

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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HOUSE BILL 288  
Committee Substitute Favorable 5/19/93

Short Title: GPAC/Personnel Policy.

(Public)

Sponsors:

Referred to:

February 25, 1993

A BILL TO BE ENTITLED

AN ACT TO IMPLEMENT THE RECOMMENDATIONS OF THE GOVERNMENT  
PERFORMANCE AUDIT COMMITTEE REGARDING PERSONNEL POLICY.

The General Assembly of North Carolina enacts:

—STATE HUMAN RESOURCES PLANNING

Section 1. (a) Article 1 of Chapter 126 of the General Statutes is amended by  
adding two new sections to read:

**"§ 126-3.1. State human resources management coordination.**

(a) The Office of State Personnel shall be responsible for planning, guiding, and coordinating the State's ongoing human resources management effort and shall, with the participation of each State department, agency, and institution determine the mission and future of the State's human resources management programs and functions. Human resources management coordination shall include planning and coordination with regard to the recruitment, selection, organization, training, and development of the State employee work force.

(b) The Office of State Personnel shall coordinate the State's management of human resources so as to ensure that all State human resources management programs are integrated fully within a comprehensive overall human resources management system.

**"§ 126-3.2. State human resources management monitored.**

(a) The Office of State Personnel shall determine appropriate measures to monitor the condition and goal achievement of the human resources management

1 function. The overall effectiveness of State policies and programs pertaining to human  
2 resources management shall include measurement of each of the following:

- 3 (1) Fiscal Trends. – Measures that relate budget and fiscal issues to the  
4 employee cost for compensation, benefits, and the human resources  
5 department expenses and employees.
- 6 (2) Employee Benefits. – Measures to assess the usage of all benefit  
7 programs, participation patterns or optional programs, and costs per  
8 full-time employee for benefits programs.
- 9 (3) Absence and Turnover. – Measures to signal potential problems with  
10 work force absenteeism and dissatisfaction with pay and turnover  
11 rates.
- 12 (4) Hiring and Staffing. – Measures to evaluate the rate at which persons  
13 are entering State employment, the cost of hiring, the time taken to fill  
14 jobs, and the ratio of job offers to acceptances.
- 15 (5) Equal Employment. – Measures to evaluate inequities in hiring,  
16 promotions, and compensation as they relate to minorities, women,  
17 and the disabled.
- 18 (6) Training and Development. – Measures to evaluate the cost per unit of  
19 training delivered, change in knowledge and skill based on pre- and  
20 post-competency scores, and the number of hours of training available  
21 to trainees.

22 (b) The Office of State Personnel shall develop an automated system to track and  
23 monitor on an ongoing basis the human resources management function.

24 (c) Each State department, agency, and institution shall utilize the automated  
25 system to assess the effectiveness of the human resources management of the  
26 department, agency, or institution.

27 (d) The human resources management function performance measures shall be  
28 benchmarked in relation to individual agencies, departments, and institutions as well as  
29 against other state governments. The Office of State Personnel may solicit other state  
30 and local governments to participate in a survey of performance measures.

31 (e) The Office of State Budget shall assist the Office of State Personnel in  
32 developing monitoring systems which provide the fiscal measures required in  
33 subdivision (a) of this section."

34 (b) This section becomes effective July 1, 1993.

35 —ANNUAL STATE EMPLOYEE SURVEY

36 Sec. 2. (a) Article 1 of Chapter 126 of the General Statutes is amended by  
37 adding a new section to read:

38 "**§ 126-4.1. Annual employee survey.**

39 (a) The Office of State Personnel shall conduct an annual employee opinion  
40 survey with input from and in cooperation with the personnel directors of each State  
41 department, agency, and institution. The information received from this survey shall be  
42 provided, in a timely manner, to State employees and managers in order to increase  
43 awareness and understanding and to gain greater commitment to the State's goals and  
44 objectives. The dissemination of annual survey results shall be done in a manner

1 calculated to foster improved job performance, enhanced job satisfaction, and increased  
2 employee motivation.

