

STATE UNIVERSITIES CIVIL SERVICE SYSTEM

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January 7, 2011

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Mrs. Joanne E. Maitland
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State Universities Civil Service System

The State Universities Civil Service System respectfully submits the Final Audit Report of the Biennial Institutional Compliance Audit conducted at the Illinois Student Assistance Commission. The audit period tested was March 1, 2008 through March 31, 2010. This report is intended to communicate the final material findings, recommendations and corresponding institutional responses formulated through a comprehensive human resource compliance and operational audit. This report will be formally posted at our public website, <http://www.sucss.state.il.us/>.

On behalf of the audit staff, we thank the Illinois Student Assistance Commission and their human resource staff for a very productive audit experience. If there are any questions or a personal briefing on any item is desired, please call Lucinda M. Neitzel (217) 278-3150 ext. 239.



Lewis T. (Tom) Morelock
Executive Director

Illinois Student Assistance Commission Final Audit Report



State Universities Civil Service System Compliance Audit

January 7, 2011

Audit Period

March 1, 2008 to March 31, 2010

Prepared by:



Lucinda M. Neitzel
Audit and Advisory Services Manager

Illinois Student Assistance Commission
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Introduction

PURPOSE

The State Universities Civil Service System was created as a separate entity of the State of Illinois and is under the control of the University Civil Service Merit Board as set forth in Section 36b(3) of the State Universities Civil Service Act (Act) ([110 ILCS 70/36b\(3\)](#)). The purpose of the State Universities Civil Service System is to establish a sound program of personnel administration for its constituent employers (110 ILCS 70/36b(2)). To achieve this purpose, the Merit Board has been given a broad range of statutory powers and duties, which include the power to make rules to carry out the purpose of the State Universities Civil Service System and to appoint an Executive Director to administer the Act (110 ILCS 70/36d(11) and (12)).

As part of its statutory power, the Merit Board has promulgated rules that delegate to the Executive Director the authority and responsibility for conducting “ongoing audit programs of all Civil Service operations at all places of employment for the purpose of assuring compliance with the [Act (110 ILCS 70/36b et seq.)] and [Part 250 of the Illinois Administrative Code (Code) ([80 Ill. Adm. Code 250](#))] and for improving the programs of personnel administration of its constituent employers” ([80 Ill. Adm. Code §250.140\(c\)](#)).

This report communicates the final outcome of a comprehensive human resource operational audit, which included an on-site evaluation that was conducted August 11-13, 2010.

OVERVIEW

The following Human Resource activities were reviewed and utilized in identifying the Material and Non-Material Findings:

- **Assignment of Positions to Classes**

The Auditor completes a review of selected job descriptions for timely updates, proper administration, and correct assignment of position classifications. Additional desk audits of selected positions are conducted onsite for appropriateness of position classifications. There is also an evaluation of the Employer’s position audit process and corresponding determinations.

- **Compensation Programs**

The Auditor completes an analysis of the Employer’s use of pay rates and pay ranges, as approved by the Merit Board. An overall evaluation is then conducted of the Employer’s compensation program and initiatives to meet requirements of pay equity within the Employer’s market area.

- **Examination Program**
The Auditor conducts a review of pre-employment testing operations. This includes test administration, admission procedures of applicants to examinations, license and certification verifications, scheduling, security, and register management.
- **Administration of Employment and Separation Procedures**
The Auditor reviews the Employer's business processes and procedures related to the employment cycle, including pre-employment activities, probationary and status employment, and employment separation programs. There is also an assessment of the Employer's utilization and monitoring of non-status appointments.
- **Administration and Employment Protocols of Principal Administrative Appointments (PAA)**
The Auditor completes a review of the employment protocols and assigned responsibilities for Principal Administrative Appointments. This review is conducted to assure compliance with recognized exemption authorization procedures. The Employer's exemption forms and related position descriptions are reviewed and selected incumbent interviews are conducted for validation of approved exemptions. The audit process also includes a review of the Employer's administrative procedures related to these appointments and their approved exemption status.
- **General Review of the Employer's Human Resource Program**
The Auditor completes a general review of the Employer's human resource programs with respect to effectiveness, efficiency and levels of communication to constituencies. There is also an assessment of the recognition and interaction of human resource programs within the Employer's faculty, administrative and support staff employee groups. The impact of new technology on the recordkeeping and processing of information is also an element for review.
- **Other Follow-up Items from Previous Audit**
Other follow-up items from previous audits, as well as other matters deemed necessary and appropriate, may have been reviewed and submitted as additional audit topics.

The following staff members from the System Office, Audit and Advisory Services Division, were directly responsible for conducting various aspects of the audit:

[Lucinda Neitzel, Audit and Advisory Services Manager](#)
[Jeff Brownfield, Manager of Operations Division](#)
[Paula Mitchell, Human Resource Assistant](#)

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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) ([80 Ill. Adm. Code 250](#)), [State Universities Civil Service Procedures Manuals](#), applicable University/agency policies/procedures, and auditing standards.

