

STATE UNIVERSITIES CIVIL SERVICE SYSTEM

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June 5, 2024

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Accompanying this letter is the Final Audit Report for the FY2022 State Universities Civil Service System Governance, Risk, and Compliance (GRC) Audit of the Office of Human Resources at Chicago State University, covering the period of November 1, 2019, through December 31, 2021.

During the FY2020 Governance, Risk, and Compliance Audit, the University System Auditor identified several key areas, consisting of 15 individual audit citations. As a result, on October 28, 2020, the University System Executive Director suspended delegated authority to the Designated Employer Representative (DER) at Chicago State University regarding various aspects of the Civil Service employment process. As of the date of this report, this suspension remains in place.

Unfortunately, since that time, internal HR workflow continuity at Chicago State University has been severely comprised by substantial staff turnover, involving the repeated turnover of key positions within the HR department. In addition, insufficient or missing processes resulting from that turnover, or processes that were not instituted following the FY2020 GRC Audit, have led to material non-compliance with the State Universities Civil Service Act (Act) and Administrative Rules (Rules). Critical source documentation to support many employment transactions does not exist or disappears with each HR vacancy. Each time a new staff member replaced a CSU HR staff member, that new replacement required additional training sessions beyond what had already been provided by the University System to CSU, further and oftentimes different compliance checks, repetitive corrections, and additional video meetings and phone consultations.

During this suspension of delegated authority, the University System Auditors have remained continuously engaged with the campus human resources staff. Since the suspension of delegated authority, University System staff have presented multiple training sessions instructing CSU HR staff on

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how to properly document employment transactions, manage and maintain employment registers, develop position descriptions, and conduct desk audits. While the University System staff was initially and primarily involved in front-end compliance checks and the University System staff provided templates and tools for managing and monitoring employment transactions, it was quickly determined that implementing the remaining process steps by Chicago State University HR would not be possible without direct supervision by the University System Office.

In spite of hundreds of hours of supervision, training, retraining, review, and other engagement that has been provided to the CSU HR Staff by the University System Auditors to create and maintain continuity in learning within the CSU Human Resource Office related to the Civil Service employment process, improvement and compliance in this process have not been sustained by Chicago State University HR. The results of the FY2020 and FY2022 GRC Audits demonstrate that it is imperative for Chicago State University to make proper management of its HR functions and compliance with the Act and Rules an institutional priority and that the university commit the resources needed to bring its HR processes and practice into compliance with the Act and Rules.

While not a finding related to the current FY2022 GRC Audit timeframe, the required quarterly reports of employees served have not been submitted to the University System for September 30, 2022, December 31, 2022, and March 31, 2023. In addition, Salary Surveys for Spring 2023 have yet to be received. The Auditors and the Executive Director of the University System repeatedly requested this information. These consistently missing or late reports demonstrate a continuing lack of attention to and compliance with the Rules.

On behalf of the compliance services division, please convey our appreciation to the Human Resources staff for engaging in the audit process. The University System office looks forward to continuing to assist the Human resources staff as they address the findings in this report. If there are any questions, or if you would like a personal briefing on any item, please contact Gail Schiesser, Executive Director, at gails@sucss.illinois.gov or by phone at 217-278-3151.

Respectfully,



Gail Schiesser
Executive Director

STATE UNIVERSITIES CIVIL SERVICE SYSTEM



Governance, Risk, and Compliance Audit Report (Final)

June 5, 2024

CHICAGO STATE UNIVERSITY

Audit Time Frame:
November 1, 2019 – December 31, 2021

Remote/Hybrid Visit:
February 14 – 18, 2022

Prepared by:

Gail Schiesser, Executive Director

**State Universities Civil Service System
Compliance Services Division
Final Audit Report**

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**State Universities Civil Service System
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Final Audit Report**

Overview of Specific Areas Subject to Review

The following Human Resource topic areas are considered and reviewed when identifying the Audit Objective and Scope, Risk Assessment Categories, and Findings identified in this report:

Assignment of Positions to Class

A sample of Civil Service position descriptions is selected to ensure proper and timely updates between employees and supervisors, conduct individual desk audit interviews, and complete a review of the Employer desk audit process to ensure accurate classification determinations were assigned.

Compensation Programs

An analysis of the Employer's use of pay rates and pay ranges is completed to determine compliance with ranges approved by the Merit Board. The Employer's compensation program is evaluated to ensure merit and pay equity requirements are adequately compared to the regional market area.

Examination Program

A review of pre-employment testing procedures is conducted, including a review of admission of applicants to examinations, license and certification verifications, exam security and administration, and register maintenance.

Administration of Employment and Separation Procedures

A review of the Employer's business processes related to the Civil Service employment cycle, including the utilization of status and non-status appointments, probationary period requirements, and other employment and separation transactions, such as disciplinary suspensions, dismissals, voluntary demotions, temporary upgrades, reassignments, transfers, and dismissal from probation.

Administration and Employment Protocols of Positions Exempt from Civil Service Regulations

A review of employment protocols related to positions designated as exempt from Civil Service regulations is completed to ensure accurate designation under Merit Board procedures. The Employer's exemption method, administrative procedures, and related position descriptions are sampled, with incumbent interviews conducted to validate the assigned position exemption.

General Review of the Employer's Human Resource Program

A general review of the Employer's human resource programs is completed to determine effectiveness, efficiency, and levels of communication to internal constituency groups, including faculty, principal administrative employees, and support staff. This review may also include investigating concerns from external constituents, including the public, employee committees, and union groups.

Other Follow-up Items from the Previous Audit

A review of any follow-up items from previous audits to evaluate ongoing compliance matters deemed necessary and appropriate to meet audit objectives.

Audit Objective and Scope

Objective

As stated in the Governance, Risk, and Compliance Audit Charter for the State Universities Civil Service System, as approved by the Merit Board on August 17, 2016, the primary objective and purpose of the audit program is to evaluate and verify compliance with the Act, Code, and System Procedures. The University System is also charged with building strategic partnerships, evaluating processes and performance, providing direct guidance and support services, and implementing flexibilities that meet the needs of each employer, consistent with the Act.

Audit Scope

The Scope of this FY2022 Audit for Chicago State University included a comprehensive evaluation of employment designations and/or category of status, non-status, and exempt appointments, salary range review, position descriptions for exempt and civil service positions, register referrals and maintenance, compliance with the 900-hour limitation with respect to Extra Help Appointments, temporary upgrades, layoffs, disciplinary suspensions, dismissals, and personnel file reviews.

Risk Assessment Categories

Topics of Specific Focus by Risk Assessment Category

Prior to performing audit functions, specific risk assessments were assigned and categorized for each topic area reviewed during the compliance audit process. The Auditor considers the following factors when determining the appropriate level of compliance violation and/or course of action:

- Repeat Breaches of the Act, Code, Procedure, or Audit Charter
- Multiple Instances of Non-Compliance
- Employer's Ability and Willingness to Operate in Compliance with the Law
- Employer's Historical Compliance Record
- Employee Concerns

Audit findings are defined and issued based on these designated and predetermined risk assessments as follows:

- Category 1: Serious Impact/Immediate Action Required
- Category 2: Medium Impact/Needs Improvement
- Category 3: Minimal Impact/Observation Only

For the current FY2022 Governance, Risk, and Compliance Audit at Chicago State University, the following risk assessments and areas of focus were communicated to the Employer prior to conducting the audit examination:

Category 1: Identification of Civil Service Classifications Used, Use of Approved Rates and Ranges, Admission of Applicants to Examination, Examination Security Protocols, Register Referral of Candidates and Register Maintenance, Layoff Transactions, Specialty Factor Designations, Extra Help Appointments, and Temporary Upgrade Assignments.

Category II: Position Control Management, Removal of Names from Registers, Maintenance of Personnel Files, Temporary PAA Assignments, and Transaction Documents (Intern Requests, Disciplinary Suspensions, Dismissals, and Layoff Notices) on file at the University System Office.

Category III: Civil Service Desk Audits, Position Description Reviews, Timeliness of Classification Requests (Desk Audits), and Scheduling/Inventory of Examinations.

The Legal and Compliance Division recognizes and identifies these three categories of findings based on the facts presented by the Employer during the audit process, which are then evaluated against requirements consistent with regulatory guidelines. The Category assigned to a documented finding depends on the severity of the issue and its impact related to a violation of the Act, Code, or Procedure.

NOTE: The University System is responsible for protecting private and sensitive employee information from loss or misuse. As a result, personal information, as defined in the Illinois Freedom of Information Act (FOIA), 5 ILCS 140/2(c-5), and other sensitive employee and position data including, but not limited to pre-employment application information, examination scores, register referrals, salary, and specific disciplinary information, are not included in this Final Audit Report.

**Chicago State University
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**Executive Summary
YEAR ENDED—FY2022**

The compliance testing performed during this examination was conducted in accordance with State Universities Civil Service Act (110 ILCS 70/36b et seq.), Part 250 of the Illinois Administrative Code (Code) (Illinois Admin. Code tit 808, Ch. VI, Part 250.), State Universities Civil Service Procedures Manuals, applicable University and Agency policies and procedures, and auditing standards.

SUMMARY

<u>Number of</u>	<u>This Report</u>
Category 1 Findings	6
Category 2 Findings	0
Category 3 Findings	0
Repeated findings from the previous audit*	6

REPORT SCHEDULE OF AUDIT FINDINGS

<u>Item Number</u>	<u>Page</u>	<u>Description</u>
<u>RISK ASSESSMENT CATEGORY 1 FINDINGS</u>		
CSU FY22-01	6	Deficiencies in Maintaining Re-employment Registers*
CSU FY22-02	12	Deficiencies in Basic Records Management and Business Processes*
CSU FY22-03	18	Exemption Authorization Applied to Positions that Correspond to Civil Service Classification Specifications*
CSU FY22-04	25	Non-Compliance with Extra Help Employment and Position Limitations*
CSU FY22-05	30	Employees Paid Outside of Approved Salary Ranges*
CSU FY22-06	36	Non-Compliance with Auditor Request to Conduct Civil Service Desk Audits*

**State Universities Civil Service System
Compliance Services Division
Final Audit Report**

RISK ASSESSMENT CATEGORY 1 FINDING:

DEFICIENCIES IN MAINTAINING RE-EMPLOYMENT REGISTERS

CRITERIA/STANDARDS:

- 1) *State Universities Civil Service Act (Act), Section 70/36b(2); and,*
- 2) *State Universities Civil Service Act (Act), Section 70/36d(11); and,*
- 3) *State Universities Civil Service Act (Act), Section 70/36f(b); and,*
- 4) *Illinois Administrative Code (Code), Section 260.5 Definitions; and,*
- 5) *Illinois Administrative Code (Code), Section 260.50(i) Examinations; and,*
- 6) *Illinois Administrative Code (Code), Section 260.60 Eligible Registers; and,*
- 7) *Illinois Administrative Code (Code), Section 250.110 Separations and Demotions; and,*
- 8) *Illinois Administrative Code (Code), Section 250.140 Delegation of Authority and Responsibilities.*

(110 ILCS 70/36b) (from Ch. 24 ½, par 38b1)
Sec. 36b. Creation.

