



**MINUTES OF THE TWO-HUNDRED AND FIRST
MEETING OF THE UNIVERSITY CIVIL SERVICE MERIT BOARD –
AUGUST 17, 2016**

**State Universities Civil Service System Office
1717 Philo Road, Suite 24
Urbana, Illinois 61802
&
(Video Conference)
University of Illinois at Chicago
College of Pharmacy
Room 270
833 South Wood Street
Chicago, Illinois
&
(Video Conference)
Southern Illinois University Carbondale
Miles Hall
Conference Room 003A
1255 Douglas Drive
Carbondale, Illinois**

Chair Montgomery called the meeting to order at 10:05 a.m.

Members present at the primary meeting location were: Daniel Caulkins, representing Eastern Illinois University.

Members present at the Chicago video conference location were: Mr. Montgomery, Chair; Marvin Garcia, representing Northeastern Illinois University; Marshall Hatch, Sr., representing Chicago State University; Robert T. Marshall, Jr., representing Northern Illinois University; and Brian Mitchell, representing Governors State University.

Members present by audio conference was: Jill Smart, representing the University of Illinois.

Members absent were: Lyneir Cole, representing Western Illinois University; Rocky Donahue, representing Illinois State University; Karen Hasara representing the University of Illinois, and Donna Manering, representing Southern Illinois University.

Also present were: Jeff Brownfield, Executive Director; Teresa Rademacher, Secretary for the Merit Board; Jami Painter, representative of the Human Resource Directors Advisory Committee; and Andy Small, Chair of the State Universities Civil Service Advisory Committee. Various other university employees and University System office staff were also in attendance.

Consideration of participation by other Merit Board Members, not physically present at meeting site

Chair Montgomery asked for approval for Merit Board members, not physically present, to actively participate by other means in accordance with the Open Meetings Act requirements. A motion was made by Mr. Mitchell to allow Ms. Smart to participate by phone. Mr. Marshall seconded Mr. Mitchell's motion. In accordance with the Merit Board Bylaws, a voice vote was taken and the motion carried.

Public Comments

The University System Office had received no requests to present public comments.

Consideration of the Minutes of the 200th Meeting of the Merit Board, May 11, 2016

The minutes of the 200th Meeting of the Merit Board, May 11, 2016 had been transmitted to members of the Merit Board with the agenda materials.

Mr. Caulkins moved to approve the minutes of the 200th Meeting of the University Civil Service Merit Board held on May 11, 2016. Mr. Mitchell seconded Mr. Caulkins motion. In accordance with the Merit Board Bylaws, a voice vote was taken and the motion carried.

Consideration of the Closed Minutes of the 200th Meeting of the Merit Board, May 11, 2016

The closed minutes of the 200th Meeting of the Merit Board, May 11, 2016 had been transmitted to members of the Merit Board with the agenda materials.

Mr. Caulkins moved to approve the minutes of the 200th Meeting of the University Civil Service Merit Board held on May 11, 2016. Mr. Garcia seconded Mr. Caulkins' motion. In accordance with the Merit Board Bylaws, a voice vote was taken and the motion carried.

Report of the State Universities Employee Advisory Committee – Andy Small

The Merit Board heard a report from Andy Small, Chair of the State Universities Civil Service Advisory Committee (EAC). Mr. Small stated with the potential cost of health care premiums increasing, he, along with the committee would like the Merit Board members to remember that if the premiums double and are retroactive to July 1 that this could be detrimental to some employees. Also, he stated that when the Fair Standard Labor Act goes into effect on December 1, 2016 the hope is no employee is harmfully impacted due to the change of salary to hourly pay with a delay in payment for two weeks due to pay schedules. The committee understands that some universities intend to make employees whole in these situations so that employees are not without pay. Mr. Small stated that the third point is in regards to a meeting relating to the proposed furlough rule, the committee does not have an objection to the permanent furlough rule as long as it is implemented fairly. Also, Mr. Small invited the Merit Board members to attend the next meeting.

