

# Servicer Accounting Monthly Process (Conventional)



*The following outlines the monthly process flow of communication between the MPP servicer and the master servicer for the Conventional reporting of FHLBI's Mortgage Purchase Program.*

## 1st Business Day – Processing Cycle Begins

MPP servicers begin sending reports with a month-end cutoff to the master servicer. The Monthly Remittance Template is available at [fhlbi.com](http://fhlbi.com), or by contacting your MPP representative. ***The servicer accounting specialists at the master servicer process these reports.***

## 2nd Business Day – New Loan Setup Process

The master servicer moves all new loans added to MPP from the previous month into the active system.

## 5th Business Day – Servicer Report Due Date

MPP servicers are required to have the necessary monthly reports to the master servicer by this day.

## 1st Business Day through the Cycle Close – Preclose Process

Throughout the processing cycle, the master servicer can run a preclose on MPP servicers. This preclose process allows for the review of loan level and servicer level information as it would appear if the master servicer actually closed that servicer for the given cycle. This preclose process allows the servicer accounting specialists to catch potential problems and make necessary changes prior to closing the cycle. Additional precloses can be run until the actual close date.

## 13th Day of the Month – Conventional Portfolio Close

The master servicer closes the monthly processing cycle. Once the cycle is closed, no further changes can be made for that servicer-cycle combination.

## 14th Day of the Month – System Update

Assuming the processing cycle was closed on the 13th, the master servicer's system will be updated to reflect all new loan level and servicer level information by the morning of the 14th.

## 14th Day of the Month – NAW and Cash Transaction Reports Available

Assuming the processing cycle closes on the 13th, the master servicer's system will generate a notice of automatic withdraw (NAW) report summarizing the amount expected to be remitted by the servicer. The cash transaction report is also available, which provides loan level support for the NAW. NAW information is provided to the MPP servicers and to FHLBI—***this is the amount that will be due on the 18th of the month.***

## 18th Day of the Month – Required Payments are Due to FHLBI

On the 18th of the month, the amount specified on the NAW report is transferred out of the participating bank's CMS account at FHLBI.