



Quick Links

- [ASEA Web Site](#)
- [ASEA Facebook Page](#)
- [Classes & Events](#)
- [ASEA Membership!](#)

LIKE us on Facebook!



For other escrow industry related news and info, as well as ASEA classes and events, **"LIKE" us on Facebook!**

What is Your "Best Practices"?

You may have heard the phrase **"Best Practices"** being bandied about in the past year and wonder just what it was all about. In order to understand, we have to go back to the Fall of 2012 when all of the title **agencies** (as opposed to the large, national title **companies**) began receiving letters from so-called "vetting" companies purporting to be working on behalf of certain big lenders. These new companies (who were private concerns regulated and overseen by NO government agency) were demanding the personal and private information of individual escrow professionals for the purpose of clearing them to work as a third-party vendor for the lender's **AND** they were purposing to charge the title agencies an annual fee for each escrow officer thus "vetted". The whole idea was predicated on a vague statement in a CFPB bulletin that basically warned lenders that they'd better know with whom they were doing business because they [the lender] would be held responsible for any misdeeds of any "vendor" involved in the whole transaction.



The whole incident rubbed many people in the title and settlement industry the wrong way because (i) we don't consider ourselves to be the "vendor" of anyone in a real estate transaction...certainly not the lender who is not even a party to the purchase contract; and (ii) we weren't going to turn over private information such as social security numbers, home addresses and personal bank account numbers to an unknown, unsecured, unregulated third party.

Enter the **ALTA Best Practices Framework** in July, 2013. In their own words, *"The ALTA Best Practices Framework has been*



developed to assist lenders in satisfying their responsibility to manage third party vendors. [...] ALTA seeks to guide its membership on the best practices to protect consumers, promote quality service, provide for ongoing employee training, and meet legal and market requirements."

Here are the seven "Best Practices":



1. Establish and maintain current license(s) as required to conduct the business of title insurance and settlement services.
2. Adopt and maintain appropriate written procedures and controls for Escrow Trust Accounts allowing for electronic verification of reconciliation.
3. Adopt and maintain a written privacy and information security program to protect Non-public Personal Information as required by local, state and federal law.
4. Adopt standard real estate settlement procedures and policies that help ensure compliance with Federal and State Consumer Financial Laws as applicable to the settlement process.
5. Adopt and maintain written procedures related to title policy production, delivery, reporting and premium remittance.
6. Maintain appropriate professional liability insurance and fidelity coverage.
7. Adopt and maintain written procedures for resolving consumer complaints.



There you have them. The seven most important things a title/settlement company can do according to the American Land Title Association.



Now, what about you? What is on **your** list of best practices as you manage your desk on a day-to-day basis? The seven items listed above are things that your company is probably already doing and if they aren't, they should be very soon. But there are several things that you can do as the individual escrow professional to provide a better level of service to your customers. One of those is to see that you are kept informed of the latest changes in the industry through regular attendance at **classes such as those provided by the ASEA**. Another is to gain a **professional designation** such as one of the certifications awarded annually by either your state association or by the American Escrow Association.

Professional designation testing for levels ranging from Certified Escrow Assistant to Certified Senior Escrow Officer will be held on Saturday, April 19th. Since your application for testing needs to be in no fewer than 30 days before the test date, the mailing deadline is March 19th so there is still time for you to sign up. For those of you who have already earned your CSEO designation, we will also be holding a Certified Escrow Instructor class/test on Saturday, May 3rd. The same 30-day time frame applies so get those applications in right away. You



can find both applications attached to this newsletter.

I'm certain you've heard the old rumor that the State of Arizona is going to require all settlement officers to be licensed...*one of these days*. That rumor has been floating around for decades but with tightening of government regulations and the pervasive fear that invades every corner of our financial market place these days, that day cannot be far off. Indeed, it has been stated that escrow officer licensing would have been mandated at the same time as the loan officer licensing went into effect but for the fact that the State ran out of money necessary to process and administer the test. While there is no guarantee that those persons holding a Professional Designation from the ASEA will be automatically grandfathered into any future state licensing program, the chance that some allowance for previous designations will be made has a solid basis. But future considerations aside, why not go for it today? Become certified and show your employer, your customer and your peers that you are serious about being the best escrow professional you can be.

***"Once you focus on being the best you can be rather than 'making it', you actually have a better chance of 'making it'".
Anonymous***



Shannon Ade
CEI | ASEA Member

APPLICATIONS

[Professional Designation Application](#)
[CEI Professional Designation Application](#)

Arizona State Escrow Association

PO Box 3709 | Gilbert, AZ 85299
info@azsea.org ~ www.azsea.org

[Forward this email](#)



This email was sent to info@azsea.org by info@azsea.org |
[Update Profile/Email Address](#) | Rapid removal with [SafeUnsubscribe™](#) | [About our service provider.](#)



Try it FREE today.

Arizona State Escrow Association | PO Box 3709 | Gilbert | AZ | 85299