Service Bureau Administration

Service bureaus are organizations contracted by lending institutions to provide financial services for their loans. Service bureaus access the FHA Connection to perform servicing tasks designated by the lender(s) with which they are associated. This *FHA Connection Guide* module discusses:

- Service Bureau Establishment Procedures (Title II and Title I Lenders)
- Service Bureau Selection and Authorization by Lending Institutions
- **Registration and Administration of Service Bureau Users** (a topic covered briefly here and in depth by the *FHA Connection Guide* modules: *FHA Connection Registration Procedures*).
- Viewing Lending Institution Authorizations for a Service Bureau

Service Bureau Establishment Procedures (Title II and Title I Lenders)

The procedures for establishing a service bureau in HUD's systems vary according to whether the service bureau will perform servicing tasks for a Title II lender (see **How to Establish a Title II Lender Service Bureau**) or for a Title I lender (see **How to Establish a Title I Lender Service Bureau**).

Following HUD approval of the request and service bureau establishment in HUD's systems, a five-digit service bureau ID is issued to the service bureau by HUD. The service bureau can then establish its own internal Application Coordinators and Standard Users, a separate topic that is summarized briefly at the end of this module in the section, **Registration and Administration of Service Bureau Users**.

How to Establish a Title II Lender Service Bureau

To establish a Title II service bureau in HUD's system, email a request to: <u>Lenderassistance@hud.gov</u>. The request must include the following: name of service bureau, mailing address, and contact information (name, telephone number, and e-mail address).

How to Establish a Title I Lender Service Bureau

To establish a Title I service bureau in HUD's system, contact the Financial Operations Center's Premiums Branch at the Premiums Help Line at (800) 669-5152, x2832. The following information must be provided: name of service bureau, mailing address, and contact information (name, telephone number, and e-mail address).

Service Bureau Selection and Authorization by Lending Institutions

Following establishment in HUD's systems, a service bureau can then be selected and authorized by any lending institution that chooses to use its services. Selection and authorization of service bureaus is the role of the Application Coordinator(s) for each associated lending institution.

Selection and authorization steps include:

 Once signed on to the FHA Connection, access the ID Maintenance menu via its link in the header (Figure 1) that is available throughout the FHA Connection's pages for most business area users. Property Improvement/ Manufactured Housing users can also access ID Maintenance from their Title I Processing menu.

FHA Conn	Home Main Menu ID Maintenance E-m Click to access	ail Us) Cor ID Maint	ntact Us
Single Family FHA	Provides access to the online business areas used to originate, process, insure and service FHA loans.	MORE	
Multifamily FHA	Provides access to MDDR, PASS, and the Web-based eLOCCS system.	MORE	
Lender Functions	Provides access to lender-related functions.	MORE	
	_		
FHA Connection HUDCLIPS: The HUD to HUD's official repo online searches.	ON Resources Client Information and Policy System (HUDCLIPS) offers HUD clien sitory of policies, procedures, announcements, and other materials	ts free acce: using full-to	ss ext
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FHA Connection <u>HUDCLIPS</u> : The HUD to HUD's official repo- online searches. <u>Lenders Information</u> information originate what FHA lenders nee <u>Mortgagee Letters</u> : To online and/or print al	Client Information and Policy System (HUDCLIPS) offers HUD clien sitory of policies, procedures, announcements, and other materials The Lenders page located on HUD's Internet Web site provides a d and maintained by HUD's Office of Housing on how to become ar d to know, and a comprehensive index of FHA-related information. The FHA Mortgagee Letters page on HUD's Internet Web site enable I mortgagee letters issued since 1976.	ts free acce: : using full-tr ccess to n FHA lender es you to vie	ss ext ′,

Figure 1: Main Menu provides a link to the ID Maintenance page

2. On the **ID Maintenance** menu (**Figure 2**), select **Service Bureau Authorization**. The Service Bureau Authorization List page appears (**Figure 3**).

