

## **Accountability in Government Selected Performance Highlights Third Quarter, Fiscal Year 2017**

Pursuant to the Accountability in Government Act (AGA), quarterly reports are required of key agencies, including performance measures and results approved by the Department of Finance and Administration (DFA) and other measures agencies consider important to operations.

Each quarter, LFC analysts review agency performance reports and develop report cards for select measures. To add context to the report cards, and to fill gaps in agency reporting, LFC staff continues efforts to provide benchmark data comparing New Mexico results to those of neighboring states or national averages. LFC staff also review agency action plans to determine whether those plans are thorough and comprehensive enough to support improved performance.

Performance of note in the third quarter of fiscal year 2017 by major area:

### **Taxation and Revenue Department** *(page 11)*

The Taxation and Revenue Department is on track to meet or exceed all but a couple of performance measures by the end of the fiscal year. The agency is short of its target for wait times in MVD field offices, registered vehicles with liability insurance, and call center wait times. The department collected \$100 million, or 15.3 percent, of assessed outstanding tax balances through the third quarter and will meet its annual target.

The LFC's October 2016 Tax Gap evaluation outlined many recommendations the agency should pursue to narrow the tax gap. The evaluation identified a need for a thorough tax gap analysis, staffing reassessment and new compliance tools. A six-month follow-up of the evaluation was requested and due to LFC by May 15, 2017, but has not yet been received.

### **Human Services and Medicaid** *(page 14)*

The Human Services Department (HSD) scaled back reporting on well child healthcare visits as well as Early and Periodic Screening, Diagnostic and Treatment (EPSDT) visits, which are the main children's health components of Medicaid. Additional data on per capita Medicaid costs per service category indicates substantial cost increases from 2014 to 2016 in pharmacy and other services such as primary care visits and prevention services, and declines in nursing facility costs. The third quarter performance measures declined for child

support enforcement and require improvement in the last quarter to meet annual performance targets.

As of February, more than 48,000 Medicaid cases up for renewal were not processed timely by HSD, and in May the number of delayed renewals grew to 59,000. But concurrently, HSD reduced much of the backlog of renewal applications for the Supplemental Assistance Nutrition Program (SNAP) currently under the oversight of a court-appointed special master. As of February, more than 30,000 SNAP renewals were overdue, but that number dropped to 2,500 in May.

### **Behavioral Health** *(no third quarter report card)*

As of the time of this report, LFC had not received the Behavioral Health Services Division performance report for the third quarter of FY17. This is a recurring issue with BHSD and detracts from LFC efforts to report agency outcomes and effectiveness in a timely manner. The highlights below are from the second quarter of FY17.

The second quarter report for BHSD indicated the number of behavioral health clients and services continues to rise in New Mexico, as does the state's national ranking. According to "The State of Mental Health in America 2017" New Mexico improved fourteen spots, from 36 to 22, in Mental Health America's annual rankings. Nevertheless, service gaps and access to care remain issues. La Clinica de la Familia in Las Cruces expanded to provide behavioral health services in the wake of the departure of an Arizona provider, but the primary care clinic is now experiencing financial and other difficulties and is scaling back behavioral health services.

### **Health Department** *(page 18)*

The department is charged with preventing costly chronic disease and mitigating public health events. However, using quarterly performance monitoring to assess the department's impact on protecting the health of New Mexicans remains a challenge as the governor has repeatedly vetoed several performance measures recommended by the LFC. Although not included in DOH's performance measures, it should be noted New Mexico continues to rank high in teen pregnancies and drug deaths. Measuring infant pertussis cases (whooping cough), a serious, even life-threatening illness, is key to understanding the department's impact on protecting infants through the immunization process. New Mexico ranks tenth in overall cases of pertussis and 37<sup>th</sup> for child immunizations. In the third quarter, infants were eight times more likely than the total population to have a reported pertussis infection.

Positively impacting people with developmental disabilities requires more than counting wait lists and ensuring service plans are in place. For example, the employment rate for people with cognitive disabilities in New Mexico is about 20 percent, seventh lowest in the country and six percent lower than the national average. Also, providing enhanced educational opportunities for people with developmental disabilities, when appropriate, improves quality of life and independence.

