

# The Fiscal Year 2025 Compensation & Classification Plan

Submitted by Ronald Herrera

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# **Summary:**

This document covers various topics that are important for you and your colleagues to know and understand about LOPD's compensation and classification philosophy, pay increase history, and salary administration. Lastly, this document will provide information about the next fiscal year's compensation and classification goals.

LOPD's philosophy centers around providing transparency with pay and ensuring employee compensation is equitable, fair, and policy-compliant. LOPD takes this stance to ensure that employees remain motivated to perform to the best of their abilities, skills, and competencies. LOPD strives to ensure that job classifications remain accurate to what LOPD employees perform.

A graph of FY14-FY25 pay increase data is provided to accurately account for the amount of the pay increase and the funding source and, lastly, provide a detailed breakdown of how the additional increases or funds were allocated to LOPD employees.

The salary administration section guidelines cover detailed information on the following topics; classification and salary range assignments, hiring salaries, promotion and In Pay Range Adjustments, and lastly demotions. Each section provides a brief overview of the way that how LOPD uses these salary administration tools to apply LOPD pay policies consistently.

The salary ranges for LOPD has a minimum which is meant to be for employee's whose qualifications and/or education and experience meet the minimum qualifications. The second part of a range is the MPP (Market Placement Position), this is meant to be the pay marker that reflects the competitive market value of an experienced and fully competent employee within their classification. Lastly, LOPD's salary range has a maximum which is the highest amount an employee can be paid within the classification's range.

Hiring salaries depend on the level of expertise, education, skills, and experience that the employee/new hire brings to LOPD and the classification. Other factors that may be considered may include the employees' current salary and the pay levels of other employees in the classification.

When a promotional increase is being considered, it is important to know that the incumbent should not be paid less than the minimum or above the maximum of the salary range of the new classification. Promotional increases are dependent on the level of knowledge, education, skills, and experience that the employee brings to the classification, in addition to the amount of the increase from their current salary to the new classification. When an employee voluntarily elects to take a demotion, it is recommended that the employee's salary be reduced by the amount of the promotional increase received when assigned to the higher level position; if the employee has been in their current classification for more than 12 months' employees will be moved back to appropriate placement in the new salary range, based on the relevancy of their qualification and experience to the classification.

The final section of the plan will review the next fiscal year's compensation and classification goals that are approved by the Chief Public Defender. This section provides a brief description of the goal including the intended outcome of the goal and the goal's estimated due date.

### 1. COMPENSATION & CLASSIFICATION PHILOSOPHY

The Law Office of the Public Defender strives to provide client-centered services to the communities we serve by being a model for public defense. Our agency accomplishes this by recognizing the importance of our workforce and operational needs. We are committed to ensuring that employee pay is competitive – and not just for new hires- by confirming that our long-term employees are being paid competitively within the market is essential. Employee compensation should be equitable, fair, policy compliant, and legal and achieve the following:

- Pay transparency and clearly communicate details to employees.
- Motivate employees to perform at the best of their competencies, abilities, and skill sets.
- Recruit and retain key talent and reward high-performing employees.
- Maintain fiscal responsibility.

Ensure that an employee's job duties accurately reflect the job classification description of their position and that the classification system supports recognizing professional development related to job duties. Improving the level of performance and professionalism of LOPD employees through job classification will ultimately enhance client service.

We should not lose sight of our short and long-term requirements and diligently work to respond to employee needs and wants. To achieve and maintain our ambitious standards of service and performance, LOPD must continue to attract and retain well-qualified staff who exemplify the agencies values.

