

LFC HEARING BRIEF

DATE: June 16, 2011

PURPOSE OF HEARING: FY11
Performance Report on Key
Agencies

WITNESS: LFC Staff

PREPARED BY: LFC Staff

EXPECTED OUTCOME:
Informative: Discussion of
Strengths and Weaknesses in
State Agency Performance in
FY11

Accountability in Government Act
(AGA) ties strategy and planning
with execution and
measurement

Performance-Based Budgeting
Comprises Three Elements:

1. the result (final outcome)
2. the strategy (different ways
to achieve the final outcome)
3. activity/outputs (what is
actually done to achieve the
final outcome)

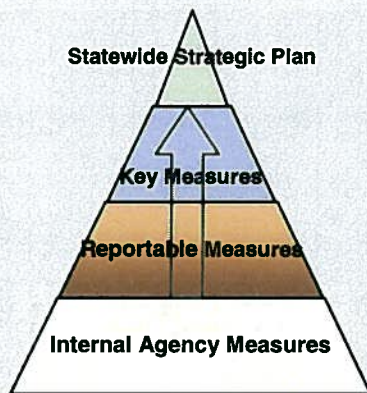
Now more than ever, performance-based budgeting plays an increasing role in making government more accountable and effective. Over the last three years, as economic conditions squeezed budgets, performance data helped prioritize programs, and allocate limited resources, efficiently and effectively, all the while achieving desired public policy results.

BACKGROUND INFORMATION. The Accountability in Government Act (AGA) traded budget flexibility for information about how government agencies economically, efficiently, and effectively carry out their responsibilities and provide services. Prior to the passage of AGA, appropriations to state agencies were tightly controlled by the Legislature with precise attention paid to individual line item categories and incremental spending in each of the agency divisions. Line-item budgeting tends to hold agencies accountable for what they SPEND, while performance-based budgeting tends to hold agencies accountable for what they ACHIEVE.

Integral to the process of performance-based budgeting is an explicit acceptance of responsibility by both the executive and the state agencies to provide accurate performance data to the Legislature. Of particular importance is the creation of strong performance measures and data-collection methodologies that ensure quarterly performance reports are considered legitimate by the Legislature and the public. Unfortunately, executive and agency commitment to this effort appears to have been less than consistent, and perhaps slightly weakened, during the previous administration. For a time, the executive entered into performance contracts with state agencies that required periodic reporting. Duplicate, and at times parallel, performance reporting requirements may have contributed to a lack of focus on AGA from some agencies. The result is some agencies lack a coherent strategic plan, outdated organizational structures, and weak performance measures - especially cost-effective outcome measures.

Managing For Results. A recent look back at the Department of Health's (DOH) budget before AGA showed 10 budget categories and 25 divisions; today there are four budget line items and six divisions or programs. AGA provided the budget flexibility that helped DOH cope with one of the most severe economic crises and policy makers used performance information during the legislative process to prioritize DOH's high-priority programs when reallocating the states revenues.

Performance Measure Hierarchy



The budget flexibility provided by AGA requires periodic oversight to ensure managers are held accountable. Quarterly reports and report cards provide the oversight opportunity to ensure quality government services are being provided in an efficient manner.

Timely and reliable performance reporting about the efficiency and effectiveness of public expenditures is a fundamental part of managing-for-results. Periodic review of results allows for reconsideration of spending priorities during the budget process. Linking resources with results should provide information on how much it costs to achieve a given level of outcome.

In the case of DOH, the report card shows public health critical services were provided during the economic crisis; however, staff vacancies and budget cuts contributed to slower turnaround times in the Laboratory Services Program and reduced the number of compliance surveys conducted at residential care facilities. Instead of across the board budget cuts the agency was allowed to prioritize.

Linking Resources With Results. For the last several weeks, LFC analysts evaluated agency quarterly reports, discussed performance results with agency staff, and prepared report cards. Overall, the quarterly reports provided the opportunity for thoughtful strategic planning discussions with agency staff.

Performance Overview. While there is a lot of good to report there is a lot of room for improvement – in the reporting process, measuring the right things, benchmarking to national- and state data, developing corrective action plans, and making a connection to the budget. Analysts were able to identify a few bright performance results.

Education. The implementation of the three-tier licensure strategy designed to increase the percentage of classes taught by highly qualified teachers may have contributed, along with other efforts, to a 12 percent improvement in the percentage of students scoring proficient in New Mexico Standards-Based Assessment (NMSBA). In addition, the graduation rate of freshmen that entered high school in 2005 increased almost six percentage points – the four-year cohort graduation measure provides a snapshot of on time graduations, dropout rates, GED attainment to help policy makers better address the achievement gap and improve graduation rates. These encouraging outcomes come at a time when an increasing number of schools are failing to make Adequate Yearly Progress (AYP) and the Public Education Department (PED) is struggling to identify meaningful performance measures that adequately gauge its oversight function.

The LFC introduced the concept of scorecards or report cards during the 2006 interim to add clarity, stimulate discussion on agency performance, and provide the public with timely information about the performance of its government in an easy to understand format

Health and Human Services. The Children, Youth and Families Department strategically planned to increase the quality of care in the childcare program. Overtime, combined with a Legislative focus on early childhood services, quality steadily increased – as measured by the Stars/Aim High Program – even as funding levels decreased. CYFD was able to maintain a relatively high level of quality; however, to cope with decreased funding levels program eligibility was prioritized to benefit the most at-risk children by reducing the federal poverty level (FPL) requirement from 200 percent of FPL to 100 percent. In this way, a long-term strategic plan resulted in a positive performance result and prioritized eligibility at a time when other states were cutting childcare programs.

Despite the hiring freeze and three years of budget reductions, many of the most critical social services experienced surging enrollments without a substantial increase in the number of backlogged cases – Medicaid, Unemployment Insurance, Adult and Child Protective Services, TANF, and Supplemental Nutritional Assistance Program (SNAP – formally the Food Stamp Program). However, non-critical health functions experienced longer turnaround times and there were fewer facility inspections and certifications, family planning training sessions, and ombudsman cases that were resolved.

Natural Resources. A high level snapshot indicates New Mexico's natural resource agencies have been able to meet federal mandates for water delivery requirements on the Pecos and Rio Grande rivers, water well and new septic tank inspections met or exceeded targeted levels, the percent of retail electricity from renewable energy sources is increasing, and state park attendance is expected to achieve targeted levels. However, additional information is needed to determine whether our environmental resources are getting any healthier – such as the quality of our drinking water or the overall quality of our air.

Public Safety. The Corrections Department experienced a slight uptick in the number of inmate-on-inmate and inmate-on-staff assaults in the third quarter compared to previous quarters. Also of concern is an increase in the re-incarceration and recidivism rates compared to the previous year; however, the increases are within targeted levels. On a positive note, the turnover rate of correctional officers is down from a year ago and the Department of Public Safety reports a decrease in the number of fatal crashes and increased enforcement resulted in more administrative citations for selling or giving alcohol to a minor

Oversight and Other Agencies. Analysts continue to work with agency staff to identify meaningful measures for many of the oversight agencies including the General Services Department (GSD), Department of

Information Technology (DoIT), Administrative Office of the Courts (AOC), and Higher Education Department (HED). Capturing the oversight function in a meaningful way has been challenging and difficult to benchmark.

As we enter the second decade under AGA, we have an opportunity to re-assess the quality of agency strategic plans, the process of identifying agency missions, goals and measures, and the veracity of the data that has been collected. Given that the executive and state agencies have had a number of years to acquaint themselves with the performance-based budgeting approach, incremental improvements should no longer be considered acceptable. Instead, the measures and outcomes contained in quarterly reports should reflect that the executive and state agencies fully accept the critical importance of this activity to their mission. Public trust in government depends substantially on this commitment, and it is overdue.

Of specific relevance are the following:

- The development of concise, unambiguous strategic plans by individual state agencies;
- Linking strategic plans to agency programs, goals, objectives and measures;
- Incorporating performance data into the agency management process;
- Building a method for third party evaluation of data - agency annual audit report, advocates, etc;
- Benchmarking of data with surrounding states and national data;
- Educating employees on the importance of performance measures as an indication of agency success;
- Identifying methods to continuously improve the process;
- Requiring agencies to post performance results on the web or otherwise ensure transparency and accessibility for the public.

Although more children are covered under Medicaid, fewer are receiving annual checkups (EPSDT) compared to from previous years.

Although Medicaid eligible women are receiving breast and cervical cancer screens; it is unclear if survival rates from these types of cancer are improving.

Less than 20 percent of TANF clients obtain a job during the federal fiscal year.

REPORT CARD HIGHLIGHTS AGA requires identifying key reporting agencies and key performance measures, highlights and observations include:

Human Services Department (Page 9).

- Children in Medicaid School-Based services surged to 25,728 from 18,038 at the end of FY10 and the percent of eligible children aged 6 to 21 receiving coverage through the Medicaid Assistance Program is almost 100 percent;

HSD should collect and report data on efficiency measures and average cost per client.

It is difficult to determine whether higher Medicaid enrollment and increased health screens result in a measurable improvement in the health and welfare of New Mexicans.

Department of Health needs to collect cost control, cost per client, and efficiency measures, especially in light of Jackson Lawsuit mandates

LFC staff is concerned that the two programs with the largest budgets in ALTSD each report only one measure.

At a quarterly average of 233, physical assaults in Juvenile Justice facilities is of a concern to LFC staff.

High quality childcare assistance is being provided to the most at-risk children

- Slightly more than half of eligible adults, below 100 percent of the federal poverty level (FPL) are covered under the Medical Assistance Program;
- Women are getting targeted levels of breast and cervical cancer screens;
- Medicaid is the predominant payer of behavioral health services, but with only one performance measure it is difficult to gauge success;
- It is unclear whether TANF clients successfully leave the program for work;
- SNAP (formerly Food Stamps) continues to grow, but this could be attributable to the "Great Recession".
- Child support orders and collections are up, but still below the national average;

Department of Health (Page 14).

- Immunization rates and teen family planning are not expected to meet or exceed targets or previous outcome levels;
- Staff vacancies are contributing to increased turnaround times for laboratory tests of blood alcohol tests and communicable diseases;
- State health facilities provide too little data on patient health outcomes and hospitals' financial performance;
- Number of Developmental Disabilities clients consistently remains above targeted levels;

Aging and Long-Term Services Department (Page 17).

- Adults receiving protective services intervention is projected to meet targeted levels, but may not exceed FY10 levels;
- 98.1 percent of disabled and elderly Medicaid waiver clients receive services within ninety days of eligibility determination;
- Better food and economic security measures should be reported to show how seniors are truly being helped;
- Long-Term Services (COLTS, brain injury) moving to HSD in FY12, but outcome measures are needed for this program showing cost containment, cost per client and MCO benchmarking compared to other states.

Children, Youth and Families Department (Page 19).

- Incarcerated juveniles are being recommitted to a CYFD facilities or entering the adult corrections system at an average rate of 4.7 percent higher than the previous year;
- The vacancy rate for youth care specialists is declining;
- CYFD needs to identify early childhood service gaps in order to improve early childhood outcomes – such as the percent of children getting high quality home visits;

The reported 39 minute average Unemployment Insurance call center wait time in the 3rd quarter is up significantly from the 20 minute average reported in FY09.

Reduced job availability is making it more difficult for dislocated workers to find jobs.

Most student achievement data is reported annually. However, quarterly data would be more useful to policy makers.

Inmate assaults are – a “canary-in-a-coalmine” measure of prison safety.

A new measure is needed to evaluate the effectiveness of probation and parole officers.

DPS’s measures do not answer the question “Is New Mexico getting any safer?”

Workforce Solutions Department (Page 21).

- Average unemployment insurance call center wait time to reach an agent is 39 minutes;
- Adults receiving workforce development services through the public workforce system who quickly find work and stay employed is not expected to meet targeted levels and may fall below FY10 levels;

Public School Support (Page 25).

- After several years of improvement (12 percent over six years), student achievement may only meet or slightly surpass FY10 levels but are not expected to exceed overly optimistic targeted levels;
- Graduation rates for the 2005 four year cohort improved 6 percent from previous years;
- Slightly more than 97 percent of core academic subjects (kindergarten through twelfth grade) are taught by highly qualified teachers;
- Approximately 55 percent of fourth graders and 61 percent of eighth graders continue to score below proficiency in math, and 49 percent of fourth graders and 39 percent of eighth graders continue to score below proficiency in reading.

Corrections Department (Page 28).

- Inmate-on-inmate assaults were up 75 percent from the previous quarter, but remain within the FY11 target;
- Inmate-on-staff assaults tripled, from 0 to 3 in the third quarter;
- Re-incarceration rates increased from 43.6 percent at the end of FY10 to 44.5 percent in the third quarter;
- Inmate releases in accordance with their release dates declined from the previous year and are below the target of 90 percent. Female release rate dropped 13 percent;
- The average probation and parole officer caseload increased from 95 at the end of FY10 to 98 in the third quarter and is higher than the targeted level;
- The Corrections Industries Division did not break even in the third quarter due to state and local government budget cuts that affect its sales;

Department of Public Safety (Page 30).

- Fatal crashes in New Mexico is not expected to be as high as the 330 reported at the end of FY10; third quarter results indicate there have been 198 deaths;
- DPS reports the number of criminal cases investigated is up almost 600 citations compared to the third quarter a year ago and is on track to meet FY11 targeted levels

Growth of electronic tax filing is expected to result in cost savings due to more accurate tax returns, fewer administrative errors, and lower postage costs.

The Department of Environment is doing a good job of inspecting solid waste facilities, hazardous waste generating facilities, and landfills; however, it is unclear if New Mexico's drinking water and air is any safer than before.

- Third quarter Weight Distance Tax Act enforcement citations are up significantly from the third quarter a year ago and at 950, have already exceeded the FY11 targeted level.
- DPS performance measures mostly report measure outputs; however, outcome information would be more desirable – Are our communities safer;

Taxation and Revenue Department (Page 32).

- MVD call center wait time is up almost 60 percent from FY10 levels and is nearly twice as high as desired. Field office wait times have also increased.
- TRD is meeting its performance goal regarding timely DWI driver's license revocations hearings;
- Tax collections, as a percent of collectable audit assessments, are 5 percent higher than targeted levels, but may end up slightly lower than FY10 levels – commendable in this current economic environment;
- Electronic tax filing reached 76.7 percent in the third quarter, up from 54.5 percent for all of FY10;

Office of the State Engineer (Page 34).

- 51 percent of all water rights had judicial determinations in the third quarter;
- The department's performance measures haven't changed much since first introduced and could use some freshening up to reflect more current agency trends;

Department of Environment (Page 35).

- Inspections of large quantity hazardous waste generators reached 24 percent in the third quarter exceeding the target by 4 percent; however, inspections are down from FY10 levels;
- New septic tank inspections are near FY10 levels, but are not expected to reach the 90 percent target;
- 87 percent of active solid waste facilities and infectious waste generators have been found to be in compliance with New Mexico's solid waste rules in the third quarter and above targeted levels for the year;
- The department reports only 40 percent of permitted groundwater discharge facilities have received annual compliance evaluations and annual field inspections through the third quarter, this is down from the targeted 50 percent level;
- 72 percent of permitted facilities are within standards established to protect groundwater;

Park and ride ridership averaged 72,100 per quarter through the 3rd quarter of FY11, an increase of 8,000 passengers over the average quarterly result in FY10.

The average number of traffic fatalities is down by 12 through the 3rd quarter compared to the FY10 quarterly average.

Report Card Rating Criteria

G

- Most annual targets met
- Data is reliable
- Measures gauge core functions
- Measures relate to agency's budget
- Measures tied to strategic and mission objectives

Y

- Mixed success in meeting targets
- Data is questionable
- Measures not closely related to core functions
- A clear and achievable action plan is in place to reach goals

R

- Most annual targets missed
- Data is unreliable
- Measures unrelated to core functions and budget expenditures
- No action plan to improve performance in place
- Agency failed to report on performance

New Mexico Department of Transportation (Page 39).

- Passengers on park and ride and the RailRunner continue incremental but steady increases, likely as a result of rising gasoline prices;
- Traffic fatalities, alcohol-related fatalities, and the number of passengers not wearing seatbelts in motor vehicle fatalities continues to decline and remain significantly better than FY11 targets.
- Roads statewide preserved through maintenance activities continues to decline as a result of inadequate State Road Funds.

Department of Information Technology (Page 41).

- Although DoIT is on track to meet or exceed targets; however, most measures are not meaningful.
- LFC staff suggests reinstating the "red-yellow-green" quarterly report card for the top 10 high-risk IT projects.
- Help Desk queue-time is fast, generally within 20 seconds; however FY11 results is almost 3 seconds slower than F10 levels;
- Account receivable balances increased during FY11 to \$10.2 million in the 3rd quarter compared to \$4.7 million at the end of FY10;
- Overall, DoIT infrequently has unscheduled downtime of the mainframe and rarely experiences system compromises from hackers

State Personnel Office (Page 43).

