

Delegation of Authority

OVERVIEW

Objective

To set the conditions and requirements for eligible agency Human Resources (HR) leaders to receive delegation of select statutory authority from the Commissioner of Minnesota Management and Budget (MMB).

Policy Statement

The Commissioner of MMB is the chief personnel and labor relations manager of the civil service in the executive branch. The Commissioner may delegate certain HR-related administrative functions associated with the Commissioner's authority to agency HR leaders who have the capability to perform such functions, when the Commissioner determines that it is in the best interests of the State civil service.

Delegation allows agency HR leaders to assist the MMB Commissioner in using innovative HR practices to benefit agency management, employees, and applicants, as well as the HR enterprise as a whole.

The exercise of delegated authority is subject to all applicable governing authorities.

Agency employees are not permitted to conduct the HR functions associated with the Commissioner's authority except as provided in a delegation agreement signed by the Commissioner, or as a sub-delegate of an individual who has received delegated authority.

This policy documents the types of delegations that the MMB Commissioner may make, and the eligibility criteria, conditions and requirements to be considered for delegation.

Scope

This policy applies to all executive branch agencies (M.S. 43A.02, subds. 2 & 22), as well as Minnesota State Retirement System, Public Employees Retirement Association, and Teachers Retirement Association.

Key Terms and Definitions

Key Term	Definition
<i>Authority</i>	MMB’s authority over State personnel management as set forth in M.S. 43A.
<i>The Commissioner</i>	The Commissioner of Minnesota Management and Budget.
<i>Compensation Plan (or Plan)</i>	A plan as authorized in M.S. 43A.18 or other law that governs the compensation, terms and conditions of employment for classified and unclassified employees in positions that are not covered by a collective bargaining agreement.
<i>Contract</i>	Collective bargaining agreement negotiated between a labor union and the State.
<i>Delegation Agreement</i>	An agreement setting forth the HR functional areas delegated, and other terms and conditions of delegation. To be effective, a delegation agreement must be signed by the primary delegate, the agency head, and the Commissioner. All delegation agreements are made at the discretion of the Commissioner and can be changed, reduced, or rescinded at the discretion of the Commissioner at any time.
<i>Governing Authorities</i>	Authorities that govern agencies’ HR operations (e.g. state and federal law, rules and regulations, administrative procedures, MMB policies, procedures, guidelines and instructions, labor contracts/plans, etc.).
<i>HR Director</i>	Any position that oversees an agency HR office and is in a managerial, supervisory, or professional classification typically in the HR series.
<i>HR Functions</i>	The administrative functions that are associated with the Commissioner’s personnel and labor relations authority as set forth in M.S. 43A, including but not limited to administrative functions in the areas of: classification, compensation, labor relations, selection, and training.
<i>Primary Delegate</i>	The individual in an agency, generally the HR Director, who is granted the authority to conduct certain HR functions associated with the Commissioner’s authority as provided in a delegation agreement signed by the Commissioner.

Exclusions

N/A

Statutory References

M.S. 43A.04, subd. 1

M.S. 43A.36

GENERAL STANDARDS AND EXPECTATIONS

I. Types of Delegation

The Commissioner may, at the Commissioner's discretion, delegate certain HR functions associated with the Commissioner's authority to an eligible individual in an agency, generally the HR Director. The delegation may be limited at the discretion of the Commissioner. All delegations are subject to audit at MMB's discretion, and may be changed, reduced or rescinded at MMB's discretion at any time. There are five delegation statuses, including:

1. Full Delegation
 - a. The primary delegate has full delegation for classification, compensation, selection, labor relations, and training.
 - b. The primary delegate may sub-delegate some of their delegated authority to other agency HR staff, when permitted by the delegation agreement.
2. Partial Delegation
 - a. The primary delegate is granted delegated authority in either:
 - i. Specific areas (e.g. compensation and classification, but not labor relations); or
 - ii. Limited within an area (e.g. authority is only given for specific job classifications).
3. Provisional Delegation
 - a. Full or partial delegation given on a temporary basis.
 - b. Provisional delegation will not be advanced to partial or full delegation unless the HR work performed under the provisional delegation passes an MMB audit.
 - c. First-time primary delegates or primary delegates who have not previously passed an MMB audit can only be granted provisional delegation.
4. Interim Delegation
 - a. Temporary delegation (full or partial) granted to another individual while the primary delegate is absent for an extended period (e.g. leave of absence or primary delegate role is vacant).
5. Sub-Delegation
 - a. The primary delegate may delegate all or part of their delegated authority to another HR staff member to perform certain HR functions, with notice to MMB.

II. Areas of Delegation

The Commissioner may, at the Commissioner's discretion, delegate authority in the following HR functional areas. The specific items delegated to each primary delegate will be set forth in the delegation agreement.

