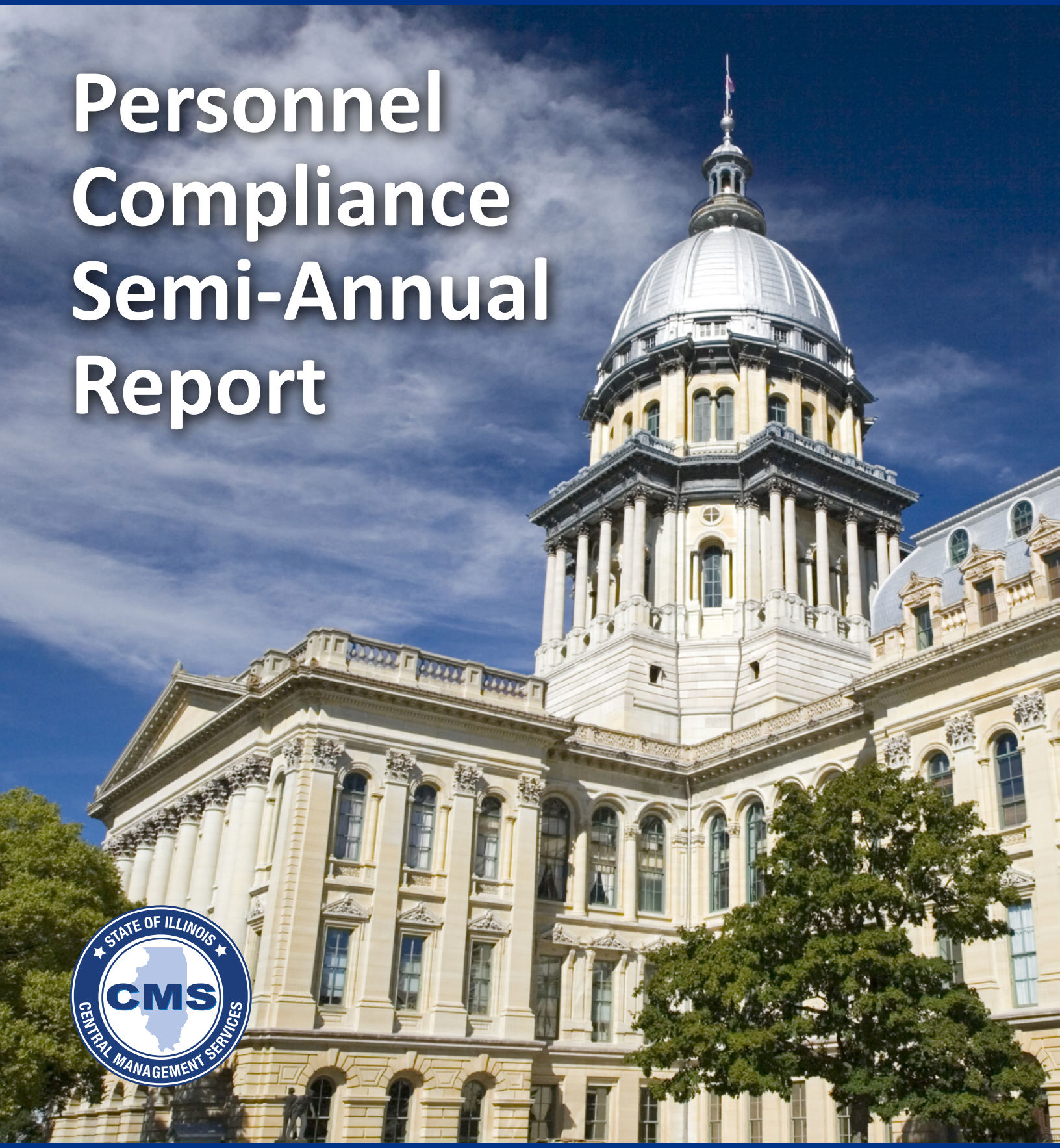
State of Illinois
Department of Central Management Services

Personnel Compliance Semi-Annual Report



March 2021

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Executive Summary

In November 2019, the State of Illinois adopted a Comprehensive Employment Plan ("CEP") which set forth the principles governing the State's hiring and employment policies and procedures for positions at agencies under the jurisdiction of the Governor. As the statutory administrator of the Personnel Code and the Governor's operational lead in personnel matters, the Department of Central Management Services ("CMS") developed and delivered statewide training to fully implement the CEP.

The CEP establishes an internal compliance function – CMS's Personnel Compliance Office – as a complement to the external compliance functions performed by the Office of the Executive Inspector General's Hiring and Employment Monitoring Division ("OEIG HEM"). The CEP directs the CMS Chief Compliance Officer/CMS Personnel Compliance to review and approve numerous hiring and employment matters.

The CEP also requires CMS to report its performance to the Governor's Office and the OEIG on a semi-annual basis – March 15 and September 15. During the six months preceding this semi-annual report, the CMS Personnel Compliance Office has conducted more than 17 hours of live training, trained more than 600 state employees on hiring and employment matters, and completed more than 860 compliance reviews for inquiries from 34 separate State agencies, boards, and commissions.

Under the leadership of the first Chief Compliance Officer, Vern Jakoby, CMS's Personnel Compliance Office is looking forward to expanding its reach of efficacy in coming months and years.

