

NEW MEXICO

STATE PERSONNEL OFFICE

Michelle Lujan Grisham
Governor

Dylan K. Lange
Director

State Personnel Board

Laura A. Liswood
Chair

Cristin M. Heyns-Bousliman
Vice Chair

David F. Cunningham
Member

Carol A. Parker
Member

Fred Radosevich
Member

State Personnel Board Meeting

Willie Ortiz Building

2600 Cerrillos Road, Santa Fe, NM

Friday, February 16, 2024 – 9:00 AM

MINUTES

Chair Liswood called the meeting to order at 9:00 a.m.

Procedural Items:

- Director Lange led the Pledge of Allegiance and conducted roll call. Present: Chair Liswood, Members Parker, Heyns-Bousliman and Radosevich. Absent: David Cunningham. A quorum was established.
- Chair Liswood asked for a list of those requesting to make public comment. Ms. Forlizzi stated that she had not received email requests for comments and gave her the list of those who signed up to make public comment in person. Public comment was closed.
- Member Heyns-Bousliman moved to approve the agenda; Member Radosevich seconded; Director Lange conducted roll call; agenda adopted unanimously.
- Member Parker moved to approve the minutes for the December 8, 2023 meeting, member Heyns-Bousliman seconded; Director Lange conducted roll call; minutes approved as written.
- Member Parker moved to approve the minutes of the December 21, 2023 Special Meeting; Member Radosevich seconded, Director Lange conducted roll call. Minutes approved as written.

2024 State Personnel Board Election of Officers

Member Parker nominated Laura Liswood for an additional term as chair; Member Radosevich seconded; roll call; motion carried.

Chair Liswood nominated Cristin Heyns-Bousliman as Vice Chair; Member Parker seconded; roll call; motion carried.

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General Public Comment

Chair Liswood asked for those who had signed up to come forward. Linsey Hurst commented on Agenda item 5, Operating Procedures. Chris Mechels commented that the Open Meetings Resolution should be available to the public.

2024 State Personnel Board Open Meetings Resolution

AAG Dan Rubin presented the proposed resolution. This document highlights meeting notice, specifically 10 calendar days for regular meetings and is silent on public comment. The public body has the option to allow public comment. This document does not reference policies or procedures. Liswood clarified that Rubin's recommendation is to adopt the resolution. Rubin said yes, he wants to keep it simple. Director Lange clarified that the board needs to adopt the resolution annually. Liswood moved to adopt as presented Vice Chair Heyns-Bousliman seconded; roll call. Resolution passed as presented.

2024 State Personnel Board Operating Procedures

AAG Dan Rubin's view is to not adopt. Lange was not here for previous Operating Procedures, so he doesn't have the history. The draft is almost verbatim from previous year except for removing that written public comment will be read into the record. Most of the procedures simply restate board rule. AAG Rubin said the procedures don't have a force of law, but it doesn't help in any way that would create improved operations in his view. Chair Liswood asked if the board could adopt "guidelines" Rubin's concern is that liability is created. Heyns-Bousliman would be comfortable not adopting as they risk ambiguity and encourages conflict as written. Member Radosevich is neutral, saying most of these are already in statute, so he doesn't feel they are needed. Member Parker concurred. Chair Liswood asked if not having the procedures potentially expose the board? Rubin replied he doesn't see how not having procedures creates liability.

Member Parker asked if there is a way to make this document part of a "welcome" packet, when a board member is confirmed, as those expectations are not outlined. Perhaps making this an overview document. Rubin agreed that is a good point and training is important for board members and his office is always happy to provide training. Director Lange stated most of this is already in the law, statutes, and rules. He can put a packet together with statutes and provide the basic information and any new member can have this.



Vice Chair Heyns-Bousliman moved not to adopt the 2024 operating procedures and to rescind the previous operating procedures; Member Parker seconded; roll call; motion carried.

Max Cordova introduced Austin Basham as a new member of the Compensation & Classification team. Basham gave a brief introduction.

Royalty Compliance Auditor Series Class Study - Request for Approval

Melanie Morgan, SPO Compensation and Classification Analyst presented four new classifications the State Land Office is using in the tax auditor classification. Estevan Baca, Director of the Royalty Management Division, State Land Office came forward and discussed the class study. Chair Liswood commented that this seemed to have a very specific skill set. Baca agreed saying they need to know oil and gas as they work with oil and gas companies along with smaller outlets.

