

New Mexico State Personnel Board State Personnel Office

Michelle Lujan Grisham Governor

Ricky A. Serna Acting Director State Personnel Board Laura A. Liswood, Vice Chair Jerry Manzagol, Member

MEMORANDUM

To: Cabinet Secretaries, Agency Directors and HR Managers

From: Ricky A. Serna, Acting Director

Date: June 3, 2021

Subject: Fiscal Year 2022 Classified Service Salary Increase Guidance

For Fiscal Year (FY) 2022, the State Legislature has authorized a one and one-half percent (1.5%) salary increase for all state classified employees plus an additional appropriation totaling three million dollars (\$3,000,000) for salary increases for frontline health and social service employees. This is the second time in the last three (3) FYs that the Legislature has authorized raises for state employees. The effective date for salary increases is July 10, 2021, or the first full pay period upon satisfactory completion of the probationary period. This memorandum outlines eligible employees and the process for implementing the salary increases.

A. Eligibility Parameters

 Employees in budgeted positions¹ who have completed their probationary period by July 1, 2021, and have achieved satisfactory job performance² documented by a completed final Employee Evaluation (EE) or Management Evaluation (ME) form will receive the salary increase. A final FY 2021 performance rating must be

¹ "Budgeted positions" is interpreted to mean "non-temporary employees who have completed their probationary period." Please note that time served in the classified service is determined by the Personnel Act. *NMSA 1978, Section 10-9-4.* Time served in state organizations not covered by the Personnel Act (e.g., AOC, AODA, LOPD) or in an exempt salary plan (e.g., GOVEX, EXOT) or in "temporary" status does not count as time in the classified service and does not count toward completion of an employee's probationary status.

² "Satisfactory job performance" is interpreted to mean a final overall evaluation rating of Exemplary, Exceeds Performance Standards, or Achieves Performance Standards.

entered into PeopleSoft-SHARE by June 30, 2021, with an evaluation date between July 1, 2020 and June 30, 2021.

- Employees in budgeted positions who complete their probationary period after July 1, 2021, but prior to July 1, 2022, and who receive a satisfactory job performance rating documented by a completed final EE or ME form will receive the salary increase effective the first full pay period after they achieve non-probationary status.
- Police officers of the Department of Public Safety are exempt from the requirement to complete their probationary period.
- Employees on Military Leave for any part or all of FY 2021 are eligible for this salary increase as defined under the Uniform Services Employment and Reemployment Rights Act (USERRA) federal guidelines.
- Percentage-based Multiple Component of Pay (MCOP) rates will not change. Employees currently receiving a MCOP will receive the increase(s) based on their base hourly rate. The dollar value of the MCOP will automatically recalculate off the new hourly rate after the FY 2022 salary increase is implemented.
- A completed final EE or ME form approved by the State Personnel Office is the only acceptable appraisal document to be used to record an employee's performance rating.
- An employee's performance evaluation must be closed out prior to a transfer or promotion to a new position or new agency. If an employee's performance evaluation is not properly closed out prior to transfer, it will be presumed that the employee had satisfactory job performance at the prior agency.
- Eligible employees will receive the salary increase even if it takes them over the maximum of their pay band.

B. Employees who are not eligible for the FY 2022 salary increase

- Employees receiving a Does Not Achieve Performance Standards final overall performance rating.
- Temporary employees.
- Employees who are on Leave Without Pay (LWOP) in a non-Family Medical Leave (FML) capacity and/or on Absence without Leave (AWOL) from July 1, 2020 through June 30, 2021 (the entire previous FY).

C. Frontline Health and Social Service Employees

• Prior to the May 1, 2021 budget submission deadline, the Department of Finance and Administration provided applicable agencies with a list of positions that will qualify for the Frontline Health and Social Service salary increase.

D. Effective Date

- Employees who have met their probationary period by July 1, 2021, will receive the salary increase(s) effective the first full pay period after July 1, 2021, which begins July 10, 2021.
- Employees who complete their probationary period after July 1, 2021, but prior to July 1, 2022, will receive the salary increase effective the first full pay period after satisfactory completion of their probationary period.

E. <u>Bargaining Unit Employees</u>

- If the employee is represented by the American Federation of State, County and Municipal Employees (AFSCME) or the Communications Workers of America (CWA), there is a specific process that must be followed if a union-represented employee is being disciplined for unsatisfactory performance. The intent of the Collective Bargaining Agreement (CBA) language is to give the employee an adequate amount of time to address and correct performance issues.
- Management must complete the 180-day performance development plan (PDP) cycle in order to preserve the time period to address and correct performance issues provided for in the CBAs. If an employee is on a PDP and they will not complete the PDP before June 30, 2021, management may not close out the employee's final performance evaluation before the PDP is complete. Once the 180-day PDP is complete, management shall issue the employee's final performance evaluation. A final overall rating of Achieves Performance Standards or better shall result in a salary increase for the employee retroactive to July 1, 2021.

F. Entry in People Soft-SHARE

• Guidance will be sent by Department of Information Technology (DoIT) identifying the necessary steps Human Resources Managers must follow to ensure the automated salary increases are applied correctly in SHARE.

