

**STATE OF ILLINOIS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM
COMPLIANCE EXAMINATION**

For the Two Years Ended June 30, 2009

STATE OF ILLINOIS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2009

TABLE OF CONTENTS

	<u>Page</u>
Agency Officials	1
Management Assertion Letter	2
Compliance Report	
Summary	4
Accountant's Report	
Independent Accountants' Report on State Compliance, on Internal Control Over Compliance, and on Supplementary Information for State Compliance Purposes	5
Supplementary Information for State Compliance Purposes	
Summary	8
Fiscal Schedules and Analysis	
Schedule of Appropriations, Expenditures and Lapsed Balances	9
Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances	11
Schedule of Changes in State Property	12
Analysis of Significant Variations in Expenditures	13
Analysis of Significant Lapse Period Spending	14
Analysis of Operations	
Agency Functions and Planning Program	15
Average Number of Employees	17
Service Efforts and Accomplishments (Not Examined)	17

AGENCY OFFICIALS

STATE UNIVERSITIES CIVIL SERVICE SYSTEM

Executive Director	Mr. Lewis T. “Tom” Morelock
Assistant Director	Ms. Mary Follmer
Administrative Assistant II	Ms. Teresa Rademacher

Agency office is located at:

1717 Philo Road, Suite 24
Urbana, IL 61802-6099

Members of the University Civil Service Merit Board as of June 30, 2009:

Ms. Joanne E. Maitland, Vice Chair
Dr. Grace G. Dawson
Ms. Kristi DeLaurentiis
Mr. Donald W. “Bill” Griffin
Mr. Edward McMillan
Mr. James D. Montgomery
Mr. John Simmons
Rev. Richard L. Tolliver
Ms. Barbara Vella
Dr. Robert D. Webb
Vacant – University of Illinois

STATE UNIVERSITIES CIVIL SERVICE SYSTEM

Sunnycrest Center
1717 Philo Road, Suite 24
Urbana, Illinois 61802-6099



Joanne E. Maitland
Merit Board Chair
Lewis T. (Tom) Morelock
Executive Director

MANAGEMENT ASSERTION LETTER

May 5, 2010

Honorable William G. Holland
Auditor General
State of Illinois
Iles Park Plaza
740 East Ash
Springfield, IL 62703-3154

We are responsible for the identification of, and compliance with, all aspects of laws, regulations, contracts, or grant agreements that could have a material effect on the operations of the Agency. We are responsible for and we have established and maintained an effective system of, internal controls over compliance requirements. We have performed an evaluation of the Agency's compliance with the following assertions during the two-year period ended June 30, 2009. Based on this evaluation, we assert that during the years ended June 30, 2009 and June 30, 2008, the Agency has materially complied with the assertions below.

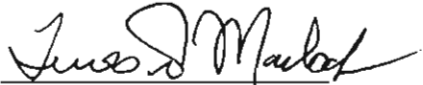
- A. The agency has obligated, expended, received and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The agency has obligated, expended, received and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The agency has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. Money or negotiable securities or similar assets handled by the agency on behalf of the State or held in trust by the agency have been properly and legally administered, and the accounting and recordkeeping relating thereto is proper, accurate and in accordance with law.

OFFICE 217/278-3150 FAX 217/278-3159 TTY 217/278-3160

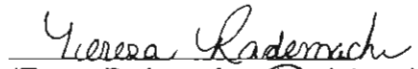
www.sucss.state.il.us

Yours very truly,

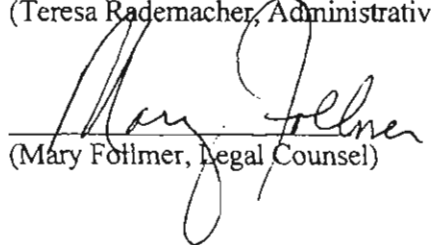
State Universities Civil Service System



(Lewis T. Morelock, Director)



(Teresa Rademacher, Administrative Assistant)



(Mary Follmer, Legal Counsel)

STATE OF ILLINOIS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2009

COMPLIANCE REPORT

SUMMARY

The compliance testing performed during this examination was conducted in accordance with *Government Auditing Standards* and in accordance with the Illinois State Auditing Act.

ACCOUNTANTS' REPORT

The Independent Accountants' Report on State Compliance, on Internal Control Over Compliance and on Supplementary Information for State Compliance Purposes does not contain scope limitations, disclaimers, or other significant non-standard language.

