Welcome to Electronic Status Reporting (ESR) Rejected Records and Corrections for Single Family Housing Guaranteed Loans!
ESR Rejected Files

Topics:

• Log into ESR Corrections
• Search rejected records
• Complete required corrections

The topics we will cover today include:
• Logging into ESR Corrections,
• Searching for a rejected record, and
• Completing required corrections.
To access ESR users will first log into USDA LINC from the web address provided on this slide.

From the USDA LINC home page please select “RHS LINC Home” or the “Rural Housing Service” icon.
Under the “Single Family Guaranteed Rural Housing” menu, select “Electronic Status Reporting Corrections.”
Log in with e-Authentication

- Level Two account required

This will take you to the e-Authentication log in page.

If you have an activated User ID, please enter it along with your password. Then select “Login.”

If you do not have an activated Level Two e-Authentication account registered with the approved lender or servicer for which you are reporting monthly loan statuses for, please refer to the “ESR Introduction” training and the Security section of the ESR User Guide for step by step instructions to create and activate your own e-Auth account.
A successful log in will bring you to the “Search Rejected Records” home page.
There may be up to three tabs displayed at the top of this ESR page. The first one is “Search Rejected Records.” This screen will allow the user to search for rejected records of the servicer displayed on the screen for correction.
The “Contact Maintenance” tab will allow users to update their contact information within the system.
The ESR User Guide coming soon/available from USDA LINC’s Training and Resource Library includes a section in the “Corrections” portion of the guide which will walk users step by step through:

- Adding new contacts,
- Editing or deleting existing contacts, and
- How to search rejected records.
The “Select Lender Profile” tab will only appear on this page IF the user enters monthly investor status and default status reports for more than one servicer.

When this is the case, the user will have provided their activated Level Two e-Auth account to each servicer for which they are approved or contracted to perform these actions. The approved servicer must enter this e-Auth ID into the Application and Authorization System Management (AASM) for their company and assign the appropriate privileges to the user.

When a user who works for multiple servicers enters this page, they may click on this tab in order to select the servicer whose portfolio they wish to access during this session.
With a focus on correcting rejected records, the user will want to select the “Search Rejected Records” tab.
Users will be able to search records for:
• Monthly Investor Status reports or
• Monthly Default Status reports.
ESR Rejected Files

Investor Status
• Search monthly report
• Locate rejected loan statuses
• Borrower SSN is available

To search a lender’s monthly investor reports, select “Investor Status” as the “Report Type” option.

If you only wish to locate one individual borrower the “Borrower Social Security Number” may be entered in this data field, and then only this file will display for correction.

But if you wish to view the entire list of rejected investor status files for this lender, leave the Borrower SSN data field blank, and then select “Submit.”
ESR Rejected Files

Investor Status
Rejected Records
• Review each record
• Error code(s) and message(s)
• Enter Borrower SSN to narrow results

The entire list of rejected records will display. For each record the following will be available:
• The report date
• The property location by State
• A masked Borrower Social Security Number, Borrower ID, and Name
• Lender Loan Number and Agency Loan Number (50 indicates a first guaranteed loan and a 51 indicates a subsequent loan)
• The unpaid principal balance reported for the loan
• The borrower error code
• The associated error message for the error code, and
• The investor reporting action code submitted to USDA.
ESR Rejected Files

Investor Status
Rejected Record Example
• Click on the Report Date to access the borrower and enter corrections

To access a loan for correction, click on the “Report Date” for the file.
The “Reject Error Correction” page will display. There are three sections to this page:

- **General Information**: This section will detail aspects of the loan that cannot be edited.
- **Single Family Housing Loan Status Report: Loan Status Detail**: These data fields may contain the error that requires correction in order for the record to be finalized in ESR.
- **Loan Status Reporting Error Message(s)**: If more than one error message applies to the record, they will all be listed in this section. Read the error message to determine what requires correction.
In this example the error message states the unpaid principal must be greater than zero dollars when the investor reporting action code is 01, for an Active Loan or an 02 for a Loss Pending.

