

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: Lenderassistance@hud.gov. 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:

1. 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.



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

- 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).

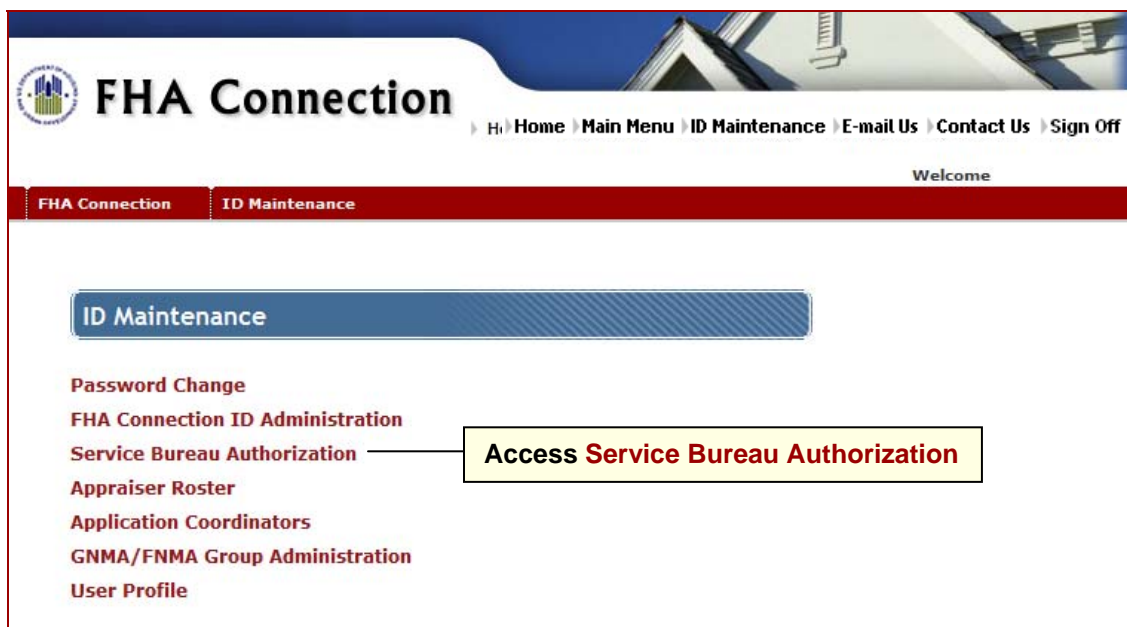


Figure 2: ID Maintenance menu

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 lists all the lenders with which you are associated. Select a lender then click the **Send** button to bring up a detailed screen of lender/ service bureau associations and service bureau authorizations.*

FNMA-FIRST ACME MORTGAGE CORP (9123400005) ▼

Click to display all available lenders, select one, and click **Send**

Send **Reset** **< Prior**

Figure 5: Initial Service Bureau Authorization page as displayed for a FNMA/GNMA FHA Connection Application Coordinator user

The screenshot shows the 'Service Bureau Authorization' page. At the top, there is a navigation bar with 'FHA Connection' and 'ID Maintenance > Service Bureau Authorization'. Below this is a 'Service Bureau Authorization' header and a 'Help Links' button. A text block explains how to change or add service bureau authorizations. The mortgagee is identified as 'VERIGOOD BANK FSB - ARKANSAS (Title I: 89898, Title II:88888)'. Two tables are shown: one for 'BLUE HOME SERVICES (SOUTH BEND, IN) (87654)' and another for 'BEST MORTGAGE SERVICES (88776)'. Each table lists various functions like 'Monthly Premiums', 'Portfolio', 'Advance Notices', etc., with corresponding access levels (e.g., 'Active', 'Query Only', 'Update'). A callout box notes that some functions were moved due to page constraints. Below the tables is a section for adding a service bureau, featuring a drop-down menu currently set to 'None' and a 'Send' button.

Service bureau name and five-digit ID. Click to edit as needed

Mortgagee name and five-digit ID

Note: Due to page constraints, this section of the example was moved to provide all information

Function names with corresponding access levels

Used to add additional service bureaus

Figure 4: Service Bureau Authorization page lists all service bureaus currently associated with the mortgagee

- 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.

This close-up shows the 'To add a service bureau...' section. It includes the instruction: 'To add a service bureau, select a service bureau from the list below, then click the Send button:'. Below this is a drop-down menu with 'FAIREX HOME SERVICES (88888)' selected. A callout box points to the drop-down menu, stating it is available to add service bureaus associated with the institution. Below the menu are 'Send', 'Reset', and '< Prior' buttons.

Drop-down selection list, available to add service bureaus associated with your institution

Figure 5: Service Bureau Authorization page add selection

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.