SUMMARY OF FINDINGS

<u>Number of</u>	<u>Compliance</u>	<u>Prior</u>
<u>Findings</u>	<u>Report</u>	<u>Compliance</u>
<u>Repeated findings</u>	<u>Report</u>	<u>Report</u>
Findings	0	0
Repeated findings	0	0
Prior recommendations implemented or not repeated	0	0

SCHEDULE OF FINDINGS

The State Universities Civil Service System did not have any current year or prior year findings.

EXIT CONFERENCE

The State Universities Civil Service System waived having an exit conference in correspondence dated April 27, 2010.

SPRINGFIELD OFFICE:
ILES PARK PLAZA
740 EAST ASH • 62703-3154
PHONE: 217/782-6046
FAX: 217/785-8222 • TTY: 888/261-2887



CHICAGO OFFICE:
MICHAEL A. BILANDIC BLDG. • SUITE S-900
160 NORTH LASALLE • 60601-3103
PHONE: 312/814-4000
FAX: 312/814-4006

OFFICE OF THE AUDITOR GENERAL
WILLIAM G. HOLLAND

INDEPENDENT ACCOUNTANTS' REPORT ON STATE COMPLIANCE,
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON
SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

Honorable William G. Holland
Auditor General
State of Illinois

Compliance

We have examined the Illinois State Universities Civil Service System's compliance with the requirements listed below, as more fully described in the Audit Guide for Financial Audits and Compliance Attestation Engagements of Illinois State Agencies (Audit Guide) as adopted by the Auditor General, during the two years ended June 30, 2009. The management of the Illinois State Universities Civil Service System is responsible for compliance with these requirements. Our responsibility is to express an opinion on the Illinois State Universities Civil Service System's compliance based on our examination.

- A. The Illinois State Universities Civil Service System has obligated, expended, received, and used public funds of the State in accordance with the purpose for which such funds have been appropriated or otherwise authorized by law.
- B. The Illinois State Universities Civil Service System has obligated, expended, received, and used public funds of the State in accordance with any limitations, restrictions, conditions or mandatory directions imposed by law upon such obligation, expenditure, receipt or use.
- C. The Illinois State Universities Civil Service System has complied, in all material respects, with applicable laws and regulations, including the State uniform accounting system, in its financial and fiscal operations.
- D. Money or negotiable securities or similar assets handled by the Illinois State Universities Civil Service System on behalf of the State or held in trust by the Illinois State Universities Civil Service System have been properly and legally administered and the accounting and recordkeeping relating thereto is proper, accurate, and in accordance with law.

We conducted our examination in accordance with attestation standards established by the American Institute of Certified Public Accountants; the standards applicable to attestation engagements contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the Illinois State Auditing Act (Act); and the Audit Guide as adopted by the Auditor General pursuant to the Act; and, accordingly, included examining, on a test basis, evidence about the Illinois State Universities Civil Service System's compliance with those requirements listed in the first paragraph of this report and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Illinois State Universities Civil Service System's compliance with specified requirements.

In our opinion, the Illinois State Universities Civil Service System complied, in all material respects, with the requirements listed in the first paragraph of this report during the two years ended June 30, 2009.

Internal Control

The management of the Illinois State Universities Civil Service System is responsible for establishing and maintaining effective internal control over compliance with the requirements listed in the first paragraph of this report. In planning and performing our examination, we considered the Illinois State Universities Civil Service System's internal control over compliance with the requirements listed in the first paragraph of this report as a basis for designing our examination procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Audit Guide, issued by the Illinois Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the Illinois State Universities Civil Service System's internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Illinois State Universities Civil Service System's internal control over compliance.

A *deficiency* in an entity's internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct noncompliance with the requirements listed in the first paragraph of this report on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control over compliance such that there is a reasonable possibility that material noncompliance with a requirement listed in the first paragraph of this report will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over compliance with the requirements listed in the first paragraph of this report was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

There were no immaterial findings that have been excluded from this report.

Supplementary Information for State Compliance Purposes

Our examination was conducted for the purpose of forming an opinion on compliance with the requirements listed in the first paragraph of this report. The accompanying supplementary information as listed in the table of contents as Supplementary Information for State Compliance Purposes is presented for purposes of additional analysis. We have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General to the 2009 and the 2008 Supplementary Information for State Compliance Purposes, except for Service Efforts and Accomplishments on which we did not perform any procedures. However, we do not express an opinion on the supplementary information.