(2) The purpose of the University System is to establish a sound program of personnel administration for the Illinois Community College Board, Southern Illinois University, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University, University of Illinois, State Universities Civil Service System, State Universities Retirement System, the State Scholarship Commission, and the Board of Higher Education. All certificates, appointments, and promotions to positions in these agencies and institutions shall be made solely on the basis of merit and fitness, to be ascertained by examination, except as specified in Section 36e.

(110 ILCS 70/36d) (from Ch. 24 ½, par 38b2)
Sec. 36d. Powers and Duties of the Merit Board. The Merit Board shall have the power and duty:

(11) To make and publish rules to carry out the purpose of the University System and for examination, appointments, transfers, and removals and for maintaining and keeping records of the efficiency of officers and employees and groups of officers and employees in accordance with the provisions of 36b to 36q, inclusive, and said Merit Board may from time to time make changes in such rules.

To ensure compliance with Sections 36b(2) and 36(d)(11) of the Act, provisions related to the filing and maintenance of employment records and registers, subject to the State Records Act [5 ILCS 160]; and

Sections 250.50(i) and 250.140 of Title 80 of the Illinois Administrative Code are specifically described as follows:

“All examinations, and all examination components, administered by the employer shall be retained by the employer in accordance with the employer's record retention policy or in accordance with the University System's record retention policy and in accordance with the State Records Act [5 ILCS 160].” (Illinois Admin. Code tit. 80, Ch. VI, Part 250, Section 250.50(i))

As stated in Section 250.140 of the Code, the “Delegation of Authority and Responsibilities” related to the conduct of compliance audits for the purpose of determining the effective and efficient administration of the System and assuring compliance with the Act and Code by constituent institutions and agencies are outlined below:

- a) “Delegation to the Executive Director. The Executive Director is delegated the authority and responsibility to effectively administer the State Universities Civil Service System in accordance with the Act and this Part. The Executive Director may be further delegated the authority and responsibility to act on behalf of the Merit Board by specific authorization or direction of the Merit Board.
- b) Delegation by the Executive Director. The Executive Director is authorized to delegate to the employer, and to members of the University System staff, such duties and responsibilities as, in his/her judgment, are appropriate and effective for the efficient administration of the service of the System to its constituent institutions and agencies.
- c) Conduct of Audits. The Executive Director shall conduct ongoing audit programs of all Civil Service operations at all places of employment for the purpose of assuring compliance with the Act and this Part and for improving the programs of personnel administration of its constituent employers and shall prepare, distribute, and follow up on audit reports in accordance with Merit Board direction.”

(Illinois Admin. Code tit. 80, Ch. VI, Part 250, Section 250.140(a),(b),and (c))

In this respect, the Governance, Risk, and Compliance Audit of all University System employers will include, but not be limited to:

- A comprehensive review of position descriptions
- Compliance with statutory and procedural criteria for exemptions
- Adequacy and thoroughness of related employment procedures
- Adequacy of internal review and approval processes
- Thoroughness and accuracy of quarterly reporting requirements
- Any other associated special interest items

As with any audit, an Employer's previous action or inaction will be evaluated in the present time. The employer must provide source documentation as demonstrable evidence that specific employment transactions occurred and how they were administered. Accurate maintenance and proper use of employment registers and other record-keeping are fundamental requirements and essential elements of

the standardized civil service employment process, as previously explained in training provided to CSU HR staff. This responsibility has been delegated to the Designated Employer Representative (DER) at each employment location and is reviewed through the audit process as indicated above.

Section 250.60 Eligible Registers describes the various categories and the order of relative merit for each candidate in the establishment, composition, precedence, and certification from employment register status. In this regard, all register maintenance components must be documented and accurately maintained to administer and validate each part of the Civil Service employment process from beginning to end.

According to Section 250.5 Definitions, the word “certify” is defined as “to refer from a register, in accordance with the Act, the name of a candidate who shall be considered for employment.” (Illinois Admin. Code tit. 80, Ch. VI, Part 250, Section 250.5)

Consistent with these Rule provisions, there is a specific order for the employment register by eligibility and candidate status:

1. The names of status employees who have been laid off. Candidates on the reemployment register, one at a time, shall be referred first and offered employment on the basis of seniority.
2. The names of status employees with status appointments are listed in order of promotional score. Once the Reemployment register has been processed, the Promotional register shall be processed, and then the Original entry Register.
3. In the absence of a Reemployment register, an employing department shall have the choice of the candidates possessing the top three available scores.

BACKGROUND/CONTEXT:

General record-keeping standards regarding employment registers and their associated transactions are evaluated in relation to other business processes that directly impact the Civil Service employment environment and are reviewed under the purview of a Category 1 Risk Assessment. These fundamental record-keeping standards are vital to implementing employment processes and directly impact the ability to demonstrate compliance.

On June 11, 2020, following the on-site visit for the FY2020 GRC Audit, the Employer submitted a combined seniority list and reemployment register spreadsheet to the Auditor for review and analysis. The Auditor compared this spreadsheet to the list of new hires provided before the on-site audit visit. Although this document was presented by the Employer to demonstrate compliance, the Auditor discovered significant data deficiencies with respect to reemployment registers. This FY2020 GRC Audit finding, Code FY20-01, is documented in the final report located at the following University System public website: <https://www.sucss.illinois.gov/documents/Audit/reports/876.pdf>.

Consistent with the previous FY2020 GRC Audit recommendations and as part of the University System’s commitment to ongoing compliance, the Auditor presented interactive training modules with HR staff members on multiple occasions. One of the many topics of focus during training was the proper maintenance and administration of reemployment registers, which included but was not limited to:

- The conceptual importance of the ongoing accuracy of seniority lists and reemployment registers to ensure the preservation of reemployment rights for laid-off employees.

- The consequence of failing to properly manage the reemployment register for each classification utilized would result in the fundamental breakdown of the Civil Service employment process, with former employees being denied their reemployment rights under the Act.
- When filling vacancies or reclassifying/reallocating current employees, the first step in the process is to conduct a thorough check of the reemployment register to ensure that no previously laid-off employee is skipped over due to negligence.

CONDITIONS/FACTS:

The FY2022 Governance, Risk, and Compliance Audit timeframe was November 1, 2019, through December 31, 2021. As noted above in the BACKGROUND/CONTEXT section of this finding, the seniority list and reemployment register spreadsheet identified several areas where various structural and technical corrections and continuing training related to the employer’s maintenance and management of seniority lists and reemployment registers were needed. Accounting for both earned and accumulated seniority for every Civil Service status employee currently employed and properly documenting the seniority and reemployment register placement of former status employees who had been laid off is a complex and lengthy project. It is necessary for the HR Staff to research each employee record within the Human Resources Information System (HRIS) to ensure that every person’s seniority calculation and employment status were in fact correct.

The Auditor provided close guidance and education regarding how to complete those corrections. However, this took several months, and each version of the seniority list that was submitted to the Auditor for review required additional corrections. Based on communication records, this reconciliation of data within the seniority list was ongoing from June 2020 through approximately June 2021.

Once the structural elements of the seniority list were properly configured, and those former employees who had been laid off were entered into the E-Test system with correct seniority totals for the reemployment registers, the only aspect of the process remaining was the data entry piece to keep the spreadsheet current. The Auditor believed the Employer was finally at the point where updating the information with current seniority totals, providing E-Test reemployment register entries, and ultimately managing and administering the seniority list and associated reemployment registers on an ongoing basis was all that was needed.

However, staffing changes again created difficulties within the CSU Human Resource Office, and the “acting” DER and staff member overseeing, tracking, and updating those documents resigned from the university shortly thereafter in August 2021. The new Associate Vice President of Human Resources and DER, then began employment at CSU. However, the reemployment registers and employment process records were inappropriately delegated to the same HR staff member who was inadequately maintaining this information, and where non-compliance originated during the FY2020 GRC Audit.

In June 2022, CSU’s newly appointed Associate Vice President for HR resigned and the department again lost the oversight and leadership needed to maintain any process continuity required to restore delegated authority. In August 2023, the current Associate Vice President for HR was appointed. During the FY2022 GRC Audit timeframe and the months since that time, the CSU Human Resource Office has continued to have significant staff turnover. With every DER and human resource staff member that left the employer or was hired by them, a lack of proper organization, consistent process, or continuity was demonstrated.

As of the date of this report, the overall seniority list remains significantly out-of-date, and reemployment registers are also incomplete because they have not been adequately maintained.

CAUSE/SOURCE OF CONDITION:

Employment records and associated personnel transactions related to reemployment registers for former employees with seniority rights listed on those registers were not properly documented or maintained. In many instances, the Employer was unable to demonstrate that former employees who had been laid off were contacted when employment opportunities in their classifications became available in the months/years following their layoff.

Taken in total, the root cause related to the findings in both the previous FY2020 and this current FY2022 audits rests with staff inefficiencies and turnover, a lack of continuity, a lack of established processes, workflow gaps in the Human Resource Office, missing or incomplete documents, and a lack of Civil Service process knowledge.

EFFECT/IMPACT:

Over the seven-year period covering the FY2020 (which covered the November 1, 2019-December 31, 2021) timeframe and FY2022 GRC Audits, the University System routinely provided the Chicago State University Human Resources staff with several initial and refresher training sessions, customer service assistance, in-person audits and records reviews, and step-by-step guidance. Nonetheless, during both the FY2020 and FY2022 audits, the Employer could not demonstrate whether seniority lists were accurate or kept current, former employees with reemployment rights were on the appropriate register, or seniority computations were accurate.

