

“No Cash, No Check” Policy for Bills of Collection on Reconveyances

1. Purpose. The Department of Veterans Affairs (VA) Loan Guaranty Service (LGY) is publishing this Circular to notify servicers that VA’s Administrative and Loan Accounting Center (ALAC) is adopting a “no cash, no check” policy as part of its modernization efforts.

2. Background. The U.S. Treasury is promoting utilization of electronic payment methods to streamline processes, enhance security and to improve the overall efficiency of payment processing. Electronic wire transfers offer faster fund transfers, improved accuracy, and reduced administrative overhead.

3. Action. Effective immediately, ALAC will no longer accept cash, checks, or money orders as a means of payment for bills of collection (BOC’s) issued by LGY Property Management on reconveyances. ALAC will rely exclusively on electronic wire transfer. Please see Exhibit A for wiring instructions.

4. Questions. Any questions regarding this Circular should be submitted via ServiceNow at <https://www.benefits.va.gov/HOMELOANS/contact.asp>.

5. Rescission. This Circular is valid until rescinded.

By Direction of the Under Secretary for Benefits

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Executive Director
Loan Guaranty Service

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