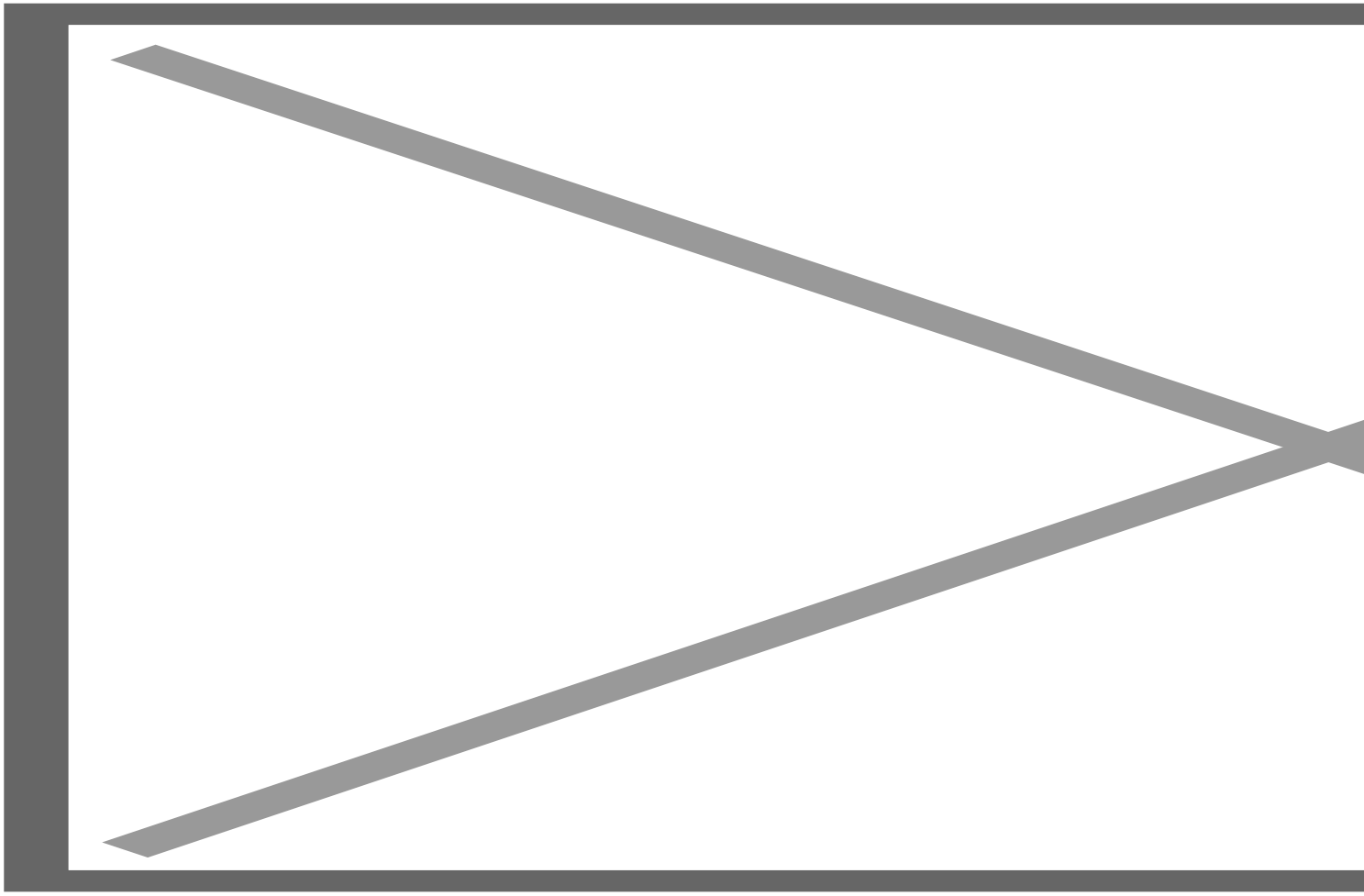
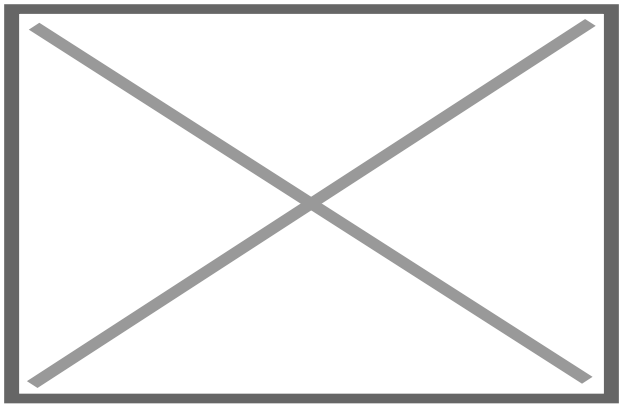
BLOG POST

One Company, One Exam: Driving Forward Change

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The CSBS Networked Supervision Champions program recognizes state agency staff who are going above and beyond to empower the multistate network for better financial supervision and industry compliance. Congratulations Anya Tabb!