### 2. HISTORY of PAY INCREASES

Eigeol		LOPD Authorized Pay	NM Contonaina	
Fiscal Year (FY)	Legislative Pay Increases <sup>1</sup>	LOPD Authorized Pay Adjustments <sup>2</sup>	NM Sentencing Commission Grant(NMSC) <sup>3</sup>	Details
FY14	1%	0	,	All state employees who completed their
FY15	3%	Geographic Pay Differential for rural offices was increased		probationary period  LOPD attorneys and social workers outside Albuquerque and Santa Fe received this pay differential.
FY16	0	Employee pay was raised to 90% compa-ratio		53 employees in 9 different pay ranges, whose pay was less than a 90% compa-ratio received pay raises.
FY17	0	0		LOPD initiates a classification and compensation study to create a salary structure supported by comparison to similar positions in like organizations.
FY18 <b>0</b>		Geographic Pay Differentials Increased		LOPD attorneys and social workers in Alamogordo, Carlsbad, Clovis, Portales, Hobbs, Roswell, and Ruidoso offices were eligible.
		31 employees in 8 different pay ranges received pay increases.		Social worker pay was the primary focus.
FY19	2%	0		All eligible State employees received the 2% increase.
	4.5% Increase for LOPD employees			All eligible LOPD employees received the 4.5% raise – not all State employees.
	employees			The LOPD classification and compensation study is implemented. 13 employees in four different PD job classifications received pay raises.
FY20	4%	2% Loyalty Increase		41 core-staff employees with 10 yrs. or more with LOPD received a 2% pay raise
FY21	1%	0		Employees who completed probation and are earning under 50K got the pay 1% pay raise
		District Defenders & Managing Attorneys received varying pay raises.		Pay raises reflect appropriate placement and internal alignment.
FY22	1.5%	Deputy Chief Public Defenders and Investigator 2s get pay increases.		Pay raises for the Deputy Chiefs reflect competitive market value.  Investigator 2 pay was increased to reflect appropriate placement and internal alignment.
FY22	3%			Awarded only to employees hired on or before 06/30/22
		26 employees were approved to receive In Pay Range Adjustments		Pursuant to Interpretive Memo 2021-01, In Pay Range Adjustments, supervisors submitted eligible employees for pay raises
		LOPD One-time 3% pay increase		Employees hired before April 12, 2022, received a raise. Pay raises were to remain competitive with the market.

<sup>&</sup>lt;sup>1</sup> The amount of funds available annually for salary increases will be determined by Legislative branch leadership. The amount may vary each year dependent on the budget. Legislative leadership typically identifies the employee eligibility criteria for these pay raises.

<sup>&</sup>lt;sup>2</sup> These pay raises are authorized by the Chief Public Defender in accordance with New Mexico Administrative Code. The legislature did not grant additional funding.

<sup>&</sup>lt;sup>3</sup> LOPD was awarded one of the NMSC Crime Reduction Grants that provides funding for recruitment and retention bonuses to attorneys employed by LOPD (<a href="https://nmsc.unm.edu/crime-reduction-grants/index.html">https://nmsc.unm.edu/crime-reduction-grants/index.html</a>).

Fiscal	Legislative	LOPD Authorized Pay	NM Sentencing	Deteile
Year (FY)	Pay Increases <sup>1</sup>	Adjustments <sup>2</sup>	Commission Grant(NMSC) <sup>3</sup>	Details
FY23	0	56 employees were approved to	GI allu(MMSC)	February In Pay Range Adjustment Requests;
1123		receive In Pay Range Adjustments		Effective 4/15/2023.
		1000 7 1 1 1 1 1 1 1 1		
		LOPD Employees Moved to Minimum		
				LOPD Salary Grades were revised, Effective April
		LOPD One-time 5% or 6.8% pay		1, 2023 and 118 LOPD employees were raised to
		increase		the salary range minimum, effective May 13, 2023.
				All eligible probationary LOPD employees received
				the 5% raise.
		LOPD One-time retention bonus		All eligible career LOPD employees received the
		Bot b one time retention bonds		6.8% raise.
				All eligible employees received a one-time retention
				bonus. Career employees received\$1,500; full-time
				probationary employees received \$1,000.
FY23	6%			All eligible State employees received the 6%
	-			increase.
	2% Increase for Judicial			All eligible Judicial employees received the 2% raise
	employees			- not all State employees.
ENTOO			NMCC++1	
FY23			NMSC total award amount to LOPD \$412,500	Eligible Attorneys in the following judicial districts were awarded the grant: 1st (Santa Fe Trial), 5th, 9th,
			το Εστ Β ψ 112,300	and the 11th (McKinley County).
				and the II (Menumey country).
				\$5000.00 Less than 5 years of continuous
				employment with the designated LOPD office
				\$7500.00 5 years or more but less than 10 years of
				continuous employment with the designated
				LOPD office
				110,000,0040
				\$10,000.00 10 years or more of continuous employment with the designated LOPD office.
				District Defender's received, \$10,000.00 10 years
				or more of continuous employment with the designated LOPD office.
				General Counsel and Attorney Training and
				Recruitment Manager received \$5000.00 Less
				than 5 years of continuous employment with the designated LOPD office.
				uesignateu LUFD office.

