



# Loan Guaranty (LGY) Loan Technician (Servicing) Technical Competencies

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*Extracted from the Loan Guaranty (LGY) Competency Model Report, Dated March 2011*



**U.S. Department of  
Veterans Affairs**



## Table of Contents

Overview .....	3
Loan Technician (Servicing) Technical Competencies .....	4
Table 4: Loan Technician (Servicing) Technical Competencies .....	4
Loan Technician (Servicing) Technical Competency Profiles .....	5
Table 25: Loan Technician (Servicing) – Financial Management .....	5
Table 26: Loan Technician (Servicing) – Laws, Policies, and Regulations .....	7
Table 27: Loan Technician (Servicing) – Loan Servicing .....	8
Table 28: Loan Technician (Servicing) – Real Estate Process .....	10
Table 29: Loan Technician (Servicing) – VA Applications (Loan Technician) .....	11
Table 30: Loan Technician (Servicing) – VBA Institutional Knowledge (Loan Technician) .....	11



## Overview

The information in this document, including table numbers, is derived from the Loan Guaranty (GTY) Competency Model Report, dated March 2011.

This document contains the technical competencies for the specified position and provides the following detailed information:

- A list of all technical competencies for the position.
- For each technical competency, a profile is provided that includes the Competency:
  - Description/Definition
  - Proficiency Ratings
  - Proficiency Levels
  - Behavioral Indicators

## Loan Technician (Servicing) Technical Competencies

The table below identifies the technical competencies for the Loan Guaranty Loan Technical (Servicing) position.

**Table 1: Loan Technician (Servicing) Technical Competencies**

Loan Technician (Servicing) Technical Competencies	
1.	Financial Management (Servicing)
2.	Laws, Policies, and Regulations
3.	Loan Servicing
4.	Real Estate Process
5.	VA Applications (Loan Technician)
6.	VBA Institutional Knowledge (Loan Technician)



## Loan Technician (Servicing) Technical Competency Profiles

The tables below identify the competency profiles for the Loan Guaranty Loan Technician (Servicing) position.

**Table 2: Loan Technician (Servicing) – Financial Management**

Financial Management				
Description/Definition: Setting up, maintaining, and auditing financial records; compiling financial reports. Determining funds required, payment amounts, and calculating debt to entitlement benefits.				
Competency Proficiency Ratings	Behavioral Indicators	Competency Proficiency Levels		
		E	A	J
1 – Basic	Operate computers programmed with accounting software to record, store, and analyze information.	✓		
	Check figures, postings, and documents for correct entry, mathematical accuracy, and proper codes.	✓		
	Operate 10–key calculators and copy machines to perform calculations and produce documents.	✓		
	Comply with federal, state, and VA policies, procedures, and regulations.	✓		
2 – Foundational	Classify, record, and summarize numerical and financial data to compile and keep financial records, using journals, ledgers and computers.		✓	
	Debit, credit, and total accounts on computer spreadsheets and databases, using specialized accounting software (e.g., Excel, VALERI).		✓	
	Compile statistical, financial, accounting or auditing reports and tables pertaining to such matters as fund receipts, expenditures, accounts payable and receivable, and profits and losses.		✓	
	Reconcile or note and report discrepancies found in records.		✓	
	Evaluate and audit the servicer's/holders actions, decisions and assistance provided to veteran–borrowers.		✓	
3 – Intermediate	Review servicer completed Net Value' determinations to ensure compliance with VA established calculation requirements and credit to Veterans' accounts.			✓
	Review claims under loan guaranty, and the holder's final accounting, for accuracy and initiation of payment.			✓
	Conduct and analyze post audits of loan servicers' adherence to VA regulations and guidelines as they relate to work processes.			✓
	Submit post audit cases resulting in a negative finding to a higher authority for review and concurrence.			✓
	Complete all necessary VALERI actions in connection with claim and acquisition processing.			✓



## Financial Management (Continued)

**Description/Definition:** Setting up, maintaining, and auditing financial records; compiling financial reports. Determining funds required, payment amounts, and calculating debt to entitlement benefits.

