

# How the Dispute Process Works

## Overview

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This page outlines how the dispute process works at Crowned Credit, from onboarding completion to graduation. The goal is to give CSRs a clear understanding of **what happens behind the scenes**, so they can confidently explain timelines, results, and expectations to clients.

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## Dispute Process Flow

### Step 1: File Preparation

- Review credit report (via SmartCredit / compatible platform)
- Identify negative items (collections, charge-offs, lates, repos, etc.)
- Validate personal information (name, address, SSN consistency)

### Step 2: Strategy Assignment

- Accounts categorized based on type and difficulty and coded accordingly
- Dispute reasons selected based on:
  - Reporting accuracy
  - Documentation gaps
  - Legal compliance (FCRA, FERPA for student loans)

### Step 3: Round Submission

- Disputes submitted to:
  - Credit bureaus (Experian, Equifax, TransUnion) via CFPB electronically
  - Creditors / collection agencies (depending on strategy)
  - Innovis for secondary bureau disputes

### Step 4: Investigation Period

- Bureaus have up to **30 days** to investigate
- We are due to pull the report once this period is over, and also send out the next round of disputes within 1-2 business days

### Step 5: Results & Analysis

- Outcomes:

- Deleted - Resolved.
- Updated - Reassure client that this is a good sign that we are heading in the right direction.
- Verified (remains) - Rechallenged automatically in the next round.
- Strategy adjusted for next round

### Step 6: Iteration

- Disputes continue in cycles (Rounds 2, 3, etc.)
- Approach becomes more targeted and aggressive when needed

## Key Timelines (CSR Talking Points)

- First results: **30-35 days after round is sent**

☐ **Internal note:** Round results are due to be pulled exactly 30 days after the first round is sent as long as there are no processing issues, timeline range is to provide leeway for possible delays from credit monitoring issues, weekends, other scenarios.

- Some items will most likely take **multiple rounds**, especially when the creditors are fighting back against the disputes by providing documentation to verify the accounts

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## What Determines Success/Timeline

### Factors:

- Type of account (collections vs charge-offs vs repos)
- Creditor behavior (e.g., Discover, Capital One = high resistance)
- Documentation quality
- Reporting inconsistencies
- Client profile (history, open accounts, etc.)

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## Common Misconceptions

### “Everything should be removed in one round”

→ Disputes are a **process, not a one-time action**

### “No mail = no progress”

→ Results are tracked digitally regardless of mail delivery

## “Score should always go up”

→ Scores fluctuate depending on overall credit activity

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# CSR Positioning Framework

CSRs should communicate:

- We **are actively working on their file and using different methods to dispute their negatives**
- We **do not control bureau decisions and bureau response times**
- Results are **based on investigation outcomes**
- The process is NOT STAGNANT, we do not send out the same letters each round. We carefully review, analyze and adjust our strategies based on the previous round.

### ⚠ **Internal Notes:** (DO NOT DISCLOSE)

- Direct to creditor disputes are done even on Essentials process, coding/tagging just differs per service level (Essentials vs. Accelerated), the process for Accelerated/Momentum is just more aggressive. Regardless of the program, uploading the responses from the creditors and relaying it to the dispute team still needs to be done.

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