

What HR Needs to Know About Security and Compliance



eFileCabinet

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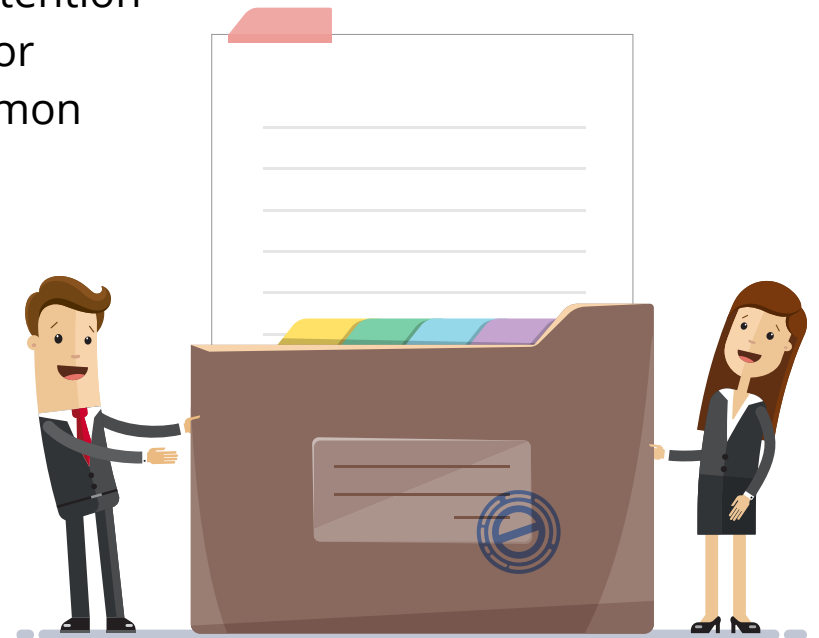
About Security and Compliance



As the human resources rep for your company, you deal with a lot of the personal and private information of your fellow employees. As such, you're responsible for making sure that information is secured and that it's stored in a way that complies with a litany of regulations and standards. Maintaining employee records is one of many HR duties, but it's one that must stay in line with company policy and the law.

Record Retention

Record-keeping laws dictate how long a company needs to have a certain employee record on file before disposing of them, but there are so many federal, state and local regulations, not to mention industry-specific bylaws that need to be followed, it can be a challenge to keep track of a records retention requirements. While different records have different retention requirements, according to the Society for Human Resource Management the common rule-of-thumb is to retain an employee's records for at least seven years before disposing of them. This rule covers most federal and state statutes for record-keeping. Failure to do so can result in criminal penalties.





Storage

First and foremost, the most obvious challenge this presents is the sheer amount of documents and storage space you'll need depending on how big the company is. Entire rooms are lined with filing cabinets, all because the records within are required to be maintained for years, even decades.



Retrieval

A diligent HR department files away records and keeps them on-hand at all times, but when the occasion arises to find a specific record, a lot of time can be wasted digging through the archives to find the right files. Even within the most organized and maintained archives, if a folder was filed in the wrong place, it can take you hours to manually browse through the entire archive to find it the next time. In some cases, such as an audit or legal injunction, the files need to be retrievable in a timely manner.



Disposal

After a record has served its purpose and you've retained it for long enough, it's time to destroy it. You shouldn't keep records any longer than you have to, as they increase legal liability and waste space if it's a paper document. However, tossing them in the dumpster isn't good enough. They need to be completely destroyed, and for physical documents that means they need to be at the very least shredded. A digital document needs to be completely removed from a hard drive and irretrievable.



Common regulatory organizations and laws that require HR departments to retain records include:

The U.S. Department of Labor/State Labor Divisions
Basic employee information

The Fair Labor Standards Act
Payroll records

The Americans with Disabilities Act
Hiring documents, medical records

Employee Retirement and Income Security Act
Employee benefit records

The Department of Homeland Security/ Immigration and Customs Enforcement
Employment Eligibility Verification (I-9 Form)

Occupational Safety and Health Administration (OSHA)
Safety inspections, training certifications, workplace injury reports

Security

Compliance isn't just about record-keeping. An elevated level of security needs to be applied when dealing with employee records, as privacy laws also need to be followed. Even an employee's basic, personal information needs to be protected. If information such as a social security number or private health records is seen by the wrong people while sharing them, there can be penalties.





Encryption

When dealing with electronic records, in order to adhere to some of the more strict privacy laws, strong encryption needs to be applied when both storing and sharing documents. The encryption most accepted by government bodies and regulations is 256-bit Advanced Encryption Standard (AES). If you need to share a protected record, sending it as an email attachment is usually not safe enough. Using an encrypted channel for sharing files is the only way to ensure a document remains secure.



Breaches

Data breaches happen to businesses all the time, and just because you were attacked from outside, doesn't mean you're not liable. You can face fines from the government as well as lawsuits from other affected parties if there was any negligence on your part.





Roles and Permissions

Another important aspect of security is overseeing roles and permissions, to ensure that only the right people have access to certain records. In the case of physical documents, this amounts to making sure the filing cabinets are locked and only authorized personnel have the keys to unlock them. However, depending on the size of your organization and the number of records being passed around, this can be an inefficient system.



Separating Records

It's also important to note that certain employee records need to be kept separate from their main personnel files. For example, according to HIPAA, medical records are private and need to be kept in a separate, secure place to prevent them from being accessed by unauthorized people.

Penalties for Violation

Penalties for violating HIPAA can range from **\$100 to \$50,000** per record, based on the type of violation. The maximum, total penalty is **\$1.5 million**, according to the Department of Health and Human Services.

How Does eFileCabinet

Keep You Secure and Compliant?



eFileCabinet takes role-based security to the next level and works to make sure your HR department is compliant with any and all regulations that apply to your business. Not only does eFileCabinet eliminate the need for keeping a physical archive of employee records, but we also make it much easier to stay compliant.

Retention Tools

Whatever your record-keeping needs are, eFileCabinet makes managing retention efficient with tools to automatically apply disposal dates to document types. You can even set up workflows to move documents to secure archives after certain events such as the termination of an employee. And there it will stay until the required retention date when it will be purged.

Smart Filing & Search

Zonal OCR technology makes filing and retrieving documents within our system nearly instant. When a document is uploaded, the system knows what type of document it is, whether it's a job application, performance review, W-4 form, I-9 form or insurance record. If it's a standardized form, a template can be made to auto-populate data into a digital form that is searchable. The document can be found by just searching for a few keywords from the document such as a name, job title, address or any other content. Never lose an important document again.



Results

Permissions

Documents are easy to find with eFileCabinet, but if you don't have the proper permission, they're impossible to open. As the admin of your HR file cabinet, you control who has access to certain documents, even setting permissions for entire groups of users for designated document types.

Safe Sharing

Our system also allows you to share documents through a secure channel to outside parties, using compliant security and encryption standards. Whether you're accessing documents on-premise, or remotely to the cloud, our service keeps sensitive, employee records secured and easy to retrieve.

"Our personnel files were overflowing, and we needed more and more space to maintain personnel records.

With eFileCabinet, all of the personnel files are at the fingertips of each HR staff that needs to have access to them. We've seen an increase in productivity because I no longer need to request files pulled and refiled, and I can look up any employee file in seconds. It is very nice for our employees when they need to look at their original application or are looking for the performance reviews, as we can shoot it to them in seconds via email. I save a lot of money by being able to send file documents by email instead of having to copy and mail them to the employee or supervisor."

Stephanie McQuillan

Human Resources Manager
City of Show Low



eFileCabinet



Ease your security and compliance worries with eFileCabinet. Get a free demo today!