The failure to establish and maintain a sound program of personnel administration concerning the Civil Service employment process has significant consequences and increased liability risk for the Employer. Without the ability to demonstrate compliance in this respect, it is very likely that former employees with reemployment rights were simply bypassed for hiring, resulting in new hires or reclassified/reallocated employees with lower seniority being improperly employed in status positions.

However, the larger impact is unknown, given the lack of substantiating documentation ensuring that former employees with more seniority on the reemployment register were given their basic and fundamental statutory rights.

FINDING(S) FROM PREVIOUS AUDIT(S):

This topic area was cited during the previous FY2020 Governance, Risk, and Compliance Audit, ultimately resulting in the suspension of delegated authority for the Civil Service employment process by the Executive Director of the University System. [Finding Code CSU FY20-01, pages 6-12].

INSTRUCTION(S) FOR THE EMPLOYER:

As stated in the cover letter of this report, the employer has once again recently replaced its Designated Employer Representative (DER). This new change makes it difficult to properly implement and maintain a cohesive structure and workflow within the human resource department. Therefore, at this time, the suspension of delegated authority by the Executive Director of the University System, addressing specific areas of the Civil Service employment process outlined in the October 28, 2020, letter to the DER, will remain in place.

**A Supplemental Audit will be conducted in FY2025 to assess whether progress has been made in this specific area. If the CSU Human Resources Staff can demonstrate compliance with regulatory requirements related to this topic, returning delegated authority to the DER may be considered at that time.

The University System remains committed to continuing the educational and process improvement approach to achieve and maintain future compliance by overseeing these specific parts of the employment process that connect the concepts in a manner that focuses on cause and effect. Again, it must be emphasized that the Employer's records must properly document every employment action taken and must be maintained to validate statutory compliance.

The Civil Service employee seniority lists for each classification utilized at Chicago State University must be updated and maintained in an up-to-date condition. Once seniority lists are up-to-date, formerly laid-off employees who need to be placed on the applicable reemployment register shall have that information added to the E-Test system with their correctly calculated seniority totals. This project must be completed no later than April 30, 2024.

To be managed properly, seniority lists for current employees and reemployment registers in classifications where former employees were laid off shall be kept separate. Housing them together in one document leads to mismanagement and confusion.

EMPLOYER'S ADMINISTRATIVE RESPONSE – SUBMITTED BY MS. LATASHA LARRY, ASSOCIATE VICE PRESIDENT OF HUMAN RESOURCES:

The University agrees with the recommendation. The University will make all necessary corrections to the current reemployment registers and ensure that proper policies and procedures are in place so that future errors are prevented and recordkeeping is proper and complete going forward.

The HR department will research each employment record to ensure that every person's seniority calculation and employment status are correct. Given the magnitude of this review and the magnitude of deficiencies previously cited, the HR department was unable to comply with a deadline of April 30, 2024. The University is requesting a deadline of September 1, 2024, to ensure that the information is accurate and thoroughly reviewed by multiple levels of the Human Resources department.

ADDITIONAL AUDITOR COMMENTS:

The Auditor acknowledges the Employer's response. The University System Office notes that the Employer waited until their Administrative Response was due to request additional time to provide up-to-date seniority lists, place all formerly laid-off employees who need to be placed on the application reemployment registers add that information to the E-Test system with correctly calculated seniority totals. The University System Office also notes that this is a repeat finding.

The University System Office will follow up, requiring the production of documents as necessary, to ensure that the necessary changes are implemented and maintained by the Employer.

The status and risk assessment category of this finding remains at Category 1.

State Universities Civil Service System Compliance Services Division Final Audit Report

RISK ASSESSMENT CATEGORY 1 FINDING:

DEFICIENCIES IN BASIC RECORDS MANAGEMENT AND BUSINESS PROCESSES

Missing Employment Registers, Examination Records, and Desk Audit Documentation
Missing Probationary Period Evaluations, Veteran's Documentation, and Dismissal Notices
General Employment Records Mismanagement

CRITERIA/STANDARDS:

- 1) *State Universities Civil Service Act (Act), Section 70/36b(2); and,*
- 2) *State Universities Civil Service Act (Act), Section 70/36d(11); and,*
- 3) *State Universities Civil Service Act (Act), Section 70/36f(b); and,*
- 4) *Illinois Administrative Code (Code), Section 260.50(i) Examinations; and,*
- 5) *Illinois Administrative Code (Code), Section 260.60 Eligible Registers; and,*
- 6) *Illinois Administrative Code (Code), Section 250.110 Separations and Demotions; and,*
- 7) *Illinois Administrative Code (Code), Section 250.140 Delegation of Authority and Responsibilities.*

(110 ILCS 70/36b) (from Ch. 24 ½, par 38b1)
Sec. 36b. Creation.

(2) The purpose of the University System is to establish a sound program of personnel administration for the Illinois Community College Board, Southern Illinois University, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University, University of Illinois, State Universities Civil Service System, State Universities Retirement System, the State Scholarship Commission, and the Board of Higher Education. All certificates, appointments, and promotions to positions in these agencies and institutions shall be made solely on the basis of merit and fitness, to be ascertained by examination, except as specified in Section 36e.

(110 ILCS 70/36d) (from Ch. 24 ½, par 38b2)

Sec. 36d. Powers and Duties of the Merit Board. The Merit Board shall have the power and duty:

(11) To make and publish rules to carry out the purpose of the University System and for examination, appointments, transfers, and removals and for maintaining and keeping records of the efficiency of officers and employees and groups of officers and employees in accordance with the provisions of 36b to 36q, inclusive, and said Merit Board may from time to time make changes in such rules.

(110 ILCS 70/36f) (from Ch. 24 ½, par 38b5)

Sec. 36f. Examinations.

(b) Examinations may be written; oral, by statement of training and experience; in the form of tests of knowledge, skill, capacity, intellect, or aptitude; or by any other method which, in the judgment of the Merit Board, is reasonable and practical for any particular classification.

(110 ILCS 70/36h) (from Ch. 24 ½, par 38b7)

Sec. 36h. Appointment.

(2) The service during the probationary period shall be deemed to be a part of the examination. During the probationary period, the employee may be dismissed if the employer determines that the employee has failed to demonstrate the ability and the qualifications necessary to furnish satisfactory service. The employer shall maintain all records of dismissal."

To ensure compliance with Sections 36b(2), 36(d)(11), 36f(b), and 36(h)(2) of the Act above, provisions related to the filing and maintenance of examination records and employment registers, subject to the State Records Act [5 ILCS 160]; and Sections 250.50(i) and 250.140(c) of the Code are specifically described below:

"All examinations, and all examination components, administered by the employer shall be retained by the employer in accordance with the employer's record retention policy or in accordance with the University System's record retention policy and in accordance with the State Records Act [5 ILCS 160]." (Illinois Admin. Code tit. 80, Ch. VI, Part 250, Section 250.50(i))

In addition, the Code requires the Employer to promptly notify the Executive Director of all Layoffs, Disciplinary Suspensions, and Dismissals during the probationary period. (Illinois Admin. Code tit. 80, Ch. VI, Part 250, Section 250.110(d), (e), and (h).

Lastly, as stated in Section 250.140(c) of the Code, "Delegation of Authority and Responsibilities" related to the conduct of compliance audits for the purpose of determining the effective and efficient administration of the System and assuring compliance with the Act and Code by constituent institutions and agencies:

- d) "Delegation to the Executive Director. The Executive Director is delegated the authority and responsibility to effectively administer the State Universities Civil Service System in accordance with the Act and this Part. The Executive Director may be further delegated the authority and responsibility to act on behalf of the Merit Board by specific authorization or direction of the Merit Board."
- e) "Delegation by the Executive Director. The Executive Director is authorized to delegate to the employer and to members of the University System staff, such duties and responsibilities as, in his/her judgment, are appropriate and effective for the efficient administration of the service of the System to its constituent institutions and agencies."

- f) “Conduct of Audits. The Executive Director shall conduct ongoing audit programs of all Civil Service operations at all places of employment for the purpose of assuring compliance with the Act and this Part and for improving the programs of personnel administration of its constituent employers and shall prepare, distribute, and follow up on audit reports in accordance with Merit Board direction.” (Illinois Admin. Code tit. 80, Ch. VI, Part 250, Section 250.140)

In this respect, the Governance, Risk, and Compliance Audit of University System employers includes, but is not limited to:

- A comprehensive review of position descriptions
- Compliance with statutory and procedural criteria for exemptions
- Adequacy and thoroughness of related employment procedures
- Adequacy of internal review and approval processes
- Thoroughness and accuracy of quarterly reporting requirements
- Any other associated special interest items

Accurate maintenance and proper use of registers are fundamental requirements and essential elements in the standardized civil service employment process. Other transactions related to the Civil Service employment cycle are also required to be submitted to the University System Office at the time of occurrence. This responsibility has been delegated to the DER and is reviewed through the audit process. All employment records and register maintenance components must be documented and maintained to validate employment activities and demonstrate compliance.

BACKGROUND/CONTEXT:

General record-keeping standards regarding employment registers and their associated transactions are evaluated in relation to other business processes that directly impact the Civil Service employment environment and are reviewed under the purview of a Category 1 Risk Assessment. These fundamental record-keeping standards are vital to implementing employment processes and directly impact the ability to demonstrate compliance.

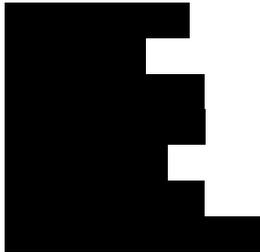
CONDITIONS/FACTS:

The FY2022 Governance, Risk, and Compliance Audit timeframe was November 1, 2019, through December 31, 2021. The Auditor requested materials for audit review on January 11, 2022, in preparation for an on-site/hybrid audit visit conducted on February 14 – 18, 2022.

The Auditor requested a sample review of 11 personnel records for newly appointed employees within the audit timeframe and seven additional records for employees reclassified or reallocated from other classifications. The purpose of this review is to determine whether the employment protocols utilized by the Employer are adequate to ensure compliance with the Act, Code, and System Procedures.

