

Process for Granting NMLS Course Approval

Purpose

The purpose of this document is to outline the process that NMLS will employ when evaluating a course provider's application to have course become NMLS approved.

Background and Reason for the Process

The Secure and Fair Enforcement for Mortgage Licensing Act (SAFE Act) requires that the Nationwide Mortgage Licensing System & Registry (NMLS) review and approve all pre-licensure and continuing education courses that are to be offered to state-licensed mortgage loan originators and are intended to satisfy the 20 hours of pre-licensure education and/or 8 hours of annual continuing education. In order to meet its mandate as required by the SAFE Act, NMLS requires that those individuals/organizations who desire to have their pre-licensure or continuing education courses approved by NMLS must first register and be granted approval to become an "NMLS Approved" course provider. Once approved by NMLS, course providers must submit to have their NMLS course(s) approved. As a means to maintain integrity within the industry, NMLS has developed six criteria that a course must satisfy as a precondition to being listed as a "NMLS Approved" or "SAFE Compliant" course by NMLS. Using the criteria as written in the *Policy on Criteria for Granting Approval for a Course to Become NMLS Approved*, and in combination with the application forms that are required to be submitted with the course application package, NMLS will employ the following process to evaluate and make a determination regarding an applicant's request to have a NMLS course approved.

Process for Evaluating Course Applications

In considering a course provider's application to have a NMLS course approval, the following process will be employed:

1. **Receipt of an Application:** Course providers are required to submit their course applications online. Specific information detailing the application process is available on the NMLS Resource Web site and detailed instructions are contained in the *User Guide: NMLS Course Approval Application Process/Account Set-up & Maintain Course Offerings*.

NMLS has contracted with Pearson VUE to manage the technology associated with the application and approval process. Once a course provider has submitted an application through the online system, a confirmation e-mail will be sent stating that NMLS has received the application. Course providers are informed they should wait 30 days from the date of the initial receipt for the applications to be processed.

Applications that are in queue and pending processing are held in a “Pending” status.

2. **Application Review:** Once the application review process has begun, the course application’s status is changed from “Pending” to “In Review.” During the review process, NMLS course evaluators will thoroughly review all of the course information that the course provider has submitted. The review will also include completing an evaluation form, which is included as Appendix A of this document.
3. **Notification of Deficiency:** If during the evaluation process any deficiencies are identified, the course provider will be notified by NMLS as soon as possible. Course providers will have 30 days from the date of the deficiency notice to address the deficiency. If the deficiency is not addressed within 30 days from the date of the deficiency notice, then the course application will be denied with all fees forfeited.
4. **Approval Recommendation:** An application that has met all of the approval criteria will have its status changed from “In Review” to “Approval Recommended.” Approval recommended means that the application has been reviewed by NMLS and that it is being recommended to the NMLS Education Governance Board for final approval. The Governance Board is comprised of a number of State Regulators and is the body ultimately responsible for either approving or denying an applicant’s request for to become NMLS Approved.
5. **Approved:** Courses that have received approval will have their application statuses set to “Approved.” Once the course application has been marked approved, the course provider will receive an e-mail notification of the approval and the course will be granted an “NMLS Approved” status
6. **Denial Recommendation:** If, after the review process, a determination has been made that the applicant be denied NMLS approval, the application status will be changed to “Denial Recommended.” Denial recommended means that the application has been reviewed by NMLS and that a recommendation is being made to the NMLS Education Governance Board that it denies the applicant’s request for the course to become NMLS approved.
7. **Denied:** If the course application fails to demonstrate compliance with one or more of the criterion, the course application status will be set to “Denied” and the course provider will be informed via formal letter of the decision and its reason(s). Course providers have 30 days from the date of the denial letter to file an appeal of the decision. If after 30 days from the date of the denial letter, NMLS does not receive notification in writing from the course provider that the decision will be appealed, then the denied status will remain.
8. **Under Appeal:** If a course application to have an NMLS course approved is denied, the course provider has 30 days from the date of the denial letter to

file an appeal. Upon written receipt of the intention to file an appeal, the course application will be changed from “Denied” to “Under Appeal” status. Once NMLS receives the information required to begin a second review of the course application, then the application’s status will be changed to “In Review,” and the course application process will begin again. A course provider may only file an appeal once during any 12 month period.

Successful Demonstration that Criterion Has Been Met

As part of the approval process, courses are required to demonstrate that they have met all six of the criteria listed in the *Policy on Criteria for Granting Approval for a Course to Become NMLS Approved*. Upon approval of the course application, the course provider will have its course included in the “NMLS Approved Course Catalog” which will appear on the NMLS web site.

Application Deficiencies

If during the evaluation process a course’s application is found to be deficient in any area, the course provider will be notified and will be asked to address the deficiency. The applicant will have 30 days from the time of notification to address the deficiency.

