

# 2021 | Annual Report to the Director

Advocating for Fair Process in Consumer Financial Protection



OMBUDSMAN'S  
OFFICE

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# Message

I am pleased to present our FY2021 annual report to the Director of the Consumer Financial Protection Bureau, pursuant to the CFPB Ombudsman's Office [Charter](#). This year, we frequently called upon our facilitation tool to assist in the resolution of issues pertaining to cross-Bureau processes that may support the CFPB's connection to the public.

This report describes, for example, our work on two systemic reviews – processes related to certain communications the CFPB receives from the public and connecting with the CFPB through contact points on the website. The Ombudsman in Brief section, a new annual report section this year, has two topics that also pertain to cross-Bureau processes – our observations about the Bureau's choice and usage of words in referencing certain stakeholder communities and our continued work around how the CFPB assists small business owners.

The Demonstrating the Ombudsman in Practice section provides short examples from this year that illustrate the various ways we can assist on topics, such as sharing about consumer challenges during the COVID-19 pandemic, facilitating a supervised entity's communication with the CFPB, and offering feedback and suggestions on draft CFPB materials.

As the COVID-19 pandemic continued this year, we continued with our inreach (internal engagement) and outreach, as described further in the report, including launching some new initiatives. We also hosted a virtual Ombudsman Forum with national and regional organizations that assist consumers in the CFPB's Northeast region to add to our regional Forums in the Southeast and West in previous years. During this multi-day lunchtime series we facilitated discussions on process topics, such as Racial and Economic Equity: Reflections, projections, and suggestions for processes supporting the Bureau's priority and CFPB Inclusive Engagement: Reaching, recognizing, and connecting with specific consumer communities.

Our report also includes a section with an analysis of the individual inquiries our office received this year as well as information on our inquiry data over time. It has a discussion of individual inquiries about the consumer complaint process as well as individual inquiries from industry.

Finally, last year, we determined that our office would conduct a post-examination survey of supervised entities as a new initiative going forward. In this report, we discuss our preparation for this new initiative, describe the survey format, and include our next steps to launch the program in FY2022.

Going forward, in our unique role, we will continue to use our facilitation tool to assist in resolving cross-Bureau process issues, where helpful, to benefit both the CFPB and the public.

Wendy Kamenshine

Ombudsman

November 15, 2021

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# Ombudsman in Practice

The CFPB Ombudsman’s Office is an independent, impartial, and confidential resource and our mission is to advocate for fair process in consumer financial protection. The Ombudsman<sup>1</sup> informally assists in resolving process issues with the CFPB that are: mentioned in individual inquiries received from consumers, financial entities, consumer or trade groups, and others; highlighted in interactions with groups; or observed by the Ombudsman. This section revisits the ombudsman standards of practice that are foundational to our work, outlines our work process, describes our outreach, and shares how we connect through inreach (or internal engagement) with the CFPB.

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## Ombudsman Professional Standards of Practice

The core standards of ombudsman practice are independence, impartiality, and confidentiality. Taken together, these foundational tenets and the adherence to them enable an ombudsman to advocate for fair process and are essential to all aspects of our work:

**Independence:** We are outside of the CFPB’s business lines, reporting to the CFPB’s Deputy Director and then to the Director, which ensures our independence at the CFPB. It also allows us to act as an early warning system and serve as a catalyst for change.

**Impartiality:** We do not advocate for one side, the inquirer or the CFPB, but instead we advocate for fair process in consumer financial protection.

**Confidentiality:** We have put safeguards in place to preserve confidentiality. We will not share identifying information outside the Ombudsman’s Office unless the inquirer indicates that we can. We also may have to share it if there is: a threat of imminent risk of serious harm; the inquirer raised an issue of government fraud, waste, or abuse; or if required by law.

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<sup>1</sup> In this report, “Ombudsman” refers to the office, the staff, or the person.

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# Our Work Process: How We Assist by Advocating for Fair Process

The Ombudsman uses an array of methods to assist consumers, financial entities, consumer or trade groups, and others who contact us for assistance or where we identify opportunities to assist. As such, the assistance we offer exists within a flexible framework that may be adapted to most effectively address an inquirer's distinct process concerns as they develop. This section describes some of the ways that this flexible framework allows us to tailor the steps we take to try to best assist in resolving a particular process issue and enables us to advocate for fair process.

A good time to contact the Ombudsman is when an individual or entity: tried the regular avenues within the CFPB for resolution and for some reason those avenues did not work to resolve the process issue; wants to highlight a concern in confidence; is not sure where in the CFPB to obtain an answer; wants to make the Ombudsman aware of an issue already shared with the CFPB that we may be studying; or, would like to suggest that we review a broader process concern.

The Ombudsman's process is the same whether an individual or entity contacts us about a question, concern, or complaint regarding a CFPB process.<sup>2</sup> First, we may ask follow-up questions to further understand the information provided. Depending on what we learn, we may decide to research additional information by: reviewing applicable laws, regulations, policies, and data; contacting other stakeholders to gather further viewpoints; or connecting with the CFPB to gather additional perspectives. See [Appendix 1](#).

After conducting any additional research, we assess what approach would best assist the CFPB and the public and how best to advocate for fair process. This analysis could include, for example, the type of inquiry, context of the issue, or pervasiveness of the issue. At times, the Ombudsman may consult with the inquirer on the approach.

We then use a toolbox of resources to try to informally resolve each issue. Keeping in mind our ombudsman standards of practice, we advocate for fair process rather than for someone's desired outcome, although these sometimes overlap. The circumstances surrounding each inquiry inform the type of resolution tool or tools that we use.

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<sup>2</sup> The Ombudsman does not assist in resolving issues as between consumers and companies.

We may seek to resolve an individual or systemic issue by providing feedback and making recommendations to the CFPB. To assist, we also can: facilitate discussions, brainstorm and evaluate options and resources, share our independent analyses, offer an impartial perspective,<sup>3</sup> ensure confidentiality of someone's identity,<sup>4</sup> and engage in shuttle diplomacy,<sup>5</sup> among other options. This flexibility and adaptability in our resource set, along with our foundational ombudsman standards of practice, allows us to assist a wide range of stakeholders on various types of issues.

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## The Ombudsman's Internal and External Engagement

The Ombudsman continuously conducts both internal engagement with the CFPB, or inreach, and external engagement with external stakeholders, or outreach. We adapt our inreach and outreach methods to take into consideration the needs of our new and longstanding internal and external stakeholders. During the COVID-19 pandemic, we also adapted our inreach and outreach activities to maximize our virtual engagement. Together with our foundational ombudsman standards of practice, our inreach and outreach efforts enable us to assist consumers, financial entities, consumer or trade groups, and others in resolving process issues with the CFPB by analyzing interrelated information and then using our toolbox of resources to advocate for fair process. See [Appendix 2](#).

### Outreach: How We Connect with External Stakeholders

As an independent resource, we conduct our own outreach with external stakeholders to share information about our resource and to learn more about how those stakeholders engage with the CFPB. To assist our external stakeholders most effectively, the Ombudsman continuously plans,

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<sup>3</sup> For example, the Ombudsman participates in some CFPB working groups in an advisory capacity by providing feedback as the CFPB considers initiatives and activities, but the Ombudsman is not part of the decision-making process.

<sup>4</sup> As described above, we will not share an inquirer's identifying information outside the Ombudsman's Office unless the inquirer indicates that we can. We also may have to share it if there is: a threat of imminent risk of serious harm; the inquirer raised an issue of government fraud, waste, or abuse; or if required by law.

<sup>5</sup> Shuttle diplomacy is a technique used in alternative dispute resolution in which we convey information, questions, and observations back and forth between stakeholders, sometimes without sharing their identities, to assist in resolving an issue.



develops, and engages in outreach efforts to convey how we may assist and to be aware of current developments.

In accordance with the ombudsman standard of impartiality, we also endeavor to balance our outreach efforts over time to ensure fairness in our engagement with the public. With this in mind, the Ombudsman develops an outreach plan to connect with a broad range of stakeholders that interface with the CFPB, considering how that universe of stakeholders may change. We conduct outreach with a wide array of external stakeholders, such as consumer, trade, and other groups and their memberships, financial entities, state and federal government agencies, and others. By balancing our outreach, we strive to give as many stakeholders as possible an opportunity to engage with the Ombudsman.

Our outreach includes: introductory and follow-up meetings, teleconferences with groups' memberships, presentations at board meetings, speaking at conferences and smaller gatherings, and informal visits to financial entities' operations. *See* Appendices [3](#) and [5](#). The Ombudsman's initial outreach with an external stakeholder is the beginning of an ongoing connection. We have open channels of communication with our stakeholders so they can reach us on any given process issue and we also can hear as many perspectives as possible. After the initial outreach with an external stakeholder, the Ombudsman seeks to build upon that connection by offering further engagement. For example, the Ombudsman is available for regular meetings to touch base with groups to maintain engagement with us as well as to share perspectives and emerging trends. Consumer and industry groups as well as financial entities that wish to request an outreach engagement with the Ombudsman may contact our office directly at [CFPBombudsman@cfpb.gov](mailto:CFPBombudsman@cfpb.gov) or (855) 830-7880.

## New Outreach Activities in FY2021

As the world continued to be impacted by the COVID-19 pandemic this year, we offered various ways to continue to connect with our office during this challenging time.<sup>6</sup> For example, we initiated more specific connections with LGBTQ+ groups. We sought insights into the interests of these communities through initial outreach, our Employee Resource Group (ERG) engagement,<sup>7</sup> and in our Ombudsman Forum, as described elsewhere in this report. In addition,

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<sup>6</sup> [Appendix 3](#) provides information on outreach opportunities at groups' conferences. [Appendix 4](#) has our office brochure and [Appendix 5](#) is the insert to our brochure, which has information on how we connect with our stakeholders. The Ombudsman did not hold in-person outreach meetings this year due to the COVID-19 pandemic.

<sup>7</sup> The CFPB provides information on its ERGs on the agency's website, <https://www.consumerfinance.gov/about-us/diversity-and-inclusion/ensuring-diverse-and-inclusive-workplace-culture/>.

to build upon our intergovernmental outreach, we held a session to share about our office and answer questions at a tribal governments' annual event held virtually. The Ombudsman also participated in virtual outreach events this year at the invitation of the CFPB. For example, we met with servicemember groups to share about our office and answer questions. In addition, we again presented at the new member virtual orientation for the CFPB's Consumer Advisory Board, Community Bank Advisory Council, Credit Union Advisory Council, and the Academic Research Council to share about our resource.