While there appeared to be more documents available for review than in the previous FY2020 GRC Audit, several records requested for this audit were also missing. Due to the lack of documentation and significant data deficiencies, the Auditor is unable to verify compliance with employment registers and certification, desk audits, dismissals, and probationary evaluations. As with the previous FY2020 Governance, Risk, and Compliance Audit, employment records and associated documents were either incomplete or simply did not exist. In this respect, the following discrepancies were noted:

- The Employer was unable to either locate the employment registers or verify the certification of the register for seven new employees appointed during the audit time frame. As a result, the Auditor could not confirm in each instance whether the proper candidate, consistent with statutory provisions regarding the “Rule of Three,” were referred to departments for an interview at specific times. These records included:



Information Technology Manager/Administrative Coordinator
 Institutional Research Data Coordinator
 Publicity-Promotion Associate
 Information Technology Manager/Administrative Coordinator
 Admissions and Records Associate
 Steam and Power Plant III
 Program Assistant

- The Employer reported five desk audits being conducted during the audit timeframe, resulting in the reclassification or reallocation of each position to a different classification. This report was utilized to evaluate whether compliance with the Classification Plan Procedures Manual related to the 30-day timeliness completion standard for desk audits was met.

The following deficiencies, annotated in yellow and red, were noted, with the dates pertinent to the desk audit process communicated to the Employer during the follow-up phase of the audit:

*Table 1: FY2022 Governance, Risk, and Compliance (GRC) Audit
Report of Desk Audits with Timeliness Discrepancies*

Employee Name	Pos. #	Audit Request Date	Date of Desk Audit	Date of Examination	Examination Score	Previous Classification	New Classification	Effective Date
[REDACTED]	000321	9/30/2020	10/7/2020	12/12/2021	95	Program Assistant	Program Coordinator	12/1/2020
[REDACTED]	000714	6/12/2020	6/12/2020	1/27/2021	100	Business/Administrative Associate	Program Director	1/22/2021
[REDACTED]	000638	10/29/2020	5/5/2021	N/A	N/A	Network Engineer II	Information Manager/ Administrative Coordinator	5/7/2021
[REDACTED]	000700	9/15/2021	9/21/2021	10/7/2021	100	Campus Parking Manager	Program Director	9/17/2021
[REDACTED]	00021	9/20/2021	10/1/2021	N/A	N/A	Special Events Faciliator	Deputy Director	10/1/2021

The Auditor provided an opportunity for the Employer to locate the information needed to determine compliance; however, the Employer was unable to confirm the accuracy of the “Date of Desk Audit” for [REDACTED] and [REDACTED], which indicated that examination dates occurred after the effective dates for reclassifying or reallocating those positions. As referenced in Table 1 above, the effective dates of the change in classification occurred a year prior to the examination completion date for [REDACTED] and seven months after the desk audit was completed (but also prior to completing the examination) for [REDACTED]. Based on the data presented, it also appears that [REDACTED] and [REDACTED] never had an examination ever administered or scored. Regarding [REDACTED], the examination date was also noted as being completed after the effective date of the classification change.

The data provided in this report was unreliable and did not demonstrate compliance. The Auditor attempted to obtain the desk audit notes and position descriptions for comparison and proper

classification purposes in each of these cases. The Auditor found that the desk audit notes were incomplete and did not contain a decision-making methodology to support the outcome by the classifier in support of reclassification or reallocation.

- Of the 11 newly appointed employee personnel records sampled for audit review, the Employer was unable to provide the probationary evaluations of four employees. It was also noted that two other employees in this sample were dismissed from probation before performance evaluations were given.
- One newly appointed employee was awarded veteran's preference points; however, the Employer was unable to locate or provide the source documentation in the personnel record sampled to justify the addition of points to the examination score for James Connors.

CAUSE/SOURCE OF CONDITION:

During this FY2022 Governance, Risk, and Compliance Audit timeframe, employment records and their associated personnel actions were not properly established, maintained, or documented. Civil Service employment records and documentation are either significantly inadequate in most of the samples or simply unavailable.

These significant discrepancies and documentation inefficiencies were also cited during the FY2020 Governance, Risk, and Compliance Audit, and as a result, the University System Executive Director suspended delegated authority from the Employer for the majority of the Civil Service employment process. Of the 11 employees newly appointed during the current FY2022 GRC Audit review sample, six of them were appointed before the suspension of delegated authority on October 28, 2020. To provide a frame of reference, the FY2020 and FY2022 audit timeframes are noted below:

FY2020: November 1, 2014 – October 31, 2019
FY2022: November 1, 2019 – December 31, 2021

Over this seven-year period of time, the University System provided the Chicago State University Human Resources staff with several initial and refresher training sessions, customer service assistance, in-person audits and records reviews, and interactive step-by-step guidance. The root cause of this report's findings rests predominantly with staff inefficiencies and turnover, a lack of Civil Service process continuity, missing or incomplete documents, and workflow gaps in the Human Resource Office.

The Auditor again submitted an email request to the new Designated Employer Representative (DER) on May 1, 2023, to determine if these records were simply misplaced or if they were in fact missing. The DER did not provide a response to the Auditor's inquiry.

EFFECT/IMPACT:

Even though the Employer was notified on October 28, 2020 (a year into the current FY2022 audit timeframe) regarding the suspension of delegated authority to administer the majority of the employment process, the issues presented in this finding appear to indicate that the Employer did not take proactive measures to review employment records going back to the beginning of the current FY2022 audit timeframe of November 1, 2019, and, at a minimum, attempt to remedy potential employment process gaps, compile required documentation, or take preemptive steps to make corrections to new

appointment or desk audit documentation. Consequently, those problems were simply ignored and allowed to fester.

As with any audit, an Employer's previous action, or inaction, is going to be evaluated in the present. Ultimately, the Employer failed to account for the future implications of potential audit findings related to the Civil Service employment process despite the suspension of delegated authority. The FY2020 Governance, Risk, and Compliance Audit consisted of fifteen individual audit findings, and because of the extensive systemic scale of non-compliance, the increased liability risk for the Employer presently remains.

FINDING(S) FROM PREVIOUS AUDIT(S):

During the FY2020 Governance, Risk, and Compliance Audit, the Auditor requested a sample review of 18 personnel records for employees appointed within the audit timeframe and six additional personnel records for employees reclassified or reallocated from other classifications. In general, employment records and associated documents were either incomplete or simply did not exist. [Finding Code CSU FY20-02, pages 13-17].

INSTRUCTION(S) FOR THE EMPLOYER:

As stated in the cover letter of this report, the University System is not yet confident that the new Designated Employer Representative (DER) has had enough time to properly implement a cohesive structure and workflow within the human resource department. ***Therefore, at this time, the suspension of delegated authority by the Executive Director of the University System, addressing the specific areas of the Civil Service employment process outlined in the October 28, 2020, letter to the DER, will remain in place.***

The University System remains committed to continuing the educational and process improvement approach to achieve and maintain future compliance by overseeing these specific parts of the employment process that connect the concepts in a manner that focuses on cause and effect. Again, it must be emphasized that the Employer's records must properly document every employment action taken and must be maintained to validate statutory compliance.

EMPLOYER'S ADMINISTRATIVE RESPONSE – SUBMITTED BY MS. LATASHA LARRY, ASSOCIATE VICE PRESIDENT OF HUMAN RESOURCES:

The University agrees with the instructions. The HR department will implement practices and procedures that adhere to proper employment records maintenance to ensure proper documentation for compliance with employment registers, desk audits, dismissal, and probationary evaluations.

ADDITIONAL AUDITOR COMMENTS:

The Auditor acknowledges the Employer's response and notes the Employer's commitment to implementing the necessary practices and procedures. The University System Office notes that this is a repeat finding.

The University System Office will follow up, requiring the production of documents as necessary, to ensure that the necessary changes are implemented and maintained by the Employer. The status and risk assessment category of this finding remains at Category 1.

**State Universities Civil Service System
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RISK ASSESSMENT CATEGORY 1 FINDING:

**EXEMPTION AUTHORIZATION APPLIED TO POSITIONS THAT CORRESPOND TO CIVIL SERVICE
CLASSIFICATION SPECIFICATIONS**

CRITERIA/STANDARDS:

- 1) *State Universities Civil Service Act (Act), Section 70/36e Coverage;*
- 8) *Illinois Administrative Code (Code), Section 250.30(a) Coverage; and*
- 9) *Exemption Procedures Manual, Section 1.2, Overview.*

(110 ILCS 70/36e) (from Ch. 24 ½, par 38b4)

Sec. 36e. Coverage.

All employees of the Illinois Community College Board, Southern Illinois University, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northeastern Illinois University, Northern Illinois University, Western Illinois University, University of Illinois, State Universities Civil Service System, State Universities Retirement System, the State Scholarship Commission, and the Board of Higher Education shall be covered by the University System described in Sections 36b to 36q, inclusive, of this Act, except the following persons:

- (1) The members and officers of the Merit Board and the board of trustees, and the commissioners of the institutions and agencies covered hereunder;
- (2) The presidents and vice presidents of each educational institution;
- (3) Other principal administrative employees of each institution and agency as determined by the Merit Board;
- (4) The teaching, research, and extension faculties of each institution and agency;
- (5) Students employed under rules prescribed by the Merit Board without examination or certification.

The current Exemption Procedures Manual was approved by the Merit Board and became effective on October 1, 2018. These procedures contain the guidelines and criteria to properly designate and validate exempt positions and employees in those positions as exempt from the Act, as categorically defined above.

The Exemption Procedures Manual, Section 1.2 Overview states, in part, “The Merit Board permits the Designated Employer Representative (DER) at each of the universities and agencies to make an initial determination as to whether a position qualifies as an exemption under section 36e of the Act. This authority is granted and may be revoked, in whole or in part, at the sole discretion of the Merit Board.”

Exemptions are permitted under current procedures, requiring verification of exemption authorization through the comprehensive development and ongoing review of accurate position descriptions. Accordingly, it is extremely important that employers maintain an updated, accurate, and complete position description for all positions. Routine and regular position review programs are critical to properly assigning positions to an accurate Civil Service classification, or accurately validating exemption status if a position meets exemption criteria. At a fundamental level, these position description reviews are intended to adequately ensure that employee rights are granted under the Act.