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<sup>&</sup>lt;sup>3</sup>LOPD was awarded one of the NMSC Crime Reduction Grants that provides funding for recruitment and retention bonuses to attorneys employed by LOPD (<a href="https://nmsc.unm.edu/crime-reduction-grants/index.html">https://nmsc.unm.edu/crime-reduction-grants/index.html</a>).

Fiscal Year (FY)	Legislative Pay Increases <sup>1</sup>	LOPD Authorized Pay Adjustments <sup>2</sup>	NM Sentencing Commission Grant(NMSC) <sup>3</sup>		Details		
FY24	increases		NMSC total award	Eligible Attorneys in the following judicial			
			amount to LOPD	districts were awarded the grant: 2nd			
			\$206,0000	(Metro/Felor	letro/Felony), and 12 <sup>th</sup>		
				\$5000 - Less than 5 years of continuous employment with the designated LOPD office			
				\$7500 - 5 years or more but less than 10 years of continuous employment with the designated LOPD office			
				eı	\$10,000 - 10 years or more of continuous employment with the designated LOPD office.		
FY24		Recruitment and Retention (R&R) Bonus		Eligible Attorneys in the following Statewide Units/Districts were awarded bonuses: Appellate, Post-Conviction, MCDU, CCLS, 8th (Taos) 11th (Aztec)  \$5,000 - Less than 5 years of continuous employment with the designated LOPD office			
				1	7,500 - 5 years or more but less than 10 years of ontinuous employment with the designated OPD office		
				\$10,000 - 10 years or more of continuous employment with the designated LOPD office.			
FY24	HB-357 (Public			Awarded to LOPD districts by application and			
	Attorney Workforce			approval process. Aug. 2023 first round of applications due. Rolling application period from September 2023 - June 2024.  Attorneys are receiving a retention hourly differential from October 2023 to June 2025.			
	Capacity Building Fund)						
	HB-357 total award amount						
	to LOPD \$1millon per fiscal year.			Location	Retention Hourly Differential	Retention Annual Differential	
				Alamogordo	\$1.30	\$5,000	
				Albuquerque	\$0.76	\$2,912	
				Aztec	\$1.30	\$5,000	
				Carlsbad	\$1.30	\$5,000	
				Clovis	\$1.30	\$5,000	
				Gallup	\$1.30	\$5,000	
				Hobbs	\$1.30	\$5,000	

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<sup>&</sup>lt;sup>3</sup>LOPD was awarded one of the NMSC Crime Reduction Grants that provides funding for recruitment and retention bonuses to attorneys employed by LOPD (<a href="https://nmsc.unm.edu/crime-reduction-grants/index.html">https://nmsc.unm.edu/crime-reduction-grants/index.html</a>).

