

Carrier: Test Insurance Company 111 Main Street Any City, AL 35801 Agent: TN Ins Agcy Inc	Policy Information: GL WRAP-UP 1234567 General Liability 04/01/2014 to 04/01/2015 Audit ID: 184476 Audit Method: Physical Audit Complete Type: Regular	Insured Name and Address: ABC Construction Co Inc 123 Any St Nashville, TN 37202 Generated: 12/16/2015 3:24 PM	Completed By: Test Auditor Wilkinson Insurance Services 5650 Sanderson Street Suite Q Huntsville, AL 35805 12/16/2015 Audrey: 4.1, PID: 52
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Description Of Operations ... Audit 184476

<i>Legal Entity:</i> CORPORATION	<i>Policy No(s):</i> GL WRAP-UP 1234567	<i>Policy Period:</i> 04/01/2014 to 04/01/2015
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ABC Construction Co Inc is operating as a corporation in Nashville, TN.

They are a specialty contractor doing concrete construction work for new commercial construction projects. They pour concrete driveways, foundations/slabs, parking lots and sidewalks. There is no separation of payroll between the foundation/slab work and the other types of concrete work. All field employees listed as concrete are building and taking apart forms, pouring concrete, finishing concrete, providing job site clean up, etc. Job site foremen are directly overseeing all aspects of the concrete work in the field. All of these persons are included in the 91560 class code.

Executive supervisors are included in the 91580 class code and are performing indirect supervision through job site foremen. They are working in the office and visiting job sites periodically to meet with the foremen, assist in job site problems, hire subcontractors.

Exposure for clerical and outside sales personnel has been excluded. They are not working at the job sites and performing duties consistent with these areas.

Premium overtime was paid and deducted from the exposure.

Labor is performed by both direct employees and subcontractors. All subcontractors provided proper COI's covering the audit period and payments of the subcontractors. Due to the large number of subs, permission was granted from Jane Smith at Test Insurance to lump all of the subs as one figure. All COI's were properly verified and adequate G/L limits were in place.

There were wages paid under an OCIP project at the DOT facility in Nashville @ 789 Project Pkwy, Nashville, TN. These wages have been excluded per separate coverage as verified with Joan Smith @ Marsh (OCIP Insurance Company, policy number AB1-234-567890-123). The phone number for Joan is 615-123-4567. The insured worked on this project all year long. Weekly wage reports filed by the insured for the OCIP project were reviewed to exclude wages paid under the OCIP project.

Officer 1 (president) is active in sales and as general office manager. He is excluded from the exposure. Officer 2 (S/T) is active as executive supervisor providing indirect supervision through job site foremen. He is included in the exposure at the G/L maximum in the 91580 class code.

Exposure Summary ... Audit 184476 ... 04/01/2014 to 04/01/2015 ... Policy GL WRAP-UP 1234567

<i>Insured:</i> ABC Construction Co Inc	<i>Policy Period:</i> 04/01/2014 to 04/01/2015
	<i>Audit Period:</i> 04/01/2014 to 04/01/2015
<i>Policy No(s):</i> GL WRAP-UP 1234567	<i>Auditor:</i> Test Auditor

State	Code	Classification	Loc	Basis	Mod	Exposure
TN	91560	Concrete Construction		Payroll		1,405,960
TN	91580	Contractor-Executive Supervisors or Superintendents		Payroll		331,299
Total Exposure:						1,737,259
Subcontractors Exposure Summary						
TN	91585	Contractors-Subcontracted Work-Buildings NOC		Total Cost		1,198,600
Total Exposure:						1,198,600
Grand Total Exposure:						2,935,859

Principal ... Audit 184476

Officer 1	President	Excluded		P/R: 0.00
Start/End: to	Min:	0	Max:	0
	TN			
Audit Period: to	Total Amt:	96,620		
Operations Manager - Office only				

Officer 2	S/T	Included	P/R: 1.00
Start/End: 04/01/2014 to 04/01/2015	Min: 5,200	Max: 26,000	
TN	91580	Contractor-Executive Supervisors or Superintendents	
Audit Period: 04/01/2014 to 04/01/2015	Total Amt: 96,620	Included At: 26,000	
Executive Supervisor			

