



New Mexico State Personnel Board State Personnel Office

**SUSANA MARTINEZ
GOVERNOR**

Justin Najaka
Interim Director

Nivia L. Thames
Deputy Director

State Personnel Board
Paul T. Yarbrough, Chairman
Christine Romero, Vice Chairman

Dennis Garcia Rebecca Long
Megan Muirhead

**State Personnel Board Meeting
State Personnel Office
2600 Cerrillos Road
Santa Fe, NM 87505**

July 25, 2014

Minutes

I. Procedural Items

Call to Order

The meeting of the State Personnel Board was called to order by Chairman Yarbrough at approximately 9:10 a.m. on July 25, 2014, at the State Personnel Office, Santa Fe, New Mexico.

Invocation Stuart R. Hamilton

Pledge of Allegiance Michael McEuen

Roll Call

Justin Najaka, Interim Director, State Personnel Office (SPO), called roll and a quorum was established with the following members present:

Paul Yarbrough, Chairman
Christine Romero, Vice Chairman
Dennis Garcia
Megan Muirhead

Board Member Rebecca Long was absent.

2600 Cerrillos Road, Santa Fe, New Mexico, 87505 (505) 476-7759



Approval of Agenda

Vice Chairman Romero moved to approve the agenda, seconded by Board Member Muirhead. Motion carried.

Approval of Minutes – May 28, 2014

Board Member Muirhead moved to approve the May 28, 2014, State Personnel Board meeting minutes, seconded by Vice Chairman Romero. Motion carried.

II. Director's Report

Interim Director Justin Najaka reported on:

FY15 3% salary increase - processing/transactions went into effect July 5, 2014. Ninety nine percent of the employee's performance evaluations were completed and entered into the SHARE system. Program was processed as expected and every employee that completed their probationary period was eligible. Each pay period a program will run and employees that complete their probationary period in that pay period will receive their raise as long as they meet the eligibility requirements.

FY09 Arbitration ruling - Phase one began on June 7, 2014 and salary adjustments were processed for 5,700 employees. The goal of Phase One was to bring salaries up to the level that they should have been according to the FY09 arbitration ruling. The issue of retroactive pay will be dealt with at a later date. Outliers are being dealt with on a case by case basis and agencies are working with State Personnel Office to assure that all necessary information is retrieved from personnel files (approximately 20-30 files).

The final phase, Phase Two, involves a state task force and contractor working together to determine retroactive pay. As soon as the research is completed and verified for accuracy, retroactive pay will be processed.

Chairman Yarbrough asked how many will be involved in Phase Two. Interim Director Najaka informed Chairman Yarbrough that there are approximately 10,000 eligible payees. Chairman Yarbrough requested the total cost of the 5,700 pay adjustments in Phase One. Interim Director Najaka informed the board it was at approximately \$2.7 million. Chairman Yarbrough requested the projected cost of the adjustments when all phases are complete; Interim Director Najaka informed Chairman Yarbrough that the total dollar amount has not been determined. Chairman Yarbrough stated that there have been a number of figures that were first reported, and asked whether know the approximate dollar amount. Interim Director Najaka reported that the initial projection was \$30 million but an exact number has not been determined as calculations are still being processed. Interim Director Najaka stated there should only be two phases that the task force, and the State Personnel Office, is involved with. There will be some additional work done with PERA when the phases are complete. Chairman Yarbrough asked if the money came from legislative appropriations. Interim Director Najaka responded there was only \$2.7 million that was appropriated in FY15 to cover backlog costs. The majority of the money is coming from FY14 agency Operating Budgets. Chairman Yarbrough asked what the estimate was on vacancy savings. Interim Director Najaka wanted clarification if it was from FY14 or FY15. Interim Director Najaka then stated that most agencies are able to cover the costs however some agencies may need to request additional funding. Chairman Yarbrough wanted to know if



the State is under a certain timeline to get these pay adjustments completed or if it can wait until next Fiscal Year. Interim Director Najaka stated that the state is committed to completing these adjustments as soon as possible.

