

STATE OF VERMONT GENERAL RECORD SCHEDULE

Issued to: All Agencies

GRS-1009.1103: Payroll Management Records

Last Revised: 7/6/2011



Vermont State Archives and Records Administration
Vermont Office of the Secretary of State

GRS-1009.1103: Payroll Management Records

Classification: Payroll (Managing)

- Authority:** A custodian of public records shall not destroy, give away, sell, discard, or damage any record or records in his or her charge, unless specifically authorized by law or under a record schedule approved by the state archivist pursuant to subdivision 117(a)(5) of Title 3. (1 V.S.A. § 317a)
- Scope:** This general record schedule applies to any agency, board, department, commission, committee, branch, instrumentality, or authority of the state or any agency, board, committee, department, branch, instrumentality, commission, or authority of any political subdivision of the state that produces or acquires the records listed on this record schedule in the course of public agency business. Record means any written or recorded information, regardless of physical form or characteristics, and includes electronic or digital records and data. (1 V.S.A. § 317)
- Use:** State agencies **MUST** have a Notice of Adoption (VSARA-11) acknowledged by the Vermont State Archivist and on file with the Vermont State Archives and Records Administration (VSARA) prior to using any general record schedule. Use of a General Record Schedule (GRS) to destroy records without proper notification is not permitted. In addition, internal policies must be established to assure that the requirements outlined in any GRS are being applied across the agency. General Record Schedule (GRS) numbers shall be cited in all internal policies to demonstrate compliance with 1 V.S.A. § 317a. Local public agencies do not have to submit a Notice of Adoption; however, internal policies should clearly cite any general schedules that have been adopted and associated GRS numbers. If a GRS does not meet an agency's legal or administrative needs, the agency should continue to use any applicable disposition orders that have been issued for its records or seek agency specific record schedules through VSARA's Targeted Assistance Program (TAP).
- Exemptions:** It is the policy of Title 1, Chapter 5, Subchapter 3 of Vermont Statutes Annotated to provide for free and open examination of records consistent with Chapter 1, Article 6 of the Vermont Constitution. All people, however, have a right to privacy in their personal and economic pursuits, which ought to be protected unless specific information is needed to review the action of a governmental officer. Some records listed on GRS-1009.1103 may be exempt from public inspection and copying for this reason. Security measures to protect records and information from unauthorized access, use, and disclosure are necessary if the records are exempt pursuant to 1 V.S.A. §§ 315-320. Please see Appendix B for Access Requirements and Appendix E for related legal references regarding exemptions from public inspection and copying.
- Retention:** GRS-1009.1103 reflects the retention and disposition requirements for the following records regardless of their media, format, or mode of transmission. Duplicate records within the same agency that are used for specific legal, fiscal, or administrative purposes may be either retained using the retention requirement listed in this schedule or in accordance to an internal policy. Any copies of records made only for convenience of reference or informational purposes may be discarded when no longer needed unless otherwise directed through an internal policy. Duplicates or copies of records shall not be retained longer than the original records.

STATE OF VERMONT GENERAL RECORD SCHEDULE

GRS-1009.1103: Payroll Management Records

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GRS-1009.1103: This schedule is reserved for recorded evidence of activities and transactions that relate to or affect, in a specific manner, managing accurate and timely payments of salaries and expenses to public employees and officials.

Retention: Unless otherwise noted on this record schedule, payroll records shall be retained by the public agency's central payroll unit until all legal recordkeeping requirements established by State and Federal law are met and until any Federal or State audits are complete.

Registers or systems that serve as the official payroll register shall be retained until the register is superseded and then appraised by the Vermont State Archives and Records Administration for continuing value.

Copies of payroll records, including time reports, made for internal administrative use shall be destroyed when no longer needed.