This year, we also updated a document we previously developed for stakeholders which highlights our work on some broader process topic areas over time. See [Appendix 6](#).

In FY2022, we will continue to seek to expand our outreach opportunities to allow for flexibility in meeting with stakeholders as described further in the Going Forward section below. While an individual, company, group, or other entity may not need to use our resource now, if they are familiar with how we can assist from our outreach programs, they can call upon us to assist in the future.

## Inreach Within the CFPB: Connecting with Internal Stakeholders

The Ombudsman's inreach takes two forms, initial and ongoing. Our initial inreach introduces the Ombudsman to new CFPB staff through introductory meetings or presentations and via introductory emails. In these introductions, we describe our resource, how we approach our work, and how we may be of assistance. We strive to ensure that when we contact someone at the CFPB to discuss a process issue, it is not the first time the person heard of the Ombudsman.

At the same time, the Ombudsman maintains a series of meetings throughout the CFPB with leadership and staff of the divisions and offices, whether monthly, bi-monthly, or quarterly. This regular and continuing engagement ensures we can promptly connect with the right CFPB contacts to address process issues, while also giving us the opportunity to maintain awareness about current CFPB activities. In addition, in these meetings we provide feedback based on perspectives we are hearing, offer feedback in conjunction with proposed initiatives, describe updates on our work, and share recommendations. The figure below shows our inreach meetings this year.

**FIGURE 1:** REGULAR INREACH MEETINGS WITH THE CFPB, FY2021

Monthly Meetings	
Director Deputy Director Chief of Staff Executive Secretary Office of Strategy – Chief Risk Officer Operations Division Division of Supervision, Enforcement, and Fair Lending, Front Office Office of Consumer Response, cross-office managerial leadership	Office of Consumer Response, Stakeholder Services Office of Stakeholder Management Office of Supervision Examinations Financial Institutions Section Intergovernmental Affairs Section Legislative Affairs Section Older Americans Section
Bi-monthly Meetings	
Office of Strategy – Chief Strategy Officer Disability Program Manager Research, Markets, and Regulations Division, Chiefs of Staff Office of Consumer Response Office of Public Affairs	Community Affairs Section Public Engagement and Community Liaison Section Servicemember Affairs Section Section of Advisory Boards and Councils
Quarterly Meetings	
Office of Fair Lending and Equal Opportunity Office of Minority and Women Inclusion Division of Consumer Education and External Affairs Division of Supervision, Enforcement, and Fair Lending Research, Markets, and Regulations Division Legal Division Office of the Chief Data Officer	Technology and Innovation, User Research Office of Consumer Education Office of Enforcement Office of Supervision Examinations, Regional Directors Office of Mortgage Markets Office of Consumer Response, Investigations Section

Note: The Ombudsman meets with CFPB components not listed in the figure above on an as-needed basis.

## New and Continuing Inreach Activities in FY2021

As with our outreach program, the Ombudsman seeks to expand the methods by which we connect with internal stakeholders to share information about our role and highlight how we can serve as a resource.

In FY2021, the Ombudsman launched new inreach opportunities to include: hosting a new office Deputies meeting to connect these individuals across the CFPB; facilitating the CFPB's Administrative Professionals Network meetings; and connecting with the Employee Resource Groups' (ERGs') leadership to explore process topics, receive outreach suggestions, and share information about our work. These connections focusing on process topics provide additional avenues for us to facilitate resolutions and quickly resolve cross-cutting issues. With the same purpose, next year, the Ombudsman anticipates engagement with the CFPB's Diversity and Inclusion Council of Employees (DICE). The Ombudsman understands that DICE focuses on employee engagement and supports the Office of Minority and Women Inclusion's objectives and priorities.

Over the year, we also connected with some CFPB offices to meet in a team-to-team format to meet new team members, share again about our resource, and learn about the latest work in those offices.

In FY2022, we anticipate continuing to develop ways to communicate about our resource and otherwise connect internally with the CFPB.

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## Demonstrating the Ombudsman in Practice

This section provides examples of how we used our toolbox of resources this year, from providing feedback to facilitating discussions to suggesting changes, as we assisted in resolving CFPB process issues. In keeping with our ombudsman professional standard of confidentiality, whether in presentations or writing, we provide examples in a format that gives greater understanding of our work, but retains anonymity of the inquirers. The selections below also demonstrate how we tailor the way to best assist in a situation depending on the circumstances.

**Sharing About Consumer Challenges During the COVID-19 Pandemic** – When assisting on individual inquiries, we sometimes receive feedback for the CFPB that is not process-related. This year, we particularly considered consumer challenges during the COVID-19 pandemic, for example, we provided the CFPB with unattributed examples of individual inquiries relating to Economic Impact Payments (EIPs),<sup>8</sup> also referred to as stimulus payments. Some of the issues we shared included that individuals: mistakenly disposed of the prepaid card, had issues with the direct deposit of the EIP into a bank account, and did not receive their EIP.

**Offering Feedback and Suggestions on Draft CFPB Materials** – As part of our role, we have the opportunity to provide feedback to the CFPB on information that it plans to share publicly. As in past years, some of our feedback centered around clarity for the public as well as consideration of the public’s expectations in engaging with the Bureau. For example, this year, we provided feedback on the blog post entitled “[Safely sending money to loved ones in the wake of Haiti earthquake](#),” the [press release](#) accompanying the CFPB’s report entitled “[Consumer Complaints Throughout the Credit Life Cycle, by Demographic Characteristics](#)” and the CFPB [announcement](#) rescinding certain CFPB policy statements for industry.

**Providing Feedback on A Topic Previously Addressed by the CFPB** – In our [FY2013 Annual Report](#), at pp. 16-17, the Ombudsman highlighted that some consumers shared they missed CFPB correspondence because they did not know providing an email address when submitting a consumer complaint by postal mail or telephone would result in receiving updates solely by email. At the time, the CFPB implemented our recommendation to advise consumers that providing an email address would result in receiving updates by email. This year, we again received inquiries from consumers on this topic. Specifically, some consumers were not aware that the CFPB would correspond with them only by email if they provided an email address when submitting their consumer complaints by postal mail or over the phone. We reviewed the information the CFPB provides to consumers on the phone and learned that the description on the use of email was no longer included. We provided feedback to the Office of Consumer Response that some consumers still did not realize that providing an email address resulted in receiving correspondence solely by email. Based on this feedback, Consumer Response updated the information provided to consumers who submit consumer complaints by phone.

**Highlighting Information to Update for Industry Whistleblowers** – Stemming from an individual inquiry to the office, we reviewed the contact information on [consumerfinance.gov](#) to send postal mail to the CFPB’s [industry whistleblower resource](#). We highlighted for the Office of Enforcement that the information on the industry whistleblower webpage needed to be

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<sup>8</sup> The CFPB’s guide entitled “[Helping Consumers Claim Their Economic Impact Payment: A Guide for Intermediary Organizations](#)” provides information regarding EIPs.

updated to reflect the current contact point for receipt of postal mail. The webpage also includes email and telephone contact points. Subsequently, Enforcement updated the webpage with office information rather than a CFPB staff member's contact information.

**Recommending Additional Process Regarding Proactive Posting of Certain CFPB Documents** – There is a statutory provision that discusses federal agencies proactively sharing certain documents with the public.<sup>9</sup> In keeping with that provision, [consumerfinance.gov](https://consumerfinance.gov) has a section entitled “[FOIA<sup>10</sup> reports, logs and frequently requested records](#)” where the public can locate these documents. The Ombudsman recommended that the CFPB further share such documents within the Bureau for review and awareness, and the CFPB subsequently implemented that recommendation.

**Facilitating A Supervised Company's Communication with the CFPB** – A company representative contacted the Ombudsman with concerns about the application of a CFPB regulation to the company for purposes of an examination. We facilitated dialogue between the company and the relevant points of contact in the CFPB to assist in trying to resolve the company's concerns.

**Considering the Flow of Information in Certain CFPB Processes** – This year, the Ombudsman used several tools from our toolbox to assist with the cross-Bureau flow of information. As such, this year we began considering the CFPB processes associated with initial development of material through approval for information the CFPB provides to the public in various formats. We plan to include an update on this work in our next report.

**Assisting Consumers who Submit Complaints to the CFPB via Postal Mail** – The Ombudsman heard from some consumers this year who mailed correspondence to the CFPB,<sup>11</sup> but shared they did not hear back from the company. From our research, we learned that the CFPB processed the correspondence as inquiries (questions) to the CFPB rather than as consumer complaints. To assist the consumers, we connected with the Office of Consumer Response to understand how the CFPB processes correspondence submitted by postal mail. As we understand it, the CFPB considers several factors when processing correspondence to determine if it is a consumer complaint to be sent to a company for a response, an inquiry about a consumer financial product or service that is not sent to a company for a response, or feedback for the CFPB's consideration. For example, when a consumer does not provide the consumer's

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<sup>9</sup> See 5 U.S.C. § 552(a)(2).

<sup>10</sup> FOIA is an abbreviation for the “Freedom of Information Act.”

<sup>11</sup> In calendar year 2020, the CFPB received approximately six percent of its consumer complaints via postal mail, fax, or referral. See CFPB, [Consumer Response Annual Report, Jan. 1, 2020 – Dec. 31, 2020](#), at p. 4 (Mar. 2021).

name or identify a company, the CFPB will process the correspondence as an inquiry. As we further understand it, when the CFPB processes correspondence as an inquiry, the CFPB also will send a letter to the consumer that explains the consumer complaint process, including how to submit a consumer complaint. We shared this information with the consumers who contacted us on this topic.

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## Post-Examination Survey – Update

In 2020, the CFPB asked the Ombudsman, as an independent resource, to consider conducting a post-examination survey of CFPB supervised entities. Subsequently, we explored the possibility of our office conducting a post-examination survey through carrying out a complete analysis to include our professional ombudsman standards of practice, benchmarking with other federal financial agencies, evaluation criteria, and other considerations. We determined to first conduct a beta test of such a survey and provided an overview of the beta test in our [FY2020 Annual Report](#), at pp. 14-17.

As we shared in the [blog post](#) accompanying our [FY2020 Annual Report](#), we concluded our beta test evaluation and determined that our office will conduct a post-examination survey of supervised entities as a new initiative going forward.

This section describes our FY2021 work to prepare to launch this program.

