



Entry Form 2018 Annual Awards for Program Excellence

Entry Deadline: Friday, June 15, 2018, Midnight ET

Each entry must include a completed entry form. Please complete a form for each entry your HFA is submitting. The completed entry form will become the first page of your entry.

This form is a fillable PDF. Type your information into the entry form and save it as a PDF. Please do not write on or scan the entry form. **Questions: Call 202-624-7710 or email awards@ncsha.org.**

Entry Title: Enter your entry's title exactly as you wish it to be published on the NCSHA website and in the awards program.

Category:

Subcategory:

Entry Summary: A 15-word (max) summary of the program, project, or practice you are entering.

HFA:

HFA Staff Contact:

Phone:

Email:

Visual Aids:

Are you mailing to NCSHA 10 copies of any visual aids that cannot be included in your entry PDF? Yes No

Payment:

My HFA is mailing a check to NCSHA.

My HFA is emailing the credit card authorization form to awards@ncsha.org.

Overview

The objective for the Homeownership Department (HOD) at Indiana Housing and Community Development Authority (IHCDA) was to create a web-based application that could be accessed from anywhere 24/7, while reducing internal and external costs. Furthermore, the HOD recognized inefficiencies in the previous software platform (IHSF) which had been implemented in 2007, along with the need for an innovative approach to using the software.

Goals Derived from Reviewing the Objective:

1. **Accessibility:** The previous software platform (IHSF) required the downloading of the software by each participating lender (PL) of IHCDA programs. This created a string of problems for both IHCDA and the PL.
2. **Paperless Environment:** IHSF did not allow for data upload and storage, which created the need for temporary physical storage until the scanning department could scan hardcopies into an antiquated data storage system. The hardcopies of loan applications were extremely costly for both IHCDA and the PL. Consequently, documentation emailed as an attachment created security issues as well.
3. **Improved Security:** IHCDA recognized the flaws in security with IHSF and understood the business risk of managing and controlling internal and external data, and recognized the need to increase measures that would reduce the risk of unauthorized disclosure of the applicant's private information. From this, IHCDA saw the benefit of cloud data storage.
4. **Revamped Process in Submitting, Reviewing and Approving Loan Applications:** The old system, IHSF, worked well for the time period for which it was designed. However, of the deficiencies previously mentioned, IHCDA saw the opportunity to completely turn the processes of submitting, reviewing and approving loan applications in a fresh new direction. A simple, innovative method of allowing the PL to see the current status of a loan visually through colorfully graphics.

Innovative

Authority DMS Online (ADMSO) is different from other HFA systems because it is designed with direct input from a HFA. IHCDA and Roeing Corporation worked closely together to define the specific system objectives and how to accomplish those objectives. The basic premise of obtaining the objectives of the new system was to incorporate the knowledge of the HOD into ADMSO. The teams knew that by doing so, it would enable them to increase their efficiency, accuracy, and customer service. This goal is accomplished by incorporating business logic into the system to handle the automated tasks while leveraging the skills of the staff to make the decisions for which they are responsible.

The changes in accessibility have allowed the range of users to significantly increase. The additional individuals include real estate agents, loan officers (LOs) and underwriters. The ease of accessibility to the additional users allows for streamlined communication between that particular individual and the potential homeowner. The ease and access of communication can ultimately have an impact on whether or not the homeowner purchases their home.

Replicable

Other state HFA's have adopted the AuthorityDMS (AMDS) system, but no other HFA's have adopted the Single Family module to use ADMSO yet. No other HFA's have been introduced to ADMSO because IHCDA is still deciding how to proceed in terms of working with other states.

AMDS is designed to encompass the majority of the business processes performed by an HFA. As with most organizations, there tend to be silos of data that reside in multiple systems that do not communicate. AMDS resolves that challenge by bringing those business processes into a single system that is shared between the departments of an HFA. ADMSO is a good example of that implementation. The current version of ADMSO is used by the single family department but the entire ADMSO system is used by all of the departments of IHCD. As new features are needed by IHCD, those features will get incorporated into ADMSO.

Efficiencies

ADMSO incorporated many efficiencies into the system around process change. The loan reservation process was completely redesigned so that lenders were guided through the data entry. As each section of data is entered, the user is provided with feedback to ensure that the information is correct rather than waiting until the end of the reservation to see all of the errors. This provides a much more user friendly process for skilled users and greatly simplifies the process for new users so that training can be greatly minimized for lenders.

An example of this is the increase in first-time approvals. A first-time approval could be defined as documentation submitted by the PL for a loan application and no further review or documentation is required (no conditions exist). If no further review is required, then the amount of time spent on a loan application is reduced and productivity increased. HOD reviews and records first-time approvals as a metric of productivity on a weekly basis. The following shows the increase in percentage of first-time approvals:

In 2016 first-time approvals were **38.58%**

In 2017 first-time approvals increased to **53.25%**

Consequently, delinquencies paid by PL's have been drastically reduced. Delinquencies are fees paid by PL's for extensions derived from various conditions. An extension is required if the loan cannot be delivered to US Bank (the Master Servicer) within sixty days of reservation. An example would be lost documentation in form of hardcopy. A fax was sent to IHCD and never received or documentation that was sent to the wrong address. Because ADMSO is paperless, events like these are eliminated and savings realized.

