



## SUMMARY



# A Limited Review of the S.C. Human Affairs Commission

## EMPLOYMENT AND HOUSING CASES

### INTRODUCTION

Members of the General Assembly requested that we conduct an audit of the S.C. Human Affairs Commission (SCHAC). We were asked to review human resources issues and the use of agency funds. Additionally, we were asked to address board vacancies, constituent services, and complaint investigations. SCHAC is responsible for administering and enforcing laws to prevent and eliminate unlawful discrimination.

The agency was created in 1972 and is governed by a nine-member board. The Governor appoints one member from each district, with the advice and consent of the Senate, and two at-large members.

As of August 1, 2014, SCHAC had 29 full-time equivalent (FTE) positions, with a budget of \$2,242,042, of which \$1,613,939 are state general funds. SCHAC receives federal funds from the U.S. Equal Employment Opportunity Commission (EEOC) and the U.S. Department of Urban Housing and Development (HUD).

The S.C. Human Affairs Commission (SCHAC) maintains a contract with the U.S. Equal Employment Opportunity Commission (EEOC) to resolve cases of alleged employment discrimination in South Carolina. The agency also has a cooperative agreement with the U.S. Department of Urban Housing and Development (HUD) to process housing discrimination complaints in the state. We reviewed the requirements of EEOC and HUD regarding the resolutions of cases by SCHAC and reported on the number of cases completed, timeliness of the cases, reimbursement for cases, and whether SCHAC met its obligations to EEOC and HUD.

### EMPLOYMENT

EEOC and SCHAC are authorized by law to prevent unlawful employment practices and retaliation against filing on the basis of an individual's race, religion, color, sex, age, national origin, or disability. SCHAC can receive complaints from the public or from the EEOC. SCHAC has continued to meet its contracts and has increased its total number of cases completed from 767 in FFY 11-12 to 985 in FFY 13-14.

State law requires employment complaints be filed with SCHAC within 180 days from the date of violation. There is no timeliness criterion for completing cases and SCHAC does not have a formal standard; however, SCHAC's goal is to complete cases in 180 days. The average time to resolve a case has increased from 202 days in FFY 11-12 to 249 days in FFY 13-14. According to an agency official, this timeframe is affected by the experience of investigators. For example, six of the nine employment investigators have worked at the agency for two years or less. While SCHAC has met the EEOC caseload obligations, we recommend that the agency establish a formal timeliness standard for completing cases.

### HOUSING

Federal and state law make it unlawful to discriminate on the basis of race, color, religion, sex, familial status, or national origin, and, in some cases, handicap, in relation to: the sale or rental of property; residential real estate transactions; the provision of brokerage services; or the interference, coercion, or intimidation of the aforementioned rights. SCHAC can receive alleged discriminatory housing complaints from either the public or from complaints referred by HUD.

State law requires housing complaints be filed with SCHAC within 180 days from the date of the discriminatory incident. Both federal and state law require a resolution within 100 days of filing, with some exceptions. The agreement between SCHAC and HUD does not specify a quantity of cases to be resolved, rather, outlines performance criteria for reimbursement. In FFY 12-13 and FFY 13-14, SCHAC met the majority of performance requirements in administering the law.

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## HUMAN RESOURCES

We reviewed human resources areas including the experience and training of the management staff and the executive director (Commissioner), staffing levels, promotional practices, and the employment status of agency staff. Based on available documentation, we found that agency management staff, including the Commissioner, have the required experience and training for their positions. However, the agency should update its position descriptions and require college transcripts, when appropriate.

As of August 1, 2014, the agency employed 29 full-time equivalent (FTEs), 4 full-time temporary employees, and 1 agency head. This is in contrast to 17 employees in January 2011 when the agency's state appropriations were reduced significantly. There has been one in-agency promotion since 2009. Salaries at SCHAC range from \$22,440 to \$58,920, excluding the Commissioner's state-appropriated salary of \$104,070. Some employees were given merit raises, with the largest being 5%. We could not clearly determine if these merit raises were appropriate since the agency did not regularly evaluate staff. We recommend that the agency complete annual evaluations for a systematic and reliable justification for promotions and raises.

## USE OF AGENCY FUNDS

We were asked to review whether the agency used its funds appropriately and effectively to carry out its mission. We included the use of HUD grant funds and procurement practices. We found minor infractions in the use of grant funds and agency procurements. In FFY 12-13, the agency had applied approximately \$30,000 in HUD grant funds toward unauthorized administrative costs. The agency is repaying HUD and the FFY 13-14 performance assessment commended the agency on its improvement in reporting and recordkeeping requirements. We also reviewed the frequency, amount, and source of outside consultative services and other non-agency staff. We did not find that the procurement of these services were excessive or inappropriate; however, the agency should always procure goods and services according to the procurement code.

## ADMINISTRATIVE ISSUES

The audit requesters asked whether the lack of a full board has had an impact on the agency and if the current board members are knowledgeable or qualified to assist the Commissioner in improving the agency. As of October 23, 2014, the board had seven of nine members. There are no qualifications for board members in state law, but current board members include business owners, a county employee, a retired school teacher, and a pastor. The majority of the members are serving their second terms and have served past their term limits because no appointments for their seats have been made. We recommend that the Governor appoint citizens to serve as board members for those current members serving expired terms and for vacancies on the board.

S.C. Code §1-13-40(j) requires SCHAC to annually submit a written report to the Governor and General Assembly of its activities and recommendations. The agency has used the annual accountability report to comply with this law. We found that the accountability report includes the pertinent information found in the previously-published annual reports; therefore, we recommend the General Assembly amend the law to delete the requirement of the annual report.

### FOR MORE INFORMATION

Our full report, including comments from relevant agencies, is published on the Internet. Copies can also be obtained by contacting our office.

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