

NCSHA 2016 Annual Awards Entry Form

(Complete one form for each entry)

Deadline: Wednesday, June 15, 2016

Visit ncsha.org/awards to view the Annual Awards Call for Entries.

Instructions: Type entry information into the form and save it as a PDF. Do not write on or scan the form. If you have any questions contact awards@ncsha.org or 202-624-7710.

Fill out the entry name *exactly* as you want it listed in the program.

Entry Name: _____

HFA: _____

Submission Contact: (Must be HFA Staff Member) _____ **Email:** _____

Please provide a 15-word (maximum) description of your nomination to appear on the NCSHA website.

Use this header on the upper right corner of each page:

HFA: _____

Entry Name: _____

Select the appropriate subcategory of your entry and indicate if you are providing visual aids.

Communications	Homeownership	Legislative Advocacy	Management Innovation
Annual Report	Empowering New Buyers	Federal Advocacy	Financial
Creative Media	Encouraging New Production	State Advocacy	Human Resources
Promotional Materials and Newsletters	Home Improvement and Rehabilitation		Operations
			Technology
Rental Housing	Special Needs Housing	Special Achievement	Are you providing visual aids?
Encouraging New Production	Combating Homelessness	Special Achievement	Yes
Multifamily Management	Housing for Persons with Special Needs		No
Preservation and Rehabilitation			

2016 NCSHA Award Nomination

In the last few years, CHFA reduced loan document processing time from a week to just 37 minutes. While technological progress played a role, it was our Internal Records Management (IRM) team's focus on continuous improvement and their commitment to bettering our lenders' experiences that propelled the drastic change. Their efforts have reduced error rates, improved lender partner relationships, and saved CHFA and our lender partners over \$1 million annually.

The Challenge – “The Black Box”

The initial step toward this incredible efficiency improvement started several years ago, when CHFA converted to imaged loan files and began to receive loan files electronically through a secure FTP site. Implementing this technology dropped the processing time from several days to just eight hours.

Loan document processing consists of IRM staff taking a 350-500 page single family loan application, classifying each document into the correct document type, assigning applicable keywords, and storing the entirety in CHFA's imaging system. It is then available for the Home Finance analysts to review. This is referred to as the “first mile” of the loan delivery and validation process.

With increased improvements, the IRM Team quickly achieved a four-hour processing time. However, our lender partners were frustrated because they had no visibility into the status of their submitted documents. The experience was described by some as sending documents into a “black box.”

CHFA's Solution

CHFA's IRM Team partnered with the IT Team and created a document delivery portal that allows lenders to upload their loan documents and receive immediate status verification as to the receipt and validity of loan documents. For example, required documents are noted with an asterisk and the loan file does not get checked in for processing until all required documents have been received. In addition, lenders can upload documents in bulk or one at a time, helping them improve efficiency as well.

The supplemental inclusion of a software tool called Kofax Transformation Modules, which identifies loan documents automatically, increased processing speeds yet again. However, the tool still requires a human review to ensure accuracy of document classification and separation, a critical function performed by the IRM team. Working with Kofax in this way gave the team a new understanding of how long it was taking them to validate the system's classification and separation.

The team identified that there was a lag time of more than 15 minutes between the document review and validation touchpoints. They established a Key Performance Indicator target of getting document batches from review to validation in three minutes and five seconds or less, on average. Since making these changes, CHFA has seen a marked improvement in loan file processing speed. Manager Brian Mueller states, “Perhaps even more importantly, introducing Kofax Analytics solutions has brought about a culture shift within IRM. Now that we can pull data on our processes to see how long each step takes and discover where delays are occurring, people have become much more aware of their performance. It has really motivated the entire team to step up their game, to deliver better service and to do it faster and more accurately.”

Achieved Measurable Improvements

The IRM team's commitment to continuous improvement has allowed CHFA to increase processing time,

while reducing errors, even with a significant increase in loan volume.

Some measurable improvements include:

- Achieved a 63-minute single family loan file processing time in 2015
- Improved to an average 37-minute single family loan file processing time in 2016
- Handled a 42 percent increase in loan file volume *without increased headcount* in 2015
- Achieved a Ginnie Mae document accuracy rate of 99.87 percent (error rate of only 0.13 percent). Previously, the error rate was 5 percent annually
- Won “First Mile of the Year” Award from Lexmark (Kofax) in 2016, beating out international and Fortune 500 Company competition

Effective Use of Resources

The goal of any nonprofit is to do more with less, and CHFA is no different. The First Mile improvements have allowed the IRM team to handle a 42 percent increase in loan file volume without increased headcount. In addition, since IRM is now responsible for document classification, CHFA’s Home Finance Team is able to evaluate more loans in less time and make faster decisions to either approve or suspend the loan.