Public Access: Review

MINIMUM RECORDKEEPING REQUIREMENTS for Specific Payroll Management Records (see APPENDIX E for related legal references)

Record Category/Type:	Applicability/Use:	Appraised Value:	Minimum Retention/Disposition:
GRS-1009.1103.141 Authorizations Public Access: <i>Redact</i>	Use for authorizations to add, change, or alter payroll. Includes requests from employees for direct deposit, name changes, payroll deductions, and similar actions. Retain most current authorizations at all times and use this schedule for authorizations that have been superseded. For W-4s, use recordkeeping requirements for "Claims."	Temporary (Legal)	RETAIN UNTIL: Audit Complete PLUS: 1 Year(s) THEN: Destroy (Shred)
GRS-1009.1103.21 Certificates Public Access: <i>Review</i>	Use for time and expense certifications that are signed and submitted by designated timekeepers to certify the accuracy and completeness of the payroll information they entered and recorded into the official payroll register.	Temporary (Legal)	RETAIN UNTIL: Audit Complete PLUS: 1 Year(s) THEN: Destroy (Shred)
GRS-1009.1103.170 Claims Public Access: <i>Exempt</i>	Use for Employee's Withholding Allowance Certificates (W-4). Retain until superseded and at least four (4) years after the due date of such tax for the return period to which the records relate, or the date such tax is paid, whichever is the later.	Temporary (Legal)	RETAIN UNTIL: Superseded PLUS: 4 Year(s) THEN: Destroy (Shred)

STATE OF VERMONT GENERAL RECORD SCHEDULE

<p>GRS-1009.1103.28 Correspondence (Routine) Public Access: <i>Review</i></p>	<p>Use for correspondence on routine matters that do not relate to individual payments. Includes receipt and transmittal records related to authorizations.</p>	<p>Temporary (Administrative)</p>	<p>RETAIN UNTIL: Obsolete PLUS: 0 Year(s) THEN: Destroy (General)</p>
<p>GRS-1009.1103.53 Correspondence (Substantive) Public Access: <i>Review</i></p>	<p>Use for correspondence concerning payments that are significant in importance.</p>	<p>Temporary (Administrative)</p>	<p>RETAIN UNTIL: Audit Complete PLUS: 1 Year(s) THEN: Destroy (Shred)</p>
<p>GRS-1009.1103.32 Declarations Public Access: <i>Review</i></p>	<p>Use for delegations of authority. Includes memorandums for appointed individuals to continue following any agency head/appointing authority change. Retain most current delegation of authority at all times and use this schedule for records of earlier appointments.</p>	<p>Temporary (Legal)</p>	<p>RETAIN UNTIL: Audit Complete PLUS: 1 Year(s) THEN: Destroy (Shred)</p>
<p>GRS-1009.1103.50 Notices, Legal Public Access: <i>Review</i></p>	<p>Use for any notices required by law to be served on an employee.</p>	<p>Temporary (Legal)</p>	<p>RETAIN UNTIL: Completed/Closed PLUS: 1 Year(s) THEN: Destroy (General)</p>
<p>GRS-1009.1103.81 Registers Public Access: <i>Redact</i></p>	<p>Use for official payroll register or system where payroll transactions are recorded and summarized, including the number of hours worked by employees during a particular pay period.</p>	<p>Temporary (Legal)</p>	<p>RETAIN UNTIL: Superseded PLUS: 0 Year(s) THEN: Confirm</p>
<p>GRS-1009.1103.144 Reports Public Access: <i>Review</i></p>	<p>Use for time, attendance, and expense reimbursement source documents that are completed by employees, signed by their supervisor, and then used to input time, attendance, and expense reimbursement information into the official payroll register.</p>	<p>Temporary (Legal)</p>	<p>RETAIN UNTIL: Audit Complete PLUS: 1 Year(s) THEN: Destroy (Shred)</p>
<p>GRS-1009.1103.151 Returns Public Access: <i>Redact</i></p>	<p>Use for official or formal reports by a payroll official. Includes Wage and Tax Statements (W-2). For returns subject to 26 CFR Part 31, retain at least four (4) years after the due date of such tax for the return period to which the records relate, or the date such tax is paid, whichever is the later.</p>	<p>Temporary (Legal)</p>	<p>RETAIN UNTIL: Completed/Closed PLUS: 4 Year(s) THEN: Destroy (Shred)</p>

STATE OF VERMONT GENERAL RECORD SCHEDULE

Appendix A: Appraisal Values

An appraisal value establishes the usefulness or importance of a record after its original purpose has passed. The value of a record also dictates how it must be disposed after retention requirements are met (also see "Retention Requirements"). The appraisal values below represent categories of values that may be assigned to records following the record appraisal process. See "Vermont Archival Records" in the Archives and Records Management Handbook for conditions a record must meet to be appraised as "archival."

