1999 SENATE GOVERNMENT AND VETERANS AFFAIRS
SB 2291

#### 1999 SENATE STANDING COMMITTEE MINUTES

#### BILL/RESOLUTION NO. SB 2291

Senate Government and Veterans Affairs Committee

☐ Conference Committee

Hearing Date January 29, 1999

Tape Number	Side A	Side B	Meter #
1		X	3540-5670
Committee Clerk Signa	ature Qwo_	( ale	

Minutes: CHAIRMAN KREBSBACH opened the hearing on SB 2291 which relates to the inclusion of the teaching staff of institutions of higher education in the in the state classified service. SENATOR WAYNE STENEHJEM, district 42, Grand Forks, primary sponsor of the bill introduced the legislation to the committee. This bill is really kind of a cleanup of a discrepancy that exists within our statutes and policies. In January 1992, Governor Sinner and the University System Chancellor Doug Treadway signed a memorandum of agreement providing that the state board of higher education could develop, implement and manage a position classification system for university system employees separate from that administered by the state personnel board. A copy of that memo is attached. Then the state personnel board affirmed that by a unanimous vote in February of 1992. A copy of that is also attached. The 1993 session of the legislature then authorized the transfer of one full time equivalent position from central personnel to the state board of higher education to administer the classification for

Page 2 Senate Government and Veterans Affairs Committee Bill/Resolution Number SB 2291 Minutes Hearing Date January 29, 1999

the university system. The university system has continued to manage this separate classification system for its employees since that 1992 memorandum of agreement. So that's the way things have been since 1992. But then, last year there was an audit of statewide personnel systems by the state auditors office and questions arose about possible conflicts between the state statute that we have here for amendment and the memorandum of agreement. The attorney general in her response to the state auditors office has recommended that the state board of higher ed and central personnel pursue this statutory reclassification for clarification. The proposed legislation resolves questions raised by the state auditors office and provides clear statutory reference for the statewide higher education to continue management of their separate classification system. So basically this is the way that it's been done since 1992. The question arises because they have never changed this section of the code even though the legislature has obviously acquiesced in the status quo since 1992. So that is the purpose of this bill. SENATOR DEMERS-What kind of changes do you anticipate for faculty when this change is made? SENATOR W. STENEHJEM-I don't anticipate any change because this will simply codify and recognize the status of what has been going on since 1992 and it would utilize their classification system as it currently exists. SENATOR WARDNER-Does this affect the current hiring practices of the university system and also in reference to like um? SENATOR STENEHJEM-The only intention that I have in this bill is to simply repeal the section that is in concert with the memorandum of agreement and to recognize that the university system's administering this and has since 1992 and to do nothing that is to allow them to administer as they have been. LARRY ISSAK, CHANCELLOR OF NDUS appeared before the committee. A copy of his written remarks is attached. Questions were offered by CHAIRMAN KREBSBACH and SENATOR

Page 3 Senate Government and Veterans Affairs Committee Bill/Resolution Number SB 2291 Minutes Hearing Date January 29, 1999

DEMERS. There was some discussion as to the fact that perhaps the title of this bill needs to be changed as it tends to confuse the issue and the reader. DAN LEROY Director of the Central Personnel Division addressed the committee. He indicated that this has been a process that has worked to the advantage of higher ed and the central personnel division. They have had the freedom over the last number of years to try a number of things, some of which have worked very well and some maybe didn't work quite so well. We've had the opportunity to watch what they have done. They've had the opportunity to watch what central personnel does. There have been a number of times when we have worked together on these things. This process has worked rather well. We believe that this kind of arrangement that continues what has been going on is beneficial for the state. No further testimony was offered in support of, neutral position, or opposition to SB 2291. The hearing was closed at this time. COMMITTEE ACTION--A motion to amend SB 2291 was made by SENATOR DEMERS, seconded by SENATOR STENEHJEM. There was no discussion. ROLL CALL VOTE indicated 7 YEAS, 0 NAYS, 0 ABSENT OR NOT VOTING. A motion for DO PASS AS AMENDED was made by SENATOR W. STENEHJEM, seconded by SENATOR DEMERS. There was no discussion. ROLL CALL VOTE indicated 7 YEAS, 0 NAYS, and 0 ABSENT OR NOT VOTING. SENATOR STENEHJEM will carry the bill.

# **FISCAL NOTE**

(Return origina	l and	10	copies	)
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Bill/Resolution No.:	SB 2291	Amendment to:	
equested by Legisla	tive Council	Date of Request:	1-19-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

#### Narrative:

There is no fiscal impact anticipated since higher education classified employees have been exempt from the state's classification system since 1992 under a written memorandum of understanding. The 1993 legislative assembly transferred a personnel analyst position from the Central Personnel Division to the NDUS Office to assist with the separation of functions. As a result, no additional fiscal changes are needed.

## 2. State fiscal effect in dollar amounts:

	1997-99		1999	-2001	2001-03	
	Biennium		Biennium		Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						7
Expenditures						

3. What, if any, is the effect of this measure on the budget for your agency or department:

For rest of 1997-99 biennium: None

For the 1999-2001 biennium: None

c. For the 2001-03 biennium: None

4. County, city, and school district fiscal effect in dollar amounts:

1997-99			1999-2001				2001-03	
Biennium		Biennium				Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

Signed: Your Olath	

Typed Name: Laura Glatt

Department: North Dakota University System

Phone Number: 328-4116

Date Prepared: 1-20-99

Date: 1/29/99 Roll Call Vote #:

# 1999 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. 2291

Senate	GOVERNMENT AND V	ETERA	N'S AI	FAIRS		Comn	nittee
Sub	committee on						
	or Inference Committee						
Legislati	ive Council Amendment Nur	mber _					
Action T	Taken Move	to	Ame	nd	***		
Motion 1	Made By Sen. De	Mers	See By	conded Sen	Stenel	ijem	Þ.
	Senators	Yes	No	Senators	}	Yes	No
SENA	TOR KREBSBACH	V					
SENA	TOR WARDNER	V,			DE 1		
SENA	TOR KILZER	V/					
	TOR STENEHJEM						
	TOR THANE	V					
SENA	TOR DEMERS	V					
SENA	TOR MUTZENBERGER						
Total	(Yes)		No				
Absent		0					
Floor As	ssignment						<b>M</b>

If the vote is on an amendment, briefly indicate intent:

Date: 1/29/99 Roll Call Vote #: 2

# 1999 SENATE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. 29/

Senate GOVERNMENT AND VETERAN'S AFFAIRS					nittee
Subcommittee on					
or Conference Committee					
Legislative Council Amendment Nun	iber _				
Action Taken	Pass	5 0	is Amended	-	
Motion Made By  Sen. Ste	rehjer	See By	conded Sen Del	hers	
Senators	Yes	No	Senators	Yes	No
SENATOR KREBSBACH	V				
SENATOR WARDNER	1/				
SENATOR KILZER	1/				
SENATOR STENEHJEM	0			-	
SENATOR THANE	V				
SENATOR DEMERS SENATOR MUTZENBERGER	/			+	
SENATOR MOTZENBERGER					
				+	
				1	
Total (Yes)		No	, 0		
Absent	(	)			
Floor Assignment <u>Sen.</u>	W,	5	tenehjem		
If the vote is on an amendment, briefly	y indica	te inten	it:		

REPORT OF STANDING COMMITTEE (410) February 1, 1999 9:08 a.m.

Module No: SR-20-1551 Carrier: W. Stenehjem

Insert LC: 98303.0101 Title: .0200

# REPORT OF STANDING COMMITTEE

SB 2291: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2291 was placed on the Sixth order on the calendar.

Page 1, line 2, replace "inclusion" with "exemption" and replace "in" with "from"

Renumber accordingly

1999 HOUSE GOVERNMENT AND VETERANS AFFAIRS

SB 2291

# 1999 HOUSE STANDING COMMITTEE MINUTES

## BILL/RESOLUTION NO. SB 2291

House Government and Veterans Affairs Committee

☐ Conference Committee

Hearing Date 2-25-1999

Tape Number	Side A	Side B	Meter #			
2	X		49.9 - 59.2			
Committee Clerk Signature & wc Coll Dunns						

<u>Minutes</u>: Some of the individuals testifying submit written testimony. When noted please refer to it for more detailed information.

Representative Klein, Chairman of the GVA Committee opened the hearing on February 25, 1999.

<u>Summary of the Bill</u>: Relating to exemption of teaching staff of institutions of higher education from the state classified service.

# Testimony in Favor:

<u>Larry Isaak</u>, ND University System submitted a written testimony which he read in it's entirety (**please refer to his testimony**). The word teaching staff in the title of the bill is broader than teaching staff. Includes employees.

Senator Stenehjem, Appeared before the committee in support of this bill.

Testimony in Opposition: None.

Page 2 House Government and Veterans Affairs Committee Bill/Resolution Number SB 2291 Hearing Date 2-25-1999

Committee Action:

Representative Hawkin, Made a motion for a Do Pass.

Representative Grande, Seconded the motion.

Motion Passes: 15-0 Do Pass.

Representative Hawken, Is the carrier for the bill.

		Date:	2-95-99
Roll Call Vote #:	_\		

# 1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES BILL/RESOLUTION NO. 53 2294

House GOVERNMENT AND VETERANS AFFAIRS					nittee			
Subcommittee on								
or								
Conference Committee								
Legislative Council Amendment Num	nber _							
Action Taken Ou Pass	Action Taken Ou Pass							
Motion Made By  Seconded  By  RANCE								
Representatives	Yes	No	Representatives	Yes	No			
CHAIRMAN KLEIN	1/		REP. WINRICH					
VICE-CHAIR KLINISKE								
REP. BREKKE	V	×						
REP. CLEARY	V							
REP. DEVLIN	1/							
REP. FAIRFIELD								
REP. GORDER								
REP. GRANDE	V							
REP. HAAS								
REP. HAWKEN								
REP. KLEMIN		e						
REP. KROEBER								
REP. METCALF			12					
REP. THORESON								
Total (Yes) \S		No		,				
Absent								
Floor Assignment HAWKEA								
If the vote is on an amendment, briefly indicate intent:								

# REPORT OF STANDING COMMITTEE (410) February 25, 1999 11:54 a.m.

Module No: HR-34-3540 Carrier: Hawken Insert LC: Title:

# REPORT OF STANDING COMMITTEE

SB 2291, as engrossed: Government and Veterans Affairs Committee (Rep. Klein, Chairman) recommends DO PASS (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2291 was placed on the Fourteenth order on the calendar.

1999 TESTIMONY

SB 2291

# SENATE BILL NO. 2291 TESTIMONY BEFORE THE SENATE GOVERNMENT AND VETERANS AFFAIRS

# LARRY ISAAK, CHANCELLOR NORTH DAKOTA UNIVERSITY SYSTEM

NDCC 54-44-3.20 currently exempts from the State's classification system, all officers and members of the teaching staff of higher education institutions. Senate Bill No. 2291 expands current statute, exempting all higher education employees from the State classification system.

This bill codifies an existing practice and agreement between the State Personnel Board and the North Dakota University System. This agreement has been in place since January 1992, and has worked extremely well benefiting both the Central Personnel Division and the ND University System.

In January of 1992, Governor, George Sinner and University System Chancellor, Douglas Treadway signed a memorandum of agreement providing for the State Board of Higher Education to develop, implement, and manage a position classification system for University System employees. The system being separate from that administered by the State Personnel Board and the Central Personnel Division. The State Personnel Board, then chaired by Hiedi Heitkamp, affirmed the agreement by unanimous vote on February 10, 1992.

The 1993 Legislative Assembly authorized the transfer of one full-time equivalent position from the Central Personnel Division to the State Board of Higher Education to administer the classification process for the University System and implement the agreement. As a result, the University System has continued to successfully manage an independent employee classification system since the 1992 Memorandum of Agreement and the action of the 1993 legislative appropriation committees.

As a result of a recent audit of statewide personnel systems by the State Auditor's Office, questions have arisen regarding potential conflict between State Statute and the Memorandum of Agreement. The Attorney General, in her response to the State Auditor's Office, has recommended that the State Board of Higher Education and the Central Personnel Division clarify the statutes.

The proposed legislation addresses questions of the State Auditor's Office and provides a more clear statutory reference for the State Board of Higher Education to continue the management of a separate classification system for University System employees.

I would like to mention just a few things we have been able to accomplish as a result of this agreement:

- -Implementation of statewide service centers that provide classification and other human resources expertise, to those campuses that may not have had full time human resources staff.
- -Establishment of the Human Resource Council which provides for the analysis and development of position classifications as well as the review and maintenance of human resource policies.
- -Development of several classification pilot projects used to review, assess, and enhance the University System's current classification process.
- -As a result of the pilot projects, we have implemented a plan to modernize the University system's classification process by using "broadbanding". We are very excited about the Broadbanding project. Broadbanding is a relatively new classification process that eliminates much of the current systems administrative costs and efforts. It provides greater supervisory flexibility while maintaining equity among employees, and does all of this at a lower cost.

