after a company's closing response is provided. Consumer Response will clarify that consumers have 60 days (rather than 30 days) to dispute a company's closing response by updating various communications, including, but not limited to, the following: complaint intake forms, toolkits, brochures, contact center scripting, articles for contact center agents, letters sent to consumers, and internal Consumer Response policies and procedures. Consumer Response will coordinate and communicate with the rest of the CFPB to ensure that all publications and correspondence with the public and consumers reflect the 60 days for consumers to dispute after a company's closing response is provided.

To address recommendation 7, the Acting Assistant Director states that the February 2015 system change to the case management system allows consumers to dispute untimely company closing responses and these disputes are published on the Consumer Complaint Database. Additionally, Consumer Response created a validation report to identify inaccuracies in the *Consumer disputed?* field, and all other database fields in the Consumer Complaint Database, that verifies

the effectiveness of the system change. The report compares the data in the Consumer Response Database, the case management system, and the Consumer Complaint Database. Further, Consumer Response approved a policy that includes a high-level process for assessing the accuracy of the data in the Consumer Complaint Database. The specific details of the data validation process will be included in the accompanying procedures that are under development.

OIG Comment

We believe that the actions the Acting Assistant Director describes are responsive to our recommendations. The OIG intends to follow up on Consumer Response's actions to ensure that the recommendations are fully addressed.

Finding 4: Consumer Response Has Not Established Procedures for Notifying the Public of Update Failures

Although the Consumer Complaint Database website asserts that complaint data are refreshed daily,²⁰ we found that Consumer Response did not consistently notify the public when the database was not updated. Specifically, the Consumer Complaint Database was not updated on 56 of the 145 days we observed, and we noted only one instance in which Consumer Response notified the public of update failures that occurred from March 8, 2014, to April 8, 2014. After Consumer Response resolved two causes for the majority of the update failures that we observed, we noticed fewer update failures and that those failures were of shorter duration. Federal internal control standards specify that public communications should provide information relevant to user needs. Consumer Response has not established procedures for consistently notifying the public of update failures. The majority of the update failures that we observed lasted 1 to 2 days, and update failures of such short duration may not significantly affect the usefulness of the database; however, users could reach inaccurate conclusions using the data if lengthy update failures occur.

Consumer Response Did Not Consistently Inform the Public of Update Failures

We found that Consumer Response did not consistently notify the public when the Consumer Complaint Database was not updated. Because the database's website and various public reports state that complaint data are refreshed nightly, we monitored changes in the number of complaints in the Consumer Complaint Database from January 29, 2014, through June 30, 2014. During that period, we determined that the database was not refreshed on 56 of the 145 days that we observed (39 percent), due to 21 update failures of varying durations. In addition, Consumer Response only notified the public in 1 instance when the database failed to update. In that instance, the notification occurred after the issue was corrected.²¹ Specifically, in April 2014, Consumer Response posted a Release Note in the Technical Documentation area of the CFPB's website for the database. As shown in table 3, the majority of the update failures that we observed lasted 1 to 2 days, and the longest failure was 12 days.

20. Consumer Response performs the daily update process to refresh the public complaint data. In the update, new complaints that meet publication criteria are posted to the Consumer Complaint Database, and available updates are made to existing complaints.

21. We also observed that Consumer Response posts alerts for scheduled routine maintenance.

Table 3: OIG Observation of the Duration of Update Failures

Length of update failure	Number of instances
1–2 days	14
3–4 days	5
8–12 days	2

Source: OIG observations of the Consumer Complaint Database from January 29, 2014, through June 30, 2014.

Two disruptions to the daily update process, a system upgrade and a manual step that was not being performed on weekends, caused most of the update failures. The causes of both disruptions were resolved. Consumer Response staff members reported that a system upgrade, which was compounded by snow days and staffing issues, prevented the database from being consistently updated from March 8, 2014, through April 8, 2014. As detailed below, Consumer Response’s adjustment to the daily update process in May 2014 allowed the Consumer Complaint Database to refresh on weekends. Following these corrections, we observed fewer update failures, and they were of a shorter duration.

