

STATE UNIVERSITIES CIVIL SERVICE SYSTEM

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August 5, 2009

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The State Universities Civil Service System respectfully submits the Final Audit Report of the Biennial Institutional Compliance Audit conducted at Northern Illinois University. The audit period tested was June 1, 2006 through July 31, 2008. 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 staff, 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 item is desired, please call Lucinda M. Neitzel (217) 278-3150 ext. 242.

Lewis T. (Tom) Morelock
Executive Director

Northern Illinois University Final Audit Report



State Universities Civil Service System Compliance Audit

August 5, 2009

Audit Period

June 1, 2006 through July 31, 2008

Prepared by:

Lucinda M. Neitzel
Audit and Advisory Services Manager

Northern Illinois University
Final Audit Report

Table of Contents

Introduction.....	1
Executive Summary	3
Material Findings, Recommendations, and Institutional Corrective Action Plans.....	4

Appendices

Appendix A: PAA (SPS) Position Descriptions Not Compliant with Review Standards

Northern Illinois University
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 December 15-18, 2008. An exit conference was conducted on May 5, 2009 and provided an opportunity for the Employer to discuss both the Material and Non-material findings contained in the initial Draft Audit Report. Upon completion of the exit conference and submission of the Institutional Corrective Action Plan, a Final Audit Report (Material Findings only) is sent to the Employer and a Supplemental Report (Non-material Findings) is sent to the campus/agency Human Resource Office for internal use.

OVERVIEW

The following Human Resource activities were reviewed and utilized in identifying the Material (Final Audit Report) and Non-material Findings (Supplemental Report):

- **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 desk audit process and conclusions during the time span audited.

- **Compensation Programs**

The Auditor completes an analysis of the Employer's use of pay rates and pay ranges 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, and security.

- **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 the exemption authorization provided to each employer. The Employer's exemption forms and related position descriptions are reviewed and selected incumbent interviews are conducted for further validation of approved exemption. 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:

[Jeff Brownfield, Assistant Director](#)

[Lucinda Neitzel, Audit and Advisory Services Manager](#)

[Paula Mitchell, Human Resource Assistant](#)

Northern Illinois University
Final Audit Report

Executive Summary
YEAR ENDED – FY2009

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	2
Repeated findings from previous audit®	1®

SCHEDULE OF MATERIAL FINDINGS

<u>Item Number</u>	<u>Page</u>	<u>Description</u>
NIU FY09-01		FINDINGS (STATE UNIVERSITIES CIVIL SERVICE ACT) Exemption Authorization Applied to Positions That Match Civil Service Classification Specifications
NIU FY09-02		FINDINGS (SUCSS PROCEDURE MANUALS) Principal Administrative Appointments—Non-Compliance with Triennial Review Standard for Position Descriptions®

Northern Illinois University
Final Audit Report

Material Findings, Recommendations, and Institutional Corrective Action
Plan

NIU FY09-02 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) [Principal Administrative Appointments Procedures Manual, Section 1.3 Exemption Procedures](#)
- 4) [Principal Administrative Appointments Procedures Manual, Section 1.5 Reviews of Exempted Positions](#)
- 5) [Principal Administrative Appointments Procedures Manual, Section 1.5a PAA Job Description Form](#)
- 6) [Principal Administrative Appointments Procedures Manual, Section 1.8 Changing a Principal Administrative Appointment \(PAA to a Civil Service Position\)](#)

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 standard titles are used. Accordingly, a periodic review and update of position descriptions is required to confirm that these exemption authorizations remain valid.

The Principal Administrative Appointments Procedures Manual, Section 1.8, states that "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 in this position, to an identified and appropriate Civil Service classification."

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

Through a review of approximately fifty (50) position descriptions, including on-site interviews with various exempted employees, it was discovered that four (4) exempt positions were performing duties matching the specifications for various Civil Service classifications. These positions are listed below, with the corresponding civil service classification match.