### **Preparation for Implementation of the Post-Examination Survey**

This year, we worked towards implementation of the post-examination survey by finalizing the program logistics.

As part of our preparation work, we continued our inreach around the post-examination survey to include, for example, requesting and then receiving a list of recently examined entities from the CFPB's Supervision, Enforcement, and Fair Lending Division. As in the beta test, the Ombudsman plans to select a group of supervised entities for participation in the survey by taking into consideration different CFPB regions, entity product lines, and types of entities.



Specifically, we considered the possible survey participant mix by analyzing these and other factors on completed examinations, which are those where the CFPB already provided the examination result to the entity. We also considered the cadence of a survey schedule for the Ombudsman as well as the timing of when to provide unattributed survey feedback to the CFPB.

### **Format of the Post-Examination Survey**

When inviting the entities to participate in the post-examination survey, we plan to provide an explainer document similar to the document we provided for the beta test, as in [Appendix 7](#). We anticipate that the format of the post-examination survey program will be the same as with the beta test. Specifically, we plan for the post-examination survey to incorporate a learning mindset so that we can further understand the entity's experience. As part of this approach, we plan to use three process areas for the survey, as in the beta test:<sup>12</sup>

***Supervision materials and resources*** – Includes topics such as information availability, functionality, and content for review by entity representatives who will engage with any part of the examination.

***Interpersonal communications*** – Includes communications between entity representatives and anyone at the CFPB before, during, or after an examination, using any medium or format.

***End of the examination*** – Includes topics such as timing, knowledge of outcomes or resolutions, clarity in expectations of closure, and awareness of the appeals process.

In keeping with the way we approach all of our work, the questions and communication will use informal issue resolution techniques. As such, in the post-examination survey we will be implementing a conversational, dialogue approach. For each process area above, we plan to ask survey participants: (1) what worked well? (2) what did not work well, if anything? and (3) what would you change moving forward? These are the same questions we used in the beta test. This format will allow for issue identification without presuming a problem area in any part of the process. In addition, as in the beta test, we plan to tailor any follow-up questions to the information provided by the entity.

We anticipate that selected entities will each meet with at least two members of the Ombudsman's Office for a scheduled one-hour survey session. In addition, if during the course of the survey call an entity raises a process concern that it would like to try to address, a

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<sup>12</sup> The Ombudsman will not collect, analyze, or report on examiner performance or the specific details of any given supervisory examination for the post-examination survey.



different Ombudsman colleague will follow up to try to assist so as to take it out of the survey context.

Moreover, to uphold our professional ombudsman tenet of confidentiality, protect the confidentiality of supervisory information, and enable the participants to speak candidly with the Ombudsman, we will not share with anyone outside of the Ombudsman's Office which entities we selected or which entity representatives we contacted.

### **Next Steps**

We plan to host virtual outreach engagements in the first quarter of FY2022 to further share about the launch of the survey program with industry stakeholders. Next, we plan to start conducting the post-examination survey with supervised entities beginning in the second quarter of FY2022. Once the program is underway, we anticipate providing the CFPB with a summary of the survey participants' unattributed feedback and recommendations, for the agency's consideration, and will summarize it further in our annual report.

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## Ombudsman Forums and Interactives

This section describes the Ombudsman Forum and Interactives programs, including our adaptations during the COVID-19 pandemic.

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### Ombudsman Forum with National and Regional Organizations that Assist Consumers in the Northeast Region

In 2015, the Ombudsman's Office launched the Ombudsman Forum as another avenue for consumer, trade, and other groups to share feedback on their CFPB interactions as we, in turn,

provide feedback and recommendations to the CFPB. For these events, Ombudsman staff lead facilitated discussions, which allow participants to share feedback on the topics as well as offer their recommended solutions to any process concerns.

We select the topics to be discussed at the event ahead of time based on process issues shared with the Ombudsman by the groups or the CFPB prior to the event. In keeping with our ombudsman standards of practice of independence, impartiality, and confidentiality, the Forums are closed to the press, the public, and CFPB staff. After the Forum, we share participants' feedback and recommendations, without attribution, with the CFPB. A set of Frequently Asked Questions about our Ombudsman Forums is in [Appendix 8](#).

A few years ago, we anticipated hosting Ombudsman Forums with consumer groups in each of the CFPB's four regions. We hosted Forums in the West region in Oakland, CA, the Southeast region in Memphis, TN, and, this year, we hosted a Forum with organizations assisting consumers in the Northeast region. This Forum was different from our previous events in two ways to adjust to the COVID-19 pandemic environment. First, we held it virtually and second, we facilitated one-hour discussions each day for a week on one of the following topics: Racial and Economic Equity: Reflections, projections, and suggestions for processes supporting the Bureau's priority; CFPB Inclusive Engagement: Reaching, recognizing, and connecting with specific consumer communities; CFPB Enforcement Actions and Redress: How consumers learn about outcomes; Connecting in with the CFPB: Avenues and processes to communicate; and the Consumer Complaint Process: Awareness, usability, and demographic information.

Below is a summary of the feedback and recommendations from Forum participants organized by theme:

**Importance of Inclusive Engagement** – Participants recommended that the CFPB use additional inclusive language, imagery, or symbolism in its materials and on [consumerfinance.gov](https://consumerfinance.gov) to recognize different communities. They also mentioned that such additions may allow for communities to better recognize CFPB opportunities for engagement that pertain to them. In thinking about how the CFPB can engage consumers' voices in the agency's work, a participant asked whether the CFPB has connections with small community groups and knowledge of their local events. The participant suggested that there may be an opportunity for the CFPB to further engage with community groups or consumer advocacy groups through additional speaker engagements.

**Building Relationships and Having Regular Engagement with the CFPB** – Participants considered how they connect in with the CFPB. One participant shared that in non-pandemic times, to build new connections, someone may ask to be introduced to a CFPB staff

member when meeting in person. The participant indicated it would be useful to have additional information on how to connect with the CFPB to build such relationships at this time. In addition, when discussing regular engagement that would help consumer advocates, one participant shared that it may be useful for the Bureau to find which CFPB financial education resources and guides, or parts of them, are most useful to a particular community to enhance and build upon engagement efforts.

**In-person Outreach with Consumers** – Participants stated the view that remote environments and virtual formats will continue for the foreseeable future. At the same time, participants expressed the importance of hosting in-person outreach events, if safe during the COVID-19 pandemic, for vulnerable populations who may not have Internet access. Moreover, consumer groups could bring consumers who wish to share their experiences at such events.

**Racial Equity and Home Ownership** – Regarding the Bureau’s priority to address racial and economic inequity, one participant expressed concern about minority bias in real estate appraisals, such that properties are appraised at a lower value for certain populations, and asked whether the CFPB is reviewing this topic.<sup>13</sup> In considering whether the CFPB was reviewing this impact on home ownership, a participant also expressed concerns about the long-term impact of certain types of debt on an individual’s ability to purchase a home which may further expand the racial wealth gap.

**Expanding Consumers’ Understanding of the CFPB’s Role and Making the Agency More Approachable for the Individual Consumer** – Participants expressed that some consumers would benefit from a further understanding of the CFPB’s role. Many consumers recognize the agency’s acronym, CFPB, but some consumers lack clarity about how the Bureau can assist in their everyday lives. One participant mentioned that it may be helpful for the CFPB to consider what consumer financial matters are important to a particular community.

In addition, participants shared that some of the information on [consumerfinance.gov](https://consumerfinance.gov) may appear less approachable to some consumers. For example, if the purpose is to reach individual consumers, rather than advocates, one participant suggested the CFPB include fewer links and add more plain language to its resources and consumer information. Another participant suggested for the CFPB to simplify text such as “managing your finances” to plain language, such as “if you can’t pay your credit cards,” particularly as consumers face financial difficulties related to the COVID-19 pandemic.

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<sup>13</sup> The CFPB has had public engagement on this topic and on July 2, 2021, posted a blog entitled “[CFPB Prioritizing Resources Against Racial Bias in Home Appraisals](#).”

**Considerations in Demographic Information Collection** – Participants considered the CFPB’s recent addition to the consumer complaint process where consumers can choose to voluntarily provide information on household size and income. One participant shared that expansion beyond those two data points should also be voluntary to facilitate the process of submitting a consumer complaint. A participant also mentioned that it would be helpful for consumer advocates to know the age range of consumers submitting consumer complaints to determine who is using the consumer complaint process.<sup>14</sup>

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## Ombudsman Interactives

We continue to offer our Ombudsman Interactives to external stakeholders in a virtual format during the COVID-19 pandemic. Modeled after the Ombudsman Forums, Ombudsman Interactives is a facilitated discussion held with attendees at consumer, trade, and other group’s conferences. The discussions give participants an opportunity to confidentially provide feedback on process topics and offer their recommended solutions. We select topics for discussion in advance based on process issues previously shared with the Ombudsman by the convening groups or the CFPB.

Stakeholders may reach our office at [CFPBOmbudsman@cfpb.gov](mailto:CFPBOmbudsman@cfpb.gov) or (855) 830-7880 to request an Ombudsman Interactives. The sessions are available by request on a first-come, first-served basis and are subject to the Ombudsman’s budget and availability.

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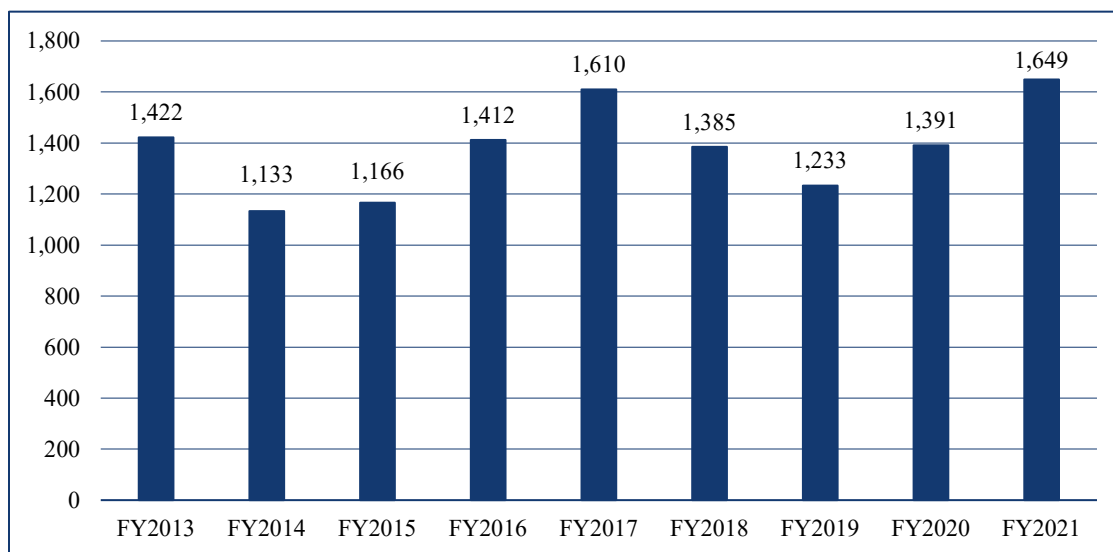
<sup>14</sup> Consumers submitting consumer complaints to the CFPB can choose to voluntarily provide their age with their complaint submission. The [Consumer Complaint Database](#) on [consumerfinance.gov](https://consumerfinance.gov) includes an “Older American” tag that can be selected to filter complaint data for complaints where consumers aged 62 and over voluntarily provided that information.

