

*The following document, “Audit Requirements” was previously posted as Section 19 of the UCR Agreement.

AUDIT REQUIREMENTS*

Participating states are required to perform audits each year on carriers who retreat from one payment bracket to a lower payment bracket, to verify that the company has properly deducted vehicles from its UCR payment. If a carrier neither pays what the state shows it to owe nor justifies its retreat, the state shall, pursuant to the requirements of due process, determine to suspend the carrier’s current year UCR registration, pending the carrier’s acceptable compliance noted in Step 1.

Beginning July 1, 2019, the mandated audit sequence is:

- (1) Review and close 100% of Tier 5 and 6 motor carriers based within their State listed on the Focused Anomalies Review (FARs) report or listed on the MCS- 150 retreat list, as of March 31st for the previous 12-month period.

To close a FAR, a State Auditor shall:

- (a) Verify the motor carrier under review has made the onetime adjustment in the National Registration System (NRS) for the year being audited; or
- (b) Upload supporting documents to validate the motor carrier’s retreat to a lower UCR Tier into the NRS Audit Matrix.

Step 1 must be completed prior to advancing to Step 2.

- (2) Review and close 100% or up to 100 of the Tier 1 – 4 motor carriers based within their State listed on the FARs report as of March 31st for the previous 12-month period. Review of the Tier 1 – 4, MCS-150 retreated motor carriers are optional.
- (3) Steps 1 and 2 are to be completed by March 31st. In addition, states may audit any carrier that is subject to UCR registration requirements. Additionally, States may audit any motor carrier that is on their FARs or Retreat reports after the public side of the NRS Portal has closed through December 31st.

Motor Carriers underpaying UCR fees for one or more registration years (as required by the Motor Carrier Record Keeping requirement) shall pay the difference. This section does not prohibit states from assessing fines or penalties in addition to the UCR fees.

- (4) The Audit Subcommittee Chair shall prepare the final audit report as of March 31st for the previous 12-month period and present it to the Board by June 1st.