



DEPARTMENT OF
**SAVINGS AND
MORTGAGE LENDING**

State Examination System (SES) Adoption and Onboarding

Chief Mortgage Examiner
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November 6, 2023

Overview

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What is the State Examination System (SES)?

- SES is a web-based platform managed by the Conference of State Bank Supervisors (CSBS), the same organization behind the Nationwide Multistate Licensing System (NMLS).
- The purpose of SES is to support the supervision and complaints processes for state regulators and the companies they supervise.
- SML will utilize the SES secure online platform to manage the end-to-end workflow for examinations.

SML Adoption



- Utilized in Multistate Mortgage Committee (MMC) Exams
- Supports the exam management process
- Streamlines exam process
- Standardizes the supervisory process
- Fosters collaboration amongst state agencies

Supervisory Activities

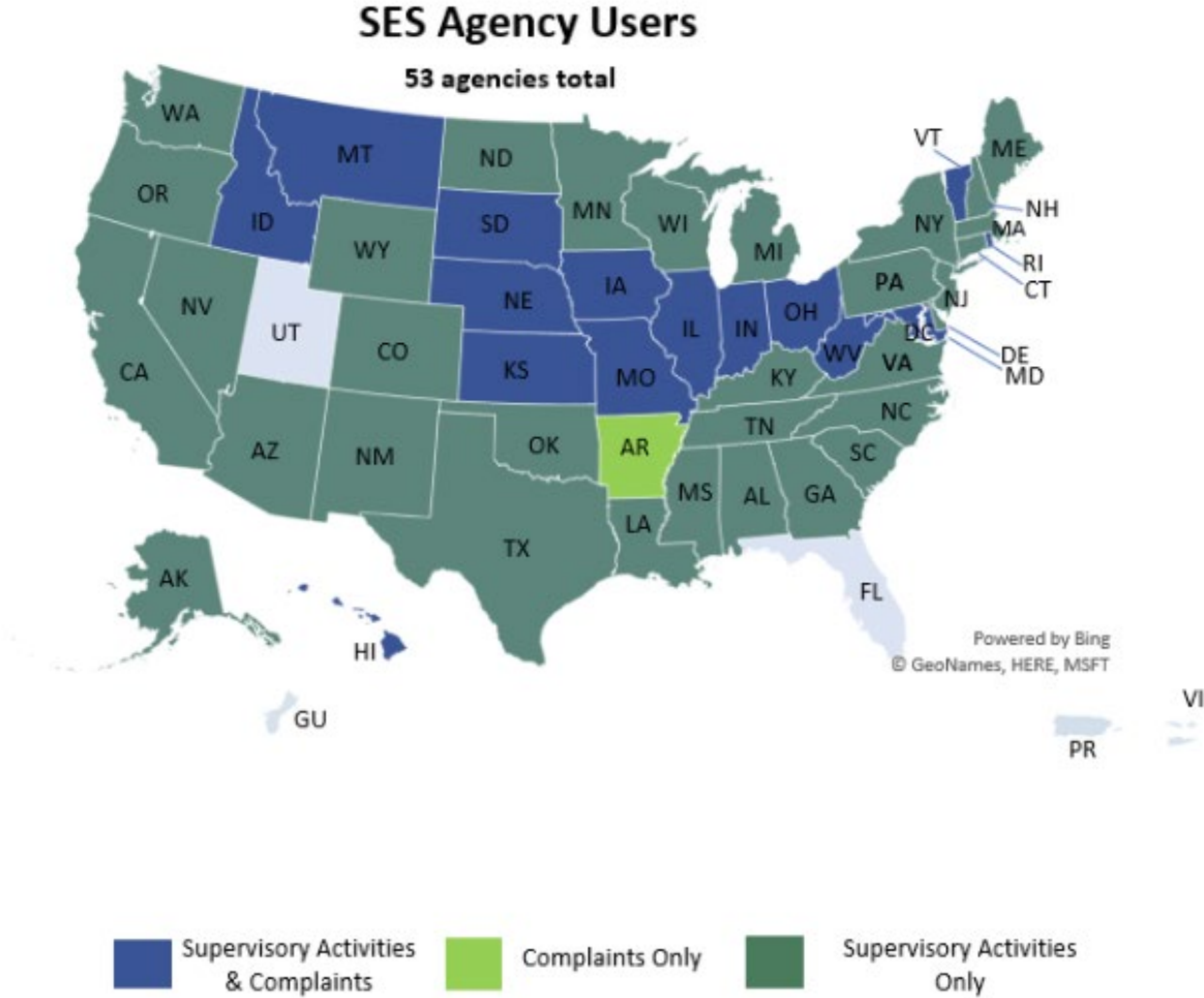


- Examinations