BACKGROUND/CONTEXT:

As mentioned in the cover letter of this report, the FY2022 Governance, Risk, and Compliance Audit timeframe at Chicago State University is February 1, 2019 – December 31, 2021. Typically, positions categorically exempt from Civil Service regulations are sampled and reviewed under the purview of a Category 1 Risk Assessment to ensure proper designation and exemption from the Act. In addition, the Auditor evaluates this topic based on how an Employer’s history relative to this issue impacts the current sampling method and depth of review.

CONDITIONS/FACTS:

Consistent with routine pre-audit requirements, the Auditor requested a list of several documents and reports, complete with instructions, from the Employer on January 11, 2022. Each set of instructions outlined the data elements required for each database query or contained a specific list of personnel transaction documents needed for audit review.

The Auditor requested the most recent exempt payroll document in effect at the end of the audit timeframe. In the requested material instructions, the payroll document included all exempt positions listed in alpha order and distinguished each type of position exemption category as either a 36e(2), 36e(3), or 36e(4) exemption. The Auditor utilized this document to sample, review, and analyze a set of exempt positions to determine compliance.

- A. Improperly Designated Exemptions. On February 3, 2022, the Auditor requested position descriptions for a sample of 40 positions the Employer identified as categorically exempt under 36e(3) or 36e(4) of the Act.
 - Following a review of this sample, which included on-site interviews with various incumbents, it was determined that 25 of these positions (63%) listed in Appendix A were performing duties matching the specifications for various Civil Service classifications.
- B. Potentially Miscategorized Exemptions. The Auditor conducted a secondary review of the exempt position description documents in the current audit sample to determine whether the exemption category reported to the Auditor was accurately categorized as either 36e(3) or 36e(4) of the Act.
 - Through this documentation review, the Auditor determined that eight of the 40 exempt positions sampled are potentially miscategorized. The listing of positions identified below

was reported as being exempt under 36e(3) of the Act when the designation should more accurately reflect an exemption under 36e(4) of the Act:

A56300	A44400
A34900	A37700
A48100	A41600
A55400	A45900

- C. Failure to Transition Previously Cited Exempt Positions. An integral part of determining whether previous audit findings have been properly addressed and resolved is conducting an in-depth exempt position comparison review, assessing whether corrective actions were taken, and providing a foundation for future compliance.

As part of the current FY2022 Governance, Risk, and Compliance Audit, the Auditor reviewed the exempt positions cited during previous audits to determine if they had been flagged by the Employer and, if so, whether the positions were appropriately analyzed before being exempted again.

As a result of this review, the Auditor determined that nine positions cited during the current FY2022 Governance, Risk, and Compliance Audit were previously cited in the FY2020, FY2015, or FY2013 Audits (as indicated below). Those positions were either never transitioned to a Civil Service appointment, the same incumbent was reappointed in the same position multiple times as exempt, or the position became vacant and was mis-designated again with a new employee. The following position designation discrepancies are listed below:

1. The Associate Athletic Director/Director for Communications (A55200) position, occupied by [REDACTED], date of appointment 6/16/2020, is currently cited in Appendix A.
 - o During the FY2020 Governance, Risk, and Compliance Audit, the exempt position of Assistant Athletic Director for Media Relations was cited as being mis-designated and occupied by Andrea Wheeler in the same position number (A55200). The duties in both position descriptions are identical.
2. The Administrative Assistant to the Dean of the College of Education (A55000) position, occupied by [REDACTED], date of appointment 7/1/2014, is currently cited in Appendix A.
 - o During the FY2015 Biennial Compliance Audit, the Assistant to the Dean of the College of Education was cited as mis-designated and occupied by the same incumbent above and in the same position number (A55000). The duties in both position descriptions are rearranged but identical.
3. The Experiential and E-Learning Specialist (A67900) position, occupied by [REDACTED], date of appointment 12/1/2010, is currently cited in Appendix A.

- During the FY2015 Biennial Compliance Audit, the Teaching and Instructional Development Specialist position was cited as mis-designated and occupied by the same incumbent above and in the same position number (A67900). While the duties in the recent FY2022 position description appear to be updated from those in FY2015, the position designation still remains incorrect.
4. The Budget and Resource Coordinator (A41100) position, occupied by [REDACTED] Uriostequi, date of appointment 08/1/2002, is currently cited in Appendix A.
- During the FY2013 Biennial Compliance Audit, this position was cited as being mis-designated and occupied by the same incumbent above and in the same position number (A41100). While the duties in the recent FY2022 position description appear to be updated from those of FY2013, the position designation still remains incorrect.
5. The Coordinator of Special Projects (A58800) position, occupied by [REDACTED], date of appointment 12/1/2002, is currently cited in Appendix A.
- During the FY2013 Biennial Compliance Audit, this position was cited as being mis-designated and occupied by the same incumbent above in the same position number (A58800). While the duties in the recent FY2022 position description appear to be updated from those in FY2013, the position designation still remains incorrect.
6. The Coordinator, LISTS Systems (A59300) position, occupied by [REDACTED], date of appointment 01/1/2009, is currently cited in Appendix A.
- During the FY2013 Biennial Compliance Audit, this position was cited as being mis-designated and occupied by the same incumbent above in the same position number (A59300). The duties in the recent FY2022 position description are nearly identical to those of FY2013.
7. The Assistant to the Director (A67600) position, occupied by [REDACTED], date of appointment 08/01/2011, is currently cited in Appendix A.
- During the FY2013 Biennial Compliance Audit, this position was cited as being mis-designated and occupied by the same incumbent above in the same position number (A67600). While the duties in the recent FY2022 position description appear to be updated from those in FY2013, the position designation still remains incorrect.
8. The Grants and Financial Account Specialist (A57000) position, occupied by [REDACTED], date of appointment 02/16/2012, is currently cited in Appendix A.
- During the FY2013 Biennial Compliance Audit, this position was cited as being mis-designated and occupied by the same incumbent above in the same position number (A57000). The duties in both position descriptions are identical.
9. The Project Counselor (A50500) position, occupied by [REDACTED], date of appointment 05/19/1997, is currently cited in Appendix A.

- During the FY2013 Biennial Compliance Audit, this position was cited as being mis-designated and occupied by the same incumbent above in the same position number (A50500). The duties in the recent FY2022 position description are nearly identical to those of FY2013.

CAUSE/SOURCE OF CONDITION:

First, based on the small sample of 40 exempt position descriptions requested for review during this audit, 83% of the reviewed positions were either incorrectly designated or miscategorized.

- The positions cited in Appendix A simply do not meet exemption criteria or contain the duties or level of authority and responsibility that would fall outside the specifications of standard professional, managerial, clerical, or technical Civil Service classifications.
- With only one exception, each position cited in Appendix A contains a date of appointment effective prior to the suspension of delegated authority on October 28, 2020. In the one exception, the Employer did not consult the Auditor or request approval regarding the position designation and appointed a candidate to the position on November 16, 2020.

Second, according to the FY2022 GRC Audit exempt payroll report submitted to the Auditor on February 3, 2022, nine positions referenced in this finding were cited during previous audits and never transitioned to appropriate Civil Service classifications.

- As part of either the Employer’s Administrative Corrective Action Plan or the Exemption Procedures Manual in effect when those previous FY2020, FY2015, and FY2013 audits were conducted, the Employer was required to flag and monitor those positions, completing an in-depth review of the position descriptions to determine their inclusion within the Civil Service classification plan either at the next contract renewal date or when the positions became vacant.
- The Employer’s decision to reestablish the above-referenced nine exempt positions following an audit citation without providing evidence that the exemption designation is valid through a complete position analysis and review violates exemption authorization and employment procedures.
- Despite the clarification of exemption position and accountability standards in the revised Exemption Procedures Manual effective on October 1, 2018, these nine positions being cited again demonstrate a significant lack of understanding and response related to the risk of inaccurate position designation and its impact on employees.

To provide a frame of reference, the FY2020 and FY2022 audit timeframes are noted below:

FY2020: November 1, 2014 – October 31, 2019
FY2022: November 1, 2019 – December 31, 2021

Over this seven-year period, the University System provided the Chicago State University Human Resources staff with several initial and refresher training sessions, customer service assistance, in-person audits and records reviews, and interactive step-by-step guidance. The root cause of this report’s findings

rests predominantly with staff inefficiencies and turnover, a lack of employment process continuity, missing or incomplete documents, and workflow gaps in the Human Resource Office.

EFFECT/IMPACT:

The overarching concern related to the exemption of positions is the risk of inaccurate designation. If positions are not consistently reviewed on a regular basis or designated correctly, the impact on employees who occupy these positions is the denial of specific Civil Service employment rights and protections provided under the Act.

While the exempt position description logs listed review dates for each position that gave the appearance of compliance with the triennial review standard, the Auditor does not have the confidence that this is indicative of in-depth reviews that actually occurred to determine whether exempt positions are adequately reviewed for accurate position designation and exemption category. In fact, during the previous FY2020 Governance, Risk, and Compliance Audit, the Auditor reviewed an exempt position description log containing various review dates from June 2019 through October 2019, however, many incumbents denied during their interview with the Auditor that they had ever seen or reviewed their position description. The position description documents themselves indicated the last update was February 2010, which required many of these documents to be updated by incumbents during their position review and interview with the Auditor.

FINDING(S) FROM PREVIOUS AUDIT(S):

During the FY2020 Governance, Risk, and Compliance Audit, the Auditor requested a small sample of forty-five (45) position descriptions the Employer identified as categorically exempt under 36e(3) or 36e(4) of the Act. Following a review of the sampled position descriptions, which included on-site interviews with various exempted employees, it was determined that thirty-nine (39) exempt positions (86%) were performing duties matching the specifications for various Civil Service classifications. [Finding Code CSU FY20-04, pages 25-29]

During the FY2015 Biennial Compliance Audit, the Auditor reviewed approximately fifty-eight (58) exempt position descriptions and identified 19 positions that were performing duties comparable to those found in various Civil Service classification specifications. [Finding Code CSU FY15-01, pages 4-7]

During the FY2013 Biennial Compliance Audit, the Auditor selected a sample of eighty (80) exempt position descriptions and determined that 45 positions were performing duties matching the specifications for various Civil Service classifications. [Finding Code CSU FY13-03, pages 16-21].