3 (b) The annual employee opinion survey shall differentiate between managers  
4 and staff. The Office shall establish an appropriate year-to-year benchmarking process  
5 that will provide for the effective utilization of survey data. The Office shall establish  
6 appropriate baseline survey questions and shall use other appropriate surveying methods  
7 to ensure from year to year the accurate and meaningful comparison of employee  
8 opinion survey results.

9 (c) Except as provided in G.S. 7A-342.1 and G.S. 120-32(2a), employees exempt  
10 under G.S. 126-5(c1) shall be surveyed by their respective departments, institutions, or  
11 agencies."

12 (b) Article 29 of Chapter 7A of the General Statutes is amended by adding a new  
13 section to read:

14 **"§ 7A-342.1. Annual employee survey.**

15 Subject to the approval of the Chief Justice, the Administrative Officer of the Courts  
16 shall establish, for the purpose of effective human resources management policies and  
17 procedures to implement an annual opinion survey of employees of the judicial branch."

18 (c) G.S. 120-32 reads as rewritten:

19 **"§ 120-32. Commission duties.**

20 The Legislative Services Commission is hereby authorized to:

21 (1) Determine the number, titles, classification, functions, compensation,  
22 and other conditions of employment of the joint legislative service  
23 employees of the General Assembly, including but not limited to the  
24 following departments:

- 25 a. Legislative Services Officer and personnel,
- 26 b. Electronic document writing system,
- 27 c. Proofreaders,
- 28 d. Legislative printing,
- 29 e. Enrolling clerk and personnel,
- 30 f. Library,
- 31 g. Research and bill drafting,
- 32 h. Printed bills,
- 33 i. Disbursing and supply;

34 (2) Determine the classification and compensation of employees of the  
35 respective houses other than staff elected officers; however, the hiring  
36 of employees of each house and their duties shall be prescribed by the  
37 rules and administrative regulations of the respective house;

38 (2a) Conduct an annual opinion survey of legislative branch employees for  
39 the purpose of effective human resources management;

40 (3) Acquire and dispose of furnishings, furniture, equipment, and supplies  
41 required by the General Assembly, its agencies and commissions and  
42 maintain custody of same between sessions. It shall be a misdemeanor  
43 for any person(s) to remove any State-owned furniture, fixtures, or  
44 equipment from the State Legislative Building for any purpose

- 1                    whatsoever, except as approved by the Legislative Services  
2                    Commission;
- 3            (4)    Contract for services required for the operation of the General  
4                    Assembly, its agencies, and commissions; however, any departure  
5                    from established operating procedures, requiring a substantial  
6                    expenditure of funds, shall be approved by appropriate resolution of  
7                    the General Assembly;
- 8            (5)    a. Provide for engrossing and enrolling of bills,  
9                    b.     Appoint an enrolling clerk to act under its supervision in the  
10                    enrollment and ratification of acts;
- 11           (6)    a. Provide for the duplication and limited distribution of copies of  
12                    ratified laws and joint resolutions of the General Assembly and  
13                    forward such copies to the persons authorized to receive same,  
14                    b.     Maintain such records of legislative activities and publish such  
15                    documents as it may deem appropriate for the operation of the  
16                    General Assembly;
- 17           (7)    a. Provide for the indexing and printing of the session laws of each  
18                    regular, extra or special session of the General Assembly and provide  
19                    for the printing of the journal of each house of the General Assembly,  
20                    b.     Provide and supply to the Secretary of State such bound  
21                    volumes of the journals and session laws as may be required by  
22                    him to be distributed under the provisions of G.S. 147-45, 147-  
23                    46.1 and 147-48.
- 24           (8)    Repealed by Session Laws 1985 (Reg. Sess., 1986), c. 1014, s. 40.
- 25           (9)    To establish a bill drafting division to draft bills at the request of  
26                    members or committees of the General Assembly.
- 27           (10)   To select the locations for buildings occupied by the General  
28                    Assembly, and to name any building occupied by the General  
29                    Assembly.
- 30           (11)   To specify the uses within the General Assembly budget of funds  
31                    appropriated to the General Assembly which remain available for  
32                    expenditure after the end of the biennial fiscal period, and to revert  
33                    funds under G.S. 143-18.
- 34           (12)   Provide insurance to provide excess indemnity for any occurrence  
35                    which results in a claim against any member of the General Assembly,  
36                    as provided in G.S. 143-300.2 through G.S. 143-300.6. That insurance  
37                    may not provide for any indemnity to be payable for any claim not  
38                    covered by the above cited statutes, nor for any criminal act by a  
39                    member, nor for any act committed by a member or former member  
40                    prior to the inception of insurance.
- 41           (13)   Provide insurance to provide excess indemnity for any occurrence that  
42                    results in a claim against any employee, officer, or committee,  
43                    subcommittee, or commission member in the legislative branch other  
44                    than a member of the General Assembly, as provided in G.S. 143-