- More quarterly performance data is needed;
- Data quality is potentially unreliable;
- The department intends to focus on improving its quarterly report so that it is meaningful, accurate, and timely;

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**Performance Report Card
Human Services Department
Third Quarter, Fiscal Year 2011**

Performance Overview: The Human Services Department's (HSD) performance reporting now includes historical data for up to six years. In addition, it would be desirable to include more meaningful outcomes measures, national benchmark measures comparing New Mexico to other states, and more efficiency measures denoting average cost per client. Action plans addressing underperformance or comments pointing out significant issues are infrequent. The agency should restore more robust reporting to aid comprehensive performance analysis and to improve accountability and transparency.

Medical Assistance Program		Budget: \$3,342,296,600	FTE: 160.5	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Number of children receiving Medicaid school-based services (cumulative)			18,038	16,500	8,339	15,995	25,728		G
2	Percent of children in Medicaid managed care receiving early and periodic screening, diagnosis and treatment services (cumulative)			77%	70%	24%	39%	48%		Y
3	Percent of age appropriate women enrolled in Medicaid managed care receiving breast cancer screens (cumulative)			56%	55%	41%	46%	49%		G
4	Percent of age appropriate women enrolled in Medicaid managed care receiving cervical cancer screens (cumulative)			77%	72%	58%	64%	69%		G
5	Percent of eligible children aged 6 to 21 years of age who get health care coverage through medical assistance programs*			100%	65%	100%	100%	N/A		G
6	Percent of eligible children 0 through 5 years of age who get health care coverage through medical assistance programs*			95%	90%	96%	95%	N/A		G
7	Percent of eligible adults, below 100% FPL, who get health care coverage through medical assistance programs			54%	53%	52%	53%	N/A		G
8	Number of employers participating in State Coverage Insurance (SCI)			1,615	1,400	1,603	1,503	1,538		G
9	Number of adults enrolled in State Coverage Insurance (SCI)			53,818	40,000	46,370	44,984	44,218		G
Program Rating				G						G

Comments: The small percentage of children receiving annual check-ups continues to fall short of the target and should be a focus of the department. It is noted that the data for measure 2 are cumulative, with a "lag time" of at least 120 days, and the department expects improvement as more data becomes available. For example, at this time last year, 42 percent of children were reported to have had their annual check-up, but the final FY10 rate reached 77 percent, which exceeded the FY 2010 target of 69 percent. Although preventive care through screenings is important, the department should also report on a broader set of outcome measures to determine whether client health is improving and relate these measures directly to the program budget. The two measures for State Coverage Insurance (SCI) are no longer included in the quarterly report and were dropped for FY12, although the agency posts participation rates online. It appears SCI participation has exceeded targets by a wide margin.

Medicaid Behavioral Health Program		Budget: 307,200,800	FTE: 0	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
10	Percent of readmissions to the same level of care or higher for children or youth discharged from residential treatment centers and inpatient care*			6.5%	8%	5.5%	7.6%	2.4%		G
Program Rating				Y						G

Comments: Medicaid is the predominant payer of behavioral health services, but the department reports only one Medicaid behavioral health measure. The Behavioral Health Collaborative submits a separate quarterly report, tracking the behavioral health programs across state government.

Income Support Division		Budget: \$719,683,700	FTE: 1,133	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
11	Percent of TANF participants who retain a job for six or more months			46.5%	60%	43.3%	43%	52.9%		Y
12	Percent of TANF clients who obtain a job during the federal fiscal year (cumulative)			35.9%	60%	6.2%	11.5%	17.9%		R

**Performance Report Card
Human Services Department
Third Quarter, Fiscal Year 2011**

13	Percent of TANF two-parent recipients meeting federally required work requirements* ¹ (cumulative)	56.7%	90%	47.6%	49.9%	N/A		R
14	Percent of TANF recipients (all families) meeting federally required work requirements*	42.4%	50%	42.9%	45%	NA		Y
15	Percent of children eligible for Supplemental Nutritional Assistance Program participating in the program at 130% of poverty level*	85.7%	75%	89%	90.6%	93.3%		G
16	Percent of expedited Supplemental Nutrition Assistance Program cases meeting the federally required timeliness of seven days	99.2%	98%	99.1%	99.5%	99.3%		G
Program Rating		Y						Y

Comments: Improved coordination and performance outcomes for the TANF program are needed to better serve clients. However, in federal fiscal year 2010, New Mexico far exceeded the national average of work participation rates. The program is meeting all of its performance measures in the Supplemental Nutrition Assistance Program (SNAP, formerly Food Stamps), and there is continued growth in SNAP enrollment due mostly to the economic recession.

¹Data reported by federal fiscal years

Behavioral Health Services Division	Budget: \$54,971,900	FTE: 34	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
17	Percent of people receiving substance abuse treatment who demonstrate improvement in the drug domain on the addiction severity index*		67%	75%	Bi-annual	70.1%	Bi-annual		Y
18	Percent of people receiving substance abuse treatment who demonstrate improvement in the alcohol domain on the addiction severity index*		80%	80%	Bi-annual	91.7%	Bi-annual		G
19	Suicide rate among adults age 20 and older per 100,000 ²		22.6	20.5	Annual				
20	Suicide number among children age 15-19 per 100,000 served by the statewide entity*		1	3	Annual				
21	Percent of children and adolescents receiving behavioral health services who are successful in school		5 th Graders Math: 5.8% Reading: 3.9%	5 th Graders Math: 8.8% Reading: 9.0%	Annual				
			8 th Graders Math: 10.8% Reading: 4.8%	8 th Graders Math: 15.6% Reading: 11.9%					
Program Rating			Y						

Comments: The Behavioral Health Collaborative is required to report on behavioral health measures across state government, and the measures here are reported annually or bi-annually. The Quality Improvement Committee of the Collaborative is working with providers to identify clinical practices that reduce drug addiction.

²Data comes from Vital Records & Health Statistics. Death data through 2009 is included in FY10 actual.

Child Support Services	Budget: \$33,242,800	FTE: 400	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
22	Percent of children with paternity acknowledged or adjudicated		73.6%	75%	79.1%	83.6%	89.7%		G
23	Total child support enforcement collections, in millions* (cumulative)		\$115.4	\$110.1	\$27.4	\$54.4	\$88.5		G
24	Percent of child support owed that is collected*		57.8%	60%	57.5%	57.3%	57.3%		Y
25	Percent of cases with support orders*		68%	70%	68.3%	68.7%	70%		G
Program Rating			Y						G

Comments: There has been steady improvement in the key measure of enforcement, moving from 51 percent in FY04 to 68 percent in FY10, but the program is below the national average of 79.4 percent. Child support enforcement collections are exceeding the target, as well as exceeding the target for acknowledged paternity.

**Performance Report Card
Human Services Department
Third Quarter, Fiscal Year 2011**

Suggested Performance Measure Improvement

The agency should include more meaningful outcome measures; more national benchmark measures for the Medicaid program comparing New Mexico's performance to other states; more efficiency measures denoting average cost per client; and more outcome measures derived from the Medicaid managed care organizations that can also be benchmarked against other states. The agency should consider moving the data information to a monitoring plan to free up space within the report to include agency comment such as action plans (largely absent) or background information that would help explain outcomes. The agency should also consider explaining changes in measures within its report. Additionally, reporting the results in a format that aligns with the measure would be helpful, such as providing the percentages for measures 5-7. Underlying data, which is useful, could be added as a separate table.

* Denotes House Bill 2 measure

Performance Report Card
Behavioral Health Purchasing Collaborative
Third Quarter, Fiscal Year 2011

Performance Overview: The Behavioral Health Purchasing Collaborative is a 17-member oversight body charged with coordinating a single, statewide behavioral health system. Without a budget or staff, the Collaborative relies on the resources of its member agencies. The Collaborative has developed a broad set of performance measures to track progress in meeting clients' needs and restructuring behavioral health in New Mexico to emphasize community-based care. Laws 2008, Chapter 69 (HB181), included the Collaborative within the requirements of the Accountability in Government Act (AGA), including quarterly reporting. However, the Collaborative's quarterly performance reports have been limited due to the lack of quarterly data availability for many of their measures. The Collaborative is attempting to remedy this situation by adding new measures in FY11 to track quarterly progress in achieving its goals.

Behavioral Health Purchasing Collaborative		Budget: N/A	FTE: 0	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Youth suicide rate among 15 to 19 year-olds per 100,000 (Based on three year averages)*			17.5	14	Annual				
2	Youth suicide among 15 to 19 year-olds served by the statewide entity*			1	3	Annual				
3	Suicide rate among adults 20 years and older per 100,000 (calendar year)*			22.6	20.5	Annual				
4	Reduction in the gap between children in school who are receiving behavioral health services and their counterparts in achieving age appropriate proficiency scores in reading (R) and math (M)*			5 th Graders Math: 5.8% Reading: 3.9% 8 th Graders Math: 10.8% Reading: 4.8%	5 th Graders Math: 8.8% Reading: 9.0% 8 th Graders Math: 15.6% Reading: 11.9%	Annual				
5	Percent of adults with mental illness and/or substance abuse disorders receiving services who report satisfaction with staff's support with their housing needs			36%	39%	Annual				
6	Percent of children and families with mental illness and/or substance abuse disorders receiving services who report satisfaction with staff's support with their housing needs			25%	26%	Annual				
7	Percent of people receiving substance abuse treatment who demonstrate improvement in the <u>drug</u> domains on the Addiction Severity Index (ASI)*			67%	75%	Bi-annual	70.1%	Bi-annual		Y
8	Percent of people receiving substance abuse treatment who demonstrate improvement in the <u>alcohol</u> domain on the Addiction Severity Index (ASI)*			80%	80%	Bi-annual	91.7%	Bi-annual		G
9	Percent of youth on probation who were served by the statewide entity			62.6%	45%	Annual				
10	Percent of adults on probation who were served by the statewide entity			21%	39%	Annual				
11	Percent of individuals discharged from inpatient facilities who receive follow-up services at 7 days			34.4%	37%	35.6%	33.6%	34.4%		Y
12	Percent of individuals discharged from inpatient facilities who receive follow-up services at 30 days			51%	59%	51.7%	56.5%	51%		Y
13	Number of individuals served annually in substance abuse and/or mental health programs administered through the BH Collaborative statewide entity contract			81,579	81,500	39,493	57,330	69,974		Y
14	Number of DWI arrests among persons receiving substance abuse treatment or services by the statewide entity			16.1%	4%	Annual				
Program Rating				Y						Y
<p>Comments: The measures reported to the Collaborative are reported by various lead agencies across the state, ranging from the Public Education Department (measure 4) to the Department of Public Safety (measure 14), and the Collaborative reviews the data each year. While many of these are appropriate and meaningful outcome measures – e.g. measure 4 on student performance or measures 7 and 8 on treatment success – the annual nature of the data make quarterly progress reports difficult. For FY11, the Collaborative will be adding quarterly measures to gauge success in meeting its performance goals. Also of note, the statewide entity, currently OptumHealth NM, is on track to serve about the same number of individuals as in the previous year. Since its inception, the statewide entity has served about 81,500 New Mexicans, although total costs and expenditures have increased as</p>										

**Performance Report Card
Behavioral Health Purchasing Collaborative
Third Quarter, Fiscal Year 2011**

clients access more services. The Quality Improvement Committee of the Collaborative is working with providers to identify clinical practices that reduce drug addiction.

Suggested Performance Measure Improvement

The agency should include more meaningful outcome measures, national benchmark measures, efficiency measures denoting average per person cost, and outcome measures derived from the statewide entity (i.e., OptumHealth NM) that can be benchmarked against other states. The agency should consider including action plans (largely absent) or background information that would help to explain performance outcomes. The agency should also consider explaining changes in measures within its report.

* Denotes House Bill 2 measure

Performance Report Card
Department of Health
Third Quarter, Fiscal Year 2011

Performance Overview: The continuity of the Department of Health’s (DOH) staff in completing performance evaluations provides strong consistency in data collection and an easy to read report. The Laboratory Services Program continues to struggle with vacancies in key positions, increased sample loads, and court subpoenas which limit staff availability. The Developmental Disability Support Program could further enhance its cost containment efforts, resulting in improved average cost per client outcomes. The Facilities Management Program indicates an incident of abuse, neglect and exploitation which violates the “zero tolerance” objective of the Health Certification, Licensing and Oversight Program.

Public Health Program		Budget: \$194,861,900	FTE: 992	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Percent of preschoolers fully immunized *			70.2%	82%	N/A		65.1%		R
2	Number of teens ages 15-17 receiving family planning services in agency-funded family planning clinics (cumulative)*			5,380	7,400	2,223	3,501	4,651		R
3	Persons enrolled in the agency’s HIV services and receiving combination therapy who demonstrate an undetectable viral load			71.7%	75%	73.2%	75%	76%		G
4	Number of eligible women, infant and children program participants receiving services			118,299	123,000	81,287	79,411	78,477		Y
5	Number of visits to agency funded school-based health centers (cumulative)*			60,817	40,000	9,248	18,119	43,411		G
6	Percent of adults who use tobacco*			17.9%	19.0%	N/A				
Program Rating										G
Comments: The objectives identified by the agency for the Public Health Program are important and on target; however, the performance data submitted does not directly align with these objectives. Immunization rates in many states have decreased because CDC has changed the standard series of vaccines by which preschool children's rates of immunization are measured. Shortages of Hib vaccines have also affected outcomes. The number of teens receiving family planning services is up 1,345 from this time last year, but will likely not meet the target for this year. Data for tobacco use is not available until July 2011, but 2009 data shows a 25 percent drop in smokers since 2001 – which means 88,000 fewer smokers. The agency should consider adding outcome measures for teen pregnancies, suicide and childhood obesity to align with its stated objectives.										
Epidemiology and Response Program		Budget: \$26,512,900	FTE: 201	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
7	Number of health emergency exercises conducted to assess and improve state and local capability (cumulative)*			105	60	15	53	83		G
8	Number of designated trauma centers in the state*			8	10	9	9	9		Y
Program Rating										G
Comments: The number of health emergency exercises exceeded the FY11 target by 33, so a more ambitious target should be considered for FY12. One new Level IV trauma center is supposed to be verified and designated by the end of FY11, which would bring the total to ten. Inclusion of a measure to gauge the readiness and capacity of the public health care system in New Mexico would be desirable.										
Laboratory Services Program		Budget: \$11,322,900	FTE: 133	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
9	Percent of blood alcohol tests from driving-while-intoxicated cases analyzed and reported within ten business days*			63.5%	75%	15.6%	9%	7.1%		R
10	Percent of public health threat samples for communicable diseases and other threatening illness that are analyzed within specified turnaround times *			95.4%	98%	97.5%	94%	93.1%		Y
Program Rating										Y
Comments: Results for Laboratory Services are significantly impacted by staffing vacancies, increased sample load and a record number of subpoenas, discovery orders and court testimonies. The agency’s performance report for measure 9										

Performance Report Card
Department of Health
Third Quarter, Fiscal Year 2011

inconsistently reported seven versus ten day turnaround times and should be consistently reported in the summary and the data section in upcoming reports.

Facilities Management Program		Budget: \$137,125,300	FTE: 2,302	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
11	Number of substantiated cases of abuse, neglect and exploitation per one hundred residents in agency-operated long-term care programs confirmed by the division of health improvement (cumulative)*			0	0	0	0	.23		R
12	Percent of operational capacity beds filled at all agency facilities*			88.4%	90%	94%	93.7%	93.3%		G
13	Percent of billed third party revenues collected at all agency facilities*			NA	75%	62%	63%	66%		R
14	Total dollar amount of uncompensated care at all agency facilities in millions (cumulative)*			\$34.1	\$40	\$8.8	\$9.8	\$11.6		Y
Program Rating Y										R

Comments: The results for substantiated cases of abuse, neglect and exploitation (ANE) for two and a half years remained at zero, which reflects a strong emphasis on day-to-day care for facility residents; however, one substantiated ANE case in the third quarter changed that trend. Additionally, a program of this size and importance needs additional outcome measures for patient care and services and their outcomes, as well as enhanced measures of facilities' financial performance.

