

STATE UNIVERSITIES CIVIL SERVICE SYSTEM

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Executive Director

September 23, 2013

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Mr. James D. Montgomery
Merit Board Vice Chair
State Universities Civil Service System

Dr. Robert D. Webb
Merit Board Member
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 Eastern Illinois University. The audit period tested was December 1, 2010 through November 30, 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 staff, we thank Eastern Illinois University 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.

A handwritten signature in black ink, appearing to read "Lewis T. Morelock", with a long horizontal flourish extending to the right.

Lewis T. (Tom) Morelock
Executive Director

Eastern Illinois University Final Audit Report



State Universities Civil Service System Compliance Audit

September 23, 2013

Audit Period

December 1, 2010 to November 30, 2012

Prepared by:

A handwritten signature in blue ink that reads "Lucinda M. Neitzel".

Lucinda M. Neitzel
Audit and Advisory Services Manager

Eastern Illinois University
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Eastern Illinois University *Final Audit Report*

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 April 1-5, 2013.

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 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 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
Danielle Routh, Human Resource Associate

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Executive Summary
YEAR ENDED – FY2013

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®	1®

SCHEDULE OF MATERIAL FINDINGS

<u>Item Number</u>	<u>Page</u>	<u>Description</u>
EIU FY13-01	5	FINDINGS (STATE UNIVERSITIES CIVIL SERVICE ACT) Exemption Authorization Applied to Positions That Match Civil Service Classification Specifications

Eastern Illinois University
Final Audit Report

**Material Findings, Recommendations, Institutional Corrective Action Plan and
Additional Auditor Comments**

EIU FY13-01 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 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) of the Act, 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 one-hundred (100) position descriptions, including on-site interviews with various exempted employees, it was determined that twenty-eight (28) exempted positions listed in **Appendix A** were performing duties matching the specifications for various Civil Service classifications. The cited positions simply do not contain the duties or level of authority and responsibility that would typically fall outside the specifications of standard professional or technical Civil Service classifications.

Prior to the distribution of this report, the Auditor initiated discussions with the Employer to determine whether seven (7) other exempted positions that would have otherwise been cited in this finding had been vacated since the on-site portion of the audit. The Employer confirmed this to be the case and has committed to a comprehensive job analysis review and conversion of these vacant positions where appropriate. As a result, these vacant positions are not cited in **Appendix A** as part of this finding.

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

According to the Employer's payroll records, '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):

The failure to establish appropriate classification plan management protocols that properly 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.

Findings from Previous Audit:

During the FY2011 Biennial Compliance Audit, a review of approximately seventy-five (75) position descriptions was conducted, including on-site interviews with various exempted employees. It was determined that twenty (20) exempted positions were performing duties matching the specifications for various Civil Service classifications. *[Finding Code EIU FY11-01, pages 4-8].*

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."

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.

The Employer is reminded that 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 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 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.

As previously discussed with the Employer, the former Pilot Program classifications (Custom Classifications) have been incorporated into our standardized classification plan and are required to be utilized in accordance with standardized Civil Service protocols. These classifications provide a more flexible and transparent transition and may be appropriate for the positions cited in this finding. *Again, it is strongly recommended that these positions be moved immediately, or at the next employment contract renewal date if applicable.*

In summary, it should be particularly noted that the manner and level of professionalism experienced through our communications with the Human Resource staff at Eastern Illinois University in addressing this complex and evolving issue has resulted in very positive business relationships with the University System Office staff. Collaborative efforts and discussions with

the Employer following the on-site portion of the audit have minimized the overall scope and impact of this finding.

The Employer has committed to the completion of an in-depth review of the twenty-eight (28) position descriptions listed in this finding to further determine if they meet the specifications of the recommended, or other appropriate Civil Service classification specifications. The System Office remains available to provide support and assistance in this respect, as well as provide guidance regarding any collective bargaining implications that may be encountered as a result of these position designation changes.