INSTRUCTION(S) FOR THE EMPLOYER:

As stated in the cover letter of this report, the University System is not yet confident that the new Designated Employer Representative (DER) has had enough time to properly implement a cohesive structure and workflow within the human resource department. ***Therefore, at this time, the suspension of delegated authority by the Executive Director of the University System, addressing the specific areas of the Civil Service employment process outlined in the October 28, 2020, letter to the DER, will remain in place.***

The University System remains committed to continuing the educational and process improvement approach in order to achieve and maintain future compliance by overseeing these specific parts of the employment process that connect the concepts in a manner that focuses on cause and effect. Again, it

must be emphasized that the Employer's records must be properly documented and maintained to validate statutory compliance in every employment action taken.

EMPLOYER'S ADMINISTRATIVE RESPONSE – SUBMITTED BY MS. LATASHA LARRY, ASSOCIATE VICE PRESIDENT OF HUMAN RESOURCES:

The University agrees with the instructions. The HR department will review the previous positions cited during the FY 2022 audit and will make the necessary transitions to Civil Service appointments. The HR department will review and audit all positions to ensure proper classification and designated exemption status.

ADDITIONAL AUDITOR COMMENTS:

The Auditor acknowledges the Employer's response and notes the Employer's commitment to "review and audit all positions" to ensure proper designation status and classification of positions.

As stated earlier in this finding, the current Exemption Procedures Manual was approved by the Merit Board and became effective on October 1, 2018. Part of this finding includes the failure by the Employer to transition nine previously cited improperly exempted positions. The Employer shall immediately convert those nine positions to civil service positions, as noted above, as required by the Exemptions Procedures Manual, Title 3.3, Accountability for Exemption Authorization.

In addition, the completion of the needed review and any needed redesignation and reclassifications must be completed without additional delay.

The University System Office will follow up, requiring the production of documents as necessary to ensure that the necessary changes are implemented and maintained by the Employer.

The status and risk assessment category of this finding remains at Category 1.

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RISK ASSESSMENT CATEGORY 1 FINDING:

NON-COMPLIANCE WITH EXTRA HELP EMPLOYMENT AND POSITION LIMITATIONS

CRITERIA/STANDARDS:

- 1) *Illinois Administrative Code (Code), Section 250.70(f) Extra Help Appointments; and*
- 2) *Employment and Separation Procedures Manual, Section 2.5 Extra Help Appointments.*

Guidelines for Extra Help positions and Extra Help employees are contained in Section 250.70(f) of Title 80 of the Illinois Administrative Code as follows:

“An Extra Help appointment may be made by an employer to any position for work which the employer attests to be casual or emergent in nature and which meets the following conditions:

- A) the amount of time for which the services are needed is not usually predictable;
- B) payment for work performed is usually made on an hourly basis, and
- C) the work cannot readily be assigned, either on a straight-time or on an overtime basis, to a status employee.

An Extra Help position may be utilized for a maximum of 900 hours of actual work in any consecutive 12 calendar months. The employer shall review the status of the position at least every three calendar months. If at any time it is found that the position has become an appointment other than Extra Help, the employer shall terminate the Extra Help appointment. If an Extra Help position has accrued 900 consecutive hours, the position shall not be re-established until six months have elapsed from the date of the termination of the position.” (Illinois Admin. Code tit. 80, Ch. VI, Part 250, Section 250.70(f))

For Extra Help employees, the Code requires that “[u]pon working 900 hours, an Extra Help employee cannot resume employment in any Extra Help appointment at a place of employment until 30 calendar days have elapsed.” (Illinois Admin. Code tit. 80, Ch. VI, Part 250, Section 250.70(f))

The employer’s responsibility, as noted in the Code, Section 250.70(f), is that they “shall review the status of the position at least every three calendar months. If it is found that the position has become an appointment other than Extra Help, the employer shall terminate the Extra Help appointment.” Understanding the need for continued temporary assistance, Extra Help extensions are allowed in specific instances in accordance with procedural guidelines. (Illinois Admin. Code tit. 80, Ch. VI, Part 250, Section 250.70(f))

BACKGROUND/CONTEXT:

As mentioned in the cover letter of this report, the FY2022 Governance, Risk, and Compliance Audit timeframe at Chicago State University is February 1, 2019 – December 31, 2021. The utilization of Extra Help appointments and positions is typically reviewed and analyzed as a Category 1 Risk Assessment to determine whether both components of the 900-hour limitation were adhered to in accordance with the Illinois Administrative Code. As a practical matter, this category of importance indicates that the topic is audited during every cycle at each Employer location that routinely utilizes these appointments.

CONDITIONS/FACTS:

The Auditor reviewed 92 Extra Help appointments utilized within the audit timeframe, consisting of 68 employees and 73 positions. As documented in Table 2 below, four employees exceeded the 900-hour limitation without the required 30-day break in service:

*Table 2: FY2022 Governance, Risk, and Compliance (GRC) Audit
Extra Help Employees Exceeding the 900-hour Limitation*

<i>Employee Name</i>	<i>Actual Period of Time Worked</i>	<i>Position Number</i>	<i>Total Number of Hours</i>
██████████	8/17/2020 – 2/28/2021	XH3322-23	1032.00
██████████	2/23/2020 – 9/30/2020	XH0318-01	928.00
██████████	10/16/2019 – 6/30/2020	XH3718-01	1300.00
██████████	2/1/2019 – 6/30/2020	XH0502-02	959.00

As documented in Table 3 below, seven Extra Help positions appear to have been utilized beyond the 900-hour limitation without a six-month lapse before filling the position again. In each position, only the suffix of the position number was changed, with the job title and department remaining the same:

*Table 3: FY2022 Governance, Risk, and Compliance (GRC) Audit
Extra Help Positions Exceeding the 900-hour Limitation*

<i>Position Number</i>	<i>Actual Period of Time Worked</i>	<i>Job Title/Department</i>	<i>Total Number of Hours</i>
XH0701-07 XH0701-10 XH0701-15	7/1/2019 – 12/31/2021	Police Telecommunicator University Police	1353.50
XH0212-01 XH0212-16	7/1/2019 – 6/30/2021	Office Support Financial Affairs	1588.75
XH0701-02 XH0701-11 XH0701-14	4/16/2019 – 12/31/2020	Customer Service Asst. University Police	1069.00
X51986-06 X51986-08	7/1/2019 – 4/30/2021	Program Assistant Job Location & Dev.	1642.50
XH0212-12 XH0212-17	7/1/2019 – 5/15/2021	Office Support Financial Affairs	1171.50

X51986-05 X51986-07	5/1/2019 – 3/31/2021	Program Assistant Job Location & Dev.	1300.00
X51998-27 X51998-35	5/16/2019 – 5/15/2021	Office Support Upward Bound	1533.00

As a result of the suspension of delegated authority by the University System and the training provided to the Human Resources staff, the Auditor provided the Designated Employer Representative with Extra Help monitoring tool documents on March 21, 2022, in preparation for the next follow-up compliance check. The Auditor requested updated Extra Help compliance checks and reports as follows:

- On September 16, 2022, the Auditor reviewed an Extra Help appointment report listing six (6) employees utilized in five unique positions. There appeared to be an overlap of two individuals in position number XH0212, which totaled only 182.25 hours worked at the time this report was queried. Other hours totals were under one-hundred hours worked, therefore based on this snapshot in time, the utilization of Extra Help appointments was compliant with the Code.
- On June 29, 2023, the Auditor requested another follow-up Extra Help appointment report to conduct an additional status check. This report listed 23 employees utilized in Extra Help positions. Two employees exceeded the 900-hour limitation, as listed below. As a result, these employees have since been terminated from employment:

	7/12/2022 – 01/31/2023	907.05
	7/1/2022 – 6/30/2023	1,163.50

CAUSE/SOURCE OF CONDITION:

The previous FY2020 Governance, Risk, and Compliance Audit finding related to this topic emphasized the requirement of developing new monitoring processes in which to communicate and reinforce compliance requirements to the departments to ensure compliance with Section 250.70(f) of the Code. The root cause of this finding rests predominantly with staff inefficiencies and turnover, a lack of employment process continuity, missing or incomplete documents, and workflow gaps in the Human Resource Office.

In addition, during the previous audit, the Employer was cautioned about the practice of pooling extra help positions. As indicated in Table 3 of this finding for the current FY2022 GRC Audit, the process of pooling Extra Help positions continued despite the suspension of delegated authority. Pooling position numbers places an additional layer of complexity in the monitoring process and does not allow for the proper regulating of employee work hours. Even when suffixes are added to position numbers, it does not fully demonstrate compliance because they are indistinguishable as separate positions when they are physically located in the same department with the same job title.

EFFECT/IMPACT:

While the total number of Extra Help appointments is significantly fewer than in the previous audit, and several of the issues observed during that audit have been reduced and rectified, more frequent monitoring is needed to demonstrate full compliance with the Code.

When Extra Help appointments are utilized longer than allowed, there is an impact on the overall employment environment, which is inconsistent with the Code and Employment/Separation Procedures Manual. For example, the Office Support positions listed in Table 3 were appointed to temporary

positions and utilized beyond the 900-hour limitation, signifying the potential need for a status position and the call back of formerly laid-off employees with employment rights from the reemployment register. Even though the follow-up reports were requested following the end of the FY2022 GRC audit timeframe, the second status check on June 29, 2023, indicates that additional monitoring processes are required and necessary to fully comply with the Code.

FINDING(S) FROM PREVIOUS AUDIT(S):

As referenced in Table 4 below, non-compliance with Extra Help appointments has been cited during each audit since FY2011. [Finding Code CSU FY20-07, pages 40-43; CSU FY15-02, pages 8-10; CSU FY13-06, pages 28-30; and CSU FY11-07, pages 24-26].

