

Document Custodian Notice RDC-2020-05

September 30, 2020

Summary

The Document Custodian Notice includes the following topics:

- Additional guidance for the 2020 Agreed Upon Procedures (AUP)
- Late certification notification

Additional Guidance for 2020 AUP

In response to restrictions Document Custodians may have in place limiting or fully restricting outside parties from being on-site, Fannie Mae is providing the following guidance. This guidance is supplemental to the requirements outlined in the Independent Audit Requirements (IARDC).

The following additional information will need to be included in the auditor's report if the third-party auditor will not be performing its duties on-site.

Section 1 – Loan Sample Test

- 1.2 – Auditor will need to explain process used to review note against the data, including note specific requirements on confirmation of note being an original, borrower signature verification and endorsement – original vs. facsimile.

Section 2 – C. Reporting and Organizational Structure

- If reporting and organization structure has changed from 2019, evidence will need to be provided to confirm there is segregation of duties, files and operations between lending and custodial functions.

Section 2 – E. Physical Facilities

- If vault is not being physically visited, the auditor will need to explain which requirements in this section were and were not able to be tested remotely.
 - For those requirements not tested, was the auditor able to rely on the prior year's audit to complete its testing or can the test not take place at all?

Section 2 – G. Practices – Certification

- Auditor will need to document evidence that was provided and how the auditor gained comfort that the requirements can be fully tested.

Effective Date

Guidance is effective immediately and only pertains to the 2020 AUPs, July and December cycles.

Late Certification Notification

Any certifications that will be performed past the established SLA published in the RDC must be communicated to Fannie Mae.



- For ASAP+ certifiers, the Early Funding update must be received by 3PM EST. Communications should be emailed to Certification_SF@fanniemae.com with cc: to Early_Funding@fanniemae.com, Anita_Cooper@fanniemae.com and Jessica_Smozynski@fanniemae.com.
- Certifications taking place after 4PM EST, must be communicated by 4PM with an update of certification status no later than 4:45PM EST. Communications should be emailed to Certification_SF@fanniemae.com with cc: to Custodian_Oversight@fanniemae.com.

For any questions regarding this Document Custodian notice, please contact Fannie Mae at Custodian_Oversight@fanniemae.com.

Jessica Smozynski

Manager, Fannie Mae