Appraisal Value	Description	Usage
Conditional Archival	Records may have archival value but not always.	Assigned to records that meet the conditions of a "Vermont Archival Record" under special circumstances.
Permanent (Archival)	Records have archival value.	Assigned to records that meet the conditions of a "Vermont Archival Record" and are therefore permanent (archival) records.
Temporary (Administrative)	Records have temporary administrative value.	Assigned to records that do not meet the conditions of a "Vermont Archival Record" but are needed for administrative reasons.
Temporary (Legal)	Records have temporary legal value.	Assigned to records that do not meet the conditions of a "Vermont Archival Record" but have legal requirements governing their retention.
Unappraised	Default value for records that have not been appraised.	Assigned to records that have not been appraised and do not yet have retention or disposition requirements.

STATE OF VERMONT GENERAL RECORD SCHEDULE

Appendix B: Public Access Requirements

A public access requirement is the availability of a record for public use and inspection pursuant to 1 V.S.A. §§ 315-320. Unless exempt from public inspection and copying pursuant to 1 V.S.A. § 317, records are expected to be promptly produced for public inspection upon request. Public agencies shall follow the procedure outlined in 1 V.S.A. § 318. The access requirements below represent actions agencies must take based on specific laws associated with the accessibility of their records. With general record schedules, the default requirement is always REVIEW unless it is clear that certain records are wholly exempt from public use and inspection pursuant to 1 V.S.A. § 317. Agencies using general record schedules should defer to their internal policies for specific access requirements.

Access	Description	Usage
Exempt	Records shall not be provided for free and open examination pursuant to 1 V.S.A. §§ 315-320.	Assigned to records that are wholly exempt from public use and inspection pursuant to 1 V.S.A. § 317.
General	Records may be provided for free and open examination pursuant to 1 V.S.A. §§ 315-320.	Assigned to records that are not exempt from public inspection and copying pursuant to 1 V.S.A. § 317.
Redact	Records contain specific information that shall not be provided for free and open examination pursuant to 1 V.S.A. §§ 315-320.	Assigned to records that contain specific information that is exempt from public inspection and copying pursuant to 1 V.S.A. § 317 and require exempt information to be redacted from the records prior to public use, inspection and/or copying.
Review	Records may be provided for free and open examination pursuant to 1 V.S.A. §§ 315-320 but not always. Default value for general schedules, which require agencies to establish internal policies.	Assigned to records that are generally not exempt from public inspection and copying pursuant to 1 V.S.A. § 317 but, in limited circumstances, may be exempt. Internal review and/or policy is required.

STATE OF VERMONT GENERAL RECORD SCHEDULE

Appendix C: Retention Requirements

A retention requirement is the length of time a record must be retained by an agency before it may be destroyed or transferred to the State Archives or an agency archives (also see "Disposition Requirements"). The retention requirements below represent events or triggers that cause records to move from an active to inactive state. An "event" is tied to a specific time requirement: i.e. Retain Until "Calendar Year Ends" PLUS 3 Years.

Retention	Description	Usage
Audit Complete	Retain until an audit or verification is complete.	Assigned to records that are actively used or needed until the information contained therein has been audited or verified.
Calendar Year Ends	Retain until the end of the calendar year.	Assigned to records that are actively used or needed until the end of the calendar year.
Completed/Closed	Retain until the activity or process supported by the record is completed.	Assigned to records that are actively used or needed until the activity is formally completed, closed, or finalized (includes appeals).
Expired	Retain until the conditions or requirements supported by the record are satisfied and no further action is needed.	Assigned to records that are actively used or needed until the conditions or requirements are satisfied and complete.
Fiscal Year Ends	Retain until the end of the fiscal year.	Assigned to records that are actively used or needed until the end of the fiscal year.
Life of Asset Ends	Retain for the life of the person, structure, object, organization, etc. that is the subject of the record.	Assigned to records that are actively used or needed for the life of person, structure, object, organization, etc.
Obsolete	Retain until the record is no longer needed and is valueless.	Assigned to records that have limited administrative value and may be purged when they no longer have any administrative value. Agency must develop internal policy that states when records no longer have administrative value.
Superseded	Retain until the record is superseded, updated, or revised.	Assigned to records that will be superseded, updated, or revised.