Table 4: FY2022 Governance, Risk, and Compliance (GRC) Audit

History of Extra Help Appointment Audit Findings That Exceeded the 900-hour Limitation

<i>Fiscal Year</i>	<i>Audit Timeframe</i>	<i>Employee Violations</i>	<i>Position Violations</i>
<i>FY2011</i>	<i>November 1, 2008 – October 31, 2010</i>	<i>6</i>	<i>16</i>
<i>FY2013</i>	<i>November 1, 2010 – October 31, 2012</i>	<i>18</i>	<i>5</i>
<i>FY2015</i>	<i>November 1, 2012 – October 31, 2014</i>	<i>15</i>	<i>6</i>
<i>FY2020</i>	<i>November 1, 2014 – October 31, 2019</i>	<i>51</i>	<i>47</i>
<i>FY2022</i>	<i>November 1, 2019 – December 31, 2021</i>	<i>4</i>	<i>7</i>

INSTRUCTIONS FOR THE EMPLOYER:

The Employer is instructed to discontinue the use of pooled Extra Help positions permanently due to the inability to adequately monitor hours worked for these appointments. The Employer must conduct an internal workflow and process review to identify deficiencies with the Extra Help monitoring process and implement stricter position management protocols that adequately track and regulate Extra Help positions, and employees assigned to those positions, in accordance with Section 250.70(f) of the Code. If the Employer can demonstrate that the pooled positions are truly separate and distinct from one another through the submission and review of position descriptions, this finding will be modified accordingly.

Compliance with Extra Help appointment and position requirements must be validated by adequately demonstrating the proper management of this employment activity, and by adhering to strict time frame limitations. The University System will continue to request and gather periodic reports of Extra Help appointments to determine if, and when, the suspension of delegated authority for this employment activity will be returned to the Employer.

EMPLOYER’S ADMINISTRATIVE RESPONSE – SUBMITTED BY MS. LATASHA LARRY, ASSOCIATE VICE PRESIDENT OF HUMAN RESOURCES:

The University agrees with the instructions. The HR department will conduct an audit of current extra help positions to ensure compliance with not exceeding the 900-hour limitation. The results will be presented to the Civil Service office along with the plan of off-boarding extra-help employees who

exceed the 900-hour limitation. The University will implement stricter position controls for monitoring and tracking extra help positions. The plan will be shared with the Civil Service office.

ADDITIONAL AUDITOR COMMENTS:

The Auditor acknowledges the Employer's response and notes the Employer's commitment to implement the necessary practices and procedures. The University System Office notes that this is a repeat finding.

The University System Office will follow up, requiring the production of documents as necessary, to ensure that the necessary changes are implemented and maintained by the Employer.

The status and risk assessment category of this finding remains at Category 1.

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RISK ASSESSMENT CATEGORY 1 FINDING:

EMPLOYEES PAID OUTSIDE OF APPROVED SALARY RANGES

CRITERIA/STANDARDS:

- 1) *State Universities Civil Service Act (Act), Section 70/36d(3) Powers and Duties of the Merit Board; and*
- 2) *State Universities Civil Service Act (Act), Section 70/36k(1) Regional Compensation and Registers; and*
- 3) *Pay Administration Procedures Manual, Sections 1 – 3 Procedures.*

(110 ILCS 70/36d) (from Ch. 24 ½, par 38b2)

Sec 36d. "Powers and Duties of the Merit Board.

The Merit Board shall have the power and duty:

(3) To prescribe the range of compensation for each class or to fix a single rate of compensation for employees in a particular class; and to establish other conditions of employment which an employer and employee representatives have agreed upon as fair and equitable.

The Merit Board shall direct the payment of the "prevailing rate of wages" in those classifications in which, on January 1, 1952, any employer is paying such prevailing rate and in such other classes as the Merit Board may thereafter determine. "Prevailing rate of wages" as used herein shall be the wages paid generally in the locality in which the work is being performed to employees engaged in work of a similar character.

Each employer covered by the University System shall be authorized to negotiate with representatives of employees to determine appropriate ranges or rates of compensation or other conditions of employment and may recommend to the Merit Board for establishment the rates or ranges or other conditions of employment which the employer and employee representatives have agreed upon as fair and equitable. Any rates or ranges established prior to January 1, 1952, and hereafter, shall not be changed except in accordance with the procedures herein provided."

(110 ILCS 70/36k) (from Ch. 24 ½, par 38b10)

Sec. 36k. "Regional compensation and registers.

(1) The Merit Board shall have power to prescribe different ranges or rates of compensation for different places of employment within the State. In approving regional

scales of compensation, the Merit Board shall take into account the rate of compensation generally paid for similar work in the locality in which the work is to be performed.”

The Salary Data System, as described in the Pay Administration Procedures Manual, is the instrument by which pay rates and ranges are submitted and authorized. This reconciliation process captures those employees being paid outside of approved salary ranges, provides the Employer with reports as needed, and allows the Auditor to generate an Exception Report of ranges that require an update. These Exception Reports are then provided to the appropriate Employer for review and action.

BACKGROUND/CONTEXT:

As part of standard audit protocol, payroll documents are requested, and salary ranges for all Civil Service classifications are typically reviewed, analyzed, and updated under the purview of a Category 3 Risk Assessment. Ordinarily, upon notification, the Employer will make necessary corrections promptly and efficiently to prevent the risk of under compensating or overcompensating employees. When the Employer does not promptly remedy substantive payroll flags as instructed during a routine audit, it often becomes an elevated finding.

CONDITIONS/FACTS:

As mentioned in the cover letter of this report, the FY2022 Governance, Risk, and Compliance Audit timeframe at Chicago State University is February 1, 2019 – December 31, 2021. The Auditor reviewed Civil Service payroll documents submitted by the Employer to determine whether Civil Service employee salary rates were paid within established salary ranges.

On February 21, 2022, the Auditor provided the Employer with a list of ranges that required correction in the Salary Data System. This included three classifications that either had incorrect classification codes or did not have ranges submitted in the Salary Data System, four classifications with five employees paid below the minimum of the established range, and 22 classifications that had several employees paid above the maximum of the established range.

The Auditor requested that salary range corrections be made no later than March 11, 2022, and was assured by the DER that the corrections would be made immediately. Of significant concern were the five employees paid below the range minimums. The Auditor requested evidence that the five impacted employees paid below the range minimums were appropriately and retroactively paid. These impacted employees are as follows:

*Table 5: FY2022 Governance, Risk, and Compliance (GRC) Audit
Compensation Flags for Classifications and Employees Paid Below Salary Range Minimums
Submitted to Employer for Correction on February 21, 2022*

Employee	Class	Rate Being Paid	Range	Effective Date	Difference Per Hour
██████████	Program Assistant	\$18.79	\$19.86 - \$31.78	4/16/2019	\$1.07
██████	Program Coordinator	\$19.63	\$23.77 - \$34.67	12/1/2020	\$4.14
██████	Program Coordinator	\$20.49	\$23.77 - \$34.67	12/1/2020	\$3.28

██████████	Admissions and Records Associate	\$17.61	\$19.55 - \$44.00	7/13/2021	\$1.94
██████████	Publicity-Promotion Associate	\$19.23	\$19.55 - \$44.00	7/13/2021	\$.32

As of the date of this report, the retroactive salary adjustment documentation for these employees has not been received by the Auditor. The differences per hour for some of these employees are significant.

However, on March 2, 2022, the Employer made some corrections to the range minimums, in which justification was given that error corrections were being made to the range minimums. In most cases, the range minimum simply captured the employee's rate using the same effective date (see Table 5, page 28):

Details

SR_SalaryRange_AuditID 45270
 Date 03/03/2022 10:27 AM
 University/Agency Chicago State University
 Class Code 5001
 Class Title Program Assistant
 Status Active
 Minimum \$ 19.50
 Maximum \$ 31.78
 Effective Date 7/1/2021
 Rate Type R
 Work Week 37.50
 Alternate Title
 Justification Error Correction
 Wage Addendum
 Submitted by Charlie Grijalva
 Email cgrijalv@csu.edu
 Approved by Danielle Routh

Details

SR_SalaryRange_AuditID 45271
 Date 03/03/2022 10:27 AM
 University/Agency Chicago State University
 Class Code 5002
 Class Title Program Coordinator
 Status Active
 Minimum \$ 19.50
 Maximum \$ 34.67
 Effective Date 12/1/2020
 Rate Type R
 Work Week 40.00
 Alternate Title
 Justification Error Correction
 Wage Addendum
 Submitted by Charlie Grijalva
 Email cgrijalv@csu.edu
 Approved by Danielle Routh

Details

SR_SalaryRange_AuditID 45272
 Date 03/03/2022 10:27 AM
 University/Agency Chicago State University
 Class Code 5007
 Class Title Publicity-Promotion Associate
 Status Active
 Minimum \$ 19.00
 Maximum \$ 44.00
 Effective Date 7/13/2021
 Rate Type R
 Work Week 40.00
 Alternate Title
 Justification Error Correction
 Wage Addendum
 Submitted by Charlie Grijalva
 Email cgrijalv@csu.edu
 Approved by Danielle Routh

Details

SR_SalaryRange_AuditID 45272
Date 03/03/2022 10:27 AM
University/Agency Chicago State University
Class Code 5007
Class Title Publicity-Promotion Associate
Status Active
Minimum \$ 19.00
Maximum \$ 44.00
Effective Date 7/13/2021
Rate Type R
Work Week 40.00
Alternate Title
Justification Error Correction
Wage Addendum
Submitted by Charlie Grijalva
Email cgrijalv@csu.edu
Approved by Danielle Routh

Details

SR_SalaryRange_AuditID 40735
Date 07/16/2021 02:57 PM
University/Agency Chicago State University
Class Code 2753
Class Title Admissions and Records Associate
Status Active
Minimum \$ 19.55
Maximum \$ 44.00
Effective Date 7/13/2021
Rate Type R
Work Week 40.00
Alternate Title
Justification Establish classification/pay rate and range for institutional use
Wage Addendum
Submitted by Charlie Grijalva
Email cgrijalv@csu.edu
Approved by Danielle Routh

When employees are found to be paid below the range minimums during an audit, the deficiency can result in large retroactive backpay totals going back to the effective date of the range. Simply capturing the employee's rate in a newly submitted range and using the same effective date, while not compensating an employee who has been paid below the range minimum for an extended period does not correct this specific deficiency or address the overall finding.

While it may appear that updates were made in the range minimums for some of the flagged ranges overall, the project was incomplete. On April 4, 2023, the Auditor again attempted to follow up with the

Designated Employer Representative regarding this issue and indicated that corrections remained outstanding. The Auditor instructed the DER to have the ranges checked for accuracy and reconcile those employees' pay rates and ranges that required retroactive pay. The Auditor was told this was not an immediate priority; therefore, as of the date of this report, data still needs to be reconciled, and employees provided retroactive pay for being compensated below the range minimums.