Set Service Bureau Permissions

Mortgagee: ACME BANK FSB - ARKANSAS (Title I: 80123, Title II: 83210)

Service Bureau: HOME SERVICES LLC (88008) — **Service bureau name and five-digit ID**

Monthly Premiums:
 Select one or more permissions. *If you would like to remove this service bureau from the list, please click this box* — **Click to remove service bureau’s association with lender**

<input checked="" type="checkbox"/> Portfolio	<input checked="" type="checkbox"/> Advance Notices	<input checked="" type="checkbox"/> Billing	<input checked="" type="checkbox"/> Reconciliation
<input checked="" type="checkbox"/> Lender Notification	<input checked="" type="checkbox"/> Refund Transactions	<input checked="" type="checkbox"/> Case Detail	<input checked="" type="checkbox"/> Reallocation Transactions
<input checked="" type="checkbox"/> Add Case to Payment	<input checked="" type="checkbox"/> Submit Payment	<input checked="" type="checkbox"/> View Payment History	<input checked="" type="checkbox"/> View Batch File Transmissions

Update or View Payment:
 Update
 Query
 Not Authorized

Title I:
 Select one or more permissions. *If you would like to remove this service bureau from the list, please click this box*

<input type="checkbox"/> Report Single Loans	<input type="checkbox"/> Report Single Refinances	<input type="checkbox"/> Claim Inquiry
<input type="checkbox"/> Download Bills	<input checked="" type="checkbox"/> Loan Data Changes	<input checked="" type="checkbox"/> Annual Premium Payment
<input checked="" type="checkbox"/> Annual Payment History		

Click the appropriate boxes and radio buttons to add/remove an authorized function for the service bureau shown


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 permissions. *If you would like to remove this service bureau from the list, please click this box* — **Click to remove service bureau’s association**

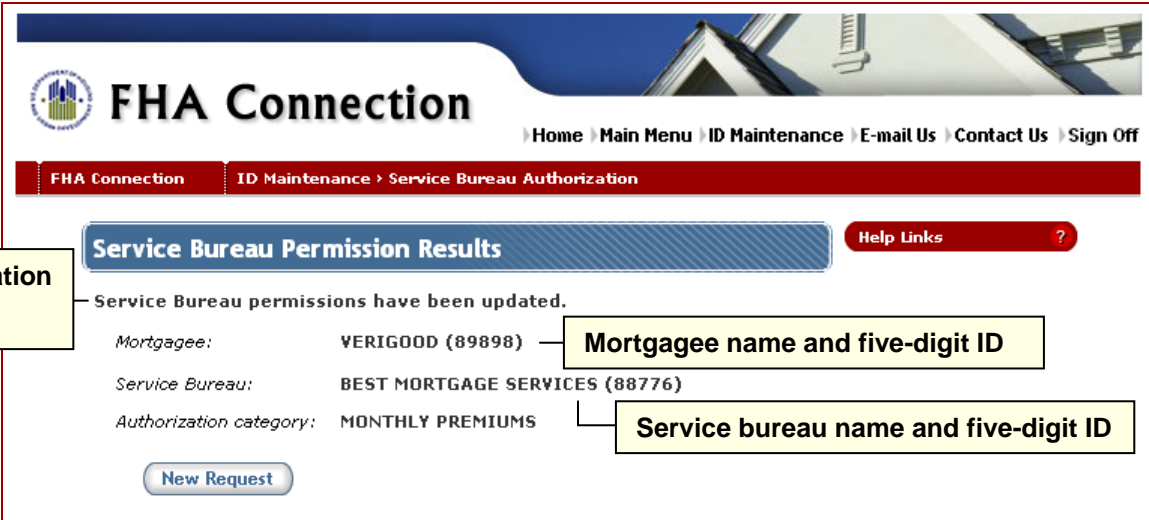
Cash Flow Account Setup

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

Click . The Service Bureau Permission Results page appears.