SUMMARY OF MATERIAL FINDINGS

<u>Number of</u>	<u>This Report</u>
Findings	1
Repeated findings from previous audit®	0

SCHEDULE OF MATERIAL FINDINGS

<u>Item Number</u>	<u>Page</u>	<u>Description</u>
ISAC FY11-01	4	FINDINGS (STATE UNIVERSITIES CIVIL SERVICE ACT) Exemption Authorization Applied to Positions That Match Civil Service Classification Specifications

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Material Findings, Recommendations, and Institutional Corrective Action Plan

ISAC FY11-01 Exemption Authorization Applied to Positions That Match Civil Service Classification Specifications

Criteria/Standards (i.e., what should exist):

- 1) [State Universities Civil Service Act \(Act\), Section 36\(e\)](#)
- 2) [Illinois Administrative Code \(Code\), Section 250.30\(a\) Coverage](#)
- 3) [Exemption Procedures Manual, Section 1.1 Overview](#)
- 4) [Exemption Procedures Manual, Section 6.3 System Office Review](#)
- 5) [Exemption Procedures Manual, Section 8.2 Changing an Exempt Position to a Civil Service Position](#)

These guidelines provide that all positions are Civil Service, except as categorically outlined. Exemptions are allowed in accordance with procedures, requiring either documented exemption approval from the System Office or verification of exemption authorization through the position descriptions when general titles are used. Accordingly, a periodic review and update of position descriptions are required to confirm that these exemption authorizations remain valid.

Periodic job description review and update procedures may indicate that a position originally identified as a Principal Administrative Appointment (PAA) may have incorrectly been classified or may have changed to the point whereby a department now must convert this position, and any employee currently occupying these positions, to an identified and appropriate Civil Service classification.

In this respect, biennial compliance audits of University System employers will include, but not be limited to:

- 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

When it has been determined and established that the job responsibilities and duties of a position do not meet the criteria for a PAA exemption under Section 36e(3), the Employer may

be required to change the position from an exempt appointment to an appropriate Civil Service appointment in a recognized classification.

Conditions/Facts (i.e., what actually exists):

Through a review of approximately forty (40) position descriptions, including on-site interviews with various exempted employees, it was determined that three (3) exempted positions listed below were performing duties matching the specifications for various Civil Service classifications. These positions are listed below, with the corresponding Civil Service classification match.

<u>Employee</u>	<u>PAA Title</u>	<u>Civil Service Classification Match</u>
Lori Geller	Marketing & Communication Specialist	Public Information Series
Aimee Melgar	Outreach Development Specialist	Grants & Contracts Development Specialist
Sarah Wahab	Outreach Development Specialist	Grants & Contracts Development Specialist

Cause (i.e., why deficient condition occurred):

According to the Employer, 'standard' titles approved for use by the System Office were applied to the majority of the exempted positions.

Effect (i.e., impact of the problem):

A failure to establish appropriate classification plan management protocols that properly update, analyze and evaluate position descriptions leads to unauthorized exemption authorizations, utilization of inappropriate employment protocols, and non-compliance with the Act, Code and Procedures. Consequently, positions are improperly identified and appropriate Civil Service protocols circumvented, significantly increasing the possibility of employment issues.

Finding from Previous Audit:

No findings in this topic area were made during the last operational audit in FY2008.

Recommendation:

In accordance with the statutory intent and basic premise contained in [Section 36\(e\)](#) of the Act and other related procedures, the assignment of positions to Civil Service classifications when the position description matches appropriate classification specifications must take precedence over the use of exemptions through utilizing general titles.

We recommend that the Employer complete an in-depth review of the position descriptions for the positions listed to further determine if they meet the specifications of the recommended

Civil Service classifications. If it is determined that these positions match the specifications of the recommended Civil Service classifications, they should be transitioned to a Civil Service appointment as soon as possible. It is strongly recommended that these positions be moved immediately, or at the next employment contract renewal date if applicable. We refer the Employer to the [Exemption Procedures Manual, Section 8.2, Changing an Exempt Position to a Civil Service Position](#) for guidance in transitioning these positions to appropriate Civil Service appointments.

The Employer may also utilize the Pilot Program classification designations and transition the positions to be reviewed to one of these classifications if appropriate. These [Pilot Program](#) classifications utilize more flexible employment protocols and would offer a more transparent transition.

Institutional Corrective Action Plan—provided by Vicki Baba, Interim Director, Human Resources and Development

ISAC will perform the recommended in-depth review of the position descriptions for Lori Geller and Sarah Wahab. Please note that the position held by Aimee Melgar will be eliminated, therefore a review is no longer necessary. If either or both of the remaining two positions match the specifications of the recommended Civil Service classifications, we will transition those positions to Civil Service at the point in time that the annual PAA contract ends. As suggested, we will consider utilizing the Pilot Program classifications. Once our review is complete, we will inform you of the results. We appreciate your recommendations.