- Investigations

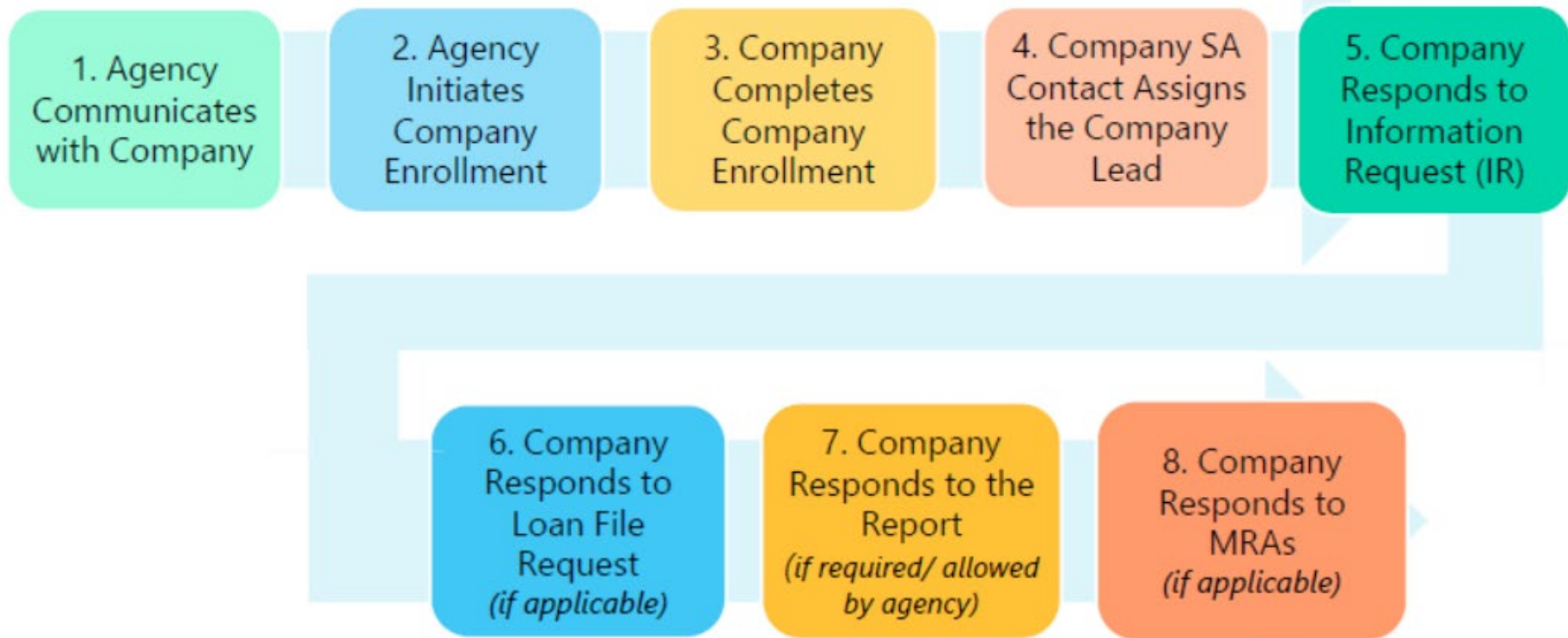
Goals of SES

- **Standardize the supervisory process.** SES is the first nationwide system of its kind, powered by technology that will allow for greater information sharing amongst state regulatory agencies. The promotion of **best practices** across state agencies will result in the standardization of supervisory practices which will in turn reduce the volume of state examinations, and **save time, costs, and travel** for regulators and the industry.
- **Foster collaboration amongst state agencies.** SES will encourage multi-state supervision and allow regulators to **eliminate duplicative supervisory efforts**. In addition, state agencies will have the ability in the system to access one another's supervisory schedules which will allow them to make better use of their time and resources.
- **Offer readily available risk-based data.