

February 24, 2011

Ms. Cara Melbye
Senior Policy Analyst
Licensing and Market Conduct Division
Financial Services Commission of Ontario
5160 Yonge Street, Box 85
Toronto, ON M2N 6L9

Dear Ms. Melbye:

Subject: Mandatory Continuing Education for the Mortgage Broker Sector in Ontario:
A Proposal for Consultation

Thank you for the invitation to respond to the Mandatory Continuing Education for the Mortgage Broker Section in Ontario: A proposal for Consultation request.

Seneca College has been an active partner with the Financial Services Commission of Ontario for a number of years and is very interested in extending this partnership to areas of professional development for Brokers. Please find attached our response to the questions posed in this consultation paper. If you have any questions or require clarification please do not hesitate to contact me.

Yours truly,

Beverly Hartford
Program Coordinator
Adult Education/Staff Training, Mortgage Agent and Broker Programs

Q1 – Do you agree with these principles?

Seneca College finds many areas of agreement with the five key CE principles provided by FSCO.

1. FSCO will not provide CE directly.

Recommendation: academic institutions are amongst those considered to be provider(s) of PD for the Broker Sector.

Seneca College has a long and successful history of developing and delivering curriculum in partnership with FSCO and is well-positioned to provide relevant professional development to the Mortgage Broker Sector. Mortgage Agent and Broker courses are currently delivered by professionally credentialed and experienced educators. Seneca's reputation as a delivery agent of quality education, employment and business services is recognized locally, provincially, nationally and internationally. Seneca's Faculty of Continuing Education and Training (FCET) department is well-equipped to administer such professional development. The FCET studies calendar is published and distributed online and in-print form three times per year. Over 19,000 registrations per semester are processed. Programs offered through Seneca College have wide public acceptance for academic quality and value.

2. FSCO will seek to harmonize its requirements with those in other provinces.

Recommendation: approved provider(s) have the capability to adapt material to a national audience.

Seneca College has a solid reputation in distance education and is a member of OntarioLearn.com ©, a consortium of 22 Ontario Colleges who have partnered to develop and deliver online courses. Online courses created for a local or provincial market could easily be adapted for national and/or international audiences.

3. CE must be readily accessible to licensees.

Recommendation: approved provider(s) have a proven track record in accessible, reliable, cost-effective, and dependable curriculum delivery.

Seneca's FCET has a well-established and successful history in delivering online curriculum throughout the province. There is a dedicated department (the Centre for Distributed Learning) within FCET that supports the online and distance learner. Seneca is in the process of moving many traditional in-class courses to a blended approach. Blended learning can take many forms and some portion of in-class delivery supported with online delivery could easily be implemented as well as the option of fully online courses. Online courses are available to students through the internet, anytime, anywhere through Seneca's internet-based learning management system, Blackboard©.

4. CE programs must be administratively efficient.

Recommendation: approved provider(s) have the infrastructure in place to support such a venture.

Mandatory Continuing Education for the Mortgage Broker Sector in Ontario: A Proposal for Consultation

Seneca College is able to create and provide relevant professional development opportunities to the Mortgage Broker Sector in a cost-effective and administratively-efficient manner. The Mortgage Agent and Broker programs at Seneca College's FCET are currently administered by an Academic Chair, Academic Coordinator and Program Assistant as well the staff of the Centre for Distributed Learning. The college provides a number of options for registration including web and telephone-assisted registrations. The Registrar's office maintains confidential student records, which students access through a secure on-line log-in. Students may access a wide-range of college services such as test centre and library services. Most courses taken through Seneca College are eligible for a T2202A tax receipt which is seen as a benefit for many students.

5. **FSCO will not require licensees to duplicate CE training.**

Recommendation: a process is established to identify and approve such duplicate training.

Seneca College would be a valuable resource working with FSCO to establish guidelines to recognize all or part of these programs.

Q2 – Are there other topics that should be addressed in a mandatory CE program?

In addition to the topics stated in the Proposal for Consultation (refresher on compliance, related legislation, changes in the marketplace, best practices re risks, commercial mortgages, syndicated mortgages) Seneca College would suggest specialized training in topics such as advanced mortgage math, commercial underwriting, mortgage default insurance, subprime business, mortgage penalties, marketing, building your book of business, fraud detection and prevention, credit bureau analysis, Know Your Client, product suitability, packaging for approval, fiduciary responsibility, and ethics.

Q3 – Should CE requirements in each two-year licensing period include one or more mandatory or recurring core topics, as well as one or more optional topics?

This question might be best left to the practitioners, but it makes academic sense to have introductory subjects that build into more advanced coverage of the topics (pre-requisites). Seneca College would like to be part of the advisory body of stakeholders and education providers who would design the schedule of topics. Recurring core topics could be offered each semester with specialized topics being scheduled in a staggered order. For example, if ethics is considered a "core" competency then it could be offered each month online. If advanced mortgage math is "optional" then perhaps once every three months would be sufficient.

