

Confidential Supervisory Information
Trust Account Review

Entity Name:

Prepared by:

NMLS/License Number:

Date:

Examiners should use this template to evaluate the entity's trust account management. The review of the trust account requires focused attention. It is critical that the licensee manages the trust account properly. The operating account should be reviewed from the prospective that if the account is mismanaged, the business itself, or the trust account, could be compromised. The review should cover the items listed below (and detailed where applicable).

- I. Trust account review [#]

 - A. State specific subset..... [#]

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I. Examination Procedures – Trust Account Review	
<i>To evaluate Licensee's oversight of trust account(s)</i>	<i>Comments</i>
1. Is the reconciliation math OK?	[Click&type]
2. Do the current reconciliation figures align with the results of previous reconciliations?	[Click&type]
3. Does the deposit total on the reconciliation compare with the bank statement deposit total?	[Click&type]
4. Have the uncleared deposits from prior reconciliations cleared the bank the following month?	[Click&type]
5. Are there any instances where the trust <i>register</i> balance is less than the outstanding check total from the previous trust period?	[Click&type]
6. What is the number of and dollar amount of outstanding checks issued during the last two reconciliations?	[Click&type]
7. What is the number of and dollar amount of all other checks uncleared for the previous year?	[Click&type]
8. What is the number of and dollar amount of the total outstanding checks for all uncleared greater than 1 year?	[Click&type]
9. Are there multiple uncleared checks to same client?	[Click&type]
10. Are there missing check numbers in the register, or check numbers out of sequence?	[Click&type]
11. Are checks to active clients slow to clear – 3 or more months?	[Click&type]
12. Is there a record of any/all checks that should be submitted to unclaimed Property?	[Click&type]
13. Does the licensee have a process in place for escheatment?	[Click&type]

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14. Has the trust account been continuously reconciled and is it current?	[Click&type]
15. Does the trust account internal ledger shown any negative balances? If yes, an explanation by management will be required.	[Click&type]
16. Is there any evidence of withdrawals from the trust account other than client payments, transfers to the operating account, or account maintenance charges? If so, describe. (Any transfers to the operating account should be for the licensee's portion of fees/income only.)	[Click&type]
17. Are the beginning and ending balances sufficient to pay clients?	[Click&type]
18. Is there evidence of commingling?	[Click&type]
19. Are records retained for the required period per state statues?	[Click&type]

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Trust Account	
A. State specific subset	
<i>To determine compliance with state specific requirements relating to the trust account.</i>	<i>Comments</i>
1. Arizona (anything specific)?	[Click&type]
2. Connecticut (anything specific)?	[Click&type]
3. Idaho (anything specific)?	[Click&type]
4. Maine <ul style="list-style-type: none"> a. If the trust account is not maintained specifically for the licensee’s Maine clients, has the company received approval from the Bureau to utilize a consolidated trust account? b. Are commissions withdrawn on one specific day of the licensee’s choosing and the same day each succeeding month? c. Are commissions being withdrawn on the same date as noted above? 	[Click&type]
5. Massachusetts (anything specific)?	[Click&type]
6. North Dakota (anything specific)?	[Click&type]
7. Wisconsin <ul style="list-style-type: none"> a. Third party processors are prohibited from withdrawal access to trust bank account(s). b. Deposits in transit are not considered trust monies when determining whether sufficient funds are available for client remittances. 	[Click&type]