Developmental Disabilities Support Program		Budget: \$112,405,100	FTE: 172	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
15	Percent of adults receiving developmental disabilities day services who are engaged in community-integrated employment *			32%	30%	N/A				
16	Percent of infants and toddlers in the family, infant, toddler program who make progress in their development			94.3%	NA	N/A				
17	Percent of developmental disabilities waiver applicants who have a service plan in place within 90 days of income and clinical eligibility determination*			100%	98%	92.9%	91%	90%		R
18	Number of individuals on the developmental disabilities waiver receiving services			3,848	3,792	3,812	3,804	3,813		G
19	Number of individuals on the developmental disabilities waiting list			4,988	4,720	5,158	5,182	5,280		R
Program Rating R										R

Comments: A corrective action plan is in place to assess the accuracy of data collection and to clearly define methodology for accurate data collection and reporting in the future. The quarterly report could include performance measure data on the Jackson class members. Cost inflation is a major issue within this program with increased service utilization and exceptions driving up average cost per client, which limits the availability to bring in new clients from the waiting list. Therefore, a program of this size and importance could benefit from additional outcome measures and data, as well as performance data on average cost per client and overall cost reduction strategies that are measurable.

Health Certification, Licensing and Oversight Program		Budget: \$12,409,300	FTE: 158	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
20	Percent of abuse, neglect and exploitation incidents for community-based programs investigated within 45 days			95.2%	95%	95%	95.7%	94.3%		G
21	Percent of developmental disabilities, family, infant, toddler, medically fragile and behavioral health providers receiving a survey by the quality management bureau (cumulative)*			72%	75%	16%	31.7%	47.3%		R
22	Percent of required compliance surveys completed for adult residential care and adult daycare facilities (cumulative)*			119%	95%	25%	35%	44.5%		R
Program Rating G										R

Performance Report Card
 Department of Health
 Third Quarter, Fiscal Year 2011

Comments: Results for the percent of quality management bureau surveys and compliance surveys are being negatively impacted due to budget cuts and hiring freezes. The agency's action plan indicates priority is given to statutorily-required investigations and serious complaints while other incidences will remain uninvestigated until staffing is restored.

Administration Program	Budget: \$18,094,300	FTE: 144	FY10 Actual	FY11 Target	Q1	Q2	Q3	FY11 Final	Rating
23	Number of working days between expenditure of federal funds and request for reimbursement		NA	5	30	30	30		R
24	Percent of payment vouchers paid within thirty days of acceptance of goods and services (cumulative)		84.5%	75%	89.2%	90.4%	91.5%		G
Program Rating G									Y

Comments: The percent of payment vouchers measure has exceeded the target each quarter.

Suggested Performance Measure Improvement

The agency should include more meaningful outcome measures, more national benchmark measures for the Public Health, Developmental Disabilities Services, and Facilities Management Programs, and more efficiency measures denoting average cost per client for the Developmental Disabilities Services Program. The report could be made more user-friendly by including the FY10 actual data and the three previous years' historical data for each measure.

* Denotes House Bill 2 measure

Performance Report Card
Aging and Long-Term Services Department
Third Quarter, Fiscal Year 2011

Performance Overview: For several years, the Aging and Long-Term Services Department (ALTSD) has been advised to develop outcome measures to replace output measures for program evaluation. Specifically, the agency needs to develop outcome measures to show program results as most measures are numerical and reflect numbers served rather than results and outcomes based on objective benchmarks. Some FY11 targets were set too low and need to be adjusted for future years based upon historical experience. Measures for Long-Term Services will need to be revised to reflect the transfer of the Coordinated Long-Term Services (COLTS) managed care program to the Human Services Department in FY12.

Consumer and Elder Rights Program		Budget:	FTE:	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
		\$1,981,900	25.5							
1	Percent of people calling the resource center in need of two or more daily living services who receive information, referral, and assistance			16,574	25%	39.5%	46%	43.5%		G
2	Number of ombudsman complaints resolved (cumulative)*			3,795	5,000	780	947	931		Y
Program Rating G										Y
Comments: Percent of calls to the resource center continues to exceed the target and the target should be adjusted upward. The resolved ombudsman complaints are below the target but reflect efforts to reduce the number of complaints in nursing homes and assisted living facilities as the number of cases to be resolved is dependent on complaints received.										
Aging Network Program		Budget:	FTE:	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
		\$34,143,800	1.5							
3	Number of persons receiving aging network community services*			29%	56,000	N/A				Y
4	Number of persons whose food insecurity is alleviated by meals received through the aging network*			NA	25,000	31,144	34,976	34,452		G
Program Rating R										Y
Comments: The agency estimates there are 418,015 individuals over the age of 60 in the state. Data collection is difficult because of the large number of service providers. However, the 56,000 target for measure 3 which is reported annually should be refined by historical information. New measures have been added for FY11 in the areas of senior employment and nutrition; however, the program should develop more meaningful outcome measures pertaining to economic security.										
Long-Term Services Program		Budget:	FTE:	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
		\$7,998,900	59							
5	Percent of total personal care option cases that are consumer-directed			24.7%	10.8%	27.4%	28.3%	29.2%		G
6	Percent of disabled and elderly coordinated long-term services c waiver clients who receive services within ninety days of eligibility determination			92.0%	90%	92.5%	95.1%	98.1%		G
7	Average number of months that individuals are on the coordinated long-term services c waiver registry prior to receiving an allocation for services			56	60	59	62	65		G
8	Number of brain injury clients served through the self-directed waiver			347	N/A					
Program Rating Y										G
Comments: The COLTS program is moving to the Human Services Department in FY12, so the Long-Term Services Program will be eliminated. Audits of the COLTS contractors found significant problems in cost containment, late payments to vendors, and data information systems not meeting contract requirements. The target for eligibility determination is unrealistic; however, results have been erratic complicated by Human Services Department retroactive approvals. Waiver slots are limited and are at enrollment capacity based upon appropriations. This trend will grow without additional appropriations and does not reflect agency program management.										

Performance Report Card
Aging and Long-Term Services Department
Third Quarter, Fiscal Year 2011

Adult Protective Services Program		Budget:	FTE:	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
9	Number of adults receiving an adult protective services investigations of abuse, neglect or exploitation (cumulative)*	\$12,757,100	139	6,236	5,625	1,477	1,414	1,512		G
Program Rating										G
Comments: The measure result is cumulative and the variance in quarterly performance makes it unclear if the agency is in line to meet the target.										
Suggested Performance Measure Improvement										
The agency should include more meaningful outcome measures, more national benchmark measures for the Aging Network Program, and more efficiency measures denoting average cost per client. The agency should consider combining the data information and the action plan in order to better explain outcomes. The agency should also consider explaining changes in measures within its report. Lastly, the report could be made more user-friendly by including the FY10 actual data and the three previous years' historical data for each measure.										

* Denotes House Bill 2 measure

Performance Report Card
Children, Youth and Families Department
Third Quarter, Fiscal Year 2011

Performance Overview: The Children, Youth and Families Department (CYFD) is performing reasonably well in times of budgetary constraints. Cases facing the Juvenile Justice, Protective Services (JJS), and Youth & Family programs have increased in complexity and difficulty. Vacancy rates and turnover continue to adversely affect the caseloads.

Juvenile Justice Services Program		Budget: \$40,770,300	FTE: 565.5	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Percent of incidents in juvenile justice services facilities requiring use of force resulting in injury*			2.7%	3%	0.8%	2.2%	2.6%		G
2	Percent of clients recommitted to a children, youth and families department facility within two years of discharge from facilities*			7.5%	10%	12.3%	11.7%	12.6%		R
3	Percent of juvenile justice division facility clients age eighteen and older who enter adult corrections within two years after discharge from a juvenile justice facility*			3.7%	6%	11.5%	9.8%	12.0%		R
4	Number of physical assaults in juvenile justice facilities			N/A	Baseline	212	248	240		
Program Rating				G						Y
<p>Comments: CYFD is in the early stages of implementing the Cambiar model; therefore recent recidivism rates are not indicative of the new model's performance. JJS officials speculate the increase in recidivism is due to a change in the client demographics. The clients come from a higher at-risk population with a combination of mental and substance abuse diagnosis. JJS staff is collecting data on where the physical assaults are occurring in order to better mitigate the problem. They hypothesize most of the incidents of assaults are occurring at Camino Nuevo as it has a very volatile client population. The Cambiar model calls for small regional facilities in rural parts of the state so clients from those areas can be closer to their families; however, this approach has not been realized.</p>										
Protective Services Program		Budget: \$109,532,700	FTE: 848.0	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
5	Percent of children who are not the subject of substantiated maltreatment within six months of a prior determination of substantiated maltreatment*			91.4	91.5%	91.6%	91.7%	91.4%		G
6	Percent of children reunified with their natural families in less than twelve months of entry into care*			71.5%	69.9%	61.7%	60.8%	63.6%		Y
7	Percent of children who are not the subject of substantiated maltreatment while in foster care*			99.67%	99.68%	99.76%	99.62%	99.72%		G
Program Rating				Y						G
<p>Comments: Timeliness of court proceedings affects the family reunification measure. Likewise, the Indian Child Welfare Act (ICWA) may be impacting reunification outcomes due to ICWA placement preferences and required notification. CYFD has also reported increases in caseloads and severity of cases being reported. Cases have become more complex often involving families whose children are diagnosed with disabilities, parents who are incarcerated, and families lacking adequate housing. The increased caseloads have negatively impacted the staff's ability to work with families. The number of Family-Centered Meetings is increasing in order to bring together extended families and community providers to support families. Program staff is also working with Medicaid and the medical/behavioral health provider community to address the limited services in rural areas which is contributing to timely family reunification.</p>										
Early Childhood Services Program		Budget: \$152,403,200	FTE: 154.5	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
8	Percent of children receiving state subsidy in stars/aim high programs level two through five or with national accreditation*			69.8%	69%	68.5%	68.6%	69.3%		G
9	Percent of mothers participating in home-visiting who are identified as having symptoms of postpartum depression			N/A	Baseline	21%	32%	28%		
Program Rating				G						G
<p>Comments: The new home visiting measurement is confusing and does not accurately portray the goals of home visiting. CYFD should clarify this measure to reflect the percentage of mothers identified as having symptoms of postpartum depression that receive and follow through with referrals provided by home visitation staff. Additionally, although eligibility for childcare is still at 200 percent of federal poverty levels, budgetary shortfalls only allow enrollment at 100 percent federal poverty level or below. Childcare assistance enrollment continues to allow an eligibility grandfather at up to 200 percent</p>										

**Performance Report Card
Children, Youth and Families Department
Third Quarter, Fiscal Year 2011**

federal poverty level. In these tough economic times, the program should report quarterly the number of children on the childcare assistance waiting list. Language in HB 2 calling for a plan to address the childcare program's waiting list for clients from families with incomes between one hundred percent and one hundred fifty percent of the federal poverty level was vetoed.

Youth and Family Services Program		Budget: \$56,168,600	FTE: 388.1	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
10	Percent of adult victims or survivors receiving domestic violence services who have an individualized safety plan*			92.4%	70%	91.3%	92.4%	92.7%		G
11	Percent of domestic violence offenders who complete a batterer's intervention program*			60.5%	70%	41.2%	35.9%	42.3%		R
12	Percent of clients who complete formal probation*			90.6%	90%	93.2%	93.2%	91.8%		G
13	Percent of clients readjudicated within two years of previous adjudication*			6.2%	5.8%	5.7%	6.6%	6.9%		R
14	Percent of adult victims receiving domestic violence services who report increased knowledge in how to access available community resources			87.1%	70.0%	87.5%	89.0%	87.4%		G
Program Rating				G						Y

Comments: The readjudication measure mentioned above may be indicative of the effectiveness of transition services. Youth and Family Services' (YFS) action plan focuses on providing a myriad of services for clients transitioning into the community including housing, education, employment, and behavioral health. The division is also placing greater emphasis on Core Service Agencies (CSA) throughout New Mexico. The data collection method for domestic violence measures will be changing due to federal recommendations. Additionally, CYFD is requesting measure 11 be eliminated because the department has little control over this measure.

Program Support		Budget: \$17,478,900	FTE: 164.0	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
15	Percent vacancy rate for youth care specialists*			9.0%	8.0%	10.0%	9.0%	7.6%		G
Program Rating				Y						G

Comments: CYFD is using information gained from exit interviews to improve working conditions for youth care specialists. Initial hiring interviews are providing an in-depth and realistic view of job demands. Although, the Juvenile Justice Services program is reducing its youth care specialist vacancy rate through continual recruiting, it is still experiencing high turnover rates.

Suggested Performance Measure Improvement

The Early Childhood Services (ECS) program is large and needs additional performance measures. New standards for child care centers will be soon mandated and the performance measure needs to be revamped to continue to move towards higher quality standards for child care. There should be a differentiation for rural versus urban child care providers in the performance measures with corresponding stars/aim high programs level three through five or with national accreditation to allow for improved for resource allocation. ECS should also develop a performance measure to capture the work of inclusion specialists as they assist child care providers in increasing the number of children with special needs. ECS should also develop a home visiting performance measure that links agency identified risk factors with referrals and services sought.
















Furthermore, performance measures should link to overarching public policy goals, including measures such as the percent of TANF clients receiving childcare assistance and percent of parents using child care that are working. Lastly, ECS should use gap measurements to demonstrate the need versus the services being provided for child care assistance, home visitation, etc.

Juvenile Justice Services should incorporate a performance measure that includes turnover or attrition rates of youth care specialist with a reduction goal. Youth and Family Services (YFS) should develop a measure that illustrates the involvement of community based organizations (CBO) in providing services to clients on parole. By striving to involve additional CBOs, YFS may increase the likelihood of successful integration of clients back into society.

* Denotes House Bill 2 measure

**Performance Report Card
Workforce Solutions Department
Third Quarter, Fiscal Year 2011**

Performance Overview: The Workforce Solutions Department (WSD) has been operating under crisis mode for some time as of a result of a struggling economy. New Mexico's unemployment rate hit a decade high of 8.7 percent in January and February of this year. Albeit, some job growth in a few industries, the unemployment drop to 7.6 percent in April is not indicative of far reaching improvements in the labor market. In fact, there may be a reduction in the labor force altogether. High unemployment rates continue to adversely affect WSD's ability to provide workforce development services. WSD is consciously filling vacant positions to ensure service delivery. Meanwhile, media and agency attention is focused on the looming insolvency of the UI Trust Fund. WSD's third quarter report for FY11 has questionable data and corrective action plans which lack detail. WSD does not appear to be strategically planning or using performance measurements for management purposes.

Workforce Transition Services Program		Budget: \$18,474,500	FTE: 307.5	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Percent of adult participants receiving workforce development services through the public workforce system who are employed in the first quarter after the exit quarter*			69%	86%	67%	64%	61%		
2	Percent of Workforce Investment Act dislocated workers receiving workforce development services who are employed in the first quarter after the exit quarter*			77%	88%	75%	75%	73%		
3	Percent of youth participants who are in employment or enrolled in postsecondary education or advanced training in the first quarter after the exit quarter*			57%	71%	34%	34%	49%		
4	Percent of eligible unemployment insurance claims issued a determination within twenty-one days from the date of claim*			74%	80%	68%	68%	81%		
5	Percent of adult Workforce Investment Act participants employed in both the second and third quarter following the exit quarter*			85%	72%	83%	81%	80%		
6	Percent of Workforce Investment Act dislocated worker participants employed in both the second and third quarter following the exit quarter*			94%	90%	88%	89%	86%		
7	Average unemployment insurance call center wait time to reach an agent, in minutes*			47.5	<5 min	47	81	39		
Program Rating										
Comments: According to WSD, the local offices have been inundated with individuals seeking unemployment insurance benefits. Due to this high demand for unemployment insurance assistance, staff time to perform other workforce development services has been limited. Additional information regarding capacity of the local offices is necessary for further analysis. Federal performance measure data from local workforce board was not included with WSD's key performance measure report. Furthermore, WSD participants receiving workforce development services are facing a weak economy and diminishing job prospects which adversely affect their ability to re-enter the workforce. The economy has to improve in order for WSD to meet its goals.										
Labor Relations Program		Budget: \$4,450,800	FTE: 38	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
8	Number of backlogged human rights commission hearings pending each quarter*			0	0	0	0	0		
9	Percent of wage claims investigated and resolved within one hundred twenty days*			81%	96%	89%	95%	100%		
10	Percent of discrimination cases referred to alternative dispute resolution that were settled*			64%	78%	N/A				
11	Number of targeted public works inspections completed*			1,451	1,800	494	899	1,270		
12	Number of discrimination claims investigated (cumulative)			N/A	500	117	380	549		
Program Rating										

**Performance Report Card
Workforce Solutions Department
Third Quarter, Fiscal Year 2011**

Comments: The Labor Relations Program has endured a lack of leadership since August 2010. The number of public work inspections declined each quarter of FY11. Currently, there are six investigators for the entire state, one of which is unable to perform field work. A director was recently brought on board in mid-April and is moving to fill investigator vacancies. There is also a backlog of discrimination cases primarily due a mediator vacancy.