Note: The Title II lender's Application Coordinator must be authorized for the **Monthly Premiums Portfolio** function in order to access **Service Bureau Authorization**. For Title I, the Application Coordinator must have authorization to Title I applications (one or more).

FHA	Connection	Home Main Menu ID Maintenance E-mail Us Contact Us Sign 0
HA Connection	ID Maintenance	
ID Mainte Password C FHA Connec	enance hange stion ID Administration	
Service Bur	eau Authorization	Access Service Bureau Authorization
Appraiser R Application	oster Coordinators	
	HSG/FHA Hor HUD Multifamily Housing Pa	me Page HUD Single Family Housing Page ge HUDCLIPS Lenders Information Mortgagee Letters

Figure 2: ID Maintenance menu

- 3. The Service Bureau Authorization page (Figure 5) displays:
 - the lending institution's name and HUD-assigned five-digit (corporate) ID in the Mortgagee field
 - individual tables with the name and ID of each service bureau that is associated with the lender; the functions available to the listed service bureau; and the service bureau's access levels for each function

Note: In **Figure 5**, the last five **Monthly Premiums** functions illustrated relate to paying monthly (periodic) mortgage insurance premiums; the last two **Title I** functions relate to paying **Property Improvement\Manufactured Housing Title I** annual payments and exceptions.

 the *To add a service bureau*...drop-down list containing the names of all HUD-authorized service bureaus that is used to add or delete service bureaus associated with the lending institution or to modify current service bureau's access levels (see step 4).

Note: For Government National Mortgage Association (GNMA) and Federal National Mortgage Association (FNMA) FHA Connection Application Coordinators, the Service Bureau Authorization page is a two-step process. A drop-down box is initially provided listing all associated lenders (**Figure 3**). Select one of the listed lenders to display their associated service bureau information (**Figure 4**).

Service Bureau Authorization	Help Links ?
You are a FNMA/GNMA user. The drop-down box below list associated. Select a lender then click the <u>Send</u> button to b bureau associations and service bureau authorizations.	s all the lenders with which you are ring up a detailed screen of lender/ service
FNMA-FIRST ACME MORTGAGE CORP (9123400005)	Click to display all available lenders, select one, and click <mark>Send</mark>
Send Reset < Prior	
Figure 5: Initial Service Bureau Authoriza	tion page as displayed for a

FNMA/GNMA FHA Connection Application Coordinator user

Service Bureau Administration

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	1	Service Bureau Authorization ?																	
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- 4. To add or delete a service bureau for the lending institution, select the service bureau's name from
- the drop-down list in the **To** add a service bureau... field (**Figures 4 and 5**), and click **Send**. Or, to change a service bureau's current authorizations for the lending institution, click the service bureau's name/ID link as shown in **Figure 4**.

To add a service bureau, select a service bureau fro	m the list below, then click the Send button:
FAIREX HOME SERVICES (88888)	Drop-down selection list, available to add service bureaus associated with your institution
Send Reset < Prior	



- 5. The Set Service Bureau Permissions page appears (**Figure 6**) showing the service bureau selected, and providing fields with selection options:
 - To add or change authorizations, select/deselect checkboxes or select the appropriate radio button beside any of the authorization options, e.g., *Portfolio*, *Refund Transactions*, *Update or View Payment*. A selected checkbox indicates authorization is given to the service bureau by the lender for the selected option. A selected radio button indicates the access level for the option.
 - To remove the service bureau from the lender's list, select the If you would like to remove... checkbox.

Note: For more detailed assistance with the processing steps and options for this page and all pages in the service bureau administration process, click Help Links ? at the upper right of the function page.

