

CHAPTER 17: POOL, LOAN PACKAGE AND LOAN ACCOUNTING AND REPORTING

17-1: OVERVIEW OF CHAPTER

This chapter describes the monthly accounting and reporting requirements for approved Issuers. It explains how the Issuer's monthly reporting cut-off date is determined, and identifies the reporting methods available to the Issuer community. In addition, this chapter describes Issuer obligations for all attendant document retention and reconciliation procedures.

17-2: ACCOUNT AND RECORD MAINTENANCE

All accounts and records relating to the pooled mortgages and securities must be maintained in accordance with sound accounting practices, and in a manner that will permit Ginnie Mae or its representatives to examine and audit them at any reasonable time.

17-3: MONTHLY REPORTING CUT-OFF DATE

Each Issuer must establish a monthly reporting cut-off date for purposes of making payments to security holders, for reporting RPBs, and for discharging its accounting responsibilities as stated in this chapter. Upon acceptance into the Ginnie Mae program, Issuers are required to select a cut-off date and are expected to apply this date consistently. The monthly reporting cut-off date must be between the 25th of the month and the first business day of the following month. Once established, this cut-off date will apply to all of the Issuer's pools and loan packages. As noted, the stated cut-off date must be utilized consistently, and may not be changed without the prior written approval of Ginnie Mae's Office of Mortgage-Backed Securities (see Addresses). If, for instance, an Issuer were to establish the first day of the month as its monthly reporting cut-off date, and then fail to report its RPBs in a timely fashion, Ginnie Mae may require the Issuer to establish an earlier monthly reporting cut-off date.

The period beginning the day after a monthly reporting cut-off date and continuing through the next monthly reporting cut-off date is referred to in this Guide as either the "reporting month" or "monthly reporting period."

17-4: MONTHLY REPORTING REQUIREMENTS

Each Issuer must execute and submit an Electronic Data Interchange System Agreement which must be received and acknowledged by the GinnieNET Customer Service unit (see Addresses) prior to submitting monthly pool and loan level data. The Agreement can be found in Appendix III-13.

Each Issuer must report pool and loan level data on a monthly basis for each of its pools and loan packages, regardless of type, in accordance with the Reporting and Feedback System (RFS) Issuer Monthly Report of Pool and Loan Data (Appendix VI-19). The monthly report of pool and loan data is due by the 2nd business day of the month and

CHAPTER 17: POOL, LOAN PACKAGE AND LOAN ACCOUNTING AND REPORTING

any corrections to the data must be made no later than the 10th business day of each month.

The Issuer must submit monthly data utilizing the Ginnie Mae Enterprise Portal (GMEP). The Issuer may use direct data entry, file upload (HTTPS) or a Secure File Transfer Protocol (SFTP). Additional instructions on submission methods can be found in Appendix VI-19, which provides technical guidance and record layout specifications for the submission of monthly pool and loan data. If an Issuer fails to comply with these requirements, and that failure results in the repeated rejections of the Issuer's reports, Ginnie Mae may apply program sanctions against the Issuer until compliance is obtained.

The Issuer must also transmit the Monthly Summary Report, form HUD 11710-D (Appendix VI-5) and any revisions to the report electronically, using GinnieNET no later than the 10th calendar day of the month following the month covered in the report. Any supplemental reports or explanations (not including the quarterly certification described in Section 16-8) that were previously submitted, must be retained by the Issuer for review by Ginnie Mae or its agents.

Additional or alternative reports, if any, that are required in connection with a particular pool or loan package type, are described in Chapters 24 through 32.

All required supporting documentation must be maintained by the Issuer. The Issuer must, at all times, be able to produce hard copy reports at the request of Ginnie Mae or its agents.

(A) Submission of Corrected Monthly Accounting Data

Issuer corrections to pool and loan data can be made anytime between the 2nd business day and the 10th business day, but no later than the 10th business day of each month. Corrections are submitted in accordance with the specifications in Appendix VI-19, via the RFS module.