** SES will offer state regulators an impressive uniform and nationwide set of data they can use to analyze macro and micro trends in the financial system. The Risk-based analytics approach in SES will allow state agencies to respond to risks, tailor supervision programs across industries, and continually refine the supervision process through informed metrics.
- **Safeguard sensitive information.** SES has safeguards in place to **protect the sensitive information** that is stored and exchanged in the system. Using a single, secure platform to exchange supervisory information will improve the overall security of the state regulatory process.

SES Agency Users



Basic Workflow for Completing an Exam (SA) in SES



SES Enrollment

➤ SML Communication

When a company is due for examination, an SML Examiner will contact the Qualifying Individual for mortgage company licensees, or the Primary Consumer Complaint (Regulator) Contact designated in NMLS for mortgage banker registrants.

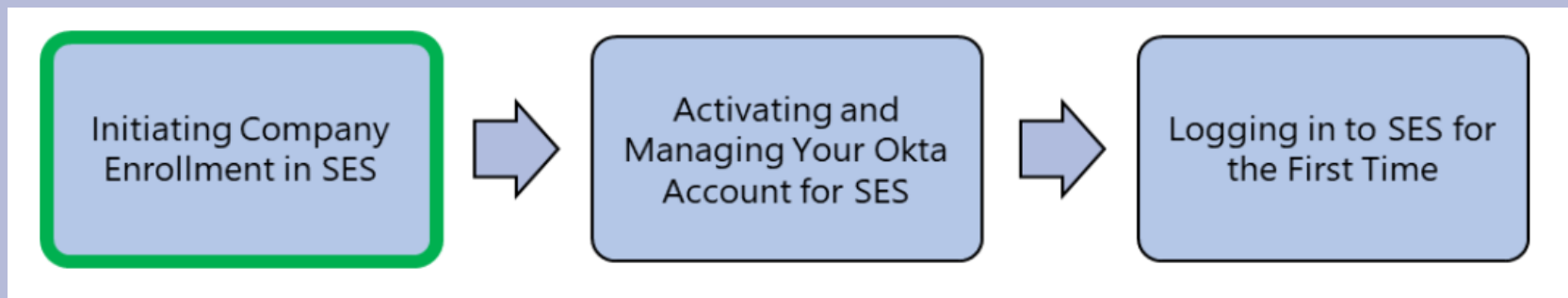
➤ SML initiates the Supervisory Activity (SA) in SES.

➤ SML Examiner creates the first company user in SES, if not enrolled.