Failure to Demonstrate that Criterion Has Been Met

Failure to demonstrate compliance with one or more of the criteria listed in the *Policy on Criteria for Granting Approval for a Course to Become NMLS Approved* will result in denial of the course application. A denied course application will render the course as being non-SAFE compliant and may not be marketed or promoted as being “SAFE Compliant” or NMLS Approved.”

Revocation of NMLS Approved Status

A course’s NMLS Approved status may be revoked or suspended if it is later discovered that the application contains incorrect or misleading information or if it is discovered that the course provider is not operating in a manner as stated in the course application.

Right to Appeal

Providers whose course applications have been denied may appeal the decision within 30-days of the date of the denial letter, and their applications will be reconsidered, provided the course providers can show evidence that the course application now meets all six of the criteria contained in the *Policy on Criteria for Granting Approval for a Course to Become NMLS Approved*.

Appendix A

NMLS Evaluation Form

Course Application

The following form is to be used in the evaluation process for determining whether or not to approve a request to have an NMLS course approved. After completing this form, a copy of it should be kept as part of the course provider’s permanent file.

Course ID _____

Date of Review _____ **Reviewer** _____

Ranking:

1 = Needs work; may be missing critical elements and/or provides weak explanation.

2 = Acceptable; includes minimum explanation.

3 = Meets objectives: provides clear, well-written explanation.

Instructional Delivery (Classroom/Classroom Equivalent Courses)				
Category	1	2	3	Comments
Syllabus: <ul style="list-style-type: none"> - Identifies the course and success requirements. - Lists the key objectives of the course and identifies specific points or concepts that the students need to focus on. - Identifies the instructor and contact information 				
Course Objectives: <ul style="list-style-type: none"> - Identify what the student will learn by taking the course. - Identifies what success factors are for completing the course. - Aligns with classroom format and activities. 				
Materials/Text: <ul style="list-style-type: none"> - Materials are current (timely) and appropriate for the course topic. - Materials are formatted in such a way as to be useful and support effective instruction. - Materials contribute to ensuring course quality and rigor. 				
Instructional Methods/Strategies: <ul style="list-style-type: none"> - Instructional methodology provides for instructor/student interaction. - Activities support learning objectives. - Instructional methodology is appropriate for classroom format. 				
Course Completion Requirement: <ul style="list-style-type: none"> - Requirements for course completion are articulated. - Measures for course completion are evident. 				

Instructional Delivery (Online Courses)				
Category	1	2	3	Comments
Student Support and Resources: <ul style="list-style-type: none"> - Course provides necessary course-specific resources, materials, contact information, and technical support. 				
Course Organization and Design: <ul style="list-style-type: none"> - Course is well organized and easy to navigate. - Aesthetic design presents and communicates course information clearly throughout the course. - All pages/modules are visually and functionally consistent throughout the course. 				
Instructional Design/Delivery: <ul style="list-style-type: none"> - Course offers ample opportunities for interaction and communication student-t-student, student to instructor, and student to content. - Course goals are clearly defined and aligned to learning objectives. - Course provides multiple activities that help student to develop learn the material and reinforces learning. - Activities are design to promote instructor to student interaction. 				
Use of Technology: <ul style="list-style-type: none"> - Course uses a variety of technology tools to appropriately facilitate communication and learning. - Course optimizes features of the Learning Management System (LMS) to delivery an engaging course. 				
Student Feedback: <ul style="list-style-type: none"> - Instructor offers multiple opportunities for students to give feedback on course content. 				

Instructional Qualifications <i>(expected response is yes; any no response requires clarification)</i>	Y	N
Is the instructor qualified to teach this specific course based upon either academic or professional experience?		

Approval Criteria <i>(expected response is yes; any no response requires clarification)</i>	Y	N
Criteria 1 – Possess Learning Objectives: does the course contain learning objectives that describe what the student should know or be able to accomplish upon completion of the course?		
Criteria 2 – Course Must Have Sufficient Material: does the course contain sufficient course materials to support quality instruction relevant to the subject of the course.		
Criteria 3 – Sufficient Difficulty: is the course of sufficient rigor as to prepare the student to work within the industry? If this is a continuing education course, does the course possess a degree of difficulty and it designed to enhance the professional competence and/or professional responsibility of the mortgage lending officer?		
Criteria 4 – Be of Sufficient Length: does the course meet the minimum number of hours as required by the SAFE Act and/or the length being requested for approval?		
Criteria 5 – Be Delivered in an environment Conductive to Learning: is the course being administered in a physical environment that is appropriate for adult education? If this is an online course, is a Learning Management System (LMS) being properly employed?		
Criteria 6 – Have a Defined Start and End time: for pre-licensure courses, is the courses designed with a fixed start and end time?		

Clarifications and/or Comments <i>(list any clarifying comments here):</i>

Final Recommendation <i>(list any comments below)</i>	Y	N