Avoiding Costly Process Errors

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Poll Question

Tell us about yourself:

a. This is my first NSA Webinar
b. I have attended 1 previous NSA Webinar
c. I have attended more than 2 NSA Webinars
d. I have attended more than 3 NSA Webinars
Presentation Goals

Primary process errors

Secondary process errors

Professional behaviors
Types of Signing Agent Errors

What Is a Process Error?

Process Error \(\text{prä-ses ěr'ər} n\): A mistake made in one or more steps of a continuous series of actions that comprise a home loan document signing assignment.
Poll Question

Which of the following steps in a loan signing is the most important:

a. Executing the signing of documents with the borrower
b. Shipping the documents back to the closing agent
c. Reporting the status of signing to contracting company
d. The step you are completing at the time
A Loan Signing Is a Series of Steps

1. Open Assignment
2. Contact Borrower
3. Get/Print Documents
4. Review Documents
5. Meet with Borrower
6. Drive to Borrower
7. Report on Job Status
8. Ship Documents
9. Close Assignment
A Loan Signing Is a Series of Steps

Redefining Success as an NSA

- It takes more than a flawless signing to be successful
- You can execute a flawless signing and still fail the assignment
- Success is flawlessly completing all steps in a loan signing
- Everything you do in this business matters
Primary Process Errors

Scheduling Issues
NSA fails to confirm, follow through, arrive on time or show up

Stipulations (Conditions)
NSA fails to pick up or loses check, W2s, tax forms

Status Reporting
NSA fails to keep everyone in the loop

Shipping Docs
NSA fails to ship, properly ship or timely ship

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Scheduling

A Week in the Life of One Company that Contracts NSAs

- “Notary no show at date and time; showed up day later.”
- “Notary did not attend the closing; signed and stamped documents in advance of closing appt.”
- “Notary no show at preferred date and time, contacted borrower to reschedule.”
- “Agent was an hour and half late.”
- “No show; picked up confirmation but forgot to follow up.”
- “No show.”
Scheduling

Why You Must Confirm with the Borrower

• To provide excellent customer service
• To get what you need from the borrower to execute the signing properly
• For appointment times pre-set by the loan officer, to make sure the loan officer got the details right so that everyone knows what’s going on
• So that “you don’t go before you know” – make a wasted trip to the borrower
Scheduling

Call Checklist

• Date, time and location of appointment
• ID requirements and exact type of ID borrower will present, and if required, photocopy of ID
• If a witness (witness state) or spouse (community property state) must attend
• Stipulations you must collect
• Signing Agent role and limitations – you cannot give legal advice; urge borrower to have questions answered prior to the appointment, if possible
Scheduling

Confirming with Contracting Company

• Most lender operating systems (LOS) are set to track critical events; the call-back is one such event
• Many companies will require you to confirm the call with the borrower with them within 24 hours
• If you don’t report in, the LOS will flag the event and the company will assume you never made the call
• One contracting company: Failure of NSA to confirm appointment with borrower and contracting company accounts for 30% of all service failures
Poll Question

Which statement about time management is true?

a. Time management is all about managing yourself
b. Time management is all about managing time
c. There aren’t enough hours in the day to do everything
d. You must make time in your life for what matters most
Arriving on Time

1. “Time management” is a misnomer – you can’t manage time
   • You can only manage yourself in relation to time

2. Timeliness really is an integrity issue
   • How’s your “calendar integrity”? 

3. Sometimes you cannot prevent “time bombs”
   • But you must factor them into your schedule and you can call ahead and give an ETA
Stipulations

- Checks for Closing Costs
- Insurance Declarations
- Mortgage Statements
- Income Statements
- IRS and State Tax Returns & Forms (W2)
- HUD Counseling Certificates (reverse mtg.)
Stipulations: Funds Due

**Ask Borrower**
- May have been told to bring a check, but may forget unless you remind him/her/them

**Specific Instructions**
- In loan package
- Transmitted separately
- Follow all instructions to the letter

**Look at HUD-1**
- Check line 303
- “From” box checked
- Amount specified

**Ask Closing Agent**
- Your last or final resort
- Your go-to person to obtain clarification
Stipulations: Funds Due

How Closing Costs Are Paid
- Checks
- Wire Funds

Checks for Closing Costs
- Personal Checks
- Cashier’s Checks

Process Errors
- Personal Check Exceeds Limit
- Check not Secured and Is Lost
Stipulations: Securing Checks

- Place in colored and marked envelope and attach to front of package
- Place in separately marked envelope and attach to front of package
- Staple directly to HUD-1 or other closing statement
Status Reporting

Reporting Completion of Signing

- Another critical event tracked by lender LOS
- One signing service: 52% of all service errors
- You must report completion of signing appointment in a timely manner: One company – 4 hours or less
- You must report file reference number, any exceptional events that may have occurred and the tracking number for the shipment of documents
- For NSA, reporting completion of signing triggers payment to NSA
Poll Question

When may post-it notes be safely used to inform a closing agent of a problem at a signing?

a. Post-it notes should never be used
b. For any unresolved issue a closing agent needs to know
c. Late afternoon signings and docs over-nighted same day
Many NSAs use post-it notes to inform closing agent of unresolved issues. Stickies are not a substitute for a phone call; they can supplement a phone call.

