

RECORDS DISPOSITION SCHEDULE 27

MORTGAGEE APPROVAL RECORDS

Item No.	Description of Records	Disposition
1.	Approved Mortgagee "Change" Files. These records reflect mortgagee character changes such as mergers, absorptions, and consolidations.	Temporary. Maintain in active files for life of program. Destroy three years after termination of program. (NARA Job NC1-207-79-7, item 9)
2.	Mortgagee Monitoring Files. These files contain the working papers (schedule of cases reviewed, reverifications of employment, reverifications of deposits, interview notes and questionnaire data), trip reports and the findings and recommendations which result from the onsite reviews of HUD-FHA approved mortgages conducted by the Division's staff of Mortgagee Representatives. Also included are copies of correspondence to and from HUD Central and Field Office organizations and affected mortgages which relate to the onsite reviews.	Temporary. Destroy working papers from files at end of third year following onsite review. Transfer trip reports and related correspondence to FRC at end of third year and destroy at end of sixth year following onsite review. (NARA Job NC1-207-79-7, item 11)
3.	Mortgagee Review Board Files. These files contain the pertinent documents and related data which apply to affected HUD-FHA approved mortgages or policy issues which require action or determinations by the Board, and summarize the chronology of events from point of inception until a final decision is made by the Board. Also included are copies of notifications of the Board's actions or determinations made with respect to affected mortgages, and copies of correspondence to HUD Central and Field Office organizations and to other Government agencies which relate to the Board's activities.	

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Item No.	Description of Records	Disposition
a.	Working Papers	Temporary. Segregate after final action by Board, and transfer to Federal Records Center six years after such final action, or anytime thereafter that volume warrants. Destroy 12 years after final action by Board. (NARA Job NC1-207-79-7, item 12 (a))
b.	Transfer Trip Reports and related correspondence to members.	Temporary. Destroy when comments have been entered into official record, or when no longer needed. (NARA Job NC1-207- 79-7, item 12 (b))
4.	Electronic copies of records that are created on electronic mail and word processing systems and used solely to generate a recordkeeping copy of the records covered by the other items in this schedule. Also includes electronic copies of records created on electronic mail and word processing systems that are maintained for updating, revision, or dissemination.	
a.	Copies that have no further administrative value after the recordkeeping copy is made. Includes copies maintained by individuals in personal files, personal electronic mail directories, or other personal directories on hard disk or network drives that are used only to produce the recordkeeping copy.	Temporary. Destroy/delete within 180 days after the recordkeeping copy has been produced.
b.	Copies used for dissemination, revision, or updating that are maintained in addition to the recordkeeping copy.	Temporary. Destroy/delete when dissemination, revision, or updating is completed.

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<u>Item No.</u>	<u>Description of Records</u>	<u>Disposition</u>
5.	Authorized Agent Files. This is a file of approved authorized agents, authorized by supervised lending institutions concerned, filed by Principal.	Retain in active files until approval is withdrawn or terminated, then transfer to inactive files. Retire to Federal Records Center 2 years after approval is withdrawn or terminated, or anytime thereafter that volume warrants. Destroy 7 years after approval is withdrawn or terminated. (NARA Job NC1-207-79-7, item 5)
6.	Card Index of Approved Mortgagees. This is a quick, working reference file on data contained in the credit files of supervised and nonsupervised lending institutions.	Destroy superseded or obsolete cards. Review at least annually. (NARA Job NC1-207-79-7, item 6)
7.	Card Index of Authorized Agents. This is a quick, working reference file on data contained in the authorized agent files.	Destroy superseded or obsolete cards. Review at least annually. (NARA Job NC1-207-79-7, item 7)
8.	Listing of Approved Mortgagees. This is a register of all mortgagee numbers assigned to approved institutions.	Maintain in active files for life of program. Destroy 3 years after termination of program. (NARA Job NC1-207-79-7, item 8)
9.	Approved Mortgagee "Change" Files. These records reflect mortgagee character changes such as mergers, absorptions, and consolidations.	Maintain in active files for life of program. Destroy 3 years after termination of program. (NARA Job NC1-207-79-7, item 9)
10.	Card Record on Annual Independent Audits. This control register provides a record of periodic independent audits of nonsupervised institutions.	Destroy superseded or obsolete cards. Review at least annually. (NARA Job NC1-207-79-7, item 10)
11.	Mortgagee Monitoring Files. These files contain the working papers (schedule of cases reviewed, reverifications of employment, reverifications	Destroy working papers from files at end of third year following onsite review. Transfer trip reports and

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MORTGAGEE APPROVAL RECORDS

<u>Item No.</u>	<u>Description of Records</u>	<u>Disposition</u>
	of deposits, interview notes and questionnaire data), trip reports and the findings and recommendations which result from the onsite reviews of HUD-FHA approved mortgagees conducted by the Division's staff of Mortgagee Representatives. Also included are copies of correspondence to and from HUD Central and Field Office organizations and affected mortgagees which relate to the onsite reviews.	related correspondence to FRC at end of third year and destroy at end of sixth year following onsite review. (NARA Job NC1-207-79-7, item 11)
12.	Mortgagee Review Board Files. These files contain the pertinent documents and related data which apply to affected HUD-FHA approved mortgagees or policy issues which require action or determinations by the Board, and summarize the chronology of events from point of inception until a final decision is made by the Board. Also included are copies of notifications of the Board's actions or determinations made with respect to affected mortgagees, and copies of correspondence to HUD Central and Field Office organizations and to other Government agencies which relate to the Board's activities.	
a.	Official Departmental Board Files.	Segregate after final action by Board, and transfer to Federal Records Center 6 years after such final action, or anytime thereafter that volume warrants. Destroy 12 years after final action by Board. (NARA Job NC1-207-79-7, item 12a)
b.	Reference, review and comment copies of Board documents circulated to members.	Destroy when comments have been entered into official record, or when no longer needed. (NARA Job NC1-207-79-7, item 12b)

