

10 Standards for Compliance with ALTA Best Practice Pillar 2

ALTA Procedure	How <i>iTracs</i> ® Helps
<p>I. Escrow accounts are reconciled.</p> <ul style="list-style-type: none"> • At least monthly, a three-way reconciliation which compares the bank statement, operating system (checkbook), and the trial balance listing all open escrow accounts is prepared. • At least daily, the receipts and disbursements related to the escrow account are reconciled. • In order to help ensure the reliability of the reconciliations, the reconciliations are performed by someone who does not have check signing authority. • Management reviews the results of the reconciliations. • Results of the reconciliations are accessible electronically by the contracted underwriters. 	<p>With <i>iTracs</i>, your escrow account is always reconciled, every day.</p> <p>Monthly (or more often if you prefer), <i>iTracs</i> will send you a three-way reconciliation.</p> <p><i>iTracs</i> gives you the required segregation of duties between check signing authority and performing the reconciliation.</p> <p>And at your request, <i>iTracs</i> will give your underwriter electronic access to your reconciliation results.</p>
<p>II. At least monthly, a trial balance listing of all open escrow balances is prepared.</p>	<p>With <i>iTracs</i>, the trial balance is included in the standard service.</p>
<p>III. Escrow funds are not commingled.</p>	<p>Client responsibility</p>
<p>IV. Accounts are identified as <i>escrow</i> or <i>trust</i> accounts.</p>	<p>Client responsibility</p>
<p>V. Documentation supporting any outstanding file balances is prepared and maintained on file.</p>	<p>Client responsibility</p>
<p>VI. Transactions are conducted by authorized employees.</p> <ul style="list-style-type: none"> • Controls are in place to ensure banking transactions are conducted only by current employees with appropriate levels of authorization. • Appropriate authorization levels are set and reviewed annually. Former employees are immediately removed as listed account signatories. 	<p>Client responsibility</p>
<p>VII. Unless otherwise directed, the escrow account is maintained at a federally insured financial institution.</p>	<p>Client responsibility</p>
<p>VIII. Positive Pay/Reverse Positive Pay, ACH blocks, and international wire blocks are utilized, if available.</p>	<p>Client responsibility</p>
<p>IX. At least every three years, 5-year background checks are performed on all employees with access to escrow funds.</p>	<p>Client responsibility</p>
<p>X. Ongoing training is conducted for employees who are involved in escrow funds and escrow accounting.</p>	<p>Client responsibility</p>