



DIOCESE OF SACRAMENTO

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LAY PERSONNEL

December 20, 2021

To: Pastors, Agency Directors, Office Managers, and School Principals

FR: Anna Schiele

RE: **Updated Legal Requirement for Retention of Personnel Records**

Effective January 1, 2022: Governor Newsom signed Senate Bill SB 807 which has expanded the number of years that an employer is required to maintain personnel records. All personnel files are now required to be retained for four (4) years opposed to the previous requirement of three (3) years. As such, we have updated our HR Records Retention Guide and HR Records Retention Drawer Set-Up to reflect our compliance with the new requirements. The revised documents are attached to this memo for your convenience.

Note: The freeze on the destruction of personnel files is still in place. Any personnel files older than four (4) years should be placed in boxes marked with the year of separation and stored until the freeze has been rescinded.

Please feel free to contact the Department of Lay Personnel with any questions or concerns at 916-733-0239.



Human Resources Records Retention Guide

Statement

It is the responsibility of the Diocese of Sacramento to comply with Federal, State, and Local laws and regulations with regard to the management and retention of its Human Resources records. Failure to properly maintain Human Resources records may lead to significant fines for our organization. These guidelines are intended to assist management. Litigation holds may necessitate deviation from the retention schedule. Please check with the Director of Lay Personnel with regard to records storage questions.

Definition

Human Resources records are a collection of documents related to the hiring and employment of an employee retained under the employee's name, including but not limited to: new hire paperwork, annual reviews, performance counseling, employee wage/salary notices, pre-employment, post-employment documentation, etc. These records serve as the historical record of documents pertaining to the employment of an employee from the date of hire to the date of separation.

Confidentiality

It is essential that employee information be kept confidential and secure. All records must be stored in a secured location at all times.

Record Categories

There are seven (7) categories that make up the Human Resources Records:

1. **Applicant Records (initial contact forms, applications, interview guides, and pre-employment screenings; this includes documentation for applicants not hired)**
2. **Employee Personnel Files**
3. **Form I-9 Employment Eligibility**
4. **Employee Medical Documentation (ML, FML, LOA, etc.)**
5. **Workers Compensation and Safety-Related Documents**
6. **Inactive Employee Records**
7. **Payroll Records (stored in a separate binder or drawer)**

Record Categories (continued)

Human Resources records are retained in all of our locations. To assist our leaders in organizing their Human Resources records, the following Guide has been created. **See Drawer Setup Guide for how to properly set up each drawer.**

Applicant Records

Applicant records are anything used in the interview and hiring process for a prospective employee. The documents include the initial contact form, job application, interview guide, and pre-employment screenings such as the background screening authorization form.

NOTE: The documents for applicants who were extended a conditional offer of employment but not hired must be retained in the section labeled “Contingent Offer of Employment”. The application, interview guide, and background authorization form for these applicants must be retained in the same manner as a hired employee per Fair Credit Reporting Act (FCRA) guidelines.

Employee Personnel Files

Employee Personnel Files contain records related to the employment of an employee. Active employees' personnel files should be retained together in a drawer or cabinet (depending on the number of files your building maintains). Please reference **Drawer Setup Guide** for additional information regarding permissible and non-permissible documents in an employee's personnel file.

The following documents must legally be in each employee's personnel file:

- Form W-4
- Notice of Wage Rate (Employees hired after 8/16/2010)
- Work permits for employees under the age of 18
- State required documents (please reference the HR Records Retention Document Checklist for the most current required forms)

Partner with the Lay Personnel Department if you have questions regarding documents that are not on the permissible list but that have employment history information before including the document in the personnel file. Do not destroy or throw away documents unless directed by your Human Resources Representative.

NOTE: Each personnel file should contain an HR Records Retention Document Checklist to help make sure that all required documents are in the file.

Employee Employment Eligibility File (Form I-9)

All I-9 Forms are to be filed in a separate manila folder alphabetically along with proper supporting documentation (after 9/8/2009). Please refer to the **Drawer Set-Up Guide** for direction on retention of the I-9 Form and the **Form I-9 FAQs** for specific guidelines regarding procedures for completing the I-9 Form.

NOTE: Form I-9 should never be placed in the personnel file.

Employee Medical Documentation (ML, FML, LOA, etc.)

Medical, Family, and Leave of Absence (LOA) documentation are not permitted in an employee's personnel file. You must create separate files for Medical/Family Leave documentation as well as all LOA documents and documents related to the interactive process. **Any doctor's notes brought in by an employee must be retained in the separate medical file.**

Workers' Compensation Documentation

Workers' Compensation (W/C) Documentation: W/C documents are not permitted in the Employee's personnel file. All locations should create separate files for all Workers' Compensation related documentation.

