



Nationwide Mortgage Licensing System and Registry
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Correctly Administering Online PE Courses – NMLS continues to remain concerned that online PE courses are not being administered in the format prescribed in the Functional Specification. As a general rule of thumb courses should be administered as a course would be at a community college. Specifically:

- Online PE courses are to be instructor-led with significant interaction occurring between the instructor and student.
- Students are to complete the course as part of a cohort (not independent study) with all students in the course starting and completing the course at the same time.
- Instructors are required to engage with the students, facilitate the completion of assignments and lead discussions, etc.
- Providers must ensure students complete the course within the required start and end times. Short-term extensions may be granted for extenuating circumstances (i.e. illness) but there is no such thing as taking a year to complete the course.

Workshop for Online Instructor-Led Courses – NMLS hosted its first workshop on November 18th for online PE courses. More than a dozen providers attended. The next workshop is scheduled for December 9th from 12:30 – 2pm EST for course providers who are offering or are considering offering online PE courses. If you have already registered for the workshop you do not need to do so again. Login information will be disseminated on December 8th.

This workshop, which is a webinar, will review various aspects of the *Functional Specification for NMLS Approved Instructor-Led Online Courses*. The workshop will discuss how NMLS defines “online instructor-led” and will demonstrate various types of activities that can be employed to create highly interactive and engaging courses. NMLS will continue to host various workshops throughout 2010 on this and other topics.

Course Auditing Underway – NMLS has begun implementing its multi-phase auditing program. The auditing program consist of several components including surveying students who have completed a course in the past 30 days; “mystery course takers” who will take courses in each of the classroom formats, and site visits. While the intent of the audits is to ensure policies and procedures are being followed, a core objective is to provide timely and constructive feedback regarding how courses are being delivered. Providers will begin to receive feedback regarding results of the audits starting in January 2010.

State Education Content – As many of you know, a number of states have a requirement that a specific number of pre-licensure education hours be devoted to covering state laws and regulations. NMLS is paying particularly close attention to these requirements. Content outlines or guidance has been provided by NC, OH, and PA for what material should be covered in the hours required by the state (let us know if you need this information). If no content outline is available, providers are advised to use the content outline for the State Component of the SAFE test. Providers can also use the following guide for weighting of topics:

Content Domain	Content Percentage
State Department of Financial Institutions	5-10%
State Law and Regulation Definitions	10-15%
License Law and Regulation	20-25%
Compliance	45-50%
Disciplinary Action	10-15%

Addressing Deficiencies – A significant number of courses that are submitted to NMLS for approval are returned with deficiencies that need to be addressed before the course can be approved. A continuing trend that we’ve noticed is providers taking the course evaluator’s feedback and simply cutting and pasting the changes into course content. Providers should be advised that comments from the evaluators are not to be used as a quick fix to address content deficiencies. Rather, providers are to use the comments to help address deficiencies and to adding and/or modifying content to enhance the course, correct errors, and demonstrate an understanding of the material to be taught.

Highlighting Changes Can Help Reduce Evaluation Time – Want to do something that will help to get your resubmission evaluated more quickly? Highlighting or “red lining” where changes have been made to the course will assist the course evaluator quickly identify those areas where the

content has been updated and will help to reduce the amount of time it takes to re-evaluate the course. Providers should also ensure that all comments made by the evaluators are addressed.

Course Description in the Master Course Catalog: Just a reminder: you can now include course descriptions along with the course title and offerings in the NMLS Master Course Catalog. To include a course description in the catalog, here is what you need to do:

- For courses submitted prior to October 16 (approved and pending), providers should submit the course descriptions as they would like for it to appear in the catalog via e-mail to nmls.ed@stateregulatoryregistry.org. In the e-mail please be sure to include your company name, NMLS provider ID number, the course name, classroom format, and the course ID number (if the course has been approved). The catalog will begin to be populated with course descriptions by mid-November.
- Course descriptions cannot be longer than 500 characters. NMLS reserves the right to edit any description that is longer than 500 characters.
- Be sure to carefully edit and spell check the course description prior to submitting it to NMLS.
- Course descriptions are intended to provide an overview (i.e. a description) of the course; *the space may not be used for marketing purposes*. Descriptions may not include any language that is intended to promote the provider and/or its services. Text submitted in all-caps will be rejected. *NMLS reserves the right to edit or remove any course description that it deems to be inappropriate.*

Additional State Test Component Released - The next set of state test components (AR, MS, NE, NM, NY, and SD) are set to be released on Thursday, December 10th. The components are currently open for enrollment, and the corresponding content outlines are located on the NMLS Resource Center testing page.

Coming Soon: New Portal for Course Approval Tracking: Within the next couple of weeks NMLS will launch a new portal that will allow provider's to login to see the status of their course submissions, submit additional course materials, and to view and respond to course evaluator comments. While providers will be required to continue to use the existing PULSE portal to pay fees and maintain their course offerings, the new portal will be used to manage course materials and to track the status of their approval applications. Once the portal is fully functional in January 2010, NLMS will only accept course material in electronic format. Going fully digital has many benefits:

- By not having to ship material to the evaluators, NMLS can reduce the approval process time by as much as 10 business days.
- Providers will receive near real-time feedback on evaluations.
- Providers will no longer be forced to incur printing or shipping expenses.
- NMLS will be doing its part to assist in managing the environment.

What's Coming Soon! Keep an eye out for the following:

- Workshop for Online Instructor-led Courses – December 9th, 12:30 -2pm EST

- NMLS will be closed on December 24th & 25th in observance of Christmas Day
- NMLS will be closed on December 31st & January 1 in observance of New Year's Day
- PULSE Call Center will be closing at noon on December 24th and December 31st

NMLS User Conference - February 9-11th in San Diego, CA. A number of sessions are planned that will speak directly to testing and education. Registration information is available at

<http://mortgage.nationwidelicencingsystem.org/news/events/Pages/UserConference.aspx>

Feb 9: 9am – 12pm Pre-Conference Sessions:

New Education Providers: How to Become an Approved Provider

This power session will inform you of everything you need to know regarding how to become an approved course provider and how to submit courses for approval. Learn about the course formats, state requirements, and how to build and maintain your relationship with NMLS. After this session, you'll also know what course evaluators are looking for in course content as well as common mistakes to avoid.

Feb 9 3:30 – 5pm General Session: NMLS Testing and Education Update and Discussion

Chairman of the NMLS Mortgage Testing and Education Board and NMLS staff will provide an update on the implementation of the SAFE Mortgage Loan Originator Test and NMLS approved education programs. Discussion will focus on the roll-out of the test nationwide, testing and education progress on a state-by-state level, and the certification process.

Feb 10: 3:15 – 5pm Education Provider Track

Jam-packed session devoted to covering information on the course approval process and what NMLS is looking for in course content, an overview of the requirements for the 2010 course renewal process, and discussions regarding evolving trends and observations in education delivery methods. NMLS will also present key findings from its multi-phase auditing process. The session will also include a sharing of "lessons learned" from fellow course providers.

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