

TOTAL QUALITY LOAN® (TQL®) PROGRAM  
BY ICE MORTGAGE TECHNOLOGY™

# Encompass® Automatic Ordering and Allocation



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# Automatic Ordering and Allocation



The Automated Mortgage Insurance Service workflow provides a streamlined and efficient processing within the loan manufacturing process. Use this document to configure the new Mortgage Insurance Service so that loans are automatically submitted to supported mortgage insurance (MI) vendors at specified field updates and milestone completion, along with MI resubmissions due to key data changes.

In addition to the set up and configuration steps required to enable automatic ordering of MI, this document also provides the steps required to set up and enable automatic ordering with automatic order allocation. The following *Settings and Configuration* sections apply to both of these ordering options.

For information on automatic order allocation see [Automatic Ordering with Automatic Order Allocation](#).

**NOTE:** This is supported on Encompass 18.3 and later versions.

## AUTOMATIC ORDERING

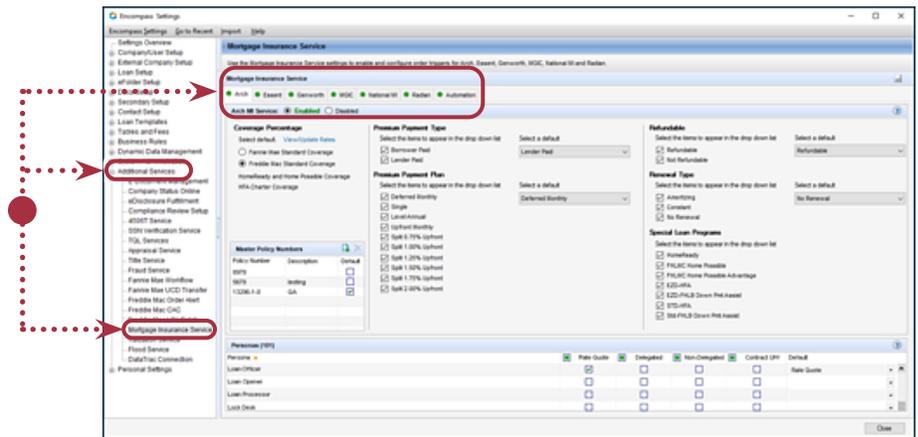
### Settings and Configuration

Use the instructions in this section to enable and maintain the automatic ordering of Mortgage Insurance rate quotes and delegated certificate orders.

### Pre-Requisites

Before configuring the automated workflow, authorized users such as Encompass administrators need to use the options in the Mortgage Insurance Service settings vendor tabs to enable MI service for the vendor, update master policy information, applicable MI order information, and assign persona-based access to the service to users.

For more information on the Pre-Requisites, refer to the Mortgage Insurance Service white paper for each vendor on the TQL Services Guides & Documents page.



# Automatic Ordering and Allocation

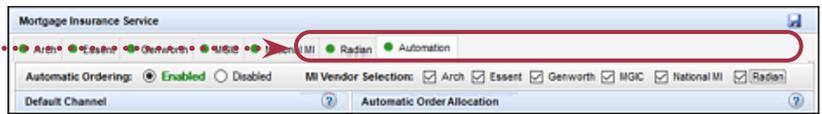
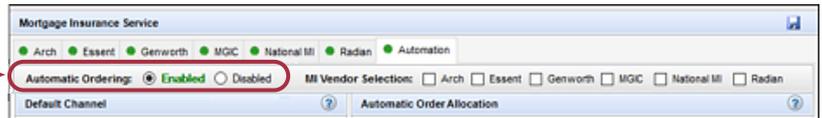


## Configuring Automated Ordering

To Enable Automatic Ordering:

1. On the menu bar, click **Encompass**, and then click **Settings**.
2. On the left panel, click **Additional Services**, and then click **Mortgage Insurance Service**.
3. On the *Mortgage Insurance Service* panel, click the **Automation** tab.
4. In the *Automatic Ordering* section, select **Enabled**.

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● This automatically selects the vendor that has been enabled in the vendor-specific tabs. If you haven't enabled your MI Service in the vendor tab (Arch, Essent, Genworth, MGIC, National MI, Radian), click the tab, and enable the service. For more information, see the vendor-specific MI white papers on the [TQL Services Guides & Documents](#) page.