- a. Classification
- b. Selection
- c. Compensation
- d. Labor Relations
- e. Training
- f. Other functional areas at the discretion of the Commissioner

The Commissioner retains final authority for all HR functions, including those delegated, and has the authority to rescind or change any decision made under delegated authority.

III. Areas Not Subject to Delegation

The following is a non-exhaustive list of HR functions that the Commissioner will not delegate:

- a. Classification
 - i. Establish, abolish, merge, or change the title of job classifications or class options.
 - ii. Initial allocation or reclassification of positions in the HR series beyond HR Specialist 2.
 - (1) Agency positions whose primary responsibilities are HR functions must be placed in the Human Resources series.
 - iii. Movement of positions from the HR technician series to the HR specialist series.
 - iv. Conversion of positions that are specified as unclassified in law to the classified service, other than temporary unclassified.
 - v. Designation of additional unclassified positions under M.S. 43A.08, subd. 1a.
- b. Selection
 - i. Post and fill a vacancy for the head of the agency HR office without MMB involvement.
- c. Compensation
 - i. Place salaries outside the minimum or maximum of the salary range.
 - ii. Determine exceptions to the transfer policy.
 - iii. Grant hiring incentives except as explicitly authorized to an appointing authority under the terms of the applicable:
 - (1) labor contract
 - (2) compensation plan
 - (3) statute
 - iv. Establish salary over the range maximum of an employee upon demotion per M.S. 43A.17, subd. 5.
 - v. Adjust salaries upon return from leave or upon reinstatement to state service beyond what is allowed by applicable collective bargaining agreement or compensation plan.
 - vi. Grant unusual employment situation increases per M.S. 43A.17, subd. 3.
- d. Labor Relations

- i. Handle or settle grievances that have been appealed to arbitration.
- ii. Enter any language grievance settlement without prior written authorization by MMB Labor Relations.
- iii. Conduct grievance arbitration or interest arbitration hearings unless expressly authorized, in writing, by the MMB Labor Relations Director.
- iv. Negotiate terms of master collective bargaining agreements with exclusive representatives.
- v. Provide the Management interpretation of master collective bargaining agreements, memoranda of understanding negotiated by MMB Labor Relations, or compensation plans. The Management interpretation is determined by MMB.
- vi. Enter into any Memorandum of Understanding (MOU) or Memorandum of Agreement (MOA) without prior written authorization by MMB Labor Relations. All MOUs and MOAs require MMB's signature.
- vii. Negotiate agency supplements without prior written MMB authorization.

IV. Process for Requesting Delegation

In order to request delegation, an agency must submit a request to MMB including:

- i. The name and classification of the agency's proposed delegate.
- ii. The type of delegation requested.
- iii. The categories of requested delegation.
- iv. Internal agency policies and procedures covering the administration of the categories requested, as requested by MMB.
- v. An explanation of the proposed primary delegate's experience that supports the delegation request.
- vi. Any additional information MMB requests.

V. Criteria to Be Considered to Receive Delegation

Primary delegates have responsibility for important decisions applying facts to governing authorities specific to the State Human Resource system. Primary delegates and/or their staff must have a thorough knowledge of the State's classification and compensation systems, and a broad understanding of HR merit system principles. Primary delegates and/or their staff are required to demonstrate a thorough understanding of classification, selection assessment methods, compensation administration, and labor relations.

The Commissioner may grant delegation at the Commissioner's discretion. To be considered for full or partial delegation (including provisional delegation for first-time primary delegates or primary delegates who have not passed an MMB audit), a requesting agency must meet the following eligibility criteria:

a. Sufficiently Experienced HR Staff

- i. Agencies requesting delegation must have at least one of the following:
 - (1) The requested primary delegate is a full-time HR Director with a minimum of two years of State or similar experience with the requested delegation topics.
 - (2) Experienced staff at the HR Specialist 3 level and/or above with a minimum of two years of State experience with the requested delegation topics.

b. Quality and Quantity of Experience

- i. Selection, classification, compensation, and labor relations recommendations and decisions made by the requested primary delegate or their staff have:
 - (1) Been supported by MMB staff;
 - (2) Covered positions in different bargaining units and plans; and
 - (3) Demonstrated broad and successful experience in these areas.
 - ii. Documentation of recommendations submitted by the requested primary delegate or their staff:
 - (1) Have been complete;
 - (2) Written reports or communications are reasonable, clear, and comprehensive; and
 - (3) Analysis covers all items related to the particular work performed.
 - iii. Sufficient requisitions to hire have been submitted by the requested primary delegate or their staff to show knowledge of:
 - (1) The State’s selection processes and systems; and
 - (2) A broad range of classifications.
 - iv. Selection criteria developed for each requisition by the requested primary delegate or their staff are:
 - (1) Appropriate for the classification; and
 - (2) Reflect an understanding of:
 - (a) job analysis
 - (b) selection assessment
 - (c) merit principles
 - (d) applicable employment laws
- c. Agency Internal Controls
- i. The requesting agency has internal policies and procedures in place covering its administration of the functions of:
 - (1) Classification
 - (2) Selection
 - (3) Compensation
 - (4) Labor Relations
 - (5) Training
 - ii. The agency’s HR staff has a process for reviewing and updating the agency’s HR policies and procedures as needed.
 - iii. Agencies that request the ability to sub-delegate authority have established an internal process to review the HR work performed by sub-delegates.

