

- 1 **10 Things You Need to Know About Random Audits**
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- 2 **1. Don't Panic**
- 3 **2. Be Prepared**
 - Trust Account Statements
 - Trust Account Ledgers
 - Business Account Statements
 - Business Account Ledgers
 - Client Distribution and Costs Sheets
- 4 **3. Know the Common Deficiencies**
 - Professional Liability Insurance
 - Bank Statements
 - Monthly Three Way Reconciliation
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- 5 **4. Mind Your Audit Window**
 - Resolutions made after the audit window will be deemed deficiencies
 - 2 year period
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- 6 **5. Resolve Any Issues Before the Audit if Possible**
 - Identify outstanding client balances
 - Unreconciled checks
 - Distribute funds where necessary
- 7 **6. Make the Audit a Priority**
 - Clear your calendar
 - Make sure the "right person" is there
 - Have your paperwork ready
 - Know what your problems are and be prepared to address them
- 8 **7. Know What Will Happen**
 - 5 auditors in all of New Jersey
 - Estimated to be complete by about 2:00 P.M.
 - Review of all accounts by auditor
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- 9 **8. Be Prepared for Deficiencies**
- 10 **9. The Audit is Not the End.**
 - Deficiency letter
 - 45 day response window
 - Closing the file

11 **10. Really, Don't Panic.**

Because you won't be eligible again for another 5 years.