2016 paid extension fees were **\$612,121**

2017 paid extension fees were **\$216,797**

Furthermore, an increase in productivity can be seen in the IHCD Loan Count ranking among IHCD peers serviced by US Bank:

2016 rank was **#13**

2017 rank was **#10**

2018 YTD rank is **#8**

Conclusion

ADMSO moved IHCD forward to a paperless reservation process. Instead of lenders starting the reservation and then sending in documents either on paper or electronically outside the system, all forms are completed and then uploaded within the system. As documents are uploaded, the system automatically checks to see what is required and once all required documents exist, the user is prompted to submit them for review. This ensures that no documents are omitted. Since they are all attached to the reservation, there is no chance of the

documents being misplaced or never reaching the person who needs them. The security element of this system reduces the ability of the borrower's personal information from being in the hands of an unauthorized individual. The paperless process has provide significant costs savings to both the PL's and HOD. The following are several examples:

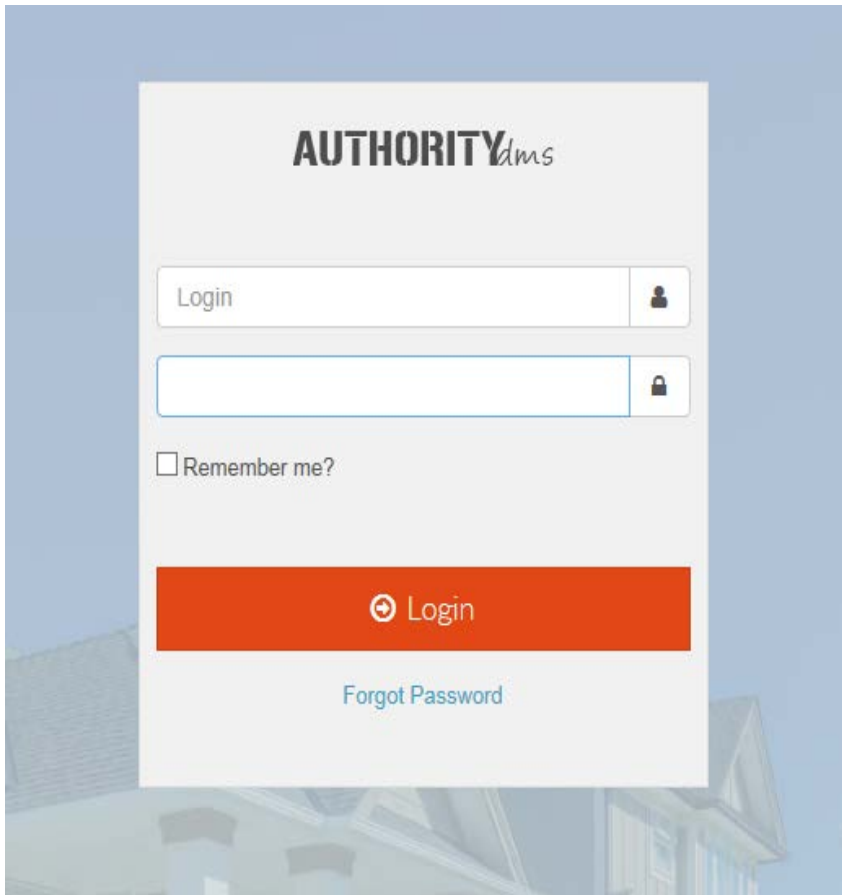
1. Shipping fees: In 2016 there were 2417 files submitted with an average courier cost of \$22 per file, equating to \$53,174 in annual savings.
2. Reduced PL labor cost: ~30 minutes per file saved in processing labor with 2417 files submitted in 2016, for a reduction in labor hours by 1209 hours.¹

Both IHCD staff and lenders have improved visibility regarding the current status of their reservations, and there has been a measurable decrease in the turnaround time for both IHCD and lenders in completing their portions of the process. This results in better customer service to the PL's and the borrowers that everyone is serving.

¹ This is based on information provide to IHCD from Ruoff Mortgage a participating lender.

Appendix A

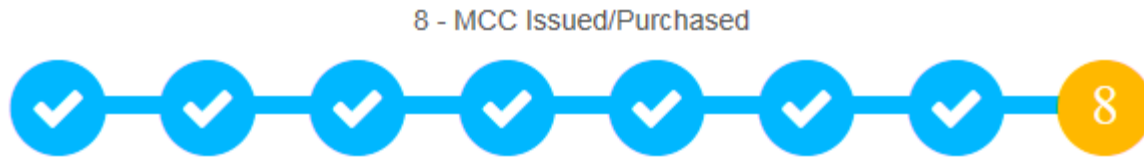
A look at the AuthorityDMS (ADMS) System



ADMS is a complete change in perspective on how the system functions. The screens in the previous system were setup for pure data entry to contain as much data as possible without respect to focusing on the information that was needed for specific tasks. ADMS changes that perspective to be process focused. Screens are laid out to support the information that the user needs to perform a task. Once that data has been entered, the system recognizes that that process is complete and will automatically prompt the user to complete the task. This provides greater efficiencies since the user can complete the task with a single click rather than needing to navigate to another screen and perform a separate task just to complete the process.