Vice Chair Heyns-Bousliman asked about auditor 1, 2, 3 as non-exempt. Max Cordova, SPO Systems and Quality Director explained they deferred to non-exempt because there are significant upcoming compensation changes which may lead to a professional exemption. Shanell Townsend, Director HR, addressed the FLSA and agreed with using the non-exempt status.

Member Parker commented on the qualifications for the job. No university trains for this. There is a different learning curve when it comes to oil and gas. Do you provide in-house training? Baca said yes, they train and the first year is training heavy. This is very hands-on, and the ladder will help retain employees as they will be able to move up. Baca added that their auditors have been approached by companies as SME. Cordova said the agency does a good job to retain, primarily with pay. With these new classifications, it will help even more.

Chair Liswood asked how would you measure success? Retention would be the measure. Townsend said they have a 6 percent vacancy rate and the State Land Office was recently voted one of the top employers, so they are fortunate to have many applicants. Chair Liswood asked for a follow-up in one year to include retention comparison.

Member Parker moved to approve the class study; Member Radosevich seconded; roll call; motion carried.



Property and Casualty Underwriter Series Class Study – Request for Approval

Melissa Guitierrez, SPO Comp and Class Analyst requested approval stating this is an organizational change to properly align the classification. This is a high demand industry and requires a designated department. Chair Liswood asked about vacancy rates. Rod Crawley, PAC Bureau Chief, General Services Department stated these are newly created positions, so they are not filled.

Vice Chair Heyns-Bousliman asked about the non-exempt status and encouraged the agency to conduct a thorough investigation about FLSA status.

Member Radosevich pointed out a typo on compensation for one of the positions \$900K. Max Cordova thanked him, and they will get it fixed. He then added the positions will level the playing field, getting pay bands, giving them the support they need. Bring to the table a great foundation, so they can get the best people to become the fiduciary team for the constituents.

Chair Liswood asked how does the board measure success? Crawley replied by retention, training, and culture as there are talent pools around the state. Cordova said since this is a brand-new team, another measure could be to come back in a year with staffing levels, they have the budget. The cost effectiveness of having this in house is long term. The benefit will be to the agencies and taxpayers. Liswood also asked to bring 2 client agencies to attest to the effectiveness of this new team using FY26 measures.

Vice Chair Heyns-Bousliman moved to approve the class study; Member Radosevich seconded; roll call; motion carried.

Fleet Mechanic Series Class Study - Request for Approval

Melissa Guitierrez, SPO Comp and Class Analyst requested approval. Darrell Johnson, Business Manager, Department of Transportation (DOT) said the agency has over 6,000 pieces of equipment. Having in-house mechanics is paramount as there is a lot of competition for mechanics. DOT has \$1M for equipment repair in one district alone (6 districts). By maintaining a staff of mechanics, the level of service to taxpayers can be maintained. Complexity of equipment continues to grow, so it's important to have qualified mechanics and to retain them.



Chair Liswood asked if this would reduce repair costs. Johnson replied yes, dramatically. Retaining mechanics using different retention methods has helped, but they are still leaving. By approving this, it will help maintain a level of service in each district. Compensation is everything, but the level of service is even more important, and the level of service is amazing.

Vice Chair Heyns-Bousliman said she is interested in the industry perspective; the supervisor role is listed as non-exempt. Wondering if there are concerns about pay compression between mechanics and the supervisor. Max Cordova said the compensation structure should be okay. Cordova stated all supervisors are also working supervisors and will support the lower-level mechanics. Johnson verified that saying it's hard for supervisors to not get their hands dirty. Cordova stated agencies are active about how they pay and the compensation models they are using have helped, but now the model is exhausted so new pay bands and classes are needed. DOT does a great job at creating a culture so this will help from a monetary standpoint and support the culture. Vice Chair Heyns-Bousliman said to be thoughtful about supervisors not being paid less than a level 2 mechanic.

Member Radosevich agreed saying a mechanic doesn't have a lot of room to move into a supervisor role regarding higher pay. Keep an eye on it as you want to promote from within while keeping the monetary incentive there.