CMS Bureau of Personnel

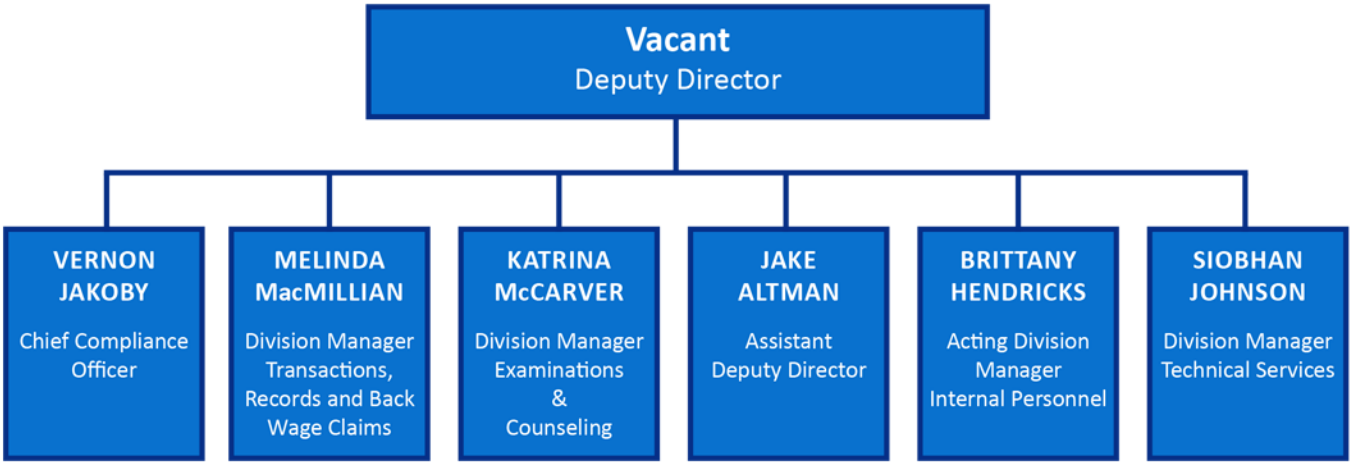
CMS is a large, multi-functional agency meeting some of the State's most complex administrative needs. One of the most critical functions CMS performs is its personnel administration functions.

The Personnel Code is a state statute that "establish[es] for the government of the State of Illinois a system of personnel administration under the Governor, based on merit principles and scientific methods." 20 ILCS 415/2. CMS is the statutory administrator of the Personnel Code, 20 ILCS 415/3, and CMS's Bureau of Personnel (BoP) is responsible for supporting external agency personnel and internal personnel functions.

BoP is aligned to the CMS Chief Administrative Officer (CAO), along with the Bureau of Labor Relations and the Office of Diversity and Inclusion and is led by a Deputy Director and Assistant Deputy Director. BoP has funded headcount for 120 employees across four operational divisions and an administrative office.

The operational divisions include (1) Examining and Counseling, (2) Transactions, (3) Technical Services, and (4) Internal Personnel. Along with the Personnel Compliance Office, the BoP Divisions of Examining and Counseling, Transactions, and Technical Services ensure compliance with the Personnel Code, CEP, and statewide personnel policies at all state agencies directly responsible to the Governor.

As the State moves toward full implementation of electronic hiring processes and integrated enterprise-wide personnel technology platform, the important work of the divisions is expected to adjust to meet the evolving needs. To be sure, BoP will continue to work to provide meaningful oversight over the integrity of the State's personnel system.



Examining and Counseling Division

The Examining and Counseling Division assesses all applications for State employment and promotion. In this way, the Division is instrumental in ensuring compliance with the State's Classification Plan and the exercise of CMS's statutory authority to determine qualified applicants for appointment.

The CMS Hiring Leads who report to Division Manager Katrina McCarver, perform important pre-posting, pre-interview, and pre-offer compliance checks in the State's electronic application process.

The Division of Examining and Counseling is also responsible for overseeing programs to assist Illinois residents seeking employment as well as state employees seeking to improve their skills and advance their careers.

- The **Veterans Outreach Program** provides State employment counseling to veterans and is responsible for verifying military service records of veterans pursuing employment with the state.
- The **Disabled Workers Program** works with state agencies to develop and expand state employment opportunities for state residents with disabilities.
- The **Upward Mobility Program** was established in 1989 through the collective bargaining process to provide AFSCME members with career counseling, education, and advancement opportunities. The program focuses on career opportunities within the areas of Information technology, office services, accounting, and human services.

Transactions, Records and Back Wage Claims Division

In addition to employee records maintenance and administering back wage claims, the Transactions Division, led by Division Manager Melinda MacMillan processes over 32,000 personnel transactions every year covering everything from hiring appointments, promotions, transfers, separations, and salary actions to dozens of other transactions. The division has been integrally important in ensuring that employee movement is completed in compliance with the Personnel Code, Personnel Rules, the CEP, the relevant collective bargaining agreement, and any of a myriad of applicable memoranda of understanding, side letters, or other resolutions.

Technical Services Division

The Technical Services Division is divided into smaller sections that include **Agency Classifications, Class Studies, Compensation,** and **Test Development.** Among other functions, this division is responsible for developing the Classification Plan and the Pay Plan and ensuring compliance with both. The Division is responsible for the creation, revision or abolition of all classes under the Personnel Code. In Fiscal Year 2020, the Division reviewed nearly 14,000 position descriptions and conducted class studies affecting over 900 individual positions.

Personnel Compliance Office – Staffing

The Personnel Compliance Office, led by the Chief Compliance Officer, provides training, meaningful oversight of hiring sequences, and is poised to grow over the next reporting period.