Business Services Program		Budget: \$4,965,900	FTE: 30	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
13	Percent of employers sampled reporting customer satisfaction*			96%	90%	98%	97%	100%		G
14	Number of personal contacts made by field office personnel with New Mexico businesses to inform them of available services or provide actual services*			32,803	30,000	12,302	21,512	31,625		G
Program Rating				G						G

Comments: The new division director is focusing on growing WSD's business services. Local office staff has been unable to dedicate time to community business outreach. Also, marketing materials are needed to illustrate the kinds of services WSD offers for the business sector.

Suggested Performance Measure Improvement

Overall, WSD should include more detail in its Key Performance Measure Report. The action plans should also include more specificity. Furthermore, the key measures report should include some background information to provide a framework for evaluating outcomes. Currently, there is great concern regarding the solvency of the Unemployment Trust Fund and local workforce development board performance. WSD should incorporate meaningful measures to indicate performance in both of these areas. Lastly, the Business Service Program has exceeded its performance measurements and should develop meaningful measures tied to its budget.

* Denotes House Bill 2 measure

**Performance Report Card
Public Education Department
Third Quarter, Fiscal Year 2011**

Performance Overview: The function of the Public Education Department is to provide program and fiscal oversight to school districts, and ensure accountability for almost 50 percent of the state budget. PED's performance measures provide little meaningful measurement of progress made by the department. The department continues to struggle to meet targets on several performance measures. Federal-flow through and completion of the agreed upon audit schedule remain a concern. The department should consider revising measures to better reflect their overall mission, as these measures do not indicate performance on the goals for education articulated in the department's strategic plan. The department should include measures related to closing the student achievement gap in all subgroups identified by No Child Left Behind, the number of schools that make adequate yearly progress (AYP), safe and healthy school environments, and access to and application of technology for student learning. The department should also consider reporting how school districts are budgeting and expending funds to ensure that resources are spent on students, and whether district audits are filed when due, as FY11 marks the first year that the state equalization guarantee distribution may be withheld for untimely audits. Additionally, as many measures are reported annually, quarterly reporting may not be appropriate for the department.

		Budget: \$13,955.4	FTE: 314.8	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Percent of Elementary and Secondary Education Act yearly progress designations publicly reported by August 1st*			100%	100%	Annual				
2	Percent completion of the data warehouse project (cumulative)*			100%	75%	N/A				Y
3	Percent of teachers passing all strands of professional dossiers on the first submittal*			71%	85%	Annual				
4	Percent of customers interacting with the public education department who report satisfaction with their telephone communications with the department (cumulative)			95%	97%	95%	Semi-annual			Y
5	Average processing time for school district budget adjustment requests, in days (direct grants)			4	7	4	4	4		G
6	Average processing time for school district budget adjustment requests, in days (flow-through funds)			18.2	7	19.6	19.1	18.7		R
7	Annual percent of core academic subjects taught by highly qualified teachers, kindergarten through twelfth grade			99.5%	100%	N/A	97.3%	N/A		Y
8	Percent of completion of the agreed audit schedule for the public education department internal audit section (cumulative)			0%	100%	0%	0%	0%		R
Program Rating				Y						Y

Comments: There is ongoing concern about the ability of the department to process and track data accurately using the STARS data warehouse. The department reports STARS is 100 percent in production as funded. However, STARS is not complete. The original strategic plan has 4 identified phases and only phase 1 and 2 are complete. Phase 3 has received limited funding and planned enhancements and additions are being implemented as funds are appropriated. Approximately \$4.5 million additional funding is needed to complete phases 3 and 4. Data-driven decision making relies on accurate data collection, and will be more important in coming years as student achievement data will drive statutory directives and policy decisions with the new school grading system and potential changes to the teacher evaluation system. In addition to concerns about STARS functioning as a warehouse as opposed to an analytical tool, the department should increase its effort to educate districts to use information available in STARS to improve student achievement.

The data for teachers passing all strands of professional dossiers on the first submittal is collected in August 2011. The department anticipates the data will be analyzed by September 2010. The department should also consider reporting data on the number of highly qualified teachers who are appropriately licensed for the assignment and demonstrate subject matter competence in the academic subject they are teaching.

**Performance Report Card
Public Education Department
Third Quarter, Fiscal Year 2011**

The department continues to struggle with school district budget adjustment requests (BAR) for federal flow-through funds, and it appears that the FY11 target will not be met. The department indicates that the BAR process has been reviewed by an outside agency to streamline the process and the agency determined that seven days is an unrealistic target. The department indicates a corrective action plan that will create a process map of the BAR procedure, identify redundancies and timelines in the process and revise the BAR process.

Since the middle of FY10 the department has not established an agreed upon audit schedule and has not engaged in a continuous effort to ensure data reported by school districts is accurate. The audit process has been delayed due to vacancies – currently the department only has one auditor. As public education funding accounts for almost 50 percent of the state budget, the department should prioritize an ongoing effort to ensure information is reported correctly and funding is distributed fairly.

Suggested Performance Measure Improvement

Performance measures should be better aligned with the public education program purpose statement to reflect government and operation of the department and oversight of school districts and charter schools, or alternatively the purpose statement and mission of the department should be changed.

* Denotes House Bill 2 measure

**Performance Report Card
Public School Support
Third Quarter, Fiscal Year 2011**

Performance Overview: The Public Education Department released its annual report of student achievement last summer, highlighting an almost 6 percent increase in FY09's four-year cohort graduation rate for freshmen entering high school in 2005 and graduating in 2009. The four-year cohort graduation rate increased from 60.3 percent to 66.1 percent. This number does not include students that left school and received a GED, moved out of state, or are still enrolled in high school. The five-year cohort graduation rate allows students graduating in the summer following their cohort graduation as well as students finishing their fifth year of high school to be counted in the graduation rate for the cohort. The FY08 five-year cohort graduation rate increased the FY08 graduation rate by 5.9 percent from 60.3 percent to 66.2 percent, though still indicating the need for programs that keep kids in school. Both reporting methodologies delay cohort graduation rate reporting by more than a year. The four-year cohort graduation rate for FY10 and the five-year cohort graduation rate for FY09 will be published by the department in June 2011. FY11 is the first year PED and districts are required to report data useful for a better understanding of on-time graduation and dropouts, including the number of students who are known to have dropped out, have exited with the intent to earn a GED, are known to still be in high school, have met all the requirements for graduation but have not passed the graduation test, and progress through high school from grade to grade. This data will assist policy makers in better addressing the achievement gap and improving graduation rates.

Over the last six years, overall student performance as measured by the percent of students scoring proficient or above on the New Mexico Standards-Based Assessment (NMSBA) has increased 12 percentage points in math, 3 percentage points in reading, and 6 percentage points in science. Data from the 2010 assessment, however, only shows annual gains in math of 1 percentage point, while science proficiency scores remain unchanged and reading proficiency scores dropped 2 percentage points statewide. Approximately 55 percent of fourth graders and 61 percent of eighth graders continue to score below proficiency in math, and 49 percent of fourth graders and 39 percent of eighth graders continue to score below proficiency in reading. In spite of incremental long-term gains, continued targeted efforts must be maintained to sustain continued achievement. Student performance data for the 2011 school year will be available in July 2011.

Despite incrementally increasing proficiency rates, the department reports an increasing number of schools failing to make adequate yearly progress (AYP). Based on assessment results from the 2010 school year, 634, or 76.7 percent of all schools failed to make AYP, and are in the school improvement cycle for the 2011 school-year. This is an increase of 74 schools over the 2010 school-year. Since 2005, the number of schools failing to make AYP has increased 52.4 percent. This increase continues to be a result of more schools entering the school improvement cycle for the first time or coming off delay status for not making AYP in consecutive years. While the number of schools that are in the school improvement cycle continues to increase, there are schools that are succeeding at rising out of school improvement. It is also important to note that student achievement is a better indicator of academic success. Improvement in education aimed at improving student achievement must: encourage strong administrative leadership, including establishing policies relative to the use of time; provide a safe and orderly climate; emphasize basic academic skills; create high expectations for student achievement; and create a system for monitoring student performance.

Budget: \$2,309,175.1		FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Percent of fourth-grade students who achieve proficiency or above on standard-based assessments in reading*	51.0%	74.0%	Annual				

**Performance Report Card
Public School Support
Third Quarter, Fiscal Year 2011**

2	Percent of eighth-grade students who achieve proficiency or above on the standards-based assessments in reading*	61.0%	72.0%	Annual				
3	Percent of fourth-grade students who achieve proficiency or above on the standards-based assessments in mathematics*	45.0%	67.0%	Annual				
4	Percent of eighth-grade students who achieve proficiency or above on the standard-based assessments in mathematics*	39.0%	63.0%	Annual				
5	Percent of recent New Mexico high school graduates who take remedial courses in higher education at two-year and four-year schools*	47.1%	40.0%	Annual				
6	Current year's cohort graduation rate using four-year cumulative method*	66.1%	80.0%	Annual				
7	Annual percent of core academic subjects taught by highly qualified teachers, kindergarten through twelfth grade*	99.5%	100%	N/A	97.3%	N/A		Y
Program Rating		Y						Y

Comments: Performance measures for public school support provide a snapshot of student performance at the end of each school year when data is available. In general, throughout the year little or no consistent data is available on student achievement and performance because the New Mexico Standards Based Assessment is administered at the end of the school year and is only administered once. Additionally, higher education remediation information and graduation rates are also only calculated once each year. Because public school support accounts for almost half of the state budget, the Legislature should consider implementing a statewide short-cycle assessment that is reported to the department at least three times a year. The majority of school districts currently use short-cycle assessments. These assessments are not designed to assess proficiency, but can be used to assist in making instructional decisions and also to indicate student growth within a school year. An additional benefit to intermediate reporting of student growth would be to help the department determine how to better support schools.

Improving Student Achievement and Closing the Achievement Gap: Student achievement at the end of the 2009-2010 school-year failed to meet targets and targets will likely not be met during the 2010-2011 school-year. Student proficiency targets have historically been set to be consistent with federal Elementary and Secondary Education Act (ESEA) targets that must be met in order for schools to avoid being designated a "school in need of improvement." Proficiency level targets are generally increasing pursuant to the ESEA and may need to be adjusted down to reflect reasonable student achievement growth over time. Despite generally failed student achievement targets by all subgroups, the achievement gap continues to persist in New Mexico. Caucasian and Asian students out-perform African American, Native American and Hispanic students. The department, school districts and charter schools continue to address the achievement gap with policies, programs and practices; however, the department does not currently report any performance measures for any of these groups of students. To truly assess the achievement gap, the department should report performance measures by race/ethnicity and additionally report results for economically disadvantaged and non-economically disadvantaged groups as recommended in recent LFC program evaluations.

K-3 Plus: Little more than 5,800 students from 20 different school districts participated in the K-3 Plus program during the 2010-2011 school year, almost 2,200 students less than the department authorized funding for. The program, which adds 25 days to the beginning of a school year in high-poverty schools, is a cost effective way to attempt to narrow the achievement gap between economically disadvantaged groups and non-economically disadvantaged groups in the lower grades. The department should better manage the K-3 Plus appropriation to ensure the greatest number of students that can be served are actually served, and should include K-3 Plus tracking in the STARS system and track and report data related to performance on assessments by those students participating in K-3 Plus.

Teacher Quality: With the implementation of three-tier licensure, it was expected that the percent of classes taught by highly qualified teachers would continue to improve to the No Child Left Behind (NCLB) requirement of 100 percent. Statewide, schools continue to increase the numbers of highly qualified teachers teaching classes, moving toward 100 percent. Highly qualified teachers aren't necessarily highly effective though. Despite having a workforce of teachers that is almost 100 percent highly qualified, significant student achievement gains are still not being attained.

Because a large number of teachers from external sources such as Teach for America and Save the Children are used by some districts in the state, achieving the 100 percent goal will be difficult. Generally, these are high-quality teachers but they lack the certification and training required to be considered high quality under NCLB.

**Performance Report Card
Public School Support
Third Quarter, Fiscal Year 2011**

Suggested Performance Measure Improvement
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Performance measures should be aligned with the public school support purpose statement “to carry out the mandate to establish and maintain a uniform system of free public schools sufficient for the education of, and open to, all the children of school age in the state.” Student performance targets need to be modified to reflect the level of student performance the state considers reasonable rather than student performance levels established pursuant to the federal Elementary and Secondary Education Act. Additionally, student performance measures that are reported quarterly should be added.

* Denotes House Bill 2 measure

**Performance Report Card
New Mexico Corrections Department
Third Quarter, Fiscal Year 2011**

Performance Overview: New Mexico Corrections Department's (NMCD) performance measures report on its core functions, especially as they relate to incarceration, release and recidivism of inmates. The measures are well developed and have been in place long enough to evaluate NMCD's performance over time. The two critical indicators of safety within the prisons are assaults on inmates and staff. The target for FY11 is higher than the FY10 actual for both measures, which lowers the threshold for performance success. The number of assaults from the second to the third quarter have increased, possibly an indication of a deterioration in safety.

Inmate Management & Control Program		Budget: \$241,129,000	FTE: 1955.5	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Number of serious inmate-on-inmate assaults in private and public facilities* (cumulative)			19	23	0	4	7		Y
2	Number of serious inmate-on-staff assaults in private and public facilities* (cumulative)			6	11	0	0	3		Y
3	Percent of inmates testing positive or refusing the monthly drug test*			1.8%	2%	1.4%	1.2%	1.4%		G
4	Percent turnover of correctional officers*			11.8%	13%	9.9%	9.9%	9.8%		G
5	Percent of prisoners re-incarcerated within thirty-six months after being discharged from New Mexico corrections department prison system or into community supervision*			43.6%	47%	44.2%	45.4%	44.5%		G
6	Percent of female offenders successfully released in accordance with their scheduled release date*			95%	90%	90%	85%	82%		Y
7	Percent of male offenders successfully released in accordance with their scheduled release date*			86%	90%	84%	85%	85%		Y
Program Rating				G						Y

Comments: In the third quarter, the targets for the measures that gauge the successful and timely release of inmates were not met and may not be met in the fourth quarter if the trend continues. NMCD is evaluating its re-entry process for female inmates against a national model, the Transitions From Prisons to Communities initiative, to determine if there are other programs that it can introduce to release inmates in accordance with release dates and reduce recidivism. Additionally, some inmates eligible for parole are difficult to place in the community because of factors such as sex offenses, inability to find housing or the poor economy. These factors outside of the NMCD's control negatively impact the outcome of this measure because inmates have to be placed on in-house parole. The FY10 actual for item 5 was lower than the FY11 target and the FY11 third quarter results have already exceeded the FY10 actual. Although the re-incarceration rate appears high, New Mexico is one of nineteen states with recidivism of over 40 percent. The FY10 actual results for measures 4 and 6 in the 2011 *Legislative Finance Committee Report for Fiscal Year 2012, Volume Two* were reported as 11.45 percent and 31.6 percent, respectively, a slight difference from NMCD's current reporting. The decrease in timely release of parole eligible inmates increases the prison population, incarceration costs and could potentially increase inmate-on-inmate and inmate-on-staff assaults.

Community Offender Management Program		Budget: \$29,752,900	FTE: 387	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
8	Average standard caseload of probation and parole officers*			95	92	94	96	98		R
Program Rating				Y						R

Comments: The initial statewide hiring freeze prohibited NMCD from filling any of the 47 vacant positions in probation and parole. As a result, the remaining probation and parole officers have had to take on additional cases. NMCD is in the process of filling vacant position and when new staff is trained the average officer caseload will decrease. Although this measure does compute workload, it does not measure results of the probation and parole program.

Corrections Industries Program		Budget: \$4,742,500	FTE: 35	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
9	Profit/loss margin of the Corrections Industries Division*			-17.27%	0%	1.19%	-6.46%	-4.17%		R
Program Rating				Y						R

Comments: Budget cuts in state and local government entities has required cut backs in purchasing of products, including

**Performance Report Card
New Mexico Corrections Department
Third Quarter, Fiscal Year 2011**

those produced by Corrections Industries. Because sales declined, inmate labor was reduced. Additionally, the hiring freeze made it difficult to market and sell Corrections Industries' products. Moreover, lockdowns at the prisons negatively impact the ability of the Corrections Industries to timely deliver products, which in turn increases overhead costs.

Suggested Performance Measure Improvement

NMCD may want to consider adopting outcome measures for probation and parole that will more adequately measure the success of probation and parole officers' work with supervised parolees. For example, percent of parolees successfully completing supervised probation, percent of parolees employed or total restitution ordered by the court paid to victims, in dollars.

* Denotes House Bill 2 measure

**Performance Report Card
Department of Public Safety
Third Quarter, Fiscal Year 2011**

Performance Overview: The Department of Public Safety (DPS) performance measures focus on the department's key goals and initiatives to reduce alcohol abuse, reduce illegal drug abuse, reduce violent crime, and ensure traffic safety. However, the measures do not measure the impact of enforcement efforts or the state of public safety in New Mexico.