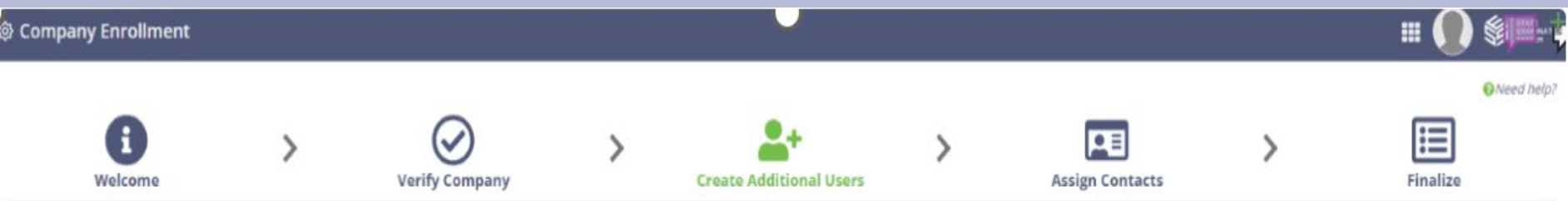
A company CANNOT enroll itself in SES. A state regulatory agency must initiate the SES enrollment process for the company.

➤ Company must activate and manage Okta (multi-factor authentication) Account for SES. Requires installation of Symantec VIP Access or Google Authenticator.

➤ Company logs into SES.



Company Account Set-up



- ✓ Verify Company
- ✓ Create Additional Users
- ✓ Assign Supervisory Activity Contacts
- ✓ Assign Company Lead for each exam (SA)

The **company lead** is the main point of contact for a Supervisory Activity, responsible for responding to Information Requests, the Report of Examination, and Matters Requiring Attention

Company User Roles

	Company Lead	Contributor	Coordinator	Third-Party
Description	Manage the company's participation in the SA.	Supports the Company Lead in completing the tasks outlined in the SA.	Helps manage the company's participation in the SA.	Supports the Company Lead in completing the tasks outlined in the SA.
Tips	Required role and is the main point of contact with the Agency about the SA	Optional role not required for the company to successfully complete the SA.	Optional role not required for the company to successfully complete the SA	Optional role not required for the company to successfully complete the SA.
Communicates with Agency?	Yes	No	Yes	No

Company User Actions

Company Lead

- Manages participants on an SA
- Can reassign company lead
- Reviews all Information Request responses
- Sends responses to Information Requests
- Views Exit Meeting details
- Responds to the Report of Examination
- Drafts and send responses to Matters Requiring Attention (if applicable)

Coordinator

- Assigns Contributors to an SA
- Works on responses to Information Requests
- Works on response and sends response to the Report of Examination
- Views Exit Meeting details
- Drafts and send responses to Matters Requiring Attention (if applicable)

Contributor

- Drafts responses to Information Requests
- Views the Report of Examination
- Drafts responses to Matters Requiring Attention (if applicable)
- Adds Interactions (internal communication notes)

Third-Party User

- This role can be assigned to any user that is outside the company (i.e. counsel, outside contractors, etc.). This user must be identified as a Third-Party user in the system.

SES Homepage for Company Users



STATE EXAMINATION SYSTEM

[HOME](#)

[SUPERVISORY ACTIVITIES](#)

[QUICKIR](#)

[SYSTEM POLICIES](#)



STATE EXAMINATION SYSTEM

[Need help?](#)

⚠ You have outstanding tasks to complete for your company and you may be unable to work on your company's supervisory activities or complaints until these tasks are completed. You can access them in the Tasks section of the homepage.



Manage Complaints

View and Manage all Complaints

TASKS (2)

SORT **ASSIGNED DATE** NAME

Respond to Report Package (WA - DFI)

6/9/2022 2:26 PM EDT

SA 1797

Sidney Leader2 (Owner: Sidney Leader2)

Respond to Report Package (WA - DFI)

4/7/2022 10:21 AM EDT

SA 1843

Sidney Leader2 (Owner: Sidney Leader2)