In addition to the compliance functions carried out by the Bureau of Personnel Divisions, the Personnel Compliance Office is tasked with numerous oversight and review functions by both the CEP and by CMS policy.

Staffing Plans for the Personnel Compliance Office

In addition to the Chief Compliance Officer, the Personnel Compliance Office will be staffed by a Training Coordinator and Compliance Officers. Additional staff are established subordinate to the Training Coordinator.

Vernon Jakoby, Chief Compliance Officer
Vernon (Vern) Jakoby was hired August 1, 2020. Vern arrived at CMS after completing a 28-year career in the U.S. Army, retiring as a Lieutenant Colonel. Prior to retiring he was the Director of Inspections in the Inspector Generals Office at the Army and Air Force Exchange Service, headquartered in Dallas, TX. In that position, he built and led a team responsible for the inspection of 4,000 locations with 35,000 employees in 34 countries. His other significant assignments include Director of Logistics for the Defense POW/MIA Accounting Agency, Commander of a U.S. Army Recruiting Battalion, and Deputy Commanding Officer of the 593rd Sustainment Brigade. Vern brings his many years of experience in performance management, setting and achieving goals, creating improvement plans, and writing performance feedback and ratings to CMS as the first-ever Chief Compliance Officer (CCO). The CCO reports to the Deputy Director of Personnel.

Training Coordinator

This position has been posted and will be filled following completion of a competitive selection hiring sequence. Interviews are scheduled for the week of March 15-19, 2021. The Training Coordinator will perform research and needs assessments on compliance data and trends to make changes to current training and create new training designed to change trends towards a positive compliance environment.

Human Resources Specialist & Human Resources Representative

The Compliance Office also includes two positions subordinate to the Training Coordinator position. These positions are designed to assist with creating curricula, presenting training sessions, and maintaining training records.

Compliance Officers

These positions are in final stages of development for posting yet this fiscal year. Compliance Officers will assist the Chief Compliance Officer with compliance monitoring of hiring sequences for the Office.

The Compliance Officers will analyze hiring data to develop risk assessments, perform compliance reviews of live and completed hiring sequences, perform proactive audit work, and complete written reports of compliance monitoring.

Personnel Compliance Office – Training

A primary objective of the Personnel Compliance Office is comprehensive and effective ongoing training. Though CMS had provided training on many of the distinct elements of the CEP, the Personnel Compliance Office conducted its first large scale training effort during this first reporting period. With feedback from its external partners, CMS developed and presented comprehensive training on the CEP over seven two-hour sessions.

CEP Training Sessions	
Session 1 – 9/22/2020 Overview; Exempt Employment Plan	Session 5 – 10/20/2020 Interviews/Evaluations
Session 2 – 9/24/2020 Position Descriptions	Session 6 – 11/17/2020 Work Performed on Less than Permanent Basis, Non-Code and Technical Positions
Session 3 – 10/6/2020 Hiring Sequence Pre-Work	Session 7 – 11/19/2020 Compliance & Reporting
Session 4 – 10/8/2020 After Posting Closes	Session 8 – 2/23/2021 Summary/Questions/Discussion

Beginning in September 2020, CMS successfully completed training for more than 340 unique participants over seven training sessions covering different parts of the CEP. The videos of the live sessions, along with the training materials, are available on the State's online training portal. As of January 31, 2021, 158 additional CEP trainings have been completed through the online portal. The final eighth session was held February 23, 2021. Trainees and HR professionals were provided the opportunity to follow-up and ask questions from previous trainings.

Other training conducted

Relationship Disclosure and Conflict of Interest Certification

CMS provided training to most agency personnel officers on a newly established form for disclosing relationship in hiring sequences prior to this reporting period. During this reporting period, the Chief Compliance Officer and CMS Senior Policy Advisor conducted training for nearly 90 staff at the Illinois Department of Transportation ("IDOT") over two presentations – September 8 and 10, 2020.

CMS also used that opportunity to train IDOT staff on use of a new form to document job assignments – assignment of staff to perform the duties of a position different from the duties of the position description of the job into which they are employed.

Compliance Reviews

The CEP and other published compliance guidance directs the Chief Compliance Officer/CMS Personnel Compliance to review and approve specific hiring and employment matters. The CEP outlines that the semi-annual report include information regarding (1) the auditing activities required by the CEP; (2) any violations of the CEP discovered, including political contacts, political discrimination, and employment hiring errors, and remedial actions recommended; and (3) any corrective actions taken by CMS and the affected agencies to address the violations.

CEP Required Reviews

Bypass Requests –The Personnel Compliance office conducts detailed reviews of agency requests to bypass a candidate for interview or a selected candidate based on employment history/background checks.

Employment Hiring Errors – Employment Hiring Errors, as that term is used in the CEP may include, but are not limited to, a failure to interview sufficient applicants without obtaining approval, alteration of hiring criteria or interview questions after the position has been posted, or a failure to score the candidates after the interview. To date the errors observed have related to a failure to obtain approval in a timely fashion.

Exempt Employment Plan Compliance - The Exempt Employment Plan, included in the CEP, contains a number of compliance touchpoints for exempt positions. CMS facilitates the vetting of agency requests to add or delete positions from the exempt list. The Personnel Compliance Office maintains the list of all exempt positions at agencies directly responsible to the Governor. This list is updated monthly and made publicly available at https://www2.illinois.gov/cms/Documents/ExemptList_w_Incumbents.pdf.

