

**TESTIMONY ON CIVIL SERVICE LAW REFORMS**

**HOUSE VETERANS AFFAIRS AND EMERGENCY  
PREPAREDNESS COMMITTEE**



**Auditor General Jack Wagner  
March 7, 2012**

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Department of the Auditor General  
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Good afternoon, Chairman Barrar, Chairman Sainato, and members of the Veterans Affairs and Emergency Preparedness Committee.

Thank you for the opportunity to discuss potential changes to the state's Civil Service Law.

As Pennsylvania's independent fiscal watchdog, the Department of the Auditor General is responsible for making sure that the tax dollars of hard-working Pennsylvanians are spent efficiently, effectively and for their intended purpose. The department audits government agencies and programs at the state and local level that receive state funds, or Federal funds that are passed through state government.

Pennsylvania, as you are aware, is home to one of the largest veterans' populations in the nation, with more than 1.1 million citizens who have proudly served our nation. As a Vietnam veteran, I have made veterans' issues a priority throughout my life as a public official. I sat on the Veterans Affairs committee during my ten years as a member of the state senate and, as a senator in 1995, I was part of a successful effort to save the 911<sup>th</sup> Airlift Wing in Moon Township, Allegheny County, when threatened with closure by Base Realignment and Closure Commission. In addition, during my first year as auditor general, I held six breakfast meetings with veterans across the state to hear their issues and issued a report that was sent to the governor.

One of the most important reports I have issued as auditor general was a 2008 special performance audit of the State Civil Service Commission's Veterans' Preference Program.

Pennsylvania's present law regarding veterans' preference requires state agencies to hire any veteran who possesses the requisite qualifications and whose name appears in the top three on

any eligible job list that is certified and provided by the State Civil Service Commission. The purpose of Pennsylvania's Veterans' Preference Program is to give veterans credit for the discipline and experience represented by their military training and for the loyalty and public spirit demonstrated by their service to our nation.

Veterans' preference refers to the additional benefits given to qualifying veterans. By authority of the Military Affairs Act of 1975 and the Civil Service Act, eligible veterans receive 10 additional points to their Civil Service test score and have mandatory hiring preference if the veteran has one of the three highest exam scores for the position. In addition, a hiring agency may give preference to any qualified veteran on a job list regardless of where his or her score falls on the list.

We began our special performance audit following a complaint I personally received from a military veteran, who said that the commonwealth had not been applying veterans' preference in its employment decisions or had been applying the preference in an unsatisfactory manner.

Our audit, which covered the period July 1, 2002 to June 30, 2006, found that the State Civil Service Commission was lax in its administration and oversight of the Veterans' Preference Program. Specifically, our auditors found that 25 state agencies filled at least 569 Civil Service employment positions without considering eligible veterans whose test scores ranked among the three highest for each position. State agencies filled two-thirds of the employment vacancies by discarding employment lists that included the names of qualified veterans and instead used employment lists that excluded veterans seeking jobs with the commonwealth.

Our auditors also found that at least 26 job positions were not filled with veterans because agencies requested multiple employment lists for the same job position, changing the county work location, and subsequently hired from a list that did not have a veteran within the top three highest scores. Auditors also found that agencies opted not to generate employment lists that included veterans seeking employment when filling another 512 positions.

**The** Civil Service Commission must require all agencies to fill positions from Civil Service employment lists that include qualified veterans seeking employment, unless agencies provide

written justification in using other employment lists. For a state agency to fill a vacant civil service position, it must first request employment lists from the State Civil Service Commission. The agency will hire an applicant from one of the requested employment lists and cancel the other lists not used. The Civil Service Commission indicated it has certain monitoring tools, including a post-audit process, of who was hired and an employment list review process. However, my auditors found deficiencies in the Civil Service Commission's monitoring efforts that need improvement.

As part of administering the Veterans' Preference Program, the Civil Service Commission must ensure that adequate controls, including written procedures and supervisory review, are in place so that application information is processed accurately and promptly, and that the applicant's final scores are correctly determined and entered properly into the computer system. Hiring qualified people is vital for the commonwealth in order to provide essential programs and services to the citizens of Pennsylvania. The Veterans' Preference Program is an instrument to aid the State Civil Service Commission in hiring qualified individuals because veterans possess discipline and experience as a result of their military service. I think that anyone who reads our audit will likely conclude that the Civil Service Commission did not do all it could to enforce the SPIRIT of the law.

We called on the State Civil Service Commission to tighten its oversight to take advantage of this excellent program, as an instrument to aid in hiring qualified individuals to do the work Pennsylvania citizens count on every day. To improve the program's effectiveness, for Pennsylvania taxpayers and veterans alike, our special performance audit made 19 recommendations, 13 of which the commission implemented before the release of our audit. Most importantly, we recommended that the Civil Service Commission should:

- Require all agencies to fill positions using lists that include veterans seeking employment with the commonwealth, unless agencies provide written justification for the need to request and fill positions from other types of lists;
- Improve the post-audit process to include a comparison of the canceled employment list with the employment lists used to hire in order to ensure that veterans' preference is not circumvented;

- Develop written policies and procedures for processing veterans' preference forms, including date-stamping and monitoring to ensure data are processed in a timely manner; and
- Establish computer controls to eliminate agencies' capability to hire applicants by using canceled employment list through the state computer system.

The one recommendation that I felt was the most important was requiring one of the members of the Civil Service Commission to be a veteran. At the time, I argued that having a veteran on the board would make sure that veterans' perspectives would always be considered and it would reassure Pennsylvania's proud military veterans that their voices were being heard.

I want to commend the members of this committee, Governor Corbett, and the entire General Assembly for setting this requirement into law, with the passage of Act 76 of 2011. As the unemployment rate for veterans returning from Iraq and Afghanistan remains stubbornly high, it is comforting to know that a fellow veteran will be on the commission to look out for their best interests.

With regard to the bills that are the focus of this hearing, I would like to express my support for all of them because we should be doing all we can to help veterans obtain jobs during these tough economic times.

House Bill 985 is a much-needed bill because there could be veterans applying for jobs through the Civil Service Commission who are not aware of veterans' preference. Requiring a statement about it on the commission's website and promotional materials make everyone aware that such a benefit exists.

House Bill 1090 would essentially guarantee that any qualified veteran who scores well enough on the civil service examination will be hired because it would require that if a veteran is among the three highest ranking available candidates for a position, he or she must be hired.

House Bill 1092 is a valuable bill that provides additional assistance for veterans seeking employment through the civil service system. The Office of Veteran Advocate will represent the interests of veterans before the Civil Service Commission, and will ensure that veterans have a voice before the commission, and any court, agency or local government entity initiating proceedings affecting veterans.

House Bill 1152 codifies into law that veterans receive 10 points on the civil service examination and veterans' preference for municipal jobs, which is something that should already be common practice, but that ensures veterans will receive the benefit they deserve when applying for jobs at the local level.

House Bill 1262 creates the Civil Service Board of Appeals to hear appeals from the final determination of actions by the State Civil Service Commission. The creation of a board of appeals is significant because it will allow veterans and other candidates the opportunity to appeal the decisions that they feel are wrong.

In closing, I would like to reiterate my support for these bills because they provide valuable benefits to Pennsylvania's veterans. Thank you for the opportunity to speak today and I will be happy to answer your questions.

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