This bill will continue the very positive affect resulted from the 1992 agreement and 1993 legislative appropriation action. We urge a do pass.

Thank you.

# MEMORANDUM OF AGREEMENT ON RESPONSIBILITIES OF THE STATE BOARD OF HIGHER EDUCATION AND CENTRAL PERSONNEL DIVISION

It is in the best interests of the state of North Dakota to encourage the development of the North Dakota University System. The constitutional authority vested in the State Board of Higher Education gives it full authority over the institutions under its control and full authority to control the expenditure of funds allocated and appropriated to the institutions. It is therefore important and necessary to firmly place responsibility for the management of personnel in the North Dakota University System with the State Board of Higher Education. The State Board of Higher Education is responsible not only for the administration of salary appropriations at its institutions, but also for all of the other core functions relating to employment and management of personnel at those institutions. To ensure that the State Board of Higher Education (SBHE) can carry out its core functions and responsibilities, the following agreement is made:

- The SBHE will develop, implement, and manage a position classification system for University System employees. In carrying out this responsibility, it will use a point factor system similar to that being used by the Central Personnel Division.

  The SBHE and the State Personnel Board will biennially review changes to the System.
- 2. The SBHE policies will provide appropriate mechanisms for appeal of classification and pay grade decisions to the SBHE or a special committee appointed by the SBHE for such purposes. The State Personnel Board shall appoint the SBHE or its special committee to serve as the hearing officer of an employee appeal. If the SBHE appoints a committee, it will include employee

representation on the committee. The State Personnel Board will review the decision of the hearing officer as required by N.D.C.C. § 54-44.3-07(3).

J	
	1.
- lenal	Line
Honorable George S	inner

Governor

Douglas Areadway, Chancellor/ North Dakota University System, and

Commissioner

State Board of Higher Education

# STATE PERSONNEL BOARD MEETING February 10, 1992

CALL TO ORDER

The regular meeting of the State Personnel Board was called to order by Chairperson Heide Heitkamp at 9:00 a.m. on Monday, February 10, 1992. The meeting was held in Room 330 of the Department of Transportation Building, Bismarck, North Dakota.

MEMBERS PRESENT

Larry Isaak, Dennis Goetz, Heidi Heitkamp, Joe Carlson, and Sharon Schmitke were present.

MINUTES

Mr. Goetz made a motion to approve the minutes of the November 18, 1991, Board meeting. Ms. Schmitke seconded the motion, and it unanimously passed.

SELECTION OF VICE-CHAIR

NDCC 54-44.03-06 contains a statement that the Board shall organize annually at the first meeting of each calendar year. As a result, Board members were to asked to select a vice-chair. Mr. Isaak made a motion to select Mr. Goetz as the Board's vice-chair. Mr. Carlson seconded the motion, and it unanimously passed.

PROPOSED
RULES OF THE
CENTRAL
PERSONNEL
DIVISION

Brian McClure presented each member of the Board with a copy of the Central Personnel Division's proposed rules. Marshall Flagg presented each member of the Board with a copy of the Central Personnel Division's proposed rules for the merit system. Mr. McClure and Mr. Flagg hi-lighted sections of the rules, pointing out any differences from the existing policies.

Mr. McClure further explained that subsection 1 of NDCC section 54-44.3-12 imposes the duty on the Central Personnel Division Director to adopt rules which must provide for establishing and maintaining a classification plan, establishing and maintaining a compensation plan, enhancing greater uniformity in personnel matters, and ensuring fair treatment and compliance with equal employment opportunity and nondiscrimination laws.

According to subsection 2 of NDCC section 54-44.3-07, the State Personnel Board has the authority to disapprove a rule if the Board finds that the rule constitutes poor administrative practice, is contrary to the intent of the personnel system, or otherwise contrary to law.

At this time, Board members were invited to comment on the various rules before they are formally distributed to all state agencies and brought before a public hearing. After the hearing, the rules will again come before the Board, and then be further analyzed by the Attorney General's office and Legislative Council.

X

MEMORANDUM OF
AGREEMENT
BETWEEN CENTRAL
PERSONNEL AND
BOARD OF HIGHER
EDUCATION

Brian McClure brought before the Board the Memorandum of Agreement on Responsibilities of the State Board of Higher Education and Central Personnel Division. This agreement, signed by the Governor and the Chancellor of the University System, provides a clear statement that the State Board of Higher Education is responsible for personnel management within the institutions that it governs. The State Board of Higher Education will be allowed to develop their own position classification system, assign classifications to positions, and handle pay grade and classification appeals, among other things.

Following discussion, Mr. Carlson made a motion that the Board concur with the agreement. Ms. Schmitke seconded the motion, and it unanimously passed.

MARIAN ENYEART APPEAL

Marian Enyeart, a job applicant for a position with the North Dakota Department of Health and Consolidated Laboratories, appealed the disapproval of her merit system application for Health Education Specialist II, position #301-0276. Marshall Flagg, Merit system Operations Manager, recommended that the appeal be denied because Ms. Enyeart did not meet the minimum experience requirements as specified on the vacancy announcement. After discussion, Ms. Schmitke made a motion to accept Central Personnel Division's recommendation. Mr. Goetz seconded the motion. Motion passed with a 4-1 vote.

LOU WEBER APPEAL

Ms. Lou Weber, an employee of the North Dakota Veterans Home, appealed her three-day suspension without pay for cause to the Board.

After hearing recommendations from hearing officer, Al Hoberg; Weber's attorney, Colin Bailey; and John Fox of the Attorney General's office, the Board ruled that Frank Gathman, commandant of the Veterans Home, was justified in suspending Ms. Weber without pay for three days from employment with the North Dakota

Veterans Home. Mr. Isaak made a motion to adopt the hearing officer's findings, conclusions, and recommendations. Mr. Carlson seconded the motion. Motion unanimously passed.

CHANGE TO
ND PERSONNEL
PERSONNEL
POLICY 2-13-1

Marshall Flagg presented the Board with a proposed change to North Dakota Personnel Policy 2-13-1. The current policy allows for the reinstatement of a former merit system employee only to the same class or a lower class in the same series in which the individual was previously employed. The new policy allows reinstatement of a former merit system employee to any class for which the former employee meets the current qualifications.

