Protection of Personal Information
July 2021
V1.0

Contents

1.   Introduction

Increasingly in society there is a concern over the misuse of personal information. Many countries have created legislation to govern these concerns. Some examples are:

Australia – The Privacy Act

South Africa – POPIA

Malaysia – PDPA

European Union - GDPR

It should be noted that the United States of America does not have a common law governing the protection of personal information. Instead one needs to consider various sectoral and state laws.

Sage Payroll cannot offer any guarantee of compliance with any laws, regulations or standards governing the protection of personal information with the use of our software. This is because the requirements do not apply to just software, but rather the governance applied by a business, and how they make use of personal information. Sage Payroll further cannot guarantee how our customers might use our software and apply the data fields and tools that we make available to our users. It is our customers' responsibility for adopting the governance measures that are deemed appropriate in their circumstances to achieve compliance.

ISO27001 is an established industry standard for information security. This Standard describes the best-practice requirements for implementing an information security management system (ISMS) that would embrace the protection of personal information. Many government organizations responsible for the governance of laws relating to the protection of personal information regard the observance of ISO27001 by a business as evidence of intent and effort to comply with the protection of personal data regulations.

This document aims to set out where Sage Payroll records and reveals personal information, and what Sage Payroll provides to assist in the protection and management of such information. Whilst every effort has been made to ensure the completeness of this document there is no guarantee that every aspect of Sage Payroll with relevance to personal information has indeed been included. The document is intended for deployment on Sage City for use by the Sage Business Cloud Payroll community.

This document applies to Sage Payroll July 2021 onwards.

2. What is Personal Information

Sage Payroll has undertaken a careful assessment of system data that may be construed as personal data. Requirements vary from country to country, but most often include (amongst others):

- Name
- Address
- Age
- Biometric data
- Email address
- Genetic data
- Gender data
- Health information
- IP address
- Location data
- Marital status

- Nationality
- Online behavior (cookies)
- Photo
- Political opinions
- Pregnancy
- Profiling and analytics
- Race
- Religion
- Sexual orientation
- Trade union membership

Some information recorded in Sage Payroll will always need to be regarded as personal information. Examples are Employee, Employer and Company information recorded in addition to Sage Payroll User information. Depending on circumstances, some information may need to be regarded as personal information. For instance, POPIA applies to natural persons and juristic persons (e.g companies) whereas GDPR applies to natural persons only. This document does not consider any additional requirements that may be necessitated in such a situation but would always rather take the cautious approach to manage data as Personal Information.

This document categorizes personal information into the following categories:

- Employee data that is personal in nature
- Employer data that is personal in nature
- Company data that is personal in nature
- Data regarding Sage Payroll Users and defined roles (individuals recorded as users or responsible individuals in the system)

Personal Data is thus any information that relates to an individual, either alone or when combined with other information. Sage might possess and generally includes names, addresses, phone numbers, email addresses, performance ratings, credit card and bank details, payment records and similar information. Any information that could be used to identify an individual (either directly or indirectly) is treated as Personal Data.

3. Reports in Sage Payroll that reveal Personal Information

The nature of Payroll is capturing & processing personal information. As such, nearly all the reports provided with Sage Payroll contain various amounts of personal information.