Law Enforcement Program	Budget: \$78,639,300	FTE: 794.2	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Number of total DWI arrests by DPS commissioned officers* (cumulative)		4,311	3,200	1,159	1,992	2,619		G
2	Number of DWI crashes investigated by DPS commissioned officers* (cumulative)		192	200	73	136	189		G
3	Number of fatal crashes in New Mexico* (cumulative)		330	400	67	137	198		G
4	Number of drug arrests by DPS commissioned officers* (cumulative)		1,404	1,000	311	626	925		G
5	Number of criminal cases investigated by DPS commissioned officers* (cumulative)		18,694	15,000	5,020	11,198	14,390		G
6	Number of administrative citations issued by Special Investigations Division (SID) for selling or giving alcohol to a minor* (cumulative)		235	150	169	310	208		G
7	Percent of strength of DPS commissioned officers*		85.3%	81%	88.7%	85.7%	87.5%		G
8	Number of criminal citations or arrests for the illegal sales/service of alcohol to minors and intoxicated persons by SID* (cumulative)		546	200	96	156	413		G
Program Rating			G						G

Comments: The impact of law enforcement efforts (quality) are not measured by number of arrests, crashes or citations. In theory, if law enforcement is having an impact on the public's behavior then the cumulative number of arrests and crashes should be going down; however, the opposite is the case.

Motor Transportation Program	Budget: \$26,157,700	FTE: 273.5	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
9	Number of narcotic seizures by Motor Transportation Division* (cumulative)		46	52	9	18	22		G
10	Number of commercial motor vehicle safety inspections by Motor Transportation Division* (cumulative)		126,927	91,680	27,626	51,819	76,677		G
11	Percent strength of commissioned officers*		79.5%	83%	83%	78.8%	77.6%		Y
12	Number of citations issued to commercial motor carrier vehicles subject to but not in compliance with the Weight Distance Tax Act* (cumulative)		1,019	384	323	633	950		G
Program Rating			G						G

Comments: As in the Law Enforcement Program, quantity measures do not reflect the quality of enforcement efforts.

Program Support	Budget: \$23,545,200	FTE: 192	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
13	Number of unfilled forensic scientist vacancies within the DNA discipline*		4	5	5	5	5		G
14	Number of unfilled forensic scientist vacancies within the chemistry unit*		4	4	4	4	3		G
Program Rating			R						G

Comments: The "number of vacancies" measure is simply informational and does not quantify the success of the program, therefore a "green" rating is misleading.

Suggested Performance Measure Improvement

Quantity measures do not reflect the quality of enforcement efforts.

Measuring the change in arrests, fatal crashes on rural or interstate roads or citations may more accurately measure the

**Performance Report Card
Department of Public Safety
Third Quarter, Fiscal Year 2011**

effectiveness of law enforcement efforts or percent of major crime team call-outs resolved within 12 months from date of call-out.






Percent of commercial vehicles traveling on state highways exceeding legal weight limits or percent of safety inspections resulting in placing commercial vehicles or the driver or both out-of-service may more properly measure the effectiveness of the Motor Transportation Program.

Average number of working days from when a request is received at the forensic science laboratory to the time an analytical report is completed or percent of forensic cases completed within thirty working days are better measures to report the impact of the work of scientists in the forensic area and the timeliness of information required by criminal investigators, prosecutors and the courts.






* Denotes House Bill 2 measure

**Performance Report Card
Tax and Revenue Department
Third Quarter, Fiscal Year 2011**





Performance Overview: The Motor Vehicle Department (MVD) continues to be impacted by the hiring freeze, with wait times for both the call center and in field offices significantly above targets. The department is working to standardize the use of the Q-Matic system for the field offices that use them, and is developing updated action plans to address field office call center wait times. Tax Administration improvements have boosted collections over FY10 despite fewer FTE. Finally, Program Support continues to concentrate limited resources on ensuring timely DWI hearings and has maintained the performance measure for rescinded DWI revocations due to failure to hold hearings below the 1 percent target.

Tax Administration		Budget: \$31,692,400	FTE: 545	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Collections as a percent of collectable audit assessments generated in the current fiscal year * (cumulative)			53%	40%	43%	48%	45%		
2	Collections as a percent of collectable outstanding balances from end of June 30, 2010 * (cumulative)			18.3%	20%	7.6%	10.3%	13.2%		
3	Percent of electronically filed personal income tax and combined reporting system returns *			54.5%	65%	35.8%	45.6%	76.7%		
Program Rating										

Comments: This program has been impacted by the hiring freeze but is taking steps to increase collections. For example, accounts with potential bank and levy actions are routed to the call center where they can be handled more efficiently, and a new collection system module consolidates taxpayer debt, which improves debt tracking and collection. Some accounts continue to be referred to a private collection agency which allows program staff to handle higher dollar or more complicated accounts. Agency officials state the program may not reach the cumulative 20 percent target for FY 11 in part because it had to terminate one private collection agency contract due to underperformance. The percentage of electronically-filed returns continues to increase, and the department is in the process of implementing a regulation that requires CRS taxpayers to file electronically.

Motor Vehicle		Budget: \$24,269,600	FTE: 357	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
4	Average call center wait time to reach an agent, in minutes*			6.53	3.45	6.95	6.83	10.31		
5	Percent of registered vehicles with liability insurance*			91.00%	91%	89.90%	91.00%	91.34%		
6	Average wait time in Q-Matic equipped offices, in minutes*			21.5	14	27	27	26		
Program Rating										

Comments: The hiring freeze continues to impact the MVD field offices and call center, with the vacancy rate at 18.4 percent at the end of the third quarter. Wait time in field offices is still substantially above the 14 minute target. Further, average wait time is misleading since the range is wide, spanning 0 to 48 minutes for the third quarter. Inconsistent use of the Q-Matic system across field offices makes performance comparisons between offices difficult. Officials state they are actively working to standardize the use of the Q-Matic system for the offices that use them. MVD is also developing a new corrective action plan to improve call center wait times, which includes a voice recognition system to allow customers to self-serve, which should help reduce call center demand.

Property Tax		Budget: \$3,294,700	FTE: 45	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
7	Number of appraisals and valuations for companies conducting business within the state subject to state assessment*			539	500	5	0	172		
8	Percent of counties in compliance with sales ratio standard of eighty-five percent assessed value to market value * (annual)			91	92%	FY11 94%				
Program Rating										

Comments: Property taxes contribute approximately \$1.5 billion in revenue to New Mexico's counties annually, making Property Tax the second largest tax revenue program in New Mexico. While the division is meeting stated targets, there is not a performance measure to address the program's strategic goal of ensuring that appraisals and valuations are being conducted

**Performance Report Card
Tax and Revenue Department
Third Quarter, Fiscal Year 2011**

on all eligible companies within the state. Program managers have expressed interest in changing measure 7 from the number of appraisals and valuations, to the percentage of companies subject to state assessment that receive appraisals and valuations. Thirty-one of the 33 counties passed the sales ratio test; on average, 91 percent of post sales assessments across New Mexico were increased to 85 percent of the most recent sales prices. It is unclear how recent district court decisions and anticipated future litigation will impact this annual measure.

Compliance Enforcement	Budget: \$2,245,700	FTE: 31	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
9	Number of tax investigations referred to prosecutors as a percent of total investigations assigned during the year* (cumulative)		New Measure	40%	14%	45%	38%		G
10	Successful tax fraud prosecutions as a percent of total cases prosecuted		100%	100%	100%	86%	0%		G
Program Rating			G						G

Comments: Of the sixteen tax investigations assigned through the end of the third quarter, six were referred to prosecutors. For the third quarter alone, one case was referred for prosecution and five new cases were assigned. There are currently thirty eight open cases under investigation. Agency is on track to meet this cumulative target. However, since legitimate reasons exist for not referring some cases to DA offices, this measure is more informative than indicative of agency performance. Percent of successful tax fraud prosecutions is 0 percent because there were no prosecutions this quarter. Eleven cases are with DA offices waiting for further action. While measure 10 is a useful measure, officials state that 100 percent may be an unrealistic target. This program also conducts criminal and administrative investigations involving employee misconduct, as well as driver's license or motor vehicle title fraud through the Internal Investigations Bureau. TRD did not report a performance measure for the Internal Investigations Bureau.

Program Support	Budget: \$20,667,100	FTE: 205	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
11	Percent of driving-while-intoxicated drivers license revocations rescinded due to failure to hold hearings in ninety days* (Cumulative)		.29%	<1%	.08%	.34%	.51%		G
Program Rating			G						G

Comments: Of 1,372 cases scheduled in the third quarter, 7 were rescinded. Six were due to inclement weather and one due to misplaced information. The program is also responsible for hearing taxpayer protest cases. According to program officials, the hiring freeze has adversely impacted the program's ability to report taxpayer hearing decisions in a timely manner, although officials state the hearings are taking place in a timely manner. TRD did not report a performance measure for taxpayer hearings.

Suggested Performance Measure Improvement

MVD should continue to evaluate field office use of Q-Matic systems and should update action plans for addressing wait times in both field offices and the call center. The Property Tax program should pursue existing plans to change measure 7 to a more meaningful percentage measure and ensure that appraisals and valuations are being conducted on all eligible companies within the state. Finally, Compliance Enforcement should consider providing performance measures for Internal Investigations, such as demonstrating the timely resolution of allegations of employee misconduct.

* Denotes House Bill 2 measure

**Performance Report Card
Office of the State Engineer
Third Quarter, Fiscal Year 2011**

Performance Overview: In general, the Office of the State Engineer (OSE) is meeting or is anticipated to meet the majority of the targets for FY11. However, a “freshening” of the measures across all programs could lead to more meaningful benchmarks amenable for use as a dynamic management aides.

Water Resource Allocation Program		Budget: \$13,804,000	FTE: 184.5	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Average number of unprotected new and pending applications processed per month*			66	65	65	56	51		Y
2	Number of unprotected and unaggrieved water right applications backlogged* (average)			435	597	402	411	542		Y
3	Number of dams inspected per year*			101	110	10	26	23		R
4	Number of transactions abstracted annually into the water administration technical engineering resource system database* (cumulative)			25,707	22,000	5,530	9,630	15,526		G
Program Rating				Y						Y

Comments: It is questionable if the measure 1 target will be reached because applications come from outside parties independent of the program effort. Measure 2 may exceed the target which is a negative, not a positive. Both measures 1 and 2 are recurring from the original 2000 legislative session that included performance measures and are examples of where freshening could occur. Measures 3 and 4 both are outputs and offer opportunity for upgrades to a more meaningful outcomes.

Interstate Stream Compact Compliance and Water Development Program		Budget: \$13,051,000	FTE: 52	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
5	Cumulative state-line delivery credit per the Pecos river compact and amended decree at the end of calendar year, in acre feet (AF)*			100.1 K AF Credit	0 (Credit)	Annual				
6	Rio Grande river compact accumulated delivery credit or deficit at end of calendar year, in acre feet (AF)*			100.5 K AF Credit	0 (Credit)	Annual				
Program Rating				G						R

Comments: While both represent important annual accomplishments that point to meeting federal mandates for water delivery requirements on the Pecos and Rio Grande rivers, they don't represent a \$13 million program's entire accomplishment. The program measures should be updated.

Litigation and Adjudication Program		Budget: \$6,637,000	FTE: 71	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
7	Number of offers to defendants in adjudications* (Cumulative)			1,071	1,000	254	311	569		G
8	Percent of all water rights that have judicial determinations*			48%	45%	48%	50%	51%		G
Program Rating				G						G

Comments: The performance measures have not changed since 2000 and could be broadened in some fashion to provide greater insight for the general public to appreciate that progress has been made and why it is important.

Suggested Performance Measure Improvement

Performance measures and targets should represent the direction and accomplishment of the program and agency. Measures should be updated along with agency mission and goals.

* Denotes House Bill 2 measure

Performance Report Card
New Mexico Environment Department
Fiscal Year 2011, 3rd Quarter

Performance Overview: Most New Mexico Environment Department (NMED) measures are on track to achieve the targets. The agency quarterly report is of relatively high quality and includes action plans for lagging performance and a thumbnail monitoring plan that creates confidence in the agency's data. The measures themselves should be upgraded to be more outcome-oriented and should report actual environmental impacts rather than ensuring process is acknowledged and followed.

Water Quality Program		Budget:	FTE:	FY10	FY11	Q1	Q2	Q3	Q4	Rating
		\$21,387,000	193.5	Actual	Target					
1	Percent of permitted groundwater discharge facilities receiving annual compliance evaluations and annual field inspections (cumulative)			42%	50%	17%	28%	40%		Y
2	Percent of permitted facilities where monitoring results do not exceed standards* (Equivalent to "successfully prevented groundwater pollution")			72%	70%	70%	72%	72%		G
3	Percent of cases in which Sandia National Labs (SNL) and Los Alamos National Lab are notified of agency action on document submittals within the timeframes specified in the executed consent orders			94%	90%	100%	100%	86%		G
4	Percent of large quantity hazardous waste generators (LQGs) inspected (cumulative)			40.7%	20%	7.4%	18.5%	24%		G
Program Rating				Y						G
<p>Comments: The Water Quality Program's purpose is to protect the quality of New Mexico's ground and surface water resources to ensure clean and safe water supplies are available now and in the future to support domestic, agriculture, economic, and recreational activities. The measures associated with this program support the purpose. However, measures should address the more meaningful result of the water being of higher quality as defined by an objective standard rather than reporting the number of inspections. A year ago there were 24 vacancies in the program and currently there are 23, so in the absence of greater work efficiencies additional inspections is not likely.</p>										
Environmental Health Program		Budget:	FTE:	FY10	FY11	Q1	Q2	Q3	Q4	Rating
		\$10,089,000	132	Actual	Target					
5	Percent of new septic tank inspections completed*			78%	90%	82%	91%	72%		R
6	Percent of high risk food-related violations corrected within the timeframes noted on the inspection report issued to permitted commercial food establishments			86%	100%	88%	84%	88%		Y
7	Percent of radiation producing machine inspections completed within the timeframes identified in the radiation control bureau policies			98%	85%	100%	100%	93%		G
Program Rating				Y						Y
<p>Comments: The Environmental Health Program protects public health and the environment through specific programs that provide public education and regulatory oversight for food service and food processing facilities; liquid waste treatment and disposal; public swimming pools and baths; medical radiation; drinking water; mosquito abatement; and the Waste Isolation Pilot Plant (WIPP) transportation. The measures, while limited in number, do address the program purpose. Twenty inspector and field office vacancies are causing some difficulty in achieving the targets, especially for septic tank inspections but an action plan notes staff is striving to cover personnel shortages.</p>										
Environmental Protection Program		Budget:	FTE:	FY10	FY11	Q1	Q2	Q3	Q4	Rating
		\$17,786,000	196.5	Actual	Target					
8	Number of days per year in which the air quality index exceeds one hundred, exclusive of natural events such as high winds and wildfires* (vetoed)			6	≤ 8	Annual				
9	Percent of facilities taking corrective action to mitigate air quality violations discovered as a result of inspections*			97%	100%	96%	100%	100%		G
10	Percent of active solid waste facilities and infectious waste generators inspected that were found to be in compliance with the New Mexico solid waste rules*			82%	75%	100%	89%	87%		G

**Performance Report Card
New Mexico Environment Department
Fiscal Year 2011, 3rd Quarter**

11	Percent of landfills meeting groundwater sampling and reporting requirements	95%	75%	91%	100%	100%			G
12	Percent of underground storage tank facilities in significant operational compliance with release prevention and release detection regulations of the petroleum storage tank regulations*	55%	90%	Annual					
13	Percent of serious worker health & safety violations corrected within the timeframes designated on issued citations from the consultation and compliance sections* (Cumulative)	95.7%	96%	97.5%	98.3%	99.1%			G
Program Rating		Y							G

Comments: The Environmental Protection Program protects New Mexico's air quality, prevents releases of petroleum products into the environment, ensures solid waste is handled and disposed of without harming natural resources, and ensures safe and healthful working conditions for employees. The measures indicate that the program is largely successful in meeting targets. However, the measures do not report if the environment is any cleaner or if employees are suffering fewer health and safety incidents.

Water and Wastewater Infrastructure Development Program		Budget:	FTE:	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
		\$10,324,000	79							
14	Number of Uniform Funding Applications processed for water, wastewater and solid waste projects			277	300	65 (100%)	102 (100%)	42 (100%)		G
15	Percent of public water systems surveyed to ensure compliance with drinking water regulations			100%	100%	100%	100%	100%		G
16	Percent of public drinking water systems inspected within one week of notification of system problems that might impact public health*			100%	100%	100%	100%	100%		G
Program Rating		G								G

Comments: This program helps build infrastructure for water and wastewater and ensures water is safe to drink. The measure for the number of applications reviewed is not meaningful unless the program has control over the number submitted. While the percent of public water systems surveyed is meaningful as process information, it says nothing about the safety of the water itself, information of more interest to the public.

