



Starting Up an SIU

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Overview

Omnia muntantor nos mutamar in illis

Today, we want to share with you how to set up a special investigations unit, including the following:

- First Steps / Considerations
- Focus
- Policies and Procedures
- Technology
- Reporting
- Staffing / Training

- What is your business model?
 - What % of your loans are wholesale? Retail?
- Broker vs. Correspondent?
- Do you allow delegated underwriting authority?
 - Are you centralized or decentralized?
 - Where do you do business?
 - Does your company do A-Minus? Alt-A? HELOC?
 - Do you allow TPO?
 - Do you have a pre-funding QC department?
 - Do you retain servicing or sell servicing released?
 - What is your loan origination system? Servicing System? QC System? Pre-funding system, if applicable?

- # 1 Focus – Putting yourself out of business
- Identification – Analysis – Resolution
- Driving Change
- Big Dog Theory – Culture and reputation
- Data Mining – Trend Analysis
- Identifying the gaps and building the traps
- Communication / Training
- Getting to Know You

- 3 Choices
- Privileged and Confidential – “Need to Know” Basis
- SAR’s & MARI
- Exclusionary List
- Suspension and Terminations
- Regular review and updates

- Process Flow – Escalation – Managing Expectations
- Integration vs. Isolation
- Identity Theft
- Reporting Capabilities
- Vendors
 - ❖ ROI / RFP (“Light the Fires and Kick the Tires”)
- Other vendors - Consideration
 - ❖ AVM / Review Appraiser / Door Knock
 - ❖ Income / Employment / 4506-T
 - ❖ Public Records
 - ❖ Outside Investigators

- If you don't report it – it didn't happen / Show your value

- Reporting out – current and rolling
 - ❖ By fraud type
 - ❖ By underwriting type
 - ❖ By fraud scheme
 - ❖ Pre-funding dropouts

- Reporting in
 - ❖ Volume spike reports
 - ❖ Missing packages
 - ❖ Fraud blogs
 - ❖ Post Mortem

- B.F. Skinner approach
- Common Characteristics
- Verbal and written communication skills
- Training – in group
 - ❖ Continuous
- Training – outside of group
 - ❖ Certification
 - ❖ Rewards / recognition
 - ❖ Fraud is everyone's problem
- You as an investigator

Today, it has been our honor and privilege to share with you some ideas on starting a mortgage fraud investigation unit. Some of the key points to remember:

- First Steps – Know your business model
- Focus – Trend Analysis and Driving Change
- Policies and Procedures – A very necessary evil
- Technology – Reporting and integration
- Reporting – Showing your value
- Staffing and Training – Diversity / Your role

Duc, sequi aut fuge!