

City of Marshall

Policy and Procedure Regarding Use and Disclosure of Social Security Numbers

1. Purpose.

The City of Marshall is required by Michigan's Social Security number Privacy Act¹ ("the Act") to control how it obtains, uses, disseminates and disposes of records which contain Social Security numbers. The Act also requires the City to establish, publish and enforce a policy regarding the use, disclosure and disposal of records which it creates or obtains in the course of its business and which contain Social Security numbers. This Policy and Procedure sets forth the City's standards and practices for how such information is gathered, stored, disclosed and ultimately disposed of.

2. Policy.

It is the policy of the City of Marshall to protect the confidentiality of Social Security numbers obtained in the normal course of business from employees, vendors, contractors, customers or others. Social Security numbers will be obtained, retained, used and disposed of only for legitimate business reasons and in accordance with the law and this Policy and Procedure. No person shall knowingly obtain, store, transfer, use, disclose or dispose of a Social Security number that the City of Marshall obtains or possesses except in accordance with the Act and this Privacy Policy.

3. Procedure.

A. Obtaining Social Security numbers. Documents or other records containing Social Security numbers are to be requested, obtained or created only for legitimate business reasons consistent with this policy. Such reasons include, but are not limited to:

- i. Applicants may be required to provide a Social Security number for purposes of a pre-employment background check.
- ii. Copies of Social Security cards may be obtained for purposes of verifying employee eligibility for employment in accordance with the Immigration Reform and Control Act.
- iii. Social Security numbers may be requested from employees for tax reporting purposes (i.e. IRS Form W-4), for new-hire reporting, or for purposes of enrollment in the City of Marshall's employee benefit plans.
- iv. Social Security numbers may be obtained from contractors or vendors for tax-reporting purposes (i.e. IRS Form 1099).
- v. Customers/clients may be asked to provide Social Security numbers for tax reporting purposes or for purposes of establishing a customer-specific account or other record.

¹ Act 454, Public Acts of 2004 effective March 1, 2005

B. Retention and Access to Social Security numbers.

- i. All records containing Social Security numbers (whether partial or complete) will be maintained in secured files.
- ii. Paper records containing Social Security numbers will be stamped "Confidential," "Controlled Document," or with some similar identifying mark when practical.
- iii. Only personnel who have a legitimate business reason to know will have access to records containing Social Security numbers.
 - (a) Employees whose jobs involve regular access to records containing Social Security numbers will be trained in the legal requirements and the requirements of this Policy and Procedure.
 - (b) Where a record containing a Social Security number is to be disseminated to persons outside of the City of Marshall, to persons within the City of Marshall who are not authorized or trained in this Policy and Procedure, or where the Social Security number is not relevant to the purpose for which the record is being shared, the Social Security number shall be edited or otherwise rendered unreadable.
- iv. Employees using records containing Social Security numbers will take appropriate steps to secure such records when not in immediate use. Such steps may include:
 - (a) Placing such records in a locked desk or file drawer when not in use.
 - (b) Using password protection or screen-savers on computers and computerized records to prevent unauthorized access to or viewing of such records by others.
- v. Inactive records containing Social Security numbers will be retained in accordance with the requirements of state and federal laws and then destroyed in a manner that continues to ensure their confidentiality. For purposes of this Policy and Procedure, "inactive records" are those where there is no longer a current employee, supplier or customer relationship.

C. Mailed or Transmitted Documents.

Documents containing Social Security numbers shall only be mailed or transmitted in the following circumstances:

- (i) State or federal law, rule, regulation or court order or rule authorizes, permits or requires that a social security number is contained in the document.

- (ii) The document is sent as part of an application or enrollment process initiated by the individual whose social security number is contained in the document.
- (iii) The document is sent to establish, confirm the status of, service, amend or terminate an account, contract, policy or employee or health insurance benefit or to confirm the accuracy of a social security number of an individual who has an account, contract, policy or employee or health insurance benefit.
- (iv) The document or information is a copy of a public record filed or recorded with the county clerk or register of deeds office and is mailed by that office to a person entitled to receive that record.
- (v) The document or information is a copy of a vital record recorded as provided by law and is mailed to a person entitled to receive that record.
- (vi) The document or information is mailed by or at the request of an individual whose social security number appears in the document or information or his or her parent or legal guardian.

- D. Disposal. Documents or other materials containing social security numbers shall not be thrown away in the trash; they shall be discarded or destroyed only in a manner that protects their confidentiality, such as shredding.
- E. Unauthorized Use/Disclosure of Social Security numbers. Any employee, who obtains, uses or discloses Social Security numbers for unauthorized purposes or contrary to the requirements of this Policy and Procedure shall be subject to discipline up to and including discharge. The City of Marshall will cooperate with appropriate law enforcement or administrative agencies in the apprehension and prosecution of any person who obtains uses or discloses Social Security numbers for unlawful reasons.
- F. Policy Guidance. If any questions regarding social security number privacy and security should arise, contact the City Clerk-Treasurer for policy clarification and guidance.