

## EXECUTIVE DIGEST

### BUREAU OF LABOR RELATIONS AND COMMISSION AFFAIRS

---

#### **INTRODUCTION**

This report contains the results of our performance audit of the Bureau of Labor Relations and Commission Affairs, Department of Civil Service, for the period October 1, 1992 through December 31, 1994.

---

#### **AUDIT PURPOSE**

This performance audit was conducted as part of the constitutional responsibility of the Office of the Auditor General. Performance audits are conducted on a priority basis related to the potential for improving effectiveness and efficiency.

---

#### **BACKGROUND**

The *Rules of the Civil Service Commission* state that there shall be procedures for grievances and appeals. These procedures and related activities are under the jurisdiction of the Bureau.

The purpose of these procedures is to provide an orderly system of resolving employee disputes in an equitable and timely manner without fear of reprisal.

The Bureau also performs service functions for the Department of Civil Service and the Civil Service

Commission, as well as administrative functions for the State Board of Ethics.

For fiscal year 1993-94, the five program areas reviewed in this audit accounted for approximately \$1.5 million (28%) of total Bureau expenditures of approximately \$5.4 million. As of December 31, 1994, 18 of 54 total Bureau employees were assigned to these five program areas.

---

**AUDIT OBJECTIVES,  
CONCLUSIONS, AND  
NOTEWORTHY  
ACCOMPLISHMENTS**

**Audit Objective:** To assess the effectiveness and efficiency of the Bureau's administration of the employee relations policy rule of the Civil Service Commission; the Statewide grievance and appeals procedure, including appeals to the Employment Relations Board; the processing of cases presented to the State Board of Ethics; and the preparation of informational and educational communication and video production services.

**Conclusion:** We concluded that the Bureau was reasonably effective and efficient in administering the employee relations policy, including Employment Relations Board appeals; the processing of cases presented to the State Board of Ethics; and the preparation of informational and educational communication and video production services to allow the Bureau to carry out its program objectives. However, we concluded that the Bureau's administration of the Statewide grievance and appeals procedure related to the hearings function required significant improvements to the productivity of the hearing officer partnership, the timeliness of case hearings and decisions, and the management information system (Findings 1 through 3).

**Noteworthy Accomplishments:** In response to our prior audit, the Bureau has begun designing a computerized case tracking system. This system is being designed to monitor case processing by Bureau staff and to provide accurate and useful management information reports.

**Audit Objective:** To assess the effectiveness of the internal control structure over selected activities administered by the Bureau.

**Conclusion:** We concluded that the internal control structure over selected activities administered by the Bureau was reasonably effective and our assessment did not disclose any material weaknesses. However, we noted reportable conditions related to supplemental employment, competitive bidding, and court reporter invoices (Findings 4 through 6).

**Audit Objective:** To assess compliance with provisions of State and federal laws and regulations that could have a material effect upon the Bureau's administration of the employee relations policy rule; the Statewide grievance and appeals procedure, including appeals to the Employment Relations Board; and the processing of cases presented to the State Board of Ethics.

**Conclusion:** Our assessment of the Bureau's compliance with State and federal laws and regulations did not disclose any material instances of noncompliance. However, we noted reportable conditions related to supplemental employment, competitive bidding, and court reporter invoices

(Findings 4 through 6). These findings are reported under the internal control structure objective in this report.

---

**AUDIT SCOPE  
AND  
METHODOLOGY**

Our audit scope was to examine the program and other records of the Bureau of Labor Relations and Commission Affairs for the period October 1, 1992 through December 31, 1994. Our audit was conducted in accordance with *Government Auditing Standards* issued by the Comptroller General of the United States and, accordingly, included such tests of the records and such other auditing procedures as we considered necessary in the circumstances.

To accomplish our audit objectives, we conducted preliminary surveys of Bureau programs and evaluated, on a test basis, Bureau activities to achieve performance objectives. In addition, we evaluated the Bureau's efforts to comply with applicable State and federal laws and regulations.

---

**AGENCY  
RESPONSES  
AND PRIOR AUDIT  
FOLLOW-UP**

Our audit report contains 6 findings and 7 corresponding recommendations. The Department agreed with all but 1 of the recommendations. In addition, the Department informed us that it has taken, or is in the process of taking, steps to comply with the recommendations with which it concurred.

The Bureau complied with 11 of the 13 prior audit recommendations included in our current scope of audit. The remaining 2 recommendations are repeated in this audit report.