Member Parker said many have mentioned the "revolving door" and asked if agencies are doing exit interviews? Johnson said he does a lot of exit interviews, monetary is the key, very seldom does he see someone leave for another reason. Leane Madrid, HR Director, DOT said they are doing exit surveys with a draft specifically targeting why they are losing employees and are in the process of rolling them out. Parker asked do you have differential vacancy rates depending on length of service? Madrid said it's fortunate that DOT has very loyal employees, adjustments are needed for appropriate pay. Overall, 16.7% vacancy rate currently, so we must use all the tools in the toolbox. For this classification, we have a less than a 5% vacancy rate.

Chair Liswood asked about the delays in hiring. Madrid said there are 6 districts, all with HR Managers, the main office relies on the districts to complete their own compensation actions so not to make the main office a bottleneck, they are releasing that authority to the districts. Cordova said the agency is addressing this from all sides, it is complicated.



Liswood asked the team to come up with a metric which factors in vacancy rates, years of service, training and exit survey data for a follow up in 1½ years.

Member Parker commented about the legislative session that just concluded and what they were hearing is out-of-the box programming solutions about what we could offer to keep people. She encourages them to bring new ideas and find a legislator to support it, as there is money for these types of initiatives.

Member Radosevich moved to approve the class study; Vice Chair Heyns-Bousliman roll call; motion carried.

Out of Cycle Safety Sensitive - Request for Approval

Chris Brownlee, SPO data analyst, requested approval for positions from GSD and DOJ to be added to safety sensitive designation for positions created since the last meeting.

Vice Chair Heyns-Bousliman reminded Brownlee of the board's request to have the definition of "safety sensitive" in the packet for the board.

Vice Chair Heyns-Bousliman moved to approve; Member Parker seconded; roll call; motion carried.

DOH Health Class Study Recap and Results

Max Cordova reminded the board that approximately 1.5 years ago changes were presented to move the physician classification 2 pay bands up.

HC Hawkins, HR Director at Department of Health reported back and reminded the board that it also included an occupational therapist classification. Currently the vacancy rate is 50% in occupational supervisor which is only because there are only 2 positions and one was recently vacated by an individual hired approximately 1 month after the approval, so it was effective. Though we are at market, it is difficult to recruit in rural areas for occupational therapists. Have had that one position vacant for 6 months, still working to fill. Physicians are clinical practitioners, safety sensitive and FLSA exempt in facilities. Currently there are 11 positions, 2 vacancies, one of which is being repurposed. Recruited 2 additional since the increase and not lost anyone since the approval.



Vice Chair Heyns-Bousliman said it seems like they are doing a good job at hiring and retaining staff using the tools they have. Hawkins agreed, saying at NBHI there are currently 52 TRETs that they present, and the board approves annually to keep people. We are doing a good job keeping up with private sector, but industry has taken a hit overall since COVID, doing what we can.

Hawkins said the professional license positions, they are doing ok, the biggest challenge is entry level positions, techs, and RNs. Doing what they can to create culture and a better working environment to attract more applicants.

No questions.

Liswood thanked Mr. Hawkins for the presentation and the results are exactly what they were looking for.

Discussion of Proposed Rule Changes - 1.7.8 NMAC Drug and Alcohol Abuse

Director Lange, SPO Director, asked for a motion to cancel the current rulemaking started on cannabis. The purpose was to look at the Drug and Alcohol policy based on a change in law. During that process, Fentanyl came up, so we do not want to take a piecemeal approach. The Federal government is looking at adding fentanyl to the chart and is currently receiving public comment until January 4, 2024 and meeting on March 5, 2024 to further review. After this meeting and the Federal Drug testing advisory meeting, we can make a presentation to the board for the rulemaking opportunity based on the federal level. Request to cancel the current rulemaking.

Motion to close the rulemaking made by Member Parker; Vice Chair Heyns-Bousliman seconded; roll call; motion carried.

Director's Report

Dylan Lange began his report by letting the board know he was formally appointed as the SPO Director in December.

Member Radosevich was reconfirmed during the legislative session.

During the legislative session, the SPO budget was approved at \$4.56M, less than requested, but more than last year, so essentially a flat budget. We plan to get creative with



ideas on how we can ask for more financial support to better assist all agencies. Right now, we have a 35 person staff at SPO.

