



New Mexico State Personnel Office

FY13 3rd Quarter Workforce Report

Mission: To deliver human capital management programs that advance our state agencies missions while protecting the rights of our state employees

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Director's Report

The State Personnel Office's (SPO) mission is to provide to the State of New Mexico human resource leadership, direction, and service to maximize state government's ability in serving the citizens of New Mexico. SPO issues a quarterly report, as required by the Accountability in Government Act (AGA), to address HR metrics established within the General Appropriations Act (GAA). Additionally, SPO has designed this report to identify other metrics to facilitate and enhance the ability to evaluate HR issues impacting management throughout state government. These metrics are critically important in addressing the myriad of challenges currently impacting the State's ability to recruit and retain qualified employees.

SPO is required, and expected, to conduct and lead workforce planning and policy development within state government on state human resource issues. SPO's mission is to provide an objective review of these issues and to guide and add value to the delivery of human resource programs throughout state government while working in partnership with the State Personnel Board and state agencies. To accomplish this mission, SPO endeavors to:

- Provide timely and quality service to the Board, the Governor, and state government agencies on the delivery of human resource program issues;
- Recommend improvements in state government emphasizing economy, efficiency, compliance, effectiveness; and
- Conduct other value-added reviews and projects as requested by the board and/or director.

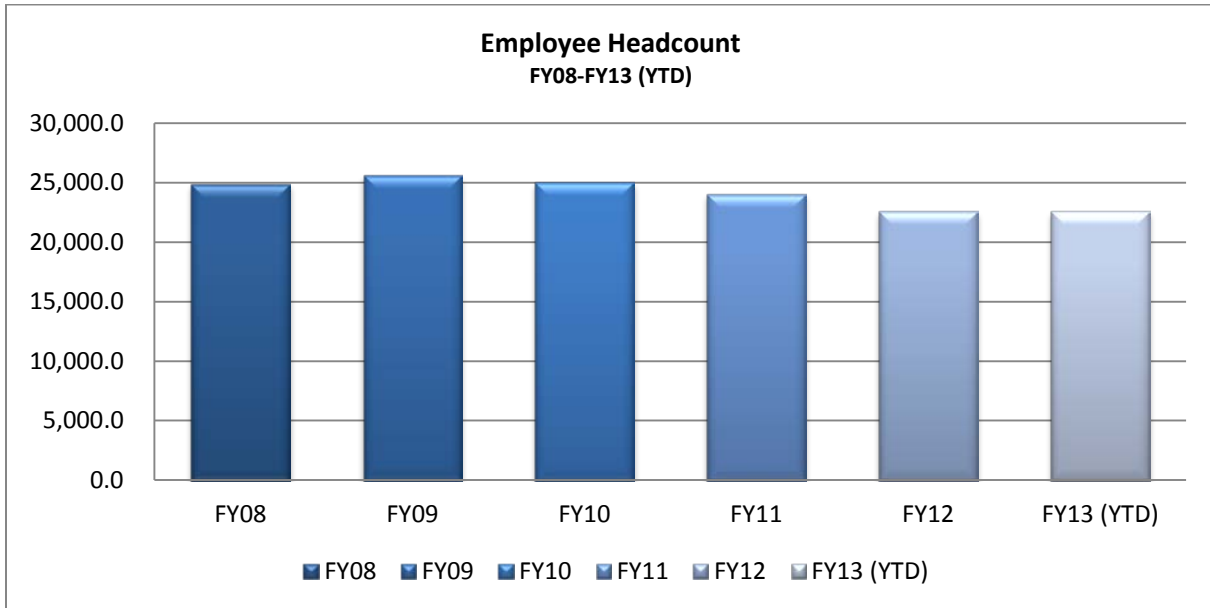
The state faces the myriad of compensation issues and impending retirement for a large portion of state employees. The state is developing an action plan with multiple options regarding recruitment and turnover issues.

Sincerely,

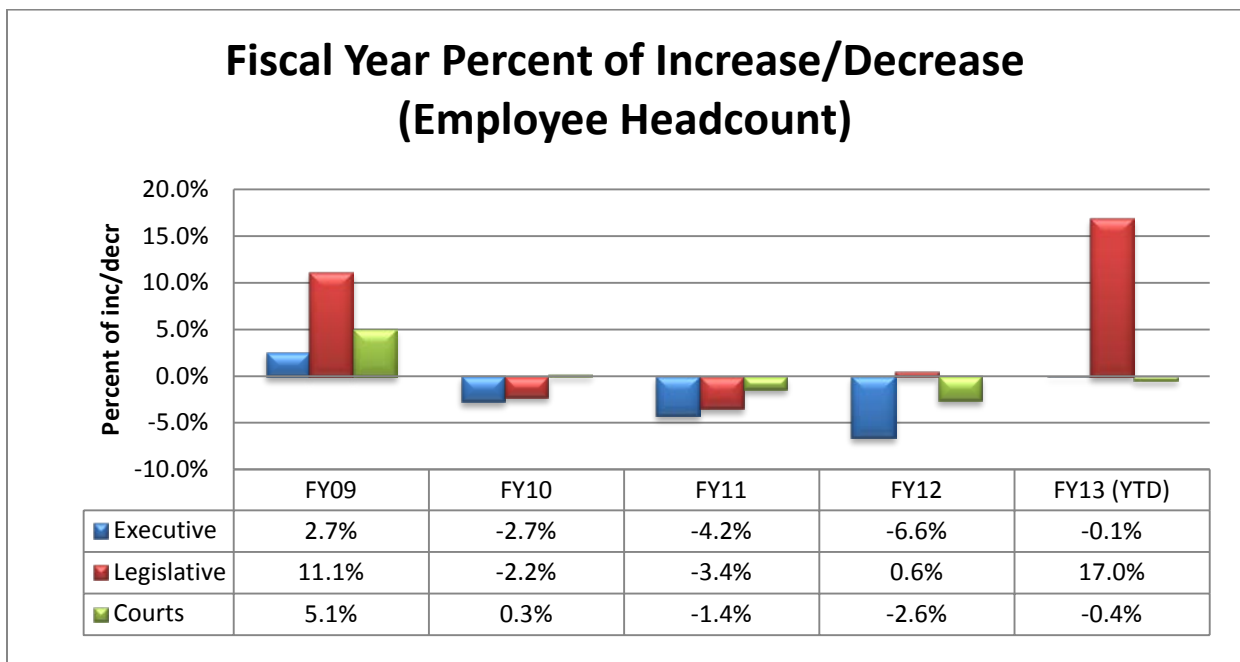
Eugene J. Moser
Director

Workforce Overview

The state's workforce demographics show a significant change since FY09 largely due to attrition, budgetary limitations, and the state's need to fill all positions. As the state's implementation of the on-line application process (NEOGOV), and the reapplication of minimum qualifications for state positions, there has been a stabilization and increase in a qualified work force.

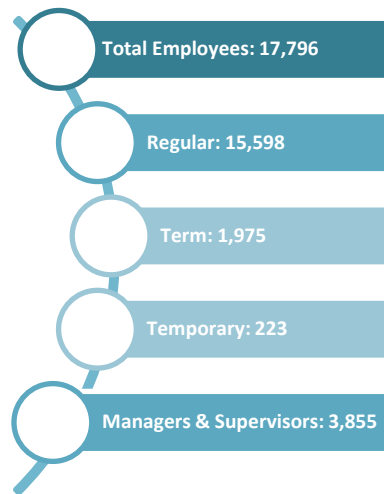


This is evidenced in FY13 third quarter state employee levels. As shown in the Employee Headcount graph above, while a reduction of state employee levels is evident, it also has been incremental each fiscal year without major layoffs occurring. This is largely due to employee attrition through employee retirements or resignations and departments not filling the vacant positions.



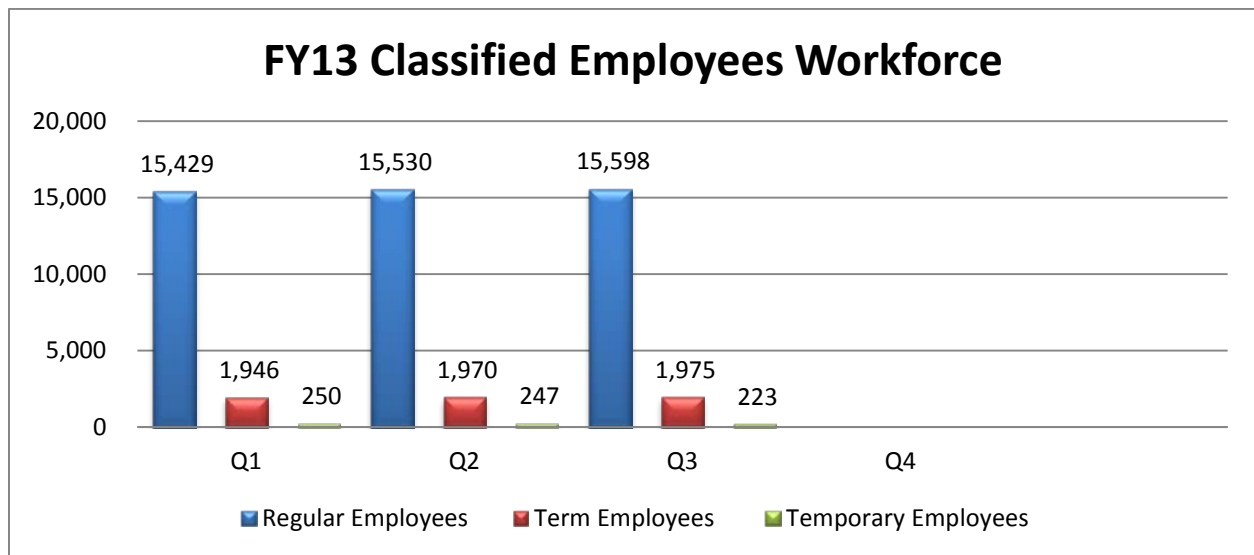
Classified Services at a Glance (March 31, 2013)

Workforce Data	
Union Represented Employees	56.5%
Minority	63.1%
Female	54.5%
Male	45.5%



TOTAL COMPENSATION AS OF March 31, 2013

- AVERAGE BASE SALARY **\$41,808**
- AVERAGE BENEFIT **\$28,090**
- AVERAGE TOTAL COMPENSATION **\$69,898**
- AVERAGE CLASSIFIED EMPLOYEE COMPA-RATIO **99.4%**