5. The *Mandatory Loan Criteria* panel lists the basic criteria a loan must meet to be eligible for automatic MI ordering. This section is read-only.

Mandatory Loan Criteria			
Loans must meet the following criteria for automated MI orders.			
Rate Quote Orders		Delegated MI Certificate Orders	
Field	Criteria	Field	Criteria
Loan Type - (1172)	Conventional	Loan Type - (1172)	Conventional
Lien Position - (420)	First Lien	Lien Position - (420)	First Lien
Calculated LTV - (353)	>80% and <=97%	Calculated LTV - (353)	>80% and <=97%
Base Loan Amount - (1109)	Greater than 0	Base Loan Amount - (1109)	Greater than 0
Amortization Term - (4)	Greater than 0	Amortization Term - (4)	Greater than 0
Amortization Type - (608)	Should not be null or empty	Amortization Type - (608)	Should not be null or empty
Loan Purpose - (19)	Should not be null or empty	Loan Purpose - (19)	Should not be null or empty
Property Usage - (1811)	Should not be null or empty	Property Usage - (1811)	Should not be null or empty
Number of Units - (16)	Greater than 0	Number of Units - (16)	Greater than 0
Property Type - (1041)	Should not be null or empty	Property Type - (1041)	Should not be null or empty
State - (14)	Should not be null or empty	State - (14)	Should not be null or empty
Zip Code - (15)	Should not be null or empty	Zip Code - (15)	Should not be null or empty

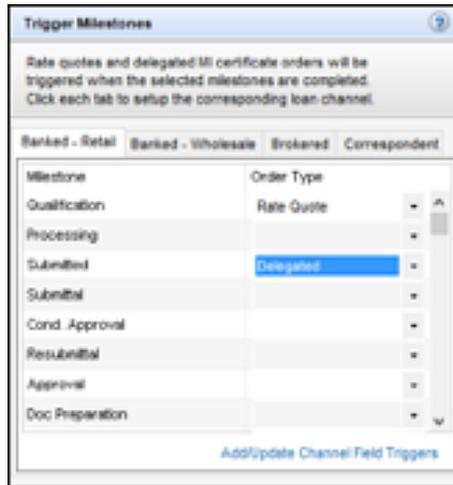
6. Use the options in the *Optional Loan Criteria* panel to include additional criteria for automated MI orders. For example, if your organization wants to limit the automatic ordering for a loan purpose of purchase, cash-out refi and no cash-out refi, those check boxes would be selected here. If your organization does not want to limit based on loan purpose, then no check boxes need to be selected here.

Optional Loan Criteria	
Use this section to define additional loan criteria for automated MI orders.	
<b>Purpose of Loan</b> <input type="checkbox"/> Purchase <input type="checkbox"/> Cash-Out Refi <input type="checkbox"/> No Cash-Out Refi <input type="checkbox"/> Construction <input type="checkbox"/> Construction-Perm <input type="checkbox"/> Other	<b>Property Will Be</b> <input type="checkbox"/> Primary <input type="checkbox"/> Secondary <input type="checkbox"/> Investment
<b>Amortization</b> <input type="checkbox"/> Fixed <input type="checkbox"/> GPM <input type="checkbox"/> ARM <input type="checkbox"/> Other	<b>Documentation Type</b> <input type="checkbox"/> (A) Alternative <input type="checkbox"/> (F) Full Documentation <input type="checkbox"/> (R) Reduced <input type="checkbox"/> Streamlined Refinance <input type="checkbox"/> No Documentation <input type="checkbox"/> No Ratio <input type="checkbox"/> Limited Documentation