VI. Maintaining Delegation

The Commissioner may change, reduce, or rescind delegation at the Commissioner’s discretion, at any time. In order to be considered for maintaining delegation, the primary delegate must:

- a. Ensure primary delegate and all sub-delegates stay current with all governing authorities regarding all areas of delegated authority.
- b. Comply with the terms of the delegation agreement.
- c. Ensure primary delegates and sub-delegates attend all required MMB training.
- d. Ensure quality of work produced under their leadership meets expectations and maintains compliance with all applicable governing authorities.
- e. Perform annual agency self-audits of areas of delegated authority and report the findings to MMB.
- f. Cooperate with all MMB-initiated audits.
- g. Ensure audit findings are remedied as directed by MMB.

VII. Monitoring Delegation

Work performed under the leadership of a primary delegate or sub-delegate is subject to monitoring and audit by MMB. MMB may monitor delegations of authority through engagement and discussion of work with delegation holders and their staff. To facilitate MMB monitoring, agencies are required to create and maintain documentation of decisions, conduct self-audits, and cooperate with MMB audits, as follows:

- a. Accountability
 - i. The primary delegate must maintain accountability to both their agency head and the Commissioner.
 - ii. Compensation decisions must be documented in accordance with the MMB-approved *Compensation Operating Guidelines* for the agency.
 - iii. Classification decisions must be documented, at a minimum, as demonstrated in the [Job Audit Manual](#).
 - iv. Selection decisions must be documented in accordance with the [Assessing and Setting Qualifications](#) guide.
- b. Self-Audit
 - i. The primary delegate must send an agency self-audit report to MMB annually.
- c. MMB Audits
 - i. The primary delegate and all sub-delegates must participate in and cooperate with all MMB-initiated audits.
 - ii. MMB audits will examine appropriate and inappropriate uses of delegated authority. Inappropriate use of delegated authority may include but is not limited to actions contrary to any governing authority.
 - iii. The primary delegate is expected to ensure audit findings are remedied as directed by MMB.

VIII. Rescission or Expiration of Delegation

The Commissioner retains the discretion to change, reduce, or rescind any delegation of authority at any time.

- a. The Commissioner may, at the Commissioner's discretion, change, reduce, or rescind any delegation of authority upon written notice to the primary delegate and the agency head. Any such change effectuates the same change to any sub-delegation.

- b. Delegation to the primary delegate and all sub-delegates expires when the primary delegate leaves their position. Sub-delegation expires when the sub-delegate leaves their position.

RESPONSIBILITIES

Agencies are responsible for:

- Ensuring agency internal policies affecting delegated HR functions comply with all governing authorities.
- Submitting any substantive changes to applicable agency internal control policies to MMB for review.
- Maintaining all decision-making documentation regarding delegated HR functions and making available to MMB upon request.
- Performing annual self-audits and correcting findings. Agencies must report the findings of the annual self-audit to MMB's Delegation and Audits Consultant. Agencies should work with their MMB Agency and Applicant Services representative to resolve any findings.
- Cooperating with MMB's monitoring and auditing of delegation of authority.
- Participating collaboratively with MMB and other State agencies on enterprise-wide HR projects.
- Sharing HR resources with MMB and other State agencies when it is in the best interest of the enterprise.
- Complying with all terms set forth in any delegation agreement.
- Ensuring agency employees do not conduct HR functions associated with the Commissioner's authority except in accordance with a delegation agreement signed by the Commissioner, or as a sub-delegate of an individual who has received such delegated authority.
- Notifying MMB of the existence of any sub-delegates and their areas of sub-delegation.
- Notifying MMB as soon as possible if the primary delegate or any sub-delegates leave their position.

MMB is responsible for:

- Determining whether to grant, change, reduce, or rescind delegation.
- Providing consultation to agencies on complex, controversial, or politically sensitive HR issues, including those that could potentially affect other agencies.
- Providing training as needed on various HR functions.
- Monitoring and auditing HR functions that have been delegated to agencies.

REFERENCES

M.S. 43A.04

M.S. 43A.05

M.S. 43A.06

M.S. 43A.36

CONTACTS

Enterprise Human Capital