



**TRACZ & ASSOCIATES****INSURANCE FINANCIAL AUDITORS****PREMIUM AUDIT WORKSHEET SUMMARY**

TRACZWARE 2000 © 1996 TRACZ AND ASSOCIATES - 2006 UPDATE

Insured :			Policy No.				Policy Period:		
BEST CONSTRUCTION COMPANY, INC.			WC00000101				5/1/2005 To 5/1/2006		
OFFICERS, PARTNERS AND PROPRIETORS		TOTAL	PREMIUM	AMOUNT	CLASS	' X ' IF	SPECIFIC JOB DUTIES PER OFFICER / PARTNER / OWNER / MEMBER		
TITLE	NAME	GROSS	BASE	ADJUSTED	CODE	EXCL			
PRESIDENT	JOHN JACKSON	225,000	0	(225,000)	IL-8810	X	Administrative, Estimates, Bid Jobs, Meet with customers		
VICE PRESIDENT	TOM JACKSON	80,000	0	(80,000)	IL-5606	X	Job Superintendent & Indirect Supervision of employees and subcontractors		
SEC/TREAS	MARCIA JACKSON	65,000	0	(65,000)	IL-8810	X	Office Manager--payroll, oversees all office employees, update employee files, scheduling.		
							*All officers are excluded per policy endorsement		
<b>TOTAL</b>		370,000	0	(370,000)					
<b>TYPE OF ENTITY</b>		<b>SOURCE OF DATA</b>		<b>Description of Operations:</b>					
<input checked="" type="checkbox"/> Corporation		<input checked="" type="checkbox"/> Payroll Register		<p>The insured is a general contractor constructing new schools and school additions. There was no life safety of asbestos removal work. The employees of the insured perform all of the concrete &amp; cement work, steel frame erection, steel staircase &amp; railing installation, and the exterior windows &amp; doors. They subcontract excavation, grading, plumbing, sewer, water, electrical, roofing, floor materials installation, wallboard, painting, suspended ceilings, fire &amp; security systems, landscaping, and parking lot paving. All of the certificates of insurance were on file, except for the landscaping contractor who has been included in the summary totals under code 0042. There were no casual laborers hired this period. The buildings constructed do not exceed two (2) stories. The gymnasiums &amp; auditoriums may have roof heights of up to 45 feet, but the number of floors does not exceed two (2) stories. The concrete work includes the foundations, piers, and decks. The cement work includes sidewalks and other non-structural cement flat work. Concrete &amp; cement work includes the setting up and tearing off of forms. The steel work includes the erection of the structural members and non-structural staircases and railings. Credit for premium overtime has been applied to the summary totals. The officers are excluded by endorsement. The claimants were reviewed and found to be employed on the dates of the losses.</p>					
<input type="checkbox"/> Partnership		<input checked="" type="checkbox"/> General Ledger							
<input type="checkbox"/> Proprietorship		<input type="checkbox"/> Vendor Listing							
<input type="checkbox"/> Limited Liab. Co.		<input type="checkbox"/> Income Statement							
		<input type="checkbox"/> Profit & Loss Report							
		<input type="checkbox"/> Cash Disbursements							
		<input type="checkbox"/> Check Book / Register							
		<input type="checkbox"/> Payroll Service Reports							
		<input type="checkbox"/> Computer P/R Reports							
		<input type="checkbox"/> Other							
<b>ADJUSTMENTS</b>		<b>VERIFICATION</b>		<b>General Audit Comments:</b>					
<input checked="" type="checkbox"/> Overtime @ 1.5x		<input checked="" type="checkbox"/> Federal 941's							
<input checked="" type="checkbox"/> Overtime @ 2.0x		<input checked="" type="checkbox"/> State UC's							
<input type="checkbox"/> Cash / Casual Labor		<input checked="" type="checkbox"/> General Ledger							
<input checked="" type="checkbox"/> Subcontractors		<input type="checkbox"/> 1099's							
<input type="checkbox"/> Tips		<input type="checkbox"/> Schedule C							
<input type="checkbox"/> OCIP / Wrap-Up		<input checked="" type="checkbox"/> Certs. of Ins.							
<input type="checkbox"/> Incorrect Class		<input type="checkbox"/> Other							
<input type="checkbox"/> Severance									
<input type="checkbox"/> Company Paid Ins.									
<input type="checkbox"/> Company Perks (Auto)									
<input type="checkbox"/> Other									
<b>Federal ID #:</b>				<p>The insured has moved to 3950 Main Street, Chicago, IL as of 7/1/05. New phone # 312-555-1555. Future audits should still be conducted with the insured's accountant, Robert Frost.</p> <p>Auditor has verified that all claimants were employed on the date that the accident occurred. Claimant P. White should be shown in class 5221, not 8227.</p> <p>Auditor obtained payroll and subcontractor information from the accountant, R. Frost. Auditor then contacted insured and verified job duties, business operations, and discussed variances with the office manager, Marcia Jackson.</p>					
36-1234567									
<b>CONTACT // LOCATION OF RECORDS</b>									
Name:		ROBERT FROST							
Phone #:		312-222-4545							
Address:		675 W JACKSON BLVD							
City, State, Zip:		CHICAGO, IL, 60605							
Email Address:		rfrost@email.com							
Website:		www.bcc.com							
Fax #:		312-222-4500							
Accountant (if any):		ROBERT FROST TAX & ACCTG SERVICES							

