Introduction to Employment Validation

The Desktop Underwriter® (DU®) validation service allows you to leverage third-party data to digitally validate borrower employment on a per-borrower, per-employer basis. To get started, first you’ll need to order a Verification of Employment (VOE) or tax transcript report.

**The Loan Officer’s Process**

When looking at a VOE report in DU, check the following:

- **Active employment.** Ensure the status is clear that the borrower is “actively” employed.
- **Age of data.** Ensure you’re meeting age of data requirements and look at the “as of” dates.
- **Conflicting/contradictory information.** Investigate any information in the verification report that conflicts with or contradicts other information in the file.
- **Employer name match.** Ensure the employer name matches the information entered in the 1003.

<table>
<thead>
<tr>
<th>Income Type</th>
<th>Report Type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Base pay</td>
<td>Verification of Employment and Income (VOE/VOI)</td>
</tr>
<tr>
<td>Bonus</td>
<td></td>
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<tr>
<td>Overtime</td>
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<tr>
<td>Commission</td>
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<tr>
<td>Social security</td>
<td>Tax Transcripts</td>
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<tr>
<td>Retirement</td>
<td></td>
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<tr>
<td>Self-Employment Income (Sole Proprietor, Schedule C)</td>
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</tbody>
</table>

**Tips for Success**

- Always follow the instructions in the DU messages.
- If you are unable to get digital verification through Equifax’s The Work Number, try a manual verification report in order to get rep & warrant relief on employment validation.
- Understand the time dependencies for employment validation using the DU validation service (see Employment & Income Validation Timing Tips in the Jump Start Series).

**Jump Start Your Usage of the DU Validation Service**

- Getting Started with the DU Validation Service
- Introduction to Income Validation
- **Introduction to Employment Validation**
- Introduction to Asset Validation
- Employment & Income Validation Timing Tips

**Benefits**

- Reduced cycle times
- Freedom from paper-based processes
- Better borrower experience
- Rep & warrant relief

Questions? Visit the DU Validation Service Resource Center at DUValidationCenter.com or contact your Fannie Mae representative.