

## Debt Collection Activities Study

This survey is being conducted in order to build the Consumer Financial Protection Bureau's knowledge of the operational costs of collecting debt that is in default. The responses to the questions that you provide will help the CFPB better understand the burden of potential regulations affecting the debt collection industry. Responses to any and all questions are voluntary and will not be used for supervisory or enforcement purposes.

Below is a list of questions about the operation of your business and your costs as they relate to collecting debts. Upon return of this questionnaire, we may follow up with you to ask if you are willing to discuss some of these topics in more detail.

We are sending this survey to a broad range of companies, and some questions may not be applicable to your business. If a question is not applicable to you, please leave the answer blank. If you have any questions about any part of this document, please email at [cfpb\\_dcstudy@cfpb.gov](mailto:cfpb_dcstudy@cfpb.gov) or call Rachel Ross at (202) 435-7635. Once complete, please submit by clicking on the "Submit Form" button at the top of this form. Alternatively, you may return this survey by email to [cfpb\\_dcstudy@cfpb.gov](mailto:cfpb_dcstudy@cfpb.gov) or by mail to CFPB, Attn: Rachel Ross, 1700 G Street NW, Washington, DC 20552-0003.

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**Privacy Notice: 5 U.S.C. 552(a)(e)(3):** The information you provide through your responses to Consumer Financial Protection Bureau ("CFPB") will assist in gathering information to understand the costs of debt collection activities in order to analyze the potential burden to industry of the Bureau's debt collection proposals.

The CFPB will obtain first name, last name, business email address, and business phone number from participants.

Information collected will be treated in accordance with the System of Records Notice ("SORN"), CFPB.022, <https://www.federalregister.gov/articles/2012/11/14/2012-27582/privacy-act-of-1974-as-amended>. This information will not be disclosed as outlined in the Routine Uses for the SORN. Direct identifying information will only be used to facilitate the interview and will be kept private except as required by law.

This collection of information is authorized by Pub. L. No. 111-203, Title X, Sections 1013 and 1022, codified at 12 U.S.C. §§ 5493 and 5512.

Participation in this exercise is voluntary. You are not required to participate or share any identifying information, including first name, last name, business email address and business phone number, and you may withdraw participation at any time. However, if you do not include the requested information, you may not participate in the interview.

**Paperwork Reduction Act Statement:** According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor and, notwithstanding any other provision of law, a person is not required to respond to a collection of information unless it displays a valid OMB control number. The OMB control number for this collection is 3170-0032. It expires on 02/29/2016. The time required to complete this information collection is estimated to average approximately 60 minutes per response. Responding to this collection of information is voluntary. Comments regarding this collection of information, including the estimated response time, suggestions for improving the usefulness of the information, or suggestions for reducing the burden to respond to this collection should be submitted to Bureau at the Consumer Financial Protection Bureau (Attention: PRA Office), 1700 G Street NW, Washington, DC 20552, or by email to [PRA@cfpb.gov](mailto:PRA@cfpb.gov).

Also, a federal law called the Privacy Act directs how the federal government treats the information contained in your answers to these questions. To understand how and when your information may be shared, you can read the Privacy Act Statement on the CFPB's website at [www.consumerfinance.gov](http://www.consumerfinance.gov). The CFPB will also treat the information received consistent its confidentiality regulations at 12 CFR § 1070.

If the responses you provide to this study are requested under the Freedom of Information Act, the Bureau will withhold such responses to the extent that it determines that they constitute trade secrets or confidential commercial information that you would not ordinarily make public. The Bureau will deem any such trade secrets or confidential commercial information to be "confidential information" for purposes of the Bureau's confidentiality rules at 12 CFR § 1070.40 et seq.

## Basic questions about your business:

### 1. Employees:

- a. How many employees (full-time or full-time equivalents) do you currently have?
- b. Of these, how many employees are collectors (full-time or full-time equivalents)?
- c. How many are managers that directly supervise collectors?
- d. How many employees are responsible for monitoring compliance with state or federal law (full-time or full-time equivalents)?

### 2. In the past twelve months, about what percent of your net revenue was from collecting each of the following types of debt:

None or less than 1%	1% or more but less than 20%	20% or more but less than 50%	50% or more
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Credit card

Student loans

Auto

Other consumer credit

Medical

Telecom

Other utilities

Commercial

Other: \_\_\_\_\_

**3. As a fraction of all accounts placed with you in the past twelve months, approximately what percentage of accounts falls into the following age categories at the time of placement:**

	None or less than 1%	1% or more but less than 20%	20% or more but less than 50%	50% or more
<180 days delinquent				
180-360 days delinquent				
>360 days delinquent				

**4. Do you collect debt you own, debt owned by your clients, or both?**

Collect just debt you own

Collect just debt owned by your clients

Collect debt you own and debt owned by your clients

**5. Approximately how many clients placed accounts with you last year?** clients

**6. Approximately how many accounts do you have in inventory?** accounts

**7. What is the approximate total face value of accounts that you have in inventory?** dollars

**8. Approximately how many accounts did you actively attempt to collect on in the last month (that is, you called and/or sent letters)?** accounts

## Questions about specific business processes

### 9. Maintaining and using account information.

- a. What collections management system (or other software system to maintain account information) do you use, if any?

If none, how do you track account-level information about accounts you are attempting to collect from?

