

PERFORMANCE REPORT CARD

State Personnel Office
Third Quarter, Fiscal Year 2022

ACTION PLAN

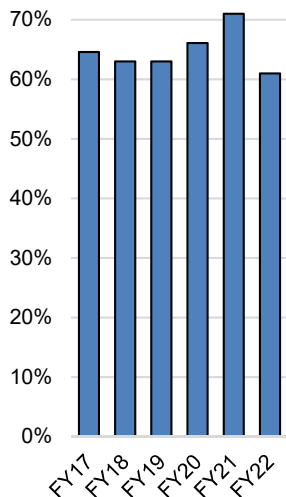
Submitted by agency?	No
Timeline assigned?	No
Responsibility assigned?	No

The state continues to face challenges related to employee recruitment and retention. The State Personnel Office (SPO) reports the classified service vacancy rate is 22.6 percent, down slightly from the second quarter but still above prior year averages, and state agencies continue to take longer to fill vacant position, with time to fill averaging 69 days in the third quarter. SPO notes agencies have the responsibility to promptly complete the hiring process and delays at the agency level can lead to increases in the time to fill metric. While agencies share in the responsibility for lengthy hiring processes, SPO could develop an action plan to identify agencies that lag their peers, assign specific SPO staff to work with agencies to reduce long time to fill, and provide regular follow-up and support to help agencies not meeting targets improve internal procedures.

Once positions are filled, fewer employees are completing their probationary period, with only 57 percent completing in the third quarter, despite new hires being offered salaries above pay band midpoints. Finally, about half of state employees continue to work-from-home on a part time basis, however the state does not have a formal, statewide teleworking policy, allowing individual agencies to set policies. Evidence suggests current job seekers consider teleworking policies when choosing places to work; lack of permanent policies may harm competitiveness and lead to ad hoc policies more likely to impact agency service delivery.

At SPO's request, a number of measures are classified as explanatory, meaning they do not have performance targets. However, ratings were given based, in part, on prior year performance.

**New Employees
Completing One
Year Probation
Period**



Source: SPO

Budget: \$3,875.9	FTE: 44	FY20 Actual	FY21 Actual	FY22 Target	FY22 Q1	FY22 Q2	FY22 Q3	Rating
Classified service vacancy rate		21%	19.9%	N/A*	22.3%	22.8%	22.6%	Y
Average days to fill a position from the date of posting		56	50.5	N/A*	72	70	69	R
Average state classified employee compa-ratio		103%	103.4%	100%	104.9%	104.1%	104.8%	R
Average state classified employee new-hire compa-ratio		100%	98.6%	N/A*	101.6%	102.6%	101.5%	R
New employees who complete their first year of state service		66%	71%	N/A*	60%	65%	57%	R
Classified employees voluntarily leaving state service		12%	13%	N/A*	5.5%	4.5%	5.5%	R
Classified employees involuntarily leaving state service		2%	1.6%	N/A*	0.4%	0.5%	0.4%	
Number of hires external to state government		NEW	1,996	N/A*	621	788	736	G
Program Rating			Y	Y				R

*Measure is classified as explanatory and does not have a target.

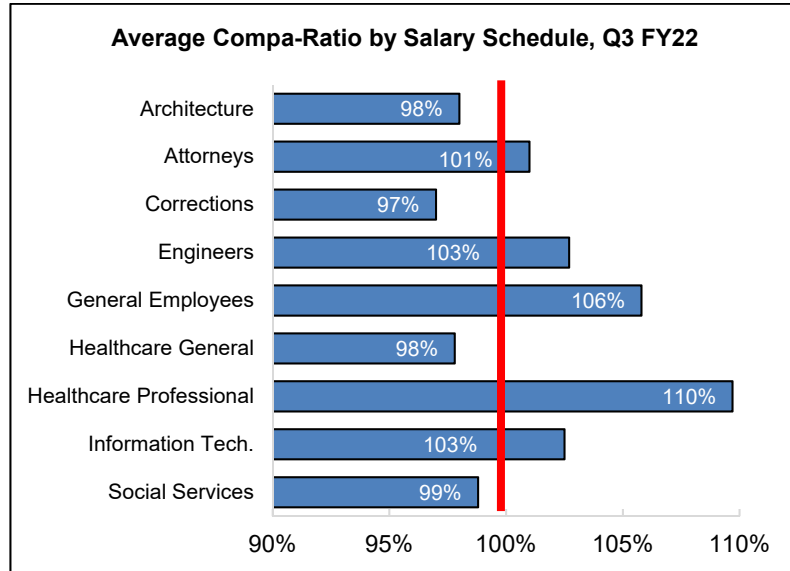
SPO's quarterly report does not include information on salary competitiveness or turnover by job type, but measures of compa-ratio, or salary divided by midpoint of salary range, continue pointing to salary inadequacy for some employees.

While compa-ratio for occupation-specific salary schedules are generally competitive, the average compa-ratio is 106 percent for employees on the general salary schedule and 110 percent for healthcare professionals.

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For FY23, the General Appropriation Act of 2022 includes \$57.6 million for salary increases for state employees. However, increases were not allocated to state agencies on a proportional basis. Instead, the executive pay plan prioritizes increases to employees on the general salary schedule, rather than for occupations with a specialized salary schedule. As a result, agencies with a higher share of employees on occupational salary schedules received smaller share of the amount appropriated for executive agency compensation increases.



Section 8 Salary Increase Allocations for Select Agencies

Agencies Highest Share of Occupational Schedule Employees

	Agency	Cost of 1% Salary Increase -- GF	Total GF Allocated for FY23	Average Raise Funded by Allocation
55000	State Engineer	\$162.9	\$1,163.1	7.1%
36100	Dept. of Information Tech.	\$4.7	\$35.2	7.5%
77000	Corrections	\$996.0	\$8,691.6	8.7%
62400	Aging and Long Term Services	\$97.9	\$778.0	7.9%
34000	Administrative Hearings Office	\$14.6	\$107.6	7.3%

Agencies with Largest Percentage Increase from General Fund

		Cost of 1% Salary Increase -- GF	Total GF Allocated for FY23	Average Raise Funded by Allocation
50800	New Mexico Livestock Board	\$3.3	\$55.0	16.6%
63000	Human Services Department	\$307.9	\$4,493.2	14.6%
36900	State Commission of Public Records	\$20.4	\$253.3	12.4%
63100	Workforce Solutions Department	\$51.6	\$632.2	12.3%
50500	Cultural Affairs Department	\$196.9	\$2,295.3	11.7%
	Total for Executive Agencies	\$6,270.4	\$57,621.5	9.2%

Source: LFC Analysis of DFA data

Note: The cost of a 1percent increase is estimated from DFA allocations of the 3 percent across-the-board increase for FY22