Benefits vs. Costs

The greatest benefit is that CHFA has been able to increase loan production by almost 50 percent without adding headcount. Cost savings include lender savings from shipping costs, reduced physical records storage and destruction costs, and paper costs. This equates to a combined annual savings of approximately \$1 million.

Replicable

HFAs are document-intensive organizations. In order to achieve operational efficiency, transitioning to imaged documents is a must. To achieve the next level of speed and agility, an HFA would need to consider investing in a document classification engine. While there is an upfront and on-going cost to this technology, it has resulted in overall savings and has been the key to incredible operational efficiency gains.

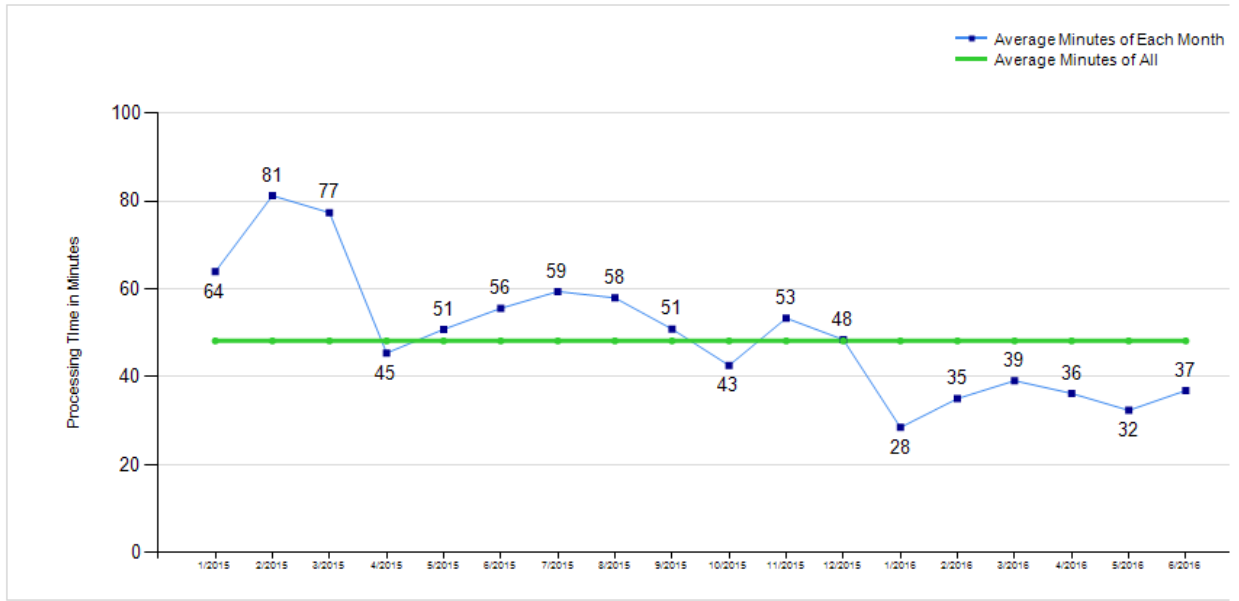
Achieve strategic objectives

This rapid processing of single family loan files is evidence of advancing continuous improvement, which is a philosophy that CHFA has embraced to improve our operations. CHFA believes that more efficient, effective operations lead to increased profitability, which allows us the ability to have a greater community impact in the communities we serve. The IRM team’s continuous improvement mindset and excellent operations have helped CHFA process more loan files without needing additional resources, which supports our vision that everyone in Colorado will have the opportunity for housing stability and economic prosperity.