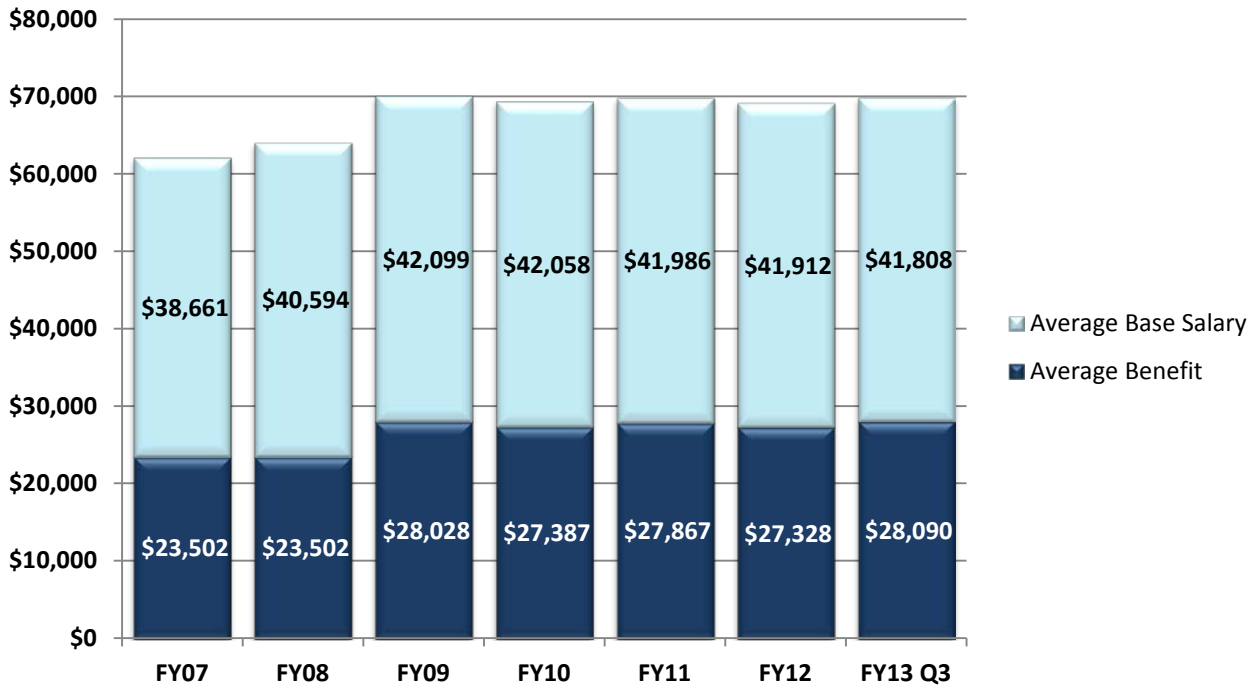


Total Compensation

Total compensation is a critical assessment and necessary requirement as it factors in employee average base salary and benefits provided by the state for the employee. Benefit expenditures consist of retirement, health and other insurances, FICA, and leave (annual, sick, etc.). Average benefit costs rose at the beginning of FY13 due to legislative changes to both employee retirement and Retiree Health Care insurance contributions. It is expected that a significant impact to benefit costs as a percentage of total compensation will continue to rise as health care insurance rates will rise substantially in FY14.

Average benefits account for 39.5% of each employee's total compensation package. In FY09 base compensation (salary) rose 8.8% while benefit costs rose a dramatic 19.2%. The impact of anticipated FY14 increases in benefit costs will continue to exaggerate this separation.

Total Classified Compensation

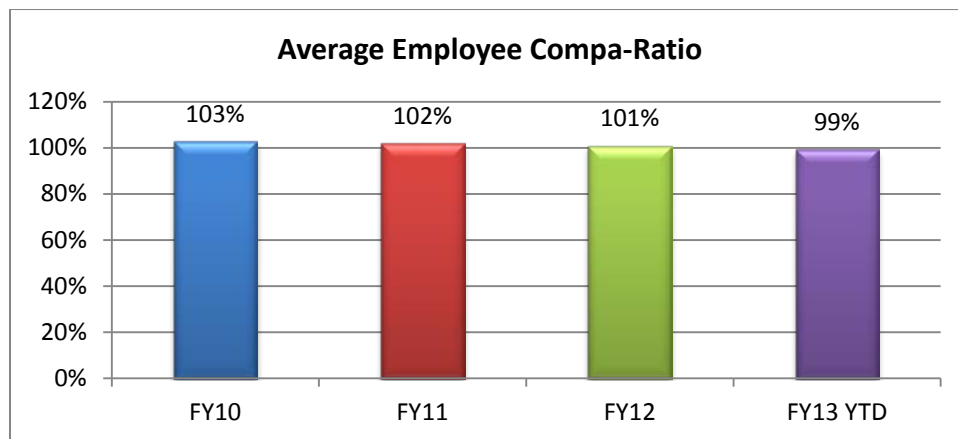
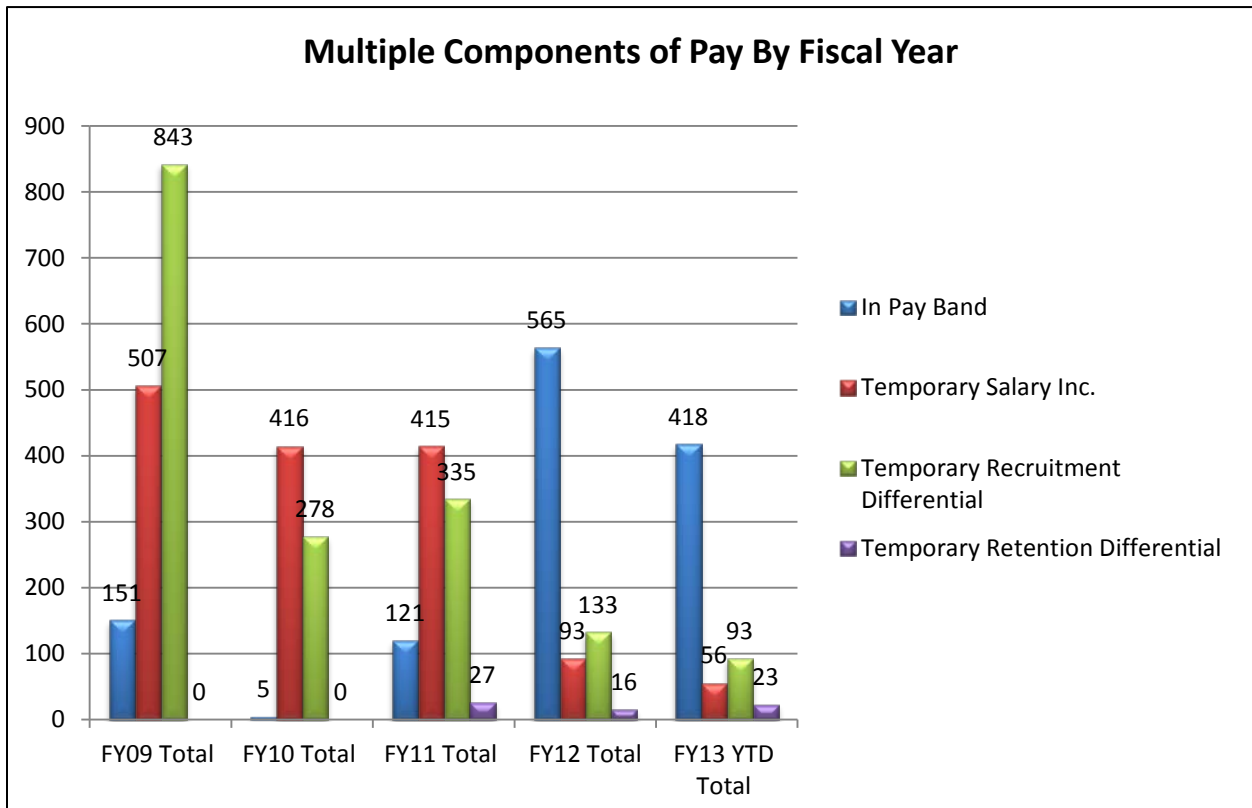


Multiple Components of Pay (MCOP)

State Personnel Board (SPB) Rules provide various pay mechanisms designed to enhance recruitment and retention efforts to attract and retain a qualified workforce. The following represent the various mechanisms established by the SPB Rules currently authorized:

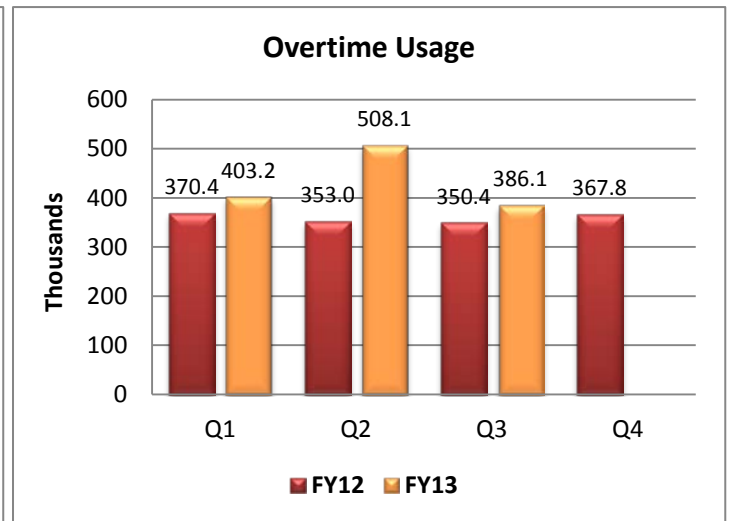
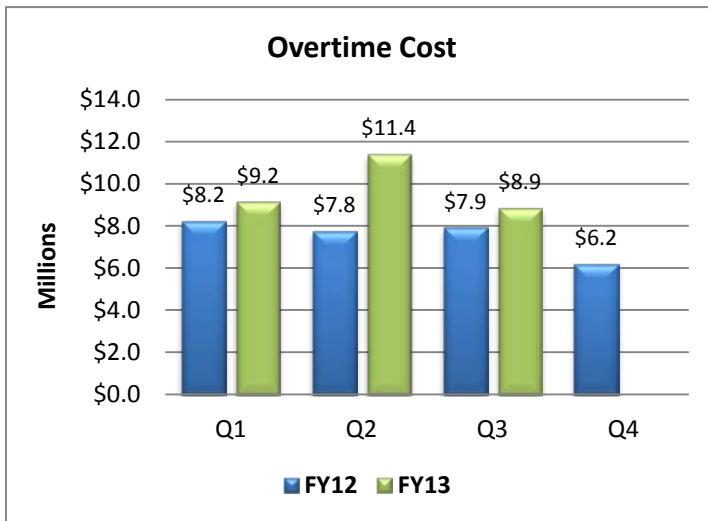
- **Temporary Recruitment Differentials** (TREC) for positions documented as being critical to the business needs of an agency and to address problems for agencies who have demonstrated recruitment difficulty.
- **Temporary Retention Differentials** (TRET) for positions critical to retain an employee to maintain the business needs of an agency that would otherwise be disrupted if an employee left the position.
- **Temporary Salary Increases** (TSI) when an employee temporarily accepts and consistently performs additional duties characteristic of a job requiring greater responsibility and accountability making it a higher valued job. A TSI is a short-term salary measure that may be used until the conditions of the additional duties and responsibilities cease to exist and may not be extended beyond a one-year period.
- **In-Pay Band Salary Adjustments** (IPB's) a base compensation increase up to 10% within a Fiscal Year for employees whose performance has demonstrated placement at a higher compa-Ratio. This pay mechanism allows flexibility for agencies to provide salary growth within the Pay Band. The Department of Finance and Administration must also review IPB's to ensure current and future agency budget availability.

