

STATE UNIVERSITIES CIVIL SERVICE SYSTEM

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August 1, 2017

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The State Universities Civil Service System has completed its scheduled Biennial Institutional Compliance Audit of the Office of Human Resources at the University of Illinois at Urbana-Champaign. The audit period tested was February 1, 2013 through January 31, 2015, with an on-site visit in June 2015 and several follow-up meeting visits with Staff Human Resources personnel. This report is to inform you that no Material Findings are being cited for this audit period.

Please note that issues regarding the designation and exemption of §36e(3) appointments (principal administrative employees) were not included in this Final Audit Report. As stated in a letter dated June 8, 2017, the University Civil Service Merit Board has directed this office to review, coordinate, and develop standards related to the exemption of positions. To this end, it is our intent to clarify the categories and processes by which exemptions are defined, implemented and reviewed, while maintaining compliance with the language of the Act. Once those standards are in place, the Auditor intends to review specific issues identified during the course of this FY2015 Audit at a later date.

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 process is desired, please contact Lucinda M. Neitzel, Assistant Director, Legal and Compliance Services Division at (217) 278-3150 ext. 224 or by email at cindyn@sucss.illinois.gov.

Sincerely,

A handwritten signature in dark ink, appearing to read 'D. DeThorne', with a long horizontal flourish extending to the right.

David L. DeThorne
Legal Counsel, Legal and Compliance Services Division

University of Illinois at Urbana-Champaign Final Audit Report



State Universities Civil Service System Compliance Audit

August 1, 2017

Audit Period

February 1, 2013 to January 31, 2015

Prepared by:

Lucinda M. Neitzel

Assistant Director, Legal and Compliance Services Division

University of Illinois at Urbana-Champaign
Final Audit Report

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University of Illinois at Urbana-Champaign **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 June 15-19 and June 22-26, 2015. Following the on-site visit, the University System Office initiated several follow-up meetings with campus Human Resource staff to discuss the evolutionary and overarching concern regarding Principal Administrative Appointments (PAA), categorized under §36e(3) of the State Universities Civil Service Act. These follow-up meetings occurred on August 11, 2015, August 31, 2015, December 4, 2015, January 22, 2016, May 5, 2016, July 8, 2016, September 13, 2016, and January 18, 2017. A Preliminary Draft Report was submitted and discussed with Human Resource staff on May 5, 2016, with a Formal Draft Audit Report presented to the Employer on July 27, 2016.

OVERVIEW

The following Human Resource activities consisted of a review of the following programs and categories:

- **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 University System Office, Legal and Compliance Services Division, were directly responsible for conducting various aspects of the audit:

Lucinda Neitzel, Assistant Director
David DeThorne, Legal Counsel
Paula Mitchell, Human Resource Assistant

University of Illinois at Urbana-Champaign
Final Audit Report

Executive Summary
YEAR ENDED -- FY2015

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	0
Repeated findings from previous audit®	0