# Analyzing Individual Inquiries to the Ombudsman

The Ombudsman assists in resolving individual inquiries that pertain to a particular person, company, or group's process issue from their CFPB interactions. This section describes the various kinds of individual inquiries we received in FY2021, the changes in those inquiries received over time, as well as our holistic approach to assisting each inquirer.

In FY2021, we received a total of 1,649 inquiries,<sup>15</sup> which is the highest number of inquiries received in our office's nearly ten-year history.<sup>16</sup> The figure below shows the change in the number of inquiries to the Ombudsman over time.

**FIGURE 2: INQUIRIES TO THE OMBUDSMAN'S OFFICE<sup>17</sup>**



<sup>15</sup> Inquiries do not include Ombudsman outreach and the broader issues received in connection with such outreach.

<sup>16</sup> All percentages in this report are rounded up to the nearest whole number if 0.5 or greater, or rounded down if less than 0.5, except where adding a decimal place is of explanatory value. Consequently, some totals may not equal 100 percent.

<sup>17</sup> For FY2012, our inquiry total for the ten-month period starting when the office opened in December 2011 was 775.

Individuals who contacted the Ombudsman on their own behalf include, for example, people contacting the office about a consumer complaint, seeking information on how to submit such a complaint, or seeking a CFPB resource for direct assistance. We also receive inquiries from: attorneys, representatives, and third parties; parties not authorized to receive information concerning a consumer complaint; financial entities; businesspersons; consumer and trade groups; and local, state, and federal government, as well as Congressional offices.

As shown in the figure below, the balance of inquiry types received by the Ombudsman has remained about the same over time to include more than twice as many questions for every one complaint received.

**FIGURE 3:** TYPE OF INQUIRIES RECEIVED BY THE OMBUDSMAN

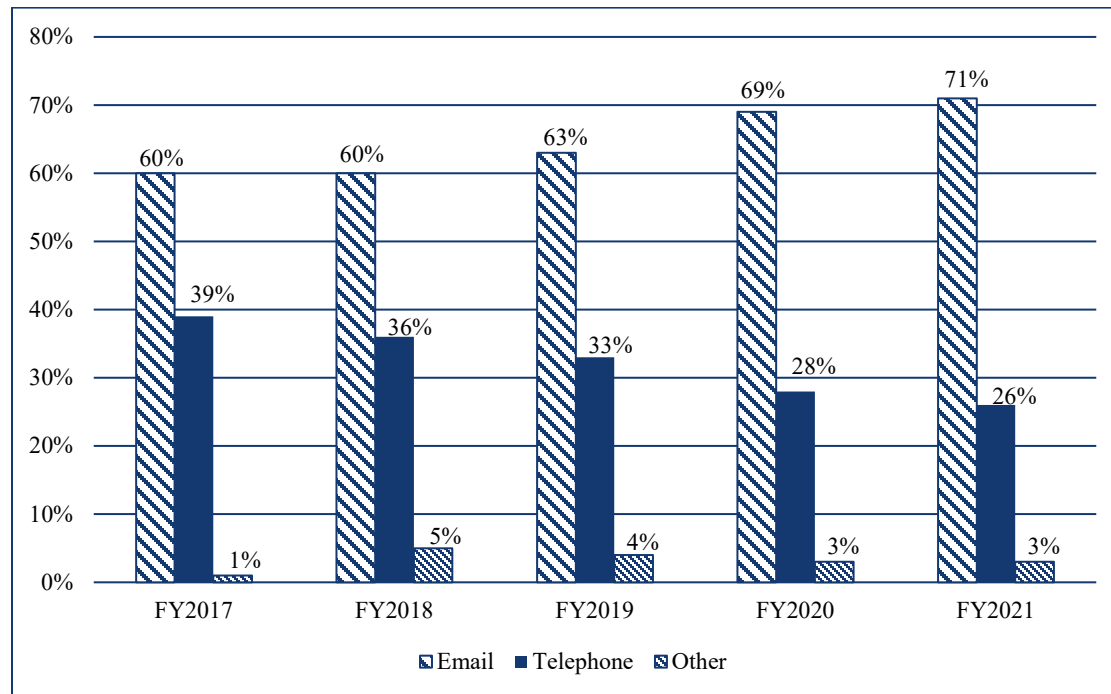
	<b>FY2017</b>	<b>FY2018</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>
<b>Questions</b>	55%	58%	60%	53%	56%
<b>Complaints</b>	27%	26%	26%	26%	23%
<b>Courtesy Copies to the Ombudsman</b>	11%	11%	10%	14%	12%
<b>Topics of Concern</b>	4%	3%	2%	4%	7%
<b>Feedback on CFPB and Non-CFPB Topics</b>	3%	3%	2%	2%	1%

In FY2021, the public could reach the Ombudsman by email ([CFPBOmbudsman@cfpb.gov](mailto:CFPBOmbudsman@cfpb.gov)), toll-free number (855) 830-7880, with a U.S. area code (202) 435-7880, or TTY (202) 435-9835. The Ombudsman also occasionally received letters sent by postal mail.

This year, the Ombudsman updated the [Frequently Asked Questions \(FAQs\)](#) section of our webpage, [consumerfinance.gov/ombudsman](https://consumerfinance.gov/ombudsman). For example, we highlighted that our office can provide assistance in other languages, including American Sign Language (ASL). We also requested that inquirers contact us first by email or phone before sending information by postal mail so the inquirer does not incur unnecessary cost.

As shown in the figure below, in keeping with previous years, the Ombudsman continued to receive a decreasing percentage of first contacts by phone in FY2021.

**FIGURE 4:** HOW INQUIRERS FIRST CONTACT THE OMBUDSMAN



This year, inquirers contacted the Ombudsman from 48 states, Washington, D.C., and Puerto Rico, as well as from other countries.

## Individual Inquiries About the Consumer Complaint Process

Over the years, the Ombudsman has included an analysis of the individual inquiries we received about the consumer complaint process in our annual reports. We categorized the issues reflected in these inquiries into five principal groupings: Process Critiques, Process Questions, Administrative or Technical Concerns, Customer Service, or Information about the Consumer Complaint.<sup>18</sup> For the last five years, the proportion of issues received in each of the five

<sup>18</sup> Process Critiques encompasses feedback provided about the complaint process. Process Questions, as distinct from the category of Process Critiques, include inquiries seeking clarification about the entire consumer complaint process or some aspect of it. Administrative or Technical Concerns most commonly includes concerns relating to the consumer's user experience with the CFPB Consumer Portal on [consumerfinance.gov](https://consumerfinance.gov) and related technical concerns. Customer Service relates to communications or interpersonal issues when interacting with the CFPB. Finally, the

categories has been approximately the same, with Process Critiques and Questions together representing around two-thirds of the issues we received.

This year, the Ombudsman provided the CFPB with some common Process Critiques and Questions that we have received over time along with some unattributed consumer comments to illustrate each topic. We included feedback on what the consumer complaint process offers, such as consumers' need for understanding how the CFPB assists without advocating for the individual consumer and also how consumers are less clear about what they can do when the company does not address their concerns. We also gave feedback on consumer complaint process mechanics, such as consumers not understanding who is responding to a complaint when there is a parent company involved and in circumstances where submission of follow up complaints likely will be marked as duplicates receiving no company response. Lastly, we provided feedback on consumers' need for understanding the intersection between the consumer complaint and enforcement processes, such as why consumers may or may not receive redress and that consumers will not receive confidential information about an enforcement process even if their consumer complaint informed it.

In [last year's annual report](#), we included a figure, at p. 24, that described four misconceptions with the CFPB consumer complaint process and what actually happens in the process. The misconceptions together with the Process Critiques and Questions we have received about the consumer complaint process may provide an opportunity for the CFPB to describe to the public some additional aspects of the consumer complaint process and further set expectations for consumers who use the process.

We understand that the CFPB incorporated information about the misconceptions and our additional feedback described above into its Consumer Resource Center knowledgebase to be shared with consumers who have questions about submitting a consumer complaint.

## Individual Inquiries from Industry

As in past years, the industry-related individual inquiries the Ombudsman received in FY2021 related to a broad array of topics, both familiar and new. As in prior years, companies and trade groups contacted us seeking referral to CFPB offices or sections that could assist them with a specific matter of interest. One company representative contacted us seeking information on who they could connect with to discuss new financial products or services. Another company

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category Information about the Complaint includes instances where the inquirer wanted additional information about the inquirer's particular consumer complaint submitted to the CFPB.



sought a referral to the appropriate CFPB point(s)-of-contact to report a change to their company.

During FY2021, companies also shared feedback about the CFPB with the Ombudsman. For example, one company shared the view that proposed changes to the regulation of their industry could impact their industry and affiliated third party industries. As in past years, we received questions around regulatory issues, to include requests for regulatory interpretation, which we referred to the Office of Regulations [inquiry request form](#) in conjunction with the regular CFPB process. Also, as in years prior, we continued to hear from industry inquirers seeking to report alleged violations of the consumer financial protection laws, which we referred to the [Whistleblower Line](#).

## Providing Useful Resources

Through our holistic approach to assisting on individual inquiries, the Ombudsman sometimes provides other resources to assist the inquirer. In FY2021, the Ombudsman provided 2,128 resources external to our office with the majority of them to the CFPB. We may suggest that a company official submit a regulatory inquiry via the Office of Regulation's [inquiry request form](#), as described above, if the official has not tried that avenue.<sup>19</sup> In addition, we ask consumers to contact the Office of Consumer Response if they have not yet submitted a consumer complaint with the CFPB or if their consumer complaint is still in progress.

