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What compliance looks like: Training a compliance officer

by Gil Van Over

You are moving right along with me on our ambitious journey to understand what compliance looks like. So far, you have made it known throughout your dealership that you enjoy sleeping at night and are serious about compliance. You have also named someone with some juice to oversee your new program. Now what?

I made a presentation at the Chicago Auto Trade Association last Friday on compliance. As an aside, I am available to speak to your dealer associations. Give me a call.

One attentive gent came up after the presentation and informed me that he had just been named Compliance Officer for his dealer's group of four stores. He thanked me for my time then started asking questions that gave me a sense that he wanted to do the right thing, but just wasn't sure where to start. I suspect your new Compliance Officer might be in the same position

First things first. Go back to last week's column and review the job description. Many of the elements of the description will give you an idea of what your new Compliance Officer must be trained on, including the Acts (Truth in Lending, Fair Credit Reporting, Equal Credit Opportunity, Fair and Accurate Credit Transactions), the Acts resulting Regs (Reg Z, Reg B, Reg M) and the Rules (Used Car, Safeguards, Privacy).

You can easily find the Acts and the Rules via the internet. For example, use your favorite search engine and enter the keywords "Equal Credit Opportunity Act". Your result will be in the thousands, but a link to the actual law should show up on the first few pages.

Next, get your Compliance Officer certified by the Association of Finance and Insurance Professionals (www.AFIP.com). This independent association certifies thousands of F&I and Sales Managers annually and provides a college-level course as preparation for its certification exam. A beautiful side benefit of this certification is training in the Acts, the Regs and the Rules in one resource.

Finally, encourage ongoing reading and training. Your Compliance Officer must stay up to speed on the shifting requirements being placed on car dealers. There are bountiful publications available to stay current, including Dealer Magazine and Spot Delivery (www.counselorlibrary.com). You should subscribe today.

Another useful tool is my search engine of choice, Google. I honestly don't know if the other search engines offer alerts like Google does, and if they do, this is not intended as a slight. I simply am writing about what I know and do.

A Google alert is easy to set up and you can have as many as you want. The price (free) is also attractive.

When you set up an alert, Google will search the internet on a daily basis and return to you any articles or news that contains your keywords. I have a number of them set up, for example “Equal Credit Opportunity Act”, “Identity Theft” and “Car Dealer Fraud” are three alerts that seem to return the most hits.

Next week, I will start reviewing how to communicate the expectation of your new compliance program. Until then, good luck and good selling.

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