MCOPs are designed to be short-term resolutions of compensation issues being faced by the state. SPB rules allowed these increases as temporary resolutions and were not created to be permanent increases to an employee's base salary as a result of the lack of pay increases over a three (3) year period. In FY11 SPO began to address this issue and ensure compliance with SPB rules. This resulted in many of these positions to be properly reclassified to not impact employee pay.

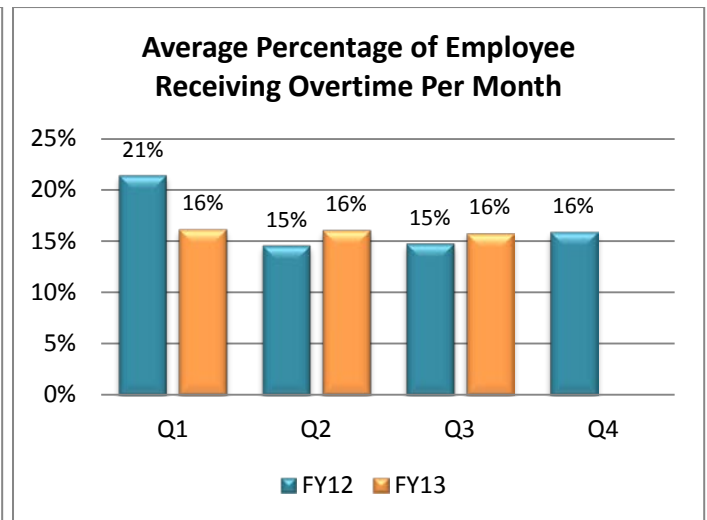
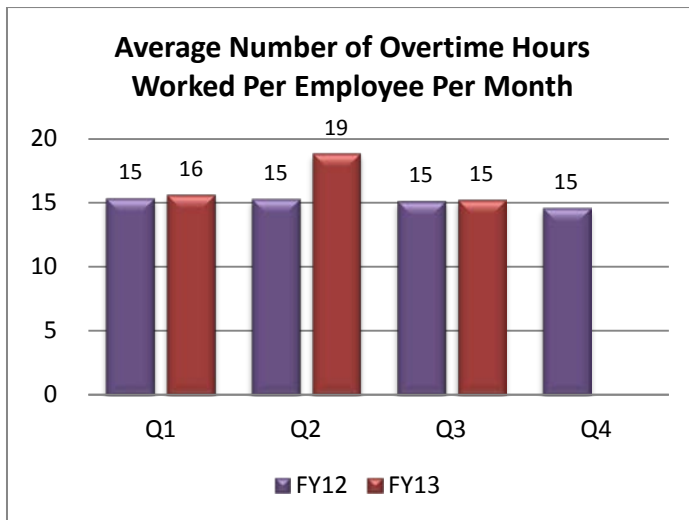


Overtime

The graphs on the next page illustrate overtime costs and usage in FY13. The 3rd quarter shows a significant drop in both cost and hours when compared to the previous quarter of FY13. Overtime costs reflect straight time and time and one half for eligible employees.

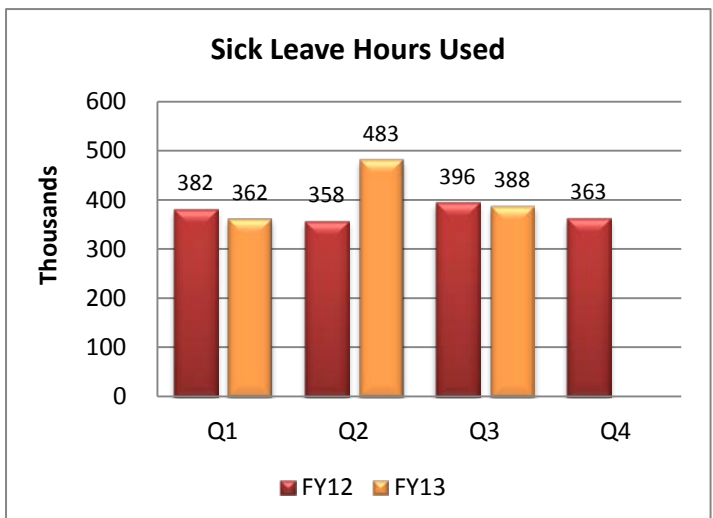
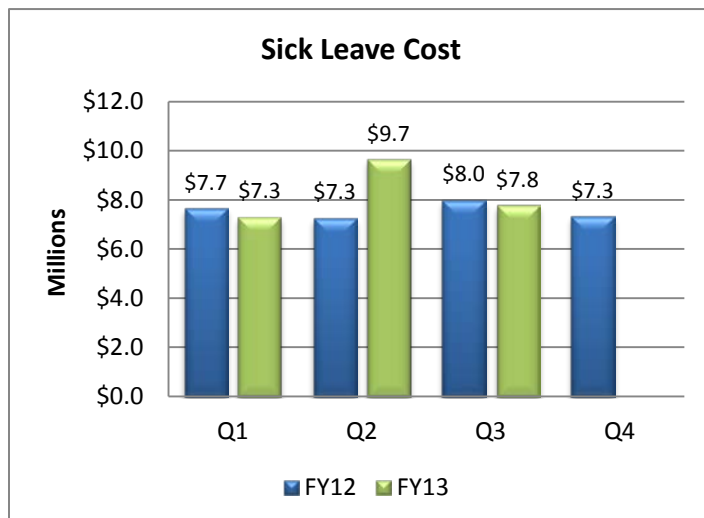


**Note: The above graphs account for both overtime accrual and payout at straight time and time and a half*



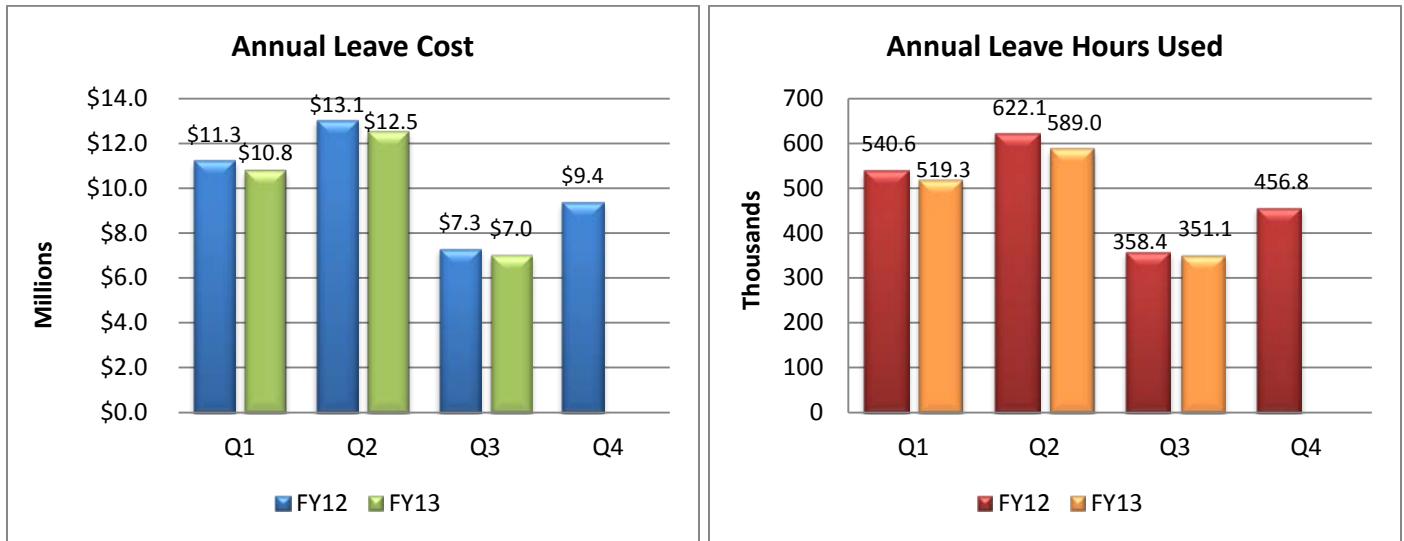
Sick Leave

Sick leave usage through the 3rd quarter of FY13 slightly decreased from FY12 with employees during the 3rd quarter using approximately 3.4 days of sick leave.



Annual Leave

The graphs below show annual leave usage through the 3rd quarter of FY13 and its budgetary impact. The 3rd quarter of FY13 use was approximately 3.7 days per employee.



Classified Service Recruitment Trend

SPO is responsible to not only assist applicants applying for jobs within the state's classified service, but also to ensure the most qualified applicants are referred to fill vacant positions. Beginning in the second quarter of FY12, SPO implemented a more flexible and responsive applicant tracking system through NEOGOV. The NEOGOV system is an applicant tracking system currently being utilized by over 17 states in addition to thousands of municipal and county governments. Issues associated with its implementation are largely due to the applicants

Since implementation all applicants for classified positions are now competitively ranked. The significant changes allow the State to rank qualified job applicants on certified lists submitted to recruiting managers. These changes will bring the State back into compliance with the Personnel Act.

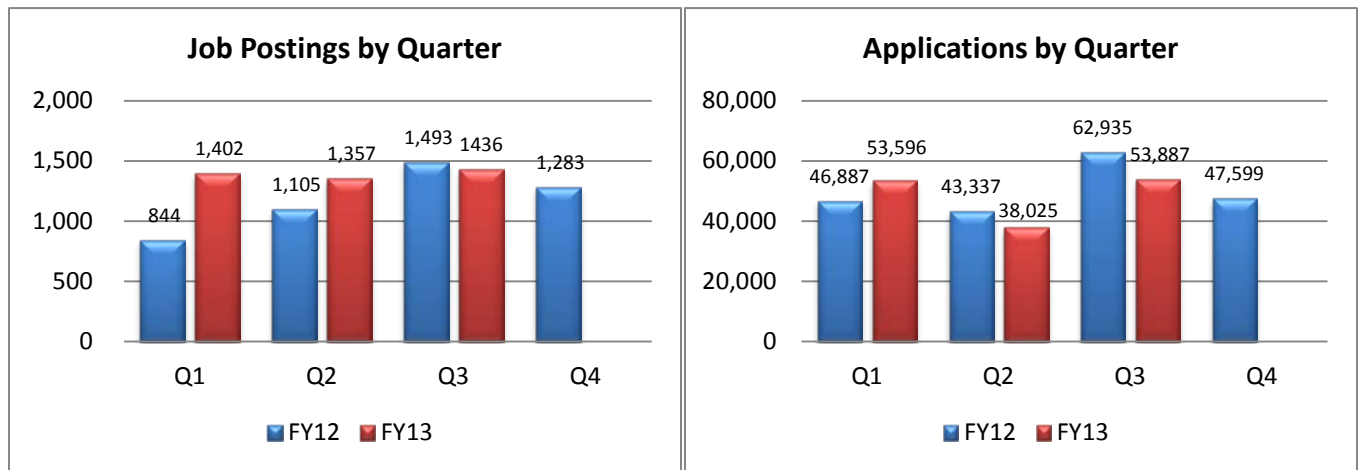
Additionally, it also facilitates an applicant's ability to track online their progress through the recruitment process. The applicant tracking system maintains an applicant's application in its database thus allowing the applicants the ability to apply for multiple positions without having to reenter separate applications for each position. Additionally, applicants are now able to focus job searches by geographic and department preferences allowing applicant's to quickly isolate their job search.