Mr. Goetz made a motion to adopt the policy change as it is written. Ms. Schmitke seconded the motion. Motion unanimously passed.

OTHER BUSINESS

A timeframe checklist for the 1992 State Personnel Board election was distributed to Board members for their information. Mr. Joe Carlson's term expires as of June 30, 1992.

An appeal hearings update from the Office of Administrative Hearings was distributed to Board members for their information.

Ms. Heitkamp noted that she has been receiving correspondence from inmates of the State Penitentiary, regarding grievances they would like heard concerning certain employees of the Penitentiary. Mr. Isaak made a motion to clarify that the Board does not have the jurisdiction to hear grievances of inmates from the State Penitentiary because they are not classified employees of the state. Mr. Carlson seconded the motion. Motion unanimously passed.

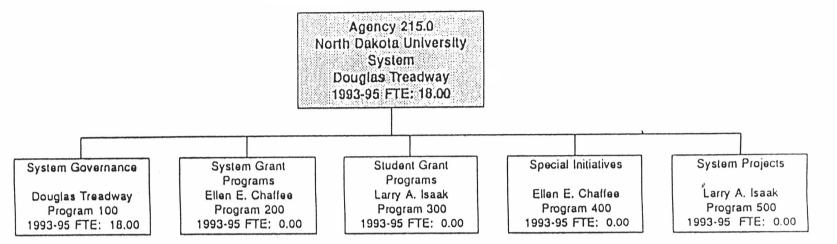
Brian McClure made note of a letter he had received stating that the Attorney General's office would be charging general fund agencies for legal services and that the Office of Administrative Hearings would be charging for hearing officer services, effective for the 1993-95 biennium.

ADJOURNMENT

Mr. Isaak made a motion to adjourn the meeting. Ms. Schmitke seconded the motion. Meeting adjourned at 12:00 noon.

# NORTH DAKOTA UNIVERSITY SYSTEM





Statutory Authority — North Dakota Constitution, Article 8, Section 6; North Dakota Century Code 15-10

Mission Statement — The office supports the State Board of Higher Education in developing public policy for the governance of the North Dakota University System and in advocating on behalf of the system. The staff and the Board are committed to continuous improvement in the quality of education, public service, and research.

Function — The Board is comprised of seven voting members and two non-voting members. The seven voting members are appointed by the Governor for seven-year terms. The non-voting student members are elected by the Statewide Student Association and the non-voting faculty member is elected by the Statewide Council of College Faculty, both for one-year terms. The Board employs a Chancellor and staff to assist in the development and execution of its directives. The Board develops policies for the operation and management of the state's eight public colleges and universities, three branch campuses, and related entities, including oversight of academic, fiscal, and administrative policy.

#### Executive Budget Recommendation -

- Moves an attorney position from the Attorney General's budget and a personnal analyst from Central Personnel to the System Office.
  - Provides \$50,000 for the system to meet the needs of disabled students on campus.
  - Continues all existing professional student exchange positions, and with carryover funds, allows the following new positions each year: 6 Veterinary Science, 2 Dental Science, and 6 Optometrist.
  - Provides \$2,000,000 in system capital projects and extraordinary repairs and \$ \$2,000,000 for ADA projects. It is intended that the board will prioritize and \$ approve requests for these funds.
  - · Provides \$750,000 in special initiatives, an increase of \$500,000.
  - Includes a \$150,000 administrative grant from Vocational Education for a College Technical Education Council director and related expenses.
  - · Payplan is underlunded by \$147,645.
  - Maintains present level for Perkins Loan, State Grant Program, and Native American Scholarship Program.

#### Executive Budget System Recommendation -

· Recommends a tuition increase as follows:

Two year schools

DSU, MASU, and VCSU

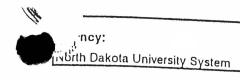
NDSU, UND, and MiSU

Medical School

\$50 per year
\$75 per year
\$125 per year
\$150 per year

- Allows tuition income generated by campus to be maintained by the campus General fund reductions by campus are comparable.
- Recommends all non-general fund capital construction requests. Approves bonding for MiSU, UND, and BSC capital construction projects.
- Supports the board philosophy to invest in technology and protect investment in people, equipment, technology, and facilities.
- The compensation package consists of the following mmended increased salary \$79,482; health insurance (\$576). Package to 1,906 general fundamental fun







Major Program:		
System Governance	Subprogram:	
		Cost Center:
EXPLANATION OF MATERIAL PROGRAM COSTS		1000
Salarias & Warrant Ti		

Salaries & Wages: The salaries and wages line item includes the transfer of 2.0 FTE positions from two state agencies, as was mutually agreed to by the administrators of those agencies and the Chancellor. One position is being transferred from the Central Personnel Division of the Office of Management and Budget as a Human Resource Specialist for the North Dakota University System and to work on the development of the NDUS personnel system. Governor Sinner and Chancellor Treadway signed a memorandum of agreement on the development of the NDUS personnel system in January of 1992. In addition, a position is being transferred from the Attorney General's Office to the NDUS Office, to act as a full-time attorney to the System. The budget request includes continued funding for a position that remained vacant during the 91-93 budget cycle. The position was left vacant during the 91-93 biennium for three reasons: salary dollars were used to cover unanticipated operating and equipment needs; the Chancellor did not want to fill the position until he had adequate time to evaluate staffing needs; and lastly, the Chancellor has been negotiating with the Dept. of Vocational Education on joint funding for a vocational education specialist for post—secondary, programs.

Motor Pool—The System Office has two vehicles from the motor pools at UND and NDSU. Charges are assessed on a per mile basis. In addition, the motor pool object contains funding necessary to reimburse employees, SBHE, and Consultation Board members for personal vehicle mileage used for business purposes. Travel-Travel for System Office staff, SBHE, and Consultation Board members is budgeted for in this object code. This covers travel expenses for Board and committee meetings, institutional liason visits, speaking engagements, and training sessions for staff and Board members. The requested increase is the result of Increased Board travel, additional staff in the System Office and the System committment to provide training for all employees. Dues & Professional Development-In addition to the cost of state and national memberships and conference expenses for continuing education, WICHE dues are are budgeted in dues and professional development. North Dakota is an affiliate member of WICHE (Western Interstate Commission on Higher Education).