This year, our referrals to the CFPB's Consumer Education and External Affairs Division primarily included information on how to contact the Office of Consumer Response to submit or follow up on a consumer complaint. For the Operations Division we provided inquirers with the contact information for the CFPB's Offices of Human Capital and Procurement. In addition, we provided some referrals to the Supervision, Enforcement, and Fair Lending Division's [Whistleblower Line](#), referenced above. Lastly, for Research, Markets, and Regulations, we provided information on how to contact the Office of Regulations.

Approximately eight percent of individual inquiries to the office this year had a connection to the COVID-19 pandemic, including concerns about rental and mortgage assistance. To immediately assist such inquirers, in the auto-reply that inquirers receive when emailing our office we added a [link](#) to the CFPB's information on [consumerfinance.gov](#) for homeowners, renters, and landlords regarding the pandemic. Consumers also may benefit from reviewing

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<sup>19</sup> The Office of Regulations does not answer questions of regulatory interpretation for consumers and refers consumers to the telephone contact center for assistance, (855) 411-2372.

informational resources on [consumerfinance.gov](https://consumerfinance.gov), such as the CFPB's webpage with resources and videos particular to the [COVID-19 pandemic](#), and we referred them there as well.

In addition to a number of CFPB resources, the Ombudsman also provided inquirers with resources from other parts of the federal government, including ombudsman resources at other federal agencies, links to [U.S. Department of Housing and Urban Development housing counselor information](#), the [Eldercare Locator](#) from the Department of Health and Human Services' Administration on Aging, the [Small Business Administration](#), and contact points for the [Federal Trade Commission](#), as well as other federal financial regulators.

We also sometimes provide inquirers with the website [www.usa.gov](https://www.usa.gov), which has a general search function to seek resources from across the government. In addition, resources provided from state government often include attorneys general, consumer protection divisions, and law enforcement.

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## Ombudsman in Brief

This year, we are introducing a new annual report section, Ombudsman in Brief, to share a longer summary of some topics where we did not engage in a systemic review.

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## CFPB Announcements and Processes for Small Business Owners

In our [FY2020 Annual Report](#), at p. 28, we described our systemic review regarding clarifications around the CFPB's announcement and processes for small business lending discrimination complaints and closed that review. However, this year, the Ombudsman again assisted as the Bureau continued to consider and further clarify its processes for small business owners to share their experiences with the CFPB.

In our 2019 Ombudsman Forum with Advocates for Small Business, participants provided feedback requesting clarity on small businesses' engagement with the CFPB, specifically as to

whether a small business owner can submit a consumer complaint, as described in our [2019 Annual Report](#), at p. 24. We provided this feedback to the CFPB and connected with Bureau divisions and offices to understand further. We did not opine on the CFPB's policies or approach, but focused on and shared feedback around the surrounding processes and expectations. In doing this research, we determined that there was an opportunity for the CFPB to set expectations and further clarify the Bureau's processes for receipt and analysis of small business complaints.

This year, we assisted CFPB divisions and offices as the Bureau further determined its processes for small business owners to share their experiences with the CFPB. We used the facilitative tool in our ombudsman toolbox to connect different parts of the agency, to ensure a similar understanding of the agency's approach to the topic, as the Bureau planned to share about the opportunity for small business engagement with the CFPB this year. In addition, we provided feedback from our unique role and continued to share about our prior work on this topic, as requested, and where we thought it was helpful.

In September 2021, the CFPB announced and launched a webpage on [consumerfinance.gov](https://consumerfinance.gov) called "[Shining a Light on Small Business Lending](#)" which provides information and resources for small businesses. On this webpage, the Bureau now offers a "[Tell Your Story](#)" feature for small businesses to share their experiences in trying to get a small business loan or during the process of getting a loan. The webpage also provides information about the CFPB's proposed rule on "Small Business Lending Data Collection Under the Equal Credit Opportunity Act (Regulation B)," also known as the 1071 rulemaking.

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## Consistency in Terminology for References to Stakeholder Communities

The Ombudsman has observed that the CFPB uses different terminology for references to some stakeholder communities in various kinds of public facing materials. For example, when searching on [consumerfinance.gov](https://consumerfinance.gov) using different words to refer to one stakeholder community, we obtained different sets of resulting documents.

We understand that at the time of our observations, the CFPB did not have a shared standard set of terms across the Bureau to refer to different stakeholder communities. At the same time, some CFPB offices have determined to use particular terminology in connection with their work. Moreover, in some cases, the CFPB may use terms that are associated with data.

We shared our observations in our inreach meetings to understand further about the CFPB's usage of different terms for the same stakeholder community, such as why the CFPB may choose to use one term instead of another in different documents. We also observed that the choice of which term to use in a document may have an impact on whether the information the CFPB provides is resonating with the intended communities.

As we continued to share our observations, we learned that the CFPB was reviewing the topic of terminology and the consistency with which it refers to different stakeholder communities. The Ombudsman provided feedback from our unique role, as requested.

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## Systemic Reviews – Focus for FY2021

In addition to individual inquiries, the Ombudsman reviews systemic issues that may be affecting consumers or financial entities nationwide, in a particular region, or with a certain process. We decide to review topics as systemic issues to see if we may be able to add value in our role as an independent, impartial, and confidential resource. We consider three questions in reviewing systemic issues: (1) Is the agency fairly applying a process it established? (2) If there is no set process, should we recommend creating one? (3) Does an existing process require a change to provide a fair application of it? The Ombudsman feedback and the recommendations that we provide to the CFPB may be: also suggested by others, but not implemented; ideas shared with the Ombudsman as we explored an issue; or, the Ombudsman's ideas of how to address an issue. The objective is to resolve the issue, but sometimes there are other possible solutions that also may work to reach the same result and we welcome implementation of those ideas.

In FY2021, the Ombudsman reviewed two issues as systemic issues, as described below.

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## Processes Related to Certain Communications the CFPB Receives from the Public

While the role of the Ombudsman is to assist in resolving CFPB process issues, we also hear from consumers about their financial situations. At times, when contacting the Ombudsman or the CFPB, a consumer may state an intention to harm themselves or others in describing the impact of a personal financial situation. This year, in a statement to the Ombudsman, a consumer shared an intention to do self-harm and expressed the same intention in the consumer complaint the consumer submitted to the CFPB. In addition to trying to assist this individual consumer,<sup>20</sup> we decided to review this topic more broadly to further understand the manner in which the Bureau identifies and processes communications received from the public related to self or other harm.

For our research, we reviewed existing CFPB materials and met with various offices within the agency. In these meetings, we highlighted the topic and communicated what we learned in our research, particularly in light of the continued financial impact and strain of the COVID-19 pandemic on consumers. Using the facilitative tool in our ombudsman toolbox, we also connected various CFPB offices around this topic.

To assist the Bureau and the public, we recommended that the CFPB decide the manner in which external electronic communications received should be reviewed for certain public statements.

As of this writing, we understand the Bureau is continuing to engage around these processes. We will provide an update in our next report.

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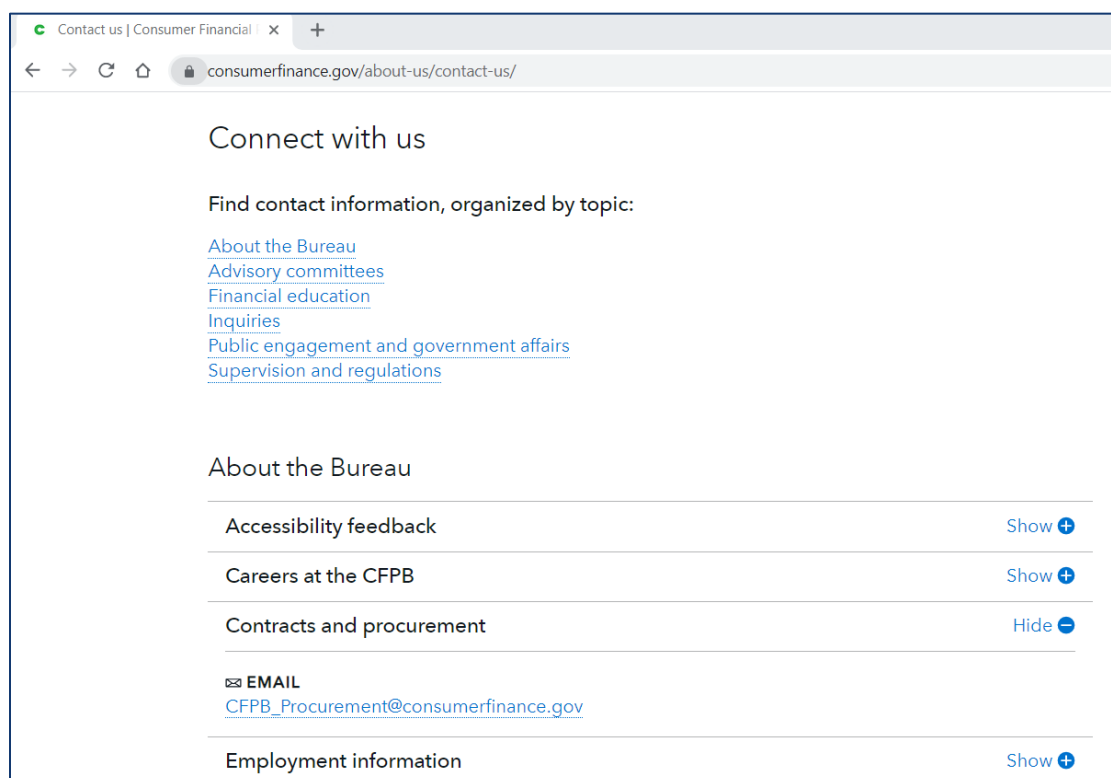
<sup>20</sup> As described elsewhere in this report, we will not share identifying information outside the Ombudsman's Office unless the inquirer indicates that we can. At the same time, we also may have to share it if there is a threat of imminent risk of serious harm. Here, we contacted the CFPB's Office of Security for assistance.