Report of the Human Resource Directors Advisory Committee – Jami Painter

The Merit Board heard a report from Jami Painter, representative of the Human Resource Directors Advisory Committee (HRDAC). Ms. Painter stated that the committee had last met on July 29, 2016 with Executive Director Brownfield and staff and that the committee had a very robust and collaborative meeting where they discussed many items on the Merit Board agenda.

An item of interest to the HRDAC is agenda item 14 on the agenda for this meeting regarding the change to the Fair Labor Standards Act as it relates to employee benefits. Ms. Painter further stated that employers must be compliant by December 1, 2016 regarding this change on how employees are classified as exempt vs. non-exempt. Therefore many universities will be implementing changes in November 2016 due to the varying payroll cycles. In order to not penalize employees the committee asked for employees hired prior to December 1, 2016 to be "grandfathered" into the current vacation scheduled to maintain the current Vacation and Sick Leave schedules as stated in the "Merit Board Policy Relating to Employee Benefits" and employees hired after December 1, 2016 will be placed in the appropriate schedule based on FLSA exempt status.

Ms. Painter further stated that after the July 2016 meeting, HRDAC, EAC and various unions collaborated together and discussed the proposed rulemaking change to furloughs. She stated that several revisions were made to meet individual needs. Ms. Painter stated that Mr.

Brownfield’s leadership and facilitation will continue to build positive relationships amongst the groups. In addition to HRDAC, Mr. Brownfield has begun discussions with sub-groups to address changes to modernize the University System, such as expanding the custom class demonstration project, updating the seniority/bumping rule, and developing new appointment types relating to grant funded/temporary positions. Universities and human resource directors are pleased with the progress under Executive Director Brownfield leadership over the last year.

Mr. Brownfield expressed his gratefulness to everyone for their comments.

Consideration of the FY 2018 Budget Recommendation for the State Universities Civil Service System Office

Mr. Brownfield stated the agency staff continues to be paid salaries based on a court order that was signed in July 2015. He further stated the stopgap budget approved is for FY 16 and the first six months of FY 17 and the agency currently has approximately enough money for 13 months of expenses. The agency is in the process of trying to secure an additional \$250,000 for operational needs for FY 17.

Mr. Brownfield stated that based on the last whole budget, which was FY 15, the University System is seeking a 4% increase or a \$47,000 increase for FY 2018. He further stated that the goal is process payment for all vendors with the stopgap budget.

Mr. Caulkins made a motion to approve the requested amount of \$1,223,200 as the FY 18 request to the Illinois Board of Higher Education. Mr. Garcia seconded Mr. Caulkins’ motion.

A roll call vote was taken and the motion carried with the following vote:

- Mr. CaulkinsAye
- Mr. ColeAbsent
- Mr. DonahueAbsent
- Mr. GarciaAye
- Ms. HasaraAbsent
- Rev. HatchAye
- Dr. ManeringAbsent
- Mr. MarshallAye
- Mr. MitchellAye
- Mr. MontgomeryAye
- Ms. SmartAye

Update regarding adopted rulemaking to Sections 250.30 and 250.50 of the Code (80 Ill. Adm. Code §250.30 and §250.50)

Mr. Brownfield stated the rulemaking to Section 250.30 and 250.50 was effective August 4, 2016 and was published in the Illinois Register August 19, 2016. This adopted rulemaking allows for additional information regarding the examinations.

Discussion and action on proposed rulemaking to Section 250.119 of the Code (80 Ill. Adm. Code §250.119)

Mr. Brownfield stated that the proposed rulemaking received a comment from AFSCME objecting to certain language within the rule. He further stated that because of the comment received, a joint meeting was held with the HRDAC, Mr. Small, AFSCME, SEIU, other trade groups. During this the meeting the rule was discussed step-by-step and stated that the changes were included in the agenda materials. He also stated that the student category will be pulled out of the section and will be listed in a sentence by themselves.