Exposure Recap ... Audit 184476 ... 04/01/2014 to 04/01/2015

State	Code	Classification / Name	Loc	Basis	Mod	Exposure
TN	91560	Concrete Construction		Payroll		
		Concrete - 30+		<i>Duties: Concrete - 30+</i>		1,775,092
				<i>Prem OT Credit @ 1.5</i>		(106,362)
		Emp 10		<i>Duties: Foreman</i>		36,408
				<i>Prem OT Credit @ 1.5</i>		(2,689)
		Emp 11		<i>Duties: Foreman</i>		65,192
				<i>Prem OT Credit @ 1.5</i>		(5,845)
		Emp 8		<i>Duties: Foreman</i>		39,205
				<i>Prem OT Credit @ 1.5</i>		(3,110)
		Emp 9		<i>Duties: Foreman</i>		31,449
				<i>Prem OT Credit @ 1.5</i>		(1,291)
		OCIP Concrete		<i>Duties: OCIP Concrete</i>		0
				<i>OCIP Concrete</i>		(422,089)
						----- 1,405,960 =====
TN	91580	Contractor-Executive Supervisors or Superintendents		Payroll		
		Emp 1		<i>Duties: Executive Supervisor</i>		73,480
		Emp 2		<i>Duties: Executive Supervisor</i>		67,710
		Emp 3		<i>Duties: Executive Supervisor</i>		60,010
		Emp 4		<i>Duties: Executive Supervisor</i>		62,410
		Emp 5		<i>Duties: Executive Supervisor</i>		29,256
				<i>Prem OT Credit @ 1.5</i>		(1,070)
		Emp 6		<i>Duties: Executive Supervisor</i>		39,431
		Emp 7		<i>Duties: Executive Supervisor</i>		14,974
				<i>Prem OT Credit @ 1.5</i>		(136)
		OCIP Exec Sup		<i>Duties: OCIP Exec Sup</i>		0
				<i>OCIP Exec Sup</i>		(40,766)
		*Officer 2		<i>Duties: Executive Supervisor</i>		26,000
						----- 331,299 =====
TN	EXCLUDED					
		*Officer 1 (Excluded)		<i>Duties: Operations Manager - Office only</i>		96,620
						----- 0 =====
TN	EXCLUDED			Payroll		
		Emp 12 (Excluded)		<i>Duties: Office Manager</i>		39,440
		Emp 13 (Excluded)		<i>Duties: O/S Sales</i>		25,700
						----- 0 =====
Total Exposure:						1,737,259
Subcontractors Exposure Recap						
TN	91585	Contractors-Subcontracted Work-Buildings NOC		Total Cost		
		Insured Subs - 47				1,198,600
						----- 1,198,600 =====
Total Exposure:						1,198,600
Grand Total Exposure:						2,935,859

Name	Code	Gross	4/1 - 4/1	Prem OT Credit @ 1.5	OCIP
* Officer 1	EXCLUDED	96,620	96,620		
* Officer 2	91580	96,620	96,620		
Emp 1	91580	73,480	73,480		
Emp 2	91580	67,710	67,710		
Emp 3	91580	60,010	60,010		
Emp 4	91580	62,410	62,410		
Emp 5	91580	29,256	29,256	(1,070)	
Emp 6	91580	39,431	39,431		
Emp 7	91580	14,974	14,974	(136)	
Emp 8	91560	39,205	39,205	(3,110)	
Emp 9	91560	31,449	31,449	(1,291)	
Emp 10	91560	36,408	36,408	(2,689)	
Emp 11	91560	65,192	65,192	(5,845)	
Emp 12	EXCLUDED	39,440	39,440		
Emp 13	EXCLUDED	25,700	25,700		
Concrete - 30+	91560	1,775,092	1,775,092	(106,362)	
OCIP Concrete	91560	0			(422,089)
OCIP Exec Sup	91580	0			(40,766)
Totals:		2,552,997	2,552,997	(120,503)	(462,855)
Adj:		(583,358)			
Exposure:		1,969,639			

Subcontractors ... Audit 184476

Name	Certificate Detail				Exposure
Insured Subs - 47	Carrier:	COI's verified	Cost:	1,198,600	
	Policy Num:		Materials:	0	
	Contract Period:	04/01/2014 to 04/01/2015	% Adjustments:	0	
	Limits:				
	Audit State:	TN			
91585	Contractors-Subcontracted Work-Buildings NOC				1,198,600