Q4 – What are our comments about such a multi-cycle CE plan?

FCET currently offers many subjects in a monthly-offering basis as well as the semester format (Jan, May, and September). This flexibility is attractive to students and the monthly enrolments are

Mandatory Continuing Education for the Mortgage Broker Sector in Ontario: A Proposal for Consultation increasingly popular. We understand that you are seeking to align the courses with the licensing cycle and that could be accomplished through a systematic delivery of subjects in line with the licensing cycle.

Q5 – Three to five hours of instruction might be an appropriate target for providers when they design a CE program. How many hours do you think would be necessary to teach the topics such as the ones mentioned above?

Hours become less important when talking about online delivery of learning materials. If students are able to access the material 24 hours per day, 7 days per week they can choose how long they spend covering the material. But built-in opportunities for discussion with each other are essential components. For example, with our current delivery of MAP100 (the Mortgage Agent course) we have found that students like to access this online course for the one-week schedule. They can go online anytime during that week, participate in threaded discussion boards, complete assignments and online quizzes and communicate with their instructor. This is the format that would be recommended for professional development for the Mortgage Broker sector.

Q6 – What are your comments about how to achieve these results (re other languages) considering the demand for services in some markets or languages may be significantly less than for others?

Partnering with French language colleges would continue to be one path for multi-language delivery.

Q7 – Are there other criteria that an applicant should meet in order to be accredited by FSCO as a CE provider?

The criteria as outlined in the “Criteria for Approving New Mortgage Agent Education Programs “ lists the criteria for the program, the course, records, reporting and administration which is very comprehensive. Approved providers should be well-established, and academically qualified to deliver such a program. They should have the background and standards in place to ensure academic quality, the infrastructure to support the efficient administration of such a program, as well as ability to efficiently report results to FSCO in an electronic format. If we (Seneca’s FCET) were to comment on these criteria we would recommend that the completion of courses through an academic institution such as Seneca College adds value to the credential that the participant receives.

Seneca College is experienced in developing quality courses with a short turnaround time. This responsiveness should be a criterion that an applicant should meet in order to be accredited by FSCO as a CE provider. When additional topics are identified by the membership, FCET would be able to develop an appropriate course to meet these identified needs by the instructional design team in a timely manner. The length of time from idea to delivery would depend on the length, depth, and scope of the proposed topic, but it should be noted that FCET has the staff, access to industry experts, resources and processes in place to meet tight schedules.

Q8 – What monitoring and reporting measures should FSCO require ensuring that these requirements continue to be met?

FCET has an excellent working relationship with FSCO in the current management of the Mortgage Agent and Broker programs. The Agent program is offered in myriad formats (online 7-day, 14 week; in-class 14-week, 3 hours per evening, 7 full Saturday, etc.,) and meets the requirements as set out in the current FSCO agreements. There is on-going dialogue between the FSCO and FCET teams to ensure quality. We believe that an accredited academic institution can provide many benefits to the licensees. Academic quality is ensured through appropriately established learning outcomes, curriculum and learning activities along with assessment processes. Student records are confidential and status of completed courses is communicated to FSCO electronically via an excel spreadsheet in an agreed-upon manner. Students receive an unofficial copy of their student records by printing their Student Information Registration screen as well as the ability to request an official college transcript of grades for completed courses. Currently they are mailed a “certificate” in the mail about one-month after they complete their course. This practice is under review.

We would recommend that for professional development courses FCET would continue to report results to FSCO electronically (in an approved excel spreadsheet format), but would prefer students to access their results electronically as well rather than a paper “certificate” add-on to streamline the process. The current practice of creating a paper “certificate” for each student who successfully completes a course would not be sustainable for the volume of registrations that FSCO anticipates.

Q9 – FSCO must be satisfied that a program adequately covers the required CE content in order to recognize it for license renewal purposes and avoid duplicating requirements for licensees. To recognize existing programs – for example, CE provided by an industry association – are there approaches other than the accreditation approach mentioned above?

A central data-base of learning outcomes (housed by FSCO) where learning outcomes could be compared course-by-course for advanced standing and prior learning assessments is one strategy that could assist in this task. We would recommend that the attainment of stated learning outcomes is tested through some sort of assessment process such as online quizzes, assignments, etc.

Q10 – What are your comments about recognizing CE completed in another province, or through an industry association, during a time period that is different from FSCO’s licensing cycle?

Professional development courses can be offered on a monthly-intake basis making it more convenient for members to engage in the continuing education courses mid-cycle. Again, it is suggested that a paper-less process be initiated to ease the record keeping process.