The following graphs illustrate the growth over the past year and a half in both the number of positions being advertised and the expansion of the pool of applicants for consideration. This is a result of the utilization of a more facile and on-line application process (NEOGOV). This activity could not have been addressed without having an on-line recruitment tool:

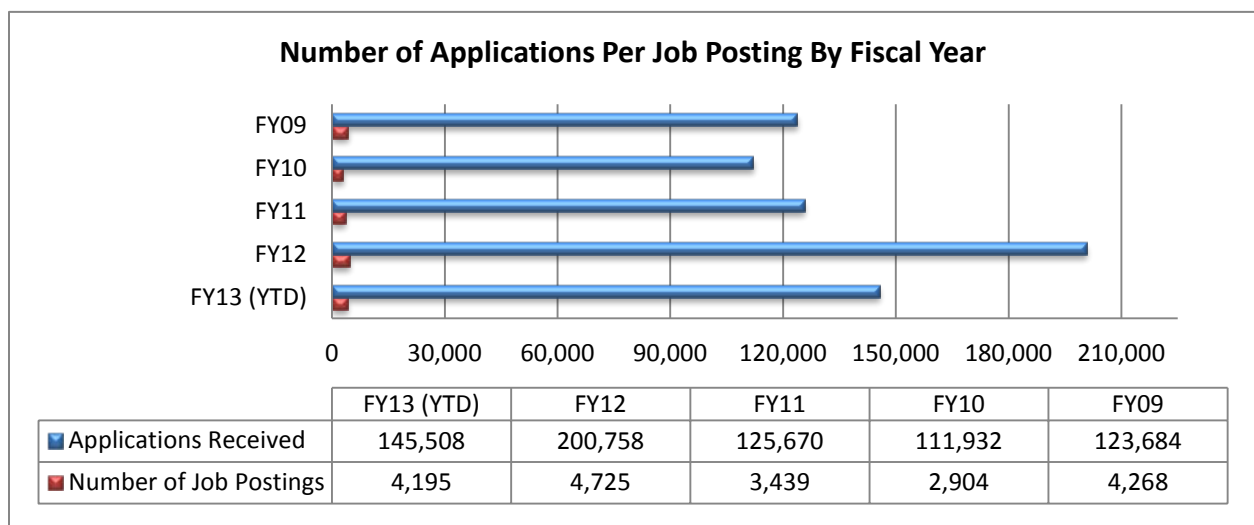
- The number of days to fill a position has increased due to the dramatic increase in applications being processed, and screened, in addition to the number of positions being advertised.
- The SPO recruitment staff that was processing applications did not increase. This required, sooner rather than planned, utilization of agency HR staff in the assessment, scoring and ranking applicants in addition to training and expansion of auditing requirements.

- In FY12, 200,758 applications were received and processed for 4,725 jobs advertised. This illustrates the dramatic increase not only in the number of positions advertised but also the number of applications received as compared to the prior fiscal year.
- In the 3rd quarter of FY13 as agencies strived to fill budgeted positions, 1,436 classified positions were advertised as compared to 1,493 positions for the same quarter of FY12. In this same time frame 53,887 applications were received as opposed to 62,935 for the same quarter in FY12.
- The number of hits to each department job postings demonstrates the increased exposure of vacancies and applicant interest.

Job Postings and Applications Received by Quarter



Number of Applications and Job Postings by Fiscal Year



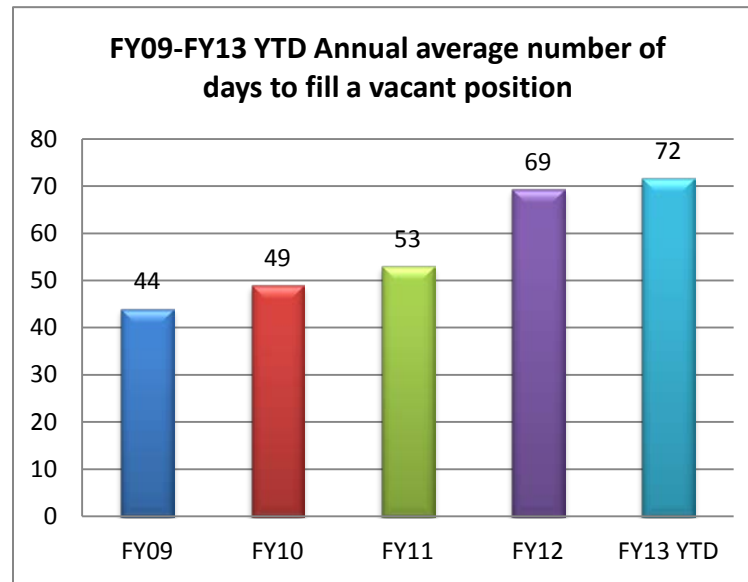
FY13 – 3rd Quarter Top 20 Advertising Agencies

Agency	# of Job Postings	# of Hits
Department of Health	251	112,419
Department of Transportation	221	73,070
Children, Youth & Families Department	201	112,994
Human Services Department	140	64,558
New Mexico Corrections Department	111	40,206
Taxation & Revenue Department	86	48,742
Public Defender	52	19,657
Energy, Minerals & Natural Resources Department	34	16,905
Aging & Long-Term Services Department	31	20,418
Department of Environment	31	22,332
Department of Workforce Solutions	25	18,551
Department of Vocational Rehabilitation	25	11,634
Office of the State Engineer	19	10,731
Public Education Department	17	9,652
Department of Game & Fish	16	11,864
Regulation & Licensing Department	15	10,261
Department of Finance & Administration	15	9,207
Department of Information Technology	14	10,148
Department of Public Safety	13	8,900
General Services Department	13	6,678

FY13 – 3rd Quarter Highest Job Classification Activity

Classification	# of Postings	# of Hits
Staff Manager	54	25,811
Highway Maintenance Workers-Operational	33	10,815
Line Manager II	30	13,524
Management Analyst-Advanced	27	18,935
Administrative Operations Manager II	26	18,264
Social & Community Service Coordinator-Advanced	24	20,354
Office Clerks, General-Operational	23	8,740
Probation Parole Officer I	23	13,638
Financial Specialist, All Other-Operational	21	8,222
Highway Maintenance Workers-Advanced	20	5,144
Registered Nurses-Advanced	18	5,219
Family Assistance Analyst I	18	7,306
Behavioral Health Therapist	18	9,192
CPS Investigation Case Worker	17	7,271
IT Applications Developer Level III	17	7,046
Business Operations Specialist-Advanced	16	14,243
Court, Municipal, and License Clerks-Advanced	15	10,787
Social & Community Service Coordinator-Operational	15	10,537
Accountants and Auditors-Advanced	15	7,883
Healthcare Surveyor-Operational	15	8,035

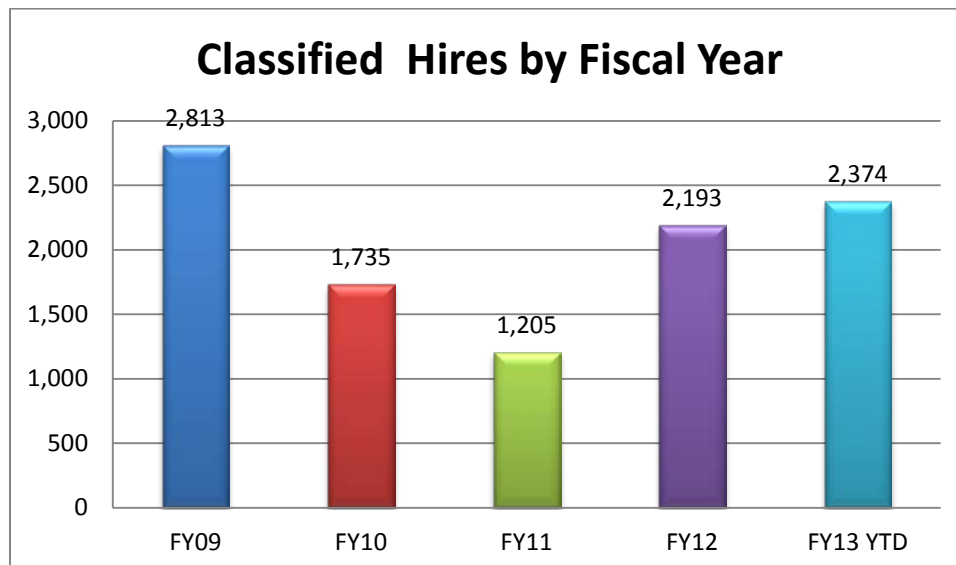
Average Number of Days to Fill a Vacant Position



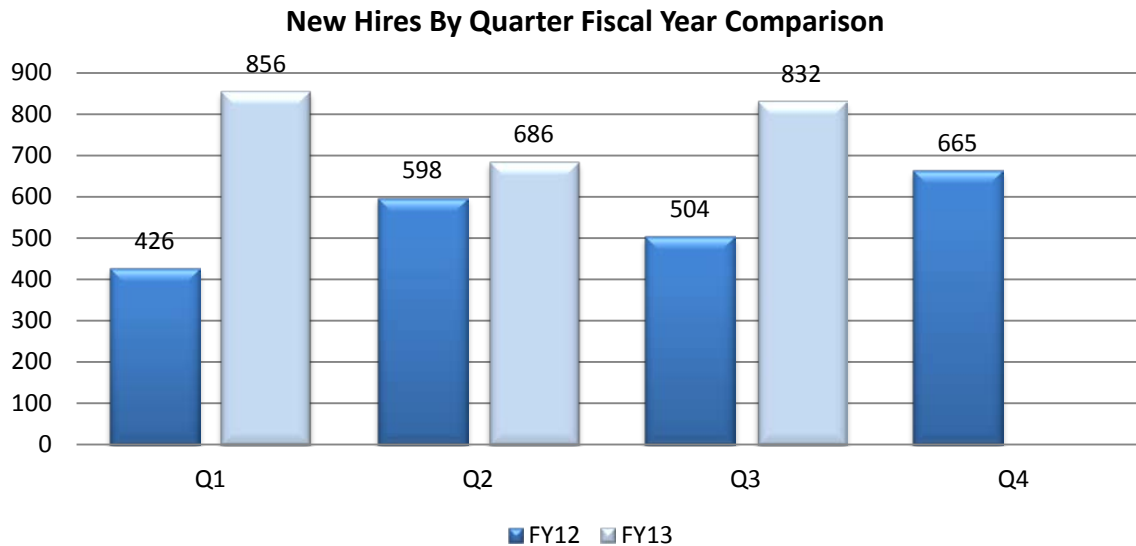
Classified Service New Hires

In FY12 2,193 new hires into the classified service represented an eighty-two percent (82%) increase from the FY11 new hires of 1,205. This effort continues throughout FY13 over the same period in FY12 and shows a sixty five percent (65%) in FY12. This is attributed to department efforts striving to fill vacant budgeted positions as Governor Martinez lifted the prior administration's ban on filling any positions that included budgeted positions. This is resulting in a positive impact upon not only the delivery of services but also the improvement of employee morale throughout state government. However, it must be pointed out that compensation issues continue to impact the ability to attract and retain qualified applicants. SPO is addressing this through a comprehensive compensation and classification study to enhance and support recruitment and retention efforts.