Appendix B

ADMS “Bubble Tracker”






The idea of change in perspective came from Jake Sipe, Executive Director of IHCD. Jake used his smart phone to order a pizza through Domino's. He noticed the simplicity of use and how he was able to see each step of the process from start to finish. Jake then questioned himself, by asking, why can't this be done in HOD? Consequently, the “Bubble Tracker” was added.

The Bubble Tracker allows for the user to see in what stage of the process the loan application is in. In the depiction above the loan application has completed all eight stages and is currently waiting to be purchased by US Bank, the Master Servicer.

If any of the bubbles are colored “red”, then the user knows that a condition exist, which must be cleared before proceeding to the next stage. If the bubble is “yellow” then is currently in a held position waiting for an external factor. For example, waiting for US Bank to purchase the loan. If the bubble is “blue” then that stage is completed.

Appendix C

ADMS Validation Checks

Validation Checks	
Fees	
Conditions	
Documents	
















A simple way to view whether there are any items holding up the loan application is in the “Validation Checks” portion of the screen.

The Validation Checks allow for the user to see if something is needed. In this screen shot, everything is fine, because all are marked with a “green check mark”. If something were needed, a “red X” would show. For example, if fees had not been received, the PL would be able to clearly see that there are fees outstanding, which must be paid before proceeding.

Appendix D

ADMS Required Documents

In the past, there was a lot of confusion as to what documentation was required for each program the HOD offers. To simplify this, ADMSO was developed in such a manner to distinguish documentation required for each program offered by HOD.

Documents Required by Stage					
Stage	Type	Required	File	Date	
 Reserved	IHCDA Internal Document - not meant for len...	<input checked="" type="checkbox"/>			
 Reserved	IHCDA Internal Document - not meant for len...	<input type="checkbox"/>			
 Application Upload	Additional/Important Documentation - Applicat...	<input type="checkbox"/>			
 Application Upload	IHCDA - Homeownership Affidavit	<input checked="" type="checkbox"/>	SIGNED AFFIDAVIT	5/17/2018 3:24:19 PM	
 Application Upload	Misc Document-Application Upload Stage	<input type="checkbox"/>			
 Closing Upload	1003 - Uniform Residential Loan Application	<input checked="" type="checkbox"/>	1003	6/4/2018 1:08:53 PM	
 Closing Upload	1st page of Mortgage	<input checked="" type="checkbox"/>	m1g	6/4/2018 1:08:20 PM	
 Closing Upload	Additional/Important Documentation - Closing...	<input type="checkbox"/>			
 Closing Upload	Appraisal	<input checked="" type="checkbox"/>	appraisal	6/4/2018 1:07:43 PM	
 Closing Upload	Closing Disclosure	<input checked="" type="checkbox"/>	cd	6/4/2018 1:08:03 PM	
 Closing Upload	IHCDA - Borrowers Informational Certificate	<input checked="" type="checkbox"/>	signed info cert	6/4/2018 1:09:44 PM	
 Closing Upload	Misc Document-Closing Upload Stage	<input type="checkbox"/>			
 Closing Upload	Note-1st Mortgage	<input checked="" type="checkbox"/>	20180604130852231	6/4/2018 1:12:40 PM	
 Closing Upload	Purchase Agreement/Addendum(s)	<input checked="" type="checkbox"/>	pa	6/4/2018 1:08:43 PM	
 Closing Upload	Tax Transcripts	<input checked="" type="checkbox"/>	transcripts 2014-2017	6/5/2018 8:04:10 AM	

ADSMO does this through the column marked “Required”. If there is a check mark in this column, then the documentation is required and the system will not proceed until all required documentation is uploaded. The PL is able to clearly see what is required and what has been uploaded. This simple addition has saved numerous customer service phone calls and emails to HOD asking what documentation is required for a particular loan.

Appendix E

ADMS Loan Queue Screen

Lastly, the Loan Queue Screen is a useful tool for the HOD. Management and underwriters are able to see the current volume of loan applications at the various stages. This provides a real time volume, so that proactive decisions can be made on how to handle various volume distributions.



An example of a response to volume would be the ability for management to add or remove underwriters to the “round robin” function. The round robin function allows management to be proactive in handling volume. If an underwriter is absent or needs to focus on another job function, management can add another individual who might not always underwrite into the system to make up for the deficiency. Therefore, there is no reduction in productivity, resulting in better customer service to PL’s and more importantly allowing the applicant to obtain homeownership without a delay.