

The job is finished. Is your audit file?



When a subcontractor's coverage or labor records are missing, the workers' compensation audit conversation can change. Know what to collect before the next job closes.

Your topic path

Confirm the exposure > Check the records > Follow the math > Prepare the file > Request your worksheet

For general contractors and authorized employer teams. Retail agents and wholesalers can use this resource to prepare client conversations. North Carolina rule examples are labeled; other states need their own review.

Start with the subcontract and the actual work.

Who performed the work?

Identify the subcontractor, project location, contract, work dates, and people doing the work. Have your insurance professional establish whether the arrangement creates chargeable exposure under the applicable state rule.

What coverage evidence is acceptable?

Gather certificates and supporting coverage records for the dates of work. Ask a professional to verify the coverage and documentation; do not assume a certificate automatically removes the exposure.

Which trade was performed?

Under the North Carolina example, uninsured subcontractor work is classified as though the contractor's own employees performed it. Roofing, framing, concrete, electrical, and excavation need the actual work identified.

Which rule applies?

Confirm the project state, applicable manual edition, and policy period. Construction subcontractor rules are separate from vehicle-with-driver trucking rules.

Source: [NCRB Basic Manual, Rule 2-H](#)

Check the state before the percentage.

New York has contract percentages and a specific-job payroll exception; its missing-records treatment is not identical to the North Carolina full-contract framework. Pennsylvania publishes a 33% equipment minimum. Wisconsin has a full-contract fallback with a definite-payroll exception and contract minimums. Do not apply one calculator to every state.

[Open the 50-state review selector and primary sources](#)

Minimums are not automatic discounts.

For chargeable uninsured subcontractor exposure under North Carolina Rule 2-H, follow the record hierarchy before selecting a percentage.

Complete, accurate payroll records

Use actual subcontractor payroll under the actual-payroll branch of the example rule.

Definite documented labor portion; no complete actual payroll

Use the higher of the documented amount and the applicable contract-type minimum below.

No usable payroll or defensible documented split

The full subcontract price can become the payroll basis. A percentage does not replace missing evidence.

Contract type	Minimum payroll basis
Mobile equipment + operator	33 1/3%
Labor + materials	50%
Labor only	90%
Piecework	100%

Source: NCRB Rule 2-H, Tables 1 and 2

Same \$100,000 contract. Different records.

Assume a labor-and-material subcontract with chargeable uninsured exposure under the North Carolina rule. These are payroll-basis examples, not premium quotes.

Available evidence	Calculation	Payroll basis
Documented labor: \$40,000	Higher of \$40,000 or \$50,000	\$50,000
Documented labor: \$70,000	Higher of \$70,000 or \$50,000	\$70,000
No defensible records or split	100% x \$100,000	\$100,000
Complete actual payroll: \$40,000	Actual-payroll branch	\$40,000

Payroll basis is not your premium.

The applicable trade classification, rate, experience modification factor, policy terms, and other charges require separate review. Do not treat this example as a carrier quote, program acceptance, or a nationwide rule.

[Explore the interactive example](#)

One clear file for each subcontractor.

[] Identity and job

Legal business name, project state, work dates, and actual trade.

[] Coverage evidence

Certificates and supporting records for the work period, plus any exemption information for professional review.

[] Contracts and payments

Signed contracts, change orders, invoices, total payments, and scope of work.

[] Actual payroll

Complete payroll records where obtainable; identify who performed the work.

[] Documented labor split

Defensible labor, material, and equipment records. Do not assume a percentage supplies missing evidence.

[] Policy and renewal

Your legal insured name, business address, policy renewal date, existing agent, and most recent available mod worksheet.

Ask your professional: "Which state rule applies to this subcontract, what records support the labor amount, and which trade classification will the auditor use?"

Keep payroll records, claim details, and mod worksheets out of public chat. Use the approved secure submission process when a reviewer requests documents.

Request your experience-mod worksheet.

An experience modification worksheet shows the payroll, classification, and loss information used by the rating bureau to calculate an employer's experience modification factor. This factor can affect workers' compensation premium. Not every employer has a worksheet.

Use it to understand the number, prepare questions for your agent, or support a renewal or contract conversation. It is different from a coverage inquiry and from a DOT safety report.

Email-only request. Human follow-up.

Your name and email address. No mobile number is required.

Employer legal name, street address, city, state, and ZIP code.

Workers' compensation renewal date, or "I do not have current coverage." If uninsured, provide the prior policy date when known.

Confirm employer identity and authorize assistance. Your existing agent can stay involved.

Please allow 24 hours. A person will review your request and follow up by email. If the worksheet is unavailable, the policy date is missing, or additional bureau authorization is needed, the team will explain the next step. Retrieval is not automatic.

[Request my Ex-Mod worksheet](#)

[NCCI: ABCs of Experience Rating](#)

WorkComp Finder editorial review: September 13, 2026. Educational scope: employer audit preparation using a labeled North Carolina example. State, bureau, policy, and record requirements control. Public education is not professional certification.