FY13 New Hires by Fiscal Year



FY13 New Hires by Quarter

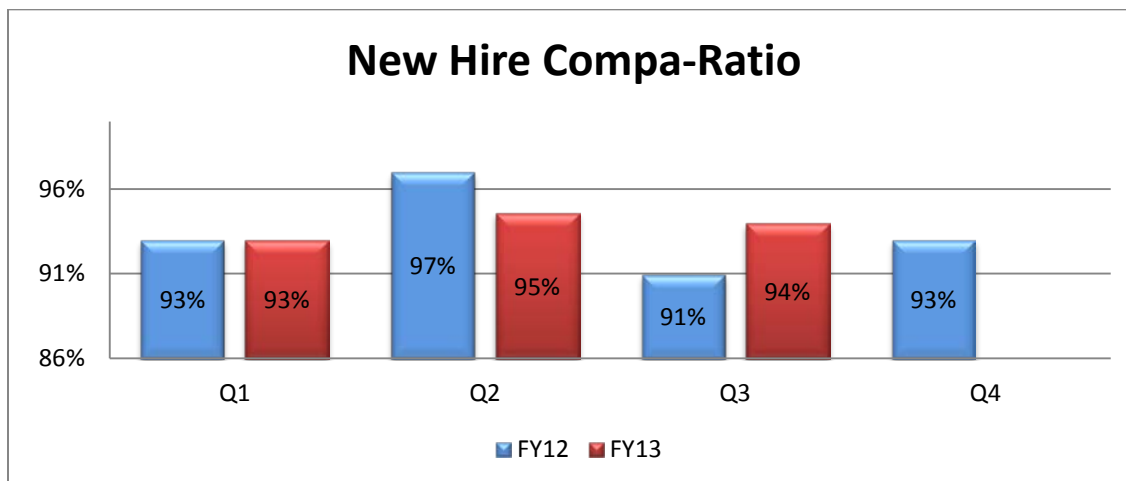


NOTE: Hires represent only new hires and do not include transfers or promotions of state employees

New Hire Compa-Ratio

Compa-ratio for newly hired employees is well above budgeted entry salaries for vacancies appropriated by the Legislature in past fiscal years. This is a direct result of the prior administration not making adjustments to entry levels within the salary plan. This inaction resulted in entry levels of the salary plan lagging far behind market rates forcing departments to hire at rates closer to or in excess of range mid-points in order to attract and compete.

This failure to effectively manage the salary plan is a major contributing factor in employee turnover and difficulty in attracting well-qualified applicants. In concert with the Legislature current appropriated compensation for vacant positions were budgeted in the current fiscal year at mid-point levels rather than obsolete entry levels as had been the practice. This is beginning to have a significant impact in the state's ability to attract qualified applicants. However, it is resulting in compaction at new entry levels with tenured state employees.



FY13 – 3rd Quarter New Hire Compa-Ratio by Pay Band

Pay Band	Average of Compa-Ratio	# of Employees
25	0.91	29
30	0.93	58
35	0.82	40
40	1.00	67
45	0.96	56
50	0.89	126
55	0.90	91
60	0.90	92
65	0.97	98
70	0.97	56
75	1.04	48
80	1.06	24
85	1.06	39
90	1.06	5
96	1.13	2
97	1.15	1
Average New Hires Compa-Ratio	0.94	832

New Hire Demographics

Ethnicity	Female	Male	Grand Total	% Per Ethnic Group
American Indian	19	11	30	4%
Asian	9	5	14	2%
African American	15	4	19	2%
Hispanic	181	170	351	42%
Not Specified	92	59	151	18%
Caucasian	167	100	267	32%
Grand Total	483	349	832	100%
% Per Gender Group	58%	42%		

New Hire Separations

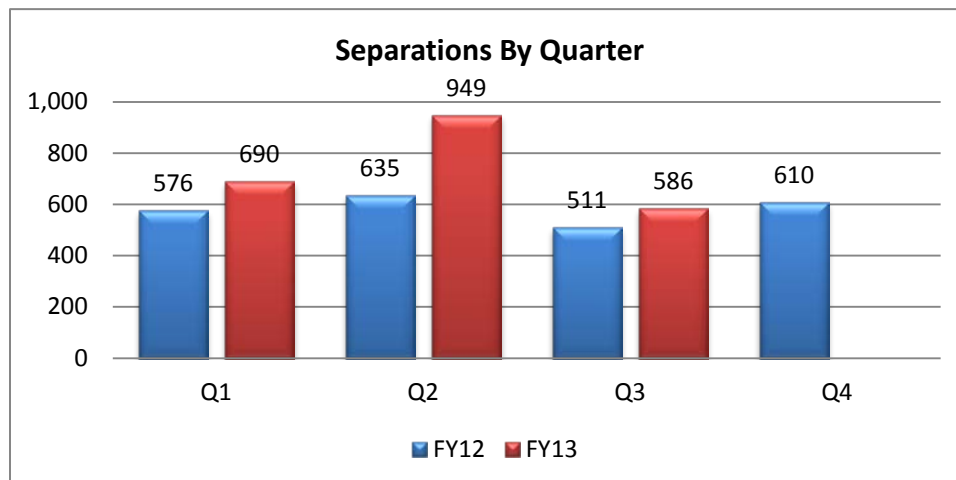
FY13 – 3rd Quarter New Hire Separation Reasons

The following shows for the quarter information indicated by either the employee or the department for those newly hired employees who had left state government in the third quarter.

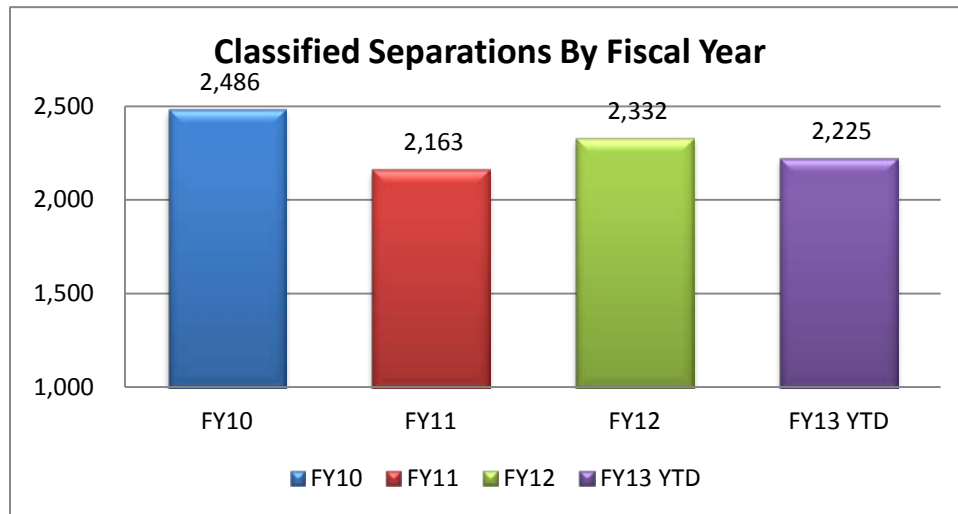
Separation Reason	# of Employee
Accepted New Job (Non-Comp)	3
Attendance	3
Dissatisfied w/Type of Work	1
Dissatisfied w/Work Conditions	2
Dissatisfied with Hours	1
Failed Condition of Employment	4
Family Reasons	1
Health Reasons	5
Illness in Family	1
Misconduct	5
Personal Reasons	8
Probation Period not completed	1
Quit without Notice	7
Resignation	14
Resignation-Other Position	2
Unsatisfactory Performance	1
Violation of Rules	1
Grand Total	60

Classified Employee Separations

Separations by Quarter



Separations by Fiscal Year



FY13 Classified Separations by Reason

Reason	Q1	Q2	Q3	Q4
Accepted New Job (Competitor)	12	15	20	
Accepted New Job (Non-Competitor)	29	23	20	
Attendance	14	20	20	
Death	6	7	5	
Death with Survivors	0	1	0	
Disability Retirement	6	17	10	
Discharge	10	12	5	
Dissatisfied with Hours	1	1	1	
Dissatisfied with Type of Work	2	0	1	
Dissatisfied with Work Conditions	1	2	3	
Dissatisfied with Pay	0	3	2	
Dissatisfied w/Promotion Opportunities	0	0	1	
Early Retirement	3	4	1	
End of Appointment	3	0	1	
Failed Condition of Employment	9	7	7	
Falsified Qualifications	1	0	0	
Family Reasons	6	7	5	
Health Reasons	19	17	16	
Insubordination	3	11	4	
Leave of Absence Expiration	1	0	1	
Misconduct	45	59	37	
Mutual Consent	0	1	0	
Non Job Connected Medical	0	3	0	

Reason	Q1	Q2	Q3	Q4
Normal Retirement	114	309	100	
Other Medical	2	1	4	
Personal Reasons	65	80	49	
Position Discontinued	1	3	1	
Pregnancy	0	1	0	
Probation Period Not Completed	9	13	15	
Quit without Notice	8	18	19	
Relocation	12	11	9	
Reorganization	1	1	0	
Resignation	255	247	185	
Resignation-Other Position	12	14	7	
Return to School	7	2	2	
RIF - SPO Board Approved	2	1	0	
Unforeseen Circumstances	5	10	5	
Unsatisfactory Performance	12	15	23	
Vested Retirement	3	6	1	
Violation of Rules	11	7	6	
Total	690	949	586	

