



Ohio Administrative Code

Rule 4123-17-17 Auditing and adjustment of payroll reports.

Effective: July 1, 2024

(A) Every employer amenable to the workers' compensation law shall keep, preserve, and maintain complete records showing in detail all expenditures for payroll reportable to Ohio and the division of such expenditures in the various divisions and classification codes of the employer's business. If an employer elects under section 4123.292 of the Revised Code to obtain other-states' coverage, the employer shall also keep records of all payroll reported to the other-states' insurer for work performed outside of Ohio. Both types of payroll records shall be preserved for at least five years after the respective time of the transaction upon which such records are based.

(B) All books, records, papers, and documents reflecting upon the amount and the classification codes of the payroll expenditures of an employer shall be kept available for inspection at any time by the bureau of workers' compensation or any of its assistants, agents, representatives, or employees. If any employer fails to keep, preserve, and maintain such records and other information reflecting upon payroll expenditures, or fails to make such records and information available for inspection, or fails to furnish the bureau or any of its assistants, agents, representatives, or employees, full and complete information in reference to expenditures for payroll when such information is requested, the bureau may determine upon such information as is available the amount of premium due from the employer, and the bureau's findings shall constitute prima facie evidence of the amount of premium due from the employer.

(C) The bureau shall have the right at all times to inspect, examine, or audit any or all books, records, papers, documents, and payroll of an employer for the purpose of verifying the correctness of reports made by employers as required by law.

(1) The bureau shall have the right to make adjustments as to classification codes, allocation of wage expenditures to classification codes, amount of wage expenditures, premium rates, or amount of premium.

(2) Except as provided in rules 4123-17-14 and 4123-17-28 of the Administrative Code, adjustments



in an employer's account which result in changes to the amount of premium due from an employer for a policy year shall be limited to the annual or adjustment periods ending within twenty-four months immediately prior to:

(a) The date when such error affecting the reports and the premium are brought to the attention of the bureau by an employer through written application for adjustment, or

(b) The date that the bureau provides written notice to the employer of the bureau's intent to inspect, examine, or audit the employer's records.

(D) Where the bureau has assigned two or more classification codes for an employer's operations, the employer shall keep an appropriate record showing a correct and verifiable segregation of all payroll into such classification codes. If it is found that the employer has failed to keep such record, the part of the payroll which cannot be reasonably determined by the bureau as belonging to any other classification codes shall be placed by the bureau under the assigned classification code having the highest rate, and the employer will be assessed premium accordingly.