4. Data transfer files that include Personal Information

The Data Transfer/Import programs listed below include fields that contain or may contain personal data in their file structure.
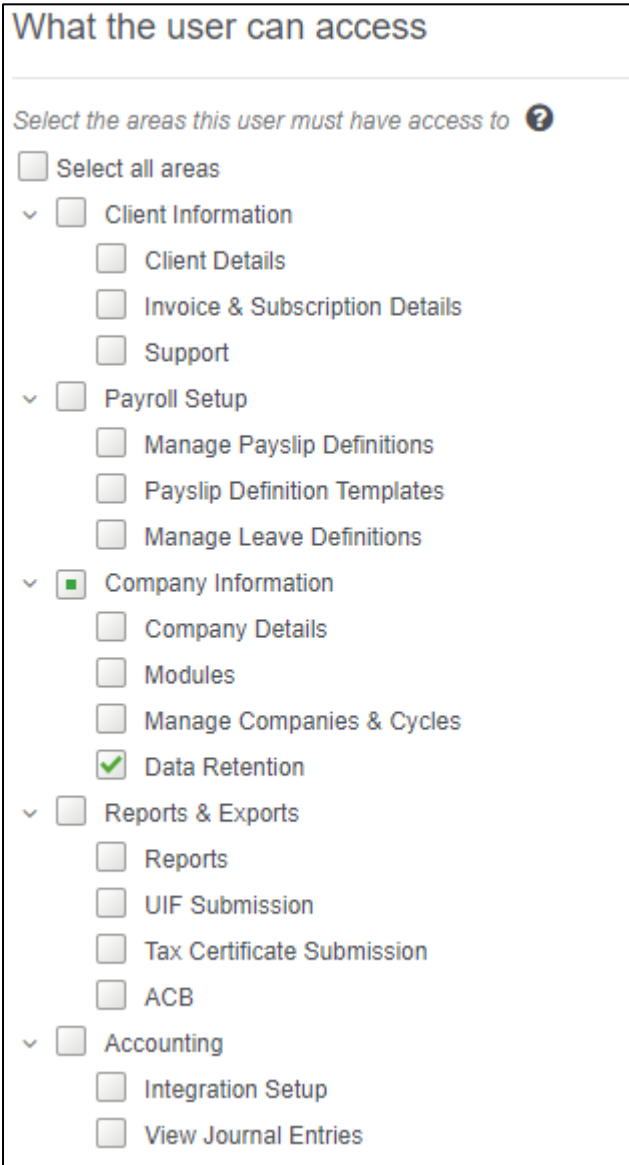
Export Name
UIF Declaration
EMP501 Txt Export
ACB Bank File Export

5. Controls & Data Management features in Sage Payroll relating to Personal Information

There are several aspects to the control and management of personal data within Sage Payroll. These are:

a)   Client Information restriction
b)   Payroll Setup restriction
c)   Company Information restriction
d)   Reports & Exports restriction
e)   Accounting setup & integration restriction

We have added a new Permission under Company Information restriction called Data Retention. Only the Administrator & Additional Users with the Data Retention permission allocated to them will be able to setup and manage the Data Retention settings.

Figure 1: Data Retention Permission

6. Controls & Data Management requirements not accommodated by Sage Payroll

There are many features in Sage Payroll, and data management requirements outside of Sage Payroll, that Sage Payroll cannot control with respect to personal data. Here are some examples:

- The use of standard fields in Sage Payroll for purposes other than the purposes intended for those fields
- The security of data held in a report or data export generated from Sage Payroll
- Local area network access, controls and data protection
- Internet protection such as firewalls.

7. Data Retention

7.1 Setting Up Financial Retention Periods (First Time)

To help you manage your financial data at Sage, you should tell us how long you'd like us to keep your financial data. The data retention period is specified in terms of the number of tax years that you want to retain. We will <u>not</u> automatically delete old financial data at the end of the period, but we'll remind you to delete old data and confirm the number of tax years you would like us to keep your data for.

When logging in, the system will prompt the user setup the data retention period:

Figure 2: Data Retention Setup Step 1

Sage Payroll allows you to setup a retention period:

- All companies at the same time (Step 3a)

- Each company separately (Step 3b)

Figure 3: Data Retention Step 2

Figure 4: Data Retention Setup Step 3a

During Step 3a:

1. Specify the amount of tax years that you want to keep your data – Keeping tax legislation into consideration.

2. Optionally capture a Note to remind you why you made the selection

3. Select the Confirm button

Figure 5: Data Retention Setup Step 3b

During Step 3b:

1. Specify the amount of tax years that you want to keep your data for each company – Keeping tax legislation into consideration.