Mr. Montgomery asks for confirmation that the changes have been vetted by all parties. Mr. Brownfield confirmed that they had been. Mr. Montgomery asks for a brief overview of how the separation of students from subsection would be made different. Mr. Brownfield stated that students have different types of appointments and funding and that the University System wanted to shore- up the student employee section and ensure students can stay employed even if a Furlough Program is put in place at a university/agency.

Mr. Marshall made a motion to approve the proposed rulemaking with changes and authorized the University System to submit the proposed rulemaking to the Secretary of State for the Second Notice Period. Mr. Caulkins’ seconded Mr. Marshall’s motion.

A roll call vote was taken and the motion carried with the following vote:

Mr. MarshallAye
Mr. MitchellAye
Mr. MontgomeryAye
Ms. SmartAye
Mr. CaulkinsAye
Mr. ColeAbsent
Mr. DonahueAbsent
Mr. GarciaAye
Ms. HasaraAbsent
Rev. HatchAye
Dr. ManeringAbsent

Update regarding proposed rulemaking to Section 250.110 of the Code (80 Ill. Adm. Code §250.110)

Mr. Brownfield stated that the primary change to this proposed rulemaking was to have a consistent process to discharge an employee who is a no call/no-show and also a process for those employees who do not show up to a hearing. In addition, he stated that there was a change to allow the Merit Board to reinstate an employee with a suspension to a maximum number of 120 days instead of the current reinstatement with a 60-day suspension. Mr. Montgomery asked if this gives the universities more flexibility in terms of being subject to paying for non-work time. Mr. Brownfield stated the change will give the Merit Board the flexibility of saying the employee should not be discharged; however a longer suspension time could be implemented.

Discussion and action for approval of the Governance, Risk, and Compliance Audit Charter and Process for the Universities System

Ms. Neitzel gave a general overview of the new procedures being utilized for the Audit Program. Ms. Smart stated that there was tons of information provided and that it would have been more helpful to simply see what the issues were from prior audits and what is being done to address the issues and that she was not sure if the issues are being addressed with this information.

Mr. Brownfield confirmed that the University System will put together a document with the concerns that had been expressed by the Merit Board and how they will be addressed. He further stated that the University System will look at how issues are addressed to the degree that they can. The approach being taken is the most significant way the agency is addressing issues and that some items could not be captured.

Mr. Montgomery asked about the old complaints, such as timing and frequency of audits and if this was being addressed. Mr. Brownfield stated that the audits cycles will change based on audit findings in conjunction with any standard schedule.

Mr. Montgomery stated that another major concern was audit criteria and transparency and if this was going to be addressed. Mr. Brownfield stated that it was and that it will also be addressed in follow-up conversations.

Mr. Montgomery asked if all the constituencies have had input into these new procedures? Mr. Brownfield stated all the universities have seen it, but that the universities have not had input in terms of how they want to be audited. He stated that the University System has visited several

universities to see what their processes and procedures were and incorporated this into the new procedures.

Mr. Garcia stated that he had two issues. One is the time to address audit findings and that was not enough time to address the findings before the University System moved on to another audit and the second issue was going back several years and what the purpose was for going back for an audit. Mr. Brownfield stated that the University System will address issues as they are found and that before reports are drafted the University System will go back and specify where the problems are and address them.

Rev. Hatch made a motion to approve the new Governance, Risk and Compliance Audit Charter and Process to begin in September 2016. Mr. Marshall seconded Rev. Hatch’s motion.

A roll call vote was taken and the motion carried with the following vote:

Rev. Hatch	Aye
Dr. Manering	Absent
Mr. Marshall	Aye
Mr. Mitchell	Aye
Mr. Montgomery	Aye
Ms. Smart	Abstain
Mr. Caulkins	Aye
Mr. Cole	Absent
Mr. Donahue	Absent
Mr. Garcia	Aye
Ms. Hasara	Absent

Biennial Audit Program – Review of Recent Activities

Mr. Brownfield stated that based on the approval of the Governance, Risk and Compliance Audit Charter and Process that the audit process will start up again. Ms. Neitzel stated that with the 6-month temporary budget the audit process will resume in September. Mr. Brownfield offered to meet with any of Merit Board member for personal meetings to discuss the audit process and any concerns.

