

**Cape Fear Local Policy No. P-WDB-008-2018**

**Subject:** CFWDB Policy Electronic File Storage, Protecting Personally Identifiable Information (PII), Scanning, and Redaction

**Purpose:** Establish procedures for the use of electronic file storage, scanning, redaction, protecting Personally Identifiable Information (PII), retrieval of participant, program, and financial documents.

**Policy:** As of July 1, 2015, the Cape Fear Workforce Development Board must scan, store, and retrieve all participant and program related documents into the NCWorks Online System for all WIOA title I and Title III Wagner-Peyser programs per direction by the Department of Commerce. Cape Fear Workforce Development Board, its representatives, contractors, and service providers are expected to take the steps necessary to protect Personally Identifiable Information data collected from individuals and employers.

All staff are expected to be familiar with DWS Policy Statements regarding electronic files and redaction expectations for monitoring

**Action:** The Cape Fear Workforce Development Board, its Program Operators providing WIOA Youth Services, Adult Services, Dislocated Worker Services, and NCWorks Career Centers must electronically scan, store, and retrieve all participant and program related documents using NCWorks Online and must adhere to laws outlined in this policy when collecting, scanning, storing, and retrieving Personally Identifiable Information (PII).

**Effective Date:** April 20, 2018

**Expiration Date:** Indefinite

**Contact:** Cape Fear Workforce Development Director

**Distribution:** CFWDB WIOA Providers  
CFWDB Staff  
NC Division of Workforce Solutions

**Attachments:** **Attachment A:** PR-WDB-010-2018 Electronic File Storage, Protecting Personally Identifiable Information (PII), Scanning, and Redaction  
**Attachment B:** PS 08-2017

**CFWDB Procedure No. PR-WDB-010-2018**

**Subject: Electronic File Storage, Protecting Personally Identifiable Information (PII), Scanning, and Redaction**

Effective PY2017, all WIOA Title I and III Wagner-Peyser participant and program related documentation must be scanned in digitally and stored in NCWorks Online creating an electronic file. Electronic files should include all documents and documentation normally kept in an individual's paper file. If a document is updated, such as a Work Experience Agreement, attendance sheets for ITA's, or other programmatic documentation; the updated document must be scanned into the NCWorks Online system as an additional document on the individual's profile.

It is expected that all future monitoring from the Workforce Development Board Staff (WDB) and Division of Workforce Solutions (DWS) will be completed via NCWorks Online from remote locations and will not include paper file review at contractor staff locations. All aspects of performance will be entered and captured in NCWorks Online from enrollment to exit/follow-up.

**All staff are expected to be familiar with DWS Policy Statements regarding electronic files and redaction expectations for monitoring. [PS 08-2017]**

**Procedure:** NCWorks Career Center staff, WIOA Contractors and staff of the Cape Fear Workforce Development Board must collect and retain many forms of documentation for WIOA and other federally funded program records. Documents that are provided for verification must be electronically stored into the NCWorks Online system.

At a minimum, Electronic Storage and Retrieval Systems must:

- Ensure the integrity, accuracy, authenticity, and reliability of the records kept in an electronic format;
- Be capable of retaining, preserving, retrieving, and reproducing the electronic records;
- Be able to update/convert the records as new technology develops;
- Organize documents in a manner consistent with applicable Division of Workforce Solutions policies;
- Ensure that financial and program records maintain a completeness of documentation, are organized by Program Year, and are sufficient for a complete audit trail;
- Have adequate disaster recovery plans, including proper anti-virus protection, tamper proof secondary/supplementary data storage facilities such as regular backup in an external hard drive, and stored in a safe location;
- Ability to convert paper originals stored in electronic format back into legible and readable paper copies; and

- Have adequate records management practices in place.

**WIOA Electronic File Data, Documents & NCWORKS Data Procedures**

Any participant from the Adult, Dislocated Worker, and Youth program who **ENROLLED on or after July 1, 2015, are required to have 100% electronic files.** All of their data should be stored in NCWorks Online.