**TRACZ & ASSOCIATES****PAYROLL WORKSHEET**

INSURANCE FINANCIAL AUDITORS

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Insured : BEST CONSTRUCTION COMPANY, INC.

POLICY NUMBER: WC00000101  
POLICY PERIOD: 5/1/2005 To 5/1/2006

NAME	JOB DUTIES	CODES	SECOND QUARTER 2005	THIRD QUARTER 2005	FOURTH QUARTER 2005	FIRST QUARTER 2006	LESS APRIL 2005	ADD APRIL 2006	TOTAL GROSS	IL-8810 Clerical Office	IL-8742 Salespersons Outside	IL-5606 Contractor Exec. Supv.	IL-5059 Iron/Steel Erection	IL-5102 Door/Window Installation	IL-5437 Carpentry Interior
<b>OFFICERS, PARTNERS AND PROPRIETORS :</b>															
JOHN JACKSON	ADMIN/EST/BIDS	IL-8810	25,000	25,000	150,000	25,000	(7,692)	7,692	225,000	225,000					
TOM JACKSON	JOB SUPT/INDIRECT	IL-5606	17,500	17,500	27,500	17,500	(5,385)	5,385	80,000			80,000			
MARCIA JACKSON	OFFICE MANAGER	IL-8810	15,000	15,000	20,000	15,000	(4,615)	4,615	65,000	65,000					
<b>EMPLOYEES :</b>															
Virginia Levitt	Receptionist	IL-8810	3,457	3,398	3,869	3,475	(1,064)	1,069	14,204	14,204					
Angela Jackson	Accounting Asst.	IL-8810	4,316	4,261	4,720	4,350	(1,328)	1,338	17,657	17,657					
Michelle Martin	Accts. Payables	IL-8810	3,900	3,925	4,425	4,160	(1,200)	1,280	16,490	16,490					
Linda Martin	Data Entry Clerk	IL-8810	3,250	3,250	3,550	3,350	(1,000)	1,031	13,431	13,431					
Ann Sorkin	Data Entry Clerk	IL-8810	3,250	3,250	3,550	3,350	(1,000)	1,031	13,431	13,431					
Michael Jackson	Controller	IL-8810	10,500	10,500	22,500	10,500	(3,231)	3,231	54,000	54,000					
Donald Jackson	Purchasing	IL-8810	9,500	9,500	16,500	9,500	(2,923)	2,923	45,000	45,000					
James Anderson	Estimator	IL-8810	7,500	7,500	8,500	8,000	(2,308)	2,462	31,654	31,654					
Thomas Leahy	Estimator	IL-8810	7,200	7,200	8,000	7,500	(2,215)	2,308	29,993	29,993					
Michael Leahy	Asst. Constr. Supt.	IL-5606	13,000	13,000	23,000	13,000	(4,000)	4,000	62,000			62,000			
Thomas Jackson, Jr.	Sales/Field Est	IL-8742	13,000	13,000	23,000	13,000	(4,000)	4,000	62,000		62,000				
Jerrold Leahy	Sales/Field Est	IL-8742	8,500	8,500	9,500	9,000	(2,615)	2,769	35,654		35,654				
Iron Workers	Structural/Frame	IL-5059	135,212	269,804	199,408	69,235	(31,115)	42,765	685,309				685,309		
Laborers	Stairs/Railings	IL-5102	24,368	42,185	33,765	21,844	(7,645)	6,325	120,842					120,842	
Iron Workers	Stairs/Railings	IL-5102	10,765	18,432	15,667	9,688	(3,220)	2,879	54,211					54,211	
Laborers	Stairs/Railings	IL-5102	5,123	8,849	7,101	4,235	(1,204)	1,316	25,420					25,420	
Carpenters	Wood Trim/Doors Inst	IL-5437	3,842	5,612	4,917	4,011	(1,211)	1,199	18,370						18,370
ADD TOTAL(S) FROM OTHER PAGE(S) (IF ANY)			193,351	278,259	252,787	184,035	(57,430)	56,274	907,276						
TOTAL			517,534	767,925	842,259	439,733	(146,401)	155,892	2,576,942	525,860	97,654	142,000	685,309	200,473	18,370
OFFICER'S ADJUSTMENT									(370,000)	(290,000)	(80,000)				
LESS PREMIUM OVERTIME									(61,019)	(49)		(13,946)	(2,171)		
Total Subcontractors									53,488						
TOTAL PREMIUM BASE									2,199,411	235,811	97,654	62,000	671,363	198,302	18,370

