



FGMC Streamlines Audit & Remediation Processes with Optimal Blue's Comprehensive Social Media Compliance Solution

OVERVIEW

First Guaranty Mortgage Corporation (FGMC) leverages Optimal Blue's Social Media Compliance solution to:

- + Manage more than 100 loan officer's dynamic internet and social activity across multiple platforms
- + Assess the level of social media risk for new hires and identify potential conduct training needs specific to social channel and/or regulation type
- + Eliminate resource constraints by streamlining and automating a once manual review and reporting process
- + Provide comprehensive record retention to meet the various needs of both state and federal archiving requirements
- + Improve remediation times and gain invaluable confidence in their regulatory compliance responsibility
- + Liberate valuable human resources to better leverage for business growth opportunities
- + Ensure a long-term, sustainable oversight management program

LENDER PROFILE

Providing premium residential mortgage lending services for more than 25 years, FGMC offers Correspondent, Wholesale, and Retail residential loan origination channels. In conjunction with the company's Warehouse Lending Division, FGMC provides a full spectrum of lending products and services throughout the 47 states and the District of Columbia, where licenses are held.

FGMC prides itself on using robust technology in new and creative ways to ensure the company and its partners are exercising the most efficient and compliant processes available. Despite its embrace of technology, FGMC was relying on a manually intensive and increasingly complex process to oversee its loan officers' social media conduct. When searching for a social media compliance tool, FGMC turned to Optimal Blue's industry specific solution to address its growing social and digital media oversight needs.

CHALLENGES AND PAIN POINTS BEFORE OPTIMAL BLUE

Before adopting Optimal Blue's Social Media Compliance solution, FGMC relied on resource intensive manual efforts. A disjointed review and remediation process made oversight and reporting both challenging and time consuming, as did keeping the list of sponsored mortgage loan originators that required oversight up to date.

FULL TIME SOCIAL MEDIA ANALYST

Social media oversight of more than 100 loan officers required a dedicated, full-time analyst. Additionally, FGMC was forced to spend valuable time assessing social media risk for new hires and trying to determine when and how to conduct social media training for staff.

EXCEL-BASED DOCUMENTATION

Loan officer social media account information and sponsored Nationwide Licensing System and Registry (NMLS) unique identifiers were manually documented and maintained in spreadsheets. When a review resulted in findings and/or further action was required, FGMC would include such notes in the spreadsheet.

MANUAL SEARCH PROCESS

The social media analyst would conduct a manual, time-consuming internet search for each individual loan officer. This review process relied on a static list of available social media accounts, which was a challenge in itself to keep current.

MANUAL VIOLATION CAPTURE

Low and high-risk conduct was observed and documented based on content, frequency of social media use, social media activity for business purposes, and references to FGMC and job titles on any social platform profile. Depending on a very subjective analysis, FGMC would determine which loan officers needed to be reviewed more frequently.

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DISPARATE SYSTEMS

FGMC used a native email system to communicate with, and request information from, loan officers when conduct issues were flagged. With internal communication on email and all loan officer information and notes stored in spreadsheets, FGMC faced report reconciliation and remedial documentation challenges.

CHOOSING OPTIMAL BLUE'S SOCIAL MEDIA COMPLIANCE SOLUTION

As social media oversight continued to deplete valuable time and resources within the compliance team, it became increasingly difficult to manage loan officer activity requirements and review new hires. FGMC had confidence in its existing relationship with Optimal Blue, and the usability of Optimal Blue's entire suite of mortgage and automation tools allowed for a seamless implementation of the Social Media Compliance solution.

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Additionally, Optimal Blue's comprehensive social solution was able to meet the specific regulatory mandates that FGMC was required to abide by, while simultaneously improving organizational efficiency and acting as a barricade to possible reputational damage. The scalable platform provided the confidence that FGMC needed to take advantage of these unique social and digital channels, and still effectively meet oversight obligations.

THE GAINS

With Optimal Blue, FGMC is no longer exhausting valuable time and compliance resources as they are fully automating key social media oversight functions. All monitoring, remediation, and reporting functions are housed within Optimal Blue's Social Media Compliance platform, alleviating the challenge of redundant note taking and multi-system information syncing. "The implementation of the Social Media Compliance solution has significantly reduced the stress of our social media mandates," said Alex Alcalá, FGMC's Senior Compliance Analyst. "This platform is comprehensive and user-friendly, and pliable enough to accommodate any regulatory shift or change in our unique internal processes."

Prior to the adoption of the mortgage industry's only social media oversight solution, FGMC spent several work days each month conducting manual searches, and has since enhanced its controls with regular automated reviews of their loan officers. Through the advanced automation of the search process comes extended reach and enhanced violation capture. The platform flags potential violations and highlights usage trends for FGMC's compliance team to review.

Optimal Blue has also significantly improved FGMC's reporting and response process with added efficiencies. The 360-degree audit reports provide deeper violation reviews that are specific to the regulation in question, so FGMC can communicate and remediate internally and externally – all within a single, turnkey social media compliance tool.

Alcala noted that the company has developed more confidence with new hires by using the platform's new associated NMLS license number review function. "This piece alone is incredibly valuable! It allows us to quickly understand if an individual is considered high risk and depending on the results, gives us the opportunity to offer preparatory training on social media best practices."

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SUMMARY

FGMC was able to successfully leverage Optimal Blue's Social Media Compliance solution to gain new cost and process efficiencies with enhanced compliance certainty. The organization recognized the abundance of opportunity available through social media and that leveraging these popular channels should not be muted by compliance demands or time consuming manual processes.

Optimal Blue's solution equipped the staff with the fundamental tools to accurately and confidently oversee, manage, and remediate social and digital communications – all in accordance with regulatory guidelines.

While numerous federal and state regulators have developed social media conduct restrictions and guidelines, the mortgage industry is still learning the best ways to navigate social media compliance. The scalable and flexible automation available to originators through Optimal Blue's Social Media Compliance solution delivers the most robust and complete oversight.

ABOUT OPTIMAL BLUE

Optimal Blue operates the mortgage industry's Digital Marketplace, connecting originators, investors, and providers with a single, unified technology and value-added services platform. Optimal Blue's Digital Marketplace enables originators to automate their entire secondary marketing operation, from content through commitment, provides investors with network access and an array of compliance and business intelligence tools, and offers innovative providers API-based access to the Optimal Blue platform. Together, these originators, investors, and providers form a unique, multi-sided network touching one of every four mortgage loans closed nationally each year. For more information, visit www.optimalblue.com.