

## **UPCOMING AUDIT NOTICE**

### **Actions to take:**

- Return the attached audit contact form upon receipt of this notice.
- Start getting your records together to expedite the process (see list below)
- Check the expiration date of your worker's compensation sub-contractor exemptions. Exemptions expire every two years so take this time to double check now.

**When will my audit take place?** About **2-3 weeks after your policy expires**, an audit firm representative will contact you and arrange an appointment to conduct an audit.

**Why do I have to be audited?** It is Florida law. Policy premium is based on annual estimated payroll. An audit simply verifies the actual total payroll for all officers, employees, subcontractors, and casual laborers. Proper classification is also determined based on business operation and job duties being performed.

**What if I do not comply?** The auditor will make **two good faith attempts** to contact you and perform the audit of your policy. If you fail to schedule this audit appointment after these two attempts and a valid reason for not doing so is not provided, Florida law allows FCBI Fund to charge a \$500 fine and/or bill up to 3 times your most recent annual premium in accordance with Florida Statute 440.381(8). Your timely compliance in scheduling an audit is required to avoid these potential fines/penalties.

### **What records do I need to show the auditor?**

*All records provided must be for the policy term.*

- Individual payroll records for all entities covered by your workers' compensation policy.
- General ledgers, payroll journals, check stubs, and profit and loss statement.
- Schedule C, Florida RT-6's, Federal 941's, and any 1099's.
- Total overtime per employee.
- List of all officers and their payroll, including bonuses and fringe benefits. Include copies of valid exemptions if the officers are exempt from workers' compensation.
- Amounts paid to subcontractors and casual laborers, along with a description of the services they provided and a breakdown on how much was paid for labor. Also have the invoices for materials and equipment.
- Certificates of Insurance or valid exemptions for all subcontractors and casual labor used during the policy period. Please note: if you cannot provide either an exemption or proof of insurance for your subcontractors, you will be charged premium on the amount you paid them.

If you have any questions about this notice, please contact the audit department at FCBI by email at [audit@fcbifund.com](mailto:audit@fcbifund.com) or call (866) 469-3224

*Por favor, póngase en contacto con nuestra oficina al (866) 469-3224 y pida un intérprete de español para asistencia completando el formulario.*



Policy# \_\_\_\_\_

Company Name: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City, State, Zip Code: \_\_\_\_\_

### **CONTACT INFORMATION FOR AUDIT**

**Policyholder Contact Information** – Please provide to keep our records current.

Name: \_\_\_\_\_

Email address: \_\_\_\_\_

Phone number: (\_\_\_\_\_) \_\_\_\_\_

Cellphone Number: (\_\_\_\_\_) \_\_\_\_\_

Fax number: (\_\_\_\_\_) \_\_\_\_\_

**Contact Person to Complete Audit** – The auditor will reach out to this person.

Please check this box if the audit contact information is the same as the policyholder listed above.

Name: \_\_\_\_\_

Email address: \_\_\_\_\_

Phone number: (\_\_\_\_\_) \_\_\_\_\_

Cellphone Number: (\_\_\_\_\_) \_\_\_\_\_

Fax number: (\_\_\_\_\_) \_\_\_\_\_

**Audit Scheduling:** About 2-3 weeks after the policy expiration date, an audit firm representative will reach out to set up an appointment and discuss the documents needed to complete the audit. If you will be out of town during this time, please let us know so that we can advise the auditor.

\_\_\_\_\_

**REMINDER:** Certificates of Insurance and Exemptions for any subcontractors or casual labor used during the policy period must be available at the on-site audit location to avoid premium charges for this exposure.

Kindly complete this form and return it to our office via email at [audit@fcbifund.com](mailto:audit@fcbifund.com), fax to (386) 261-1370 or mail to FCBI Fund P.O. Box 618387 Orlando, FL 32861