Consumer Response has not established a policy or procedures to consistently notify the public when the Consumer Complaint Database is not refreshed. According to Consumer Response management, update failures are handled on an ad hoc basis, in which Consumer Response focuses on resolving the issue rather than notifying the public. We noted that Consumer Response established an internal notification policy for informing CFPB management of update failures, but it did not develop procedures that require it to notify the public, including a determination of when such notification is warranted. While the database contains a feature that shows the date of the last update, we observed that this feature is not readily apparent. Federal internal control standards state that agency communications relating to events must be relevant and timely and that public communications should provide information relevant to the users’ needs. We believe that informing the public of update failures enhances the relevance of the complaint data provided in the Consumer Complaint Database.

While update failures of short duration may not significantly affect the usefulness of the database, users could reach inaccurate conclusions using the data if lengthy update failures occur in the future.

Management Actions Taken During the Audit

In May 2014, Consumer Response automated a manual step in the daily update process that allowed the process to function seven days a week. Following this improvement, we did not observe any update failures occurring on weekends. During our audit, Consumer Response also streamlined the timing of steps in the daily update process to increase reliability and timeliness. As a result, the overall update process time decreased from over 24 hours to less than 8 hours.

Recommendation

We recommend that the Assistant Director of Consumer Response

8. Develop and implement a policy that states when the public should be notified of Consumer Complaint Database update failures and includes procedures for the notification process.

Management's Response

The Acting Assistant Director of Consumer Response concurs with our recommendation and notes that Consumer Response approved a policy that includes a high-level process for when the public should be notified of Consumer Complaint Database update failures. According to the Acting Assistant Director, this policy states that if the Consumer Complaint Database is unavailable or is not updated for three consecutive business days, Consumer Response will notify Consumer Response and Technology and Innovation leadership. On the fifth business day that the database is unavailable or is not updated, Consumer Response will notify Technology and Innovation to post a standard message on the Consumer Complaint Database public web page stating that the database is experiencing technical issues that have delayed the updating of data. The specific details of the notification process will be included in the accompanying procedures that are under development.

OIG Comment

We believe that the actions the Acting Assistant Director describes are responsive to our recommendation. The OIG intends to follow up on Consumer Response's actions to ensure that the recommendation is fully addressed.

Appendix A

Scope and Methodology

Our overall objective for this audit was to assess the effectiveness of the CFPB's controls over the accuracy and completeness of its public-facing Consumer Complaint Database. To address our objective, we evaluated several of the CFPB's management controls that are relevant to the Consumer Complaint Database. We did not test the general and application controls of the systems involved in complaint processing; however, we considered the security control deficiencies presented in OIG Report No. 2015-IT-C-011 regarding the DT Complaint Database. The scope of our audit covered processes performed from January 1, 2014, through June 30, 2014, and included all complaints in the Consumer Complaint Database through June 30, 2014.

To meet our objective, we accessed the CFPB's online public complaint database and reviewed applicable regulations, including the CFPB's final policy statements dated June 19, 2012, and March 25, 2013, and the CFPB's proposed policy statement published on December 8, 2011. We did not perform any audit procedures related to the CFPB's final policy statement regarding the inclusion of narratives in the Consumer Complaint Database because the policy was finalized after the period of our scope.²² In evaluating the CFPB's internal controls, we referred to standards described in GAO's *Standards for Internal Control in the Federal Government*, *Financial Audit Manual*, and *Assessing the Reliability of Computer-Processed Data*.²³ We also reviewed the CFPB's *Information Quality Guidelines* and obtained the CFPB Legal Division's opinion on that document's applicability to the Consumer Complaint Database.

To gain an understanding of the Consumer Complaint Database and the complaint process, we accessed Consumer Response's case management system and conducted interviews with Consumer Response management and staff members responsible for processing complaints and for updating the Consumer Complaint Database. We reviewed applicable publications, including Consumer Response's annual reports, Consumer Response's *A Snapshot of Complaints Received* reports, and other relevant documentation pertaining to the Consumer Complaint Database. We also obtained internal policy and procedure documentation as well as other written guidance relevant to the complaint process and the Consumer Complaint Database.