CAUSE/SOURCE OF CONDITION:

Many salary rate/range adjustments were not routinely updated through the Salary Data System during the audit time frame to maintain and reconcile approved salary rate and range components. Once contacted by the Auditor to make corrections to flagged salary ranges, the Employer did not complete the task.

Coupled with this lack of attention in completing any corrections relative to this finding, the Employer also failed to submit the Fall 2022 or Spring 2023 Salary Surveys to the University System despite being reminded to do so on multiple occasions.

EFFECT/IMPACT:

Inaccurate salary information within the Salary Data System negatively impacts the credibility and integrity of published ranges utilized by the entire system in their compensation management programs. In addition, the Employer risks significant financial liability in the overpayment or underpayment of employees and non-compliance with the Act and its corresponding procedures.

FINDING(S) FROM PREVIOUS AUDIT(S):

During the FY2020 Governance, Risk, and Compliance Audit, payroll documents were submitted by the Employer to determine whether Civil Service employee salary rates were paid within established salary ranges. On December 20, 2019, the Auditor provided a list of salary range flags requiring correction in the Salary Data System. [Finding Code CSU FY20-08, pages 44-45]

INSTRUCTIONS FOR THE EMPLOYER:

As previously noted in this finding, the Employer has submitted a small number of salary range updates to the Salary Data System; however, it appears that there are still employees paid outside the established rate/range. Not later than April 30, 2024, the Employer shall:

- Submit salary range adjustments to the University System Office to correct range discrepancies.
- Provide evidence that employees paid below the range minimums are retroactively paid as of the correct effective date of the range.
- Establish proper business protocols regarding routine salary reconciliation activities by reviewing Salary Data System Reports and making salary rate adjustments accordingly as they occur.

EMPLOYER'S ADMINISTRATIVE RESPONSE – SUBMITTED BY MS. LATASHA LARRY, ASSOCIATE VICE PRESIDENT OF HUMAN RESOURCES:

The University agrees with the instructions. The HR department has taken action to update the salary ranges for April 2024. The HR department will conduct an audit to ensure all employees are paid within the approved salary ranges. Given the magnitude of this review and the magnitude of deficiencies previously cited, the HR department was unable to comply with a deadline of April 30, 2024. The HR

department is requesting a deadline of July 1, 2024, to ensure that the information is accurate and thoroughly reviewed by multiple levels of the Human Resources department.

ADDITIONAL AUDITOR COMMENTS:

The Auditor acknowledges the Employer's response. The University System Office notes that the employer waited until their Administrative Response was due before requesting additional time to provide accurate information, updated salary rates/ranges, and documents demonstrating that any employees who were paid below the minimum of the relevant pay range have received pay adjustments retroactive to the correct date of the range. These corrections and adjustments must be made without further delay.

In addition, the Employer must establish and implement procedures to ensure that this repeat finding does not recur.

The University System Office will follow up, requiring the production of documents as necessary to ensure that the necessary changes are implemented and maintained by the Employer.

The status and risk assessment category of this finding remains at Category 1.

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RISK ASSESSMENT CATEGORY 1 FINDING:

NON-COMPLIANCE WITH AUDITOR REQUEST TO CONDUCT CIVIL SERVICE DESK AUDITS

CRITERIA/STANDARDS:

- 1) *State Universities Civil Service Act (Act), Section 70/36d(3) Powers and Duties of the Merit Board; and,*
- 2) *Illinois Administrative Code (Code), Section 250.30(b)(1) The Classification Plan, Class Specifications; and,*
- 3) *Classification Procedures Manual, Section 2.1 Employer Responsibilities.*

(110 ILCS 70/36d) (from Ch. 24 ½, par 38b2)

“The Merit Board shall have the power and duty:

- (1) To approve a classification plan prepared under its direction, assigning to each class positions of substantially similar duties. The Merit Board shall have the power to delegate to its Executive Director the duty of assigning each position in the classified service to the appropriate class in the classification plan approved by the Merit Board.”

The Illinois Administrative Code (Code), Section 250.30(b)(1) The Classification Plan and Class Specifications, provide that:

“[t]he System shall maintain written specifications, as approved by the Merit Board, for each class in the classification plan. Such specifications shall include the class title, function of position, characteristic duties and responsibilities, minimum acceptable qualifications, including any special licenses or certificates required by state or federal laws, and additional desirable qualifications.” (Illinois Admin. Code tit. 80, Ch. VI, Part 250, Section 250.30(b)(1))

Positions are designated and allocated to an appropriate Civil Service classification based on a thorough position description review. In accordance with the Classification Procedures Manual, Section 2.1 Employer Responsibilities, the Executive Director has delegated to each Employer the authority to assign positions to Civil Service classifications, subject to post-action audit or review by the University System.

BACKGROUND/CONTEXT:

As mentioned in the cover letter of this report, the FY2022 Governance, Risk, and Compliance Audit timeframe at Chicago State University is February 1, 2019 – December 31, 2021. Consistent with the standards outlined in this finding, the classification of a Civil Service position is reviewed and analyzed under the purview of a Category 3 Risk Assessment. During the on-site visit, the Auditor reviews several

Civil Service positions, conducts interviews with various employees in those positions, and provides instructions to the Employer regarding the position review if a change in classification is recommended. If recommended by the Auditor, the Employer must complete a full desk audit of the position and submit their findings to the Auditor for consideration in determining whether a finding regarding this topic will be cited. As a practical matter, this risk assessment category indicates that a resolution to any findings under this topic area is easily rectified, however; only if it is addressed promptly.

CONDITIONS/FACTS:

The Auditor sampled 50 Civil Service position descriptions in preparation for the FY2022 GRC Audit. While several position descriptions appeared to be missing sections, such as organizational hierarchy, minimum acceptable qualifications, knowledge, skill, abilities, and work environment/requirements, each position description's duties were still evaluated for currency and content consistent with established procedures.

During this documentation review, it was noted that there were two position descriptions missing ([REDACTED] and [REDACTED]) and three position descriptions that appeared to be identical to the assigned classification specification ([REDACTED] , [REDACTED] , and [REDACTED]). The Designated Employer Representative stated that position descriptions were still being revamped following the FY2020 GRC Audit and would be reformatted during the yearly reviews.

As part of routine audit protocols, the Auditor selected a subset of 15 positions from the sample to review with employees in various classifications. This position review consists of a job description authentication process and a one-on-one interview with the incumbent. During this review, it was determined that four Civil Service positions and employees listed below are misclassified. A review of the position description and on-site interview with the employee suggests a move to the recommended classification.

<u>Employee</u>	<u>Current Classification</u>	<u>Recommended Classification</u>
[REDACTED]	Academic Contract Specialist	Administrative Aide or Human Resource Associate
[REDACTED]	Budget Analyst I	Budget Analyst II
[REDACTED]	Program Services Aide	Administrative Aide or Office Support Series
[REDACTED]	Inventory Clerk	Inventory Specialist

During the audit out brief on February 22, 2022, the Auditor requested that the Employer conduct desk audits of these positions. During the weekly meetings following the audit, the Auditor again reminded the DER about these desk audits and was informed that they were in process. Shortly thereafter, the DER at that time left the university.

Since the Auditor had not received documentation since the on-site audit visit on February 28, 2023, the Auditor again requested a status report regarding progress and, if desk audits had not been conducted for these positions, that it needed to be accomplished as soon as possible. The DER informed the Auditor that work would begin on this immediately. To assist the DER in completing these desk audits timely, the Auditor provided the DER with the on-site visit notes from the interviews conducted during the campus audit visit.

As of the date of this report, documentation regarding full desk audits has not been submitted to the Auditor. The Auditor was informed verbally that [REDACTED] desk audit was completed, but no documentation was forwarded to the Auditor for review and classification outcome verification. Documentation was submitted to the Auditor regarding [REDACTED], and the Auditor communicated to the DER that a Change-in-Title was required to correct a longstanding misclassification. The Auditor was also informed that [REDACTED] was no longer with the university.

While it appears that some progress may have been made, the desk audits of these four positions remain incomplete.

CAUSE/SOURCE OF CONDITION:

In at least one instance, the position has been misclassified for several years. In another instance, the completed desk audit documentation was never submitted to the Auditor for review if, in fact, it was completed. Following the post-audit conference, the Employer did not conduct the required desk audit for this position pursuant to the Auditor's request.

Ultimately, the root cause of this finding rests predominantly with staff inefficiencies and turnover, a lack of employment process continuity, missing or incomplete documents, and workflow gaps in the Human Resource Office.

EFFECT/IMPACT:

The Act requires that all Civil Service positions be accurately classified and consistent with the duties assigned to the position. Inaccurate assignment of positions to classes negatively affects the overall classification plan management process, resulting in inaccuracies related to job content, work assignments, and compensation components. For example, salary survey information is tainted by those positions that are not accurately assigned.

FINDING(S) FROM PREVIOUS AUDIT(S):

During the FY2020 Governance, Risk, and Compliance Audit, the Auditor determined that one position was found to be misclassified. During the audit out brief, the Auditor requested that the Employer conduct a desk audit of this position with a deadline of February 28, 2020. As of October 1, 2020, the Employer had not submitted this information to the Auditor. [Finding Code CSU FY20-14, pages 68-71]

INSTRUCTIONS FOR THE EMPLOYER:

The Office of Human Resources is requested to review these positions for proper classification assignment and report their findings to the Auditor no later than April 30, 2024.

EMPLOYER'S ADMINISTRATIVE RESPONSE – SUBMITTED BY MS. LATASHA LARRY, ASSOCIATE VICE PRESIDENT OF HUMAN RESOURCES:

The University agrees with the instructions. The University will review the previous positions cited in the FY 2022 audit. The HR department will make the necessary corrections to the Civil Services positions. Given the magnitude of this review and the magnitude of deficiencies previously cited, the HR department was unable to comply with a deadline of April 30, 2024. The University is requesting a deadline of July 1, 2024, to ensure that the information is accurate and thoroughly reviewed by multiple levels of the Human Resources department.

ADDITIONAL AUDITOR COMMENTS:

The Auditor acknowledges the Employer's response. The University System Office notes that the employer waited until the Administrative Response was due before requesting additional time to review and reclassify four improperly classified positions. This review and reclassification must be made without further delay.

The University System Office will follow up, requiring the production of documents as necessary, to ensure that the necessary changes are implemented and maintained by the Employer.

The status and risk assessment category of this finding remains at Category 1.