Interim Director Najaka informed the board of the Digitization Project in the works and a proposal was submitted to automate all state personnel records as we move forward. He stated that this is a five year project. The project was initiated with an appropriation of \$16,000 from FY14, which was used to hire a contractor to determine how best to complete the project in collaboration with NMDOIT and within budget constraints. The request for the project went before the Project Certificate Committee in late June and funds of FY15 of \$450,000 were appropriated to begin the process. \$250,000 was released to begin the RFP process. Project Certification Committee and DFA approved the release of those funds. Contractor is on now on board. Part of the process was to work with State Records and assure the retention schedule is current and updated.

Interim Director Najaka touched base with the Board concerning the new website and shared that the response has been great since implementation. The new website is in black and white to emphasize the content of the website and make it more user friendly.

Interim Director Najaka spoke about the improvements in all areas. Career Services has made some significant changes in customer service area. Shared Services is operating more efficiently. Agency HR Services is working on backlog and getting actions processed in a timely manner. New processes are being implemented to assure that actions are moving more smoothly through the review and approval process. Statistics will be presented on the different areas at the next board meeting.

Vice Chair Romero asked Interim Director Najaka if the 3% increase was based on performance or was a general salary increase. Interim Director Najaka stated that it was a generally salary increase based on satisfactory or better performance.

Vice Chair Romero also asked if the Digitization Project will assist SPO in not having to have the records stored at SPO. Interim Director Najaka clarified the advantage will be that personnel records are able to be viewed by all agencies and that SPO is the custodian of employment records and that SPO has to keep the files for 55 years. The goal is to have new employee files digitized as they begin their employment with the State and the conversion of existing records including position and action files. This is to assure that all personnel records are kept under the correct retention schedule. Vice Chair Romero asked if it this was a legislative initiative or if it was being done independently by SPO initiative and where the money will come from. Interim Director Najaka specified that this is an Executive initiative and the legislature appropriated money and NMDOIT recommended the project be funded.

Chairman Yarbrough welcomed Interim Najaka to the table.

Chairman Yarbrough inquired about the website and hiring process, and how quickly we are filling the vacant positions. Interim Director Najaka stated that SPO is working closely with agencies to post and fill positions. The goal is to get the job posted within five days, post the position for fourteen days and get the list to hiring managers as soon as possible.

Career Services is working on a cleanup of job postings that have not been closed properly in order to show the correct time line. Andrea Rivera Smith, Career Services Division Director, explained the process and spoke to the board on the current timeline. Ms. Rivera Smith stated that at this point the time measurement is not practical and that 45 days is a non-obtainable goal since it does not allow for the timeframe that the total process entails. Chairman Yarbrough asked how LFC determined the 45 day benchmark. Ms. Rivera Smith stated that the LFC was looking at historical data for this benchmark when hiring managers were receiving lists with all applicants. Chairman Yarbrough asked what a more realistic bench mark would be. Ms. Rivera Smith stated that the correct bench mark that SPO is proposing is 60 days. This would account for the position being advertised and the date the candidate accepts the position. Interim Director Najaka stated that statutorily SPO is required to provide a ranked list of all referred candidates. When minimum qualifications were in place prior to 2011 it took an average of 134 days to fill a position, now it takes 76 days. Based on these numbers it shows that NEOGOV program has proven to be a good investment. Interim Director Najaka stated that at the next board meeting SPO will present the quarterly report in which SPO will present more accurate statistics. Chairman Yarbrough stated that SPO is not just trying to quickly fill the positions but trying to fill them with qualified individuals. This process may take longer however it is in the best interest of the people of the State of New Mexico to hire qualified employees. Even if we establish the 60 day bench mark we still are at an average time of 76 days to fill positions. Chairman Yarbrough asked if we will be able to bridge the gap. Interim Director Najaka stated that at some point we will. Ms. Rivera Smith stated that partnering with agencies will help to outline the business processes and stream line the actual hiring of employees. Board Member Muirhead requested a clarification of the 76 days and how the process works. Ms. Rivera Smith stated that it is measured from the time the position is advertised, 14 days to advertise, 10 days for human resource staff to review applications and 52 days to process the hire which includes interviewing, hiring, processing paperwork and allowing the applicant to give notice to his/her current employer. Board Member Muirhead asked where the process could be condensed. Ms. Rivera Smith stated the area to condense would be the 52 days to process the hire. We would like to establish guidelines with hiring managers and HR departments and see where in the 52 days we may speed up the process. Interim Director Najaka stated that hiring agencies can speed up the process by clearing calendars, assure budget availability and process all background checks ahead of time; changing these and other small factors would help to speed up the process. Ms. Rivera Smith also stated if our goal is to fill positions with the best candidate's time is required. Vice Chair Romero suggested that the top three candidates should be interviewed. Chairman Yarbrough would like to see the gap closed to the 60 day benchmark without compromising SPO's requirement of getting the most qualified applicant into the position. Chairman Yarbrough complimented the staff working on this process.