# Connecting with the CFPB Through Publicly Provided Contact Points

Over time, the Ombudsman’s Office has received feedback regarding how to connect with the CFPB, including in our Ombudsman Forums, our other outreach activities, and in individual inquiries to the office. In FY2021, we learned that the public may have challenges connecting with some of the publicly provided contact points on [consumerfinance.gov](https://consumerfinance.gov). We decided to review this issue to see if we could assist both the CFPB and the public.

In 2019, the CFPB added several contact points on the CFPB’s Connect with Us section of the [Contact Us webpage](https://consumerfinance.gov/about-us/contact-us/) for the public to reach the CFPB either by phone or via an email box. As shown in the figure below, the headings for the webpage include: “About the Bureau,” “Advisory committees,” “Financial education,” “Inquiries,” “Public engagement and government affairs,” and “Supervision and regulations.”

**FIGURE 5:** CONSUMERFINANCE.GOV CONNECT WITH US SECTION OF CONTACT US WEBPAGE



The prudential regulators, to include the [Office of the Comptroller of the Currency](#), [Federal Deposit Insurance Corporation](#), [Federal Reserve](#), and [National Credit Union Administration](#) also provide Contact Us pages that have various agency points of contact listed for the reader.

In our regular inreach meetings across the CFPB, we learned that some of the contact points provided on the CFPB’s Connect with Us section of the [Contact Us webpage](#) were in need of review. As such, we recently recommended that the CFPB review the provided resources on this with a regular cadence to ensure they are current.

We also made some observations regarding the headings on the [Contact Us webpage](#). Specifically, some resources listed appear to relate to a different subject matter than the associated heading. In addition, some resources have a broader purview than the heading. For example, we understand that some of the resources listed under “Financial education” have a much broader purview than solely financial education. Lastly, it may not be clear to the reader when to contact each resource. To address these issues, we also recently recommended that the CFPB update the Connect with Us section of the [Contact Us webpage](#) to enable the reader to easily locate the relevant resource.

As of this writing, we understand that the CFPB is reviewing the [Contact Us webpage](#). The Ombudsman will provide an update in our next report.

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## Systemic Reviews – Updates on Previous Reviews

This section provides an update on one review from FY2020.

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# Information the CFPB Provides During and at the Conclusion of Examinations

In [last year's annual report](#), the Ombudsman described a review of the information the CFPB provides during and at the conclusion of examinations, at pp. 29-31. For a few years, we heard from some industry stakeholders that they anticipated a more positive examination outcome based on communications with the examination team during the course of the onsite portion of the examination than what the CFPB shared at the conclusion of the examination. We also provided a brief overview of this topic in our [FY2019 Annual Report](#), at p. 17.

From our research, we understand that outcomes may vary for different examination types based on a number of items, as shared in last year's report. In addition, we identified that various factors may contribute to a company perceiving that examination results are less favorable than what it anticipated.

Last year, we shared that there was limited information in plain language about the enforcement process for companies as well as limited information about the transition from the supervision process to the enforcement process. We also understand that it is not within the examiners' purview to discuss the enforcement process generally with companies.

In addition to providing feedback on what may contribute to some companies' perspective, we also recommended that the CFPB make available to examiners and companies additional information on the enforcement process to include how supervision intersects with enforcement. To implement this recommendation, we offered the CFPB some suggestions, such as adding basic information about the enforcement process and possible types of outcomes on [consumerfinance.gov](#).

Subsequently, the CFPB created or revised certain job aids to assist examiners with regard to examination outcomes and the enforcement process as well as reviewed the associated training. In addition, the CFPB included "[The life cycle of an enforcement action](#)" on the Enforcement tab of [consumerfinance.gov](#), which has information on "Commencing enforcement investigations," "Fact gathering," "Hearing from subjects of investigation," and "Public enforcement actions."

The Ombudsman considers this review closed.



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# Going Forward

This year, we developed our fifth set of strategic plan goals to help guide us for the next two years, as described in the figure below:

**FIGURE 6:** OMBUDSMAN STRATEGIC GOALS, FY2022-FY2023

Further optimize and enhance Ombudsman resources to effectively assist the CFPB and the public, including adding technological efficiencies
Further engage in outreach with external stakeholders by incorporating technology, continuing to balance engagement in keeping with our impartiality while increasing the availability of the Ombudsman resource, and meeting stakeholders where they are to expand our understanding of stakeholders' interests
Build upon existing inreach opportunities and create new avenues for internal engagement to further inform our work and share about emerging process issues
Review and evaluate individual and systemic process issues with the CFPB to assist in resolving them by using existing and new, innovative ombudsman tools
Maintain commitment to education and understanding about the CFPB Ombudsman's Office and how the office assists
Continue demonstrating leadership in ombudsman practice and profession

Next year, we also plan to continue with new outreach initiatives by sharing about our resource in a teleconference series for libraries across the country and a teleconference series for LGBTQ+ groups. In addition, we plan to host industry outreach opportunities in which we also will share further about the implementation of our post-examination survey of supervised entities. Please contact us at [CFPBombudsman@cfpb.gov](mailto:CFPBombudsman@cfpb.gov) if you would like to learn more or participate in these events.

We also plan to continue to explore the virtual format for our Ombudsman Forums, at a minimum, to build upon our connection with stakeholders nationwide. In addition, we are considering which stakeholder communities to host for our next Ombudsman Forums in conjunction with our criteria for future Forums.<sup>21</sup> As with our previous Forums, these events inform our work further as we provide feedback and make recommendations to the CFPB. We also will continue to offer the Ombudsman Interactives program as described earlier.

In addition, as more inquirers learn about and receive assistance from our office, we plan to consider our own process of assisting on individual inquiries. In keeping with our strategic goal above, we plan to maximize our use of technology and increase efficiencies in our work.

In anticipation of the ten-year anniversary of our office's launch in the next fiscal year, we look forward to marking this occasion as advocates for fair process in consumer financial protection. As always, we look forward to hearing your suggestions, at [CFPBOmbudsman@cfpb.gov](mailto:CFPBOmbudsman@cfpb.gov) or (855) 830-7880, on how we can assist both the people who reach us for assistance and the CFPB.

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<sup>21</sup> As described in our [FY2018 Annual Report](#), at p. 26, we may schedule a new Ombudsman Forum with a stakeholder community with which we met previously or with a new stakeholder community where:

- There is a request by the CFPB, particular stakeholder community, or other external stakeholders for the Ombudsman to have such a Forum or
- The Ombudsman determines on its own that it may be useful to host a Forum as we provide feedback and make recommendations to the CFPB

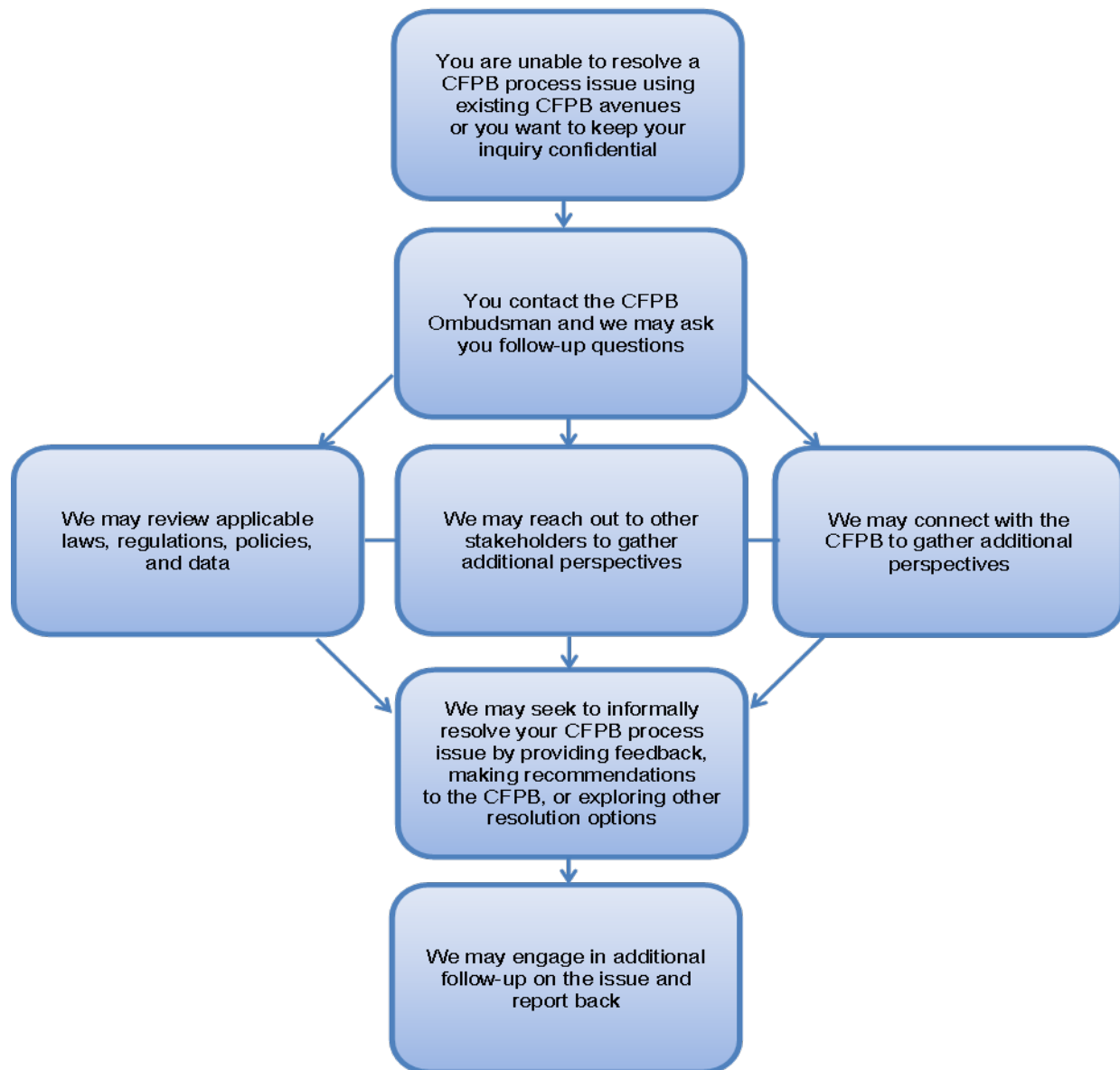
For frequency and timing, we also will consider our impartiality professional standard of practice so as to balance hosting events over time with different stakeholder communities. In addition, hosting additional Forums will be subject to our budget and the availability of resources.