1 300.2 through G.S. 143-300.6. That insurance may not provide for  
2 any indemnity to be payable for any claim not covered by the above  
3 cited statutes, nor for any criminal act, nor for any act committed prior  
4 to the inception of insurance."

5 (d) This section is effective upon ratification.

6 —STATE EEO MONITORING

7 Sec. 3. (a) Chapter 126 of the General Statutes is amended by adding a new  
8 section to read:

9 "**§ 126-16.2. Equal Employment Opportunity monitoring; reporting.**

10 The Equal Employment Opportunity Division of the Office of State Personnel shall  
11 monitor pay increases awarded to State employees by State departments, agencies, and  
12 institutions in order to ensure that pay increases are granted by State departments,  
13 agencies, and institutions in a nondiscriminatory manner. The Equal Employment  
14 Opportunity Division shall monitor, by demographic groups, performance pay  
15 increases, hirings, promotions, demotions, and separations to identify trends and shall  
16 report its findings to the Commission. The Commission shall submit a report of its  
17 findings to the Joint Legislative Commission on Governmental Operations, the chairs of  
18 the House and Senate Appropriations Committees, and the chairs of the standing  
19 committees with jurisdiction over State personnel matters by June 1 of each year.

20 The Administrative Office of the Courts and the Legislative Services Commission  
21 shall perform the duties of the Equal Employment Opportunity Division of the Office of  
22 State Personnel set out in this section for their respective employees. The  
23 Administrative Office of the Courts shall report annually to the General Assembly."

24 (b) This section is effective upon ratification.

25 —COMPREHENSIVE EMPLOYEE TRAINING

26 Sec. 4. (a) G.S. 126-4 reads as rewritten:

27 "**§ 126-4. Powers and duties of State Personnel Commission.**

28 Subject to the approval of the Governor, the State Personnel Commission shall  
29 establish policies and rules governing each of the following:

- 30 (1) Position classification plans which shall provide for the classification  
31 and reclassification of all positions subject to this Chapter according to  
32 the duties and responsibilities of the positions.
- 33 (2) Compensation plans which shall provide for minimum, maximum, and  
34 intermediate rates of pay for all employees subject to the provisions of  
35 this Chapter.
- 36 (3) For each class of positions, reasonable qualifications as to education,  
37 experience, specialized training, licenses, certifications, and other job-  
38 related requirements pertinent to the work to be performed.
- 39 (4) Recruitment programs designed to promote public employment,  
40 communicate current hiring activities within State government, and  
41 attract a sufficient flow of internal and external applicants; and  
42 determine the relative fitness of applicants for the respective positions.
- 43 (5) Hours and days of work, holidays, vacation, sick leave, and other  
44 matters pertaining to the conditions of employment. The legal public