The Personnel Compliance Office receives notice of the following items related to exempt positions:

- Governor's Office's intent to fill exempt positions;
- Agency Personnel Officers' exempt position certifications; and
- Clarifications of existing exempt position descriptions.

Exempt-to-Covered Sequences – The Chief Compliance Officer performs a thorough review of hiring sequences resulting in the competitive selection of an individual who last served in an exempt position.

Hiring Plan Deviations – The CEP calls for agencies to develop a plan for competitive selection of non-exempt positions. When a situation occurs requiring the agency to deviate from that pre-established plan, the agency must seek approval to proceed. Most commonly these are a change to the interview panel or to hire below minimum qualifying score.

- **Cancel a Posting** - Requests from agencies to cancel a posting and not repost. This occurs most frequently due to the position getting eliminated.
- **Cancel a Sequence Without Making a Hire** – If, at the conclusion of a hiring sequence, the agency intends to not select any of the Candidates, the agency must submit a justification to CMS for review and approval. The agency must include in its justification requesting to cancel the hiring sequence without making a hire its plan to have the duties of the position performed until the position is filled.
- **Cancel and repost** – Requests from agencies to cancel and repost a position. In most situations this is due to not getting any applicants, not getting enough applicants to meet small pool guidance, or not having any candidates meet a minimum qualifying score.
- **Change Interviewers** – Requests from agencies to replace members of an interview panel. This can be due to illness, a conflict of interest, or other unforeseen circumstances.
- **Increase Number of Positions Filled (additional hires)** – The CEP allows for agencies to make hires using the same interview pool as late as 7 months after the first offer of employment is made.

Personal Services Contracts (PSC) – The Chief Compliance Officer has several roles concerning PSCs. For exempt PSCs, the Chief Compliance Officer must sign off on the Description of Services Form. If the PSC is with a former state employee (PSC not competitively selected), the agency must provide evidence of past satisfactory performance (last state evaluation) to the CCO prior to the start of contracted work. When an extension is requested for a PSC, the CCO must approve the action.

Potential Political Contacts - Any contact, whether in person, in writing, by telephone, by facsimile, by e-mail, or any other means from any elected or appointed official of any political party or any agent acting on behalf of an elected or appointed official or political party, attempting to affect any hiring or employment action for any Non-Exempt Position.

With the Office of the Executive Inspector General's Hiring and Employment Monitoring Division (OEIG HEM), the Personnel Compliance Office established an electronic form for the reporting of potential political contacts. That form is available to all State employees with Illinois.gov accounts here: https://ilgov.sharepoint.com/sites/CMSPoliticalContactReporting.

Other reviews

Conflict of Interest Guidance – Agencies sometimes request the CCO to review a disclosure statement and recommend whether a conflict exists.

IDOT Convert-to-Code Position hiring sequence reviews – The Chief Compliance Officer performs a thorough review prior to offering of all hiring sequences for IDOT technical positions that are converting to Personnel Code-covered positions. As of January 31, 2021, 26 of these reviews have been performed.

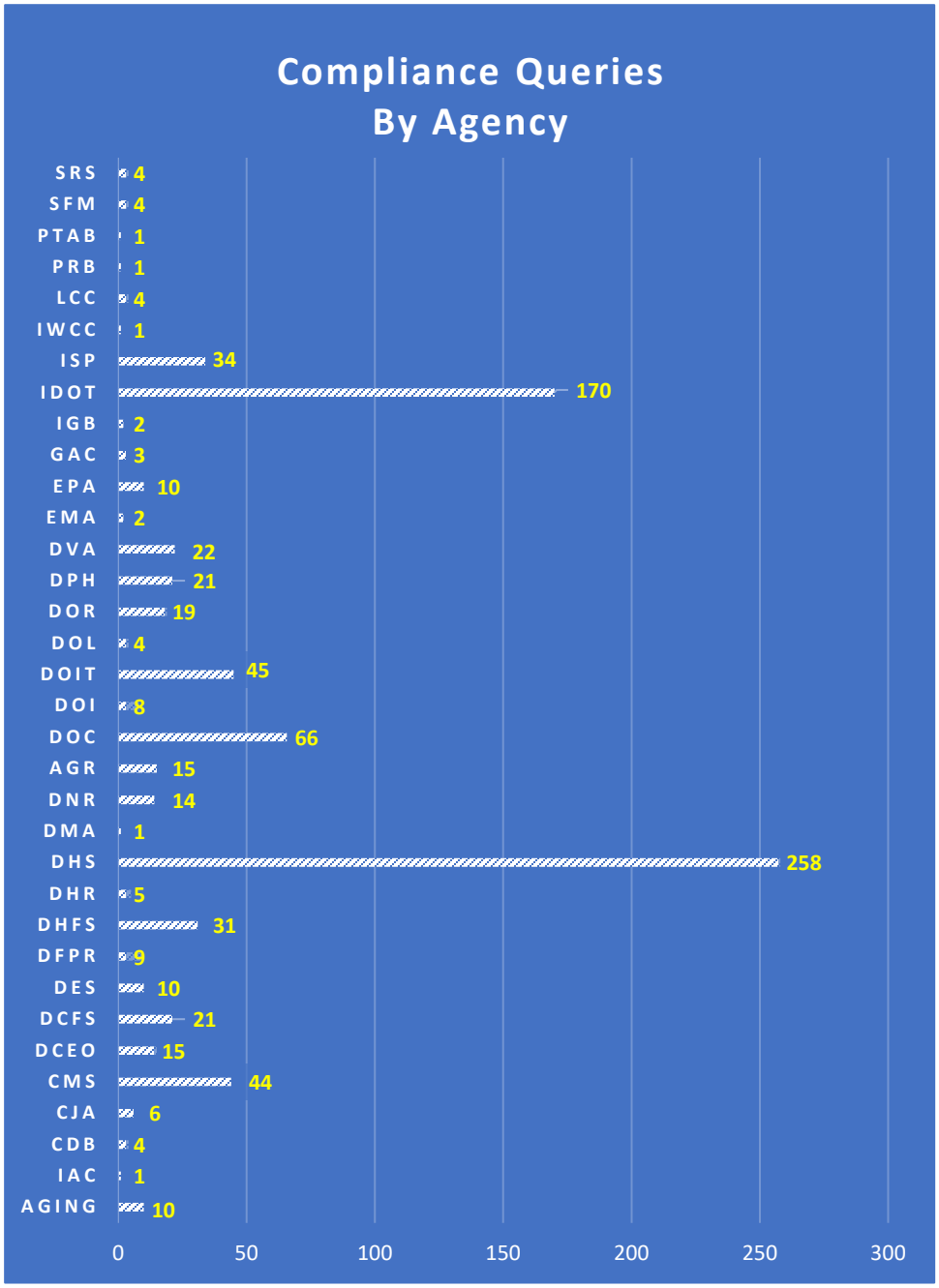
Open Competitive (OC) Screening Letters – In accordance with guidance published in June 2019, agencies must send the Draft OC Screening letter to the Compliance Office for review prior to sending it out to eligible.

