

Getting Ready for the Auditor:

Schedule the audit for after lunch—mid to late after 1. noon—preferably Friday

Treat the Auditor as a welcome guest and provide 2. Auditor with a quiet, well-lit space to work

Assign a knowledgeable, friendly staff member to 3. work with Auditor and escort Auditor on a tour of your location if requested

Answer the Auditor's specific questions, but don't offer 4. additional information. A written "basic" description of your business or operations is a valuable tool for limiting the scope and number of questions asked.

Telling the Auditor you will send additional info as 5. needed is the proper response when you don't know the answer. Do not guess at any answer!!

Preparing Records for Auditor

Having a prepared summary showing the total payroll; 1. summarized by class code is the best way to achieve positive audit results.

Subtract excluded remuneration: (officers' exemptions, 2. overtime, rewards for invention or discovery, severance, etc.)

3. Verify your math is accurate and balance to payroll records and to your prepared summary sheet

4. Review certificates of Insurance from sub-contractors separating labor and hard costs of supplies which should not be included for WC

5. Copy and secure Certificates of Insurance for all sub-contractors being sure their policy dates cover period they worked for you

6. Hand package to auditor with WC on top, your actual payroll report/run next; then your quarterly payroll reports; sub and sub cert information.

7. Ask Auditor to leave you a copy of his/her audit worksheet so you have it on hand to refer to if questions arise. This is an ABSOLUTE— YOU NEED A COPY!

8. Ask Auditor to explain their results/summary before they leave

After the Audit

Get a copy of the Final Audit Billing

1. Verify deposit premiums and applicable credits, discounts, use of correct experience mod

2. If billing matches Summary page, close case; if not,

3. review auditor's worksheet for discrepancies; negotiate to positive closure