COMPANY MANAGEMENT

Manage Company Profile

View your company profile information

5 SAs

0 IRs

3 MRAs

MY SUPERVISORY ACTIVITIES

All Open SAs

Company Lead

On Site

SA ID ↓	Type	Business Types	Structure	Lead Agency	Location	EIC	Company Lead	Target Start Date
1923	Exam	Mortgage Servicing	Single State	WA - DFI ✓	Off-Site	Washington Examiner 11	Santiago Leader1	8/18/21
1843	Exam	Mortgage Servicing, Mortgage Origination	Single State	WA - DFI ✓	Off-Site	Washington Examiner 13	Sidney Leader2	Novem 2021
1797	Exam	Mortgage Servicing, Mortgage Origination, Money Service Business	Single State	WA - DFI ✓	On-Site	Washington Examiner 13	Sidney Leader2	1/20/21

Information Requests

INFORMATION REQUEST PROCESS

UNIFORM

EFFICIENT

SIMPLE

FAMILIAR



Summary Participants **Information Requests** Loan Requests Interactions Related Actions

[Need help?](#)

Area For Review Summary

IR Details

IR Insights

All Information Requests

Past Due

Due within 7 Days

Assigned to Me

Requires My Review

Search by Information Request ID SEARCH

+ Show Filters

Loan Requests

Summary Participants Information Requests **Loan Requests** Interactions Related Actions

[Need help?](#)

Loan Summary

Loan Details

STATUS SUMMARY



54



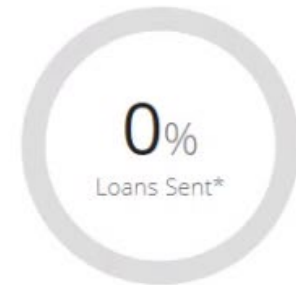
Total Loans

0



Required Multiple Attempts

LOAN SUMMARY



*Percentage of loans that have been sent back to the agency

Report of Examination (ROE)

FINAL REPORT

 Preview Final Report

 Download Final Report

 COMMENTS

 ADDITIONAL DOCUMENTS


No documents uploaded

 INVOICE INFORMATION

No documents uploaded

The agency is allowing you to respond to this report by **4/4/2022**, but you are not required to respond. Select whether you would like to respond or decline to respond in "Available Next Actions" below.

 REQUEST REPORT RESPONSE DUE DATE EXTENSION

 RESPONSE TO REPORT

 SUPPORTING DOCUMENTS

Response to Report

We have taken a look at the report. We will be addressing the MRAs included in the following days.

