

01 Schedule Audit

Date

Time

Auditor contact information

02 Gather Records

GENERAL INFORMATION

- Description of company operations
- Job descriptions for each employee
- Number of employees at each location
- Owners/officers names and titles
- Description of work performed by contractors and subcontractors

PAYROLL RECORDS

- Accounting ledger
- Payroll journal or register
- Business checkbook
- Federal Profit and Loss From Business Schedule C (Form 1040)*
- Federal Employer's Quarterly Tax Return (Form 941)
- Federal Employer's Annual Tax Return (Form 944)
- Federal Employer's Annual Unemployment (FUTA) Tax Return (Form 940)
- Federal 1099, W-2, and W-3 transmittals
- State unemployment insurance tax reports (forms vary by state)
- Time cards or number of hours, days, and weeks worked annually
- Overtime payroll records

CASH DISBURSEMENTS RECORDS

- Payments made to subcontractors
- Payments made to independent contractors
- Payments made to casual laborers
- Receipts for materials purchased

INSURANCE RECORDS

- Subcontractors' certificates of insurance
- Business' experience modification worksheet

**For individuals and sole proprietors*

03 Update Job Descriptions

TITLE OR EMPLOYEE	JOB DESCRIPTION

04 Review the Auditor's Work

- Review payroll information
- Check governing classification
- Check any additional classifications
- Check experience modifier
- Sign the auditor's paperwork