



U. S. DEPARTMENT OF VETERANS AFFAIRS
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REGIONAL LOAN CENTER MEMORANDUM No. 02-11

TO: ALL LENDERS AND SERVICERS

SUBJ: ACE (AUTOMATED CERTIFICATE OF ELIGIBILITY)

Purpose

The purpose of this memorandum is to announce a new VA Internet application, Automated Certificate of Eligibility, ACE.

Background

ACE allows lenders to input data about their potential veteran-borrower and obtain an eligibility determination on most cases in a matter of seconds. If eligibility is established, the lender prints out the certificate to submit with their guaranty package. This eliminates completing a paper application (VA Form 26-1880, Request for a Certificate of Eligibility), mailing it to an eligibility center and waiting for a reply by mail. If eligibility cannot be established, a refer message will instruct the lender to submit a completed VA Form 26-1880 to VA for processing.

The Online Loan Status Inquiry is an added function of ACE that permits lenders to input a VA case number and check the status of the loan (guaranteed, suspended, etc.) versus telephoning a VBA regional office to obtain the status of a loan. Currently, lenders can input up to three cases at one time (the complete 12-digit VA case number must be input). The application will check VA records and display the status of the loan; i.e., guaranteed, suspended, etc. If a particular loan record cannot be located, a message will display advising lenders to contact the appropriate VA office of jurisdiction for information.

Effective Date

Lenders may begin using both functions of ACE immediately.

Procedure

Lenders can access ACE by going to the TAS URL at <http://tas.vba.va.gov/TAS/index.html> and clicking on the ACE link. Once the ACE link is accessed, lenders will see a brief paragraph about ACE. There will be a link from that paragraph to the actual ACE log-in page. Lenders may choose to bookmark that site. Once lenders log-in, they click on **Requestors** and select which function of ACE they wish to use. ACE will generally be available 23 hours a day (excluding “downtime” for unanticipated maintenance, etc.). **At this time access to ACE is limited to VA recognized lenders, or their recognized agent(s), with a valid, VA assigned lender identification number.**

Important Information

ACE will not make all determinations. ACE will be most helpful in cases where the veteran is a first time user of the program. Some types of cases cannot be processed through ACE at this time. They are:

- ◇ Persons whose service was or is in the Reserves/National Guard
- ◇ Persons who may have had prior VA loan(s) that went to foreclosure
- ◇ Persons who did not serve the minimum required length of service and were not discharged for an authorized exception
- ◇ Persons who were discharged under conditions other than honorable
- ◇ Persons for which VA has insufficient data to make the determination
- ◇ Persons seeking restoration of previously used entitlement
- ◇ Unmarried surviving spouses

ACE will never deny eligibility. If eligibility cannot be established, the lender will get a refer message saying the determination cannot be made. A refer message only means that ACE cannot make the determination and that further development is necessary. It does not necessarily mean the veteran is ineligible.

ACE generated COEs cannot be transferred to another lender. Guaranty requests containing an ACE generated COE issued to someone other than the lender or its agent will be returned. Lenders will then need to obtain an eligibility determination themselves before returning the package for guaranty. It is important that lenders properly complete the agent information on VA Form 26-1820, Report and Certification of Loan Disbursement, and VA Form 26-0286, VA Loan Summary Sheet.

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The ACE application is intended for use by lenders who have the veteran's permission to obtain an eligibility determination for them. The use of the system will be monitored for security and administrative purposes and accessing the system constitutes consent to such monitoring.

If You Have Any Questions

For additional information or questions e-mail Bill White of the Loan Policy Staff at lgywwhit@vba.va.gov.

/s/JON H. HELGASON
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