We performed the following types of fieldwork: control tests, detail testing of randomly sampled records, and data analysis. We performed control tests to obtain audit evidence about the effectiveness of the CFPB's management controls. Based on the information we gathered and our understanding of the consumer complaint process, we identified relevant internal controls for testing. For the sample selections for our control tests, we referred to publications by GAO, the Institute of Internal Auditors, and the Information Systems Audit and Control Association on testing the effectiveness of controls. We selected random samples of records to

22. Consumer Financial Protection Bureau, *Disclosure of Consumer Complaint Narrative Data*, March 12, 2015, http://files.consumerfinance.gov/f/201503_cfpb_disclosure-of-consumer-complaint-narrative-data.pdf, as published in the *Federal Register*, 80 Fed. Reg. 15,572 (Mar. 24, 2015).

23. U.S. Government Accountability Office, *Standards for Internal Control in the Federal Government*, GAO/AIMD-00-21.3.1, November 1999; *Financial Audit Manual*, GAO-08-585G, July 2008; and *Assessing the Reliability of Computer-Processed Data*, GAO-09-680G, July 2009.

assess the accuracy and completeness of the Consumer Complaint Database. We performed a data reliability analysis of the data we used to select our samples and determined that the data were reliable for the purposes of our audit. Our analysis included an evaluation of relevant process documentation, interviews with knowledgeable Consumer Response management, and record count comparisons for reasonability. For the sample selections for our detail tests, we did not use statistical sampling and our findings cannot be projected to the entire population. Lastly, we used data analytics to evaluate data sets, such as all complaints in the Consumer Complaint Database.

As described below, we selected six management controls for control testing, chose 70 public complaints and 70 nonpublic records for detail testing, and used the entire public complaint data set to conduct several data analytic tests. To develop our findings and conclusions, we considered the results of these tests in conjunction with our understanding of how the agency performs these controls, related processes, and relevant documentation. We also discussed the results with Consumer Response management and considered planned changes to the complaint process.

To assess the effectiveness of the CFPB's controls over the accuracy of the Consumer Complaint Database, we conducted the control tests, sample tests, and data analytics detailed below.

We completed the following testing of the CFPB's accuracy controls:

- We reviewed 45 QA Scorecards and related records in the case management system to determine the effectiveness of this control in ensuring that complaint data are accurate. Of the 2,951 QA Scorecards that Consumer Response team leads completed from January 1, 2014, to June 30, 2014, we selected our sample from QA Scorecards that were completed in different months by various Consumer Response team leads.
- We selected a random sample of 44 complaints from five system queues that we determined were most relevant to the Consumer Complaint Database to verify that Consumer Response accurately monitors queues and processes complaints in a timely manner. According to Consumer Response, 67,149 complaints were processed from these system queues during the period of our audit.
- We identified 12 types of system alerts that were relevant to our objective and evaluated 40 complaints for which these system alerts were generated to verify that Consumer Response timely and appropriately addresses data anomalies. Consumer Response does not consistently track the number of complaints for which a system alert is generated, so we could not determine the total number of system alerts during the period of our audit. Accordingly, we selected our sample from system alerts generated in June 2014 and earlier months for which tracking information was available.

We completed the following detail tests of a sample of public complaints:

- We tested a sample of 70 of the 254,835 public complaints as of June 30, 2014, to verify the accuracy of the information in all fields in the Consumer Complaint Database for each complaint. For any of these complaints that were in process as of June 30, 2014, we also verified that subsequent updates were proper. As described below, the sample provided coverage of all the company response categories, all the consumer dispute response categories, and the various types of complaints removed from the

Consumer Complaint Database and subsequently republished. We performed further tests on these public complaints, as follows:

- We tested 40 of the public complaints to verify the consistency of the published company response category with Consumer Response’s definitions for that response category. To obtain a representative sample, we randomly selected 5 complaints from each of the eight company response categories that are public.
- We tested 15 of the public complaints to verify the information in the *Consumer Disputed?* field. To obtain a representative sample, we randomly selected 5 complaints from each of the three consumer dispute responses that are public.
- We reviewed 15 of 317 complaints that were removed from the Consumer Complaint Database and were subsequently republished from January 29, 2014, through June 30, 2014, to verify the accuracy of the information in all the public fields, as well as to verify that they were properly disclosed. For this sample, we chose 3 complaints that had been republished multiple times and 12 randomly selected complaints.