Inactive/Terminated Employee Records

Terminated employee personnel files must be kept in file cabinets for a period of four (4) years from the date of termination. After the period of four (4) years the files may be stored in records storage box until authorized to destroy per the Diocesan Document Retention Policy.

Payroll Records

At the conclusion of each payroll cycle, the ADP Payroll Report for the previous pay period is generated. The ADP Payroll Report lists all employee time records (punches) from the selected pay period. All employees must review their pay records and revisions listed on the report. By signing the document (timesheet), the employee confirms that the time records are accurate.

Locations are required to retain payroll records for seven (7) years. Payroll records consist of time card reports, weekly work schedules, and State specific payroll documents. Records should be separated by year and stored in a secure manner in either binders or drawers. Payroll records older than four (4) years must be placed in a records storage box, labeled, and stored in a secure location.

Storage

Each current employee must have a manila folder for personnel records. Documentation must be maintained as follows: New Hire Paperwork, Payroll, Training, Coaching/Counseling, Performance Reviews, and Miscellaneous. At each location, HR records must be stored in two separate drawers; one drawer for the current year and one drawer for the prior three years.

DRAWER 1: Current/active employees and terminated employees in current year.

DRAWER 2: Inactive employees and files from the previous three years.

Any records older than four (4) years must be stored in a records storage box in a secure location and labeled appropriately. Refer to the **Diocesan Document Retention Policy** for proper storage of inactive personnel files.

Recreating a Personnel File

In the event that a personnel file has become lost or irreparably damaged, the file must be recreated. The required documents need to be put into the file and we must go back to the employee when necessary to fill out paperwork and obtain signatures where applicable. Only legally required documents should be obtained from the current employee if they are found to be missing from an employee's personnel file.

Note: Never backdate a legally required document that is being replaced.

Additional Resources

Website---Diocese---Lay Personnel---Handbook and Forms

Drawer Setup Guide

Diocesan Document Retention Policy

I-9 Q & A

Auditing I-9's



Human Resources Records Retention – Drawer Set-Up Guide

Human Resources Record Retention Responsibility

It is the responsibility of each site to maintain complete and accurate Human Resources (HR) records at all times. HR records must be maintained in the appropriate file drawer, by year, utilizing section dividers. Section dividers sort the records by active/inactive employee status, document type, and year. Failure to properly maintain HR records may lead to significant fines for the location.

HR Records: Current Year Drawer

The *Current Year Drawer* should contain HR records for all active employees as well as employees terminated during the current year. Section dividers are used to organize HR records for the current calendar year.

The following list describes the type of HR records to be filed in each section:

- **Employment Applications** – Employment applications, filed by month, for applicants who have not been hired.
- **Active Personnel Files** – All new hire paperwork, excluding the I-9 Form.
 - Note:** All I-9 Forms and supporting documents must be kept in a separate file apart from the personnel file labeled *Active Employee Employment Eligibility*. Refer to the *Permissible Documents List* on page 3 for more information.
- **The following documents are legally required and must be in each employee's personnel file:**
 - W-4 Form
 - Notice of Wage Rate (Non-exempt employees hired after 8/16/10)
 - Work Permits (for employees 18 year of age or younger and still enrolled in school)
- Any document required by law **must** be obtained from current employee, if missing from the personnel file.
 - Note:** Do **not** back date any forms.
- If the Background Screening Consent and Authorization Form is missing from the personnel file, explain to the employee that we would like to have a complete personnel file for him/her and ask, **but do not require**, the employee to complete the missing form.
- If the Diocese of Sacramento Application or Interview Guide is missing from the personnel file, do **not** complete the missing forms.
- The following new hire documents should be in each employee's file:

- Employee Handbook Acknowledgement Forms
- Employee Live Scan Approval
- PT100
- Signed Job Description

Contact the Lay Personnel Department to determine where you should file any additional documents that are not on the *Permissible Documents List* **before** including these documents in the personnel file.

