



Nationwide Mortgage Licensing System and Registry
1155 Connecticut Ave., N.W.
Washington, D.C. 20036

NMLS Course Provider Newsletter Issue 6, November 5, 2009

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Please Use the User Guides – NMLS has written three User Guides that will answer a majority of the questions a provider will have. These are:

- NMLS Course Provider Application Process
- NMLS Course Approval Application Process, Account Set-up & Maintain Course Offering
- Reporting of NMLS Approved Course Completions (Credit Banking)

All three of these user guides are available in the NMLS Resource Center > Course Providers > Course Provider Resource Page.

New Requirement for Credit Banking – Effective Friday, November 13th, an enhancement will go live in the PULSE database that will require a provider to input a student's last name along with the NMLS ID number as part of the credit banking process. The system will perform a validation check to ensure the NMLS ID number and the last name match. This validation will help to ensure that an individual doesn't get credit for a course they didn't take because the wrong number was entered into the system. Please note that students need to provide to you their last name as it appears in NMLS or the validation will fail. This change will be reflected in an updated version of the User Guide on Credit Banking to be published next week.

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 as a guide for course development. Courses and/or content intended to satisfy a state's requirement is required to focus on state-specific laws and regulations and except as necessary to reference back to a specific federal law should not contain content detailing Federal law, the Federal SAFE Act or a significant amount of transitional information that will soon be outdated. With the exception of Minnesota, every state passed a SAFE law this year so please make sure all state-specific content is up-to-date.

Workshop for Instructor-led Online Courses – NMLS will be hosting a workshop on November 12 from 12:30 – 2pm EST for course providers who are offering online PE courses. This workshop, which will be in a webinar form, will review various aspects of the *Functional Specification for NMLS Approved Instructor-Led Online Courses*. The workshop will discuss how NMSL defines “online instructor-led” and will demonstrate various types of activities that can be employed to create highly interactive and engaging courses. Specific details for how to register for the workshop will be sent to providers on November 6. Any provider currently offering online PE courses is strongly encouraged to attend.

Rules of the Road – On October 28th, NMLS sent out a message to all approved providers titled “Reminder – Rules of the Road.” The intent of the message was to remind providers of critical tasks that must be completed in order to schedule and credit bank a course. Here is a quick summary of the reminders:

Reminder 1: All courses you intend to offer for PE or CE education that are intended to satisfy an MLO's education requirement as required by the SAFE Act must be approved by NMLS.

Reminder 2: Every time you intend to offer a course you must have a course offering set up in the database equal to the number of hours that the course is approved for. Without a course offering, you can't give a student credit for completing the course. Offerings cannot be set-up retroactively.

Reminder 3: Credit banking must occur within seven (7) calendar days of the course end date.

Reminder 4: Pay close attention to which course you're setting-up an offering for. Many courses are offered in multiple formats.

Reminder 5: You can only teach the course(s) that you have been approved for. A provider cannot teach somebody else's course.

Reminder 6: Course must be taught for the number of hours that the course is approved for.

Reminder 7: If a course is approved conditionally, the conditions must be satisfied before the course can be taught.

Questions regarding any of these reminders can be directed to either Rich Madison or Jessica Ayton.

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. One 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 taken as a quick fix to address content deficiencies. Rather, providers are encouraged to use the comments to address deficiencies and to add and/or modify content in such a way as to enhance the course, correct errors, and demonstrate that they have an understanding of the material to be taught. NMLS also encourages providers who include a glossary in their material to consult a legal dictionary or other reputable recognized source to ensure an accurate understanding of terms. Additionally, providers are reminded that comments are not intended to be "edits" or "proofreading" and that as the organization that submitted the course for approval, it is your responsibility to ensure that the course contains current and accurate content and that the material has been proofed for grammar and spelling. Courses that are found to have a gross number of spelling or grammatical errors and/or content that is inaccurate or outdated will be denied.

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 to 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.

Inappropriate Use of NMLS Approved Provider and Approved Course Logos – Please remember that the NMLS Approved logos are intended to be used only on web sites and/or on marketing materials. The logos are not to be displayed on internal documents, course completion certificates, or on materials that may infer or improperly give the impression that NMLS has endorsed or given approval to something that it has not. Additionally, the NMLS logos are not to appear in conjunction with the promotion of any test-prep or other course/program that NMLS has in fact not approved or endorsed. NMLS has been in touch with several organizations over the past several weeks and has requested that logos be removed from specific pages and will continue to proactively enforce this policy.

Education Audits – As was mentioned in the October 19th Newsletter, NMLS has begun implementing its auditing program. The audits 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.

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 that were submitted on or after October 16, the provider now sees an input field in the course application form that will hold up to 500 characters of text.

- For courses submitted prior to October 16 (approved and pending), providers should submit the course descriptions(s) as they would like for it to appear in the catalog via e-mail to nmls.ed@statereregulatoryregistry.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.*

Facts about the SAFE Mortgage Loan Originator Test

- The number one question we receive about the test concerns the use of calculators. We are asked daily “Can I take a financial calculator with me into the test center?” The answer is no. **Candidates are NOT allowed to take personal calculators or financial calculators into the test centers. Only basic 4-function calculators are necessary for the test, and they are provided at all of the test centers.**
- *The pass rate for the National Component of the test as of October 31, 2009 was 71%*
- As required by the SAFE Act, in order to pass the test, a candidate must achieve a score of at least 75%.
- Test-takers do not need to wait for their state to come onto the NMLS system before taking the National Test Component. Any individual who is an MLO or seeks to become an MLO can take the national component right now.
- The MLO Testing Handbook has everything a candidate needs to take the SAFE Mortgage Loan Originator Test. It is located here: [NMLS Resource Center > Professional Requirements > Testing](#).
- All MLO’s, regardless of time in industry or any previous education or testing exemption, are required to take and pass the National Component of the test by December 31, 2010 or sooner as required by state law.

Additional State Test Component Outlines Released - New [content outlines](#) have been posted for the following state specific test components: Arkansas, Mississippi, Nebraska, New Mexico, New York*, and South Dakota. Candidates will be able to begin enrolling for these state test components on November 10th, and the first test appointments will be available beginning December 10th.

(New York's enrollment has been postponed and the first date of enrollment is TBD.)

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

- NMLS will be closed on November 11 in observance of Veteran's Day
- Workshop for Online Instructor-led Courses – November 12, 12:30 -2pm EST

NMLS Testing and Education Contacts:

Pete Marks
VP, National Mortgage Education Programs
202.728.5723
pmarks@csbs.org

Rich Madison
Director, Mortgage Education Programs
202.728.5737
rmadison@csbs.org

Anne Altman
Manager, Mortgage Testing Programs
202.728.5737
aaltman@csbs.org

Jessica Ayton
Coordinator, Mortgage Education Operations
202.728.5739
jayton@csbs.org

Pulse Customer Support (for course submissions or credit banking): 877-234-6090

NMLS Call Center: 240.386.4444