**RESEA/EAI Documentation Storage**

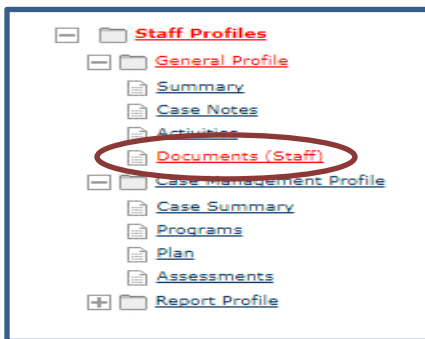
In an effort to standardize the manner in which RESEA/EAI documentation is stored and tagged in NCWorks, the following procedures should be distributed to all workforce centers actively conducting RESEA and EAI appointments. These procedures take effect immediately moving forward. Redacting procedures still apply.

- 1.) Government ID/Drivers License: Scan as a separate document.
- 2.) Work Searches: Scan as a separate document. Include the dates covered in the work search as a part of the document name.
- 3.) RESEA/EAI Specific Documents: All other documents used in conducting RESEA or EAI will be scanned together. For example; the ICAP, the Self-Assessment, and any other program specific documents should be scanned as a group and named accordingly.

A few extra minutes may be required when scanning these documents separately but will lend consistency to the Reemployment Services process and increase the integrity and accessibility of the documentation maintained in NCWorks.

**Scanning**

Scanned documents should be saved in NCWorks Online under the individual’s “Documents” section on their profile:



Documents should be clearly readable and:

- Scanned directly into NCWorks Online
- Scanned as a PDF document (Adobe)

- Scanned as separate, individual documents (multiple source documents cannot be combined in to one scan)
- Be clearly named and labeled correctly
  - Example: customer: Jane Jones' driver's license should be named: "J.Jones.Drivers.License"

Once documents are preserved in NCWorks Online, when appropriate, the paper copy (file) should be **securely** destroyed to further protect customer's sensitive information

NOTE: **ALL** scans should be in **grayscale**, color scans of documentation into the system is **PROHIBITED**

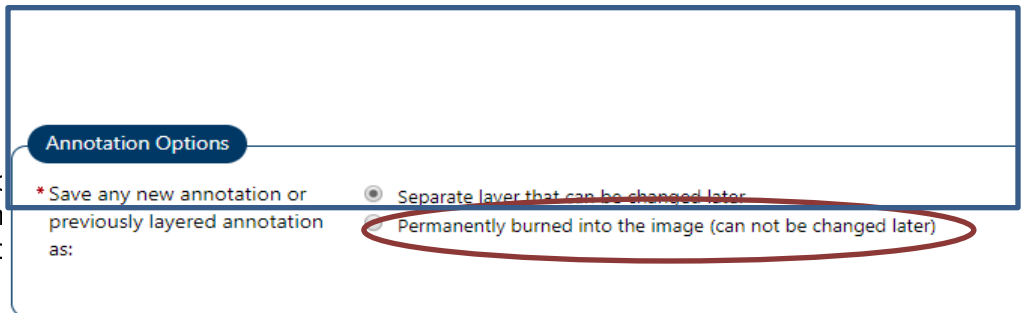
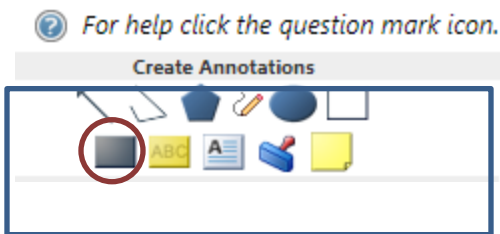
**Redaction**

As part of electronic storage, all staff must take all necessary precautions to protect customer's Personally Identifiable Information (PII) and take the steps necessary to protect the data from unauthorized disclosure and identity theft. Documents containing PII should be redacted following DWS Policy Statements. **[PS 08-2017]**

NOTE: Redaction of PII applies to ALL documents in the NCWorks Online system since PY2015. ALL current and future files must follow the redaction policy statement. Efforts should be made to review files since PY2015 and redact accordingly.