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# Appendix

The Appendix includes figures and information included in our previous annual reports, for ease of reference, as well as a new item from FY2021.

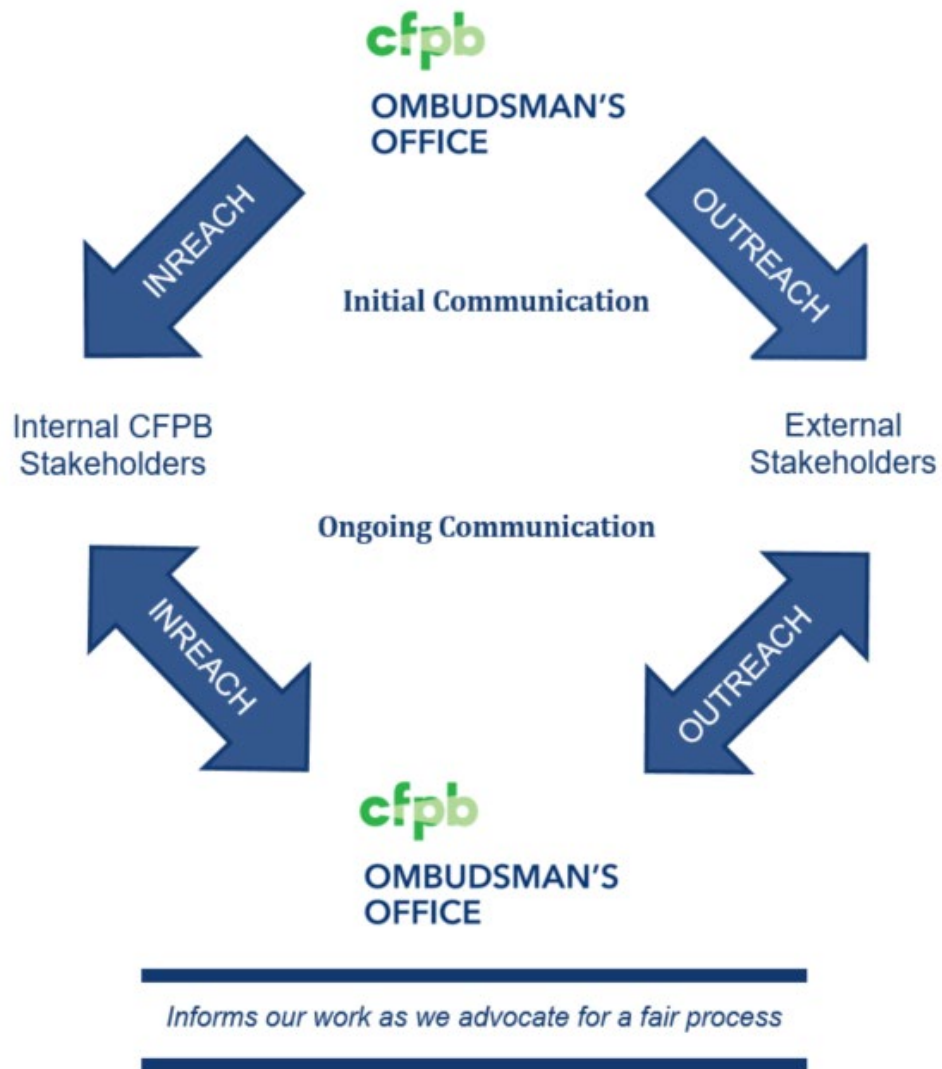
## Appendix 1: When to Contact Us and What to Expect When You Do



The Ombudsman does not:

- Address matters in litigation or provide legal advice;
- Delay statutory, regulatory, or other CFPB deadlines;
- Make decisions or legal determinations for the CFPB;
- Serve as a formal office of legal notice for the CFPB; or,
- Address internal workforce issues

## Appendix 2: The Ombudsman's Inreach and Outreach Process



## Appendix 3: Outreach Opportunities at Consumer, Industry, and Other Groups' Conferences



### **Outreach Opportunities at Consumer, Industry, and Other Groups' Conferences**

**OMBUDSMAN'S  
OFFICE**

#### **Speaking Engagements**

The Ombudsman's Office is available to present at conferences to share about our resource, our latest work, and how we can assist groups as well as their members.

#### **Ombudsman Interactives**

In an Ombudsman Interactive, conference participants join us for a one hour minimum session to discuss process issues from their CFPB interactions. We coordinate with conference organizers on information shared about the session prior to the conference, the duration of the session, process topics for discussion, and the on-site check-in process for the session.

Conference attendees register ahead of time with the conference organizers in order to participate in the Ombudsman Interactives session. In keeping with our ombudsman professional standards of practice of independence, impartiality, and confidentiality, the Ombudsman Interactives are closed to the press, the public, and CFPB staff. During the Ombudsman Interactives, after a short introduction about our resource, we facilitate a participatory discussion with conference attendees and provide an opportunity for them to offer feedback and generate ideas for solutions. After the Forum, we share attendees' feedback and recommendations, without attribution, with the CFPB. Ombudsman Interactives are available by request on a first-come, first-served basis and are subject to the Ombudsman's Office's budget and availability.

#### **Office Hours**

We are available for office hours during the entire conference or just part of a conference. Individuals or small groups of individuals can sign up to meet with members of our team during this timeframe to learn more about our resource or to discuss particular issues of concern. Generally, it is helpful to have office hours in a separate space at a conference to the extent someone wishes to raise a concern in confidence. We coordinate with conference organizers ahead of time on how to share about the availability of office hours with conference participants and to arrange a suitable space.

#### **Table Information**

Our team also is available to staff a table to answer questions about our resource and discuss how we may assist. At the table, our materials are available for conference attendees to take with them and we may have other visuals that demonstrate our role.

#### **Contact Us**

To request one of these outreach opportunities, please email us at [CFPBombudsman@cfpb.gov](mailto:CFPBombudsman@cfpb.gov) or call (855) 830-7880.

The CFPB Ombudsman's Office provides an independent, impartial, and confidential resource to informally assist individuals, companies, consumer and trade groups, and others in resolving issues with the CFPB.

## Appendix 4: Ombudsman Brochure

*"Broadly speaking, [the CFPB Ombudsman's Office] provide[s] effective informal dispute resolution for inquirers seeking assistance; help[s] the agency improve specific policies, procedures, or structures; informally look[s] into issues of concern; stud[ies] systemic process issues and offer[s] recommendations for agency action; and focus[es] the agency's attention on issues of concern. Further, the Ombudsman's Office contributes to the respect, dignity, and fairness with which such process concerns are handled."*

C. Houk et al., "A Reappraisal – The Nature and Value of Ombudsmen in Federal Agencies" (2016) (Report to the Administrative Conference of the United States) at Part 2, p. 91.

### When to Contact Us

- If you have not had success with the regular Bureau resolution avenues
- To share an issue confidentially
- To highlight a systemic issue

You are welcome to reach us any time, but we encourage you to try the existing Bureau resolution avenues first.

### How to Contact Us

We look forward to hearing from you!

 [www.consumerfinance.gov/ombudsman](http://www.consumerfinance.gov/ombudsman)

 [CFPBOmbudsman@cfpb.gov](mailto:CFPBOmbudsman@cfpb.gov)

 855-830-7880 (Toll-free)

202-435-7880 (Direct)

202-435-9835 (TTY)



## OMBUDSMAN'S OFFICE

Advocating for Fair Process in Consumer Financial Protection

## About Us

The CFPB Ombudsman's Office provides an independent, impartial, and confidential resource to informally assist consumers, financial entities, consumer or trade groups, and others in resolving process issues with the Bureau.

## Questions on Your Mind

### What is a process issue?

A process is generally defined as a series of steps taken to achieve something. A process issue is a question, concern, or complaint about the steps taken or not taken to achieve something.

### How do you choose systemic process issues to study?

We choose where we think we can add value, in our unique role as an independent, impartial, and confidential resource, to assist both the public and the Bureau.

### How do you review process issues?

We consider if the Bureau is fairly applying a process already in place, whether the existing process needs to be changed, or if there should be a process where one does not exist.

## PRINCIPLES THAT GUIDE OUR WORK

### Independence

We are outside the Bureau's business lines, reporting to the Deputy Director with access to the Director. We serve as an early warning system and catalyst for change.

### Impartiality

We do not advocate for one side, but for a fair process.

### Confidentiality

We have safeguards for confidentiality, so you can share issues without fear of retaliation or retribution. The few exceptions to confidentiality are: threat of imminent risk of serious harm; an allegation of government fraud, waste, abuse; or if required by law.

## How We Do Our Work

We analyze and learn about all perspectives of an issue by:

- Looking at the applicable laws, regulations, policy, and data
- Talking with the individual and/or stakeholders involved
- Meeting with Bureau officials

We then may make a recommendation on how the Bureau should address the issue.

## We Do Not


- Address matters in litigation
- Delay statutory, regulatory, or other Bureau deadlines
- Make decisions or legal determinations for the Bureau
- Serve as a formal office of legal notice for the Bureau
- Address internal human resources matters

2018

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## Appendix 5: Double-Sided Brochure Insert

<h3>How We Can Assist</h3> <ul style="list-style-type: none"><li>Brainstorm and evaluate options and resources</li><li>Clarify expectations of CFPB processes</li><li>Conduct studies on broader issues</li><li>Describe available options</li><li>Engage in shuttle diplomacy</li><li>Explore options for managing and resolving issues</li><li>Facilitate discussions</li><li>Function as an early warning mechanism</li><li>Give an impartial perspective</li><li>Listen to all sides</li><li>Make recommendations</li><li>Offer feedback</li><li>Provide conflict and problem resolution coaching</li><li>Provide suggested resources in/outside the CFPB</li><li>Serve as an independent advisor</li><li>Share independent analyses</li><li><i>Any other creative idea....</i></li></ul>	<h2>Advocating for fair process</h2> 
<h3>How We Connect with Our Stakeholders</h3> <ul style="list-style-type: none"><li>Conduct webinars</li><li>Speak at conferences</li><li>Offer Ombudsman's Office webpage link for a group's website</li><li>Make informal visits to financial entities' operations</li><li>Hold introductory meetings with groups</li><li>Participate in teleconferences with a group's membership</li><li>Meet with boards of directors</li><li>Share our brochures, annual reports, and other materials</li><li>Provide an overview paragraph for a group's newsletter describing our role</li><li>Record an audio segment for a group to share with its membership</li><li>Offer recurring meetings to connect with groups</li><li><i>Your creative idea here....</i></li></ul> <p><i>To schedule an outreach opportunity, contact us at: 855.630.7880 (toll-free) <a href="mailto:CFPBombudsman@cfpb.gov">CFPBombudsman@cfpb.gov</a></i></p> <p>September 2016</p>	<h2>consumerfinance.gov/ombudsman</h2>