**TRACZ & ASSOCIATES**

**PREMIUM OVERTIME**

INSURANCE FINANCIAL AUDITORS

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Insured : BEST CONSTRUCTION COMPANY, INC.

POLICY NUMBER: WC00000101

POLICY PERIOD: 5/1/2005

To 5/1/2006

NAME	JOB DUTIES	CODES	SECOND QUARTER 2005	THIRD QUARTER 2005	FOURTH QUARTER 2005	FIRST QUARTER 2006	ADJUST	TOTAL OVERTIME WAGES	DOUBLE TIME ( IF ANY )	IL-8810 Clerical Office	IL-8742 Salespersons Outside	IL-5606 Contractor Exec. Supv.	IL-5059 Iron/Steel Erection	IL-5102 Door/Window Installation	IL-5437 Carpentry Interior
Virginia Levitt	Receptionist	IL-8810													
Angela Jackson	Accounting Asst.	IL-8810	26	51	70			147		147					
Michelle Martin	Accts. Payables	IL-8810													
Linda Martin	Data Entry Clerk	IL-8810													
Ann Sorkin	Data Entry Clerk	IL-8810													
Michael Jackson	Controller	IL-8810													
Donald Jackson	Purchasing	IL-8810													
James Anderson	Estimator	IL-8810													
Thomas Leahy	Estimator	IL-8810													
Michael Leahy	Asst. Constr. Supt.	IL-5606													
Thomas Jackson, Jr.	Sales/Field Est	IL-8742													
Jerrold Leahy	Sales/Field Est	IL-8742													
Iron Workers	Structural/Frame	IL-5059	427	16,875	11,247	328		28,877	8,640				37,517		
Laborers	Stairs/Railings	IL-5102	231	2,116	1,663	97		4,107	520					4,627	
Iron Workers	Stairs/Railings	IL-5102		678	485			1,163						1,163	
Laborers	Stairs/Railings	IL-5102		265	199			464						464	
Carpenters	Wood Trim/Doors Inst	IL-5437													
<b>TOTAL OVERTIME WAGES</b>			<b>684</b>	<b>19,985</b>	<b>13,664</b>	<b>425</b>		<b>34,758</b>	<b>9,160</b>	<b>147</b>			<b>37,517</b>	<b>6,254</b>	
TIME AND ONE HALF @ 1/3								11,586		49			9,626	1,911	
DOUBLE TIME @ 1/2								4,580	4,580				4,320	260	
<b>TOTAL PREMIUM OVER TIME DEDUCTION</b>								<b>16,166</b>		<b>49</b>			<b>13,946</b>	<b>2,171</b>	

**VERIFICATION**

PER STATE U/Cs	TOTAL GROSS	Entity #1 FEIN: 36-1234567 Name: Best Const. Co. Inc.
1st QUARTER 2006	439,733	439,733
2nd QUARTER 2005	517,534	517,534
3rd QUARTER 2005	767,925	767,925
4th QUARTER 2005	842,259	842,259
<b>TOTAL</b>	<b>2,567,451</b>	<b>2,567,451</b>
APRIL 2005	(146,401)	(146,401)
APRIL 2006	155,892	155,892
<b>TOTAL</b>	<b>2,576,942</b>	<b>2,576,942</b>

**VERIFICATION**

GROSS P/R FROM WORKSHEET 2,576,942  
PER STATE U/Cs 2,576,942

**VARIANCE**

**TRACZ & ASSOCIATES**

**PAYROLL WORKSHEET**

INSURANCE FINANCIAL AUDITORS

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Insured : BEST CONSTRUCTION COMPANY, INC.