At a minimum **ALL** instances of an individual's driver's license number and the first five digits of their Social Security Number **MUST** be redacted from **ALL** documents scanned into the NCWorks Online system.

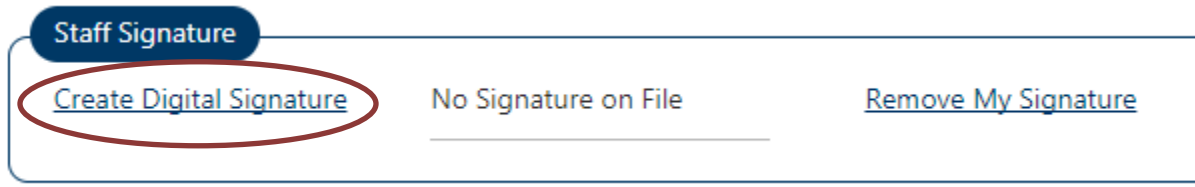
After scanning a document, staff should use the "Redaction Tool" found in the "Create Annotations" toolbar to draw a shape over the PII needing to be redacted. Before saving the altered image, staff should choose to save as "separate layer that can be changed later" under the "Annotations Options."



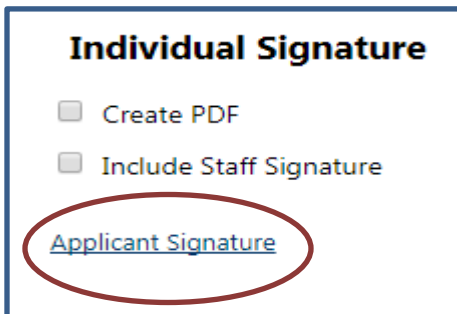
**Signature Pads**

Signature pads allow staff to capture their signatures and participant signatures directly into NCWorks Online. Using this feature will allow signatures to be digitally captured on documents such as the WIOA Application and the Individual Employment Plan (IEP). This information can also be saved automatically into the “Documents” section of the participant’s profile. This feature reduces the need to print, sign, and scan applications and IEP’s into the NCWorks Online system.

Once a signature pad has been connected, software downloaded and updated; staff can then create and store their staff signature from the link at the bottom of their “My Staff Account” page:



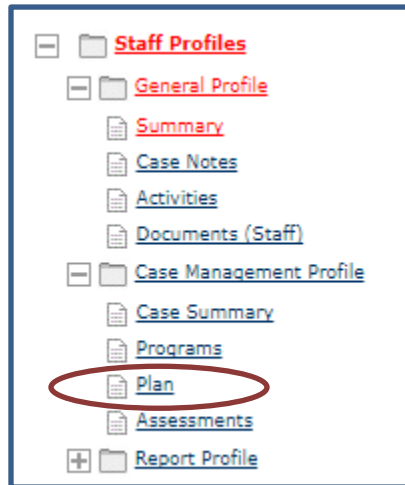
Customer signatures cannot be stored in NCWorks Online but can be digitally captured. This feature is found at the end of the customer’s WIOA Application and IEP:



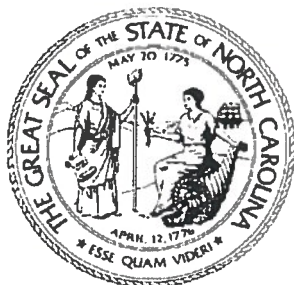
NOTE: In order to capture digital signatures in the NCWorks Online system, you must install the Topaz signature pad and the e-signature software on your computer. For assistance, please contact your I.T. Department or the Cape Fear Council of Government’s Office.

### **Individual Employment Plans (IEP)**

IEPs should be developed as a partnership with WIOA participants under the “Plan” section in NCWorks Online. Service plans are to be developed in conjunction with the participant, reviewed, and updated every six (6) months at a **minimum** and/or as services or plans/goals change.