Small Interview Pools – Requests from agencies to interview less than three candidates for a single vacancy or interview fewer candidates for sequences with multiple vacancies than stated in the guidance published in March 2019.

Compliance Review Audit Activity

Total Compliance Queries

For the reporting period, there were a total of **865** compliance queries submitted by **34** agencies, boards, and commissions.



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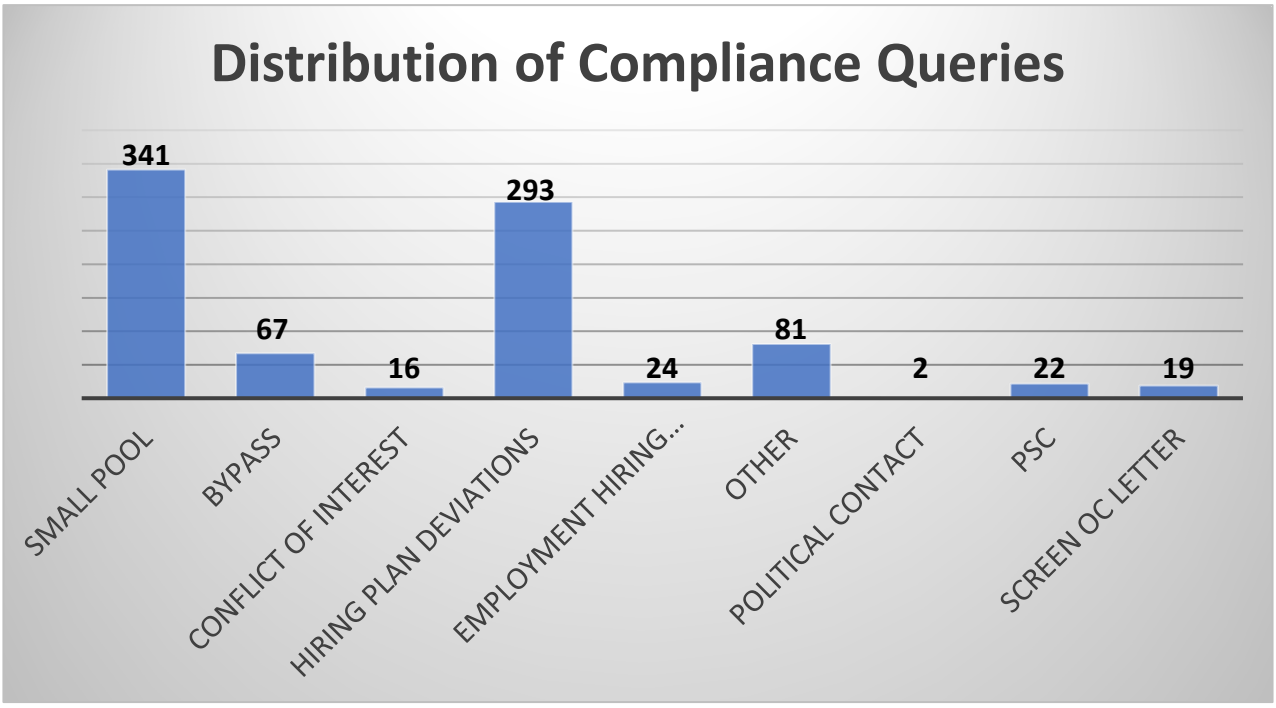


Requests to conduct interviews with smaller candidate pools account for nearly 40% (341 of 865) of the compliance queries.

Hiring Plan Deviations are next with 34% (293 of 865). This category includes any number of situations where a hiring sequence did not play out as expected, including requiring change to the interview panel, extend a posting to attract additional applicants, extend offer to a candidate who scored below the pre-established scoring threshold, make additional hires from a sequence, and canceling/closing a sequence without making a hire. Most of these requests, 71% (208 of 293), were requests to cancel and repost a position.