Suggested Performance Measure Improvement

Measures need to be upgraded to better support the stated program purpose or alternatively change the purpose of the program. Benchmarking is recommended so measures have comparison to other states or national standards.

* Denotes House Bill 2 measure

Performance Report Card
Energy, Minerals and Natural Resources Department
Third Quarter, Fiscal Year 2011

Performance Overview: The Energy, Minerals and Natural Resources Department (EMNRD) is generally meeting or is anticipated to meet most FY11 targets. However, for some programs the measures do not represent the core activities and others are not very meaningful. The quarterly report was recently upgraded but still needs to include more descriptive action and monitoring plan sections.

Renewable Energy and Energy Efficiency Program		Budget: \$1,422,000	FTE: 15	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Percent reduction in energy use in public facilities receiving energy efficiency retrofit projects through the Energy Efficiency and Renewable Energy Bonding Act, the Public Facilities Energy Efficiency Act, the Water Conservation Act or the clean energy projects program*			15%	15%	15%	15.6%	15.7%		G
2	Percent of retail electricity sales from investor-owned utilities in New Mexico from renewable energy sources*			9%	10%	12%	8%	8.7%		Y
Program Rating				G						Y
Comments: The target for measure 1 actually has not changed since originally adopted by the Legislature. The 15 percent reduction was achieved the first year, and the department should set more ambitious targets in the future. Whether the target for measure 2 is reached appears to be independent of any program efforts.										
Healthy Forests Program		Budget: \$15,264,000	FTE: 69	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
3	Number of nonfederal wild land firefighters provided technical fire training appropriate to their incident command system* (cumulative)			1,339	500	90	150	500		G
4	Percent of at-risk communities participating in collaborative wildfire protection planning*			25%	25%	14%	11%	15%		G
5	Number of acres restored in New Mexico's forests and watersheds* (cumulative)			17,133	8,000	2,500	4,900	8,000		G
Program Rating				G						G
Comments: The agency will recommend changing "restored" in measure 5 to "treated" which better describes the activity. Restored may imply a return to some prior environmentally pure state when in fact the changes are more related to reducing fire danger. Measures 3 and 4 are output measures that support the program purpose "to promote the health of New Mexico's forest lands by managing wildfires, mitigating urban-interface fire threats and providing stewardship of private and state forest lands and associated watersheds".										
State Parks Program		Budget: \$32,745,000	FTE: 287	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
6	Number of visitors to state parks* (in millions)			4.6	4.2	1.9	.55	.4		Y
7	Self-generated revenue per visitor, in dollars*			\$0.99	\$0.87	\$0.80	\$0.81	\$1.39		Y
8	Number of interpretive programs available to park visitors*			3,582	2,600	600	1950	400		G
Program Rating				G						Y
Comments: The program is on track to reach all targets. The measures are generally output oriented and would not directly support the program purpose "to create the best recreational opportunities possible in state parks by preserving cultural and natural resources, continuously improving facilities and providing quality, fun activities and to do it all efficiently". Measures 6 and 7 were included in the GAA of 2000 with targets of 4.7 million and \$0.79 respectively. Neither offers a substantial improvement over the following 11 years, raising the issue of effectiveness as a management tool.										
Mine Reclamation Program		Budget: \$7,095,000	FTE: 32	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
9	Percent of permitted mines with approved reclamation plans and adequate financial assurance posted to cover the cost of reclamation*			98%	100%	98%	98%	99%		G
10	Percent of abandoned uranium mines with current site assessments* (cumulative)			70%	75%	76%	76%	90%		G

Performance Report Card
Energy, Minerals and Natural Resources Department
Third Quarter, Fiscal Year 2011

Program Rating		G							G	
Comments: The two measures do little to support the purpose of the program “to implement the state laws that regulate the operation and reclamation of hard rock and coal mining facilities and to reclaim abandoned mine sites”. However, it appears both will be reached in FY11.										
Oil and Gas Conservation Program		Budget: \$9,136,000	FTE: 62	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
11	Number of inspections of oil and gas wells and associated facilities*			38,352	23,500	5,500	6,000	7,500		G
Program Rating								Y	Y	
Comments: The measure does little to support the program purpose “to assure the conservation and responsible development of oil and gas resources through professional, dynamic regulation”. In fact, for FY01 the measure had a target of 24,250, more than for FY11 meaning there is potentially a reduction of “dynamic regulation”. Additional measures need to be developed for this program, one is insufficient.										
Suggested Performance Measure Improvement										
Measures need to be upgraded to better support the stated program purpose or alternatively change the purpose.										

* Denotes House Bill 2 measure

**Performance Report Card
Department of Transportation
Third Quarter, Fiscal Year 2011**

Performance Overview: The New Mexico Department of Transportation's (NMDOT) construction and maintenance programs continue to reflect reductions in state road fund revenues. Although the most recent NMDOT revenue outlook suggests the revenue decline over the last few years has reversed, significant funding gaps remain related to pavement preservation and bridge deficiencies. A number of projects that fell under the Governor Richardson Investment Partnership (GRIP) have been postponed. Debt service obligations continue to have a serious impact on the capacity of NMDOT to address construction and maintenance needs. Riders on the RailRunner show an increase as a result of rising gasoline prices, but still remain far under the FY11 target. Vacancy rates at NMDOT remain high, forcing district managers to make difficult choices between competing priorities on the maintenance of existing infrastructure. NMDOT continues to make important progress on traffic fatalities and alcohol-related traffic fatalities.

Programs and Infrastructure Program		Budget: \$535,806,000	FTE: 405	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Annual number of riders on park and ride* (cumulative)			258,086	≥ 225,000	73,674	137,938	213,392		G
2	Annual number of riders on the rail runner corridor, in millions*			1,240,016	≥ 1.5	331,526	600,319	887,011		R
3	Total number of traffic fatalities* (cumulative)			351	≤ 405	80	164	227		G
4	Number of alcohol-related traffic fatalities* (cumulative)			147	≤ 155	32	58	73		G
5	Number of non-alcohol-related traffic fatalities* (cumulative)			204	≤ 260	48	106	154		G
6	Number of passengers not wearing seatbelts in motor vehicle fatalities* (cumulative)			147	≤ 790	24	59	85		G
7	Number of crashes in established safety corridors* (cumulative)			700	800	Annual				
8	Ride quality index for new construction*			4.1	≥ 4.0	4.0	3.8	3.9		Y
9	Percent of projects in production let as scheduled			66%	≥ 75%	36%	88%	21%		R
10	Revenue dollars per passenger on park and ride			\$2.63	\$2.70	\$2.64	\$2.71	\$2.63		R
11	Percent of airport runways in good condition			75%	≥ 70	60%	60%	60%		R
Program Rating				Y						Y
Comments: The annual number of passengers on park and ride and the RailRunner is showing an incremental but steady increase, likely as a result of rising gasoline prices. The low number of traffic fatalities and alcohol-related fatalities and the low number of passengers not wearing seatbelts in motor vehicle fatalities remain a bright spot for NMDOT. Ride quality index for new construction is declining. The percent of airport runways in good condition remains flat but far below target levels.										
Transportation and Highway Operations Program		Budget: \$213,466,000	FTE: 1,842.7	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
12	Number of statewide pavement preservation lane miles* (cumulative)			2,432	≥ 4,000	671	986	1051		R
13	Percent of non-interstate miles rated good*			86%	≥ 88%	Annual				
14	Amount of litter collected from department roads, in tons* (cumulative)			15,527	≥ 16,000	3,856	7,135	10,968		Y
15	Percent of interstate lane miles rated good*			99%	≥ 97%	Annual				
16	Customer satisfaction at rest areas*			98.7%	≥ 98%	98.9%	98.5%	98.6%		G
17	Number of combined systemwide miles in deficient condition			3,171	< 2,500	Annual				
Program Rating				R						Y

**Performance Report Card
Department of Transportation
Third Quarter, Fiscal Year 2011**

Comments: NMDOT analysis shows a funding gap of almost \$200 million for routine maintenance and another \$50 million for bridge replacement and repair. Upward trends in state road fund revenues will only marginally mitigate the problem. As the emphasis for maintenance will be on the interstate system and U.S. highways it is very likely that some state routes will fall into disrepair. Emphasis will be placed on maintenance required to ensure public safety. Customer satisfaction at rest areas remains good, but funding shortfalls will likely lead to the closure of ten facilities.

Business Support		Budget: \$53,762,000	FTE:256.8	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
18	Number of external audit findings*			18	≤ 6	Annual				
19	Percent of invoices paid within thirty days*			94%	≥ 95%	96%	96%	96%		G
20	Vacancy rate in all programs*			17%	≤ 13%	13.7%	15.5%	17.8%		R
21	Percent of information technology projects on time and on budget*			100%	100%	100%	75%	100%		G
22	Number of employee injuries* (cumulative)			107	≤ 100	22	46	66		G
23	Number of employee work days lost due to accidents (cumulative)			379	< 125	21	164	237		R
24	Number of working days between expenditure of federal funds and request for reimbursement from federal treasury			6	10	6	6	6		G
Program Rating				R						Y

Comments: NMDOT has shown improvement in a number of areas related to Business Support. Vacancy rates remain high as a result of budget limitations. The number of employee injuries is good relative to the FY11 target but the number of employee workdays lost due to accidents remains a concern. Current measures do not separate accidents suffered by road crews in workzones as compared to those that occur in an office setting.

Suggested Performance Measure Improvement

NMDOT does not have a strategic plan and, as a result, has not connected programs, goals, measures, and tracking mechanisms to a clearly defined agency mission in an effective manner. Senior management should place significant emphasis on creating a concise, unambiguous statement that captures: 1) the purpose and principles of the agency; 2) a viable vision for the future, and; 3) the specific goals and objectives to be pursued by each of the programs. NMDOT should carefully evaluate the utility of each of the existing measures to ensure they not only connect to the strategic plan but are also relevant, reliable, responsive and results-oriented. It would be useful if the measures were the same as the measures contained in the Federal Aid Highway Program Stewardship and Oversight Agreement, as this document contains measures used by the Federal Highway Administration (FHWA) across all states and thus would allow for effective comparison benchmarking. NMDOT should clarify the meaning of measures related to ride quality index as formulas are not obvious. NMDOT should make every effort to educate its employees on the importance of the organizational mission, principles, and objectives, to integrate employees into the development of viable action plans and ensure both accountability and continuous improvement to the performance-based budgeting approach. Potential performance measure improvements would include the following:

- Total number of traffic fatalities, rural and urban
- Number of alcohol-related traffic fatalities, rural and urban
- Number of damage claims submitted each year
- Number of damage claims paid each year
- Total number of change orders for contracts
- Total number of change orders (dollar amount)
- Percent of contracts exceeding projections over accepted bids
- Percent structurally deficient bridges by deck area
- Number of employee injuries occurring in workzones
- Statewide pavement preservation expenditures by lane mile

* Denotes House Bill 2 measure

Performance Report Card
Department of Information and Technology
Third Quarter, Fiscal Year 2011

Performance Overview: Measurement goals for Compliance and Project Management and Enterprise Services programs are largely met, yet the department lacks meaningful measures to demonstrate both effective oversight of agency IT projects and timely resolution of Help Desk issues based on defined priorities. The Department of Information and Technology (DoIT) continues to struggle with accounts receivable (A/R) collections. The agency recognizes the need to re-evaluate its performance metrics and plans to discuss findings with DFA and the LFC by July 15, 2011. DoIT is reviewing alternatives to the antiquated A/R system and is in the process of hiring two additional FTE in the A/R unit. DoIT reports that it is developing an updated strategic plan.

Compliance and Project Management		Budget:	FTE:	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
		\$687,100	7							
1	Percent of executive agency certified projects reviewed monthly for compliance and oversight requirements*			100%	100%	100%	100%	100%		G
2	Percent of information technology projects requiring formal architecture review that receive a formal architecture review prior to project implementation*			100%	100%	100%	100%	100%		G
Program Rating				G						Y

Comments: At the end of the FY11 third quarter there were 58 open agency-certified projects worth \$262.5 million. Agencies are required to provide monthly status reports on these projects. DoIT reviews approximately 200 agency IT contracts per year. Program FTE is seven, down from eleven in FY10. To compensate, as of April 2010 DoIT only monitors projects over \$50,000. By statute, DoIT provides written reports to the IT Commission regarding monitored IT projects, but reports that it discontinued the quarterly “green-yellow-red” report due to program budget cuts. Performance metrics for this program do not address DoIT effectiveness at the desired outcome – the extent to which agency IT projects are successful, on time, and at budget. While this program meets the stated performance measures, it receives a yellow rating to reflect the need for measures that are more closely tied to the program goal of providing guidance and clear oversight for agencies.

Enterprise Services		Budget:	FTE:	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
		\$52,551,500	153							
3	Queue-time to reach a customer service representative at the DoIT Help Desk, in seconds*			19.6	≤17	20.77	23	20		Y
4	Percent of mission-critical data and applications residing in the enterprise data center not compromised upon a security breach			100%	100%	100%	100%	100%		G
5	Percent of unscheduled downtime of the mainframe*			.098%	≤.01%	.25%	.01%	.01%		G
6	Percent of business days the statewide human resources management reporting system (SHARE-HCM) is unavailable due to unscheduled down time during business hours (8:00 a.m. to - 5:00 p.m.) Monday through Friday)			New Measure	≤ 5%	2%	1%	1.88%		G
7	Percent of business days the statewide accounting and management reporting system (SHARE-financials) is unavailable due to unscheduled down time during business hours (8:00 a.m. to - 5:00 p.m.) Monday through Friday)			New Measure	≤ 5%	2%	1%	1.88%		G
Program Rating				G						G

Comments: In the FY11 third quarter the department’s Help Desk received over 4,138 calls for assistance with password resets, application support questions and other IT incidents. DoIT replaced its former ticket-tracking software with the new CA Technologies’ Service Desk product at the end of calendar year 2010 as part of the implementation of IT Infrastructure Library (ITIL) best practices. DoIT is developing new performance metrics based on ITIL, such as a measure to track resolution time for service desk incidents based on their priority level. Overall, Enterprise Services meets internal goals for providing secure and reliable environment for eGovernment interactions.

Program Support		Budget:	FTE:	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
		\$3,394,300	41							
8	Percent of audit corrective action plan commitments completed on schedule*			22%	95%	Annual				
9	Percent of mainframe services meeting federal standards for cost recovery*			100%	100%	Annual				

**Performance Report Card
Department of Information and Technology
Third Quarter, Fiscal Year 2011**

10	Percent of voice, data and radio services meeting federal standards for cost recovery	100%	100%	Annual				
11	Percent of accounts receivable dollars collected within sixty days of the invoice due date	42%	60%	47%	63%	75%		G
12	Dollar amount of receivables over 60 days, in millions	\$4.7	\$7.5	\$8.09	\$7.75	\$10.20		R
Program Rating		Y					Y	
<p>Comments: The agency continues to face challenges regarding A/R collections. DoIT is reviewing alternative systems to improve the antiquated A/R process, such as a SHARE A/R module to standardize data and ease reconciliation. Additionally, the program expects to add two FTE to the A/R unit. Program Support is also responsible for establishing rates for the services provided by the department. The DoIT rate structure is a standard model and improvements typically result from advancements to the underlying service technology or to savings in overhead. The agency states they are evaluating new strategies for overhead recovery, such as a tier-level grade rate for high-volume customers (e.g., granting lower rates to agencies like the Call Center for usage over certain amounts), as well as pilot service offerings in telecommunications technology.</p>								
Suggested Performance Measure Improvement								
<p>To demonstrate effective oversight of agency IT projects and contracts, DoIT should develop outcome-focused measures for the Compliance and Project Management program as part of a comprehensive policy and procedures for evaluating new IT projects and contracts to ensure the State is treated fairly. DoIT should re-establish the quarterly "green-yellow-red" report card for the top 10 high-risk projects. Benchmarking to IT best practices used in other states is critical. DoIT should continue efforts to develop outcome measures focused on quality customer service and cost-effectiveness. For example, DoIT could implement the proposed new measure: Percent of desk incidents resolved within the timeframe specified for their priority level, as well as cost-effective measures such as IT costs per 100 employees served or per \$1,000 of project cost. Finally, DoIT should develop long-range plans for an online IT project dashboard or a focus-portfolio similar to other states.</p>								

* Denotes House Bill 2 measure

**Performance Report Card
State Personnel Office
Third Quarter, Fiscal Year 2011**

Performance Overview: The performance of the State Personnel Office (SPO) over the first three quarters of FY11 cannot be accurately assessed as the agency previously suspended the collection of quarterly data and instead reports primarily on an annual basis. In certain areas – percent of union grievances resolved prior to formal arbitration, number of rule compliance audit reviews performed during the fiscal year, number of personnel system review audits performed during the fiscal year in particular – the agency is on track to meet FY11 targets. However, as a general observation, the reliability of the data obtained from the agency on critical measures has been an ongoing concern. Procedures related to the recruitment, ranking, selection, and promotion of personnel need improvement, and an appropriate and sustained balance needs to be found between flexibility and uniformity, and centralization and decentralization in personnel policy and practice in New Mexico.