- **Do not destroy/throw away any documents not on the *Permissible Documents List*.**
 - Personnel files for all active employees must be maintained and retained for the duration of the employees' employment with the location.
 - When the employee terminates employment, move the file to the *Inactive Personnel File* section for the year they were terminated.
- **Active Employee Employment Eligibility (I-9 Form)** – I-9 Form Employment Eligibility Verification Forms
 - I-9 Form is NOT required for employees hired on or before November 6, 1986**
 - File I-9 Form documents in alphabetical order.
 - Staple copies of supporting documentation, such as passport, driver's license, social security card and/or other acceptable documents to the back of the I-9 Form.
 - When an employee terminates employment, his/her I-9 Form and supporting documentation must be moved to the *Inactive Employment Eligibility* file for the year they were terminated.
 - For example, if an employee terminates their employment in 2016, place their I-9 Form and supporting documentation in the *2016 Inactive Employment Eligibility* file.
 - **Workers' Compensation Documentation**
 - Create a separate file for each Workers' Compensation claim.
 - Maintain the Physical Capabilities/Work Restriction Forms and other supporting Workers' Compensation information in this file.
 - When the employee terminates employment, move the Workers' Compensation file to the *Inactive Workers' Compensation* file in your HR records drawer for the year they were terminated.
 - **Employee Medical Documentation (ML, FML, LOA, etc.)** – All Medical/Family Leave documentation as well as all LOA documents and documents related to the interactive process should be kept in this file.
 - Doctor's note pertaining to restrictions of the employee that are not Workers' Compensation related should be placed in this file.
 - When an employee terminates employment, move the file to the *Inactive Employee Medical Documentation (ML, FML, LOA, etc.)* section of your HR records drawer for the year he/she was terminated.
 - **Current Year Inactive Employee Personnel File**
 - **Current Year Inactive Employee Employment Eligibility File (Form I-9)**
 - **Current Year Inactive Employee Workers' Compensation File**
 - **Current Year Inactive Employee Medical Documentation (ML, FML, LOA, etc.) File**

HR Records: Previous Three Years Drawer

HR records for the previous three (3) years are filed, by year, in a drawer separate from the current year. There are section dividers for records from the previous year and for records that are four (4) years old. Guidelines for documents filed in these sections are the same as those for the current year sections.

Only inactive employees HR records are filed in the *Previous Three Years* drawer. All HR records for active employees are maintained in the *Current Year* drawer.

Records older than four (4) years should be placed in a records storage box. The records are not to be destroyed until they meet the requirements of the *Diocesan Document Retention Policy*.

EXCEPTION: Inactive Employee Employment Eligibility File (I-9 Form)

Destroy the I-9 Form four (4) years after the employee has been terminated.

The following dividers are used for records from the previous three (3) years:

- **Employment Applications**
- **Inactive Employee Personnel File**
- **Inactive Employee Employment Eligibility File (I-9 Form)**
- **Inactive Workers' Compensation File**
- **Inactive Employee Medical Documentation (ML, FML, LOA, etc.) File**

Legally Required Documents

All employees must have the following legally required documents available in the appropriate file. If any of these documents are missing from the HR Record files, obtain a new copy from the employee.

- **Personnel File**
 - W-4 Form
 - Notice of Wage Rate (Non-exempt employees hired after 8/16/10)
 - Work Permits (for employees 18 year of age or younger and still enrolled in school)
- **Active Employee Employment Eligibility (I-9 Form) File**
 - I-9 Form
 - Clear copies of supporting documents used for employment eligibility verification

Personnel File Permissible Documents List

The following documents should be filed in an employee's personnel file:

- Employment applicant and resumes
- Background Screening Consent and Authorization Form (if applicable)
- Employee Interview Guides
- Job Offer Letters
- All applicable new hire paperwork as listed below:
 - Employee Handbook Acknowledgement Forms/Addendums
 - Employee Live Scan Approval Email
 - PT100

- Signed Job Description
- W-4 Form
- Notice of Wage Rate (Non-exempt employees hired after 8/16/10)
- Work Permits (for employees 18 year of age or younger and still enrolled in school)
- PT800 Direct Deposit Form
- New Employee Safety Orientation Checklist
- Transcripts (if applicable)
- Letter of Recommendation (if applicable)
- New Hire Checklist
- Benefit Enrollment Items as listed:
 - PT1001 Benefit Payroll Deduction Authorization
 - PT10 Employee Benefit Election Form
 - SACL201 Lay Employee Pension Plan Beneficiary Designation
 - 403(b) Savings and Investment Forms
 - 403(b) Beneficiary Designation Form
- Notification Letter/Terms of Employment (PTOU)
- PT200 Personnel Transaction – termination/change
- PT690 Separation Checklist
- Resignation Letter
- Sexual Harassment Training Certificate (if applicable)
- Leadership Training (if applicable)
- Catechistic Training (if applicable)
- Blood Borne Pathogens Training (if applicable)
- TB Clearance (if applicable)
- Shield the Vulnerable Certificates
- Continuing Education Documents (if applicable)
- PT501 Paid Leave/Time Off Request
- Employee Evaluations/Reviews
- PT900 Documented Corrective Actions
- PT655 Request to Inspect Personnel File
- Credentials/Required Certification

ATTENTION: The I-9 Form and documentation MUST be kept in the *Employee Employment Eligibility Files*.