The 81 inquiries denoted in the "Other" category reflect inquiries that do not fall into one of the other categories. Many of these involve proactive thought partnering and problem solving rather than explicit requests for approval.

Requests to bypass a candidate accounts for 7.75% (67 of 865) of compliance requests. Usually, these requests are to move from the top candidate to the 2nd ranked candidate.

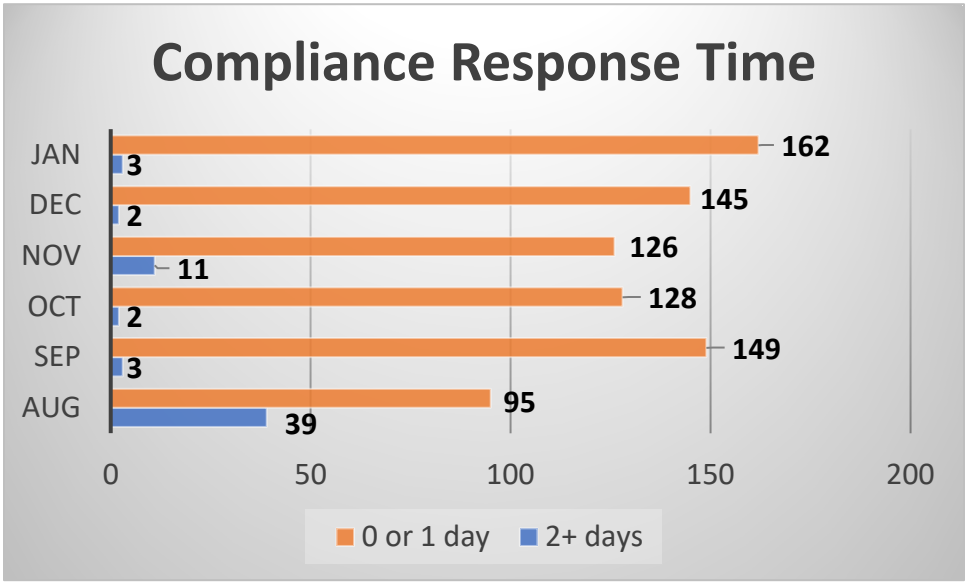
Requests for Personal Services Contracts are just 2.54% of the total (22 of 865). All but 2 of these occurred in December or January. This timing is expected, as training on PSC processes did not occur until mid-November.

Agencies sent 19 requests to screen open competitive lists, including review of proposed correspondence as directed in the June 2019 CMS Memorandum "Clarification on Working Open Competitive Lists." These accounted for 2.20% of the total.

Requests to review conflicts of interest disclosed in *Relationship Disclosure and Conflict of Interest Certification* forms account for 1.85% (16 of 865) of queries.

Timely Responses

The Personnel Compliance Office worked to provide timely and actionable replies to organizations. The goal is to provide a same day response, or at the latest the next day. What slows this down are the queries that require a referral outside of compliance to either gather more data or receive a reply with the recommended action to take. For this reporting period compliance replied the same day or the next day 93% of the time.



Employment Hiring Errors

"Employment Hiring Errors" are also reported in CMS's semi-annual report. The CEP definition is the following:

> *Any violation of the policies set forth in this CEP… An Employment Hiring Error may include, but is not limited to, a failure to interview a sufficient number of Applicants without obtaining approval, alteration of hiring criteria or interview questions after the position has been posted, or a failure to score the Candidates after the interview.*

During this reporting period, CMS is reporting 24 instances of Employment Hiring Errors. Of these errors, 22 of them were untimely requests either from older hiring sequences or a lack of understanding of the agency's obligation of when to request to repost or proceed with a small pool.

It appears that the CEP training is having a positive impact. The Personnel Compliance Office has seen a reduction in the number of untimely requests, which should result in significant decrease of "Employment Hiring Errors."

Only two substantive Employment Hiring Errors were reviewed by Personnel Compliance during this reporting period.

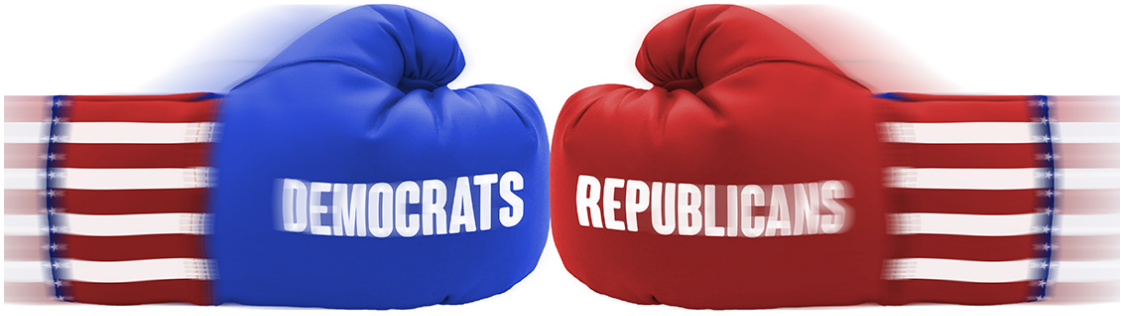
Given the increased hiring and challenges related to the pandemic, DHS's Bureau of Recruitment and Selection had assigned some hiring sequences to HR staff that were assigned outside BRS. One such assigned sequence involved interviews of candidates from the open competitive list. The detailed staff member mistakenly offered and hired the highest-ranking interviewee (a non-veteran) over a veteran of the same grade category. Working with CMS Transactions, the agency received compliance approval to make an additional hire off the open competitive list to extend an offer to the veteran whose absolute hiring preference was not afforded without separating the non-veteran who was both the most qualified candidate and had already begun work at the agency.	During this reporting period, IDOT requested Compliance approval related to a 2019 hiring sequence for three AFSCME-represented, Personnel Code-covered vacancies. IDOT exhausted internal bidders, qualified promotional applicants, and external candidates from the OC list. However, the agency failed to clear the statewide promotional list to receive a "B Commitment" from CMS Transactions prior to making an offer to an applicant with a B promotional grade. When processing the promotion paperwork in fall 2020, CMS Transactions flagged this missing step. The selected employee had been successfully performing in the promotional role since February 2020, and the review of the hiring sequence reflected extensive competitive selection, albeit with one missing step.

