

Audit Checklist and Suggestions **for Principal Brokers**

1. You should balance your escrow account checkbook as soon as possible after receiving the statement.
2. Maintain and organize all canceled checks in a manner that is readily accessible.
3. Maintain a continually updated list of pending contracts along with the earnest money deposits on those contracts. Document how the earnest money is released.
4. Have separate filing systems for pending contracts and closed contracts.
5. Maintain a separate escrow for your security deposits for property management.
6. Maintain written records of all funds received.