
CHAPTER 8. GOVERNMENT NATIONAL MORTGAGE ASSOCIATION

- 8-1. GOVERNMENT NATIONAL MORTGAGE ASSOCIATION. The Government National Association (GNMA) is a government corporation within the Department of Housing and Urban Development. GNMA was chartered as a "body corporate without capital stock" through amendment of the National Housing Act. The charter vests all powers and duties of GNMA in the Secretary of Housing and Urban Development, and empowers the Secretary to determine its general policies, direct its administration, and appoint its officers. The President of GNMA is the chief executive officer and all officers and staff are employed by the Department of Housing and Urban Development.
- 8-2. PRESIDENT OF GOVERNMENT NATIONAL MORTGAGE ASSOCIATION. The President of GNMA provides direction and overall policy coordination for GNMA operations and directs and manages its activities and administrative affairs. GNMA performs the following functions:
- a. Directing and administering authorities delegated by the Secretary, including coordination and management of the Mortgage-Backed Securities Program. Liquidating Mortgage Portfolios under the Special Assistance Functions, the Participation Certificate Program, and the Management and Liquidation Functions.
 - b. Coordinating and consulting with other elements of the Department of Housing and Urban Development in areas of mutual interest or related program activities.
 - c. Providing protection for the public interest in the integrity and security of programs by conducting a positive compliance program to prevent fraud, waste, and mismanagement. Closing audit findings and excluding from further participation those determined not to be responsible by debarment, suspension, or other administrative action.

- d. Collecting claims and debts due to HUD arising from the operations of the assigned functions and reporting those uncollected to the Departmental Claims Officer.
- e. Advising the Secretary on the activities, operations, and organization of GNMA.
- f. GNMA consists of the following offices:
 - Office of Executive Vice President
 - Office of Asset Management
 - Office of Mortgage-Backed Securities

8-3. OFFICE OF THE EXECUTIVE VICE PRESIDENT. This office includes the Executive Vice President, the Office of the Controller, and the Administrative Staff. The Executive Vice President exercises concurrently all of the power and authority of the President when both are on duty and serves as Acting President in the absence of the President. The Office of the Controller prescribes and administers accounting systems and procedures, including the design, installation, and maintenance of accounting and costs systems and records. It establishes and maintains internal control and auditing procedures and prepares the budget and exercises administrative control over funds authorized for administrative expenses. The Administrative Staff is responsible for liaison with the organization of the Assistant Secretary for Administration, and provides and coordinates administrative services.

8-4. OFFICE OF ASSET MANAGEMENT. This office is responsible for policy analysis, and administration of the Special Assistance Programs, the Management and Liquidating Function, and the Participation Certificate Program. The office is responsible for all mortgage disposition policies and for administration of GNMA's total portfolio of mortgages. The office analyses securities and secondary mortgage markets, arranges all financing activities and manages the investment program of the Association, and ensures GNMA's Trustee responsibilities under terms of various Governmental trusts.

8-5. OFFICE OF MORTGAGE-BACKED SECURITIES. This office is responsible for policy analysis, program development, and administration of the Mortgage-Backed Securities

Programs. It is responsible for approving issuers of mortgage-backed securities, for developing implementing procedures for monitoring mortgage-backed securities mortgage pools, and issuers, and for providing supervisory and policy guidance over the contract agents that audit GNMA issuers and approve new issuances. The office oversees the operations of a private transfer agent which prepares new securities, effects transfers, and provides other services related to the trading of GNMA securities.