G. Non-General Fund Salary Increases

• For those state employees whose salaries are referenced in or received as a result of non-General Fund appropriations in the General Appropriation Act of 2021

(GAA), DFA shall transfer from the appropriate funds to the appropriate agency the amount required to cover the salary increases as provided for in the GAA. Any unexpended or unencumbered balance remaining at the end of FY 2022 shall revert to the appropriate fund.

If you have any questions, please contact the Quality Assurance and Data Analytics Division at QA.DataAnalytics@state.nm.us to answer any of your questions.

cc: Teresa Casados, Chief Operating Officer, Office of the Governor Matt Garcia, Chief of Staff, Office of the Governor

FY 22 Increase Guide

To find employees who do not have an up-to-date EDA, run query NMS_HR_EDA_NOT_DONE_FY22_INCR This query can be run by either Business Unit input, or Sal Plan input (AOC, AODA, CLSS, EXOT, LGIS, LOPD)

Information about the automated insert for qualified staff (all salary plans, except EXOT)

- 1. DoIT is planning on running the insert process on or around 7/9/21.
- 2. Employees eligible for the 1.5% increase will have a row inserted with an effective date of 7/10/2021 with Action: **Pay Rate Change**, Reason: **FY22 Legislative Increase**.
- Employees who are eligible for the additional Frontline Worker 2.6% increase will see a second row with the same effective date, and the next sequence number. This row will be identified by Action: Pay Rate Change, Reason: FY22 Frontline Worker.
- 4. Employees who have an expected end date on the current row that is less than or equal to 7/10/21 will not get the automated increase. A row will need to be added with an effective date prior to 7/10/21 to update/remove the expected end date prior to the automated process run date in (1.) above.
- Employees who have a future dated row dated greater than 7/10/21 will not get the automated increase. The future dated row will need to be removed prior to the automated process run date in (1.) above for the automated increase to be inserted with the appropriate effective date.

If an employee did not get the automated increase on 7/10/21, but salary plan administrators have deemed the employee eligible, please do the following:

- For the 1.5% increase, add a row with an effective date of 7/10/21, Action: Pay Rate Change, Reason: FY22 Legislative Increase.
- 2. Navigate to the Compensation tab
- 3. Navigate to the Changes tab under Pay Components. Update the Change Percent field to 1.5
- 4. Click [Calculate Compensation]
- 5. Save

Work Location Job Information	Job Labor Payroll Salary Plan	Compensation 2			
Empl ID					
Employee Empl Record 0					
Compensation Details 👔				Find First 🕚	1 of 2 🕟 Last
Effective Date 0	7/10/2021			Go To	Row
Effective Sequence 0			Action Pay Rate Change		
HR Status Active Reason FY22 Legislative Increase				ncrease	
Payroll Status A	ctive	Job In	dicator Primary Job		
Compensation Rate 2,186.76 USD C *Frequency B Biweekly					
Pay Rates ? Default Pay Components					
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Amounts Controls Changes	Conversion .				
*Rate Code Seq	Change Amount	Currency	Frequency	Change Percent	
1 NAHRLY Q 0	0.000000 🛒	USD	Hourly	3 1.5	+ -
Calculate Compensation 4					

For those employees who are eligible for the additional 2.6% Frontline Worker, please first validate with SPO that the employee's position is eligible.

- 1. Add another 7/10/21 effective dated row with the next sequence number. Use Action: Pay Rate Change, Reason: FY22 Frontline Worker
- 2. Follow the above steps in the compensation tab and put in the additional 2.6% in the Change Percent Field.
- 3. [Calculate Compensation] and Save.

Once DoIT has run the automated process, salary plan-specific reports will be disseminated to salary plan administrators. One report will identify which employees did get the increase, the other will identify those employees who were eligible for the increase but did not get it (due to no/bad EDA, have not completed probationary period, etc). It will be the salary plan administrator's responsibility to check this report and determine if corrections need to be made to the data or if manual increases need to be entered in SHARE.

Employees who complete their probationary period after 7/1/21:

Employees who complete their probationary period after 7/1/21, but before 7/1/22, and who meet all other eligibility criteria for their salary plan, are eligible for the 1.5% increase on the pay period begin date **after** they complete their probationary period.

DoIT will run a bi-weekly salary increase process to identify these employees and insert the 1.5% increase. In order for the system to identify eligible employees, they must have a valid EDA entered into SHARE before the pay end date containing their probationary period end date. The EDA must be effective dated between 7/1/21 and 6/30/22. Example: an employee completes their probationary period on 8/17/21. As long as they have a satisfactory or above EDA in SHARE before 8/20/21 AND the EDA is effective dated after 7/1/21, then the automated process will insert the 1.5% increase with an effective date of 8/21/21.

If the above steps have been taken, and the employee did not receive the automated insert, please contact DoIT via the help desk (<u>EnterpriseSupportDesk@state.nm.us</u>) to determine why the employee did not receive the increase so that we can work with you to rectify the situation.