# Automatic Ordering and Allocation

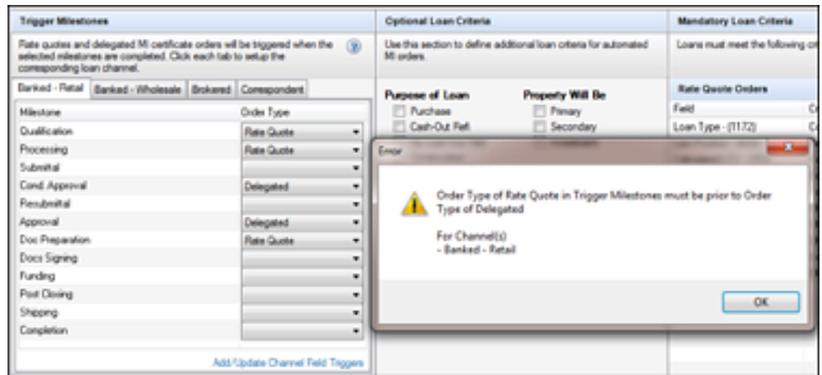


- Use the *Trigger Milestones* panel to define the milestones, at the completion of which, automatic loan submissions to MI will occur. Automatic ordering can be configured for rate quotes and/or delegated certificate orders. Any other certificate order types can be ordered using the TQL Services tool.

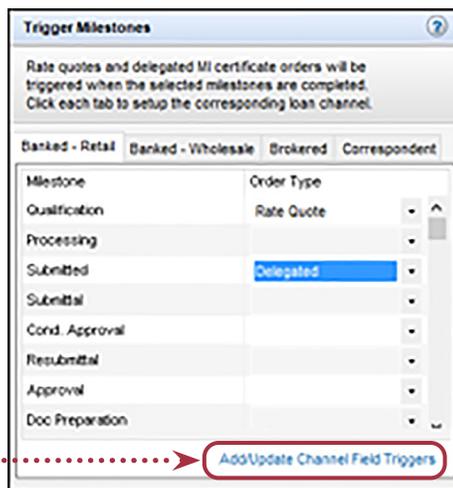


- Use the **Order Type** drop-down list corresponding to the milestone to configure the MI order type that will be placed at the completion of the milestone and loan save.

**NOTE:** For **Order Type**, you can configure the settings such that **Rate Quote** is selected before **Delegated**. If you select **Delegated** prior to **Rate Quote**, you will be stopped from making the selection, and an error message will display.



- Click the **Add/Update Channel Field Triggers** link to view the list of fields that trigger automatic loan resubmissions to the applicable MI vendor when the fields are updated in Encompass after the corresponding milestones are completed.

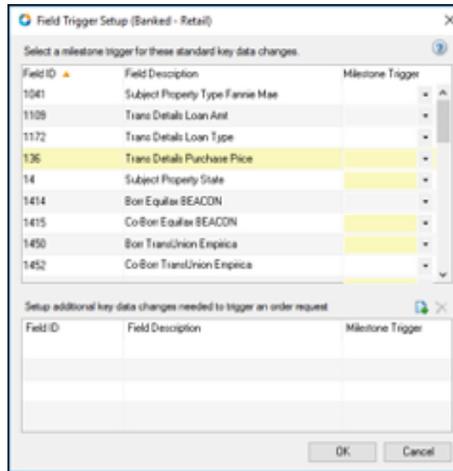


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# Automatic Ordering and Allocation



- Use the *Field Trigger Setup* window to specify the key data fields that, when changed, will trigger an MI resubmission. The top panel displays the default Encompass fields. You can add Milestone Triggers to the fields to configure automatic loan resubmissions for field updates after the corresponding milestone is completed. If no Milestone Trigger is selected from the drop-down list for any field(s), automatic loan resubmissions for those fields will occur at any time, regardless of milestone completions.



- See the table below for the default field triggers.

Field Name	Field ID
Amortization Type	608
Appraisal Amount	356
ARM 1st Adjustment	696
ARM Cap Percent	697
ARM Lifetime Cap	247
AUS Recommendation	1544
Balloon Indicator	1659
Balloon Term	325
Base Loan Amt	1109
Buydown Indicator	425
LTV	353
CLTV	MORNET.X76
	<b>Loan Level - VASUMM.X23</b>
	<b>Borrower - Experian 67 TransUnion 1450 Equifax 1414</b>
	<b>CoBorrower - Experian 60 TransUnion 1452 Equifax 1502</b>
Credit Score	
Doc File ID (UCDP)	ULDD.X31
DTI	742
Loan Purpose	19
No of Units	16
Occupancy type	1811
Property State	14
Property Type	1041
Property Zip	15
Purchase Price	136
Purpose of Refinance	299
Term	4
Underwriting Type	1543
Lender Paid Mortgage Insurance	3533
Debt to Income Ratio	742
Interest Only Indicator	Terms.IntrOnly
Loan Type	1172
Origination Channel	2626

# Automatic Ordering and Allocation



- Use the bottom panel to add fields, which when updated (after the completion of the corresponding milestones), will trigger automatic loan resubmissions to the applicable MI vendor. To add fields, which, when updated (after the completion of the corresponding milestones) will trigger automatic loan resubmissions to MI, click the **New** icon in the *Field Trigger Setup* window.