Don’t use stickies if you know closing agent won’t get the docs for 1-2 days. Use stickies only for late afternoon signings and docs are over-nighted same day.
Status Reporting

Use Company’s Preferred Reporting Method

• Typically a web site, the most efficient process
• Some NSAs will leave a voicemail, talk to a live person, send an e-mail and then log into web site
• This makes contracting company touch the order 3 additional times, adding to their operating costs
• This also reduces the availability of the company to field calls for critical needs at the signing table and leads to frustrating call wait times
• Learn to use your smart phone to access web sites
Shipping Documents

**Return Label/Sleeve**
- Pay attention!
- It’s a nightmare to retrieve a UPS package from FedEx (and vice versa)

**Proper Recipient**
- Make sure you ship to proper recipient
- Don’t assume it is always the same

**Drop Boxes**
- Avoid drop boxes if at all possible
- Use walk-in stations and hand off package to live person; get a receipt

**Misc. Matters**
- Ship same day for day signings
- Maintain tracking number
Poll Question

What should you watch out for when you are printing document packages?

a. Text is cut off
b. Black lines running down the page
c. Toner runs out while printing or pages become light
d. All of the above
Other Process Errors

Printing Documents

• Ensure there are no black lines running down the docs as this could result in rejection by a recorder
• Check your toner; you don’t want the docs to print too light or run out of toner in the middle of the run
• Pay attention to the size of the document and ensure type is not cut off
• Take the time to learn how to use Adobe Reader and Acrobat, and select the settings “Choose paper source by PDF page size” and “Auto rotate and center”
Other Process Errors

Printing Documents

• Dual tray printers are definitely the way to go
• Make sure you get a printer that is rated to handle a high monthly capacity
• Take 5 minutes to review what was printed before you dart out the door
• Check out recent “eDocs reality check please…” discussion on the NNA’s NSA LinkedIn Groups page
Fax-backs

- To most NSAs, fax-backs are a major annoyance, unnecessary and completely misunderstood
- Some steps in the loan process can be approved via fax
- When sent, fax-backs can actually help move a transaction forward (or hold it up if not sent)
- If the delivery of the signed documents is delayed (weather, etc.) fax-backs can be instrumental in keeping a transaction from falling apart
Professionalism

On the Phone

Online

In Person

Client Loyalty

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Phone Demeanor

Home environment: neutralize barking dogs, rambunctious kids

Voice greetings and ring-back tones: business tone, not cute

Signing table: Never take calls or texts at a signing

Watch your tone: Smile through the phone
Online Demeanor

You Are Being Watched

- E-mail addresses: Good – jane@1stnotary.com; Not so good – notarybroad@abc.com or notaryhulk@abc.com. **Remember: Your name is your brand**
- Watch what you post on Twitter and Facebook
- Text professionally, not like a teen
- Just because you text or e-mail doesn’t excuse you from using proper grammar
In-Person Presence

Appearance is Everything

• NSAs are often the only live, in-person contact a borrower has in the entire loan transaction
• Appearance counts for 56% of a customer’s initial impression, so dress friendly and smell friendly
• Business casual attire is generally appropriate; aim to dress better than the borrower
• Dress up if you are conducting the signing at a bank or branch office – the single greatest complaint lodged against NSAs who dress inappropriately
Client Loyalty

How to Build Loyalty
- Follow instructions
- Consistently perform and communicate
- Be dependable
- Be courteous to client staff
- Over-please borrowers
- Know when to call

How Not to Build Loyalty
- Send e-mails/post blogs when angry
- Bad mouth client to other NSAs
- Ask client for directions
- Ask client to e-mail docs

Holiday Cheer
- Chocolate and gift cards don’t build loyalty
- You could be in violation of RESPA ethics rules
- The best gift is a job well done
Poll Question

What one statement is the most valuable takeaway you learned from today’s webinar?

a. The most important signing step is the one you are doing now
b. You cannot manage time; you can only manage yourself
c. Success is flawlessly completing all steps in a signing
d. Don’t send your clients chocolate/gift cards during holidays
NNA Contact Information

- E-mail questions or otherwise contact me at: banderson@nationalnotary.org
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- In about 2 weeks we will send you an e-mail with a link to today’s webinar and you can download the presentation