WICHE is a non-profit regional organization established by interstate compact to help western states work together to provide high-quality, cost-effective programs to meet the education and manpower needs of the western region. Member and affiliate states are: Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, North Dakota, Oregon, South Dakota, Utah, Washington, and Wyoming. Affiliate membership allows ND to participate in programs such as WUE (Western Undergraduate Education), WRGP (Western Regional Graduate Program, and PSEP (Professional Student Exchange Program), Western Telecommunications Council, and access to NWNET, a supercomputer network. The budget request includes \$119,000 for 93-95 WICHE dues. Printing-Includes normal printing costs and those associated with the 7-year plan and legislative publications.

# IMPACT OF PROGRAM ELIMINATION

Elimination of this function would make it impossible for a constitutional Board to conduct its business in a proper and professional manner. It would elminate the Chancellor and staff who provide advice to the Board on policy. It would eliminate the funds necessary for the Board to conduct its business, such as travel and open

It would mean the elimination of the North Dakota University System as a system of higher education for the state.

# FUTURE CRITICAL ISSUES

Additional training funds for all personnel in the System for total quality training, recognition programs, leave of absence to update skills, and overall professional

Continuing Increased Board involvement as representatives of the North Dakota University System will require additional funding for travel and salary per diem. It has been some time since salary per diem for SBHE and Consultation Board members has been adjusted. This will require attention in the future. Competitive salaries for staff at an average level of employee compensation within the upper great plains region.

Technological updating and retrofitting, responding to industry training needs, and developing alternative delivery mechanisms for program offerings.

STATE AUDITOR ROBERT A. PETERSON



STATE OF NORTH DAKOTA OFFICE OF THE STATE AUDITOR STATE CAPITOL

600 E. BOULEVARD AVENUE BISMARCK, NORTH DAKOTA 58505 78. 30 C. S.C.

(701) 328-1406

February 25, 1998

The Honorable Heidi Heitkamp Attorney General State of North Dakota 600 E Boulevard Ave Bismarck, ND 58505

Dear Attorney General Heitkamp,

We are writing to request a formal Attorney General's Opinion relating to circumstances we have encountered during our performance audit of statewide personnel systems. The Legislative Audit and Fiscal Review Committee specifically directed us to include a review of the state's employee classification system established for state agencies, colleges, and universities. Our review in this area involves an issue which causes us to question the legality of a Memorandum of Agreement signed by former Governor George Sinner and former Chancellor Douglas Treadway.

Currently, the Central Personnel Division within the Office of Management and Budget maintains a classification system for employees of state agencies, boards, and commissions. The North Dakota University System (NDUS) maintains a classification system for employees of the colleges and universities. The separate classification system was established in accordance with a Memorandum of Agreement on Responsibilities of the State Board of Higher Education and Central Personnel Division signed in January, 1992. Prior to this agreement, NDUS classified employees were within Central Personnel's classification system.

North Dakota Century Code (NDCC) Section 54-44.3-20 states, in part:

"All positions in the state service are included in the classified service except: . . .

7. Officers and members of the teaching staff of universities and other institutions of higher education.

8. Positions deemed to be inappropriate to the classified service due to the special nature of the position as determined by the division and approved by the board.

9. The classified employees at the institutions of higher education under the control of the state board of higher education, until July 1, 1976."

Based on the above NDCC Section, it appears the classified employees of NDUS are to be included within Central Personnel's classification system after July 1, 1976. We did not note that the State Personnel Board has deemed the positions within NDUS as being inappropriate to the classified service.

In a November 12, 1991, North Dakota Attorney General's Opinion, Nicholas Spaeth stated it was his opinion

"... the director of the Central Personnel Division may constitutionally apply rules concerning personnel administration to classified employees of the State Board of Higher Education and the institutions of Higher Education if the rules do not substantially impair or eliminate the Board's core functions."

Mr. Spaeth went on to state the rules developed by the Central Personnel Division Director "will not likely interfere with the "core" functions of the Board of Higher Education, eliminate any of its constitutional functions, or prevent their exercise." He also stated the rules established by Central Personnel in accordance with NDCC Chapter 54-44.3 apply to personnel in the classified service. According to Mr. Spaeth, employees of the Board of Higher Education are only exempt from these rules if they are "officers and members of the teaching staff of universities and other institutions of higher education." (NDCC Section 54-44.3-2017)

Based on Mr. Spaeth's opinion and NDCC Section 54-44.3-20, it appears employees of NDUS are not exempt from the rules established by Central Personnel. However, NDUS has established their own classification system for NDUS classified employees. A representative of NDUS stated the basis for their own classification system lies within the State Board of Higher Education's constitutional authority and within a Memorandum of Agreement signed in January 1992. This agreement, signed by then Governor Sinner and former Chancellor Treadway, states, in part:

"... The constitutional authority vested in the State Board of Higher Education gives it full authority over the institutions under its control and full authority to control the expenditure of funds allocated and appropriated to the institutions. It is therefore important and necessary to firmly place responsibility for the management of personnel in the North Dakota University System with the State Board of Higher Education...To ensure that the State Board of Higher Education (SBHE) can carry out its core functions and responsibilities, the following agreement is made:

1. The SBHE will develop, implement, and manage a position classification system for University System employees. . . .

2. The SBHE policies will provide appropriate mechanisms for appeal of classification and pay grade decisions to the SBHE or a special committee appointed by the SBHE for such purposes."

At its February 10, 1992, meeting, the State Personnel Board passed a motion to concur with the Memorandum of Agreement. Based on the broad scope of authority granted to the State Board of Higher Education in the constitution and based upon the Memorandum of Agreement above, NDUS has established their own classification system.

The primary questions we have include:

 Are classified employees within the North Dakota University System required by North Dakota Century Code to adhere to rules established by the Central Personnel Division?

2. Did former Governor Sinner and former Chancellor Treadway have the legal authority to empower the University System to establish their own classification system through the Memorandum of Agreement?

If you have any questions on this matter, please feel free to contact us. We appreciate your immediate cooperation in this matter.

