

PREMIUM AUDIT

FREQUENTLY ASKED QUESTIONS

As a business owner, you may be familiar with Premium Audit, but you may not understand the process or why you need to review your business. We've answered the most frequently asked questions below.

What is a Premium Audit?

A Premium Audit is a review of your financial records to determine the correct premium amount for your policy.

Will my policy be audited?

Workers' Compensation policies are audited every year. General Liability policies are always subject to audit, but may be audited less frequently.

How do I complete the audit?

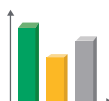
A checklist and instructions will be provided in the audit request letter from our audit partner.

What types of records should be ready for the auditor?



Payroll

- Payroll reports
- 941s
- Quarterly State Unemployment Filings



Sales

- Income Statements, sales journal, etc.



Subcontractors

- Disbursements Ledgers such as check register, etc.
- Certificates of Insurance

Am I required to complete my audit?

The premium audit is a requirement of all insurance companies and is part of your policy conditions. If you do not complete the review, it may result in an Audit Noncompliance charge of two times the estimated annual premium of your policy.

How will I know my audit has been processed?

When your audit is processed, an audit statement is created. This will be mailed directly to you.

***I have questions about my audit results. Who do I contact?
Contact your agent for more information.***