FY13 3rd Quarter Classified Separations by Agency

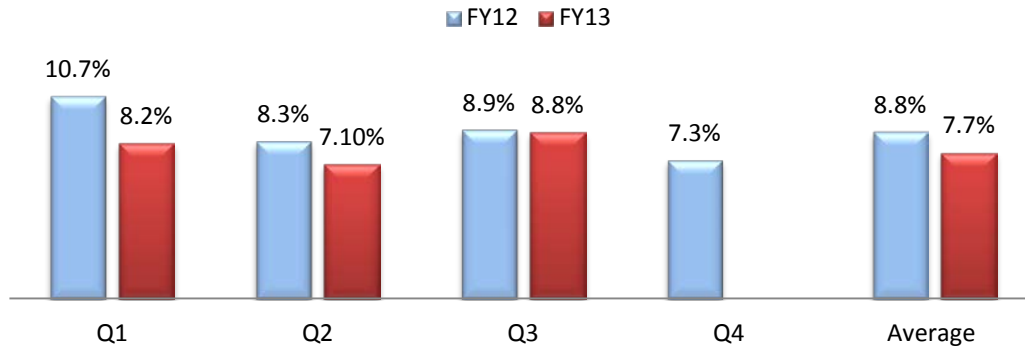
Agency Name	# of Employees
Aging & Long-Term Services Department	9
Children, Youth & Families Department	68
Commission for the Blind	1
Department of Cultural Affairs	12
Department of Environment	10
Department of Finance & Administration	5
Department of Game & Fish	4
Department of Health	135
Department of Public Safety	17
Department of Transportation	52
Department of Veteran Services	2
Department of Workforce Solutions	20
Department of Information Technology	2
Department of Vocational Rehabilitation	3
Dev. Disabilities Planning Commission	1
Economic Development Department	1

Agency Name	# of Employees
Educational Retirement Board	1
Energy, Minerals & Natural Resources Department	9
General Services Department	11
Higher Education Department	2
Homeland Security & Emergency Management	4
Human Services Department	53
Livestock Board	2
Military Affairs	4
Miners Colfax Medical Center	12
New Mexico Corrections Department	72
Office of the State Engineer	5
Public Defender	13
Public Education Department	11
Public Employee Retirement Association	1
Public Regulation Commission	3
Public School Insurance Authority	1
Regulation & Licensing Department	9
State Land Office	2
State Personnel Board	2
Taxation & Revenue Department	25
Workers Compensation Admin	2
Total	586

Statewide Classified Turnover Rate

Turnover is attributable to many factors beyond control such as retirement, transfer and promotional opportunity. The statewide classified employee turnover rate in FY13's third quarter declined to 8.8 percent as compared to FY12's third quarter rate of 8.9 percent. The table attached reflects classified employee quarterly turnover rates by department. Quarterly analysis for both Fiscal Years indicates a stabilization of employee migration rates. Statewide agency trends in turnover are being tracked and will be closely monitored in FY13. It should be noted that this is the first time that this information has been presented on all agencies and allows for better analysis by SPO and the agencies in determining causal effects. However, the lack of determining the actual budgeted positions within each agency is difficult as the actual budgeted FTE by agency is reflected in the State's Appropriation Act. SPO and DFA is actively working with the Legislature to obtain and maintain this data.

Statewide Turnover Rate



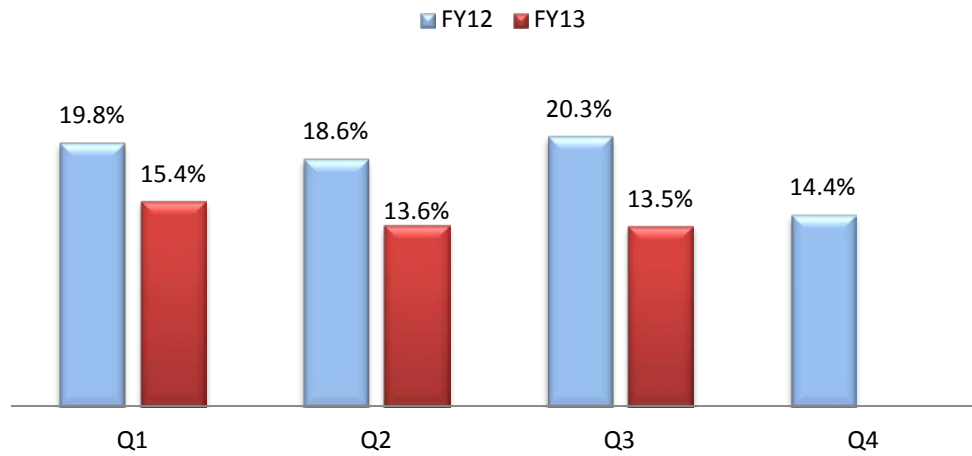
Business Unit	Agency Name	Q1	Q2	Q3	Q4	FY13 Average
30800	State Auditor	22.2%	0.0%	8.3%		10.2%
33300	Taxation & Revenue Department	8.3%	4.4%	8.5%		7.1%
33700	State Investment Council	4.5%	0.0%	10.0%		4.8%
34100	Department of Finance & Administration	6.2%	13.5%	12.9%		10.9%
34200	Public School Insurance Authority	0.0%	0.0%	16.7%		5.6%
34300	Retiree Health Care Authority	9.5%	0.0%	0.0%		3.2%
35000	General Services Department	7.4%	6.0%	8.3%		7.2%
35200	Educational Retirement Board	8.3%	15.7%	10.4%		11.5%
35500	Public Defender	8.0%	14.5%	11.4%		11.3%
36100	Dept. of Information Technology	10.1%	8.6%	5.4%		8.0%
36600	Public Employee Retirement Assoc.	3.1%	3.2%	1.6%		2.6%
36900	Commission of Public Records	14.8%	3.6%	3.2%		7.2%
37000	Secretary of State	0.0%	13.0%	4.0%		5.7%
37800	State Personnel Board	28.9%	12.8%	12.2%		18.0%
39400	State Treasurer	4.0%	16.7%	9.1%		9.9%
40400	Architect Examiners Board	100.0%	0.0%	0.0%		33.3%
41700	Border Development Authority	0.0%	0.0%	0.0%		0.0%
41800	Tourism Department	11.5%	4.0%	0.0%		5.2%
41900	Economic Development Department	3.0%	2.9%	2.9%		2.9%
42000	Regulation & Licensing Dept.	3.4%	4.2%	6.9%		4.8%
43000	Public Regulation Commission	8.6%	4.8%	7.2%		6.9%
44600	Medical Examiners Board	0.0%	27.3%	0.0%		9.1%
44900	Board of Nursing	6.7%	0.0%	0.0%		2.2%
46000	EXPO New Mexico	8.0%	0.0%	0.0%		2.7%
46400	Professional Engineers & Land Surveyors Board	33.3%	0.0%	0.0%		11.1%
46500	Gaming Control Board	2.2%	4.5%	4.5%		3.7%
46900	State Racing Commission	12.5%	22.2%	12.5%		15.7%
47900	Veterinary Examiners Board	0.0%	0.0%	0.0%		0.00%
49500	Spaceport Authority	0.0%	0.0%	0.0%		0.00%
50500	Department of Cultural Affairs	2.3%	6.7%	4.9%		4.6%
50800	Livestock Board	5.9%	0.0%	2.9%		2.9%

Business Unit	Agency Name	Q1	Q2	Q3	Q4	FY13 Average
51600	Department of Game & Fish	7.0%	2.5%	4.3%		4.6%
52100	Energy, Minerals & Natural Resources Department	30.6%	8.7%	9.1%		16.1%
52200	Youth Conservation Corps	0.0%	0.0%	0.0%		0.0%
53900	State Land Office	5.0%	8.7%	2.8%		5.5%
55000	Office of the State Engineer	2.6%	3.3%	4.0%		3.3%
60300	Dept. of African American Affairs	0.0%	0.0%	0.0%		0.00%
60400	Com for Deaf/Hard of Hearing	0.0%	0.0%	0.0%		0.0%
60600	Commission for the Blind	1.8%	3.7%	3.6%		3.0%
60900	Department of Indian Affairs	12.5%	100.0%	0.0%		37.5%
62400	Aging & Long-Term Services Department	4.8%	7.5%	9.0%		7.1%
63000	Human Services Department	6.5%	6.5%	7.1%		6.7%
63100	Dept. of Workforce Solutions	7.1%	7.6%	11.6%		8.8%
63200	Workers Compensation Admin	3.0%	2.9%	4.0%		3.3%
64400	Dept. of Vocational Rehabilitation	4.5%	4.8%	3.0%		4.1%
64500	Governor's Comm. on Disability	0.0%	0.0%	0.0%		0.0%
64700	Development Disabilities Planning Commission	14.3%	0.0%	7.1%		7.1%
66200	Miners Colfax Medical Center	19.9%	15.5%	15.6%		17.0%
66500	Department of Health	7.3%	7.0%	7.8%		7.4%
66700	Department of Environment	4.2%	4.4%	6.2%		4.9%
66800	Office of Natural Resource Trustee	0.0%	0.0%	0.0%		0.0%
67000	Department of Veteran Services	3.2%	12.1%	11.4%		8.9%
69000	Children, Youth & Families Department	7.4%	8.6%	7.8%		7.9%
70500	Military Affairs	3.2%	2.1%	5.6%		3.6%
76000	Adult Parole Board	0.0%	100.0%	0.0%		33.3%
77000	New Mexico Corrections Department	16.7%	8.8%	8.1%		11.2%
78000	Crime Victims Reparation Commission	5.9%	5.9%	5.9%		5.9%
79000	Department of Public Safety	5.0%	5.6%	6.7%		5.8%
79500	Homeland Security & Emergency Management	3.7%	2.0%	10.9%		5.5%
80500	Department of Transportation	5.4%	7.0%	7.0%		6.5%
92400	Public Education Department	10.9%	9.0%	10.2%		10.0%
94900	NM Education Trust Board	0.0%	0.0%	0.0%		0.00%
95000	NM Higher Education Department	25.0%	9.7%	13.8%		16.2%
	FY12 Classified Statewide Turnover Rate	8.2%	7.1%	8.8%		8.0%

Vacancy Rates

While it is certain that vacancies need to be filled and tracked it is difficult to ascertain what positions are budgeted vs. GAA authorized. Due to funding restrictions not all of the authorized FTEs in HB2 are budgeted to be filled. This creates confusion and makes it complicated to discern what the actual vacancy rates are for each agency. Departments are diligently working to reduce actual vacancy rates as can be evidenced in the following which speaks to all departments/agencies.