Discussion and action on proposed changes to the “Merit Board Policy Relating to Employee Benefits”

Mr. Brownfield stated the “Merit Board Policy Relating to Employee Benefits” was put into place in 1970 and that there had been few updates since then. The short term issue is with the new

FLSA criteria going into place on December 1, 2016 that will affect many employees who will move from an exempt status to a non-exempt status based on the new salary test. Ms. Smart asked what does being eligible for overtime have to do with benefits? Mr. Brownfield stated that the above policy determined the vacation accrual rate for exempt employees and for non-exempt employees. The Human Resource Directors would like to have the option of letting current employees maintain their current vacation accrual time and that the employees be “grandfathered” in. Ms. Smart asked if the universities start paying these employees overtime, how will they have the money to also pay the vacation expenses and if this is legally something that can be done. Ms. Painter was asked to address the Merit Board. Ms. Painter said that employees will be moved back to the exempt status once they are moved to the new salary threshold, so administratively looking at what will be the least amount of work for the Human Resource staff and not harm the employees. She further stated that many universities will limit the amount of overtime due to the cost and that this has been discussed with legal counsel.

Mr. Brownfield stated that the University System would be looking at the policy as a whole in the future. Mr. Brownfield stated that some universities believe they should be able to have their own policies.

Mr. Caulkins stated that the two schedules were developed for a purpose and that now due to the FLSA rule, employees will be placed in different vacation schedules and asked why universities would want to reward an employee and sustain employees the right for overtime, as well as additional vacation time. Mr. Brownfield stated that the issue has never been addressed due to the FLSA salary limit being set so low and that employees that have worked for years accruing according to the scheduled due to no fault of their own will, now be accruing at a lower vacation accrual due to the increased salary test

Mr. Montgomery stated sections three and four of the policy would be limited to allowing those employees currently exempt and moving to non-exempt to maintain their current level of vacation accrual and leave the rest for another day. Mr. Brownfield stated that that was correct.

Ms. Smart made a motion to approve the changes to sections three and four to the “Merit Board Policy Relating to Employee Benefits”. Mr. Marshall seconded Ms. Smart’s motion.

A roll call vote was taken and the motion carried with the following vote:

Ms. SmartAye
Mr. CaulkinsNo
Mr. ColeAbsent
Mr. DonahueAbsent
Mr. Garcia.....Aye
Ms. Hasara.....Absent
Rev. HatchAye
Dr. ManeringAbsent
Mr. Marshall.....Aye



Mr. MitchellAye
Mr. MontgomeryAye

Consideration of Demonstration Project for the “Electronic Position Description System”

Mr. Brownfield explained that this demonstration project was to set-up to study the Electronic Position Description process before implementing it in full.

Mr. Caulkins made a motion to approve the Electronic Position Description Demonstration Project for the period of September 1, 2016 and ending no later than August 31, 2018. Mr. Marshall seconded Mr. Caulkins’ motion.

A roll call vote was taken and the motion carried with the following vote:

Mr. CaulkinsAye
Mr. ColeAbsent
Mr. DonahueAbsent
Mr. Garcia.....Aye
Ms. Hasara.....Absent
Rev. HatchAye
Dr. ManeringAbsent
Mr. MarshallAye
Mr. MitchellAye
Mr. MontgomeryAye
Ms. SmartAye

Consideration of Demonstration Project for the “Student Employment Pathway Program”

Mr. Brownfield explained that this demonstration process was developed internally to determine and provide opportunities so that our own students could more easily be employed. This program would allow universities to go to students that would be graduating and move them into a brief intern position and then into a permanent position; allowing for of a more efficient system.

Mr. Marshall made a motion to approve the Student Employment Pathway Program Demonstration Project. Ms. Smart seconded Mr. Marshalls’ motion.