Connection ID Ma	intenance > Service Bureau Au	uthorization Help f	for service bureau permissions proc
Set Service Bure	au Permissions		Help Links ?
Mortgagee: ACME BA	NK FSB - ARKANSAS (Title I: 8)	0123, Title II: 83210	0
Service Bureau: HOM	ME SERVICES LLC (88008) —	Service bureau na	ame and five-digit ID
strate title book	Click to remove serv	lice bureau's asso	ciation with lender
circle time port in	Click to remove serv	vice bureau's assoc	ciation with lender
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 ☑ Portfolio ☑ Lender Notification ☑ Add Case to Payment Update or View Paym 	Click to remove server Advance Notices Refund Transactions Submit Payment nent:	Vice bureau's assoc	ciation with lender
 ✓ Portfolio ✓ Lender Notification ✓ Add Case to Payment Update or View Paym Fitle I: Select one or more p his box □ 	Advance Notices Advance Notices Refund Transactions Submit Payment Oupdate Query Not Authorized Dermissions. If you would I	Vice bureau's assoc ✓ Billing ✓ Case Detail ✓ View Payment History Click the appro add/remove an service bureau Vike to remove this service	ciation with lender Image: Reconciliation Image: Reallocation Transactions Image: Reallocation Transmissions Image: Reallocation Transmissions Image: Reallocation Transmissions Image: Reallocation Transmissions Image: Reallocation Transactions Image: Reallocation Transmissions Image: Reallocation

Figure 6: Set Service Bureau Permissions page

Note: An additional selection is available for FNMA/GNMA users (Figure 8). Select the **Cash Flow Account Setup** checkbox to assign *Cash Flow Account Setup* authorization, enabling the user to make Title I payments and/or exceptions. To remove the service bureau from the list, select the **If you would like to remove...** checkbox.

Lender Approval: Select one or more	e permissions. If you would like to remove this se	ervice bureau from the list, please
click this box 🔲 –	Click to remove service bureau's association	
Cash Flow Ac	count Setup	
	Figure 7. Additional authorization antion quallable for FN	

Figure 7: Additional authorization option available for FNMA/GNMA users

Click O Send The Service Bureau Permission Results page appears.

If permissions were updated, the Service Bureau Permission Results page (**Figure 8**) displays a confirmation message and the authorization category (i.e., Monthly Premiums (Title II) or Title I) that was updated.

If the service bureau's association with the lender was removed, the Service Bureau Permission Results page (**Figure 9**) displays the name of the service bureau that was removed from the authorized list.

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Confirma message	tion	Service Bure	reau Peri au permiss	ions have been up	dated.	Mortgag	00 namo a	nd five-dia		1
		Service Bure Authorization	əau: n category:	BEST MORTGAGE	SERVIC	ES (88776)	ice bureau	i name and	d five-di	i <mark>git ID</mark>
		New Ro	equest	Messag	je Board	l Friday Octob	er 19, 2007			
			HUD Multifam	HSG/FHA Home Pag ily Housing Page HU	e HUD JDCLIPS	Single Family Lenders Inf	Housing Page ormation Mort	gagee Letters		

Figure 8: Service Bureau Permission Results page confirming permissions were updated

	FHA Con		Menu ID Maintenance E-ma	ail Us Contact Us Sign Off
	FHA Connection ID Main	tenance > Service Bureau Authorizatic	DN	
Confirmatio	Service Bureau Po	ermission Results		Help Links ?
nessage	Mortgagee: Service Bureau:	SEASHORE BANK FSB - FLORIDA (1 HAPPY HOME LENDERS (88776) —	Title I: 89898, Title II: 88988)- Service bureau name and five-	Mortgagee name a five-digit ID
	New Request	ITTLE I, MONTHLY PREMIUMS	digit ID	

Figure 9: Service Bureau Permission Results page showing results when a service bureau is removed

A brief summary follows on how a newly established service bureau registers its Application Coordinators and Standard Users.

Registration and Administration of Service Bureau Users

A newly established and authorized service bureau organization functions the same way as other organizations with regard to FHA Connection registration and user administration. The following short summary gives "next steps" for the service bureau in the FHA Connection process flow. For the full picture and for detailed training on the proper procedures and processes for a newly established service bureau, refer to the *FHA Connection Guide* modules on *FHA Connection Registration Procedures* and *User Administration*.