			Las Cruces	\$1.30	\$5,000	
			Portales	\$1.30	\$5,000	
			Roswell	\$1.30	\$5,000	
			Ruidoso	\$1.30	\$5,000	
			Santa Fe	\$1.30	\$5,000	
			Taos	\$1.30	\$5,000	
			1st,5th, 11th, at Attraction & Extern Stiper Eligible for up externship ar	nd \$10,000 for full-	ere awarded the ve Bonuses.  cted individuals.  ship for a part-time -time externship.	
FY24	0	23 employees were approved to receive In Pay Range Adjustments for the September submission period  39 employees were approved to receive In Pay Range Adjustments for	Requests; Eff	n Pay Range Adjustment fective December 09, 2023.  Pay Range Adjustment Requests: rch30, 2024.		
FY24		the February submission period LOPD One-time 2% pay increase	All eligible LO	All eligible LOPD employees received the 2% raise.  All eligible core staff employees received a one- ime retention bonus. Career employees received 52,500, and full-time probationary employees received \$1,500.		
		LOPD One-time retention bonus for core staff classifications	time retentio \$2,500, and fi received \$1,5			
FY25	3%		All eligible St increase.	ate employees rec	eived the 3%	

<sup>&</sup>lt;sup>1</sup> The amount of funds available annually for salary increases will be determined by Legislative branch leadership. The amount may vary each year dependent on the budget. Legislative leadership typically identifies the employee eligibility criteria for these pay raises.

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### 3. SALARY ADMINISTRATION GUIDELINES

### Overview

Salary Administration is designed to establish and maintain fair and equitable salaries and make sound compensation delivery decisions within a classification and compensation plan. The information provided is intended to be used as a tool, not rules to achieve effective salary administration. Effective salary administration can be achieved by:

- Applying LOPD pay policies consistently;
- Understanding the salary ranges and market values;
- Understanding job duties and accountabilities within LOPD to set appropriate salaries;
- Maintaining equity of employees with comparable experience, performing similar duties and responsibilities within LOPD – as well as appropriate relativity of employees to the market;
- Monitoring and auditing employee compensation to ensure appropriate pay,
- Collaborating and partnering with managers and supervisors to set appropriate salaries by providing tools and resources to make pay decisions for their employees.

## **Classification and Salary Range Assignments**

Classification (also known as job evaluation) is a systematic process of evaluating the duties, responsibilities, scope, and complexity of a position description. The LOPD completes a job evaluation by having employees complete a Position Description Questionnaire (PDQ). A PDQ can be used in various ways for HR-related transactions. For example, it collects position-specific information to assist in classifying a new position, reclassifying an existing position, and determining the job title that most appropriately matches the job specifications and standards. For more information about a PDQ and how LOPD uses one, click here to review the PDQ guide and FAQs sheet .Keep in mind this is not a salary process. The PDQ/position review process should not be treated as a substitution for a pay increase/compensation delivery mechanism.

Purpose of Salary Ranges: To support effective salary decisions. LOPD has established a set of salary grades and ranges for each of its job classifications. Each classification is assigned a salary grade based on similar classifications with comparable job content as determined through the position-leveling process. The salary range reflects competitive market pay value and internal relativity differences in job responsibilities and requirements.

Salary Range Minimums, Market Placement Position (MPP), and Maximums: Each salary range consists of a minimum, an MPP, and a maximum dollar amount.

- <u>Salary Range Minimums:</u> Employees whose qualifications and/or education and experience meet the minimum requirements for the job class should normally be paid at least the minimum of the assigned salary range.
- <u>Salary Range MPP:</u> The position in the salary range that reflects the competitive market value of an experienced and fully competent employee whose classification is assigned to that salary range. When hiring a new employee from outside of LOPD, there can be justification for paying below the MPP, until they have obtained relevant and applicable job knowledge in the LOPD environment.

• <u>Salary Range Maximums:</u> Employees should typically be paid at a level less than or equal to the maximum of the assigned salary range. Human Resources must approve salaries above the maximum of the salary range.