State supervisors have pooled resources for multi-state examinations of mortgage companies for decades, but as of next year, they will operate with a new multi-state supervisory protocol.

Beginning in 2025, all multistate mortgage examinations undertaken by the Multistate Mortgage Committee (MMC) will be conducted through a process known as One Company, One Exam, which leverages examiner resources throughout the state system. The MMC, composed of state mortgage regulators appointed by the Conference of State Bank Supervisors (CSBS) and American Association of Residential Mortgage Regulators (AARMR), represents the examination interests of the combined states and focuses primarily on mortgage lenders and servicers operating in 10 or more states.

One Company, One Exam is the brainchild of these state regulators and is designed to advance the multistate examination process for mortgage originators and servicers, with an initial focus on the largest nationwide entities. The new protocol right-sizes the number of agencies participating in the exam, and uses examination standards tailored to the size, complexity, and business activities of the company.

Anya Tabb is a Financial Examiner Supervisor in Washington State who played a key role in developing and testing the One Company, One Exam protocol. Six years ago, Anya became a member of MMC through the CSBS.

“The committee plays an important role when it comes to coordinating and facilitating the sharing of all the information needed to conduct a multistate mortgage examination,” Anya explains. “It also provides the ability for each state to leverage other states’ resources so that the depth and scope of what can be examined through a multistate approach can be much more significant than a single state exam.”

When asked about the prospects for the planned nationwide rollout of the organization’s One Company, One Exam program in 2025, Anya is emphatic that the timing is right: “The MMC is very good at driving forward change!”

Refining One Company, One Exam

In 2022, an MMC-appointed team completed a pilot examination of a nationwide mortgage company using the One Company, One Exam protocol. The committee learned a few things in the process, especially related to the information requested by states during an examination.

States participating in the pilot examination posted their state-specific information requests to the State Examination System (SES), an online examination platform for state regulators and the licensees they examine. The MMC quickly discovered it needed to streamline the process and eliminate similar and duplicative examination information requests across the state system.

“One of our major takeaways from the pilot examination was that states needed to align better on what information was solicited from the company on these examinations,” says Anya. “Within the system there were multiple, duplicate requests that states had added, often because it simply was how they had phrased a previously used question.”

As a result, CSBS formed the Mortgage Examination Standards Working Group, chaired by Anya.

“We reviewed all the information requests that were housed within SES to identify a common set of standards,” Anya recounted. “There were *thousands* of questions in SES that we evaluated!”

But the result was worth it, according to Anya. “We were able to narrow those thousands of questions down to 70 that are core to the mortgage servicing examination program.”

The MMC continues to make refinements as it monitors the progress of two additional One Company, One Exam examinations this year in anticipation of the nationwide launch in 2025.

Benefits for Every State

Streamlining the information requests has not only made One Company, One Exam examinations more efficient, it also helped streamline all mortgage examinations in SES, making it easier for states to share information about companies, even those not large enough to be covered by the One Company, One Exam process.

“We recently implemented the new mortgage standards within SES, so now there are clearly labeled examination programs where you can use a standard set of information requests and indicate to other states you are using those standards,” explains Anya.

Anya believes the willingness of the MMC and CSBS to continually refine the One Company, One Exam program will benefit every state.

“Another benefit of establishing examination standards in SES is that if I see that another state conducted an examination that used the examination standards, I can then more easily accept or leverage their examination and limit the amount of redundant work that's conducted,” says Anya. “That reduces the amount of resources I need to spend on certain examinations, so I can focus more on problematic companies or do a deeper dive in the areas of particular concern.”

Once the One Company, One Exam protocol is fully implemented next year, all state agencies will be encouraged to participate in, or leverage, or accept the result of one mortgage exam for one company.

“A process where all states come together and collaborate is bound to be very beneficial,” said Anya.

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