Questions: If you have any questions regarding the disposition of other documents not listed, contact the Lay Personnel Department.

Payroll

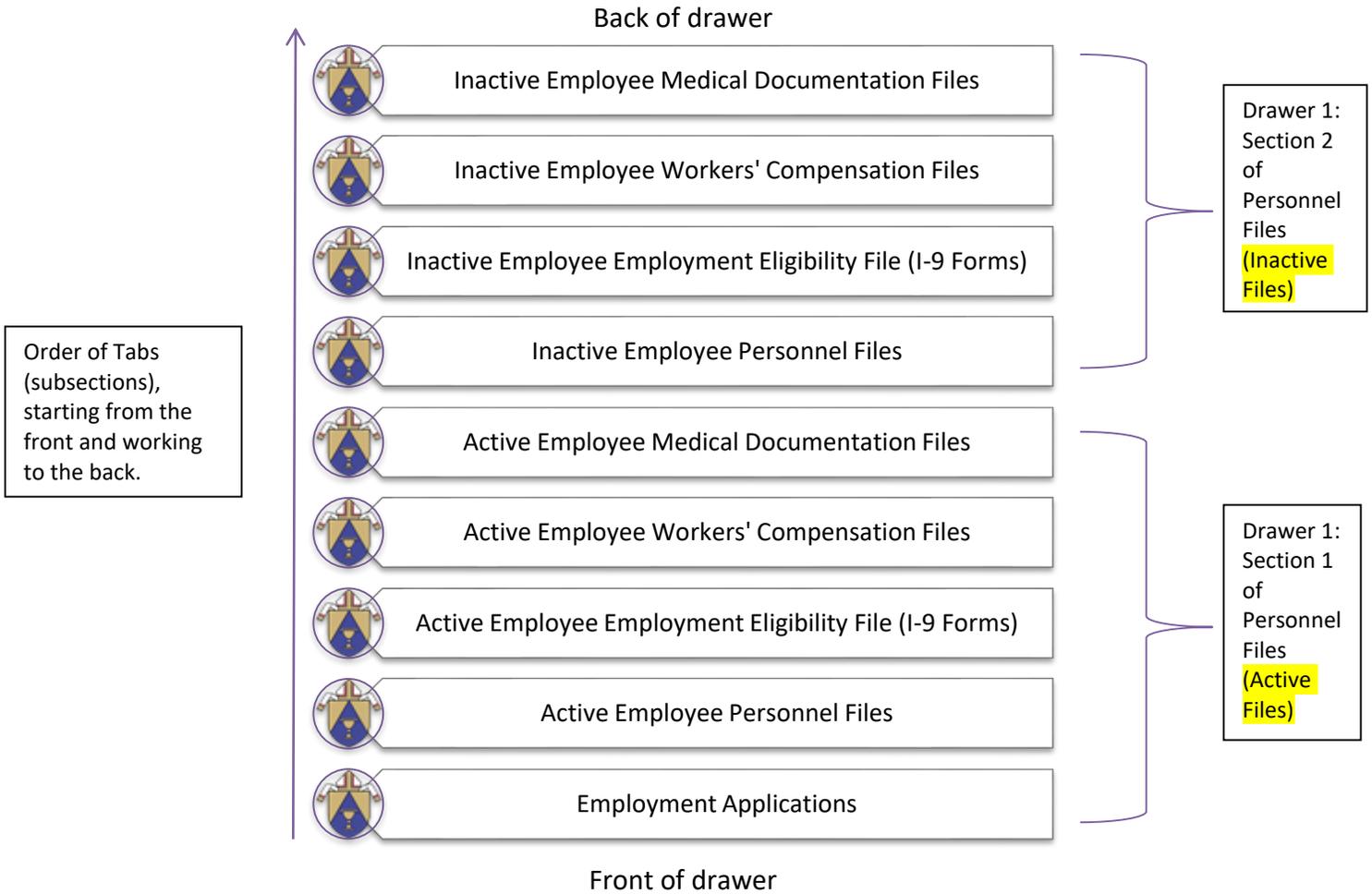
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Human Resources Retention Quick Reference Guide