2. Optionally capture a Note to remind you why you made the selection

3. Select the Confirm button

The system displays a confirmation of the Data Retention setup.
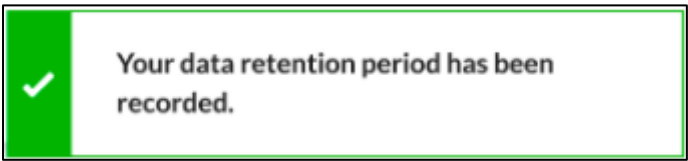
Figure 6: Data Retention Setup Step 4

7.2 Setting Up Financial Retention Period – Adding a new Company
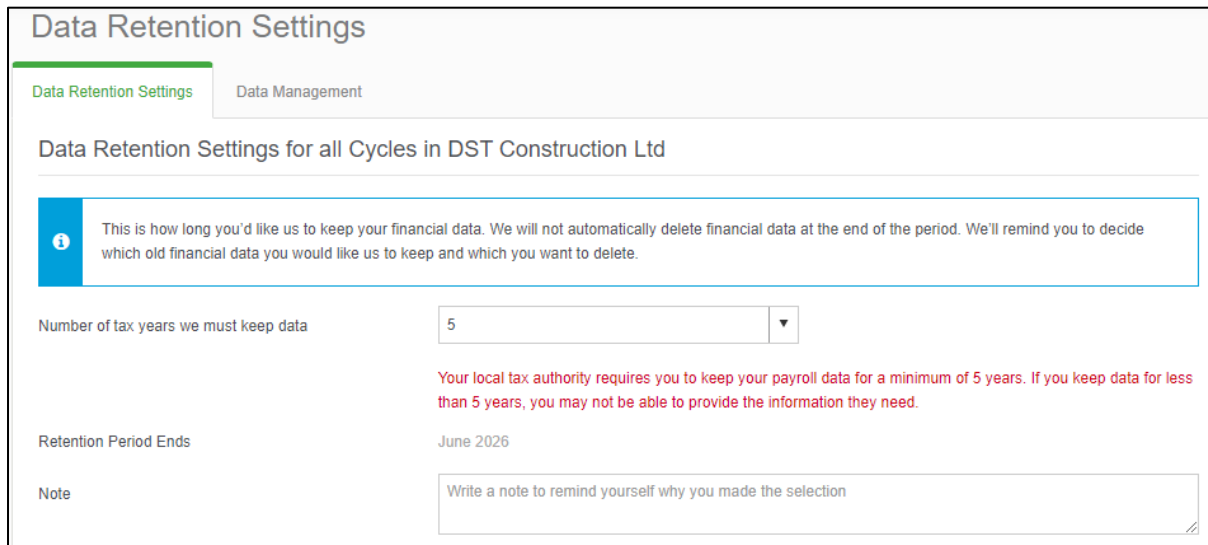
When adding a new company, the Add New Company process has been enhanced to capture the Data Retention Period:

Figure 7: Data Retention Setup - Add New Company

7.3   Updating Data Retention Period

An administrator can update the Data Retention Settings for a Company, by going to Data Retention Settings, under Company Settings:

Figure 8: Data Retention Settings

7.4   Audit Trail Report

The exiting Audit Trial report will reflect any changes made to the Data Retention settings, when it was made and who made the changes.

7.5 Retention Period Reached & Data Deletion

When the admin user or additional user (with Data Retention Permission) logs in, the system will notify the user that the Data Retention End Date has been reached. The system will keep on displaying the following message until a new retention period has been setup:

Figure 9: Data Retention - End Date Reached

Please note, Sage Payroll does <u>not</u> automatically delete data for Active subscriptions. Financial data is deleted on-demand. An administrator can delete old financial data by going to the Data Management feature, under Company → Data Retention settings:

Figure 10: Data Management

Selecting *Manage Old Financial Data*, shows the *Manage Old Financial Data* dialog:

Figure 11: Manage Old Financial Data – Tax Year Selection

On the *Manage Old Financial Data* dialog, for each cycle, the user needs to specify the number of tax years to keep.