Click <u>here</u> to view the salary schedule, which provides details about LOPD's salary grades and ranges for each job classification. Once on the website, locate the gold button that says "<u>LOPD Salary Schedule.</u>"

### **Pay Factors**

When determining and setting an appropriate salary for ANY reasons as set out in other sections of this document, the following pay factors shall be taken into consideration:

- Market Relativity: A comparison of an employee's pay relative to the MPP or Market Anchor for their classification that can be calculated by dividing an employee's salary by the MPP or Market Anchor. This is commonly known as the comparative-ratio or compa-ratio.
- **Internal equity**: A fairness criterion that considers the relationship of one employee's salary to the salaries of other employees performing similar duties and responsibilities.
- **Work Experience or Education**: An employee's relevant work history and academic qualifications.
- **Special Qualifications**: Special qualifications or licensures needed to perform the tasks required for a classification successfully.
- **Recruitment and Retention Issues**: Issues related to hard-to-fill classifications or classifications that may warrant higher salaries than the MPP or Market Anchor, due to difficulties recruiting and/or retaining employees.
- **Budget or Funding**: Allocated funds for each classification to pay for salaries during a fiscal year.
- **Performance**: The incumbent's performance in the job compared to the performance goals as mutually agreed between the employee and their supervisor/manager.

# **Hiring Salary**

The hiring salary will be dependent upon the level of knowledge, education, skills, and experience that the employee being hired brings to LOPD and the classification. In addition, other factors that may be taken into consideration may include the employees' current salary and the pay levels of other employees in the classification being filled. As a general guideline, the hiring range should be between the range's minimum and MPP. The Attorney Pay Band classifications was updated in FY23 to have a min, MPP, and max amounts per attorney classification, matching the core staff salary schedule format. Human Resources will recommend the salary for appointment to ensure appropriate relativity to comparable employees.

### **Promotion**

A promotion is a move from one classification to another with greater job content, responsibility, and accountability than the previous classification. Promotion is achieved by posting the promotional position and filling that position assigned to the classification. Promotions are available to employees who meet the minimum qualifications of the classification. Pay movement is based on consideration of the current salary range of the employee and the pay range of the classification to which the employee is being promoted. The only "rule" for promotion increases is that the incumbent should not be paid less than the minimum or above the maximum of the salary range of the new classification. Once that criterion is met, the following factors should be taken into consideration in determining a promotion increase:

- The level of skill of the employee being promoted.
- The amount of the increase between the salary range of the current classification and the new classification.
- The length of time between the promotion and the employee's last evaluation date timing and overall rating of the most recent performance evaluation.
- The salaries of other incumbents in the classification.
- Where in the salary range, the application of the guidelines will place the incumbent's salary.

Considering the above factors, a pay increase should reflect appropriate placement and internal alignment.

# In Pay Range Adjustments

An In Pay Range Adjustment is an increase to an employee's salary within the current classification and salary range. In Pay Range Adjustments may be given to:

- Recognize substantial changes in duties within the classification;
- Acquisition and application of additional job-related qualifications, certifications, or licenses;
- Establish equitable salary relationships (appropriate placement & internal alignment);
- Pay for Performance; and/or,
- Respond to labor market conditions.

The pay increase amount of the In pay range adjustment should be considered in conjunction with the information provided in this document. The adjustment **shall not** move an employee's salary above the salary range maximum; and/or create significant salary inequities.

Click on the links to review the <u>In Pay Range Adjustment Interpretive Memo 2024-014</u> and <u>Request Form.</u>

### **Demotions**

A demotion is a move from one role to another with lesser job content, responsibility, and accountability than the previous position within a classification. When an employee voluntarily elects to take a demotion, it is recommended that the employee's salary be reduced by the amount of the promotional increase received when assigned to the higher-level position if the promotion/appointment occurred within the previous 12 months. Suppose the promotion occurred beyond 12 months of assignment or the employee has been in their current classification for over 12 months. In that case, employees will be moved back to appropriate placement in the new salary range, based on the relevancy of their qualifications and experience to the classification to which they have taken a voluntary demotion. This latter provision will also apply when an employee applies for and is appointed to a classification that is at a lower salary range.