Sincerely,

Gordy L. Smith, CPA

Audit Manager

Robert R. Peterson State Auditor



# STATE OF NORTH DAKOTA

# OFFICE OF ATTORNEY GENERAL

STATE CAPITOL 600 E BOULEVARD AVE BISMARCK ND 58505-0040 (701) 328-2210 FAX (701) 328-2226

June 29, 1998

Honorable Robert R. Peterson State Auditor 600 East Boulevard Avenue Bismarck, ND 58505

Dear Mr. Peterson:

As you requested, I have reviewed the Memorandum of Agreement on Responsibilities of the State Board of Higher Education and Central Personnel Division signed by former Governor George Sinner and former University System Chancellor Douglas Treadway. I have also reviewed N.D.C.C. ch. 54-44.3 regarding the rules of the Central Personnel Division for the classified service. The January 1992 Memorandum of Agreement provides for the State Board of Higher Education to develop, implement, and manage a position classification system for University System employees.

The State Auditor's Office is conducting a performance audit on the University System and you ask whether it should use the criteria set forth under N.D.C.C. ch. 54-44.3 for classified service employees or the criteria set by the State Board of Higher Education for the separate classification system developed for University System employees. For the reasons stated below, in my opinion it is advisable for you to utilize the criteria set by the State Board of Higher Education for the separate classification system for University System employees.

The University System has been utilizing a separate classification system for its employees since the January 1992 Memorandum of Agreement. The 1993 Legislative Assembly authorized the transfer of one full-time equivalent employee position from the Central Personnel Division to the State Board of Higher Education to work on the development of the separate classification system for University System employees. Based upon the University System's reliance upon the Memorandum of Agreement and the Legislature's apparent acquiescence in the implementation of the Agreement, it is my opinion that any performance audit of the University System should be based upon the criteria developed by the State Board of Higher Education under its Agreement.

Because of the conflict between N.D.C.C. ch. 54-44.3 and the Memorandum of Agreement and the Legislature's acquiescence with it, I recommend that the Central Personnel Division and the State Board of Higher Education pursue legislative clarification during the 1999 legislative session.

Sincerely,

Heidi Heitkamp ATTORNEY GENERAL

bab/pg

# FFICE OF MANAGEMENT AND BUDGET

600 East Boulevard Avenue, Fourth Floor • Bismarck, North Dakota 58505-0400

Information (701) 224-2680

JUL 2 5 1991

June 21, 1991

The Honorable Nicholas Spaeth Attorney General 600 E Boulevard Ave Bismarck ND 58505

Dear Mr. Spaeth:

This letter is to request your opinion on a matter that involves the rulemaking authority of the Director of the Central Personnel Division of the Office of Management and Budget, and the authority of the Board of Higher Education.

My question is:

Are the rules concerning personnel administration which the Director of the Central Personnel Division has the authority to adopt according to NDCC 54-44.3-12(1) as amended by SB 2102 (see attached) limited by the North Dakota Constitution Article VIII, s.6, s.6(1), and s.6(6)(b), in their application to the classified employees under the control of the State Board of Higher Education?

Your opinion on this question is necessary in order to set the direction for the Central Personnel Division on certain administrative matters. Your timely reply will be appreciated very much.

Sincerely,

R. L. Rayl Director, OMB

RLR:emn

Enc.

c: Central Personnel Division

rector - Fourth Floor - (701) 224-4904 .dget Office - Fourth Floor - (701) 224-2680 lormation Services Division - Judicial Wing - (701) 224-3190 ntral Duplicating Services - Judicial Wing - (701) 224-2772 atral Personnel - Fourteenth Floor - (701) 224-3290 Accounting Division - Fourth Floor - (701) 224-2680
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#### STATE OF NORTH DAKOTA

## ATTORNEY GENERAL'S OPINION 91-18

Date issued:

November 12, 1991

Requested by:

Richard Rayl, Director
Office of Management and Budget

## - QUESTION PRESENTED -

Whether the director of the Central Personnel Division may constitutionally apply rules concerning personnel administration to classified employees of the State Board of Higher Education and the institutions of higher education.

## - ATTORNEY GENERAL'S OPINION -

It is my opinion that the director of the Central Personnel Division may constitutionally apply rules concerning personnel administration to classified employees of the State Board of Higher Education and the institutions of Higher Education if the rules do not substantially impair or eliminate the Board's core functions.

#### - ANALYSIS -

In an earlier opinion I concluded that an appeal mechanism established in N.D.C.C. ch. 54-44.3 could be applied to classified employees of Higher Education without violating the constitutional provisions establishing the Board of Higher Education. 1986 N.D. Op. Att'y Gen. 16. This conclusion was based upon the fact that the employees involved were not faculty or officers of the higher education system. The employees in question here are also not faculty or officers of the higher education system.

N.D.C.C. ch. 54-44.3 now allows the Director of the Central Personnel Division to adopt rules:

- a. Establishing and maintaining a classification plan.
- b. Establishing and maintaining a compensation plan.
- c. Promoting a consistent application of personnel policies.

- d. Enhancing greater uniformity in matters relating to probationary periods, hours of work, leaves of absence, separations, transfers, disciplinary actions, grievance procedures, and performance management.
- e. Ensuring fair treatment and compliance with equal employment opportunity and nondiscrimination laws.

N.D.C.C. § 54-44.3-12(1). These rules apply to personnel in the classified service. Employees of the Board of Higher Education are only exempt from these rules if they are "[o]fficers [or] members of the teaching staff of universities and other institutions of higher education." N.D.C.C. § 54-44.3-20(7). The question presented now is whether rules affecting subjects other than appeals of adverse employment decisions can be applied to the classified employees of the Board of Higher Education and the institutions of higher education.

The Board of Higher Education is a part of the Executive Branch of government in North Dakota. Leadbetter v. Rose, 467 N.W.2d 431 (N.D. 1991); Nord v. Guy, 141 N.W.2d 395 (N.D. 1966). As a body established by the constitution it is entitled to some degree of autonomy in the administration of the state's institutions of higher education. The Board of Higher Education was constitutionally created for the "control and administration" of those institutions. This means the Board manages and supervises the institutions. Nord v. Guy. It does not make it immune from the policies of the law established by the Legislature. N.D. Const. art. VIII, § 6(1). The constitution also provides that:

The said state board of higher education shall have full authority over the institutions under its control with the right, among its other powers, to prescribe, limit, or modify the courses offered at the several institutions. In furtherance of its powers, the state board of higher education shall have the power to delegate to its employees details of the administration of the institutions under its control. The said state board of higher education shall have full authority to organize or reorganize within constitutional and statutory limitations, the work of each institution under its control, and do each and everything necessary and proper for the efficient and economic administration of said state educational institutions.

N.D. Const. art. VIII, § 6(6)(b) (Emphasis supplied.)