Institutional Corrective Action Plan—provided by Dr. William Weber, Vice President for Business Affairs

When vacancies or new positions occur in the referenced Principal Administrative Appointment positions, they are reviewed for appropriate Civil Service classifications by the university's compensation manager. The draft compliance audit states, "The cited positions simply do not contain the duties or level of authority and responsibility that would typically fall outside the specifications of standard professional or technical Civil Service classifications." We respectfully disagree with that assessment. In the absence of any further details or rationale, we believe that the internal reviews conducted to determine the position classifications are adequate. We note that more than 850 of our employees (more than 45%) have been placed in Civil Service classifications, a number that is nearly double the national average for institutions of our size. As incumbents resign or retire and if their positions are refilled, we will continue reviews of the positions to determine if Civil Service classifications are appropriate.

The draft compliance audit states, "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." However, improper *inclusions* of employees *into* Civil Service classifications can lead to fundamental breakdowns of many vital university functions, including the delivery of academic programs, student recruitment, student support services, athletics, campus safety, fundraising activities, and negotiations with collective bargaining agents.

Additional Auditor Comments:

The Designated Employer Representative (DER) of each university and affiliated agency is charged with the responsibility to develop and maintain protocols consistent with the statutory and procedural guidelines related to this important delegated authority. Consistent with this requirement, basic accountability standards and protocols must be properly administered through the Designated Employer Representative or the major campus Human Resource Office.

The primary component with respect to determining proper exemption designation or Civil Service classification is through the evaluation of a thorough and detailed position description.

While the Employer may disagree with the Auditor's assessment with respect to the exempted positions cited in **Appendix A**, it should be noted that only four (4) of those position descriptions contained knowledge, skills, abilities, or other technical components that could have designated them outside of recognized civil service classification specifications. Additionally, many of the duties were vague and lacked sophistication in terms of overall scope and function. In some instances, the position description was not properly captured in a commonly recognized and reasonably acceptable format, consistent with standard human resource protocols. Absent these basic and fundamental components, the Employer simply could not provide sufficient documentation to warrant or justify the exemption determination.

The Employer is again reminded that according to the Exemption Procedures Manual, ***"if a position description matches the specifications for any Civil Service classification, the position must be designated as Civil Service"***. When Civil Service classifications are available, for any position within the University System, it is required to be first considered within the Civil Service classification plan, not optional.

It is unclear what is intended from the Employer's statement, "improper *inclusions* of employees *into* Civil Service classifications can lead to fundamental breakdowns of many vital university functions, including the delivery of academic programs, student recruitment, student support services, athletics, campus safety, fundraising activities, and negotiations with collective bargaining agents." The University Civil Service System has historically contained a huge array of professional classifications designed to meet the academic support and business operations of our very diverse campus environments. Many of these professional classification structures have been upgraded and now provide a significant amount of flexibility through alternative employment protocols. Likewise, rigid performance standards may be captured and applied throughout these classification structures. The Employer has simply elected not to utilize these options which technically violates regulatory guidelines, and has directly led to some of these specific citations in this finding.