Exhibits

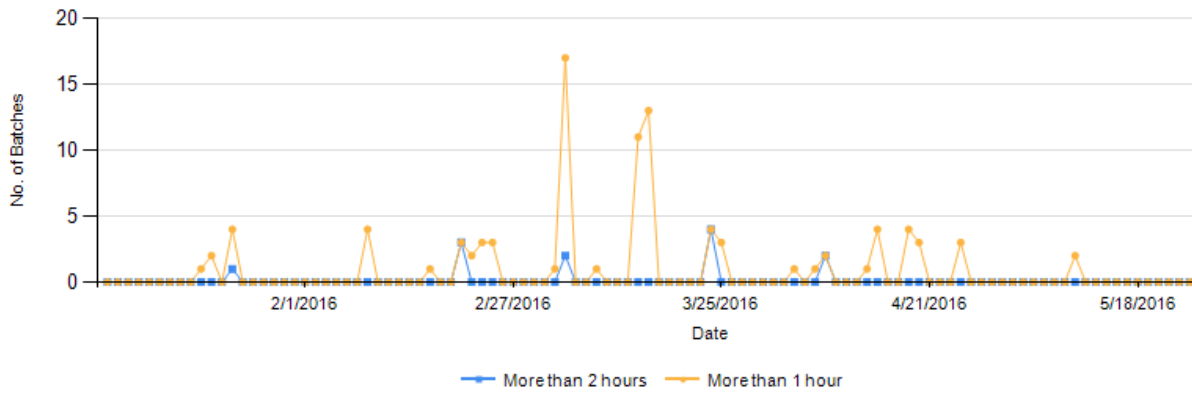
The following exhibits are snapshots of the various reports we use in Kofax to track our efficiency and improve operations.

IRM End To End Document Processing Time Report



Lag Time between Document Review and Validation Report

More than one hour lag Time (between Document Review and Document Validation)



Lag Time	Batches	Module Name	User ID	Start Date Time	End Date Time
<input type="checkbox"/> Less than 15 minutes		Total Batches: 15,222 -- 83.81%			
<input type="checkbox"/> More than 15 minutes		Total Batches: 2,139 -- 11.78%			
<input type="checkbox"/> More then 30 minutes		Total Batches: 678 -- 3.73%			
<input type="checkbox"/> More than 1 hour		Total Batches: 111 -- 0.61%			
<input type="checkbox"/> More than 2 hours		Total Batches: 12 -- 0.07%			
Total Batches:	18,162				

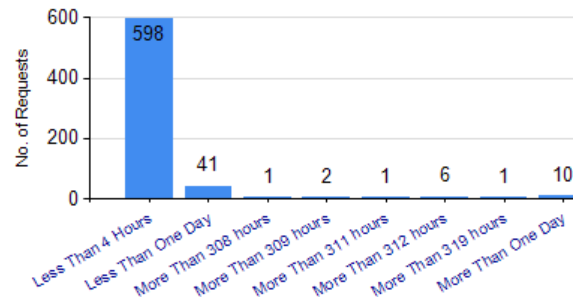
IRM Service Tickets KPI:

		Goal	Actual
Tickets Completed in the Same Day	✓	85%	96.82%
Tickets Completed in 4 Hours	✓	70%	90.61%

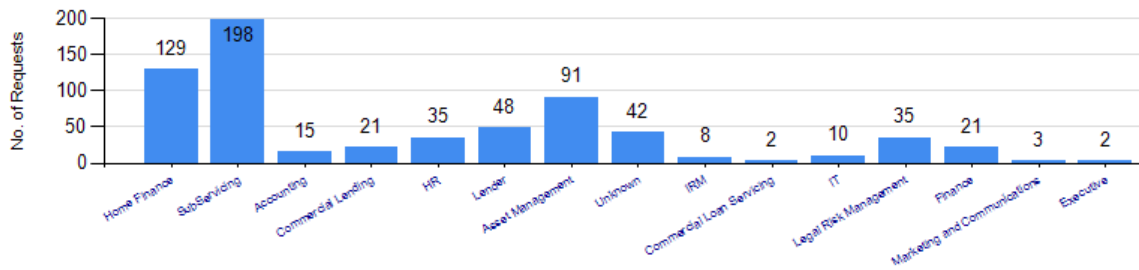
All Requests Completed in Hours:

	Total Requests	Rate
Completed:	660	100.00 %
Not Completed:	0	0.00 %
Completed in 4 Hours:	598	90.61 %
Completed in One Day:	41	6.21 %
Completed in More Than One Day:	10	1.52 %

Requests Completed by Hours Used



Requests Requested by Category



Re-Indexed Documents Summary by Date by Operator - Click + Sign to See Details for Each Day

Reviewed By	Reviewed On	Total Batches	Total Docs	No. of Re-Indexed Docs	Error Rate (%)
Jorge Chavez		4,231	24,978	50	0.2000%
Kaylen Gray		3,524	31,397	83	0.2600%
Krystyna Cuccia		3,781	32,788	54	0.1600%
Leonard Smith		2,542	25,600	66	0.2600%
Oliver Jaimes Camacho		3,039	14,463	70	0.4800%
Roque Gallegos		3,199	29,427	62	0.2100%
Shanice Garcia		2	83	0	0.0000%
Susan Miniel		1,675	14,974	36	0.2400%
Total		21,993	173,710	421	0.2424%

No. of Re-Indexed Docs and Total Docs Reviewed by Operator