**Field Trigger Setup (Banked - Retail)**

Select a milestone trigger for these standard key data changes.

Field ID ▲	Field Description	Milestone Trigger
1041	Subject Property Type Fairrie Mae	
1109	Trans Details Loan Amt	
1172	Trans Details Loan Type	
136	Trans Details Purchase Price	
14	Subject Property State	
1414	Borr Equifax BEACON	
1415	Co-Borr Equifax BEACON	
1450	Borr TransUnion Empirica	
1452	Co-Borr TransUnion Empirica	

7 Setup additional key data changes needed to trigger an order request

Field ID	Field Description	Milestone Trigger

OK Cancel

- In the *Add New Field Trigger* window, type the field ID, and then click **OK**.
- In the *Field Trigger Setup* window, click **OK**.

**NOTE:** Based on your selections in the *Trigger Milestones* panel:

- If a loan has a rate quote with imported fees and one of the trigger fields is updated, when a loan is saved, an automated rate quote resubmission to the applicable MI partner will be placed.
- If a loan has a delegated certificate order with imported fees, and one of the trigger fields is updated, an automated delegated certificate resubmission to the applicable MI partner will be placed.

**Add New Field Trigger**

Specify a valid Encompass field ID:

4000

OK Cancel

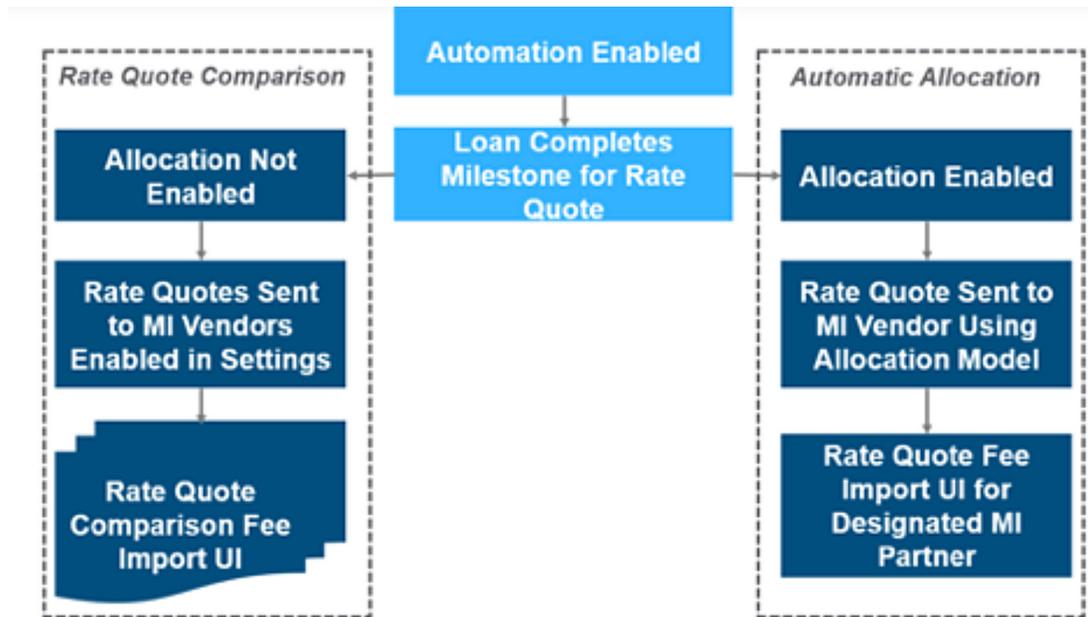
# Automatic Ordering and Allocation



## AUTOMATIC ORDERING WITH AUTOMATIC ORDER ALLOCATION

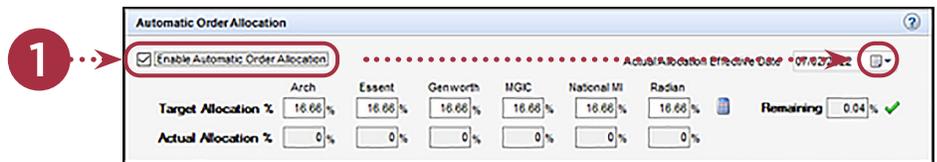
After completing all of the preceding steps, you can continue with the following steps to set up and enable automatic order allocation.