A roll call vote was taken and the motion was approved with the following vote:

Mr. MarshallAye

Mr. MitchellAye
 Mr. MontgomeryAye
 Ms. SmartAye
 Mr. CaulkinsAye
 Mr. ColeAbsent
 Mr. DonahueAbsent
 Mr. Garcia.....Aye
 Ms. Hasara.....Absent
 Rev. HatchAye
 Dr. ManeringAbsent

Update on the Public Officials Errors and Omissions Insurance Policy for the period of July 1, 2016 through June 30, 2017

Mr. Brownfield stated that the Errors and Omissions Insurance Policy for FY 17 was secured with the help of the University of Illinois. The University of Illinois was able to process the invoice for payment and the University System will reimburse the University of Illinois. The University System saw a large increase in the cost of the policy. The policy was previously \$9,808 and the new cost was \$14,240.25.

Report of the Executive Director – Jeff Brownfield

Mr. Brownfield provided an agency report which included the following items:

- Budget Updates FY 16 and FY 17 – Mr. Brownfield stated that in the stopgap budget that the agency had received 18 months, but will only cover about 13 to 14 months for bills
- Classification/Examination Update – Mr. Brownfield stated that list of classifications the University System was working on was provided in the agenda material.
- Staff Changes – Mr. Brownfield stated David DeThorne, Legal Counsel, and Jenn Miles, Administrative Aide, were recently hired to fill two vacant positions.
- Accomplishments and follow-up to requested actions of the Merit Board – Mr. Brownfield outlined the accomplishments.
- Customer Service – Mr. Brownfield stated the customer service survey had been conducted again and survey information had been provided in the agenda material. Several of the issues from last year have been addressed in the new Governance, Risk and Compliance Audit Procedures that was approved at this meeting.

- Specialty Factors-electronic approval process – Mr. Brownfield stated 95 requests had been received over the last year and that of those 95, 83 had been reviewed and responded to within three days

Report of Legal Counsel – David DeThorne, Manager, Legal Counsel

Mr. DeThorne introduced himself as the new Legal Counsel for the University System. He provided that 53 Written Charges for Discharges had been served on employees during FY 16 and that 10 employees had requested a hearing. He also reported that thus far in FY 17 only two Written Charges for Discharge has been served on employees.

He further stated he had been reviewing the University System’s Statute and felt that several changes were needed. Some of the proposed changes are:

- allow municipal police to transfer to universities;
- change the out-of-state examination section to conform to the rules;
- clarify authority to institute furloughs, etc.;
- start a discussion group to review the discharge process;
- clarify authority for pilot program; and
- general update and review based on length of time since last comprehensive review.

Executive Session

Ms. Smart made a motion to go into Close Session to discuss personnel issues. Mr. Marshall seconded Ms. Smart’s motion. In accordance with the Merit Board Bylaws, a voice vote was taken and the motion carried. The Merit Board went into Close Session at 11:50 a.m.

The meeting reconvened at 12:05 p.m. Mr. Caulkins made a motion to increase the annual salary for Mr. Brownfield, Executive Director, to \$135,000 annually. Mr. Garcia seconded Mr. Caulkins motion.

A roll call vote was taken and the motion was approved with the following vote:

Mr. CaulkinsAye
 Mr. ColeAbsent
 Mr. DonahueAbsent
 Mr. Garcia.....Aye
 Ms. HasaraAbsent
 Rev. HatchAye



Dr. ManeringAbsent
Mr. MarshallAye
Mr. MitchellAye
Mr. MontgomeryAye
Ms. SmartAye

Other Items as Presented

It was suggested that the next Merit Board meeting scheduled for Wednesday, November 16 be changed. Mr. Brownfield stated that staff would coordinate a new date.

Mr. Garcia made a motion to adjourn the meeting. Mr. Mitchell seconded Mr. Garcia's motion. In accordance with the Merit Board Bylaws, a voice vote was taken and the motion carried.

The meeting adjourned at 12:20 p.m.

Respectfully submitted,

/s/ Teresa Rademacher

Teresa Rademacher
Secretary for the Merit Board

APPROVED:

/s/ James Montgomery

James Montgomery, Chair
University Civil Service Merit Board

November 30, 2016

Date