Chairman Yarbrough asked about the presentation of "Six Sigma". Interim Director Najaka stated that is scheduled for the August board meeting.

Interim Director Najaka thanked our summer interns Denise Chereposy and Emma Durkin for their help this summer.

III. General Public Comment

None.



IV. FY15 Occupationally Based Salary Structure

Cliff McNary, State Classification and Testing Manager, presented the eight remaining FY15 occupationally based Salary Structures; this brings the grand total to 14. The first six salary structures were approved at the May 28, 2014 meeting. The goal of the fourteen pay lines is a more responsive and flexible system with regards to salary increases based on market competitiveness.

The manager salary structure will require its own distinct, comprehensive project. Multiple employees were promoted to manager classifications solely for the resultant Pay Band and are not managing employees.

The new job classification descriptors are being reviewed and SPO is looking for a December implementation. Board Member Muirhead asked how SPO found out about the misuse of management classifications. Mr. McNary stated that this information has come to light by organizational listings and institutional knowledge. Currently, some agency organizational listings and structures are not correct. Additional documentation is required from the agencies when personal action transactions are being submitted. SPO is now pushing back on some of these transactions to assure that they are truly managerial positions. Vice Chair Romero asked how some of the previous transactions regarding managerial positions were approved. Director Najaka stated that some of these transactions were approved during the previous administration. Interim Director Najaka stated that he estimates 50% of the management positions are misclassified. Board Member Garcia asked how and if the salary of employees would be affected because of this misclassification. Interim Director Najaka stated that pay would not be affected by the project. Chairman Yarbrough asked if the requested Pay Line approval would require additional monetary resources. Mr. McNary responded that there will not be an increase. The project methodology identified the highest and lowest rate and packaged them according to highest and lowest salary. Many were a clone of FY15 pay line. Chairman Yarbrough stated that in accessing competitiveness that benefits are also a factor. Interim Director Najaka stated this is the first piece in getting these occupational based structures established.

Vice Chair Romero moved to approve the adoption of the remaining FY15 Salary Structures, seconded by Board member Garcia. Motion carried.

V. CYFD Manager Classification Adoption

Stuart R. Hamilton, Compensation and Classification Analyst Senior presented the CYFD Manager Classification Adoption that included CYFD Program Manager I Pay Band 75, CYFD Program Manager II Pay Band 85 and CYFD Deputy Division Director Pay Band 95. These classifications were specifically designed for the Child Protective Services Division, however they believe these classifications may be transferable to other areas of CYFD. Ms. Terese Vigil, HR Manager from CYFD was introduced to the board and added that she believes that these manager classifications for Child Protective Services are correct and accurate. Vice Chair Romero asked if Program Manager I and II are similar to the previous District Manager positions. Ms. Vigil stated that there is currently a separate classification for the County Office Manager at the District offices. Program Manager I is equivalent to Staff Manager Position, Program Manager II is equivalent to County Office Manager which would be an A/O II position.