I

Upload Documents

UPLOAD

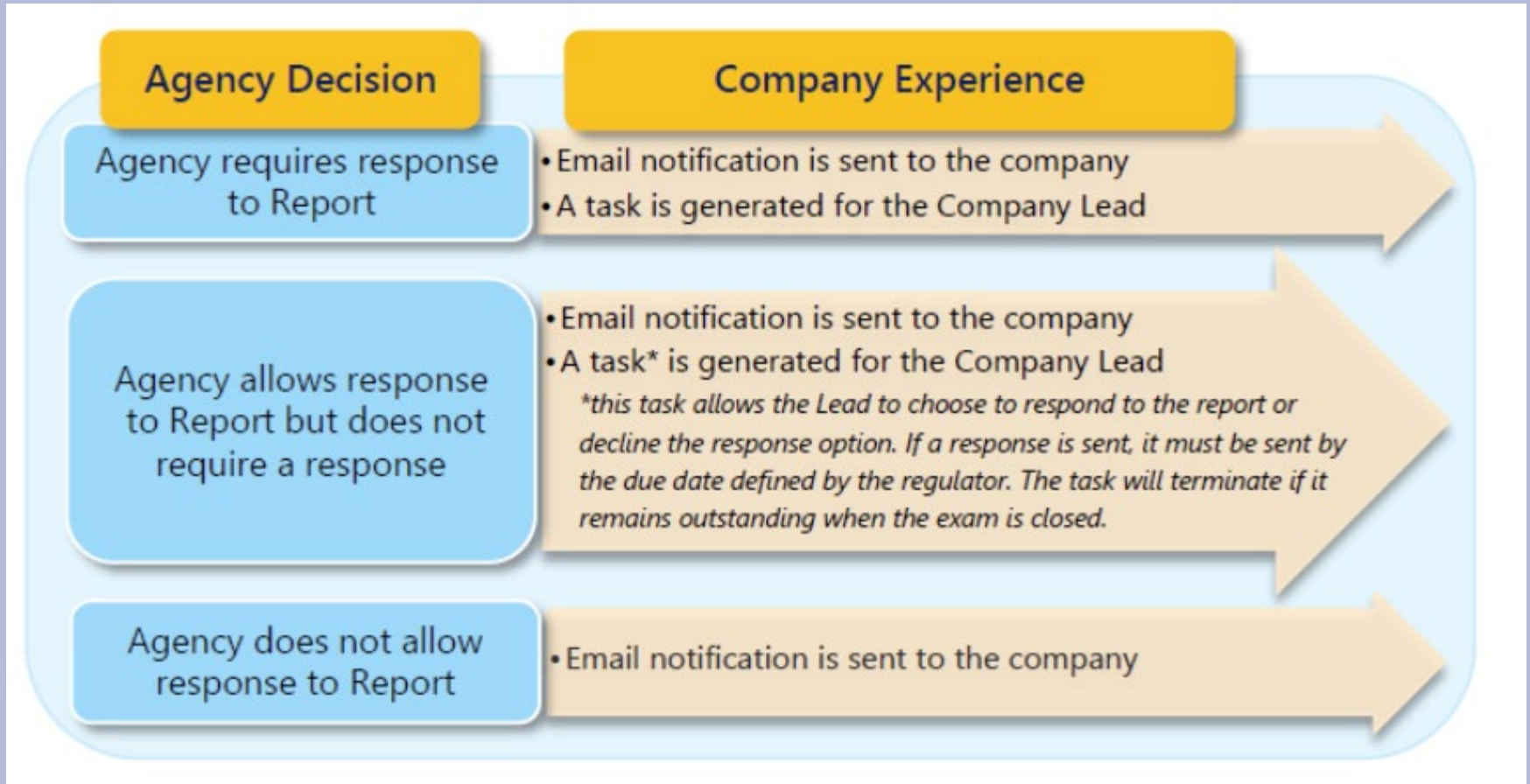
 Drop files here

FINAL NOTICE

You can only submit one report response. Confirm this is your company's full and final report response for this supervisory activity.

RESPOND TO REPORT

Report of Examination Response



Matters Requiring Attention (MRA)

TASKS (1)
↻

SORT

ASSIGNED DATE

NAME

⌵
⌴

Respond to Report Package (SD - DOB)

📅 3/5/2022 12:56 PM EST SA 1862

👤 Savuth Kim

6
🔔
MRAs

🔔 MATTERS REQUIRING ATTENTION

The following MRAs were included as part of the report package. To respond to the MRAs, navigate to the supervisory activity by clicking the button to your right.

[View MRA's](#)

Matter Requiring Attention	Applies To	↑	Due Date	Added By
<p>Re: Privacy Disclosure Finding</p> <p>Provide a detailed, written response outlining how the Company will avoid this finding in the future. This is a repeat...</p>	Other		4/4/2022	Joon Kim
<p>Missing documentation for loan request 2420. Please ensure all the required documents are either shared via SES or through the file sharing link provi...</p>	Other		4/4/2022	Joon Kim
<p>In relation to finding 0395. Please let us know how you plan to address the issue of how files are physically stored. ...</p>	Other		4/4/2022	Joon Kim

Resources

[SES Examinations and Investigations Resources for Companies](#)

portal.stateexaminationsystem.org/chapterMaps/c_part_Exams_Companies.html

[SES Workflow Videos](#)

portal.stateexaminationsystem.org

[SML Mortgage Examination Resources](#)

www.sml.texas.gov/mortgage-origination/examination/

SES Company User Support

Call: 1-800-269-6189



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Questions?