Position #	PAA Title	Civil Service Classification Match
04705	Application Support Specialist	Systems Programmer Series or Information Technology Technical Associate

04756	Information Systems Manager (Project Manager)	Information Technology Management Series or Information Technology Manager/Administrative Coordinator
04637	Editorial Associate	Editorial Series or Public Information Specialist
04401	Editorial Associate	Editorial Series or Public Information 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 FY2007.

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 the [Standard Titles](#).

We recommend that the Employer complete an in-depth review of the position descriptions for the positions listed above 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, but no later than at such time that these positions become vacant again. We refer the Employer to the [Principal Administrative Appointments Procedures Manual, Section 1.8, Changing a Principal Administrative Appointment \(PAA to a Civil Service Position\)](#), for guidance should they decide to move any of these positions immediately.

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 Steve Cunningham, Associate Vice President for Administration and Human Resources

Northern Illinois University has instituted new procedures (as a supplement to existing procedures) for updating job descriptions associated with 36(e) established positions (see *Principal Administrative Appointments Non-Compliance with Triennial Review Standard for Position Descriptions for more detail*).

As updated position descriptions are received, they will be reviewed for proper classification and exemption. Positions found to meet the specifications of the recommended Civil Service classifications will be tagged and the position transitioned to Civil Service upon the departure of the employee.

NIU believes that relatively few positions fall within the range of concerns covered by this recommendation because the existing procedure to authorize exemptions already involves a disciplined review. Additionally, in regard to the IT related positions, NIU would suggest that the auditors recognize the strong commitment that NIU has demonstrated in utilizing the pilot program.

Northern Illinois University
Final Audit Report

Material Findings, Recommendations, and Institutional Corrective Action
Plan

NIU FY09-02 Principal Administrative Appointments – Non-Compliance with Triennial Review Standard for Position Descriptions

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

- 1) [Principal Administrative Appointments Procedures Manual, Section 1.5 Reviews of Exempted Positions](#)

In reference to [Principal Administrative Appointments Procedures Manual, Section 1.5 Reviews of Exempted Positions](#), it states "...System employers shall establish and implement a cyclic review program wherein all exempt jobs are reviewed by the System employer for currency of job content and title *no less often than once every three years.*"

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

Fifty (50) principal administrative appointment position descriptions were requested as the test sample for compliance with cyclical review standards. As listed in Appendix A, sixteen (16) position descriptions were not in compliance with cyclic review procedural guidelines. This routine maintenance of position descriptions is required and critical in determining whether the job content of a position is accurate and subsequently meets basic exemption standards.

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

The Employer has not sufficiently followed established procedural requirements or business processes in properly managing and maintaining PAA position descriptions implemented since the previous compliance audit in FY2007.

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

A failure to establish a sound program of personnel administration, especially the failure to properly manage the fundamental position description component of a classification plan system, presents a multitude of serious consequences. Primarily, it significantly increased the likelihood that positions may improperly be exempted from Civil Service regulations, resulting in significant statutory violations, and leading to a fundamental breakdown of several other interrelated human resource functions, including employment status, position classification, recruitment, compensation, evaluation, performance, and benefit administration.

Classification plan management protocols include base line standards for exemption authorization and evolve simply around one central concept, an evaluation of the position description. The cornerstone of proper position control management lies with the proper administration and maintenance of the position description. This is a fundamental necessity. Without this component in place, exemption authorization simply cannot be validated resulting in significant liability consequences.

Finding from Previous Audit:

The Auditor reviewed seventy-nine (79) exempted position descriptions as part of the Employer's cyclic program review. The Auditor found that seventy (70) position descriptions were not current within three years as required by the cyclic review standard. The Auditor requested that the Employer update and verify to the System Office the position review dates of the seventy (70) positions found to be out of compliance. This update was provided to the System Office on October 9, 2007. *[Finding Code FY07, pages 11-12]*

Recommendation:

Consistent with the Principal Administrative Appointments Procedures Manual, it is recommended that the Employer emphasize the fundamental importance of adhering to their established process of periodic position development and review for all Principal Administrative Appointments/Exemptions, in accordance with the Principal Administrative Appointments Procedures Manual.