State Personnel Office		Budget: \$4,023,000	FTE: 58	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Average number of days to fill a vacant position*			49	40	52	61	53		R
2	Percent of union grievances resolved prior to formal arbitration*			95.5%	95%	100%	100%	100%		G
3	Percent of new employees who successfully complete their probationary period*			71%	85%	Annual				
4	Number of rule compliance audit reviews performed during the fiscal year*			6	5	N/A		5		G
5	Percent of eligible employees with a completed performance appraisal on record at the close of the fiscal year*			66%	99%	Annual				
6	Number of personnel system review audits performed during the fiscal year*			3	4	N/A		4		G
7	Percent of rule compliance review audit exceptions corrected within six months of discovery			100%	100%	N/A		0		R
8	Percent of large agencies that incorporate the SPO core management training objectives into their agency-specific management training			100%	100%	Annual				
9	Percent of managers in medium to small agencies who successfully complete SPO-sponsored management/supervision training			89%	85%	Annual				
10	Average employee pay as a percent of board-approved comparator market based on legislative authorization*			103%	100%	N/A		103%		G
11	Percent of new hire turnover*			20%	25%	Annual				
Program Rating				Y						Y

Comments: Data for many measures is unavailable given annual reporting and for the measures for which data is available it is potentially unreliable. Senior management at the State Personnel Office has indicated a strong commitment to significant and sustained improvements to its efforts at performance-based budgeting. This includes the development of more meaningful metrics, more accurate data collection, and reporting on a quarterly basis.

Suggested Performance Measure Improvement

The State Personnel Office (SPO) is currently working with state agencies and the LFC to develop a new strategic plan that effectively connects programs, goals, measures, and tracking mechanisms. Emphasis is being placed on developing revised measures that can be easily benchmarked to other state personnel systems. SPO is also beginning the process of implementing a new software system that will more effectively collect data related to the recruitment, ranking, selection, and promotion of personnel in the state, an activity that will allow the agency to better evaluate its efforts at recruiting and retaining a first class workforce in the state. The software will also enable the agency to create a workforce diversity profile. Potential performance measure improvements would include the following:

- Percent of employees with current position/competency descriptions
- Percent of employees with current individual development plans/performance evaluations
- Percent of classified employees leaving state service
- Number of disciplinary grievances filed/disciplinary actions taken/disciplinary appeals filed

* Denotes House Bill 2 measure

**Performance Report Card
General Services Department
Third Quarter, Fiscal Year 2011**

Performance Overview: The General Services Department (GSD) has been working towards improving productivity, effectiveness and employee morale, and taking advantage of opportunities to strengthen collaboration between agencies and improve services. The agency's risk funds have been impacted by unprecedented property loss payments from the past winter freeze, medical malpractice claims, and continued demand to pay unemployment insurance claims. A vacancy rate of 27 percent in building services and the need to prioritize deferred maintenance may impact the ability of the agency to continue to maintain safe work environments for state employees. The agency is also planning to use state office space more efficiently and control leasing costs.

Risk Management Program		Budget: \$81,794	FTE: 63	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Number of state workers compensation claimants on modified duty (early return to work)			890	≥ 600	511	513	514		Y
2	Projected financial position of the public property fund*			309%	50%	(84%)	(47%)	24.8%		R
3	Projected financial position of the workers' compensation fund*			30%	20%	44%	31%	109.6%		G
4	Projected financial position of state and local public body (LPB) unemployment compensation funds			State (87%) LPB (221%)	50%	State (3%) LPB (6%)	State (143%) LPB (95%)	State (40.6%) LPB (40.3%)		Y
5	Projected financial position of the public liability fund			54%	50%	33%	46%	122.2%		G
6	Percent of total liability claims resolved without a trial decision by judge or jury		New Measure		90%	99%	91.7%	99%		G
7	Percent of total Risk Management Division accounts receivable uncollected ninety days after invoice due date		New Measure		≤ 5%	NA	84%	98%		Y
Program Rating				Y						Y

Comments: Risk Management collects assessments from state agencies, schools and local public bodies for the quarterly reimbursement of claims paid by Department of Workforce Solutions (DWS). The program continues to struggle with higher than expected unemployment compensation claims. The program had not received a statement from DWS since last December; therefore those costs are not reflected for the third quarter. It is highly unlikely that all of the contestable issues regarding unemployment compensation claims are being pursued. Risk is working towards improving recording, reporting and verification systems within each of the state agencies involved in the unemployment compensation process. Unpredictable public property losses due to the winter freeze and medical malpractice claims, in addition to the high unemployment compensation claims continue to have a negative impact on the risk funds. The public liability claims resolved without trial is above targeted levels and resolved claims include both settlements and dismissals. It is not known the percent of claims settled by in-house counsel as opposed to contract attorneys and which achieves the better outcomes for the least cost.

Employee Group Health Benefits Program		Budget: \$353,075	FTE: 0	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
8	Percent change in state employee medical premium compared with industry average*			0%	0%	0%	0%	0%		G
9	Percent change in state employee dental premium compared with the national average*			0%	0%	0%	0%	0%		G
10	Percent of state group prescriptions filled with generic drugs			80.5%	80%	82%	81%	82.9%		G
11	Percent of eligible state employees purchasing state health insurance			91.3%	90%	97.8%	98.6%	96%		G
Program Rating				G						G

Comments: The percent of eligible state employees purchasing health insurance was above targeted levels at 96 percent. Out of 23,520 New Mexico state employees eligible for coverage: 19,422 enrolled, 3,211 had other coverage and 887 opted out for reasons unknown. Nationally for 2009, the NCSL reported that the average monthly cost of health coverage for a state employee was \$502.43 with the state paying an average of \$447.79 (89 percent) and the employee \$56.52. Risk reports that

**Performance Report Card
General Services Department
Third Quarter, Fiscal Year 2011**

the average monthly cost of health coverage for a state employee in New Mexico earning less than \$50 thousand per year is \$390.30 with the state paying \$312.24 (80 percent) and the employee \$78.06. Nationally, nearly all full-time state workers were eligible for coverage (97 percent) and the take-up rate was high across most plans (91 percent).

Building Office Space Management and Building Services Program			Budget:	FTE:	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
			\$13,153	165							
12	Percent of customers satisfied with custodial and maintenance services	New Measure			95%		90.6%		Bi-Annual		Y
13	Percent of state-controlled office space occupied*				90.4%	95%	99%	98.3%	95%		G
14	Percent of property control capital projects on schedule within approved budget*				96.2%	90%	94.5%	94.1%	94.3%		G
15	Percent of operating costs for Santa Fe state-owned buildings below industry standard	New Measure			≤ 5%		\$1.44	\$2.82	\$4.17		G
16	Percent of major facility equipment (boilers, chillers, elevators, generators, cooling towers) covered by a preventative maintenance services contract	New Measure			95%		95%	95%	95%		G
Program Rating					Y						G

Comments: Building Services (BSD) reports that based on customer surveys, the program is feeling the effects of the hiring freeze and high staff vacancy rate in building maintenance. Out of 2,537,815 square feet of state owned office space, 2,416,839 was occupied by state employees. Property Control is working on a space-utilization survey. Information from facilities has already been received and is being analyzed by an independent evaluator. FTE counts were factored into the analysis. The percent of operating costs for Santa Fe state-owned buildings below industry standard will be tracked by actual cost until BSD compares the final cost per square foot to the industry's 2010 Building Owners and Managers Association (BOMA) standard. The BOMA report lags a year behind so this measure should be reported annually. \$4.17 represents the third quarter cost per square foot as BSD progresses toward the targeted ≤ 5% of BOMA goal (15). By the end of last fiscal, BSD reported it performed at 17.7 percent above industry standard.

Transportation Services Program			Budget:	FTE:	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
			\$13,774	38							
17	Percent of short-term vehicle use*				49%	80%	51%	48%	37%		Y
18	Percent of total available aircraft fleet hours used*				43%	65%	29%	30%	22%		Y
19	Percent of passenger vehicle lease revenues to expenses	New Measure			100%		Annual				
20	Percent of total Transportation Services Division accounts receivable uncollected one hundred twenty days after invoice due date				17%	≤ 5%	14%	6%	3%		G
21	Percent of state vehicle fleet beyond 5-year/100,000 mile standard				≤ 10%	≤ 25%	10%	10%	10%		G
Program Rating					Y						Y

Comments: State budget constraints and policies limiting travel continue to deter travel as indicated by the percent of short-term vehicle use and the percent of aircraft fleet hours utilized. A yellow rating was given for these two measures but much of this situation is outside of the agency's control. It may be prudent to apportion certain costs to state agencies to maintain a ready aircraft fleet to not only allow for greater efficiency of executive time, but also integrate the state's disaster preparedness activities. As an enterprise program, the new measure for percent of passenger vehicle lease revenues to expenses should be tracked quarterly as opposed to annually. The target for measure 21 will allow more cars to be of increased age and/or have mileage greater than 100,000. Older vehicles may require more repair and maintenance services to replace or repair aging vehicle parts/equipment resulting in higher than expected maintenance costs.

Procurement Services Program			Budget:	FTE:	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
			\$2,171	29							
22	Percent of all price agreement renewals considered for "best value" strategic sourcing option*				21.2%	10%	21.8%	18.1%	16%		G

**Performance Report Card
General Services Department
Third Quarter, Fiscal Year 2011**

23	Percent of customers satisfied with procurement services	83%	90%	Annual				
24	Number of government employees trained on Procurement Code compliance and methods	612	500	0	149	280		Y
25	Average resolution time for Procurement Code violations under \$100,000	New Measure	≤ 30 days	3.5 days	1.6 days	2.5 days		G
Program Rating		Y						G

Comments: The increase in the number of state employees trained on Procurement Code compliance and methods in the third quarter is a result of three trainings that occurred at the New Mexico Public Procurement Association Conference. Average resolution time for Procurement Code violations under \$100,000 exceeds its target, but it is still unknown if the numbers are decreasing as more procurement reforms are put into place.

State Printing & Graphic Services Program		Budget:	FTE:	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
26	Percent of printing operations that break even, including sixty days of operating reserve*	\$1,966	18	95%	95%	Annual				
27	Revenue generated per employee compared with previous fiscal year			New Measure	\$90,000	\$39,000	Semi-Annual			Y
28	Sales growth in state printing revenue compared with previous fiscal year			0%	0%	200%	Semi-Annual			G
29	Percent of customers satisfied with printing services			New Measure	90%	Annual				
Program Rating				R						Y

Comments: Revenues as generated per employee are being tracked semi-annually. However, as an enterprise agency, revenue should be reported at least quarterly. Sales growth was stronger compared to this period in FY10 due to the sixty day legislative session and new business from agencies. A measure to track the number of new customer contacts each quarter would be appropriate.

Program Support Program		Budget:	FTE:	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
30	Average number of working days to process purchase orders (PO) and invoices*	\$3,596	39	PO 1 Inv 1.58	2 days	PO < 1 Inv 2.7	PO < 1 Inv 3	PO < 1 Inv 2.1		G
31	Percent of checks deposited within 24 hours of date of receipt in ASD			New Measure	95%	100%	100%	100%		G
32	Percent of payments made to vendors within 48 hours of invoice receipt			New Measure	95%	72.5%	42%	71.6%		Y
Program Rating				R						G

Comments: The program did not meet its target for the percent of payments made to vendors within 48 hours of invoice receipt due to the absence of a key staff member out pursuant to the Family Medical Leave Act. This individual was responsible for 25 percent of the workload.

* Denotes House Bill 2 measure

**Performance Report Card
General Services Department
Third Quarter, Fiscal Year 2011**

Suggested Performance Measure Improvement	
<p>Comments: How can we create, maintain, or restore public trust in government agencies and their employees? The answer may be in how the state uses and controls data, which has now taken on an even greater level of importance. The following is meant to be suggestions for use by GSD either as internal indicators or as "report card" performance measures. Either way, until revisions to the strategic plan are revealed, the following may or may not be appropriate in meeting agency goals.</p>	
Risk	<p>Percent of public property claims paid timely by insurers (within so many days) Percent of expenses that exceed the self-insured retention amount Percent of unemployment claims dismissed or determined to be invalid Average number of weeks before an unemployment overpayment is detected Percent of workers compensation claims from employees working less than one year Percent of workers compensation claims Percent of workers' compensation claims closed Allocation of costs for unemployment compensation benefits within 5% of industry average Percent of agency loss prevention programs in place and reviewed annually Number of (online or personally attended) training classes in mitigating exposure for HR personnel</p> <p><i>Suggestions to help with understanding trends in workers' compensation include: 1) the number of first reports of injury/illness, 2) the number of repeat reports per FTE, 3) the rate (per 100) of serious injury/illness caused by workplace conditions, 4) the average number of work days lost per injury/illness, and/or 5) the number of recoveries from parties contributing to or causing injury to covered persons</i></p>
Procurement	<p>Percent of procurements categorized as "emergency". Percent of scheduled procurement monitoring activities completed</p>
Building Services	<p>Percent of public facilities using sustainable cleaning practices Amount of materials in pounds sent for recycling Percent of planned maintenance items completed Percent of state-owned facilities in fair or better condition Number of serious hazards identified during workplace safety visits Amount of square feet of office space leased 1) per occupant of leased space and 2) per occupant of state-owned space</p>
Health Benefits	<p><i>Health Benefits is an area where there are national benchmarks against which the state can compare its performance. Examples include:</i></p> <p>Proportion of surveyed employees who gave the overall level of plan services a high rating Proportion of surveyed employees who said it was easy to get appointments, preventive care, tests, and treatment Proportion of surveyed employees satisfied with how their claims were handled Proportion of surveyed employees who had at least one comprehensive well-care visit Percent of subscriber enrollment records processed accurately Percent of claims processed accurately</p>

Performance Report Card
Administrative Office of the Courts
Third Quarter, Fiscal Year 2011

Performance Overview: The Administrative Office of the Courts (AOC) has been working to lower the cost of the jury program through the implementation of new jury orientation methods, and the Supreme Court is considering a reduction in jury pay. The judicial automation program is working to implement an electronic case management system. Implementation will likely lead to cost savings and efficiency gains, but data quantifying these gains is not yet available. Magistrate court has been forced to maintain vacancies, but has not seen significant service interruptions. The Court Appointed Special Advocate (CASA) program in the Special Court Services program has seen a 14.5 percent budget cut resulting in service reductions.

Administrative Services Program		Budget:	FTE:	FY10	FY11	Q1	Q2	Q3	Q4	Rating
		\$10,320,800	41.8	Actual	Target					
1	Average cost per juror*			\$55.70	\$50.00	\$51.60	\$54.60	\$53.80		Y
Program Rating										Y
<p>Comments: New Mexico currently has the highest rate of juror compensation, beginning on day one of service, of any state in the country. At the state's current minimum wage, jurors are paid \$7.50 per hour. AOC is working on jury pay reduction projections to be presented for the consideration of the Supreme Court. Reducing jury pay will help AOC meet the \$50 per juror target as well as help to address some of the budgetary issues facing the program. The introduction of a new process for juror orientation that allows potential jurors to complete their orientation remotely through the use of electronic-formatted training materials is also creating a cost savings. Because the new orientation procedure has not been implemented in all districts for the full year, exact cost savings are not yet known. Currently the jury and witness fund has \$1.4 million in outstanding loans through Board of Finance. The loans were necessitated by an increase in juror pay, increase in juror and interpreter usage, and budget reductions. For FY11, the Legislature appropriated \$4.1 million in general fund and \$2.1 million in other state funds for jury and witness payments.</p>										
Judicial Automation Program		Budget:	FTE:	FY10	FY11	Q1	Q2	Q3	Q4	Rating
		\$7,793,500	50.5	Actual	Target					
2	Average time to resolve automation calls for assistance, in hours			25	12	27.8	25.0	12.9		Y
Program Rating										R
<p>Comments: Improvement in measure 2 is the direct result of management and practice changes at the Judicial Information Division (JID). The new strategy dealing with resolution practices have been effective in significantly reducing resolution times. The strategy pursued includes closing service tickets as soon as the issue is resolved instead of waiting until the end of the day to close all tickets. This change has led to a more accurate measure of real resolution times. JID is still in the process of implementing the new Odyssey case management system (CMS). The Odyssey CMS is creating efficiency gains in case filing and retrieval and should alleviate some pressure on the court clerks. JID is planning on statewide implementation by December, 2012. If the implementation schedule is met, JID will have completed implementation a full year ahead of initial projections.</p>										
Magistrate Court Program		Budget:	FTE:	FY10	FY11	Q1	Q2	Q3	Q4	Rating
		\$26,889,500	341	Actual	Target					
3	Bench warrant revenue collected annually, in millions*			\$3.15	\$2.4	\$0.76	\$0.84	\$0.92		G
4	Percent of cases disposed as a percent of cases filed*			100.1%	95%	115.2%	108.3%	105%		G
5	Percent of magistrate courts financial reports submitted to fiscal services division and reconciled on monthly basis*			95.8	100	100.0	93.9	99.3		Y
Program Rating										G
<p>Comments: Budget reductions have forced the magistrate court program to leave clerk vacancies unfilled. Funds from the American Recovery and Reinvestment Act (ARRA) prevented furloughs at the magistrate court through the third quarter of FY11, however, there is a possibility of a furlough during the fourth quarter.</p>										
Special Courts Services Program		Budget:	FTE:	FY10	FY11	Q1	Q2	Q3	Q4	Rating
		\$7,480,700	3	Actual	Target					
6	Number of monthly supervised child visitations and exchanges conducted*			N/A	500	1,127	1,114	1,016	N/A	G
7	Number of cases to which court-appointed special advocates volunteers are assigned*			1,085	1,000	578	111	98	N/A	Y
Program Rating										G

**Performance Report Card
Administrative Office of the Courts
Third Quarter, Fiscal Year 2011**

Comments: Measure 6 has been expanded to include exchanges. This program is in high demand with some clients on waiting list for supervised visitation and exchange services. The Special Court Services Program has been adversely affected by state budget constraints. A reduction of 14.5 percent to the Court Appointed Special Advocates (CASA) program has led to a reduction in services reflected in measure 7. In measure 7, the large first quarter figure is attributable to case carryover from previous years plus the addition of new cases in that quarter.