As the slide indicates, the previous data entry submitted to USDA has the “Unpaid Principal” as zero dollars.

The servicer may correct this to the appropriate amount, which in this example is $20,000.

When all applicable corrections have been made, the user may select “Submit.”
Investor Status
Rejected Record Example
• Correction message
• Select OK to return to the Search Rejected Records screen

A pop up box will appear to confirm the correction has been accepted and the status report has been submitted to USDA. The user may click “Ok” to return to the Search Rejected File home page.
ESR Rejected Files

Investor Status
Rejected Record Example
• Each rejected file must be corrected individually
• Once corrected, the borrower will be removed from this list

Unlike Electronic Data Interchange (EDI) where batch X12 files may be submitted for monthly investor and/or monthly default status codes, rejected files must be corrected individually.

Once the file is corrected, it will be removed from the list.
Investor Status

Borrower Not Found Example

- Error message confirms
- Click Report Date to access record and enter corrections

When the error is “Borrower Not Found” additional actions will be required to correct it.

Continue to click on the “Report Date” to access the file.
ESR Rejected Files

Investor Status
Borrower Not Found Example
- Scroll down the page
- Select correct response

Scroll down the loan record to the “Borrower Not Found Resolution Information.”

Select “Yes” if this is the correct response to the question: “Is this a Single Family Housing Guaranteed Loan?”

In the event this is not a SFH guaranteed loan, please select “No.”
Investor Status
Borrower Not Found Example
1. Enter SSN
2. Verify SSN
   • Select Submit

1. Enter the Borrower’s Social Security Number.
2. Re-enter the Borrower’s Social Security Number in the second data field to verify the data entry.
3. Select “Submit.”
If the borrower has been successfully matched to an active guaranteed loan in USDA’s system, a pop up box will confirm that it has been located.

Please verify the correct Social Security Number in your system will be reported for the next reporting cycle.

Select “Ok” to continue working rejected records. This will return you to the Rejected Records home page.
In the event the Social Security Number entered and verified is not found to be a match within USDA’s system, an additional option to upload Social Security Number Verification Documents will display.
ESR Rejected Files

Investor Status
Borrower Not Found Example

• Read instructions

Please read all of the instructions before you upload a verification document. This message states:
• Acceptable file formats that will successfully upload into the system. Password protected files are not eligible. The file size is limited to 30 megabytes.
• The user must attach the file or files through the Browser button provided. Up to 12 documents may be uploaded.
• Social Security verification documents include a copy of the borrower’s Social Security card, their W-2, or a W-9. The Loan Note Guarantee for the loan must also be uploaded.
• It may take several minutes after the documents are uploaded before they are available to review. Please be patient.
So to recap:
1. Read the helpful message.
2. Select the “Type of Document” that you will upload from the drop down options.
3. Click “Browse” to locate and upload the documents. DON’T FORGET A COPY OF THE ISSUED LOAN NOTE GUARANTEE.
4. Click “Submit Documents”

Once these steps are completed, the user will be returned to the main rejected reports home page.

If the Social Security Number is found to be incorrect due to data entry error, human error, etc. USDA will process a transaction to update the current Social Security Number to the correct one. THE ISSUED LOAN NOTE GUARANTEE WILL REMAIN VALID. Servicers must also ensure that their permanent records and reporting systems reflect the correct Social Security Number as well.
ESR Rejected Files

Investor Status
Borrower Not Found Example
- USDA reviews
- USDA corrects record
- Servicer reports next cycle

When the documents are successfully uploaded, USDA will review the information. If the borrower’s Social Security Number has been entered with an erroneous number, transposed digits, etc. USDA will correct the number in our internal Agency system. Once this is completed the rejected loan record will be corrected and removed from the list.

The servicer must report the borrower’s status at the next monthly cycle.
We have been reviewing rejected investor status loans. There is also an option to select a “Report Type” to review rejected records for “Default Status” reports.