STATE OF VERMONT GENERAL RECORD SCHEDULE

Appendix D: Disposition Requirements

A disposition requirement is how an agency must dispose of a record from its legal custody once retention requirements have been met. Disposition is based on the record's appraisal value. If the record has been appraised as non-archival it will be destroyed after retention requirements are met. If appraised as archival the record will be transferred to the State Archives or agency archives for permanent preservation and access. The disposition requirements below represent actions that an agency must take once a record has met its retention requirements.

Disposition	Description	Usage
Archives	Retain indefinitely. These records are eligible for transfer to the State Archives or agency archives.	Assigned to records that have been appraised as having archival value and are therefore permanent records.
Confirm	Confirm disposition with the Vermont State Archives and Records Administration after retention requirement has been met.	Assigned to records that are maintained in a centralized database or information system or are appraised as conditional archival.
Destroy (General)	Destroy by recycling or deleting the record.	Assigned to records that have been appraised as non-archival and are not exempt from public access. Agency discretion advised for general record schedules.
Destroy (Shred)	Destroy by shredding (includes electronic shredding).	Assigned to records that have been appraised as non-archival and are exempt from public access or contain sensitive information.
Unappraised	Default value for records that have not been appraised.	Assigned to records that have not been appraised and do not yet have retention or disposition requirements.
Weed	Separate temporary records from archival records in accordance with the approved records schedule.	Assigned to records that have been appraised as conditional archival. Upon weeding the temporary records from the archival records, transfer archival records to the Archives.

STATE OF VERMONT GENERAL RECORD SCHEDULE

Appendix E: Legal References

GRS-1009.1103: Payroll Management Records		Review for Exemption?
1 V.S.A. § 317(c)(6)	[Public record exemption: tax return and related documents]	Yes
1 V.S.A. § 317(c)(7)	[Public record exemption: personal documents]	Yes
12 V.S.A. § 1691a	Procedure for production of employee personnel records	Yes
12 V.S.A. § 520	Payment of wages	No
15 V.S.A. § 787	Employer's responsibility; compensation	No
21 V.S.A. § 342	Weekly payment of wages	No
21 V.S.A. § 342a	Investigation of complaints of unpaid wages	No
21 V.S.A. § 393	Employers' records	No
24 090 CVR 003	Minimum wage	No
26 CFR 31.6001-1	Records in general	No
26 CFR 31.6001-2	Additional records under Federal Insurance Contributions Act	No
26 CFR 31.6001-5	Additional records in connection with collection of income tax at source on wages	No
26 CFR 31.6051-1	Statements for employees	No
26 CFR 31.6051-2	Information returns on Form W-3 and Internal Revenue Service copies of Forms W-2	No
26 U.S.C. § 6103	Confidentiality and disclosure of returns and return information	Yes
29 CFR 516.5	Records to be preserved 3 years	No
29 CFR 516.6	Records to be preserved 2 years	No
29 CFR 516.7	Place for keeping records and their availability for inspection	No
29 CFR 825.500	Recordkeeping requirements [related to the Family Medical Leave Act of 1993]	Yes

STATE OF VERMONT GENERAL RECORD SCHEDULE

3 V.S.A. § 2281	Department of finance and management	No
32 V.S.A. § 182	Duties of commissioner [of finance and management]	No
9 V.S.A. § 2440	Social security number protection	Yes
Bulletin 3.3, Agency of Administration	Delegation of Authority for Signing Documents	No
OMB Circular A-87	Cost Principles for State, Local, and Indian Tribal Governments	No