HR Records for the **Current Year Drawer**

Example: All 2016 Personnel Records



Two (2) HR Records Drawers:

1. HR Records for the Current Year

* Example: HR Records for Current Year 2016

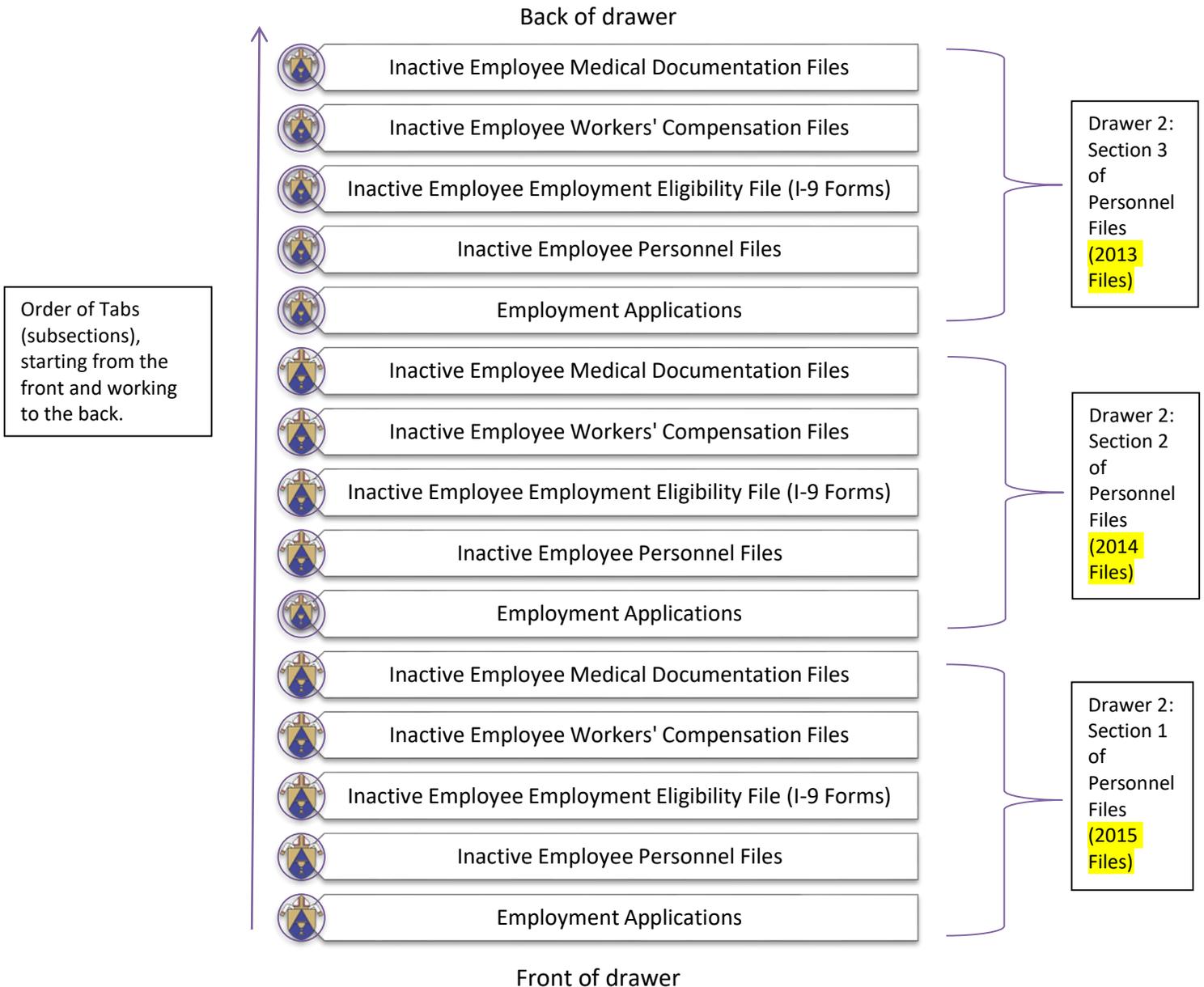
2. HR Records for the Previous Three (3) Years

* Example: Combined HR Records for Years 2013/2014/2015

Human Resources Retention Quick Reference Guide

HR Records for the ***Previous Three (3) Years Drawer***

Example: All 2013/2014/2015 Personnel Records



- Two (2) HR Records Drawers:
1. HR Records for the Current Year
 - * Example: HR Records for Current Year 2016
 2. HR Records for the Previous Three (3) Years
 - * Example: Combined HR Records for Years 2013/2014/2015