

Ensuring Accurate Debt Collection Calculations and Payments in Service Ownership Transfer (SOT)



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Customer



- Student Loan Servicer

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Business Challenge



- The Servicers sent periodic statements with inaccurate monthly payment amounts to consumers, and, incorrectly, enrolled some consumers in automatic debit during service transfer resulting in inaccurate amounts being debited from their accounts.

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Business Impact



- Failure to provide an accurate periodic statements will lead to impacted borrowers submitting an inflated payment or late fee being assessed for failing to submit the inflated payment by the due date, specifically, during the transfer of loans between servicing systems, data mapping errors led to inaccurate calculations of monthly payment amounts.

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Solution and Execution



The Copasys solution:

1. Highlights loans transferred by the prior servicer and helps validate that requirements were completed.
2. Highlights consumers with active initial periodic statements and prompts the auditor to ensure statements were sent with accurate account information

Audit result is published as 'Compliant' when the statement is provided to the consumers with accurate information and 'Non-compliant' when statements are not provided at all or when the notices are provided with inaccurate account information.

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Business Value



Initiating certain SOT and collection related rules along with effective remediation activities helps:

Significantly reduce the consumers' risk of inappropriate and/ or invalid debt collection practices.