- (1) Corrections can be made using one of three submission methods identified in Appendix VI-19, direct data entry, HTTPS or SFTP.
- (2) All corrected data must be received by the Ginnie Mae no later than the 10th business day of the month following the reporting month for which the data is submitted.

Note that the amount reported in "Security RPB" (field #10 of the RFS Pool Record) must be identical to the

CHAPTER 17: POOL, LOAN PACKAGE AND LOAN ACCOUNTING AND REPORTING

RPB reported in GinnieNET.

- (3) If the Issuer's corrections result in a change to the program summary data the Issuer must submit a corrected form HUD 11710-D through GinnieNET.

(B) Reconciliation

The following monthly data submitted by an Issuer must be in agreement each month:

- (1) Principal payments:
 - (a) the sum of the entries in Section 2, as prepared in Block E, entitled "Total Principal," of the Issuer's Monthly Accounting Reports, form HUD 11710-A (Appendix VI-4), prepared for that month;
 - (b) the entry under "Due Holders – Total Principal (9)" in the Issuer's Monthly Summary Report, form HUD 11710-D (Appendix VI-5), submitted in that month;
 - (c) the principal paid to security holders on the payment date in that month must equal the difference between the RPB reported for the current payment month and the RPB reported for the immediately preceding month; and
 - (d) in the case of Ginnie Mae I MBS only, the sum of the entries on lines A, C, and D of the Issuer's Monthly Remittance Advices, form HUD 11714 (Appendix VI-10), or, in the case of an SN pool, the sum of the entries on line C of the Issuer's Monthly Serial Note Remittance Advices, form HUD 11714SN (Appendix VI-11), submitted in that month.
- (2) Interest payments:
 - (a) the sum of the entries in Section 2, line F, entitled "Cash distribution due holders for interest," on the Issuer's Monthly Accounting Reports, form HUD 11710-A (Appendix VI-4), prepared for that month;
 - (b) the entry under "Due Holders - Total Interest (10)" in the Issuer's Monthly Summary Report, form HUD 11710-D (Appendix VI-5), submitted in that month; and
 - (c) in the case of Ginnie Mae I MBS only, the sum

CHAPTER 17: POOL, LOAN PACKAGE AND LOAN ACCOUNTING AND REPORTING

of the entries on line B, entitled “Cash distribution due Security Holder for interest,” on the Issuer’s Monthly Remittance Advices, form HUD 11714 (Appendix VI-10), or, in the case of SN pools, the sum of the entries on line A, entitled “Cash distribution due Security Holder for interest,” on the Issuer’s Monthly Serial Note Remittance Advices, form HUD 11714SN (Appendix VI-11), submitted in that month.

- (3) Remaining Principal Balances (RPB):
- (a) the sum of the entries in Section 3, line D, entitled “Principal of securities this month end,” on the Issuer’s Monthly Accounting Reports, form HUD 11710-A (Appendix VI-4), prepared in that month;
 - (b) the entry under “Total Security Principal Balance (8),” on the Issuer’s Monthly Summary Report, form HUD 11710-D (Appendix VI-5), submitted in that month;
 - (c) the RPB reported to the CPTA in that month; and
 - (d) in the case of Ginnie Mae I MBS only, the sum of the entries on line G, entitled “Outstanding balance of this certificate after credit of the above distribution,” on the Issuer’s Monthly Remittance Advices, form HUD 11714 (Appendix VI-10), or, in the case of SN pools, the sum of the entries on line E, entitled “Outstanding balance of this certificate after credit of the above distribution,” on the Issuer’s Monthly Serial Note Remittance Advices, form HUD 11714SN (Appendix VI-11), submitted in that month.

(C) Reporting Buydown Funds

Funds due from a provider of buydown funds must be accounted for as if they were due from the mortgagor. These receipts must be aggregated with receipts from the mortgagor.

(D) Reporting Differing Mortgage Interest Rates

When loans with different face interest rates are included in a single pool or loan package, the Issuer must use the “weighted average interest rate.”