POLICY NUMBER: WC00000101

POLICY PERIOD: 5/1/2005 To 5/1/2006

PER PAYROLL REGISTER NAME	JOB DUTIES	CODES	SECOND QUARTER 2005	THIRD QUARTER 2005	FOURTH QUARTER 2005	FIRST QUARTER 2006	LESS APRIL 2005	ADD APRIL 2006	TOTAL GROSS	IL-8227 Contractor Perm. Yard	IL-5221 Cement Work	IL-5213 Concrete Const. NOC	IL-0042 Landscape Gardening
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<b>EMPLOYEES:</b>													
Robert Jones	Truck Mechanic	IL-8227	6,758	7,223	7,500	6,825	(2,000)	2,100	28,406	28,406			
Robert Thompson	Equip. Mechanic	IL-8227	6,602	7,109	7,500	6,825	(2,000)	2,100	28,136	28,136			
Cement Finishers	Cement Flat Work	IL-5221	6,235	9,812	8,915	5,910	(1,545)	1,744	31,071		31,071		
Laborers	Cement Flat Work	IL-5221	14,789	23,777	19,875	13,111	(4,316)	4,102	71,338		71,338		
Concrete Workers	Foundations/Decks	IL-5213	69,212	89,213	81,220	63,899	(19,800)	20,015	303,759			303,759	
Laborers	Foundations/Decks	IL-5213	89,755	141,125	127,777	87,465	(27,769)	26,213	444,566			444,566	

<b>TOTAL</b>			193,351	278,259	252,787	184,035	(57,430)	56,274	907,276	56,542	102,409	748,325	
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OFFICER'S ADJUSTMENT													
LESS PREMIUM OVERTIME									(44,853)	(564)	(11,227)	(33,062)	
Total Subcontractors									53,488				53,488

<b>TOTAL PREMIUM BASE</b>									915,911	55,978	91,182	715,263	53,488
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**TRACZ & ASSOCIATES**

**PREMIUM OVERTIME**

INSURANCE FINANCIAL AUDITORS

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Insured : BEST CONSTRUCTION COMPANY, INC.

POLICY NUMBER: WC00000101

POLICY PERIOD: 5/1/2005 To 5/1/2006

PER PAYROLL REGISTER NAME	JOB DUTIES	CODES	SECOND QUARTER 2005	THIRD QUARTER 2005	FOURTH QUARTER 2005	FIRST QUARTER 2006	LESS / ADD OVERTIME WAGES	DOUBLE TIME ( IF ANY )	IL-8227 Contractor Perm. Yard	IL-5221 Cement Work	IL-5213 Concrete Const. NOC	IL-0042 Landscape Gardening
<b>EMPLOYEES:</b>												
Robert Jones	Truck Mechanic	IL-8227	258	723			981		981			
Robert Thompson	Equip. Mechanic	IL-8227	102	609			711		711			
Cement Finishers	Cement Flat Work	IL-5221	1,001	3,110	2,916	1,199	8,226	2,080		10,306		
Laborers	Cement Flat Work	IL-5221	2,489	7,001	4,320	2,511	16,321	4,010		20,331		
Concrete Workers	Foundations/Decks	IL-5213	2,115	5,965	5,844	2,377	16,301	12,090			28,391	
Laborers	Foundations/Decks	IL-5213	4,387	11,765	12,212	4,915	33,279	20,980			54,259	
TOTAL OVERTIME WAGES			10,352	29,173	25,292	11,002	75,819	39,160	1,692	30,637	82,650	
TIME AND ONE HALF @ 1/3							25,273		564	8,182	16,527	
DOUBLE TIME @ 1/2							19,580	19,580		3,045	16,535	
TOTAL PREMIUM OVER TIME DEDUCTION							44,853		564	11,227	33,062	

