

LFC Requester:

**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO [AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.gov)  
(Analysis must be uploaded as a PDF)**

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

*Check all that apply:*

**Original**  **Amendment**  
**Correction**  **Substitute**

**Date Prepared:** 2025-02-15  
**Bill No:** SB361

**Sponsor(s)** Michael Padilla  
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**Agency Name** CYFD 69000  
**and Code**  
**Number:**  
**Person Writing** Ramona Martinez  
**Analysis:**  
**Phone:**

**Short** CYFD INDEPENDENT  
**Title:** PROGRAM  
PERFORMANCE AUDIT

**Email:** ramona.martinez@cyfd.nm.go  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
0	0		
0	0		

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
0	0	0		

0	0	0		
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**ESTIMATED ADDITIONAL OPERATION BUDGET (dollars in thousands)**

	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	0	0	0	0	Recurring	General Fund

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

**SECTION III: NARRATIVE**

**BILL SUMMARY**

SB 361 establishes an independent evaluation process to assess the programmatic performance of the Children, Youth, and Families Department (CYFD). The evaluator will be selected via an RFP issued by the department. This process aims to identify systemic issues, improve accountability, and provide timely recommendations to the executive and legislative branches.

**FISCAL IMPLICATIONS**

None.

**SIGNIFICANT ISSUES**

If enacted, SB361 requires CYFD to issue an RFP in accordance with the provisions required by the Procurement Code for professional services and competitive sealed proposals.

SB361 requires CYFD to contract with the selected independent auditor to complete multi-year performance audits of the department's programs. Areas of CYFD to be addressed in the performance audits include:

1. Ability to function effectively, efficiently, economically, ethically and equitably;
2. Efficacy of the department's mission and the established goals and objectives to carry out that mission, and how well department policies and practices relate to department mission goals and objectives;
3. Applicability and sufficiency of the department's policies and practices as

- they relate to the department's mission;
4. Commitment of department management and staff to follow policies and procedures;
  5. Strengths and weaknesses of department processes, procedures and policies;
  6. Evaluate the department's management of human resources, including a review of the accuracy of job descriptions and the qualifications of job holders to perform described jobs; and
  7. Collection and analysis of data and the use of data to inform the development of policies and practices.

If enacted, CYFD's compliance and progress with addressing earlier problem areas and implementation of recommendations made by the auditor will be addressed in three annual six-month reviews by the independent expert. It also allows for the addition of a special financial audit if the need is identified by the independent expert. The CYFD Secretary will also be required to submit annual performance audits and interim review reports to the Governor, the Legislative Finance Committee, and the Legislative Health and Human Services Committee within fifteen days of the performance auditor's submission to the CYFD Secretary

## **PERFORMANCE IMPLICATIONS**

CYFD is currently operating under the Kevin S. Settlement Agreement which requires the state to meet specific performance standards and measures. An annual report is drafted by the co-neutrals.

Having an independent qualified auditor accurately assess the performance of programs across the department would be a benefit and would inform not only CYFD's Kevin S. progress and reporting, but also all other programs and operations including Human Resources, Family Services, and Juvenile Justice. The independent audit would support and add substance to the Kevin S. Co-Neutrals annual audit and would inform the establishment of a system that would extend into the future to maintain quality programs and operations. It would provide the department and external stakeholders with baseline and ongoing data regarding program performance across the department and also an independent assessment of whether the department mission, goals and objectives are in alignment with the work of the department and are adequately supported by the policies and procedures utilized by the workforce

## **ADMINISTRATIVE IMPLICATIONS**

CYFD staff will participate in the review of identified areas including Executive and Division Leadership, Office of General Council, Policies and Procedures, Human Resources, Office of Performance and Accountability, Training, and other Offices within CYFD.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

None identified.

### **TECHNICAL ISSUES**

None identified.

### **OTHER SUBSTANTIVE ISSUES**

None.

### **ALTERNATIVES**

None identified.

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

CYFD will continue being monitored by the Kevin S. Settlement Agreement and also seek to improve programs and operations across the department.

If not enacted, the department would continue with the status quo and the agency may not have the opportunity to fully audit the effectiveness of all programs across the agency which has the potential to positively impact outcomes for the children, families, and youth served by the agency.

### **AMENDMENTS**

None

proposed.