When it was created, the Board of Higher Education assumed the powers of the State Board of Administration. Nord v. Guv, 141 N.W.2d 402. The State Board of Administration was a creation of the Legislature and was subject to legislative control even to the extent that the powers and duties of the State Board of Administration could be totally eliminated by the Legislature. The separation of powers doctrine limits the Legislature's activities in areas affecting the Board of Higher Education. The separation of powers doctrine provides that the legislative power is in the house and the senate, the executive powers lie with the Governor and the Lieutenant Governor, and judicial power lies with the courts. This doctrine limits the Legislature's activities affecting the Board of Higher Education as it is a member of the executive branch.

No North Dakota cases have addressed the issue of the Legislature limiting the scope of the Board of Higher Education's authority. The North Dakota Supreme Court has addressed the board's authority. See Sacchini v. Dickinson State College, 338 N.W.2d 81 (N.D. 1983) (noting that the power of the State Board of Higher Education is drawn both from the constitution and from statutes implementing the constitution); Nord v. Guy, 141 N.W. 395 (N.D. 1966) (holding a legislative delegation to the board without declaring "the policy of the law and fix[ing] the legal principals which are to control" was unconstitutional); and Posin v. State Bd. of Higher Educ., 86 N.W.2d 31 (N.D. 1957) (holding that the Board of Higher Education was authorized by a combination of a statutory and constitutional authority to discharge faculty members).

The North Dakota Supreme Court in <u>Leadbetter</u>, held that while the Board of Education has authority over some aspects of the colleges and universities in North Dakota, the North Dakota Constitution and statutes indicate that these colleges and universities ultimately remain under the control of the state. <u>Id</u>. at 433. However, the North Dakota Supreme Court has not addressed the issue as to the limits of the state's authority over North Dakota's colleges and universities.

The South Dakota Supreme Court has had occasion to address the authority of the South Dakota Legislature to legislate in an area where the South Dakota Board of Regents has traditionally considered itself immune from legislation. The South Dakota Board of Regents enabling provisions are not as explicit as the North Dakota Board of Higher Education's, however the South Dakota Board is also a constitutionally created member of the Executive Branch of the South Dakota government. South Dakota Bd. of Regents v. Meierhenry, 351 N.W.2d 450, 452 (S.D. 1984). The Board of Regents is not "ordained with an absolute right of

control, free from legislative restraint" but the Legislature may do necessary things "short of erasing regent control." Id. A contrary conclusion would require the courts to ignore language in the South Dakota constitution which authorizes the board to exercise control over state educational institutions under its own authority as well as "under such rules and restrictions as the legislature shall provide." Id. Thus, in South Dakota at least, the constitutional board governing the institutions of higher education is subject to those restrictions which may be imposed by the Legislature, but which do not erase that board's control.

As noted above, North Dakota's constitution requires the Board of Higher Education to operate "within constitutional and statutory limitations." N.D. Const. art. VIII, § 6(1) (Emphasis supplied.) The Board is not a miniature Legislature but is a part of the Executive Branch of government. Nord v. Guy, 141 N.W.2d 395, To give effect to the word "statutory" in the constitution I must conclude that the Board of Higher Education is subject to limitations imposed by the Legislature. The "statutory" limits referred to in the constitution are those which are enacted by the Legislative Branch including, in appropriate cases, the people. See, State ex rel. Walker v. Link, 232 N.W.2d 823 (N.D. 1975) (Referral of University of North Dakota appropriation declared unconstitutional because it would eliminate that institution thus violating the constitutional requirement that UND be maintained.) The Legislature's power to enact legislation which controls activities of the Board of Higher Education is somewhere between the extreme of the referral in Walker which would have eliminated the University of North Dakota and the unfettered control given the State Board of Higher Education which was held unconstitutional in Nord. Other state courts have addressed the balance of power between the Legislature and constitutional executive officers and considered Legislature's authority and limits.

The case most closely analogous to the issue presented here is Nat'l Union of Police Officers Local 502-M AFL-CIO v. Bd. of Comm'rs for the County of Wayne, 286 N.W.2d 242 (Mich. Ct. App. 1979). In the Wayne County case, the sheriff, a constitutionally created officer, refused to reinstate a deputy in accordance with an arbitrator's award. The Michigan law required a public employer to collectively bargain with its employees. The sheriff's police powers were considered an inherit attribute of the sovereignty of the state of Michigan which the court said were nondelegable and could not be bargained away. Id. at 245. The court held that "although the sheriff's power to hire, fire, and discipline may be limited by the Legislature, which of his deputies will be delegated the powers of law enforcement

entrusted to him by the constitution is a matter exclusively within his discretion and inherent in the nature of his office, and may neither be infringed upon by the Legislature nor delegated to a third party." Id. at 248. Thus, the Legislature's control could be exercised by establishing some limitations on the Sheriff's authority, but it could not choose who the sheriff would have perform the office's duties.

The Minnesota Supreme Court addressed the issue of legislative control of an executive official in terms of the legislation's impact upon "core functions." See, Mattson v. Kiedrowski, 391 N.W.2d 777 (Minn. 1986) (holding the legislature could require an executive officer to share its functions with statutory officials but a legislative enactment transferring the duties and several positions from the constitutionally created State Treasurer's Office to the statutorily created Department of Finance was unconstitutional because it transferred the inherent or "core" functions of an executive officer to an appointed official.) Michigan the question was presented in terms of "preventing" an executive officer from performing his duties. See Michigan Civil Rights Commission v. Clark, 212 N.W.2d 912 (Mich. 1973) (held statute authorizing removal of proceedings being held before the constitutionally created Civil Rights Commission (CRC) to a court prevented CRC from making constitutionally required decision in civil rights cases.) A statute limiting a constitutionally created PCS's authority was constitutional. See Spire v. Northwestern Bell Tele. Co., 445 N.W.2d 284, 233 Neb. 262 (Neb. 1989) (holding that a statutory restriction on the PSC's rate setting authority was constitutional because it left "PSC control over the quality of service provided by telecommunication suppliers, [intact and retained] the PSC's power to allow entry into and exit from the marketplace. . . " Id. at 295.) Refusal to approve a budget resulting in elimination of a division of the sheriff's office is an appropriate use of legislative powers. See Wayne County Sheriff v. Wayne County Bd. of Comm'rs, 385 N.W.2d 267 (Mich. App. 1983) (holding the budget denial appropriate because the county had properly determined elimination of the division "would not prevent [the sheriff] from performing the mandated duties of his office at a 'minimally serviceable individual level.'" Id. at 269.)