We conducted the following data analytics on the public complaint database as of June 30, 2014:

- We filtered all the public complaint data and compared data in different fields to one another to analyze relationships and identify anomalies based on data standards established by the CFPB. The resulting 77 complaints containing anomalies were classified in six categories, which included a range of 2 to 44 complaints in each category. We then performed further tests on all complaints in the three categories containing 4 or fewer complaints and selected a random sample of complaints from the three categories with a larger number of complaints. These tests are described below:
 - We reviewed both of the public complaints with a blank value in the *Date sent to company* field.²⁴
 - We reviewed all 3 of the public complaints with *Untimely response* in the *Company response* field and a *Yes* or *No* value in the *Consumer disputed?* field.²⁵
 - We reviewed all 4 of the public complaints with *In progress* in the *Company response* field and a date earlier than March 1, 2014, in the *Date sent to company* field.
 - We reviewed a random sample of 2 of 11 public complaints with a date of November 30, 2011,²⁶ in the *Date received* field.

24. The final policy statement specifies that the case management system automatically populates the date in this field.

25. Consumer Response staff members stated that a consumer dispute is not allowed when a company response is untimely.

26. The final policy statement specifies that complaints submitted only on or after December 1, 2011, should be published in the Consumer Complaint Database.

- We reviewed a random sample of 5 of 13 public complaints with *Untimely response* in the *Company response* field and *Yes* in the *Timely response?* field.
- We reviewed a random sample of 5 of 44 public complaints with zip codes of less than three digits (excluding leading zeros).

To assess the effectiveness of the CFPB's controls over the completeness of the public complaint database, we conducted the following control tests, sample tests, and data analysis:

- We performed the following testing of the CFPB's completeness controls:
 - We reviewed 25 of 108 daily reconciliations to verify that Consumer Response monitors the daily update process and identifies and corrects any update failures. We selected our sample from daily reconciliations that were completed in each month of our scope, January 2014 to June 2014. We excluded daily reconciliations completed in March 2014 due to disruptions in the daily update process that were caused by the system upgrade, which is reported in finding 4 of this report.
 - We compared the unique identification numbers of all records in the DT Complaint Database in April 2014 and July 2014 to identify deleted records and to assess compliance with Consumer Response's policy for record removal; we did not find any deleted records. We reviewed supporting documentation for the one record that Consumer Response identified for removal in July 2013.
 - We analyzed select nonpublic data fields for all public complaints to verify whether the complaints met Consumer Response's restrictions for withholding records that do not meet publication criteria.
- We completed the following detail tests of public complaints and nonpublic records:
 - We reviewed a sample of 20 of 484,137 nonpublic records that were not classified as complaints (i.e., consumer inquiries) to verify that the records did not meet the CFPB's publication criteria for inclusion in the Consumer Complaint Database. We randomly selected types of nonpublic records from the DT Complaint Database in proportion to their representation in the population. For each selected nonpublic record, we assessed the detailed documentation in the case management system to verify that it was properly withheld from publication.
 - We reviewed a random sample of 15 of 808 complaints that were removed from the Consumer Complaint Database from January 29, 2014, through June 30, 2014, to verify that they did not meet the CFPB's publication criteria.
 - We reviewed a sample of 35 of 177,081 nonpublic complaints that were classified as duplicates, whistleblowers, or other to verify that the records did not meet the CFPB's publication criteria for inclusion in the Consumer Complaint Database. We obtained a representative sample from the DT Complaint Database by randomly selecting a similar number of different types of nonpublic complaints. For each selected nonpublic complaint, we assessed the detailed documentation in the case management system to verify that it was properly withheld from publication.

- We conducted the following data analytics test:
 - We exported daily downloads of the Consumer Complaint Database from January 29, 2014, through June 30, 2014, totaling 145 observations, to verify that the CFPB refreshed the complaint data each day.

We performed the audit fieldwork from January 2014 to May 2015. We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Appendix B

Management's Response



1700 G ST NW, Washington DC 20552

August 28, 2015

Mr. Mark Bialek
Inspector General
Board of Governors of the Federal Reserve System & Consumer Financial Protection Bureau
20th Street and Constitution Ave, NW
Washington, DC 20551

Dear Mr. Bialek,

Thank you for the opportunity to review and comment on the Office of Inspector General's official draft report: *Opportunities Exist to Enhance Management Controls Over the CFPB's Consumer Complaint Database*. We have reviewed the report and concur with the recommendations.