We have not applied procedures to the 2007 Supplementary Information for State Compliance Purposes, and accordingly, we do not express an opinion thereon.

This report is intended solely for the information and use of the Auditor General, the General Assembly, the Legislative Audit Commission, the Governor, agency management, and the agency's governing board and is not intended to be and should not be used by anyone other than these specified parties.


BRUCE L. BULLARD, CPA

Director of Financial and Compliance Audits

May 5, 2010

STATE OF ILLINOIS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM
COMPLIANCE EXAMINATION
For the Two Years Ended June 30, 2009

SUPPLEMENTARY INFORMATION FOR STATE COMPLIANCE PURPOSES

SUMMARY

Supplementary Information for State Compliance Purposes presented in this section of the report includes the following:

- Fiscal Schedules and Analysis:
 - Schedule of Appropriations, Expenditures and Lapsed Balances
 - Comparative Schedule of Net Appropriations, Expenditures and Lapsed Balances
 - Schedule of Changes in State Property
 - Analysis of Significant Variations in Expenditures
 - Analysis of Significant Lapse Period Spending

- Analysis of Operations:
 - Agency Functions and Planning Program
 - Average Number of Employees
 - Service Efforts and Accomplishments (Not Examined)

The accountants' report that covers the Supplementary Information for State Compliance Purposes presented in the Compliance Report Section states the auditors have applied certain limited procedures as prescribed by the Audit Guide as adopted by the Auditor General, except for information on the Service Efforts and Accomplishments on which they did not perform any procedures. However, the accountants do not express an opinion on the supplementary information.

STATE OF ILLINOIS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Year Ended June 30, 2009

P.A. 95-0733 FISCAL YEAR 2009	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
General Revenue Fund - 001					
6 Personal Services	\$ 932,400	\$ 880,503	\$ -	\$ 880,503	\$ 51,897
State Contributions to Social Security	13,520	11,467	199	11,666	1,854
Contractual Services	247,800	220,027	5,438	225,465	22,335
Travel	12,000	5,793	-	5,793	6,207
Commodities	9,000	6,705	602	7,307	1,693
Printing	4,000	3,650	139	3,789	211
Equipment	25,500	7,167	6,380	13,547	11,953
Telecommunications	25,700	21,644	1,920	23,564	2,136
Operation of Automotive Equipment	3,300	2,454	36	2,490	810
Total Fiscal Year 2009	<u>\$ 1,273,220</u>	<u>\$ 1,159,410</u>	<u>\$ 14,714</u>	<u>\$ 1,174,124</u>	<u>\$ 99,096</u>

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM
SCHEDULE OF APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Year Ended June 30, 2008

P.A. 95-0348 FISCAL YEAR 2008	Appropriations (Net of Transfers)	Expenditures Through June 30	Lapse Period Expenditures July 1 to August 31	Total Expenditures 14 Months Ended August 31	Balances Lapsed August 31
General Revenue Fund - 001					
Personal Services	\$ 932,400	\$ 860,831	\$ -	\$ 860,831	\$ 71,569
State Contributions to Social Security	13,520	11,453	87	11,540	1,980
Contractual Services	244,500	211,921	4,855	216,776	27,724
Travel	15,200	14,555	42	14,597	603
Commodities	9,000	6,758	361	7,119	1,881
Printing	4,600	4,032	403	4,435	165
Equipment	25,500	9,139	15,397	24,536	964
Telecommunications	25,700	21,753	2,009	23,762	1,938
Operation of Automotive Equipment	2,800	1,866	308	2,174	626
Total Fiscal Year 2008	\$ 1,273,220	\$ 1,142,308	\$ 23,462	\$ 1,165,770	\$ 107,450

Note: Appropriations, expenditures, and lapsed balances were obtained from Agency records and have been reconciled to records of the State Comptroller.