After the lending institution sets up the new service bureau's authorizations, the new service bureau must register its own internal Application Coordinator(s) using registration forms and instructions publicly available via the FHA Connection's Welcome page (<u>https://entp.hud.gov</u>). Following establishment of internal Application Coordinators, the service bureau may then register Standard Users to perform servicing tasks for the lending institution(s) with which it is associated.

To register:

- On the Welcome page, in the Getting Started section, use the Registering a New User link.
- The Registering to Use the FHA Connection page appears (<u>https://entp.hud.gov/clas/reginfo.cfm</u>). The first row in the table references service bureaus (**Figure 10**).

Registering to Use the FHA Connection

An FHA Connection user ID and password are required to log on to the FHA Connection. To obtain an ID, an applicant must register according to the procedures defined for the user type. Refer to the table below.

Type of User	Registration
 FHA-approved Lender (Single Family or Multifamily) Service Bureau 	The organization must designate an employee to act as an Application Coordinator. A maximum of two Application Coordinators are allowed. Application Coordinators maintain the FHA Connection user IDs for the entire organization (besides using the FHA Connection applications for which they are authorized). If the request for an Application Coordinator ID is approved, a notification letter disclosing the ID is mailed within 7 to 10 days to the organization's home office mailing address, to the attention of the organization's chief executive officer (CEO). Upon final approval by the CEO, the FHA Connection user ID is provided to the Application Coordinator.
Service Bureau information and registration forms	 Prior to applying for an Application Coordinator ID, the applicant should verify the <u>mailing</u> <u>address</u> HUD has on record for the organization to avoid possible mailing delays. An Application Coordinator applicant is required to complete the <u>Application Coordinator</u> <u>Registration</u> form to obtain an FHA Connection user ID. Once the Application Coordinator receives an ID, other employees of the organization (Standard Users) can request FHA Connection user IDs for themselves by completing the
	 All registration forms are processed overnight. An e-mail message is sent to the e-mail address provided on the applicant's registration form notifying the applicant if an FHA Connection user ID was issued. If an ID was not issued, an explanation is provided.

Figure 10: Service bureau information and registration forms on the FHA Connection

Viewing Lending Institution Authorizations for a Service Bureau

Once a lending institution has selected and authorized a service bureau for services using the FHA Connection (see **Service Bureau Selection and Authorization by Lending Institutions**), the service bureau may use the **Service Bureau Authorization** page to view a listing of all lenders currently using the service bureau for processing its cases on the FHA Connection. In addition, this page provides the access levels that were authorized by the lender to their cases for FHA Connection applications (Monthly Premiums (Title II) and/or Title I).

An authorized service bureau user can view the current lending institution authorizations by doing the following:

- Access the ID Maintenance menu via its link in the header at the top of the FHA Connection Welcome page, which is also available throughout the FHA Connection's pages for most business area users.
- 2. On the **ID Maintenance** menu (**Figure 2**), select **Service Bureau Authorization**. The Service Bureau Authorization page appears (**Figure 11**).
- 3. The Service Bureau Authorization page (Figure 11) displays:
 - the service bureau's name, location, and HUD-assigned five-digit ID in the Service Bureau field
 - individual tables with the name and ID of each lending institution that authorized the service bureau; the **functions** available to the service bureau; and the service bureau's **access levels** for each function

Note: The last five functions illustrated in **Figure 11** are related to paying monthly (periodic) mortgage insurance premiums to HUD via FHA Connection using HUD's automated collection service. These function authorizations became available in August 2007.

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	SHANGE	RILA LENDER AS	SOCIATES (88877)						Function names with
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vide all	inform	nation	No Access	No Access	No Access	No Access	No Access	No Access	
	C	< Prior							

Figure 11: Service Bureau Authorization page showing the lending institution authorizations for the listed service bureau