The result in each case addressing whether a constitutionally created executive officer's authority was destroyed by the Legislature's act, turned upon the particular circumstances in each case. However, in every case the Legislature's authority to regulate, prescribe, limit or define activities was recognized.

In the situation presented here, the Legislature has authorized a statutorily created entity to issue rules which would apply to

classified employees of a constitutionally created board. rules will probably be based on existing personnel policies of the Central Personnel Division Director, and will not likely interfere with the "core" functions of the Board of Higher Education, eliminate any of its constitutional functions or prevent their exercise. It is therefore my opinion the legislature acted within its authority when it enacted legislation authorizing the rules provided for by N.D.C.C. It is my further opinion that the Central § 54-44.3-12(1).Personnel Division Director may promulgate rules concerning personnel administration which apply to classified employees of the State Board of Higher Education and the institutions of higher education. I cannot conclude at this point that rules not yet promulgated will be constitutionally acceptable. before any rules may become effective, they must be approved as to legality by this office. N.D.C.C. § 28-32-02(7).

#### - EFFECT -

This opinion is issued pursuant to N.D.C.C. § 54-12-01. It governs the actions of public officials until such time as the question presented is decided by the courts.

Nicholas J. Spaeth Attorney General

Assisted by: Rosellen M. Sand

Assistant Attorney General

vkk



# ATTORNEY GENERAL

STATE OF NORTH DAKOTA 600 East Boulevard State Capitol Bismarck, North Dakota 58505-0040

MEMORANDUM

Capitol Tower Offices

Consumer Fraud and Antitrust Division 701-224-3404 800-472-2600 Toll Free in ND

Fire Marshal 701-224-2434

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ion Offices u of Criminal stigation J. Box 1054 Bismarck, ND 58502-1054 701-221-6180 800-472-2185 Toil Free in N.D.

TO: Board of Higher Education

701-224-2210
FAX 701-224-2226

ROTH Oakola Linkersity System FROM: Nicholas J. Spaeth, Attorney General

DATE: February 12, 1992

Attorney General's Interpretation of the Board's

Core Functions

The purpose of this memo is to relay to the State Board of Higher Education (hereafter, Board) my interpretation of the role of the North Dakota Legislature in North Dakota's higher education matters.

As you are aware, the Board was created in the North Dakota Constitution as a response to Governor Langer's attempt, in 1937, to fire Higher Education employees and gain control of their payroll at NDSU. W. Hunter, BEACON ACROSS THE PRAIRIE 146 (1961). Because of this political interference with its administration, NDSU lost its North Central Association accreditation. Elwyn B. Robinson, HISTORY OF NORTH DAKOTA, 497 (1966). "The alumni association started a petition for a constitutional amendment to remove control of the colleges from the Board of Administration and place it in the hands of a nonpolitical board of higher education. The amendment passed in 1938, and the new board . . . took over on July 1, 1939 . . ." Id.

The North Dakota Constitution provides for the creation of the Board "for the control and administration of" certain educational institutions. The constitution further provides that the Board shall have authority" over those institutions under its control. The constitution also provides that:

The said state board of higher education shall have full authority to organize or reorganize constitutional within and statutory limitations, the work of each institution under its control and do each and everything necessary and proper for the efficient and economic administration of said educational institutions.

N.D. Const. art. VIII, § 6(1) and (6)(b) (emphasis supplied). Thus, the Legislature may pass laws regarding the organization or reorganization of the work of the institutions under the Board's control. In addition, the constitution states, "[t]his constitutional provision [i.e., N.D. Const. art. VIII, § 6] shall be self-executing and shall become effective without the necessity of legislative action." N.D. Const. art. VIII, § 6(8) (emphasis supplied). Other than the two foregoing underlined statements, the constitution does not address the role of the North Dakota Legislature in the governance of the North Dakota colleges and universities. Thus, questions have arisen regarding the extent to which the Legislature may control the Board, or the colleges and universities.

North Dakota case law has not clarified to what extent statutory limitations may be placed on the authority of the State Board of Higher Education as outlined in the North Dakota Constitution. The rule of law in this state is well established that a statute enacted by the Legislature is conclusively presumed to be constitutional unless it is shown that the statute clearly contravenes a provision of the state or federal constitution. Patch v. Sebelius, 320 N.W.2d 511, 513 (N.D. 1982); N.D.C.C. § 1-02-38. In this regard, the North Dakota Supreme Court has held:

In considering the constitutionality of an act, every reasonable presumption in favor of its constitutionality prevails. . . And the courts will not declare a statute void unless its invalidity is, in the judgment of the court, beyond a reasonable doubt.

Menz v. Coyle, 117 N.W.2d 290, 295 (N.D. 1962).

I think it is appropriate to analyze the issue of legislative control over the Board and the colleges and universities, in terms of the Board's "inherent functions" or "core functions" derived from the constitution. See e.g., Ex parte Corliss, 114 N.W. 962, 965 (N.D. 1907), and Mattson v. Kiedrowski, 391 N.W.2d (Minn. 1986), (concluding that it is unconstitutional for the Legislature to remove and transfer inherent or core functions of officers named in the constitution to appointed officials). Similarly, core functions of the Board derived from the constitution may not be infringed upon by the Legislature. The North Dakota Constitution gives the Board sole control over its core functions. Unfortunately, it is very difficult to determine what constitutes the core functions of the Board. I interpret the Board's core functions to include control over its faculty and officers, such as in hiring and promoting. I

also interpret the Board's core functions to include its control over courses.

I have issued two opinions which reflect my position that the Board's core functions do not extend to certain authority over classified personnel of the North Dakota higher education system. The first opinion concludes that the statewide appeal mechanism to the State Board found in N.D.C.C. ch. 54-44.3 may Personnel constitutionally be applied to classified employees at the institutions of higher education under the control of Board despite a provision in the Board staff personnel policy manual that limited the kinds of appeals that could be taken to the State Personnel Board. 1986 N.D. Op. Att'y Gen. 83. The second opinion concludes that the director of the Central Personnel Division may constitutionally apply rules concerning administration to classified employees of the State Board of Higher Education and the institutions of Higher Education if the rules do not substantially impair or eliminate the Board's core functions. 1991 N.D. Op. Att'y Gen. 66.

I hope this information helps, to some extent, to clarify my interpretation of the role of the North Dakota Legislature in North Dakota's higher education matters.

krb