Statewide Vacancy Rate



Quarterly Vacancy Rates for the 20 Key Agencies

Business Unit	Agency	1st Qtr.	2nd Qtr.	3rd Qtr.	4th Qtr.
21800	Administrative Office of the Courts	7.1%	8.2%	8.2%	
23200	2nd Judicial District Court	5.2%	8.6%	9.5%	
24400	Bernalillo Metropolitan Court	13.3%	14.1%	13.1%	
33300	Taxation & Revenue Dept.	23.4%	22.7%	21.2%	
35000	General Services Dept.	29.8%	28.6%	29.8%	
35500	Public Defender	13.6%	12.3%	8.2%	
42000	Regulation & Licensing Dept.	20.0%	18.3%	20.6%	
50500	Department of Cultural Affairs	12.1%	11.4%	13.9%	
52100	Energy, Minerals & Natural Resources Dept.	25.2%	28.4%	30.2%	
55000	Office of the State Engineer	17.3%	16.1%	15.4%	
63000	Human Services Dept.	10.6%	9.7%	9.1%	
63100	Dept. of Workforce Solutions	10.4%	10.6%	5.3%	
64400	Dept. of Vocational Rehabilitation	25.9%	24.3%	23.9%	
66500	Department of Health	18.7%	18.3%	17.3%	
66700	Department of Environment	17.3%	17.6%	18.2%	
69000	Children, Youth & Families Dept.	12.7%	13.8%	12.8%	
77000	New Mexico Corrections Dept.	21.1%	21.0%	21.7%	
79000	Department of Public Safety	15.7%	15.5%	14.3%	
80500	Department of Transportation	18.9%	15.2%	14.5%	
92400	Public Education Dept.	28.8%	22.7%	18.8%	
	Statewide Vacancy Rate	15.4%	13.6%	13.5%	

Quality Assurance Activities

Throughout FY12, QA activities were dedicated to the improvement of the delivery of services. This included the development of reports to provide quality and reliable data to state agencies on the status of their agency to be in compliance with the rules and Personnel Act. As an oversight agency these reviews are comprised of organizational reviews, monitoring and analysis of personnel as well as position assignment transactions in accordance with SPB rules.

Training

The Training and Development Bureau (TDB) mission 'to develop great leaders for great government in support of the agencies we serve' continues to direct the provision of statewide guidance and oversight for centralized leadership development and organizational learning. The mission is in alignment with the State Personnel Office strategic plan and Governor Susana Martinez's initiative to provide a statewide government learning system. The TDB overarching goal is to build a statewide agency blueprint for succession planning through a core leadership curriculum: a multi – phased approach to career – long leadership development that prepares leaders continually and sequentially for higher levels of responsibility. The SPO TDB commitment is to develop leaders dedicated to public service through learning that measurably transforms individual and organizations.

Scheduling of all available training is located on the SPO Training and Development Bureau web page - http://www.spo.state.nm.us/Education_Training.aspx . Registration of all training is managed by the SPO Training and Development Bureau.

Instructor – Led Core Curriculum Classes

The TDB will expand the design and delivery of practitioner – oriented professional development statewide instructor – led and ELearning mandatory and statutory course blocks. These include:

- Managing Employee Performance (SPO Board Rules – Subsection A of 1.7.9.9 NMAC);
- Cultural Competency (State – Tribal Collaboration Act Senate Bill 196);
- Domestic Violence;
- Sexual Assault and Stalking Workplace Awareness (EO 2008 – 047);
- Workplace Violence; and
- Sexual Harassment.

1. **Managing Employee Performance (MEP)/Fundamentals of Supervision (FOS):** The MEP is mandated by the State Personnel Board Rules – Subsection A of 1.7.9.9 NMAC.

“Managers and supervisors must successfully complete a director-approved course of study on employee performance appraisal within 90 days of appointment as a supervisor.”

The curriculum uses the foundation of theory and applies it to practical problems facing the manager, their agency/department, and the State.

The MEP course includes fundamental management development sections for public administrators who wish to learn both current management theory and useful techniques in order to improve their performance as managers in the public sector. In Q3 FY13 one hundred and six (106) state employees were trained in MEP.

2. **The Fundamentals of Supervision course (FOS)** is an afternoon course that can be taken concurrently after the MEP morning session training. This course includes sections on:

- Supervision and Leadership,
- Transitioning to the role of Manager/Supervisor,
- Communication Tools for Managers/Supervisors,
- Employee Evaluations,
- Realigning Employee Performance,
- Engaging Workplace Conflict Correctly,
- Generational Differences in the Workplace,
- Ethics in the Workplace,
- Hiring the Right Candidate; and
- On-boarding New Staff Members.

In Q3 of FY13 Eighty-nine state (89) employees were trained in the Fundamentals of Supervision.

3. **Cultural Competency:** Pursuant to the State-Tribal Collaboration Act (STCA), the State Personnel Office in collaboration with the Indian Affairs Department (IAD) developed a mandatory cultural competency training program to be offered to all state employees who have ongoing communication with Indian nations, tribes, or pueblos. SPO's efforts in FY13 to communicate collaborate, and consult with tribes as described in the Tribal Collaboration and Communication Policy is to ensure that the training developed in collaboration with IAD is consistent with the needs of tribal and state governments. SPO will offer facilitation as needed for training site locations, training announcements and certification of the number of managers and employees of each state agency who have completed the training. In Q3 of FY13, sixty-nine (69) state employees were trained in Cultural Competency.
4. The TDB also delivers other fundamental management development courses to assist in meeting the objectives of state agencies. The following courses form the core curriculum of our programs:
 - Team Building/Communication
 - Evaluations for Employees
 - Communication/Conflict
 - Management/Leadership
 - Managing Conflict
 - Communication
 - Customer Service

ELearning Mandatory Classes

1. **Ethics for New Mexico State Government Employees:** Ethics Training helps state employees understand and be held accountable for the Code of Ethical Conduct issued by Governor Martinez's office, thereby increasing efficiency and efficacy of New Mexico State government. The online Ethics Training for State employees is a collaborative project with SPO Training and Development Bureau, the Training and Governance Council, and the New Mexico State University College of Business. Ethics is scheduled to be deployed in 1st quarter of FY14.
2. **Civil Rights:** The Civil Rights course strives to make all state classified public servants aware of the ethical standards and social responsibility necessary to act humanely and responsively in an intergovernmental system. The Civil Rights block was successfully deployed to all state agencies on February 20, 2013 with completion anticipated to be completed by May 13, 2013.

3. **New Employee Orientation (NEO):** The NEO provides a broad introduction to state government for state employees who cannot attend for face – to – face onboarding. It has been deployed to new hires in the State Personnel Office and is planned for statewide deployment in FY14.
4. All eLearning courses are available through an institutional Learning Management System (LMS) from Blackboard. SPO Blackboard allows state employees to access course materials and conduct course activities anywhere and anytime they can access World-Wide Web. SPO's Blackboard portal required set-up of modules and tabs as well as branding the site.

Additional Training

1. **SHARE HCM training:** The TDB coordinates the training offered to state employees who are either new or current users of the SHARE system. Subject Matter Experts (SME) conduct the SHARE HCM training. During Q3 FY13 thirty two (32) state employees were trained in SHARE HCM.
2. **DISCIPLINE & ADJUDICATION training:** The TDB coordinates the training offered to state employees in Discipline & Adjudication. A SME conducts the Discipline & Adjudication training. In Q3 FY13 one hundred fifty six (156) state employees were trained in Discipline and Adjudication.
3. **Accelerate Performance Excellence (APEX)** is a comprehensive State Personnel Office (SPO) initiative designed to build and foster a robust statewide government blueprint to improve knowledge and use of validated best practices within the art and science of management by state agencies, and to accelerate succession management in the state of New Mexico.

It is designed to provide career staff with the tools to more effectively prevail against the challenges they face in their jobs improves staff engagement, which in turn improves productivity and customer satisfaction—in fact, raising engagement is the most cost-effective approach.¹

With fully 40% of state employees' retirement-eligible in two years, a well-designed and rigorously implemented strategic management process is mission critical to achieving organizational goals.² The scale and scope of state government's turnover and retirement issues requires a formal training and development model with structured application, selection and certification processes that is in alignment with successful agency performance needs.

The APEX Pilot Program will be launched within and in concert with the Motor Vehicles Division (MVD) May 10, 2013. The first Phase is scheduled for deployment in FY14 Quarters 1 and 2.

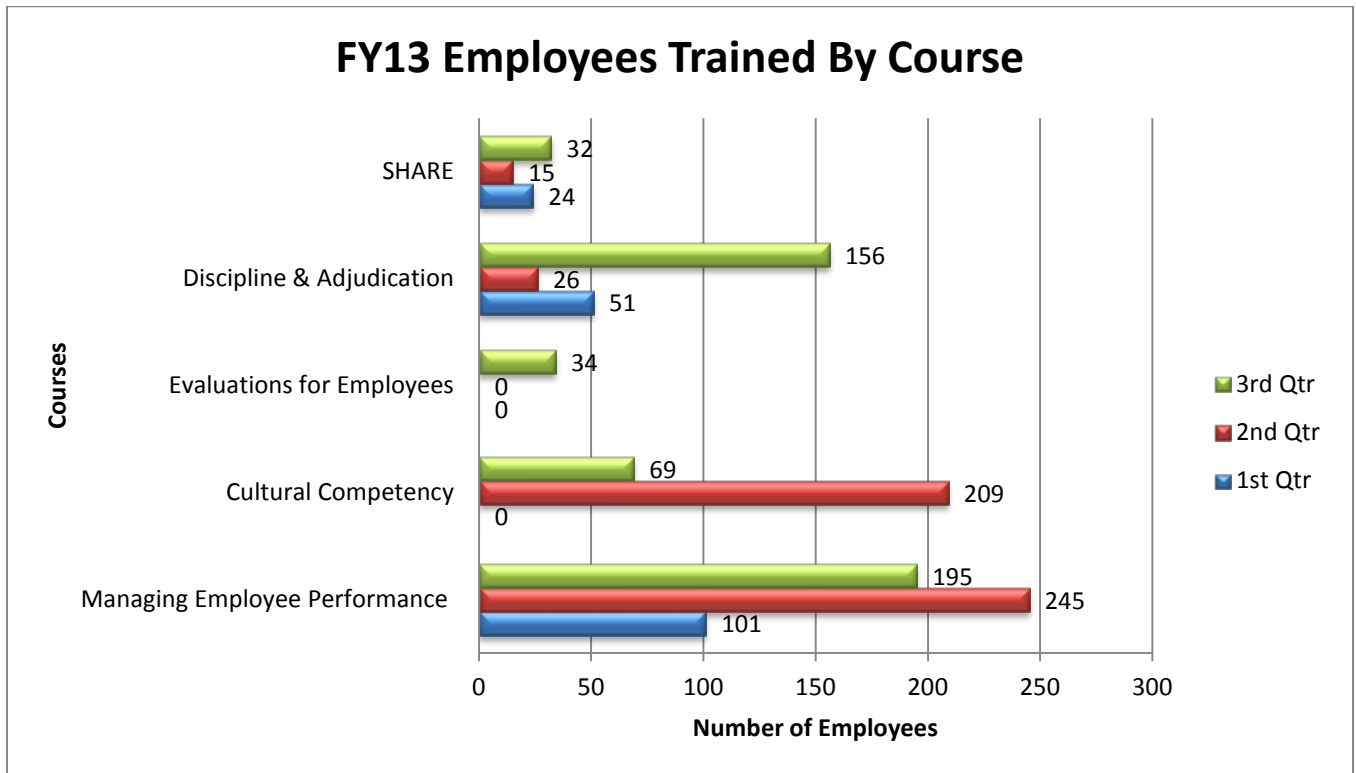
4. **Leadership Lecture Series** is a monthly presentation by leaders embedded within state government. The target audience is supervisors/managers. SPO requests that speakers address the leadership principles and experiences (both positive and negative) that they have found most valuable throughout their careers; especially leadership lessons that are transferable. Specifically, opportunities to learn about what great leaders do leading from:
 - vision,
 - values and
 - strategy.