Lange said internal movement and a growth model at the agency continues. Janine Mahkee moved into the labor department. Leigh Messerer was appointed as SPO General Counsel. Marisa Valdez was promoted within the Workforce Planning team. As you heard earlier, Max Cordova has filled out the Comp & Class team. SPO has 7 unfunded positions creating a higher vacancy rate that reflects our smaller budget.

The statewide vacancy rate is 22.7% which is high, but lower than it has been. We are hiring more people than ever from outside of the state system. Yet, creation of new positions are outpacing the filling of these positions. During the session, the General Compensation plan was approved and includes a 3% raise for Executive employees.

Stand for questions.

Chair Liswood offered congratulations on the permanent position. She commented on the news articles sent to the board addressing vacancy rates. Lange replied the articles are summaries of his discussions with DFA and LFC. The Deloitte report will come out in May 2024 and will give us direction on a strategic plan. Director Lange emphasized we are not waiting for the report to come out, we continue to move forward. He is meeting with as many people as possible to be sure to keep SPO in front of them.

Member Radosevich said there seems to be a bottleneck, if he applied for a job today, when could he expect to be hired? Lange replied it varies from agency to agency – last quarter, the average was 55 days to fill. Radosevich asked why does it take so long? Lange said the current measurement is how long it takes from when the posting begins to acceptance of offer, length of time is often based on priorities of the agency. We are trying to change the measurement and standardize the time. Member Radosevich's concern is that the legislature doesn't realize that hiring challenges are at the agency level.

Member Parker responded to Member Radosevich's comment. The legislature has been providing money, but agencies are not filling the funded positions. Sen. Munoz, chair of the Finance committee encourages agencies to use their budget as we have the money.

Chair Liswood asked about strategy.



Director Lange agreed that there is a balance being sought. SPO exists as an oversight agency and to empower agencies. We are actively working on being a good partner. How do we “rebrand” SPO and bring more attention to all the services we do provide? Lange will discuss that at the April meeting.

Adjudication Litigation Update

Judge Haught presented the Adjudication stats for the first and second quarters of Fiscal Year 2024: in the first two quarters 15 new appeals were filed; 17 appeals were closed.

Haught explained a case management initiative, which sends cases to mediation if it appears that an Appellant’s oral response was not considered or if an Appellant fails to submit their portion of the Stipulated Pre-Hearing Order in a timely manner.

Judge Haught reminded the Board of the role of the Administrative Law Judge and the State Personnel Board with respect to appeals and provided the NMAC citations. The judge is to conduct a fair and impartial hearing to decide if the discipline was appropriate given the misconduct. The board’s job is to make a determination after considering the evidence that was entered into the record.

No questions.

Executive Session - Administrative Adjudicatory Deliberations

Chair Liswood moved to enter executive session as authorized by NMSA 1978, Section 10-15-1(H)(3); Member Radosevich seconded; roll call; off the record 11:35.

Chair Liswood stated the board was back and on the record at 12:06.

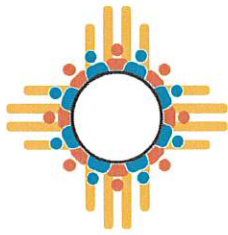
Motions on Administrative Appeals

1. Bazan, Frances & Marquez, Natalie v. New Mexico Corrections Department; Docket Nos. 21-013 & 21-014

Member Parker moved to adopt the ALJ recommended decision; Member Radosevich seconded; roll call; motion carried.

2. Garcia, Jason v. New Mexico Corrections Department; Docket No. 23-003

Member Radosevich moved to adopt ALJ recommended decision; Chair Liswood seconded; roll call; motion carried with Vice Chair Heyns-Bousliman voting no.



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Next meeting is scheduled for April 26, 2024, at 9:00 am.

Motion to Adjourn made by Member Parker; Vice Chair Heyns-Bousliman seconded; roll call; meeting adjourned at 12.10 p.m.

Approved:

A handwritten signature in blue ink, appearing to read "Laura Liswood", written in a cursive style.

Laura Liswood, Chair
State Personnel Board

Attest:

A handwritten signature in blue ink, appearing to read "Dylan K. Lange", written in a cursive style.

Dylan K. Lange, Director
State Personnel Office