General Liability Workers ... Audit 184476 ... 04/01/2014 to 04/01/2015

State	Code / Name	Classification	Loc	Basis	Mod	Adj	Exposure
TN	91560	Concrete Construction		Payroll			1,405,960
	Concrete - 30+					Prem OT Credit @ 1.5	106,362
	Emp 10					Prem OT Credit @ 1.5	2,689
	Emp 11					Prem OT Credit @ 1.5	5,845
	Emp 8					Prem OT Credit @ 1.5	3,110
	Emp 9					Prem OT Credit @ 1.5	1,291
	OCIP Concrete					OCIP Concrete	422,089
						Adjustments Total:	541,386
TN	91580	Contractor-Executive Supervisors or Superintendents		Payroll			331,299
	Emp 5					Prem OT Credit @ 1.5	1,070
	Emp 7					Prem OT Credit @ 1.5	136
	OCIP Exec Sup					OCIP Exec Sup	40,766
	* Officer 2	Over inclusion Max					70,620
						Adjustments Total:	112,592
TN	Excluded						96,620
TN	Excluded			Payroll			65,140
Total Adjustments / Exposure:						815,738	1,737,259

Worksheet Gross Total	Verification Source Total	Audit Total
2,552,997	2,552,997	2,552,997

General Information ... Audit 184476

Insured:	ABC Construction Co Inc	Phone:	615-123-4567
	123 Any St	Fax:	
	Nashville, TN 37202	Mobile:	
	Contact: Jane Doe	Email:	
Records Obtained From:	Jane Doe	Phone:	615-123-4567
	123 Any St	Fax:	
	Nashville, TN 37202	Mobile:	
		Email:	

Verification Source Record

ABC Construction Co Inc

Verification Source Record:	941, State, and Computer Reports		
Employer's Federal ID No.:	12-3456789		
1st Quarter 2015:			636,051
2nd Quarter 2014:			455,170
3rd Quarter 2014:			899,764
4th Quarter 2014:			562,012
Subtotal:			2,552,997
Total:			2,552,997

General Liability Checklist

15 day rule observed for the audit period?	YES	Invoices reviewed for materials credit for uninsured subs?	N/A
If employees were lumped, did you provide # of employees?	YES	Was the total subcontractor cost considered?	YES
Did the subcontractors have adequate liability limits?	YES		

General Information Checklist

Are the records computerized?	YES	What is the condition of the records?	GOOD
Were payroll journal records examined?	YES	Were general ledger records examined?	YES
Was the check book examined?	NO	Were income tax return records examined?	NO
Were cash disbursement records examined?	NO	Were 941 Returns examined?	YES
Were U/C Returns examined?	YES	Were Certificates of Insurance examined?	YES
Were 1099 records examined?	NO	What other records were examined?	NONE
All locations/addresses shown verified/discussed on audit?	YES	Was the profit & loss statement reviewed?	YES

Notes ... Audit 184476 ... Policy GL WRAP-UP 1234567

Test Insurance Company	Any City, AL
ABC Construction Co Inc	Nashville, TN
Test Auditor	

Percent difference between actual and estimated exposures (negative if est. > act.):

State	Code	Classification	Prem Basis	Location	Est	Act	Pct Diff
TN	91580	Contractor-Executive Supervisors or Superintendents	Payroll		204,610	331,299	61.92%

Exit Interview conducted on 12/16/2015 at 12:47 PM

Interviewee:	Emp 12	Title:	Office Manager
Records were obtained from:		Title:	

Notes to Audit Department

Number of employees: 67.

Gross revenue: \$7,920,596.

There was an increase in exposure for code 91560 due to the insured obtaining more work in this period.

There were wages paid under an OCIP project at the DOT facility in Nashville @ 789 Project Pkwy, Nashville, TN. These wages have been excluded per separate coverage as verified with Joan Smith @ Marsh (OCIP Insurance Company, policy number AB1-234-567890-123). The phone number for Joan is 615-123-4567. The insured worked on this project all year long. Weekly wage reports filed by the insured for the OCIP project were reviewed to exclude wages paid under the OCIP project.

Additional time was charged for time spent detailing wages for 91580 and the foremen for 91560. Also time was needed to verify OCIP information and review certified payroll reports to make applicable deductions.

Signature Form ... Audit 184476

Insured:	ABC Construction Co Inc		
Policy No(s):	GL WRAP-UP 1234567	Policy Period:	04/01/2014 to 04/01/2015

The undersigned acknowledges that a representative of was present on the date below for the purpose of conducting an insurance audit for the policy indicated above.

Insured's Authorized Representative:	Emp 12
Note: The signature is only viewable with Internet Explorer.	
Signed:	12/16/2015 12:49:00 PM
A copy of this audit for the agent of record is approved.	
Auditor:	Wilkinson Insurance Services 5650 Sanderson Street Suite Q Huntsville, AL 35805