# **Ongoing Accountabilities**

The amount of funds available annually for salary increases will be determined through the legislative process. The amount may vary each year, dependent on the budget. LOPD Leadership will decide if alternative pay raises, such as In Pay Range Adjustments, are viable based on advice and input from Human Resources and Fiscal.

Within these approved Salary Administration guidelines, managers, supervisors, and Human Resources will be accountable for the following:

- Communicating Salary Administration guidelines to subordinate supervisors and employees to help them understand the LOPDs classification and compensation program
- Adhere to and administer LOPD pay policies
- Ensure all pay factors are taken into consideration in making pay recommendations or decisions
- Make appropriate compensation decisions
- Avoid any significant variations from one compensation recommendation or decision to another
- Ensure starting salaries are set appropriately
- Ensure promotion increase guidelines are applied consistently
- Ensure pay recommendations and decisions are sound and defensible per relevant New Mexico statutes and non-discriminatory

# 4. REMINDERS/Updates:

1) Although compensation is crucial for drawing and keeping talent, it is not the only essential component. Non-monetary rewards are also vital, particularly learning and development opportunities, to assist employees to advance their careers. Employees also need to have a positive outlook on their opportunities to learn and grow with the department.

### 5. FY25 COMPENSATION & CLASSIFICATION GOALS and PLANS

- A. HR will implement a new salary study and job classification management process that uses a compensation and classification software made by Payscale. This software's will enable HR to expeditiously review and compare job classifications with outside competitors, including public and private organizations, to ensure LOPD's salary ranges remain competitive. In previous years, this process has been performed manually, using an Excel spreadsheet.
  - Payscale's software's job classification management section will assist HR in streamlining job classification creation, review, edits, and approvals across critical stakeholders within the agency. Changes to job classification descriptions will occur much quicker.

☐ Estimated date of implementation: Beginning of FY25

- B. In accordance with **Subsection C of 10.12.4.11 Salary Schedules,** HR will conduct a market analysis to determine whether adjusting the salary ranges for the LOPD job classifications in relation to changing economic and competitive conditions is appropriate. Changes will be made based on Human Resources' recommendation and following approval by the Chief Public Defender.
  - Using the data collected through market analysis, LOPD will recommend to the Chief Public Defender if any of the salary ranges need to be updated based on conducting random analysis and conducting salary market surveys.
  - Please note that salary range adjustments alone may not justify granting salary increases to employees, but employee increases will be determined in light of ranges existing when such salary increase recommendations are made.

Estimated Date of Completion: March 31, 2025

C. In accordance with **Subsections A and B of 10.12.4.13 Pay Differentials,** The Chief will continue to monitor the variable recruitment and retention (geographical) pay differential based on geographic location for effectiveness. Upon further review, the dollar amounts may be adjusted up or down based on geographic location, or certain locations could be added or removed from the program.

☐ Estimated Date of Completion: **March 31, 2025** 

D. One-Time pay increases **Subsection C of 10.12.4.11 Salary Schedules**, with review of ASD Deputy, CFO and HR will explore and determine any additional pay raises that may be awarded at the end of FY25; for example, one time bonuses or pay increases.

Estimated Date of Completion: April 1, 2025

- E. In accordance with **Subsection A of 10.12.3.9 Position Assignment**, The HR Director will continue to obtain PDQ data and update job classifications based on business need. Example of units or departments where HR will focus first is; IT, Fiscal, HR, etc.

  Estimated Date of Completion: **June 30, 2025**
- F. The HR Department will standardize job classification templates to a new format more compatib with the Payscale software and provide additional information related to skills and competencie: Estimated Date of Completion: **December 31, 2025**

I acknowledge and understand that the department has recently awarded various increases and bonuses, as detailed on page 3. Predicting any future funding allocated by the Legislature is challenging. Therefore, the Fiscal Division and HR will carefully review any proposed pay increases before submitting them to you for a decision.

Sincerely,

Ronald Herrera,

Director of HR

Law Offices of the Public Defender

Approved:

Bennett J. Baur, Chief Public Defender,

Law Offices of the Public Defender