Competency Proficiency Ratings	Behavioral Indicators	Competency Proficiency Levels		
		E	A	J
	Review all claims and acquisitions under loan guaranty, and the holder's final accounting, for accuracy, eligibility, and supporting documentation.			✓
	Review supplemental claims for propriety and initiate payment.			✓
	Conduct a detailed examination and review of the loan file, claim, and supporting documents to determine the propriety of the claim.			✓
	Analyze claim, reconcile any deficiencies, discrepancies or variances.			✓

*Key: Competency Proficiency Levels: (E) Entry; (A) Apprentice; (J) Journey*

*Key: Competency Proficiency Ratings: (1) Basic; (2) Foundational; (3) Intermediate; (4) Advanced; (5) Expert; (--) NA*



**Table 3: Loan Technician (Servicing) – Laws, Policies, and Regulations**

Laws, Policies, and Regulations				
Description/Definition: The collection of laws, guidelines, regulations, and precedents that determine the governance, policy, and procedure of VA Loan Guarantee programs.				
Competency Proficiency Ratings	Behavioral Indicators	Competency Proficiency Levels		
		E	A	J
1 – Basic	Articulates general concepts and processes of the U.S lawmaking system.	✓		
3 – Intermediate	Communicate with stakeholders VA regulations and procedures, and their effects under 38 CFR 36.4318 (e.g., home retention options, purchase agreements, compromise "short" sales, voluntary deeds, mortgages, loan modifications, mortgage foreclosures, property values, bankruptcy, loan assumptions, releases of security and liability, entitlement, and refunding).		✓	
	Enforce regulations and protective procedures to diminish the liability to the government.		✓	
	Examine documents for proper format, conformity to regulations, and provisions of the loan as originally reported for guaranty or insurance.		✓	
	Examine documents to ensure compliance with local and customary real estate and construction practices.		✓	
	Make servicer/lender visits (with higher authority), as needed in conjunction with Loan Guaranty Activities to ensure compliance with the laws, regulations and any program revisions.		✓	
4 – Advanced	Monitor and review changes in local law and/or legal procedures.			✓
	Research and evaluate real estate trends and real estate law related to titles, mortgages, and liens.			✓
	Review legal documentation to ensure they are in accordance with federal laws, policies, and practices.			✓
	Make servicer/lender visits, as needed in conjunction with Loan Guaranty Activities to ensure compliance with the laws, regulations and any program revisions.			✓

Key: Competency Proficiency Levels: (E) Entry; (A) Apprentice; (J) Journey

Key: Competency Proficiency Ratings: (1) Basic; (2) Foundational; (3) Intermediate; (4) Advanced; (5) Expert; (--) NA



**Table 4: Loan Technician (Servicing) – Loan Servicing**

<b>Loan Servicing</b>				
<b>Description/Definition: Supplemental Servicing of loans from origination to maturity/termination of the loan (e.g., delinquent loans, "imminent default", release of liens).</b>				
<b>Competency Proficiency Ratings</b>	<b>Behavioral Indicators</b>	<b>Competency Proficiency Levels</b>		
		<b>E</b>	<b>A</b>	<b>J</b>
<b>2 – Foundational</b>	Monitor loan servicers/holders that service loans guaranteed by the Department of Veterans Affairs (VA) pursuant to Title 38, United States Code and to protect the interests of the U.S. Government.	✓		
	Use VALERI to update/upload/review data (e.g., cutoff dates, foreclosure, liquidation, claims, and to document contacts).	✓		
	Review Electronic Notice of Default (EDN), Notice of Foreclosure Referral and Notice of Foreclosure Sale Date for timeliness, completeness and the quality of servicing.	✓		
	Contact servicers regarding status of default, bankruptcy, foreclosure, and forbearance as a follow-up to supplemental servicing.	✓		
<b>3 – Intermediate</b>	Evaluate Electronic Notice of Default (EDN), Notice of Foreclosure Referral and Sale Date Set, in addition to Adequacy of Servicing Process to determine what supplemental servicing actions are required.		✓	
	Serve as liaison between the homeowner and servicer of the loan to establish a repayment or forbearance plan.		✓	
	Analyze available data, documents justification, and recommend whether or not the loan should be refunded.		✓	
	Notify borrower and mortgage company of approval or disapproval of refunding.		✓	
	Process refunding of the loan upon receipt of the claim.		✓	
	Analyze available data and recommend alternatives to foreclosure.		✓	
	Service VAR 4600 Loans, using VALERI System to review data relating to Electronic Notice of Default (EDN), updates, and to document contacts.		✓	
	Participate on various committees and panels as appointed by division and station management.		✓	
	Research and handle non-routine servicing issues arising over the life of a loan.		✓	

Key: Competency Proficiency Levels: (E) Entry; (A) Apprentice; (J) Journey

Key: Competency Proficiency Ratings: (1) Basic; (2) Foundational; (3) Intermediate; (4) Advanced; (5) Expert; (--) NA





## Loan Servicing (Continued)

**Description/Definition:** Supplemental Servicing of loans from origination to maturity/termination of the loan (e.g., delinquent loans, "imminent default", release of liens).