STATE OF ILLINOIS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM
COMPARATIVE SCHEDULE OF NET APPROPRIATIONS, EXPENDITURES AND LAPSED BALANCES
For the Fiscal Years Ended June 30,

	Fiscal Year		
	2009	2008	2007
General Revenue Fund - 001	P.A. 95-0733	P.A. 95-0348	P.A. 94-0798
<hr/>			
Appropriations (Net of Transfers)	\$ 1,273,220	\$ 1,273,220	\$ 1,271,220
<hr/>			
<u>Expenditures</u>			
Personal Services	\$ 880,503	\$ 860,831	\$ 821,708
State Contributions to Social Security	11,666	11,540	11,205
Contractual Services	225,465	216,776	211,314
Travel	5,793	14,597	8,031
Commodities	7,307	7,119	7,375
Printing	3,789	4,435	3,516
Equipment	13,547	24,536	25,120
Telecommunications	23,564	23,762	20,482
Operation of Automotive Equipment	2,490	2,174	2,310
<hr/>			
Total Expenditures	\$ 1,174,124	\$ 1,165,770	\$ 1,111,061
<hr/>			
Lapsed Balances	\$ 99,096	\$ 107,450	\$ 160,139
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STATE OF ILLINOIS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM
SCHEDULE OF CHANGES IN STATE PROPERTY
For the Two Years Ended June 30, 2009

		<u>Equipment</u>
Balance at July 1, 2007	\$	222,698
Additions		17,483
Deletions		-
Net Transfers		<u>(13,929)</u>
Balance at June 30, 2008	\$	<u><u>226,252</u></u>
Balance at July 1, 2008	\$	226,252
Additions		23,390
Deletions		-
Net Transfers		<u>(21,624)</u>
Balance at June 30, 2009	\$	<u><u>228,018</u></u>

Note: The above schedule has been derived from Agency records which have been reconciled to property reports submitted to the Office of the Comptroller.

STATE OF ILLINOIS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM
ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES
For the Two Years Ended June 30, 2009

Significant variances in expenditures were determined to be changes of \$3,000 and at least 20% between fiscal years, and are explained below.

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2009 AND 2008

TRAVEL

The decrease was due to staff travel for an audit at the University of Illinois in Chicago and three employees attending a conference in FY08, this did not occur in FY09.

EQUIPMENT

The decrease was due to the purchase of a copier in FY08.

ANALYSIS OF SIGNIFICANT VARIATIONS IN EXPENDITURES BETWEEN FISCAL YEARS 2008 AND 2007

TRAVEL

The increase was due to staff travel for an audit at the University of Illinois in Chicago and three employees attending a conference.

STATE OF ILLINOIS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM
ANALYSIS OF SIGNIFICANT LAPSE PERIOD SPENDING
For the Two Years Ended June 30, 2009

Significant variances in lapse spending were determined to be changes of \$3,000 and at least 20% between fiscal years, and are explained below.

FISCAL YEAR 2009

EQUIPMENT

Equipment expenditures totaling \$6,380 during the lapse period were primarily due to the purchase of two laptop computers and a scanner late in FY09. The related invoices were not received and processed until the lapse period.

FISCAL YEAR 2008

EQUIPMENT

Equipment expenditures totaling \$15,397 during the lapse period were primarily due to the purchase of three computers and a copier late in FY08. The related invoices were not received and processed until the lapse period.

STATE OF ILLINOIS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2009

AGENCY FUNCTIONS AND PLANNING PROGRAM

Agency Functions

The State Universities Civil Service System (SUCSS) was created by the State Universities Civil Service Act (110 ILCS 70/36b *et seq.*) and became operative on January 1, 1952. The SUCSS has a statutory obligation to establish a sound program of personnel administration at State supported institutions of higher education and at certain allied agencies. To fulfill this obligation, the SUCSS provides the essential function of administering, developing and maintaining the basic rules and procedures related to the employment of professional (non-academic), technical and support staff at each major Illinois public higher education university and affiliated agency.

Among its many responsibilities, the SUCSS provides direct guidance and support services to universities/agencies in such areas as employment, examinations, classification plan management, salary administration, compliance audit reviews, disciplinary procedures and other business operations related to the management of support staff personnel.

The SUCSS audit team conducts a human resource operational audit at each university and higher education agency once every two years. This involves a comprehensive review of internal practices, including both document review and discussions with staff regarding a broad range of human resource-related practices.

The governing body of the SUCSS is the University Civil Service Merit Board (Board). The Board is composed of 11 members representing the public universities of the State of Illinois. Members of the Board are elected by their respective university governing boards.

