



# DU Validation Service Integration Impact Memo

## Employment Validation Temporary Suspension

May 1, 2020

To support sustainable homeownership while ensuring prudent risk management, we are temporarily suspending employment validation within the Desktop Underwriter® (DU®) validation service, in response to COVID-19's unprecedented impact on employment. This update will apply to all new casefiles created in DU on or after May 4, 2020. Because the DU validation service will not validate employment until further notice, lenders must perform a verbal verification of employment in accordance with the Selling Guide B3-3.1-07 (Verbal Verification of Employment) and follow the temporary policies outlined in [LL-2020-03](#).

### Temporarily Suspending Message ID 3305

DU Message ID 3305 will not be displayed in the DU Underwriting Findings report. In addition, an updated DU message file will not be distributed. See DU Message ID 3305 description below:

**DU Message ID 3305 - DU validated borrower employment shown below. The specified report(s) is acceptable documentation to support this employment.**

**Borrower | DU Employer | Vendor and Rep Type | Rep ID | Vendor Match | Close-By Date**

### How will this affect my integrated system(s)?

Integrated systems that parse the DU Underwriting Codified Findings (XML file) or report data file (RES file) may require updates to support the message suspension. Integrated systems parsing the DU Underwriting Findings via the DU Messages API may also require updates to the message suspension. Please reference the three scenarios with examples below.



## Temporary Suspension of Employment Validation – Scenarios

**Scenario 1 – The DU Validation Service will suppress the Employment IS VALIDATED message, issue the standard DU VVOE message with the Income IS VALIDATED message**

### DU Messages before changes:

*Employment Validated (MSG ID 3305) message is present:*

DU validated borrower employment shown below. The specified report(s) is acceptable documentation to support this employment.

Borrower	DU Employment	Vendor and Report Type	Report ID	Vendor Match	Close-By Date
Alice Firstimer	Target	The Work Number (VOI/VOE)	1111111	Target	4/1/2020

*Income Validated (MSG ID 3309) message is present:*

DU validated borrower income shown below. The specified report(s) is acceptable documentation to support this income.

Borrower	DU Income Type	Vendor and Report Type	Report ID	Vendor Match	Validated Amount	Close-By Date
Alice Firstimer	Base Employment Income	The Work Number (VOI/VOE)	1111111	Target	\$9,150.00	4/22/2020

### DU Messages after changes:

*Standard DU VVOE (MSG ID 2469) message is present:*

Perform and document a verbal verification of employment for each borrower. For all borrowers who are not Self-Employed no more than 10 business days prior to the note date, or Self-Employed within 120 calendar days prior to the note date. Direct verification by a third-party employment verification vendor is acceptable if completed within the same timeframes, and the information is not more than 35 days old (120 days old if self-employed) as of the note date. If the borrower is in the military, obtain either a Military Leave and Earnings Statement within 31 calendar days prior to the note date or a verification of employment through the Defense Manpower Data Center (<https://mla.dmdc.osd.mil/mla/#/home>). Lenders also have the option of obtaining the verbal verification of employment after the note date (and prior to delivery of the loan to Fannie Mae), but when using this option must ensure compliance with the Selling Guide. (MSG ID 2469)

*Income Validated (MSG ID 3309) message continues to be present:*

DU only validated borrower income shown below. The specified report(s) is acceptable documentation to support this income.



Borrower	DU Income Type	Vendor and Report Type	Report ID	Vendor Match	Validated Amount	Close-By Date
Alice Firstimer	Base Employment Income	The Work Number (VOI/VOE)	1111111	Target	\$9,150.00	4/22/2020

**Scenario 2 – The DU validation service will suppress the Employment IS VALIDATED message, issue the standard DU VVOE message and the Income is NOT VALIDATED message**

**DU Messages before changes:**

*Employment Validated (MSG ID 3305) message is present:*

DU validated borrower employment shown below. The specified report(s) is acceptable documentation to support this employment.