- b. If program adjustments to your collection management system are required (for example, due to changes in client policies or federal or state law), does your vendor make those program adjustments or do you do this in-house?

vendor makes all adjustments

we make all adjustments in-house

both vendor and in-house resources are generally used

it depends on the adjustments

- c. When you receive account information from creditors, how often do you receive each of the following: *please check the appropriate boxes*

Always      Often      Rarely      Never

Full name

Last known address

Phone number

SSN

Date of birth

Debt ownership history/chain of title  
(where relevant)

Debt balance at charge-off (where  
relevant)

Breakdown of post-charge-off fees  
and interest

Account agreement documentation  
(such as a credit application or loan  
origination documents)

Billing statements

**10. Calling consumers.**

- a. How many live conversations with debtors does each full time collector typically have each day?

conversations

- b. What dialer vendor (if any) do you use?

Do not use a dialer vendor

c. Do you use speech analytics software?

Yes                  No

d. Do you currently leave voicemails for consumers?

Yes                  No

e. Do any of your clients impose restrictions on your call frequency?

Yes                  No

f. Do you operate in states that restrict call frequency?

Yes                  No

g. Do you provide consumers with a toll-free number for return calls?

Yes                  No

h. What share of collector calls do you record?

Do not record calls (Skip to 11a)

Record a sample of calls

Record all calls

i. How many months do you retain call recordings?

Months

## 11. Written communications

a. For each account, on average, how many letters do you send:

In the first month after placement?                  letters

Over the life of a placement?                  letters

- b. What vendor (if any) do you use to send letters or written notices?

Do not use a vendor for letters or written notices

- c. When you send validation notices, are they...

sent separately from other written communications?

included in the same mailing with other communications?

- d. Which of the following best describes when you send validation notices to consumers?

Shortly after the account is placed with your agency

Shortly after you begin attempting to contact a consumer

Once you have made contact with a consumer

Other (please specify): \_\_\_\_\_

## 12. Disputes

- a. When consumers dispute your efforts to collect, about what percent of disputes are made in writing?      percent

- b. About what percent of these written disputes are made within the first thirty days after the validation notice is sent?      percent

- c. When consumers dispute, how frequently does the consumer assert:

that they are the wrong consumer:      percent

that they already paid or owe a different amount:      percent

some other specific dispute:      percent (please specify: \_\_\_\_\_)

no specific dispute:      percent

- d. Do you investigate disputes or do you rely on the creditor to investigate?

### 13. Payments and charges

- a. How do you accept and process payments? *Check all that apply:*

ACH

Credit card

Paper check

Check by phone (remotely created check)

Other: (please specify) \_\_\_\_\_

- b. Do you use an online payment portal? If so, which vendor provides the portal?

Do not use an online payment portal

- c. When collecting on behalf of a client, do you assess post-charge off interest or fees on behalf of the debt owner?

Never

Rarely

Often

Always

Do not collect debt on behalf of others

- d. When collecting debt you own, do you assess post-charge off interest or fees?

Never

Rarely

Often

Always

Do not collect on debt that we own

**14. Skip tracing and otherwise supplementing account information**

- a. What vendors do you use for:
  - i. Obtaining new or updated phone number information
  - ii. Other skip tracing
  - iii. Screening accounts for deceased consumers, bankruptcy, litigious debtors, etc.
  - iv. Account analytics/scoring

**15. Furnishing data to credit bureaus:**

- a. Do you ever furnish data to credit bureaus?

Yes                      No

- b. If yes:

- i. Do you furnish information on all accounts or only some accounts?

all accounts

some accounts

- ii. Approximately how often do your clients:

Always      Often      Rarely      Never

Require you to furnish data to credit bureaus

Prohibit you from furnishing data to credit bureaus

Allow you discretion as to whether you furnish data to credit bureaus

iii. How frequently do you update data furnished to credit bureaus?

## 16. Litigation

a. Do you have a business practice of suing consumers as part of your collection efforts?

Yes                      No

b. If you do litigate, do you use a legal network?

Yes                      No

c. Prior to filing a lawsuit, do you have a business practice of engaging in any particular outreach to the consumer regarding imminent litigation?

Yes                      No

iv. If yes, please identify the outreach engaged in:

## 17. Compliance topics

a. Do you use compliance management software?

Yes                      No

b. Do your clients conduct audits of your compliance with federal and state laws?

Yes, clients conduct regular and frequent audits of our legal compliance

Yes, clients conduct occasional audits of our legal compliance

No, our legal compliance is not audited by our clients

**18. Are there other significant sources of operational costs not discussed above? If so, please identify them briefly:**

## Contact Information

**19. Please provide the name and contact information of the person we may contact with any follow up questions about your answers to this survey.**

Name:

Phone:

Email:

**20. Would you be willing to participate in a follow up interviews (in the form of one or two 60-90 minute phone calls) to discuss the topics above in more depth?**

Yes

No

Thank you very much for taking the time to complete this survey. Please submit the form by clicking on the "Submit Form" button on the top of this form. Alternatively, you may return the survey by email to [cfpb\\_dcstudy@cfpb.gov](mailto:cfpb_dcstudy@cfpb.gov) or by mail to CFPB, Attn: Rachel Ross, 1700 G Street NW, Washington, DC 20552-0003.