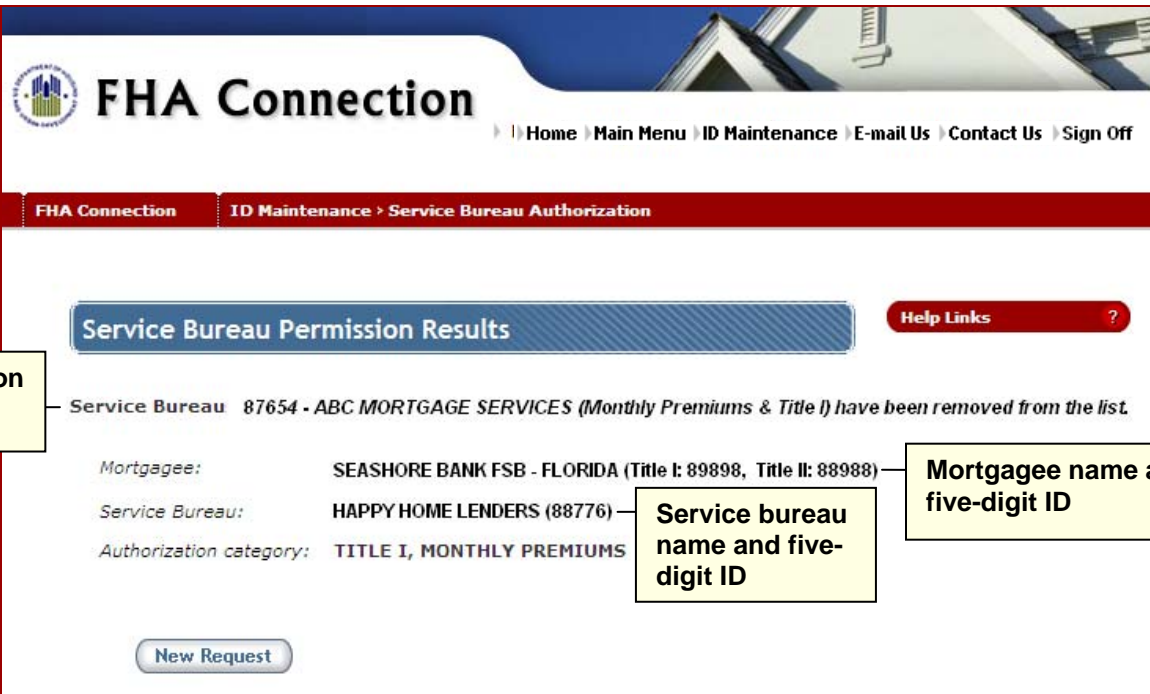
If permissions were updated, the Service Bureau Permission Results page (**Figure 8**) displays a confirmation message and the authorization category (i.e., Monthly Premiums (Title II) or Title I) that was updated.

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.



The screenshot shows the 'Service Bureau Permission Results' page. At the top, there is a navigation bar with 'FHA Connection' and 'ID Maintenance > Service Bureau Authorization'. Below this is a blue header for 'Service Bureau Permission Results' with a 'Help Links' button. A yellow callout box labeled 'Confirmation message' points to the text: 'Service Bureau permissions have been updated.' Below this, three fields are listed: 'Mortgagee: VERIGOOD (89898)', 'Service Bureau: BEST MORTGAGE SERVICES (88776)', and 'Authorization category: MONTHLY PREMIUMS'. Two yellow callout boxes point to the mortgagee and service bureau information, with labels 'Mortgagee name and five-digit ID' and 'Service bureau name and five-digit ID' respectively. A 'New Request' button is at the bottom.

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



The screenshot shows the 'Service Bureau Permission Results' page. At the top, there is a navigation bar with 'FHA Connection' and 'ID Maintenance > Service Bureau Authorization'. Below this is a blue header for 'Service Bureau Permission Results' with a 'Help Links' button. A yellow callout box labeled 'Confirmation message' points to the text: 'Service Bureau 87654 - ABC MORTGAGE SERVICES (Monthly Premiums & Title I) have been removed from the list.' Below this, three fields are listed: 'Mortgagee: SEASHORE BANK FSB - FLORIDA (Title I: 89898, Title II: 88988)', 'Service Bureau: HAPPY HOME LENDERS (88776)', and 'Authorization category: TITLE I, MONTHLY PREMIUMS'. Three yellow callout boxes point to the mortgagee and service bureau information, with labels 'Mortgagee name and five-digit ID', 'Service bureau name and five-digit ID', and 'Mortgagee name and five-digit ID' respectively. A 'New Request' button is at the bottom.

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 (<https://entp.hud.gov>). 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 (<https://entp.hud.gov/clas/reginfo.cfm>). 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
<ul style="list-style-type: none"> • FHA-approved Lender (Single Family or Multifamily) • Service Bureau 	<p>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.</p> <ul style="list-style-type: none"> • Prior to applying for an Application Coordinator ID, the applicant should verify the mailing address HUD has on record for the organization to avoid possible mailing delays. • An Application Coordinator applicant is required to complete the Application Coordinator Registration 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 Standard User Registration form. • 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.

Service Bureau information and registration forms

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:

1. 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.

Service Bureau Authorization

Service Bureau: DASLING HOME LENDERS (SOUTH BEND, IN) (80001)

ANYWHERE STATE HOUSING AUTHORITY (88776)							
Title I	Report Single Loans	Report Single Refinances	Claim Inquiry	Download Bills	Loan Data Changes	Annual Premium Payment	Annual Payment History
Active	Update	Update	Query Only	Query Only	No Access	No Access	No Access

SHANGRILA LENDER ASSOCIATES (88877)							
Monthly Premiums	Portfolio	Advance Notices	Billing	Reconciliation	Lender Notification	Refund Transactions	Case Detail
Active	Query Only	No Access	No Access	No Access	No Access	No Access	No Access

Reallocation Transactions	Add Case to Payment	Submit Payment	View Payment History	View Batch File Transmissions	Update or View Payment
No Access	No Access	No Access	No Access	No Access	No Access

< Prior

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