Borrower	DU Employment	Vendor and Report Type	Report ID	Vendor Match	Close-By Date
Alice Firstimer	Target	The Work Number (VOI/VOE)	1111111	Target	4/1/2020

*Income NOT VALIDATED (MSG ID 3313) message is present:*

DU could not validate borrower income shown below for the reason provided.

Borrower	DU Income Type	Vendor and Report Type	Report ID	Vendor Match	DU Reported Amount	Reason
Alice Firstimer	Base Employment Income	The Work Number (VOI/VOE)	1111111	Target	\$9,150.00	Years/Months on Job entered in DU or provided by the VOI report is less than 12 months <i>(Note: could be different reasons depending on the scenario)</i>



**DU Messages after changes:**

*Standard DU VVOE (MSG ID 2469) message is present:*

Perform and document a verbal verification of employment for each borrower. For all borrowers who are not Self-Employed no more than 10 business days prior to the note date, or Self-Employed within 120 calendar days prior to the note date. Direct verification by a third-party employment verification vendor is acceptable if completed within the same timeframes, and the information is not more than 35 days old (120 days old if self-employed) as of the note date. If the borrower is in the military, obtain either a Military Leave and Earnings Statement within 31 calendar days prior to the note date or a verification of employment through the Defense Manpower Data Center (<https://mla.dmdc.osd.mil/mla/#/home>). Lenders also have the option of obtaining the verbal verification of employment after the note date (and prior to delivery of the loan to Fannie Mae), but when using this option must ensure compliance with the Selling Guide. (MSG ID 2469)

*Income NOT VALIDATED (MSG ID 3313) message continues to be present:*

DU could not validate borrower income shown below for the reason provided.

Borrower	DU Income Type	Vendor and Report Type	Report ID	Vendor Match	DU Reported Amount	Reason
Alice Firstimer	Base Employment Income	The Work Number (VOI/VOE)	1111111	Target	\$9,150.00	Years/Months on Job entered in DU or provided by the VOI report is less than 12 months <i>(Note: could be different reasons depending on the scenario)</i>

**Scenario 3 –The DU validation service will continue to display the Employment NOT VALIDATED message, issue the standard DU VVOE message and the Income is NOT VALIDATED message.**

**DU Messages displayed will REMAIN THE SAME after the change.**

*Standard DU VVOE (MSG ID 2469) message is present:*

Perform and document a verbal verification of employment for each borrower. For all borrowers who are not Self-Employed no more than 10 business days prior to the note date, or Self-Employed within 120 calendar days prior to the note date. Direct verification by a third-party employment verification vendor is acceptable if completed within the same timeframes, and the information is not more than 35 days old (120 days old if self-employed) as of the note date. If the borrower is in the military, obtain either a Military Leave and Earnings Statement within 31 calendar days prior to the note date or a verification of employment through the Defense Manpower Data Center (<https://mla.dmdc.osd.mil/mla/#/home>). Lenders also have the option of obtaining the verbal verification of employment after the note date (and prior to delivery of the loan to Fannie Mae), but when using this option must ensure compliance with the Selling Guide. (MSG ID 2469)



Employment NOT VALIDATED (MSG ID 3307) message is present:

DU could not validate borrower employment shown below for the reason provided.

Borrower	DU Employment	Vendor and Report Type	Report ID	Vendor Match	Reason
Alice Firstimer	Target	The Work Number (VOI/VOE)	1111111	Target	Employer name in VOE doesn't match employer name in DU (Note: could be different reasons depending on the scenario)

Income NOT VALIDATED (MSG ID 3313) message is present:

DU could not validate borrower income shown below for the reason provided.

Borrower	DU Income Type	Vendor and Report Type	Report ID	Vendor Match	DU Reported Amount	Reason
Alice Firstimer	Base Employment Income	The Work Number (VOI/VOE)	1111111	Target	\$9,150.00	DU could not validate borrower employment

## Release Support

This update is active in the DU integration environment.

If you have questions about the Integration Impact Memo or if you require support specific to this release, contact [Integration Support](#). For more information about DU, visit the [DU web page](#) and contact your Fannie Mae Representative.