- 1 holidays established by the Commission as paid holidays for State  
2 employees shall include Martin Luther King, Jr.'s, Birthday and  
3 Veterans Day. The Commission shall not provide for more than 11  
4 paid holidays per year except that in those years in which Christmas  
5 Day falls on a Tuesday, Wednesday, or Thursday, the Commission  
6 shall not provide for more than 12 paid holidays.
- 7 (6) The appointment, promotion, transfer, demotion and suspension of  
8 employees.
- 9 (6a) The establishment of a comprehensive employee training system as  
10 provided for in G.S. 126-3.1 and the monitoring of costs associated  
11 with the State's investment in employee training and development.
- 12 (7) Cooperation with the Department of Public Education, the University  
13 of North Carolina, and the Community Colleges of the State and other  
14 appropriate resources in developing programs in, including but not  
15 limited to, management and supervisory skills, performance  
16 evaluation, specialized employee skills, accident prevention, equal  
17 employment opportunity awareness, and customer service; and to  
18 maintain an accredited Certified Public Manager program.
- 19 (7a) The separation of employees.
- 20 (8) The evaluation of employee performance, the granting of performance  
21 salary increases, and a program of meritorious service awards.
- 22 (9) The investigation of complaints and the issuing of such binding  
23 corrective orders or such other appropriate action concerning  
24 employment, promotion, demotion, transfer, discharge, reinstatement,  
25 and any other issue defined as a contested case issue by this Chapter in  
26 all cases as the Commission shall find justified.
- 27 (10) Programs of safety, health, employee assistance, productivity  
28 incentives, equal opportunity and such other programs and procedures  
29 as may be necessary to promote efficiency of administration and  
30 provide for a fair and modern system of personnel administration. This  
31 subdivision may not be construed to authorize the establishment of an  
32 incentive pay program.
- 33 (11) In cases where the Commission finds discrimination or orders  
34 reinstatement or back pay whether (i) heard by the Commission or (ii)  
35 appealed for limited review after settlement or (iii) resolved at the  
36 agency level, the assessment of reasonable attorneys' fees and  
37 witnesses' fees against the State agency involved.
- 38 (12) Repealed by Session Laws 1987, c. 320, s. 2.
- 39 (13) Repealed by Session Laws 1987, c. 320, s. 3.
- 40 (14) The implementation of G.S. 126-5(e).
- 41 (15) Recognition of State employees, public personnel management, and  
42 management excellence.

1 Such policies and rules shall not limit the power of any elected or appointed  
2 department head, in his discretion and upon his determination that it is in the best  
3 interest of the Department, to transfer, demote, or separate a State

- 4 (1) Employee in a grade 60 or lower position who has not been  
5 continuously employed by the State of North Carolina for the  
6 immediate 12 preceding months;
- 7 (2) Employee in a grade 61 to grade 65 position who has not been  
8 continuously employed by the State of North Carolina for the  
9 immediate 36 preceding months;
- 10 (3) Employee in a grade 66 to grade 70 position who has not been  
11 continuously employed by the State of North Carolina for the  
12 immediate 48 preceding months; or
- 13 (4) Employee in a grade 71 or higher position who has not been  
14 continuously employed by the State of North Carolina for the  
15 immediate 60 preceding months."

16 (b) Article 1 of Chapter 126 of the General Statutes is amended by adding a new  
17 section to read:

18 **"§ 126-3.1. Comprehensive employee training system.**

19 (a) The Office of State Personnel shall coordinate or provide a comprehensive  
20 statewide system for the training of State employees including training programs,  
21 courses, and materials for management and supervisory training, Equal Employment  
22 Opportunity training, computer training, and other areas of employee training that are of  
23 statewide applicability. The system of comprehensive employee training shall be  
24 administered so as to enhance the performance of employees and the effectiveness of  
25 State departments, agencies, and institutions.

26 (b) Each State department, institution, and agency, in conjunction with the Office  
27 of State Personnel, shall identify the training and development needs of State employees  
28 by performing an annual training needs analysis that includes the study of the job  
29 requirements of the respective positions held by State employees, the forecasting of  
30 changes in job requirements, the determination of skills and essential job functions, and  
31 the assessment of the status of employee training.

32 (c) Each State department, agency, and institution shall provide to their  
33 respective employees training programs, courses, and materials of special relevance to  
34 the performance of job requirements within the department, agency, or institution.  
35 Training sessions for supervisory personnel on the performance appraisal system,  
36 effective methods of employee appraisal, and assessment of individual employee  
37 training and development needs shall be held on a regular basis.

38 (d) State employee training programs shall be evaluated by the Office of State  
39 Personnel as to content, process, course administration, facilities, and trainers in order to  
40 ensure that training programs are needed for current job requirements. Each State  
41 department, agency, and institution shall provide to the Office of State Personnel  
42 information related to the costs of employee training programs, courses, and materials  
43 including the salaries of trainers, the cost of supplies and materials, facilities costs, and  
44 the fees charged for training programs and courses."

- 1       (c)    This section is effective upon ratification.