As previously indicated, if you wish to locate one specific borrower, you may prefer to enter the “Borrower Social Security Number” in the data field provided.

Otherwise, this data field may be left blank and the user can click “Submit” to obtain a full report for rejected default statuses.
ESR Rejected Files

Default Status

• Review each record
• Error code(s) and message(s) displayed
• Click on Report Date to correct

The Default Status report will resemble the Investor Status report. The following will display:

• The Report Date
• The property location by State
• A masked Borrower Social Security Number, Borrower ID, and Borrower Name
• Lender Loan Number and Agency Loan Number
• The Due Date of the Last Payment
• The Delinquency Code
• The Status Reason Code
• The Error Code, and
• The Error Message.

To access the borrower record, click on the “Report Date.”
Default Status

• Review error message(s)
• Correct error(s)
• Submit

In similar fashion to the investor status report page, the “Default Status Reporting Error Message” will explain why the loan was rejected. If more than one error code applies, all messages will be displayed.

In this example the error was the total amount delinquent was less than one month of principal and interest when the default status indicates the loan is in default.

The submitted amount to USDA for “Total Amount Delinquent” was zero dollars.

When the user corrects this data field to reflect the correct amount that is delinquent, the “Submit” button may be selected.
ESR Rejected Files

Default Status
• Corrections accepted
• File removed from main menu list
• Return to Default Status report page to review other files

When the correction is accepted a pop up box to confirm this action will appear. This message also confirms that the correction has been submitted to USDA. The user can click “Ok” to return to the default status rejection page.
If you have having issues understanding what the Default Status Reporting Error Message means, why it was reported, or how to correct it, select “Default Code Help”.

Selecting this option will display detailed assistance from the ESR User Guide that will be helpful to understand and correct the error code.
Users may begin to correct rejected investor and default status reports on the 13th government business day of the month. Servicers may continue to work on these corrections until the last calendar day of the month.
USDA LINC’s Training and Resource Library website provides a wealth of information and training for ESR and many other USDA Single Family Housing Guaranteed Loan topics including origination, the Guaranteed Underwriting System (GUS), and Loss claims.

You may access ESR information by selecting “Electronic Status Reporting” from the list of links at the top of the Training and Resource Library, or you may scroll down the page until you locate this section. All training and documentation materials will be updated as necessary.
Coming soon to the USDA LINC Training and Resource Library is the ESR User Guide.

This slide displays the section of the help guide that is specific to corrections of status codes.
This table provides specific resources to assist you with any ESR related questions or technical issues you may encounter. Depending upon your current needs, USDA has a contact option that you can reach out to for help.

<table>
<thead>
<tr>
<th>ISSUE</th>
<th>CONTACT</th>
</tr>
</thead>
<tbody>
<tr>
<td>Log In problems</td>
<td><a href="mailto:RD.NFADC.HSB@STL.USDA.GOV">RD.NFADC.HSB@STL.USDA.GOV</a></td>
</tr>
<tr>
<td>Access to ESR</td>
<td>1-877-636-3789 option 1</td>
</tr>
<tr>
<td>Correction/Rejection questions</td>
<td><a href="mailto:RDA.NFADC.HSB@STL.USDA.GOV">RDA.NFADC.HSB@STL.USDA.GOV</a></td>
</tr>
<tr>
<td>Technical questions</td>
<td><a href="mailto:RD.GLS.PROD@one.usda.gov">RD.GLS.PROD@one.usda.gov</a></td>
</tr>
<tr>
<td>Business/Operation questions</td>
<td><a href="mailto:SFHGLDPROGRAM@wdc.usda.gov">SFHGLDPROGRAM@wdc.usda.gov</a></td>
</tr>
</tbody>
</table>
This will conclude this session. Thank you very much for your time!
We appreciate your support of the Single Family Housing Guaranteed Loan Program! It is our pleasure to assist you to serve rural homebuyers nationwide.