Each plan will identify educational and employment goals, selected learning objectives, training and work-based learning services (when provided), supportive services (when provided), and other relevant established programmatic goals. **Initially developed plans and subsequent updated plans require the customer’s signature.** Case notes are expected to reflect the case management interaction towards the goal completion and updates on customer’s performance and participation in their program.



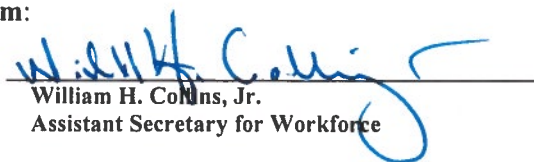
**NORTH CAROLINA DEPARTMENT OF COMMERCE  
DIVISION OF WORKFORCE SOLUTIONS**

**DWS POLICY STATEMENT NUMBER: PS 08-2017**

**Date: April 4, 2017**

**Subject: Electronic File Storage and Protecting Personally  
Identifiable Information**

**From:**

  
William H. Collins, Jr.  
Assistant Secretary for Workforce

**Purpose:** To provide guidance on the use of electronic file storage, protecting Personally Identifiable Information (PII) and retrieval of workforce and other federal funds' participant, program and financial documents; and to rescind Policy Statement No. 10-2014.

**Background:** Local Workforce Development Areas and the North Carolina Division of Workforce Solutions (DWS) must maintain many forms of documentation and data for federal funds purposes. These documents and data may be stored electronically and must have the ability to be retrieved as per guidance in this Policy Statement.

US Department of Labor (USDOL) Training and Employment Guidance Letter (TEGL) No. 39-11 provides additional "Guidance on the Handling and Protection of Personally Identifiable Information."

**Action:** Local Workforce Development Areas and DWS offices using electronic file storage and retrieval systems must meet the minimum requirements as outlined in Attachment I of this Policy Statement to maintain and protect information. Local Workforce Development Areas must also protect consumer Personally Identifying Information (PII) as outlined in Attachment II. Effective July 1, 2015, all WIOA Title I and Title III Wagner-Peyser participant and program related documents must be scanned in and stored in NCWorks Online. Attachment III outlines the processes and procedures that must be followed when scanning documents into the system. In addition to NCWorks Online data, all customer information must be protected as outlined in this Policy Statement and referenced TEGL.

DWS must use all preventive measures to ensure that the confidentiality and integrity of all PII remains intact. It is expected that all boards, their representatives and DWS staff will take necessary steps to protect PII data collected from individuals and employers. This includes redacting any unnecessary PII data when using for verification. Further, all PII data

collected for use in WIOA programs must comply with the state's Security Information Policy.

<https://ncit.s3.amazonaws.com/s3fs-public/documents/files/SISM-2-2016.pdf>

- Effective Date:** Immediately
- Expiration:** Indefinite
- Contact:** Field Services Program Staff
- Attachment 1:** North Carolina Guidance for Workforce Innovation and Opportunity Act and Other Federal Funds Electronic Image Storage
- Attachment 2:** North Carolina Guidance for Workforce Innovation and Opportunity Act and Other Federal Funds Protection of Personally Identifiable Information (PII)
- Attachment 3:** North Carolina Guidance for Workforce Innovation and Opportunity Act and Other Federal Funds Scanning Procedures for Consumer Documents in NCWorks



## ATTACHMENT I

### NORTH CAROLINA GUIDANCE FOR WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) AND OTHER FEDERAL FUNDS

#### ELECTRONIC IMAGE STORAGE

At a minimum, Electronic Storage and Retrieval Systems must:

- Ensure the integrity, accuracy, authenticity, and reliability of the records kept in an electronic format;
- Be capable of retaining, preserving, retrieving, and reproducing the electronic records;
- Be able to update/convert the records as new technology develops;
- Organize documents in a manner consistent with applicable Division of Workforce Solutions policies;
- Ensure that financial and program records maintain a completeness of documentation, are organized by Program Year, and are sufficient for a complete audit trail;
- Have adequate disaster recovery plans, including proper anti-virus protection, tamper proof secondary/supplementary data storage facilities such as regular backup in an external hard drive, and stored in a safe location;
- Ability to convert paper originals stored in electronic format back into legible and readable paper copies; and
- Have adequate records management practices in place.

