



# NEW MEXICO

## STATE PERSONNEL OFFICE

Michelle Lujan Grisham  
Governor

### MEMORANDUM

L. Teresa Padilla  
Director

To: Cabinet Secretaries, Agency Heads, and HR Managers

From: L. Teresa Padilla, Director

Date: April 17, 2023

#### State Personnel Board

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Subject: Fiscal Year 2024 Classified Service Salary Increase Guidance

For Fiscal Year 2024 (FY24), the State Legislature has authorized a five percent (5%) across the board salary increase for all state classified employees, plus a one percent (1%) salary increase to offset inflation and health care premium costs. The effective date for these salary increases is July 8<sup>th</sup>, 2023, and for probationary employees, the first full pay period after satisfactory completion of the probationary period during FY24.

Both the 5% increase and the additional 1% increase will be calculated on the employee's **base hourly rate** on July 7, 2023, or upon subsequent completion of probationary period.

#### Eligibility and Process for Implementation

##### A. Eligibility Parameters

- Employees in budgeted positions<sup>1</sup> who have completed their probationary period by July 7, 2023, and have achieved satisfactory job performance<sup>2</sup> documented by a completed final Employee Evaluation (EE) or Management Evaluation (ME) form will receive the five percent (5%) and one percent (1%) salary increases. A final FY23 performance rating must be entered into SHARE by June 30, 2023, with an evaluation date between July 1, 2022, and June 30, 2023. Employees completing probationary<sup>3</sup> period between July 1, and July 7, SHARE entry must be before July 7, 2023.
- Employees in budgeted positions who complete their probationary period between July 8, 2023, and June 30, 2024, and who receive a satisfactory job performance rating documented by a completed final EE or ME form will receive the five percent (5%) and

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<sup>1</sup> "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.

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

<sup>3</sup> "Probation" is interpreted to mean one-year **continuous** employment in the **Classified** service, except temporary service.

#### Address:

2600 Cerrillos Road  
Santa Fe, NM 87505-3258

#### Phone:

505-476-7759

#### Fax:

505-476-7949

#### Website:

[www.spo.state.nm.us](http://www.spo.state.nm.us)

one percent (1%) salary increases effective the first full pay period after they achieve non-probationary status.

- Employees on Military Leave for any part or all of FY23 or FY24 are eligible for these salary increases 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 increases based on their base hourly rate. The dollar value of the MCOP will automatically recalculate off the new hourly rate after the FY 2024 salary increases are 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. In these circumstances, the receiving agency shall enter an "Achieves" rating in SHARE, effective on the same date as the employee transfer.
- Eligible employees will receive salary increases even if the increases take them over the maximum of their pay band.

**B. Employees who are not eligible for the FY 2024 salary increases**

- 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 from July 1, 2022, through June 30, 2023 (the entire previous FY).

**C. Effective Date**

- Employees who have met their probationary period by July 7, 2023, will receive the five percent (5%) and one percent (1%) salary increases effective the first full pay period after July 1, 2023, which begins July 8<sup>th</sup>, 2023.
- Employees who complete their probationary period between July 8, 2023, and June 30, 2024, will receive the five percent (5%) and one percent (1%) salary increases effective the first full pay period after satisfactory completion of their probationary period.

**D. Bargaining Unit Employees**

- 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 in the CBAs. If an employee is on a PDP and will not complete the PDP before June 30, 2023, 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 Satisfactory (Achieves) or better shall result in a five percent (5%) and one percent (1%) salary increases for the employee retroactive to July 8, 2023.

**E. Entry in PeopleSoft-SHARE (Provided by DoIT SHARE Team)**

- DoIT will run the initial increase process sometime between July 8, 2023, and July 15, 2023. HR will be notified by SPO once the increase process has completed.
- If you believe that an employee received or did not receive the increases in error, contact SPO; they will instruct you on next steps.
- Do not enter the increases manually, unless directed to do so by SPO.
- After the initial increase process, effective July 8, 2023, a biweekly process will run on the first Saturday of the pay period throughout FY24, to award the increase to those employees who have satisfactorily completed their probationary period. **Please do not enter the increases manually.** If you find that an employee has not received an increase, despite having satisfactorily completed their probationary period, contact SPO for further guidance.

If you have any questions, or need additional guidance, please contact the Quality Assurance and Data Analytics Division at [qa.dataanalytics@spo.nm.gov](mailto:qa.dataanalytics@spo.nm.gov)

cc: Teresa Casados, Chief Operating Officer, Office of the Governor  
Daniel Schlegel, Chief of Staff, Office of the Governor  
Wayne Probst, Secretary, Department of Finance and Administration  
Andrew Miner, State Budget Division  
Peter Mantos, Secretary, Department of Information Technology  
Alex Canett, SHARE Director, Department of Information Technology