¹ The Gallup organization has done extensive research on the relationship between staff engagement, productivity and customer satisfaction. At an engaged to unengaged ratio of 4:1 or above, engaged staff drive the culture of the organization—below that level, unengaged staff drive the culture.

² Bureau of Labor Statistics (www.bls.gov)

What resonates in particular are how the speakers started out, what they learned or did later in their career that they wish they had done earlier, and the like. The program is often a 30-45 minute talk followed by a question-and-answer session. The program is currently scheduled to run from 12:00-1:00 p.m. on a Wednesday afternoon, a time when there are generally fewer competing priorities.

Cabinet Secretary Marcantel will present his 'leadership story' on May 22, 2013, followed by Cabinet Secretary Ward in June.



Adjudication

The Adjudication Bureau is responsible for conducting evidentiary hearings on appeals filed by classified state employees against whom disciplinary action (suspension, demotion or dismissal) has been taken. Following pre-hearing discovery and exchange of information, the Administrative Law Judge conducts an administrative hearing at which the state agency taking disciplinary action and the affected employee present evidence and arguments related to the disciplinary action. A majority of hearings are now conducted using video conferencing. Following the hearing, the Administrative Law Judge prepares a written Recommended Decision for consideration and final decision by the State Personnel Board.

Although the District Attorney's Association and the Department of Public Safety have their own personnel boards, employees of those agencies (excluding State Police Officers) often select the State Personnel Board to decide their appeals. Additionally, the State Personnel Board is charged with making findings on complaints filed against Workers' Compensation Judges and forwarding its finding to the Director of the Workers' Compensation Administration. The Adjudication Division conducts evidentiary hearings for the State Personnel Board for that purpose as well.

If a classified state employee is "separated" from their job as a result of injury or illness (on the job or off the job), the employee has the right to file an appeal and have a hearing on the issue of whether the employee was properly separated from employment.

Classified employees who are covered by a Collective Bargaining Agreement have an option of choosing an outside arbitrator to decide their appeals of disciplinary action. The Labor Bureau receives all requests for arbitration and provides notice to the employee, employer and union of the request for arbitration.

In Q3 FY13, the Adjudication Bureau received 18 appeals. In Q3 FY13 23 appeals reached final disposition through State Personnel Board decisions, Alternative Dispute Resolution, other settlement, or dismissal. The SPO Alternative Dispute Resolution (ADR) program was founded in 2006 absent a staff or budget. For the past six years, SPO has relied on the volunteer services of qualified mediators to help settle disciplinary appeals and save the State of New Mexico hundreds of thousands of dollars in costs and employee time. Unfortunately (but understandably), mediators have become more reluctant to offer their services for no compensation and it has become increasingly difficult to staff requests for mediation. So long as the Adjudication Bureau must rely on volunteer mediators, the continued viability of the ADR program is at risk.

The Administrative Law Judges (ALJ) continues to rely primarily on videoconferencing to conduct hearings outside Santa Fe, although requests for alternative arrangements are considered on a case-by-case basis. The agency taking disciplinary action is typically directed to arrange videoconferencing between its Santa Fe office and the field office involved in taking disciplinary action. The ALJ conducts the hearing from Santa Fe, while the attorneys (and/or representatives) and witnesses typically appear at the remote location. The Adjudication Bureau has a relatively new hearing room (equipped with custom furniture) located at the SPO Office in Santa Fe, but the hearing room lacks videoconferencing capability.

Status	January	February	March	FY13 3 rd Qtr. Total
SPO New Cases Filed 2013	3	11	4	18
ADR Request (Assigned)	1	0	1	2
ADR Resolved (Appeals)	0	1	0	1
Pending	45	48	44	137
Cases Carried Over	51	45	48	144
Total Case Disposition FY13 3rd Qtr.	7	8	8	23
Disposition by Decision	2	0	2	4
Disposition Other (Dismissal, etc.)	5	8	6	19

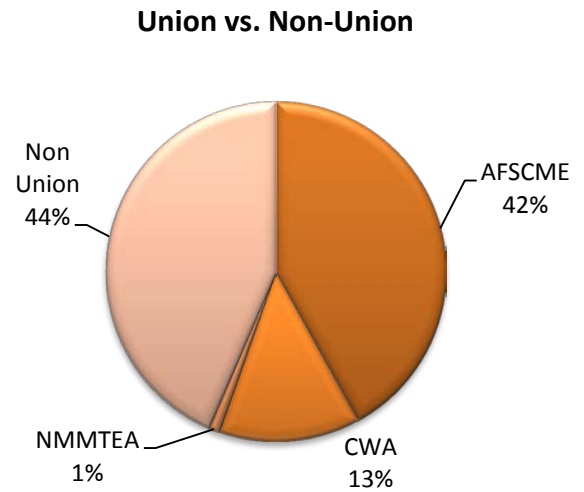
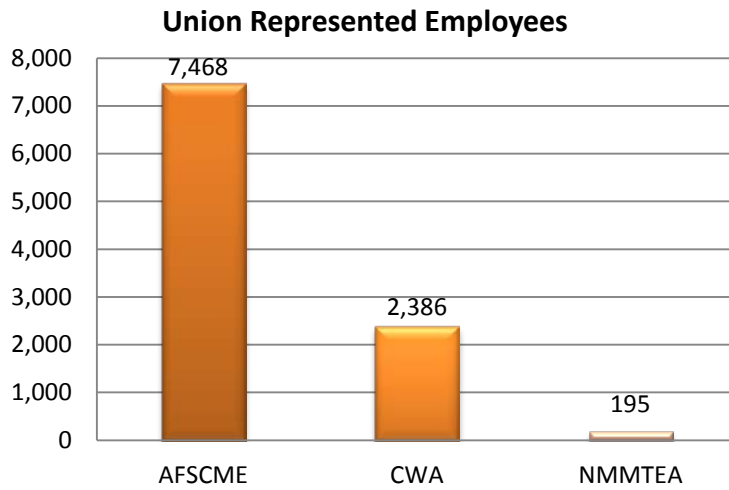
Labor Relations

The primary initiative of the Labor Relations Bureau (LRB) is partnering with agencies and labor unions to take the lead in developing relationships and resolving grievance issues at the lowest possible level. A total of twenty-nine (29) grievances were filed during this quarter, twenty-three (23) by AFSCME and six (6) by CWA. Out of the total filed, six (6) were settled, seven (7) timed out and the remaining sixteen (16) are continuing through the grievance process. One (1) Prohibited Practice Complaint was filed during this quarter by AFSCME. Six (6) disciplinary appeals before an arbitrator were invoked by the employee and/or represented by a union during the 3rd quarter, two (2) by AFSCME and four (4) by CWA.

The LRB continues to support state supervisors and managers by facilitating labor related training. This quarter the LRB conducted five (5) *Living in a Union Environment* trainings. A total of one hundred and nineteen (119) managers and supervisors attended these classes in Santa Fe and Albuquerque.

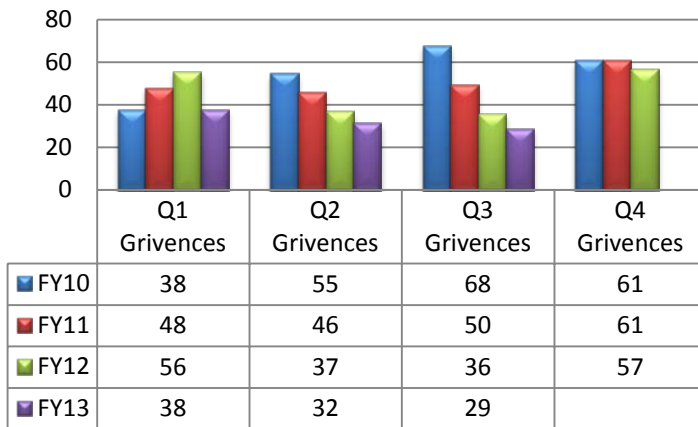
This quarter the State of New Mexico continued contract negotiations with the three (3) unions that represent state employees. The LRB is intimately involved with the negotiation process which includes negotiating hours, wages and working conditions that affect 9,919 state employees.

Union Represented vs. Non Union

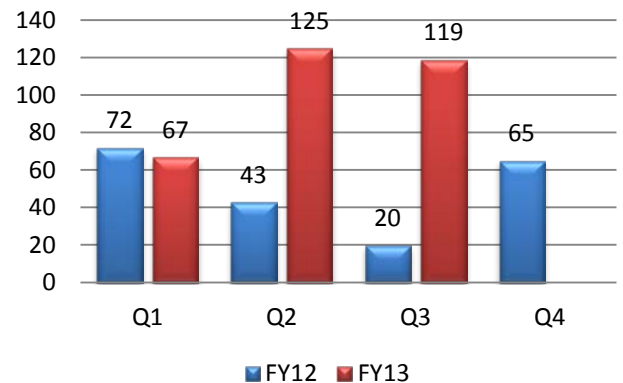


Labor Relations Bureau Performance Measures

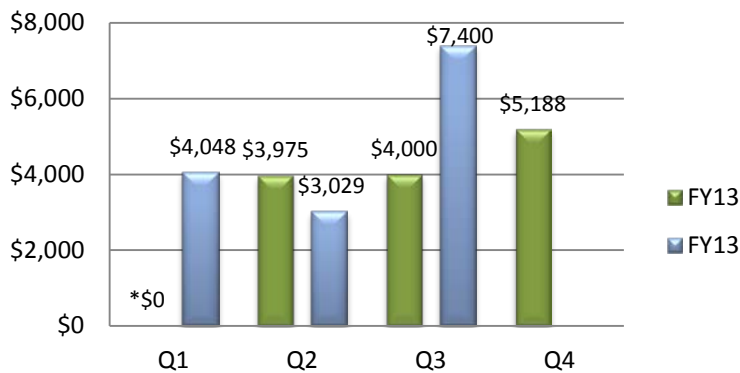
Number of Grievances Filed



Number of Employees Attending LIUE Training



Average Cost Paid by the State for Arbitration



*No cost have yet to go to hearing, settled, withdrawn

Number of disciplinary actions (union covered) positions appealing to arbitration rather than to SPB