Political Discrimination

Instances of political discrimination, or allegations thereof, are also required to be reported on a semi-annual basis. The CEP provides a comprehensive definition of political discrimination.

Any positive or negative employment action based on Political Reasons or Factors involving an Applicant, Candidate or State employee applying for, being considered for or holding a non-exempt position.

No allegations of Political Discrimination have been raised or otherwise discovered during this period.



Political Contacts

CMS also provides notice of reports of political contacts. The CEP provides a detailed definition of political contacts required to be reported.

Any contact, whether in person, in writing, by telephone, by facsimile, by e-mail, or any other means from any elected or appointed official of any political party or any agent acting on behalf of an elected or appointed official or political party, attempting to affect any hiring or employment action for any Non-Exempt Position. Any unsolicited contact (i.e. contact not solicited by the agency to verify employment or check references) related to a Non-Exempt Position directed to any personnel involved in an employment action is considered a Political Contact.

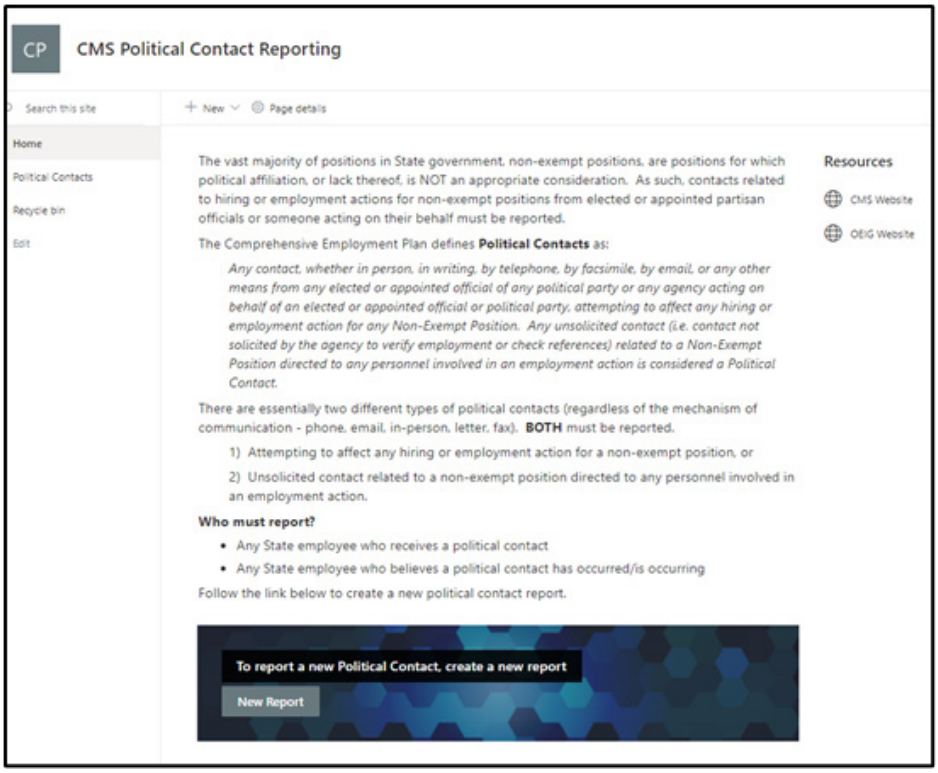
During this reporting period, CMS Personnel Compliance analyzed two reported political contacts related to the same sequence:

Following the training on political contact reporting in November 2020, IDOT reported having received contact from an Illinois mayor supporting an applicant for a seasonal snowplow driver position. Upon review of this applicant's materials, in addition to his application, the applicant included a letter of recommendation authored by a U.S. Representative. Both of these communications were reportable political contacts.

In response, the Chief Compliance Officer conducted a thorough review of the entire hiring sequence. This review reflected a lack of evidence that the political contacts affected the outcome of the sequence. The hiring documents revealed that the candidate was appropriately ranked third of those interviewed. Because IDOT was filling three positions, Personnel Compliance approved IDOT's extending an offer to the candidate.

Training on the CEP's political contact reporting obligations occurred during session 7 of the CEP training on November 19, 2020.

In order to better facilitate efficient reporting and seamless transmission of potential political contacts to both the CMS Personnel Compliance and OEIG HEM, CMS created a SharePoint site for reporting. The online report form can be accessed by any State employee with an Illinois.gov account. Reports may also be directed to the Chief Compliance Officer at (217) 558-3093 or the OEIG at (312) 814-5600 or (888) 261-2734 (TTY).