Information about consumer complaints is available to the public through the CFPB's public Consumer Complaint Database, launched on June 19, 2012. The purpose of the Consumer Complaint Database is to provide timely and understandable information about financial products and services and to improve the transparency and efficiency of the market. The Office of Consumer Response (Consumer Response) continually strives to improve data quality and protect sensitive information, while increasingly making data available through reports to Congress and to the public about the complaints the CFPB receives and by sharing certain data with the public through the Consumer Complaint Database.

We are pleased that you agree that Consumer Response has implemented several controls to monitor the accuracy of complaint data and detect anomalous data in the case management system. Specifically, Consumer Response reviews complaints, monitors system queues and statuses, responds to system alerts, and completes Quality Assurance (QA) Scorecards for a sample of processed complaints. We are also pleased that you noted that Consumer Response initiated changes to address some of the recommendations and was actively engaged in continuous improvement activities throughout the audit.

Thank you again for the opportunity to comment on the report. We provide the following comments for each recommendation.

Sincerely,



Christopher Johnson
Acting Assistant Director
Office of Consumer Response

Management Response to Recommendation #1

We recommend that the Assistant Director of Consumer Response implement controls to separately assess the accuracy of complaint fields in the Consumer Complaint Database.

Management concurs with this recommendation, while noting that significant progress has been made since the audit was conducted to address this recommendation. Consumer Response approved a *Policy for Establishing Standards for the Confidentiality, Integrity, and Availability of the Consumer Complaint Database* that includes the high-level process for assessing the accuracy of the data in the Consumer Complaint Database. Furthermore, Consumer Response created a validation report to identify inaccuracies in all database fields, as of June 24, 2015, in the Consumer Complaint Database. This validation report compares data between the Consumer Response Database, the case management system, and the Consumer Complaint Database to assess the accuracy of the data in the Consumer Complaint Database. The specific details of the data validation process will be included in the accompanying procedures that are currently under development.

Management Response to Recommendation #2

We recommend that the Assistant Director of Consumer Response formally document standards for the data entry of complaints with foreign addresses.

Management concurs with this recommendation, while noting that this recommendation has been addressed. Consumer Response created guidance on data entry standards for contact information and addresses, which includes foreign addresses. For complaints with foreign addresses, the *ZIP code* and *State* fields will continue to be left blank on the Consumer Complaint Database. Contact Center agents have been trained on these data entry standards and this guidance has officially been implemented at the Contact Center as of June 25, 2015.

As of June 25, 2015, the Consumer Complaint Database criteria were updated to consider additional privacy, accuracy, and completeness criteria when determining the data to display in the *ZIP code* field. First, Consumer Response has taken steps to protect consumers' identities by displaying a blank for ZIP codes within the United States where there are less than 20,000 people in a given ZIP code. Second, if a complaint does not have the United States in the country field, the *ZIP code* field will display a blank. Finally, if the consumer does not provide a ZIP code when submitting a complaint, the *ZIP code* field will display a blank on the Consumer Complaint Database.

Management Response to Recommendation #3

We recommend that the Assistant Director of Consumer Response implement the planned address verification tool to enhance the accuracy of consumer-provided location information in the Consumer Complaint Database.

Management concurs with this recommendation. Consumer Response included a requirement for an address verification tool into the functional and non-functional requirements for the next case management system. The requirement states, "The solution will integrate with a geo-coding solution to validate mailing addresses associated with cases." This high-level requirement will serve as the baseline to derive the detailed requirements, processes, and procedures that will work in conjunction to enhance the accuracy of the consumer-provided location information in the Consumer Complaint Database. Project planning and detailed requirements for the next case management system are scheduled to begin in Q1 FY2016.

Management Response to Recommendation #4

We recommend that the Assistant Director of Consumer Response develop approaches for monitoring company closing responses to ensure consistency with the response definition.

Management concurs with this recommendation, while noting that significant progress has been made since the audit was conducted to address this recommendation. Consumer Response conducted a comprehensive project to document and analyze current processes and recommend future improvements. One of the key recommendations from this project was to increase company accountability around compliance with company closing response standards as outlined in the Company Portal Manual.

Consumer Response intends to monitor company closing responses on a defined basis to obtain reasonable assurance that companies are generally providing responses that are consistent with the closure category definitions, Consumer Response policies and procedures, and legislative requirements. The planned methodology for this monitoring process will leverage quantitative data trends, including deviation and throughput measures, to determine the companies for review.

