

# Document Services News

*The mortgage industry's trusted source.*

## Steering Clear Of Penalties Process Management is the Key

Everyone agrees there's wisdom in a simple approach to life's challenges. When it comes to avoiding penalties in the compliance world, focusing on a few basics can save millions of dollars in fines and punitive damages.

Lenders can begin by examining how they research and maintain legal information. "The impact of

Another key to avoiding penalties is how a lender prepares for spikes in volume. Providers need to decide at what level it would be more efficient to outsource their servicing. "We have the ability to process documents at a rate 50 - 75% higher than the industry average," notes Wileman. "Companies look to us to get the job done – even during peak industry periods."

rushes or outsourcing will expedite the process."

Another step in avoiding penalties is a bullet-proof tracking system. "If you don't have a good tracking system in place, at some point you will run into a disaster," agrees Wileman. "At Orion, we have the ability to confirm when each document has been properly recorded. If there's any

to handle electronic documents and recording. With e-recording, documents can be sent to a county, recorded and returned to the sender within 15 minutes.

"With that kind of improvement in turnaround time, we anticipate an increase in the number of counties that are able to accept electronic documents," states Wileman. "Every



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**Mike Wileman, President and CEO of Orion Financial Group, Inc.**

the nuances in the laws and requirements from state to state – and sometimes from county to county – cannot be overstated," agrees Mike Wileman, President and CEO of Orion Financial Group, Inc.

Providers need to decide if they want to handle this function in-house or if it would be more cost effective to outsource. "At Orion, one of our top priorities is compliance," states Wileman. "Our knowledge and understanding of state and county laws and requirements set us apart."

Wileman continues, "We're able to handle significant volume with virtually no rejection. The mortgage industry rejection rate is 12.5%. Ours is 3.46% – the lowest in the industry."

Lenders also need to develop contingency plans to elevate items in a rush situation or handle missing documentation. "If a lender doesn't have the mortgage reference or recording information in order to create lien releases, then it needs to be able to retrieve them in a timely manner," notes Wileman. "Having someone dedicated to processing

problem, the same system will create a delinquency report and generate a reorder as well."

And finally, if you want to avoid penalties, take a look at your "backroom" – your mailing procedures. "An automated mail system can greatly decrease errors and expedite the handling of documents," notes Wileman.

Wileman continues, "In addition, wherever possible, we e-record documents to completely avoid processing by mail." There are a growing number of counties that are able

lender needs to develop the expertise to work with electronic documents or outsource this function."

The good news is that with some attention to these simple basics, lenders can steer clear of penalties. But the process is ongoing. "To avoid penalties, providers need to analyze their effectiveness in these areas on a continual basis," concludes Wileman.

*For more information about Orion Financial Group, Inc., and its services, please visit <http://www.orionfgi.com>, or call 1-888-31-ORION.*