The SUCSS office is located at 1717 Philo Road, Suite 24, Urbana, Illinois and serves the following public universities and agencies with respect to the employment relationship with their professional (non-academic), technical and support staff:

Chicago State University	Eastern Illinois University
Governors State University	Illinois Board of Higher Education
Illinois Community College Board	Illinois State University
Illinois Student Assistance Commission	Northeastern Illinois University
Northern Illinois University	Southern Illinois University at Carbondale
Southern Illinois University at Edwardsville	State Universities Civil Service System
Southern Illinois University School of Medicine	State Universities Retirement System
University of Illinois at Chicago	University of Illinois at Springfield
University of Illinois at Urbana-Champaign	Western Illinois University

STATE OF ILLINOIS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2009

Planning Program

The SUCSS develops an action plan each year that is a compilation of agency goals, objectives and/or initiatives. The action plans are presented each year in the SUCSS's Annual Report. The action plans developed during the period concentrate on several new initiatives focusing on customer service, communications, business process upgrade, and overall modernization of the SUCSS in general.

Other goals listed in the action plans are as follows:

1. Revise classification plans to eliminate redundancy and duplication in classification designations, upgrade associated employment protocols, and develop new testing/resume review processes;
2. The electronic web-based applicant testing system will continue to add a significant number of examinations. The testing system is available for use at all campus/agency locations, streamlining testing operations and creating a customer friendly testing interface;
3. Develop a project plan to coordinate the routine submission of raw data from an interface with each campus/agency human resource information system to be utilized in creating standardized system wide reports;
4. Update the SUCSS web site to include electronic forms, digital signature capabilities and other electronic communication options;
5. Continue to review and suggest changes to the Administrative Rules and procedures, potentially developing a legislative strategy for improvement and upgrade;
6. Evaluate staffing and facility requirements;
7. Utilize a document scanning system to create electronic files of many standard forms and historical business documents; and
8. Expand the membership of the advisory committees to obtain an even larger cross section of the overall employee constituency.

STATE OF ILLINOIS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2009

AVERAGE NUMBER OF EMPLOYEES

The following table, prepared from Agency records, presents the average number of employees, by function, for the Fiscal Years ended June 30,

<u>Division</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Administrative Division	4	5	5
Operations Division	4	3	6
Legal Services Division	1	1	1
Audit Division	3	3	1
IT Division	<u>2</u>	<u>2</u>	<u>2</u>
Total average full-time employees	<u>14</u>	<u>14</u>	<u>15</u>

SERVICE EFFORTS AND ACCOMPLISHMENTS (Not Examined)

<u>Examinations</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
New/revised/pending examinations	85	96	100
Examinations given at the institutions	25,741	26,731	24,720
Examinations reviewed for applicants per request	176	191	232

Classifications

Total class specifications	1,189	1,189	1,192
New/revised/pending class specifications developed	85	96	100
Reinstated class specification	-	-	-
Deleted class specifications	9	8	3
Training programs approved	18	24	21
Pay ranges/rates approved	2,682	2,356	3,892

STATE OF ILLINOIS
STATE UNIVERSITIES CIVIL SERVICE SYSTEM
ANALYSIS OF OPERATIONS
For the Two Years Ended June 30, 2009

SERVICE EFFORTS AND ACCOMPLISHMENTS (Not Examined)(Continued)

<u>Discharge Cases</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>
Written charges for discharge served on employees	42	63	51
Employees who requested a hearing	8	18	14
Cases withdrawn by employer before hearing	-	1	-
Cases withdrawn by employer during/after hearing	1	3	1
Cases withdrawn by employees before/after hearing	-	-	3
Employees who resigned before hearing was held	2	5	2
Employees who resigned during/after hearing held and before Merit Board decision	2	5	2
Settlement before/during/after hearing	1	1	-
Employees discharged by Merit Board	2	2	5
Employees reinstated by Merit Board	-	1	1
 <u>Audits</u>			
On site audits	10	10	8
Position descriptions reviewed	1,106	665	1,185
On-site desk audits conducted	141	120	134
Verification of pay of employees performed	11,004	9,921	9,521
Pay ranges/rates reviewed	2,187	2,498	1,947
Applicant credentials reviewed	388	279	315
Registers reconstructed	314	185	226
Student appointments evaluated	25,900	9,240	20,267
Nonstatus appointments reviewed	15,716	9,685	8,038
Active principal administrative appointments reviewed	6,646	7,971	5,561
Administrative/employee interviews conducted	119	111	112
Principal administrative appointment interviews conducted	119	111	112
Temporary upgrade assignments	1,471	16,108	1,024