The monitoring program has several potential benefits including the following: greater certainty around data quality of the Consumer Complaint Database, improved company responsiveness and adherence to Consumer Response standards, more complete and consistent company closing responses, and better data for strategic decision making.

Management Response to Recommendation #5

We recommend that the Assistant Director of Consumer Response verify the effectiveness of the recent system change to ensure that untimely company closing responses, regardless of investigation status, are published.

Management concurs with this recommendation, while noting that significant progress has been made since the audit was conducted to address this recommendation. The system change to the case management system that occurred in February 2015 allows untimely

company closing responses, submitted during or after an investigation, to be displayed in the *Company response to consumer* field of the Consumer Complaint Database. Consumer Response created a validation report to identify inaccuracies in the *Company response to consumer* field and all other database fields, as of June 24, 2015, in the Consumer Complaint Database. This validation report also serves the purpose of verifying the effectiveness of this system change. The report compares data between the Consumer Response Database, the case management system, and the Consumer Complaint Database to assess the accuracy of the data in the Consumer Complaint Database.

Consumer Response approved a *Policy for Establishing Standards for the Confidentiality, Integrity, and Availability of the Consumer Complaint Database* that includes the high-level process for assessing the accuracy of the data in the Consumer Complaint Database. The specific details of the data validation process will be included in the accompanying procedures that are currently under development.

Management Response to Recommendation #6

We recommend that the Assistant Director of Consumer Response formally clarify the time limit for consumers to dispute company closing responses.

Management concurs with this recommendation. Consumer Response plans to formally clarify that consumers have 60 days to dispute after a company's closing response is provided. Consumer Response will clarify that consumers have 60 days (rather than 30 days) to dispute a company's closing response by updating various communications, including, but not limited to, the following: complaint intake forms, toolkits, brochures, Contact Center scripting, Knowledge Base articles for Contact Center agents, letters sent to consumers, and internal Consumer Response policies and procedures. Consumer Response will coordinate and communicate with the rest of the Bureau to ensure that all publications and correspondence with the public and consumers reflect the 60 days for consumers to dispute after a company's closing response is provided.

Management Response to Recommendation #7

We recommend that the Assistant Director of Consumer Response verify that the recent system change ensures that

- a. consumers can dispute untimely company closing responses within a defined time frame.*
- b. consumer dispute data are properly published in the Consumer Complaint Database.*

Management concurs with this recommendation, while noting that significant progress has been made since the audit was conducted to address this recommendation. The system change to the case management system that occurred in February 2015 allows consumers to dispute untimely company closing responses. When a company provides an untimely company closing response, the consumer has 60 days to dispute and these disputes are

published on the Consumer Complaint Database. Consumer Response created a validation report to identify inaccuracies in the *Consumer disputed?* field and all other database fields, as of June 24, 2015, in the Consumer Complaint Database. This validation report also serves the purpose of verifying the effectiveness of this system change. The report compares data between the Consumer Response Database, the case management system, and the Consumer Complaint Database to assess the accuracy of the data in the Consumer Complaint Database.

Consumer Response approved a *Policy for Establishing Standards for the Confidentiality, Integrity, and Availability of the Consumer Complaint Database* that includes the high-level process for assessing the accuracy of the data in the Consumer Complaint Database. The specific details of the data validation process will be included in the accompanying procedures that are currently under development.

Management Response to Recommendation #8:

We recommend that the Assistant Director of Consumer Response develop and implement a policy that states when the public should be notified of Consumer Complaint Database update failures and includes procedures for the notification process.

Management concurs with this recommendation, while noting that significant progress has been made since the audit was conducted to address this recommendation. Consumer Response approved a *Policy for Establishing Standards for the Confidentiality, Integrity, and Availability of the Consumer Complaint Database* that includes the high-level process for when the public should be notified of Consumer Complaint Database update failures. This policy states that if the Consumer Complaint Database is unavailable or not updated for three consecutive business days, Consumer Response will notify Consumer Response and Technology and Innovation (T&I) leadership. On the fifth business day that the database is unavailable or not updated, Consumer Response will notify T&I to post a standard message on the Consumer Complaint Database public web page stating that the database is experiencing technical issues that have delayed the updating of data. The specific details of the notification process will be included in the accompanying procedures that are currently under development.



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