Before implementing the use of an Electronic Storage and Retrieval System, the following requirements must be met by the Local Workforce Development Area:

1. Electronic Data Storage and Retrieval Policies, Procedures and/or Guidelines in place that adhere to all federal, state, and local laws and policies governing the use and storage of electronic data.
2. Adequate computer hardware necessary for implementation, including scanners.
3. Appropriate electronic document storage and retrieval software to include capacity to scan and retrieve documents in universally accepted file formats such as PDF.
4. Adequate organization server storage capacity which complies with record retention and access regulations as outlined by the Workforce Innovation and Opportunity Act, Public Law 113-128, Section 185.
5. Adequate security measures, for example, password protected assigned access.
6. Documented compliance with vendor recommendations regarding security and login identification and conformity with all software vendor licensing guidelines.
7. Appropriate licensure for software including adequate user licenses as recommended by vendor.
8. Appropriate archiving procedures for storing outdated and/or no longer useful documents.
9. Access capability for DWS and federal officials for data validation, monitoring, and auditing as needed.
10. A notification system to contact impacted individuals if data is compromised.

## ATTACHEMENT II

### NORTH CAROLINA GUIDANCE FOR WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) AND OTHER FEDERAL FUNDS

#### PROTECTION OF PERSONALLY IDENTIFIABLE INFORMATION (PII)

Each Local Workforce Development Area must take all necessary precautions to protect the Personally Identifiable Information (PII) of consumers. USDOL Training and Employment Guidance Letter (TEGL) No. 39-11 gives the following definitions and information related to PII:

- Personally Identifiable Information (PII) – Federal Office of Management and Budget defines PII as information that can be used to distinguish or trace an individual’s identity, either alone or when combined with other personal or identifying information that is linked or linkable to a specific individual. <sup>1</sup>
- Sensitive Information – any unclassified information whose loss, misuse, or unauthorized access to or modification of could adversely affect the interest or the conduct of federal programs, or the privacy to which individuals are entitled under the Privacy Act.
- Protected PII and non-sensitive PII - the U.S. Department of Labor has defined two types of PII, protected PII and non-sensitive PII. The differences between protected PII and non-sensitive PII are primarily based on an analysis regarding the “risk of harm” that could result from the release of the PII.
  1. Protected PII is information that if disclosed could result in harm to the individual whose name or identity is linked to that information. Examples of protected PII include, but are not limited to, Social Security numbers (SSNs), credit card numbers, bank account numbers, home telephone numbers, ages, birthdates, marital status, spouse name, educational history, biometric identifiers (fingerprints, voiceprints, iris scans, etc.), medical history, financial information, and computer passwords.
  2. Non-sensitive PII is information that if disclosed, by itself, could not reasonably be expected to result in personal harm. Essentially, it is stand-alone information that is not linked or closely associated with any protected or unprotected PII. Examples of non-sensitive PII include information such as first and last names, email addresses, business addresses, business telephone numbers, general education credentials, gender, or race. However, depending on the circumstances, a combination of these items could potentially be categorized as protected or sensitive PII.

To illustrate the connection between non-sensitive PII and protected PII, the disclosure of a name, business email address, or business address most likely will not result in a high degree of harm to an individual. However, a name linked to a Social Security number, a date of birth, and mother’s maiden name could result in identity theft. This demonstrates why protecting the information of our program participants is so important.