This diagram depicts the difference in the user experience when using automatic ordering versus automatic ordering with automatic order allocation.



1. Use the *Automatic Order Allocation* panel to automatically allocate rate quotes to each vendor enabled for the automated MI workflow.

- Select the **Enable Automatic Order Allocation** check box.
- Click the **Calendar** icon provided with the **Actual Allocation Effective Date** field to define the date from which automatic allocation will be implemented.
- Use the *Target Allocation %* fields for each vendor to enter the target allocation percentage assigned to the vendor. Each lender designates this distribution percentage as applicable. The total Target Allocation percentage must be no less than 99.99%.



# Automatic Ordering and Allocation



- The *Remaining* field auto-populates based on your designations. You can click the **Calculator** icon to equally allocate ordering among the enabled vendors.

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Automatic Order Allocation						
<input checked="" type="checkbox"/> Enable Automatic Order Allocation						Actual Allocation Effective Date: 07/02/2022
	Arch	Essent	Genworth	MGIC	National MI	Radan
Target Allocation %	16.66%	16.66%	16.66%	16.66%	16.66%	16.66%
Actual Allocation %	0%	0%	0%	0%	0%	0%
						Remaining: 0.04% ✓

- The *Actual Allocation %* fields for each vendor are non-editable and pre-populated.
  - The Actual Allocation % represents certificates, whether they are placed manually or through automatic ordering.
- **Partner designation of an automated rate quote** – The furthest distance from the Target Allocation % to the Actual Allocation % defines the MI vendor receiving the next automated rate quote.

**NOTE:** If the *Automatic Order Allocation* panel is configured, rate quotes will be allocated based on the numbers defined in this section, and a *rate quote comparison* will not be displayed to your user.

2. Click the **Save** icon to save your updates.

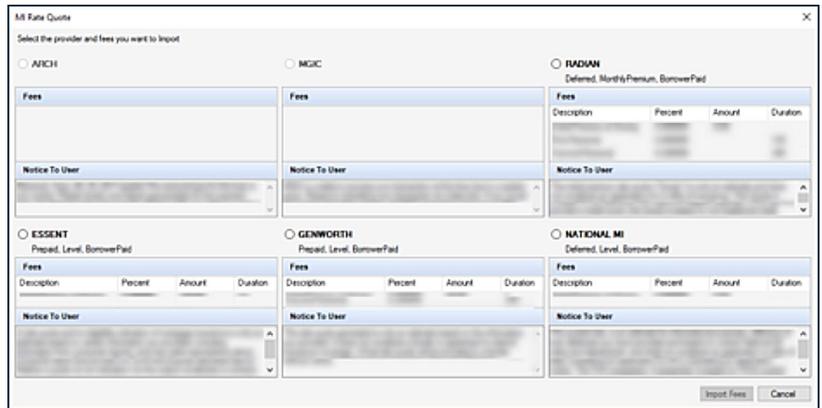
# Automatic Ordering and Allocation



## RATE QUOTE COMPARISON

If your Encompass administrator has enabled automatic ordering for more than one vendor, and has not configured automatic order allocation, when your loan completes a milestone configured to order a rate quote, an *MI Rate Quote* window will display that lists a rate quote comparison for the enabled vendors.

**NOTE:** This screenshot has been modified for the purpose of this document to remove vendor-specific rates. Your **MI Rate Quote** window will display rate quotes for the enabled vendor(s). The **Fees** panel will display the rate quote received from the vendor. The **Order Information** panel will display details about the type of order associated with the vendor response. For example, if the fees are associated with a borrower paid monthly deferred order, then the **Order Information** panel will display **Deferred, Monthly Premium, BorrowerPaid**.



You can compare the rate quotes, select your vendor, and then click the **Import Fees** button.