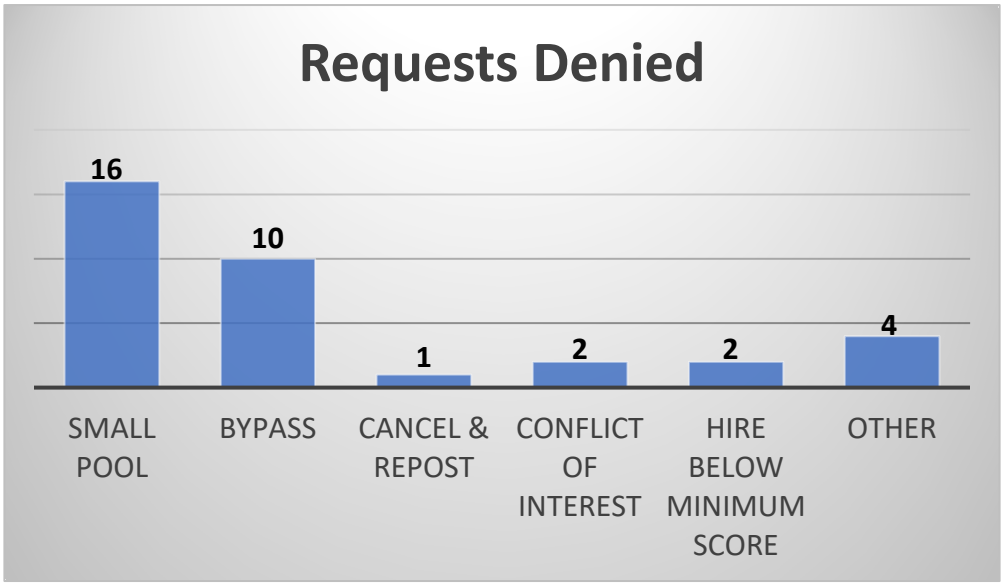


Remedial and Corrective Actions

During the reporting period, the Personnel Compliance Office uncovered two substantive Employment Hiring Errors. Neither of these Employment Hiring Errors required remedial or corrective action. Assessment of each situation reflected a mistake unlikely to be replicated. Most importantly, neither mistake called into question the integrity of the competitive selection process.

Despite the evolving obligations and expectations on HR staff during this reporting period, most agencies were quick to seek guidance when issues arose in a hiring sequence. More often than not, the agency HR staff raising a potential compliance issue simultaneously proposed remedial actions or solutions for consideration by the Chief Compliance Officer.

This partnership between the agencies and Compliance throughout the last six months, resulted in Compliance denying an agency request only 36 times, or 4.16%, of the 865 total queries. While maintaining a constant focus on compliance with the CEP, Personnel Code, Personnel Rules, and other regulations, the Personnel Compliance Office successfully worked with agencies to reach compliant solutions to the challenges they were facing more than 95% of the time.



Future Compliance Efforts

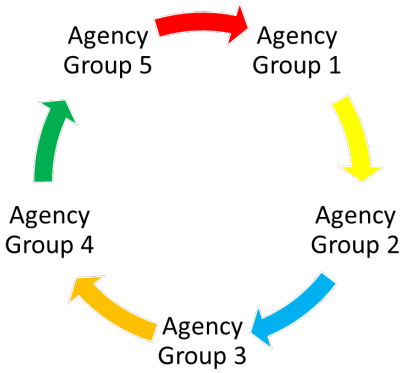
As the Compliance Team moves toward full capacity, the Personnel Compliance Office plans to develop a proactive compliance model using the **Teach, Train, and Assist model**. With this methodology, Personnel Compliance will teach and train of state personnel on the CEP and other compliance-related policy, procedures, systems, and processes to help agencies improve, while identifying and resolving patterns of noncompliance. In execution, the Personnel Compliance Office will explain and teach current policy, explain how specific systems function or are designed, share lessons learned from other agencies that "got it right," and provide informational updates on new or emerging policy.

A proactive Personnel Compliance Office is a useful thought partner when challenges arise, assisting agencies with decision making, actions, and recommendations to remain compliant. The Chief Compliance Officer performs this function currently along with the CMS Senior Policy Advisor. Another part of assistance is done by disseminating information, innovative ideas, good news stories, and lessons learned.

Additionally, the Personnel Compliance Office is exploring how it can more closely collaborate with OEIG HEM. The vision for this is to develop a multi-year audit cycle in which compliance reviews are performed that focuses on hiring sequence performance as well as providing targeted training to agencies based on hiring errors, HEM advisory data, and other data trends captured over periods of time. These reviews will use all three functions mentioned earlier – teach, train, and assist.

A joint effort compliance review will give an agency, board, or commission a periodic look at their performance, practices, and how well they align with state guidance on compliance and human resources. These are opportunities to teach, train, and assist personnel in depth on current processes, reviews of past errors, and the effectiveness of fixes put in place to stop errors from occurring.

Multi-Year Review Cycle



With this report, the first compilation of compliance data took place. As the Compliance Office grows, so too will the use of compliance metrics. This could include measurements such as reporting categories, agency reporting rate, difference between report and incident date, closure rate, follow up rate, referral rate, and intake method.

Resources and Contacts

Questions about this report , please contact Chief Compliance Officer Vernon Jakoby.

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Compliance requests can be directed to
CMS.PersonnelCompliance@Illinois.gov

Reports of Political Contacts should be submitted at:
https://ilgov.sharepoint.com/sites/CMSPoliticalContactReporting

This report will be made publicly available at
https://www2.illinois.gov/cms/About/Reports/Pages/default.aspx