TEGL 39-11 lists a number of requirements that must be followed by all grantees to ensure the protection of PII including taking the steps necessary to protect the data from unauthorized disclosure. In addition, the appendix of TEGL 39-11 lists a number of federal laws related to data privacy, security, and protecting PII. These laws need to be reviewed and followed by each local Workforce Development area in order to fully protect consumer PII from being inappropriately

disclosed. Local Areas need to make sure they stay abreast of current federal, state, and local legislation pertaining to privacy and security of consumer data.

When uploading verifying documentation in NCWorks Online, be sure to redact protected PII that, if disclosed, could result in harm to the individual whose name or identity is linked to that information. At a minimum all instances of an individual's driver's license and the first five digits of the SSN must be redacted. Please consult the scanning procedures in Attachment III of this document for specific information on how to redact information in NCWorks. NC General Statute 20-30 makes it unlawful "To make a color photocopy or otherwise make a color reproduction of a driver's license, learner's permit or special identification card..." When scanning driver's licenses and social security cards into NCWorks, please be sure that all images are in grayscale.

No PII data that is loaded into the state's NCWorks Online system should be stored or transferred on any portable devices. This includes laptops, tablets, mobile phones, thumb drives, CDs or other similar devices that are not protected by "Encryption Technology" (North Carolina Statewide Information Security Manual section 0401002).

<sup>1</sup>OMB Memorandum M-07-16, Safeguarding Against and Responding to the Breach of Personally Identifiable Information (May 22, 2007)

## ATTACHMENT III

### NORTH CAROLINA GUIDANCE FOR WORKFORCE INNOVATION AND OPPORTUNITY ACT (WIOA) AND OTHER FEDERAL FUNDS

#### SCANNING PROCEDURES FOR CONSUMER DOCUMENTS IN NCWORKS

In order to ensure consistent consumer information is entered in NCWorks and case files are as complete as possible while still ensuring the protection of consumer personally identifiable information (PII), the following processes and procedures must be followed when scanning documents into the system.

- NC General Statute 20-30 makes it unlawful “To make a color photocopy or otherwise make a color reproduction of a driver’s license, learner’s permit or special identification card...” All documents that are scanned into NCWorks will be scanned in grayscale.
- In addition to the items outlined in NCGS 20-30, any document that would pose an identity theft risk to the individual if stolen should not be scanned in color. This includes but is not limited to the following: social security cards, passports, and birth certificates.
- Each document must be reviewed carefully prior to scanning to identify all items needing redaction. At a minimum, all instances of the driver’s license/identification number and the first five digits of the social security number must be redacted.
- Verify that the documents are complete before scanning. Signature pages should not be scanned separately from the core document. Examples: Applications/intakes, Individual Employment Plans (IEPs), and Individual Service Strategy (ISS) documents.
- Documents must be scanned as separate files into the system rather than as one electronic file containing all of the consumer’s records. This includes scanning identification documents such as the driver’s license and social security card separately.
- Document tags and, where possible, filenames must be clear so that it is obvious what each document in the file list is prior to opening it. Use of a standardized naming system within the board is encouraged.
- After scanning/uploading documents into NCWorks Online, use the ‘redaction tool’ found in the “Create Annotations” toolbar to draw a shape over information that needs redacting. Before saving the altered image, make certain you have chosen under the “Annotation Options” to make the redaction a “Separate layer that can be changed later”. Do NOT try to redact information PRIOR to loading it into NCWorks Online.
- The contents of the electronic file in NCWorks Online should be identical to the hard copies (or originals) used by staff to capture the information electronically. If a document is updated, such as the IEP or work experience agreement, the entire updated document must be scanned into the system as a separate file. Once documents are preserved in NCWorks Online, when appropriate, their originals should be securely destroyed to further protect customers’ information.

- Once in NCWorks, redacted information must be completely unreadable unless the user has the proper permissions to remove the redaction. As stated in Attachment I, DWS staff and federal officials need to have the ability to access redacted information for data validation, monitoring, and auditing purposes. Therefore, redaction should be done in NCWorks ONLY so that the ability to convert paper originals stored in electronic format back into legible and readable paper copies remains.