Regional County Manager would be one Pay Band below the Deputy Division Director. Vice Chair Romero asked how many divisions are within CYFD that would utilize these classifications? Ms. Vigil stated that divisions that could implement these classifications would be Protective Services Division (PSD), Early Childhood Services and Juvenile Justice Division. A new division, Behavioral Services, may also utilize these classifications. Board Member Muirhead asked how these positions are determined within the agency. Interim Director Najaka stated that the agency generally makes these determinations however SPO would assist in guiding the agency to assure the positions are correctly classified. Mr. Hamilton provided the board with an organizational structure chart and how Compensation and Classification determines if the classifications are correct. Vice Chair Romero asked how many FTE's are within PSD. Ms. Vigil reported that there are approximately 800 FTE's within PSD. Board member Garcia commented that this should assist the agency in hiring the best qualified employees for the position and help the state to compete with the market. Chairman Yarbrough asked if this structure will make it easier in assisting the agency recruiting and retaining the most qualified candidates. Ms. Vigil stated that it will give the agency flexibility in hiring qualified applicants at the salary that meets market rate.

Vice Chair Romero moved to approve the adoption of the remaining CYFD Manager Classification, seconded by Board member Garcia. Motion carried.

VI. Correctional Officer Classification Adoption

Cliff McNary presented the request to adopt the Correctional Officer Classification series and related Pay Bands. The resultant structure would be representative of a paramilitary organization. The prior structure of the Cadet, Correctional Officer and Sergeant classifications were Basic, Operational and Advanced level. These are not new classifications however they are currently not aligned correctly. Chairman Yarbrough asked if this was a revenue neutral proposal. Mr. McNary stated that this is a revenue neutral proposal and should not incur a cost. Classifications higher than Major were presented and approved at a previous board meeting. Chairman Yarbrough asked how these fit in the managerial classification. Mr. McNary stated the Captain and Major are the first two, line level managers in the series. The Lieutenant, Sergeant, Correctional Officer and Cadet are not supervisory or manager.

Board Member Garcia moved to approve the adoption of the remaining FY15 Salary Structures, seconded by Board member Muirhead. Motion carried.

VII. Executive Session

Vice Chairman Romero moved that the State Personnel Board meeting be closed. The authority for closing the meeting is under the Open Meetings Act NMSA 1978, Section 10-15-1(H) (3), for deliberations in connection with an administrative adjudicatory proceeding, for the matters listed on the agenda; second by Board Member Garcia:

Director Najaka called roll and all members voted in the affirmative. **Motion carried.**

The board met in Executive Session from approximately 10:08 am to 10:53.



1. *Rodriquez v. NM Department of Vocational Rehabilitation*, Docket No. 13-056
 - After careful consideration of the proceedings and the Administrative Law Judge's recommended decision in the matter of *Rodriquez v. NM Department of Vocational Rehabilitation*; Docket No. 13-056:

VII. Board Member Muirhead moved to table the Administrative Law Judge's recommended decision for further review of State Personnel Board jurisdictional issues, seconded by Board Member Garcia. Motion carried.

Litigation Update

Ms. Jessica Cooper and Mr. Rick Levine

Administrative Law Judge Cooper reported that since the last Board meeting adjudication has received eight new appeals, and disposed of 10. Currently there are 37 appeals pending. Since December of last year adjudication has been fully staffed and received 36 new appeals while disposing of 43. For FY14 the Adjudication Department received and disposed of 59 appeals. Chairman Yarbrough asked how many District Court cases are pending. Administrative Law Judge Levine stated that there were four pending cases, in three of those cases there were no changes. In the case of *Hollis v. Taxation and Revenue Department* the court affirmed the decision of the State Personnel Board. Administrative Law Judge Levine stated that there have not been any new District Court cases since the last board meeting. Board Member Muirhead stated that in the District Court case of *Hayden v New Mexico Department of Workforce Solutions*, the judge issued a decision and affirmed the State Personnel Board's decision, and Administrative Law Judge Levine acknowledged that was correct. Member Muirhead asked if the attorney's names could be listed on the agenda and on the top of the page. Chairman Yarbrough requested that the Notice of Final Action also be included with the documents submitted to the State Personnel Board for consideration.

VIII. Other Business – Next Meeting Date: August 29, 2014

IX. Adjournment

With no further business, Vice Chair Romero moved to adjourn the State Personnel Board meeting at approximately 11:15 a.m., seconded by Board member Garcia. Motion carried.

Approved by:


Chairman Yarbrough
State Personnel Board

Attest:

Justin Najaka Interim Director