**State Universities Civil Service System
Eastern Illinois University
FY2013 Biennial Compliance Audit**

Appendix A

***Principal Administrative Appointments
Position Descriptions Matching Civil Service Specifications***

Employee Name	Title	Employment Date	Appointment Date	Annual Salary	Position Number	Recommended Civil Service Classification Options
Bays, Clinton A	Coordinator	7/1/2008	7/1/2012	\$39,648.03	A08350	Manager of Sports Facilities
Bolton, Sean M	Assistant Director of Compliance	2/7/2011	7/1/2012	\$30,678.75	A05520	Administrative Aide or Office Support Series
Boyer, Matthew	Coordinator	7/1/2006	7/1/2012	\$42,574.90	A06180	Special Events Facilitator
Cann, Kristin R	Unit Director	7/1/2006	7/1/2012	\$40,701.84	A01400	Food Service Administrator Series or Food Service Management Series
Edwards, Christine E	Financial Aid Scholarship Coordinator	6/6/2011	7/1/2012	\$45,399.96	A05250	Financial Aid Adviser Series
Holland, Kelly M	Coordinator	10/3/2011	7/1/2012	\$34,348.08	A07710	International Programs Specialist/Study Abroad Assistant Director
Holmes, Marilyn A	Coordinator, International Students	8/24/2009	1/14/2013	\$39,390.00	A07950	Graduate School Specialist
Ingle, Diane M	Assistant to the Dean, Lumpkin CBAS	7/1/2006	7/1/2012	\$58,740.81	A08840	Administrative Assistant or Business/Administrative Associate
Kidwell, David A	Assistant Director, Athletics/Sports Information	8/1/2007	7/1/2012	\$15,809.64	A92490	Administrative Aide or Events Administrator Series
Knotts, Stephen L	Coordinator, Veteran & Military Student Services	7/9/2012	1/1/2013	\$13,500.00	A0352A	Program Adviser w/Specialty Factor
Lautzenheiser, Gregory A	Assistant Director, Athletics/Sports Information	1/3/2011	7/1/2012	\$35,791.88	A08170	Sports Information Director Series
Love, Cordy	Assistant Director	6/1/2009	1/1/2013	\$43,532.88	A05430	Program Adviser
May, Amber M	Alumni Events Coordinator	9/10/2012	9/10/2012	\$30,000.00	A0215A	Assistant Director of Alumni Relations
Metzke, Marita J	Interim Program Coordinator	1/14/2013	1/14/2013	\$17,505.12	A99110	Program Coordinator Series
Miller, Betsy E	Assistant to the Dean, College of Art and Humanities	7/1/2006	7/1/2012	\$66,619.03	A08120	Administrative Assistant
Murphy, Cherise N	Asst Dir IL Higher Ed Ctr	2/21/2012	7/1/2012	\$31,309.96	A98830	Program Coordinator Series
Murray, Michael K	Director of Philanthropy	11/1/2008	7/1/2012	\$44,902.22	A98990	Development Officer
Osborne, Amber R	EIU4 Coordinator	10/1/2012	10/1/2012	\$32,004.00	A99250	Program Adviser or Program Coordinator Series
Peoples, Shawn D	Associate Director, Student Standards	7/1/2007	7/1/2012	\$50,147.36	A02080	Student Conduct Programs Series
Poffinbarger, Sheila D	Unit Director	7/1/2006	7/1/2012	\$52,244.94	A08430	Food Service Administrator IV or Food Service Manager
Sanders, Nicholas C	Admissions Counselor	7/23/2007	9/1/2012	\$43,495.00	A08990	Admissions and Records Series or Program Adviser
Schuetz, Michael L	Assistant Director	6/7/2010	7/1/2012	\$53,184.68	A04660	Curator of Art Series
Seno, Justin T	Director of Philanthropy	5/1/2012	7/1/2012	\$53,000.04	A99940	Development Officer
Shannon, Shijuana M	Admissions Counselor	7/1/2006	9/1/2012	\$53,136.00	A07760	Admissions and Records Series or Program Adviser
Solomon, Omar A	Admissions Counselor	4/25/2011	9/1/2012	\$36,816.00	A08680	Admissions and Records Series or Program Adviser
Swickrath, Mindy M	Associate Director for Recruitment, Campus Visits, & Special Events	10/1/2012	10/1/2012	\$51,504.00	A04290	Admissions and Records Series or Program Adviser
Wilson, Lindsay P	Counselor/Faculty Assistant	6/1/2012	11/1/2012	\$37,320.00	A08600	Medical Social Consultant
Zytka, Nancy R	Outreach Coordinator	11/17/2008	7/1/2012	\$33,000.00	A99080	Public Information Series