

STATE UNIVERSITIES CIVIL SERVICE SYSTEM

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September 13, 2012

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The State Universities Civil Service System recently conducted its scheduled Biennial Institutional Compliance Audit of the Office of Human Resources at the University of Illinois College of Medicine at Peoria. The audit period tested was February 1, 2010 through January 31, 2012. 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.

On behalf of the audit team, we thank you and the human resource staff for a very productive audit experience. If there are any questions or a personal briefing on any topic related to the audit or audit process is desired, please call Lucinda M. Neitzel at (217) 278-3150 ext. 239.

At this time, we would like to also ask for your questions, comments, or suggestions for improvement regarding the audit process by having your Human Resource audit contact person complete and return the attached Audit Process Survey. This Survey can also be found at the following website address: <http://www.sucss.illinois.gov/division.aspx?div=3&osm=c180>.

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Lewis T. (Tom) Morelock
Executive Director

University of Illinois College of Medicine at Peoria Final Audit Report



State Universities Civil Service System Compliance Audit

September 13, 2012

Audit Period

February 1, 2010 to January 31, 2012

Prepared by:



Lucinda M. Neitzel
Audit and Advisory Services Manager

University of Illinois College of Medicine at Peoria
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University of Illinois College of Medicine at Peoria **Final Audit Report**

Introduction

PURPOSE

The State Universities Civil Service System was created in 1952 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 on April 25-26, 2012.

OVERVIEW

The following Human Resource activities were reviewed and utilized in identifying the Material Finding(s):

- **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 Positions Exempt from Civil Service Guidelines

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 subjects.

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
Marchant Martinelli, Human Resource Associate
Jeff Brownfield, Manager, 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 Procedure 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</u>	<u>Page</u>	<u>Description</u>
UICOM-P FY12-01	5	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

UICOM-P FY12-01 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 70/36e Coverage
- 2) Illinois Administrative Code (Code), Section 250.30(a) Coverage
- 3) Exemption Procedures Manual, Section 1.1 Overview
- 4) Exemption Procedures Manual, Section 3.1 Principal Administrative Appointments
- 5) Exemption Procedures Manual, Section 6.3 System Office Review
- 6) 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 thirty (30) position descriptions, including on-site interviews with various exempted employees, it was determined that two (2) 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.

Employee	PAA Title	Civil Service Classification Match
Aronson, Tina	Diagnostic Specialist in Developmental Disabilities	Medical Social Services Series
Roeder, Lisa	Coordinator of Social Services	Supervisor of Medical Social Services

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

According to the Employer's payroll information, 'standard' titles as designated by System Office Procedural manuals were applied to the majority of 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.

In accordance with the statutory intent and basic premise contained in these standards, 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. Improper exemptions from Civil Service regulations can lead to a fundamental breakdown of several interrelated human resource functions; including employment status, position classification, seniority, recruitment, compensation, performance, and benefit administration.

Findings from Previous Audit:

No findings in this topic area were made during the last operational audit in FY2010.

Recommendation:

The Illinois Administrative Code, Section 250.30(a) specifically provides that the Merit Board has the authority to determine Principal Administrative Appointments (PAA) at each institution or agency. Specifically, it states that “The Director shall publish guidelines for such exemptions, as approved by the Merit Board.”

We refer the Employer to these guidelines located in the *Exemption Procedures Manual, Section 3.1, Principal Administrative Appointments*, approved by the Merit Board in June 2009. By definition, a PAA is “...an employee who is charged with high level administrative responsibilities, whose decisions are based on administrative policies, and who exercises discretion and independent judgment. In addition, a PAA can be defined as an employee who is in a position requiring knowledge of an advanced type in a field of science or learning customarily acquired by a prolonged course of specialized intellectual instruction and study...and which requires the consistent exercise of discretion and judgment, e.g., physician, attorney, engineer, architect.”

We recommend that the Employer complete an in-depth review of the position descriptions for the positions listed in this finding to further determine if they meet Civil Service classification specifications. *Specifically, positions determined to be inappropriately exempted and flagged through the compliance audit process must be reviewed as a matter of standard protocol at the next contract renewal date.* If it is determined that these positions match Civil Service classification specifications, they should be transitioned to a Civil Service appointment as soon as possible.

It is strongly recommended that positions designated to be transitioned to Civil Service appointments be moved as soon as possible, preferably at the next employment contract renewal date, but certainly no later than at such time that these positions become vacant again. 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. Please note that positions designated for transition through the audit process will be reviewed in the next biennial audit process and must be monitored by the Employer periodically.

Institutional Corrective Action Plan—provided by Melinda Swearingen, Human Resources Director

The University of Illinois College of Medicine at Peoria agrees with the biennial audit findings and agrees with the recommendation. The HR Director has reviewed each position description and has determined that the PAA positions that were identified do have a corresponding Civil Service classification match.

HR will take the required steps to transition these two positions into the appropriate Civil Service classification by the next contract renewal date. Human Resources will also notify each incumbent, according to their contract specifications, and will honor the notice requirements, that their respective positions will be converted to the designated Civil Service classification at the end of their current contract, August 15, 2013.