

Policyholder Audit Form Guide

Operations: Provide a brief description of your business, include employees' basic job duties.

Contact: List the name and contact information, including e-mail address, for the person completing this form.

Section A: Officer, Partners, Member, Owner Payrolls:

List each officer, partner, LLC member, or owner with their percentage of ownership.

Section B: All other employees:

- List the total payroll for all employees excluding any paid officers/partners/LLC Members from the previous section.
- For sole proprietors, list any "residing relatives" along with their payroll (CA only).
- If there is more than one location/entity, list each location/entity separately in the space provided.
- Definition of Payroll: Includes gross wages, salaries, commissions, bonuses, vacation, holiday, sick pay, and all other forms of compensation and substitutes for money - including any cash payments made to employees or casual labor.
- What about Overtime? Premium will not be charged on that portion of overtime pay, which is in excess of the straight time rate of pay. For example: If the straight time rate is \$20 per hour and the overtime rate is \$30 per hour, no premium charge will be made on the \$10 per hour extra pay rate for overtime. Show the excess amount of any overtime that was included in the gross payroll in the Adjustment section labeled "Premium Overtime".
- Show any excluded "Tips" as well as the value of any lodging received under the adjustment sections, labeled "Tips" or "Housing".

Section C: Payroll Verification

Enter the Federal ID number that is associated with the business so it can be matched to internal records.

Section D: Remuneration other than payroll

Contract Labor - An individual is considered an employee when hired by an employer to perform services and the employer has the right to exercise direction and control over the manner and means by which the worker performs his/her services (common law employee) regardless of whether the individual is paid through payroll.

- Include payments to any individual made outside of payroll that meet the above criteria.
- Do not include any payments made to vendors.

Attachments

- **IMPORTANT** - Attach all supporting documents needed to validate the payroll reported in this audit. Include payroll summaries and quarterly tax returns due within 30 days of each applicable quarter.
- If you have more than one entity, please be sure to provide a payroll summary and quarterly payroll tax return totals for each separate entity.
 - Audits submitted without supporting documentation will not be processed.