Institutional Corrective Action Plan—provided by Steve Cunningham, Associate Vice President for Administration and Human Resources

NIU business procedures have required position description updating at intervals specific to events or responsibility changes associated with a given position.

The Auditor's recommendation should take into account the institution's long standing commitment to position development and review for both Principal Administrative and Civil Service positions. Further, the employees responsible for coordinating and authorizing Principal Administrative (36(e) 3 and 4) position descriptions and exemption criteria are well trained and experienced with respect to both the classification plan and position management protocols.

In November 2008, Human Resource Services implemented an internal review of all SPS job descriptions for completeness and status of updating. In March 2009, revised protocols and procedures were issued to campus regarding the updating and maintenance of SPS job descriptions. Emphasis was placed on the creating and maintaining updated job descriptions as an important aspect of the personnel process, from both the employee and institutional perspectives and that the job description documents the evolution of position responsibilities and serves as a baseline for the evaluation of performance. It was also noted that the job description also documents the exemption of a SPS position from Civil Service. University policies, including those expressed in the Academic Policies and Procedures Manual (APPM) and State Universities Civil Service System (SUCSS) procedures, require a periodic updating of job descriptions. Consistent with the APPM (Section II, Item 9) and SUCSS procedures, the time interval for job description updating and verification was noted to be no less than every three years.

University procedures, generally outlined in the APPM, and reemphasized to campus specify the following procedures:

Individualized job descriptions consistent with activities comprising the scope of responsibility outlined in respective Supportive Professional Staff (SPS) position exemption documents should be produced for all SPS positions. Such job descriptions should also be maintained for administrative positions held by faculty having rank in academic departments. A standard outline summarizing minimal information required for the job description is described below. The job description should be completed jointly by the employee and immediate supervisor and submitted through administrative channels for review and concurrence culminating at the vice presidential or equivalent organizational level.

The new procedures were outlined as a **two phase** process. The **initial phase** targeting any missing exemption documentation and job descriptions falling outside the three-year updating guideline. The **second phase** is a continuous review and verification of all job descriptions in three-year cycles.

To assist colleges/divisions in completing the first phase, HRS provided a list of all SPS positions, including filled and vacant positions that had out-of-date job descriptions or missing information. For the second phase, which will begin in June, departments will receive a monthly listing of job descriptions that were not completed in phase one, as well as, job descriptions that will reach the three year mark in July. This will continue each month, giving the department one month to update job descriptions approaching the three year updating requirement.

As updated position descriptions are received, they will be reviewed for proper classification and exemption. Positions found to meet the specifications of the recommended Civil Service classifications will be tagged and the position transitioned to Civil Service upon the departure of the employee.

**State Universities Civil Service System
Northern Illinois University
FY2009 Compliance Audit**

Appendix A

PAA (SPS) Position Descriptions Not Compliant with Review Standards

Position Control Number	Current PAA Classification Title	Last Review Date (Cyclic Review)
4142	Coordinator	2/4/86
4273	Advisor	2/14/95
4401	Editorial Associate	3/30/05
4637	Editorial Associate	3/30/95
4028	Associate Director	6/11/96
4359	Athletic Trainer Head	5/14/97
4279	Advisor	9/30/97
4036	Associate Director	8/19/98
4223	Assistant Director	8/15/00
4327	Research Associate	10/1/02
4274	Attorney	12/17/02
4049	Assistant Director	6/9/03
4132	Coordinator	6/9/03
4756	Information Systems Manager	8/4/03
4038	Director	10/14/04
4367	Coach, Assistant	4/11/05