Suggested Performance Measure Improvement






The AOC should significantly expand its efforts quarterly reporting. The unified budget produced by the AOC may be a good model for future quarterly reporting as it provides a comprehensive look at the entire judiciary rather than being confined to a single oversight agency. Updating performance measures to better reflect the totality of court services is necessary. Ideally, AOC will provide LFC with a robust quarterly report including a narrative to explain trends, policy, and focus changes in regards to policy and procedure; performance measures from individual courts and programs; and progress in meeting goals and objectives listed in the strategic plan.

* Denotes House Bill 2 measure

**Performance Report Card
Higher Education Department
Third Quarter, Fiscal Year 2011**

Performance Overview: The Higher Education Department (HED) consists of two programs: (1) Policy Development and Institutional Financial Oversight and (2) Student Financial Aid.

Issued in December 2010, the department's statewide plan for higher education lists many priorities and recommended actions for the department and institutions, but it does not closely follow the department's current strategic plan for 2009-2012. As the current secretary considers the statewide plan in the context of this administration's priorities, the secretary and leadership will undertake a new departmental strategic planning process. As part of this process, HED staff will scrutinize the department's current performance measures with the intent to eliminate or revise measures for both the Policy Development and Student Financial Aid Programs and align the statewide and departmental plans.

Policy Development & Institutional Financial Oversight		Budget: \$34,734,400	FTE: 51.0	FY10 Actual	FY11 Target	Q1	Q2	Q3	Q4	Rating
1	Percent of adult basic education students who set and attain the goal of obtaining employment*			56%	58%	51.6%	51.6%	64.1%		
2	Percent of properly completed capital infrastructure draws released to the state board of finance within thirty days of receipt from institutions*			100%	95%	N/A%	100%	100%		
3	Number of family members participating in gaining early awareness and readiness for undergraduate program (GEAR-UP) events			4,400	2,900	356	962	1,470		
4	Percent of properly completed financial aid allocations and draw downs processed within 30 days *			100%	90%	N/A	100%	100%		
Program Rating										
In the last two fiscal years, the department has sustained improvement in the timely processing of capital infrastructure draws and financial aid allocations. Since FY09, the department has expanded its college outreach efforts through Gaining Early Awareness and Readiness for Under Graduate Programs (GEAR-UP). The department should measure program success by tracking the number of GEAR-UP students who enroll at post-secondary schools and matriculate.										
Suggested Performance Measure Improvement										
Comments: Both Policy Development and Fiscal Oversight performance measures should reflect the statewide plan and department's strategic plan. In developing new measures, HED should develop specific and measurable departmental and institutional outcomes and identify performance targets. Outcomes and targets should include developing a new funding formula that shifts from inputs to outcomes (example, course completion rates, six-year graduation rates) and connecting a percentage of state support to achieving such outcomes. The department may also identify cost-sharing goals between the state, institutions, students, and taxpayers and measures that assess the effectiveness and solvency of state need-based and merit-based financial aid programs, promote state-priority degree programs, discourage duplicative programs, and boost centers of excellence. Lastly, the department should renew efforts to audit and evaluate capital projects to insure institutional accountability and responsibility.										

* Denotes House Bill 2 measure

**Performance Report Card
Higher Education Department
Third Quarter, Fiscal Year 2011**

Performance Overview: The Student Financial Aid program does not report quarterly measures because its measures focus on annual outcomes. Some measures could be reported on a semester-basis. Specifically for the Student Aid Program, the work-study measure required under the GAA of 2010 and recommended by the department initially was not reported.

Student Financial Aid Program	Budget: \$80,086,500	FTE: 0	FY10 Actual	FY11 Target	FY11 Actual	Rating
1	Number of lottery success recipients enrolled in or graduated from college after the ninth semester*		3,318	3,300	N/A	
2	Percent of students meeting eligibility criteria for state loan programs who continue to be enrolled by the sixth semester*		90%	85%	N/A	
3	Percent of students meeting eligibility criteria for work-study programs who continue to be enrolled by the sixth semester*		0%	75%	N/A	
4	Percent of students meeting eligibility criteria for need-based programs who continue to be enrolled by the sixth semester*		62%	66%	N/A	
5	Percent of students meeting eligibility criteria for merit-based programs who continue to be enrolled by the sixth semester*		62%	68%	N/A	
6	Number of students receiving college affordability awards*		2,387	1,500	N/A	
Program Rating						
Comments: The Department failed to collect data on work-study program recipients in measure 3 as required by the GAA of 2010. The agency should incorporate performance measures to track the percent of lottery students enrolled or graduated by the ninth semester, similar to 1 above.						
Suggested Performance Measure Improvement						
A LFC Financial Aid Program Evaluation (2008) recommended the department review and revise performance measures to track students receiving the Legislative Lottery Scholarship and students participating in state loan programs. To address state workforce priorities, the department should consider revising measures to track the number of students who are employed in their fields or priority fields within a period of time after graduation.						
Despite low tuition rates, many students carry a heavy loan burden during their academic programs and upon completion. For FY13, the department should report federal and state loan default rates and track the number of state loan borrowers in default and the department's collection efforts on these loans.						

* Denotes House Bill 2 measure











**Performance Report Card
Universities
Third Quarter, Fiscal Year 2011**

Performance Overview: On behalf of its six member institutions, the Council of University Presidents submits semi-annual reports on retention rates. This report card emphasizes the percent of full-time, first-time freshmen who re-enroll for the spring semester. Universities have improved reporting and begun to share fall-to-fall retention rates, in addition to the fall-to-spring data. Institutions noted that fall-spring data is a less useful outcome measure to recognize academic progress.

Retention Fall-to-Spring		Fall 2009 to Spring 2010 Actual	Fall 2010 to Spring 2011 Target	Fall 2010 to Spring 2011 Actual	Rating
1	UNM freshman retention, fall-to-spring	91.6%	90.0%	88.3%	Y
2	NMSU freshman retention, fall-to-spring	88.2%	88.4%	87.1%	Y
3	NMIMT freshman retention, fall-to-spring	92.2%	N/A	88.9%	Y
4	ENMU freshman retention, fall-to-spring	81.8%	82.0%	83.9%	G
5	NMHU freshman retention, fall-to-spring	70.9%	77%	78.1%	G
6	WNMU freshman retention, fall-to-spring	82.4%	81.5%	85.1%	G
Program Rating					G
<p>Freshmen fall-to-spring retention rates demonstrate initial student academic progress towards degree completion. Research universities failed to retain the same percentage of students as the prior year, though the institutions continued and expanded some first-year student retention programs and activities. The comprehensive universities exceeded prior-year performance and retained a higher percentage of students than the institutions' targets for Fall 2010-to-Spring 2011. With more information, institutions could determine which activities were most successful at improving retention rates.</p>					
Suggested Performance Measure Improvement					
<p>Building on LFC recommendations in 2010 and the GAA of 2011 provision requiring the N.M. Higher Education Department (HED) to recommend revisions to the state's funding formula for Instruction and General Expenditures for FY13, HED, LFC, DFA, and institutions have begun to identify possible changes to the formula and ways to connect outcomes measures to a percentage of state formula funding.</p> <p>For FY13, universities should revise existing measures and incorporate institutional and student progress performance measures that are likely to be proposed and included in a revised funding formula. For example, for the 2010-2011 academic year, all but one of New Mexico's four-year institutions participate in the Voluntary System of Accountability (VSA), a national effort to collect and disseminate information on institutional and student educational outcomes. The VSA measures report full- and transfer-student graduation rates in four and six years, student retention data that covers a longer period of time or once a student declares a major, the number of degrees awarded annually, and the employment or placement of graduates. Measures, like the ones already reported as part of VSA efforts, should be incorporated into the funding formula and used for FY13.</p>					

**Performance Report Card
Two-Year Branch Campuses
Third Quarter, Fiscal Year 2011**

Performance Overview: The New Mexico Association of Community Colleges (NMACC) submits semi-annual reports on retention rates. This report card emphasizes the importance of reporting a retention rate for first-time, full-time, degree-seeking freshmen from the initial fall semester to the subsequent fall semester. The Fall 2008-to-Fall 2009 retention rate for NMACC institutions was 53.2 percent, and all but two institutions surpassed this rate for the Fall 2009-to-Fall 2010 period. Also, the program rating reflects an overall improvement in retaining students from year-to-year at all but two institutions.

Retention Fall-to-Fall		Fall 2008 to Fall 2009 Actual	Fall 2009 to Fall 2010 Target	Fall 2009 to Fall 2010 Actual	Rating
1	ENMU Roswell	51.3%	52.0%	53.6%	
2	ENMU Ruidoso	44.2%	41.0%	44.6%	
3	NMSU Alamogordo	55.8%	56.5%	59.5%	
4	NMSU Carlsbad	41.2%	45.0%	47.0%	
5	NMSU Dona Ana	64.9%	64.4%	66.8%	
6	NMSU Grants	68.3%	57.0%	59.6%	
7	UNM Gallup	56.6%	N/A	N/A	
8	UNM Los Alamos	60.3%	56.0%	61.8%	
9	UNM Taos	60.7%	49.5%	55.4%	
10	UNM Valencia	60.3%	55.0%	66.2%	
Program Rating					
<p>Most branch institutions demonstrate success in retaining first-year students for a second year. Institutions have focused existing resources on improving retention and placed a greater emphasis on providing remedial classes to students at branch institutions instead of at the main campus of the four-year institutions.</p> <p>NMSU Alamogordo, NMSU Carlsbad, and UNM Valencia made the greatest improvement in retaining students. These institutions and others improved retention by sponsoring seminars on developing successful skills and habits, providing additional academic counseling services, requiring student class attendance, and requiring testing to determine whether remedial courses are necessary and providing an accelerated plan for completion.</p>					
Suggested Performance Measure Improvement					
<p>Last year and for FY11, the LFC recommended that a portion of state funding for higher education be based on outcomes measures. The GAA of 2012 requires the N.M. Higher Education Department (HED) to recommend revisions to the state's funding formula for Instruction and General Expenditures for FY13. The expectation was that these revisions would incorporate an outcomes-based component. NMICC institutions should revise existing measures to incorporate institutional and student progress performance measures that are likely to be included in a revised funding formula. Community colleges should consider measures that track the number of students completing or passing remedial courses or tests, student course completion, student degree completion rates within six semesters, student transfer rates, and employability upon program/certificate completion. Such measures and others are included in the Voluntary Framework of Accountability (VFA) – sponsored by a national community college association, and outcomes-based programs implemented by other states – and thus could act as an effective performance benchmark.</p>					

**Performance Report Card
Two-Year Independent Campuses
Third Quarter, Fiscal Year 2011**

Performance Overview: Semi-annual reports on retention rates are submitted by the New Mexico Independent Community Colleges (NMICC). This report card emphasizes the reporting period fall-to-fall for first-time, full-time, degree-seeking freshmen from the initial fall semester to the subsequent fall semester.

The benchmark Fall 2009-to-Fall 2010 retention for NMICCs is 52.6% and half of the institutions exceeded this measure. Fall-to-fall retention rates remained relatively flat at all institutions, and only one of the eight colleges – San Juan College – met its retention target, though it failed to maintain the prior year’s retention rate. Fewer than half of the institutions exceeded their actual Fall 2008-to-Fall 2009 retention rate.

Retention Fall-to-Fall		Fall 2008 to Fall 2009 Actual	Fall 2009 to Fall 2010 Target	Fall 2009 to Fall 2010 Actual	Rating
1	Central New Mexico Community College	56.8%	60.0%	58.8%	Y
2	Clovis Community College	39.7%	53.3%	40.6%	Y
3	Luna Community College	41.6%	53.3%	50.5%	Y
4	Mesalands Community College	62.8%	60.5%	59.3%	Y
5	New Mexico Junior College	44.8%	50.0%	43.0%	Y
6	Northern New Mexico College	57.5%	57.9%	55.4%	Y
7	San Juan College	58.6%	53.3%	55.9%	Y
8	Santa Fe Community College	58.2%	59.0%	56.0%	Y
Program Rating					Y
<p>Most of institutions retained close to the same percentage of students as the prior year, though Luna Community College retained a much higher percentage of students. While most institutions exceeded the peer institutional retention benchmark, only San Juan College reached its target retention goal for the fall-to-fall period.</p> <p>The institutions varied in approaches to increase fall-to-fall retention, but all institutions took steps to incorporate mandatory student/academic counselor or faculty advisor meetings, to provide seminars on developing successful college habits or improving writing and math skills, and to identify, through special staff or programmatic efforts, students most at-risk of not continuing their studies.</p>					
Suggested Performance Measure Improvement					
<p>Last year and for FY11, the LFC recommended that a portion of state funding for higher education be based on outcomes measures. The GAA of 2012 requires the N.M. Higher Education Department (HED) to recommend revisions to the state’s funding formula for Instruction and General Expenditures for FY13. LFC and others expect that the revisions will incorporate an outcomes-based component.</p> <p>NMICC institutions should revise existing measures to incorporate institutional and student progress performance measures that are likely to be included in a revised funding formula. Community colleges should consider measures that track the number of students completing or passing remedial courses or tests, student course completion, student degree completion rates within six semesters, student transfer rates, and employability upon program/certificate completion. Such measures and others are included in the Voluntary Framework of Accountability (VFA), sponsored by a national community college association, and outcomes-based programs implemented by other states.</p>					

Accountability in Government

Elements of Good Performance Measures

Ideal Measures		Yes	No
Useful	Provide valuable and meaningful information to the agency and policy makers.		
Results-oriented	Focus on outcomes.		
Clear	Communicate in a plain and simple manner to all stakeholders (employees, policymakers and the general public).		
Responsive	Reflect changes in levels of performance.		
Valid	Capture the intended data and information.		
Reliable	Provide reasonably accurate and consistent information over time.		
Economical	Collect and maintain data in a cost-effective manner.		
Accessible	Provide regular information to all stakeholders on results.		
Comparable	Allow direct comparison of performance with performance at different points in time.		
Benchmarked	Use best practices standards.		
Relevant	Assesses the core function of the program or significant budget expenditures		

Agency Quarterly Reports Should Include:

Standard Items (Produced once and included in each quarterly report) :	Yes	No
Agency Mission Statement		
Summary of key Strategic Plan initiatives: The 3 X 5 index card version		
Program description, purpose, and budget by source of funds, along with how the program links to key agency initiatives, objectives, and key Performance Measures		
Action plan describing responsibilities and associated due dates --- who, what, where, when.		
Customized Elements of Key Agency Reports (For each key measure):		
Key Performance Measure statement		
Source of data used to measure results for the key Performance Measure		
4 years of historical data, if available		
Data for current quarter: both qualitative and quantitative		
Graphic display of data, as feasible and appropriate		
Explanation as to why performance failed to meet target if target was 10% or more below the standard set		
Proposed corrective action plan for performance that failed to meet target		
Action Plan status		
Corrective action plan for all Action Plan items that were not met		