Selecting the Continue button, takes the administrator to the *Manage Old Financial Data* Confirmation dialog. The Confirmation Dialog specifies the Tax Years that will be retained as well as the Tax Years that will be deleted.

Figure 12: Manage Old Financial Data - Confirm Deletion

By selecting the Confirm button, the system displays a confirmation of the data deletion:
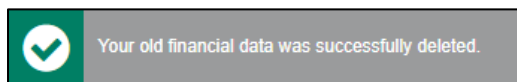

Figure 13: Financial Data Deletion Confirmation

7.6   Employee Record Obfuscation

If an employee requests that his data is deleted upon termination, the employee can request this from the Employer. The Employer can then log a support request with Sage Payroll Support to obfuscate the individual employee's record.

7.7   Account Cancellation

When cancelling your Sage Payroll subscription, you have an option to either delete all your data after 30 days, or to specify the number of years we should keep the data (should you need it in the future). The user will receive a confirmation email outlining his account cancellation request as well as the chosen data retention preference.

Figure 14: Account Cancellation - Data Retention Preference

Option 1: Keep the data for a certain number of years:
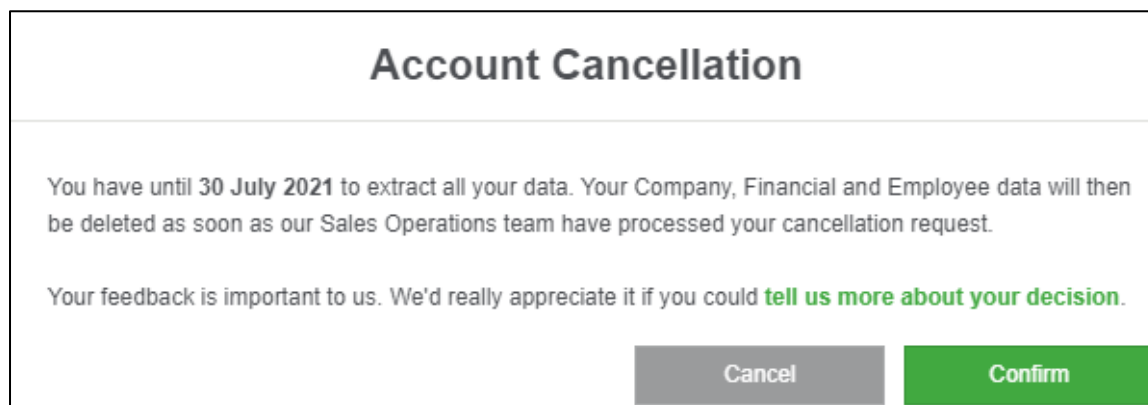
Figure 15: Account Cancellation - Option 1