Competency Proficiency Ratings	Behavioral Indicators	Competency Proficiency Levels		
		E	A	J
4 – Advanced	Conduct formal internal and external training in all areas of Loan Administration.			✓
	Act as subject matter expert for Loan Administration matters, and provides technical expertise to Assistant Loan Technicians.			✓
	Resolve unusually difficult customer service telephone calls.			✓
	Answer Congressional Inquiries in an approved format and professional manner.			✓
	Assist loan technicians in loan administration activities such as investigations, risk analysis, credit risk, application examination, interviewing and the application of Federal laws and VA guidelines.			✓

*Key: Competency Proficiency Levels: (E) Entry; (A) Apprentice; (J) Journey*

*Key: Competency Proficiency Ratings: (1) Basic; (2) Foundational; (3) Intermediate; (4) Advanced; (5) Expert; (--) NA*



**Table 5: Loan Technician (Servicing) – Real Estate Process**

Real Estate Process				
Description/Definition: Maintain knowledge of real estate law, local economies, fair housing laws, types of available mortgages, financing options, and government programs.				
Competency Proficiency Ratings	Behavioral Indicators	Competency Proficiency Levels		
		E	A	J
2 – Foundational	Discuss VA real estate regulations and procedures and their effects on home retention options (e.g., purchase agreements, compromise (short) sales, voluntary deeds, mortgages, refunding under 38 CFR 36,4318, loan modifications, mortgage foreclosures, property values, bankruptcy, loan assumptions, releases of security and liability, and entitlement).	✓		
3 – Intermediate	Perform work advising on and evaluating financial and loan policies, regulations, and procedures in the granting of a Refund.		✓	
	Research and evaluate factors related to titles, mortgages, and liens (e.g., income, reliability of income, current and estimated expenses, credit rating, self-employment earnings, property values, condition of property, real estate trends, and real estate law).		✓	
	Prepare original correspondence to explain complex real estate and program matters to Veterans and mortgage lenders.		✓	
	Apply real estate law as it pertains to appraisals, construction, credit underwriting, and contracts.		✓	
	Participate in meetings, workshops, and/or seminars held by stakeholders (e.g., lenders, realtors, builders, veteran organizations, and community organizations).		✓	
4 – Advanced	Function as a subject matter expert for Assistant Loan Technicians and/or other employees in the Loan Administration section.			✓

Key: Competency Proficiency Levels: (E) Entry; (A) Apprentice; (J) Journey

Key: Competency Proficiency Ratings: (1) Basic; (2) Foundational; (3) Intermediate; (4) Advanced; (5) Expert; (--) NA



**Table 6: Loan Technician (Servicing) – VA Applications (Loan Technician)**

<b>VA Applications (Loan Technician)</b>				
<b>Description/Definition: The use of LGY computer systems to carry out Loan processing tasks.</b>				
<b>Competency Proficiency Ratings</b>	<b>Behavioral Indicators</b>	<b>Competency Proficiency Levels</b>		
		<b>E</b>	<b>A</b>	<b>J</b>
2 – Foundational	Access SHARE/BDN to assist in the resolution of problems involving Loan Guaranty activities.	✓		
3 – Intermediate	Review data in applications (e.g., VALERI, WebELI, FFPS, and WebLGY).		✓	✓
	Review appropriate workload management system to monitor status of pending workload.		✓	✓

Key: Competency Proficiency Levels: (E) Entry; (A) Apprentice; (J) Journey

Key: Competency Proficiency Ratings: (1) Basic; (2) Foundational; (3) Intermediate; (4) Advanced; (5) Expert; (--) NA

**Table 7: Loan Technician (Servicing) – VBA Institutional Knowledge (Loan Technician)**

<b>VBA Institutional Knowledge (Loan Technician)</b>				
<b>Description/Definition: A collective set of facts, concepts, and experiences held by the VBA. Involves understanding the VBA organizational structure and functions.</b>				
<b>Competency Proficiency Ratings</b>	<b>Behavioral Indicators</b>	<b>Competency Proficiency Levels</b>		
		<b>E</b>	<b>A</b>	<b>J</b>
2 – Foundational	Monitor and review local economic situations, changes in local law and/or legal procedures, industry trends and other developments that affect the loan guaranty functions.	✓		
	Ensure actions are in conformance with agency policy and requirements.	✓		
	Follow VBA security procedures regarding PII.	✓		
	Communicate VA regulations and procedures clearly to stakeholders (e.g., Veterans, real estate attorneys, mortgage banking industry professionals, and servicers/holders).	✓		
3 – Intermediate	Represent the VBA, LGY, or RO to internal or external entities.		✓	✓

Key: Competency Proficiency Levels: (E) Entry; (A) Apprentice; (J) Journey

Key: Competency Proficiency Ratings: (1) Basic; (2) Foundational; (3) Intermediate; (4) Advanced; (5) Expert; (--) NA