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OFFICE OF SINGLEFAMILY HOUSING

APPROVAL & RECERTIFICATION, REVIEW TRACKING SYSTEM (ARRTS)

System Name: Approval & Recertification, Review Tracking System (ARRTS)

System Code: F51A

System Description: ARRTS performs workload tracking, management, and reporting of incoming application and recertification packages by mortgagees/lenders in conjunction with three (3) additional systems called the Institution Master File (IMF), [Geocoding Service Center \(GSC\)](#), and Single Family Neighborhood Watch (SFNW). The system also provides tracking for lender monitoring reviews.

The ARRTS application is web-based and maintains information on applications for mortgagees seeking approval for participation in the FHA Single Family and Multifamily programs as well as their annual recertification. The information is retained per HUD regulations and the HUD IT Team maintains all necessary programs and backups to resume operation of the system in an emergency situation. All of the source code for the system is stored in the PVCS. ARRTS is a menu-driven, user-friendly, multi-user application, specifically designed to minimize the number of keystrokes required to use any of its functions.

Part 202 of the Code of Federal Regulations Title 24 (24 CFR) establishes the minimum standards and requirements for approval of lenders and mortgagees to participate in the Federal Housing Administration's (FHA) Title I and Title II programs.

ARRTS is crucial to the risk management approach used by the OLAPC to safeguard the long-term financial stability of FHA's insurance funds. ARRTS is used to track incoming application and recertification packages from mortgagees seeking FHA branch approval and to monitor the status of compliance reviews conducted on those institutions that are already approved to participate in FHA programs. The system is an important part of the gate keeping, monitoring, and enforcement components of FHA's risk management approach, as it allows for thorough documentation of each stage in the approval and re-authorization of lenders for participation in FHA's programs as well as for tracking each step taken to remedy FHA program violations.

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OFFICE OF SINGLEFAMILY HOUSING

APPROVAL & RECERTIFICATION, REVIEW TRACKING SYSTEM, (ARRTS)

Via a single integrated application, users in the OLAPC are able to input and edit information on applications for mortgagees seeking approval for participation in FHA's Single Family programs, as well as those institutions that are applying for renewal of their branch approval. Quality Assurance Division users located both at HUD Headquarters and the regional Homeownership Centers (HOCs) are able to update one centralized database with information on lenders involved in OIG audits, monitoring reviews, Credit Watch termination decisions and other compliance related actions. ARRTS thus benefits FHA's entire risk management approach in that it consolidates approval, recertification, and review data into one application, enabling improved oversight capability through automatic cross-referencing of lender applications for approval or recertification against the list of lenders under review for violations of FHA program requirements. Long-term risk to FHA's insurance funds and homeowners is therefore limited by ensuring that comprehensive information on program participants is shared among all staff involved in risk management.

ARRTS is utilized by the OLAPC to receive, collect and assess financial information for determining viability of a lender's application meeting requirements for approval to participate in FHA programs. Nearly 4,000 institutions apply for approval to participate in FHA programs each year. Approximately 10,000 institutions submit annual reports required to retain their FHA approval. These applications and renewal (recertification) packages and appeals of denials represent a substantial workload and generate numerous phone calls and correspondence. Controlling the workload and enabling timely responses to inquiries concerning that workload are the central needs met by F51A/ARRTS. The lender approval and recertification process is performed in a centralized location in Washington, DC at HUD Headquarters.

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OFFICE OF SINGLEFAMILY HOUSING

APPROVAL & RECERTIFICATION, REVIEW TRACKING SYSTEM (ARRTS)

Item No.	Description of Records	Disposition
1	<p>Input Data. F51A/ARRTS allows users to input and edit information on applications for mortgagees/lenders seeking approval for participation in the FHA Single Family and Multifamily programs as well as their annual recertification. This allows for accurate tracking and reporting of the status of all applications. Similarly, users are able to input and edit information on reviews, which allows for accurate tracking and reporting of the status of reviews.</p> <p>Users located both at HUD Headquarters and the regional Homeownership Centers (HOC) update a centralized database. By providing a central repository that consolidates approval, recertification, and review data, F51A/ARRTS improves oversight capability through automatic cross-referencing of lender applications for approval and recertification against the list of lenders under review for violations.</p>	<p>Temporary. The ARRTS application does not execute a special batch job to delete or Archive data. Since it is a web based HUD intranet application an audit trail of all records that are added, modified or deleted is maintained.</p>

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2	<p>Stored Data.</p> <p>The total space allocated for the ARRTS transaction database is 400 MB of data space and 150 MB of log file space. The Computer Services Group (CSG) is responsible for all database administrative functions including storage requirements.</p>	<p>Temporary.</p> <p>All data is maintained in the HUD database. An anticipated 5% growth per year of the clients is estimated, it is anticipated to allocate (if the frequency remains the same) at about 180Mbytes more of storage.</p> <p>Cut off annually at recertification. Destroy when superseded or obsolete.</p>
3	<p>Outputs. Reports produced online are for monitoring, evaluating, approval, recertifications, and quality assurance purposes.</p>	<p>Temporary. Destroy when superseded, obsolete, or no longer needed.</p>
4.	<p>System Documentation.</p> <p>All documentation is maintained and delivered in HUD's Delivery Management Module (DMM).</p>	<p>Temporary. Destroy when superseded, obsolete, or no longer needed.</p>