This option gives the administrator the option to specify how many years to retain the data in Sage Payroll. Selecting the Continue button, will display the *Account Cancellation Retain Data Confirmation* dialog:
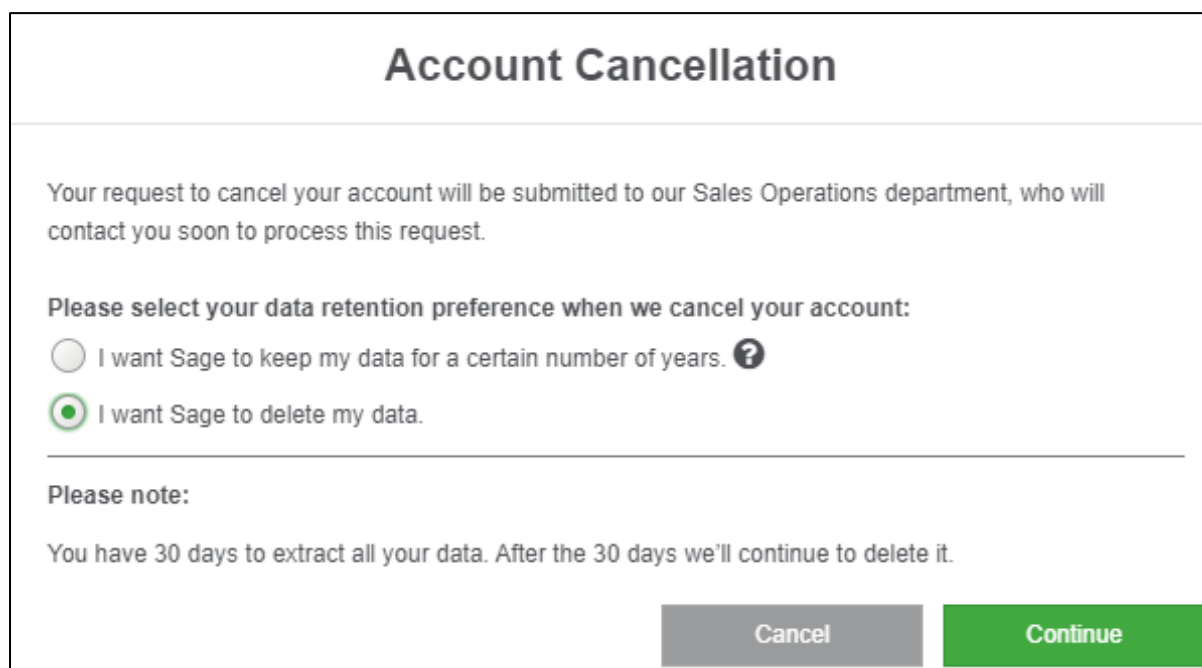

Figure 16: Account Cancellation Retain Data Confirmation

Once the Data Retention Period has been reached, we will automatically delete your all data. This is the only process that automatically deletes your data.

Option 2: Delete all data:

Figure 17: Account Cancellation - Option 2

Selecting the Continue button, will display the *Account Cancellation Delete Data Confirmation* dialog:

Figure 18: Account Cancellation Delete Data Confirmation

Once your subscription has been closed by our Sales Operations team, you will lose access to the Sage Payroll application. Your data will automatically be deleted, 30 days after the Account Cancellation request has been submitted.

8.   Password Protection

As part of ensuring adequate access controls to Sage Payroll, it is important that users have complex passwords. This will prevent unauthorized access to the system and compromise personal data of the employees and company.

A password must comply with the following rules:

-    More than 8 characters

-    A mixture of upper and lower case letters

-    One or more numbers

-    No part of your email address

9.   Suggestions regarding the management and control of Personal Information

This is not intended to be an exhaustive list of controls, processes and procedures that should be adopted by a Sage Payroll user in relation to personal data in Sage Payroll. The following are a guide, but each business needs to determine what is appropriate in their situation:

- Make use of the Additional Users functionality within Sage Payroll, to control the access of Sage Payroll operators with respect to Personal data.

- Make use of the System Audit Trail. Review System Audit Trail report regularly. This can highlight unauthorized access to Personal Data.

- Sage Payroll does not automatically delete financial data for Active subscriptions. It provides administrators with the necessary processes to setup retention periods. At the end of the retention period, the administrator is notified and can delete old financial data using the Manage Old Financial data deletion process.

- Ensure Data retention periods on any data subject isn't extended without just cause.

- Do not use any fields for a purpose other than it's intended use. Sage Payroll cannot protect personal data captured incorrectly in the system.

- Institute a process to take account of employees who leave the employ of the company. Sage Payroll does not automatically purge old/irrelevant employee data.

- Consider implementing the ISO 27001 standard in your business and IT processes, especially in relation to the management and control of personal information within Sage Payroll.

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