## Appendix 6: Advocating for Fair Process: Sample Issues



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### Advocating for Fair Process: Sample Issues

#### Contacting the Bureau

- How non-consumers contact the CFPB on the telephone (2017)
- Where to send written correspondence to the Bureau (2017)
- The process for requesting speaking engagements (2013)

#### The Bureau's Engagement with the Public

- Noting on translated blog posts updates forthcoming to match English updates (2020)
- Providing information on CFPB public actions and redress (2014, 2019)
- Feedback re correspondence to industry on assessment of diversity practices (2019)

#### The Public's Engagement with the Bureau

- Clarifications re announcement, processes for small business lending discrimination complaints (2020)
- The process to memorialize *ex parte* communications in the regulatory process (2016)
- How the CFPB learns about industry developments (2014)

#### Consumers' Experience with the Consumer Complaint Process

- Setting expectations (2012+); inbound referrals (2019); process misconceptions (2020)
- Ensuring equal access to the process (for those without computers (2012) and for incarcerated consumers (2020))
- Third party involvement in the consumer complaint process (2015, 2018)

#### Industry's Experience with the Consumer Complaint Process

- Addressing technical issues with the complaint process (2016, 2018)
- Clarifying correspondence to industry on joining the company portal (2015, 2017)
- Defining company response options for the Consumer Complaint Database (2015)

#### Clarity Around the Enforcement and Examination Processes

- Information provided during and at the conclusion of examinations (2020)
- How supervision and enforcement intersect in practice (2015)
- Reviewing and describing the presence of enforcement attorneys at examinations (2012)

#### The Processes Around Industry Compliance

- Updating webinar legal disclaimers to describe appropriate use of information (2018)
- Submitting questions about Bureau regulations (2017)
- Enforcement warning letter project (2016)

#### How the Bureau Uses Information

- Updating guidance on when the CFPB chooses to endorse an entity (2018)
- Consumer complaint issue choices as published in Consumer Complaint Database (2016)
- Normalization of complaint data (2015)

#### The Public's Use of Bureau Resources

- Ensuring access for the visually impaired to the website and print materials (2014, 2018)
- Placement of and information about the whistleblower line on the website (2017)
- Educating about the Bureau's amicus program (2014)

## Appendix 7: Program Overview: Post-Examination Survey Beta Test



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### Program Overview Post-Examination Survey Beta Test

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#### About Our Office

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The [CFPB Ombudsman's Office](#) provides an independent, impartial, and confidential resource to informally assist individuals, financial entities, consumer and trade groups, and others in resolving process issues with the CFPB. We focus on CFPB process, not policy, and serve as an advocate for fair process in consumer financial protection. More information is on our [webpage](#), in our [brochure](#), and in our [FY2019 annual report](#).

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#### Program Development

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The CFPB asked us to consider conducting a post-examination survey as an independent resource. We also heard about the interest in a post-examination survey in our 2018 Ombudsman Forum with industry groups, as described in that year's [annual report](#). In addition, some of the other federal financial regulatory agency ombudsman offices conduct post-examination surveys.

In thinking about whether to proceed, we considered our ombudsman professional standards of practice of independence, impartiality, and confidentiality, as well as the mechanics of conducting such a survey. We then decided to first conduct a beta test to develop a set of best practices in a small-scale environment. The beta test provides an opportunity for us to consider establishing a survey tool to confidentially gather feedback from supervised entities in accordance with our professional ombudsman standards of practice.

We hosted information sessions on September 2 and 10 about the beta test with trade groups we have connected with over time. We also provided the opportunity for the groups to invite their member entities to join one of the sessions.

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#### Participant Selection

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The CFPB provided the Ombudsman with a list of supervised entities. The Ombudsman then selected a small group of entities taking into consideration different CFPB regions, entity product lines, and types of entities. The beta test does not include prioritized assessments.

Participation in the beta test is voluntary and is an opportunity to help develop a unique program that should be helpful to the CFPB and the public. You may also identify a different representative from your entity to participate as long as the person is familiar with the CFPB examination that is the subject of the survey.



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### Methodology

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We created a hypothesis, which articulates our goals and objectives for the beta test. We developed the beta test with a learning mindset to further understand your entity's experience with the examination process. We plan to use open-ended questions which will allow for a conversational format engaging around the information provided by the entity and issue identification without presuming a problem area in any part of the examination process. In keeping with the way we approach all of our work, the beta test will use informal issue resolution techniques.

We will be re-visiting our hypothesis at the conclusion of our beta test using a program evaluation framework. In doing so, our office will focus on developing the practicality of key components of a potential survey instrument by using our research from and observations of the beta test survey outcomes. We then will determine whether to make the survey a regular feature of our office.

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### Survey Structure

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At least two members of our Ombudsman's Office together will connect with you for a one-hour conversation on: (1) what worked well? (2) what did not work well, if anything? and (3) what would you change moving forward? The conversation will review the following topic areas:

***Supervision materials and resources*** – Includes topics such as information availability, functionality, and content for review by entity representatives who will engage with any part of the examination.

***Interpersonal communications*** – Includes communications between entity representatives and anyone at the CFPB before, during, or after an examination, using any medium or format.

***End of the examination*** – Includes topics such as timing, knowledge of outcomes or resolutions, clarity in expectations of closure, and awareness of the appeals process.

We designed the beta test to elicit feedback on process issues. The beta test is not an avenue to express disagreement with an exam finding or examiner performance. If there are concerns about a particular examination that an entity would like us to assist in addressing, someone else in the Ombudsman's Office will connect with the entity for a separate conversation. As a reminder, engaging with the Ombudsman's Office will not delay or stay any statutory, regulatory, or agency timeframes.

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### Confidentiality

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We will not share with anyone outside of the Ombudsman's Office which entities we selected or which entity representatives we contacted. In addition, we will safeguard the feedback in the same manner as any information we receive regarding CFPB activities.

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### Next Steps

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Primarily, we will use these communications to assist our team in refining a survey tool. We also will review the outcomes from the beta test to provide unattributed feedback and recommendations to the CFPB regarding the examination process, which we will summarize in our upcoming Annual Report.

## Appendix 8: Frequently Asked Questions About the Ombudsman Forum

### Frequently Asked Questions About the Ombudsman Forum

#### **What is an Ombudsman Forum?**

The Ombudsman Forum is another avenue for consumer, trade, and other groups to share feedback on their CFPB interactions as we, in turn, provide feedback and recommendations to the CFPB. For our half-day events, Ombudsman staff leads facilitated discussions, which allow participants to share feedback on the topics as well as offer their recommended solutions to any process concerns. In 2016, an Administrative Conference of the United States report on the federal ombudsman recognized our Ombudsman Forum program as one of our “innovations and promising best practices.”<sup>1</sup>

#### **What is facilitated discussion and how is it different?**

A facilitated discussion is a flexible process where a trained impartial third party assists in generating a conversation between participants. It differs from a presentation or training in its use of various methods and techniques where participants actively engage around specific topics to communicate concerns and generate options for resolution. For example, the Ombudsman may connect with participants by: creating space for various perspectives to be heard, asking follow-up questions, sharing information, reframing for understanding, testing an assumption, clarifying a concept, considering options, identifying interests, making connections, and utilizing other engagement methods.

#### **When did this program begin and what Forums have occurred?**

We began the program in 2015. Since that time, we have hosted eight Forums, including with industry groups, national and regional consumer groups, compliance officers of entities that engage with the CFPB, the associations of state regulators and their regulator members, and with advocates for small business. We have hosted Forums in Washington, D.C., Chicago, IL, Memphis, TN, and Oakland, CA.

#### **What are the criteria for hosting a forum?**

As shared in our [FY2018 Annual Report](#), p.26, we may schedule a new Ombudsman Forum with a stakeholder community we met with previously or with a new stakeholder community where: there is a request by the CFPB, particular stakeholder community, or other external stakeholders for the Ombudsman to have such a Forum; or the Ombudsman determines on its own that it may be useful to host a Forum as we provide feedback and make recommendations to the CFPB. For frequency and timing, we also will consider our impartiality professional standard of practice to balance hosting events over time with different stakeholder communities. In addition, hosting additional Forums will be subject to our budget and the availability of resources.

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<sup>1</sup> C. Houk et al., “A Reappraisal – The Nature and Value of Ombudsmen in Federal Agencies” (2016) (Report to the Administrative Conference of the United States) at Part 2, p.101.

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### **How do you implement your ombudsman professional standards of practice during a Forum?**

We communicate about the ombudsman professional standards of practice before, during, and after a Forum to describe them as well as to share how they function in practice.

**Independence:** The Ombudsman determines the topics, questions, and methods of facilitation for the Forum. In addition, all communications with prospective participants in anticipation of the event are just with the Ombudsman.

**Impartiality:** As with all of our work, the Ombudsman does not take the side of the CFPB or the side of the participants during the facilitated discussion.

**Confidentiality:** Our Forums are closed to the CFPB, the public, and the press, and we provide the location of the event to registered participants. We do not share who attends and we ask participants not to share that information as well. We also ask participants not to use social media, cell phones, or recording devices so that we can do these events again in the future. We take notes without attribution during the program so that we can recall what participants shared with us.

### **How does the Ombudsman prepare for and communicate about the Forum?**

Communication and preparation for a Forum begins with what we have heard through our ongoing conversations with internal and external stakeholders. We consider what process topics may be of interest to the particular stakeholder community as well as ask the CFPB and the stakeholder community for their topic suggestions. We then provide prospective participants with the topics in advance. In addition, we may offer the opportunity for groups to meet with us for office hours during the day of the Forum to discuss any CFPB process issue.

### **What does the Ombudsman ask of participants?**

We ask that participants share their perspectives on how the process topic impacts their work or the work of their group or entity. We ask that they include relevant examples, suggestions, or recommendations and consider ways to address any concerns presented if they were the CFPB.

### **What happens after the Forum?**

We consider the information we learn at the Forum as we provide feedback and make recommendations to the CFPB. We also provide unattributed feedback to the CFPB from each Forum and summarize it further in our annual reports.