### **Aging and Long-Term Services** (*page 22*)

In October 2016, LFC published a program evaluation on the performance of nursing homes in New Mexico. The report found violations of resident rights are the second most common deficiency found in New Mexico's nursing homes and are more common in New Mexico than in the rest of the country. In the third quarter only 70 percent of ombudsman complaints were resolved within 60 days earning a red rating for this measure.

### **Children, Youth and Families** (*page 24*)

New Mexico continues to struggle with increased stresses on the child welfare system. Repeat maltreatment remains close to double the national average and children in care of the Protective Services program increased 5.8 percent between March of 2016 and 2017. In response, the state has continually secured additional resources for the Children, Youth and Families Department (CYFD) to provide early interventions to families and additional personnel for the agency to reduce case loads. However, persistently difficult economic and social factors statewide may be countering these efforts.

The Juvenile Justice Services program (JJS) continues to struggle with violence in committed youth facilities. Efforts to develop pro-social skills, including de-escalation training, have been a focus of the program for several quarters to reduce violence; however, results of these programs are not materializing in performance measures.

### **Public Safety** (*DPS: page 27; NMCD: page 30*)

Nationally, the violent crime rate rose 3 percent while property crime fell 3.5 percent. New Mexico stands out with violent crime rates growing almost 10 percent and property crime rates growing 4 percent. Regionally, only Wyoming saw higher violent crime growth and only Montana experienced higher property crime growth. Officer strength is critical to helping stymie crime in the state, but

Department of Public Safety (DPS) officer pay continues to lag behind the top payers in the market like Los Alamos and Albuquerque. The state's efforts to invest in pay have helped maintain current officer levels, but have netted few new officers. DPS projects a year-end vacancy rate of 10 percent for the second year in a row.

DPS continues to struggle to issue the targeted number of commercial motor vehicle citations per officer and missed targets for DNA, firearm and toolmark, and chemistry forensic case completion targets. Notably, DPS made progress as the firearm and toolmark staff worked overtime and completed a large number of non-violent, single evidence cases. DPS has completed the plan and design phase of the Santa Fe crime lab and will be shovel ready when the \$7 million general obligation bonds are sold.

The New Mexico Department of Corrections (NMCD) continues to not report eight of the 12 quarterly measures required by statute because NMCD determined the measures to be annual. Missing measures include eligible inmates who earn a general educational development certificate, residential drug abuse program graduates reincarcerated within 36 months of release, and male offenders who graduate from the men's recovery center and are reincarcerated within 36 months. A request was made to NMCD to provide an explanation and monitoring plan for consistently low turnover rates compared to previous years; no data has yet been provided. Turnover and vacancies among custodial staff are a critical concern as safety is compromised when officers become tired and overworked.

Numbers of release eligible inmates (REIs) at public facilities have steadily risen over the fiscal year and spikes are seen in private facilities, seemingly due to transfers of the women's population from private to public facilities. Increased efforts to treat nonviolent inmates outside of prison, more transitional living opportunities, and reduction of administrative inefficiencies would reduce REIs. The department continues to report reduced segregation and increased drug presence contributed to the spike in inmate-on-inmate assaults this quarter; NMCD also indicated 20 percent of recent urinalysis tests were positive for drug use, an all time high. Legislative and executive staff met multiple times in the 2016 interim to discuss drafting a request for information (RFI) for a gap analysis and master plan for a new facility to replace inefficient prison facilities with a modern prison designed to be less staff intensive and expensive to run. Despite the merits of the project, little progress has been made to date and the project needs to be revived.

## **Public Education** *(page 33)*

The Public Education Department (PED) is on track to meet most performance targets for FY17, improving processing times and expanding full-day prekindergarten services to four-year-old children. The department is also reporting new early literacy performance measures, made available from the new Istation platform. According to new Istation third quarter results, K-3 early literacy rates are improving; however, reading fluency rates still remain below target levels. Despite these gains and increased demand for early childhood services, PED is reducing the number of students funded for the 2017 K-3 Plus summer programs by 30 percent. LFC and LESC directors sent a letter to PED urging the department to consider using the FY18 appropriation for summer 2017 K-3 Plus programs. To date, the department has not responded to the request.

PED announced the FY18 preliminary unit value to be \$4,053.55, a \$73.92 or 1.9 percent increase from the FY17 final unit value of \$3,979.63. Downward trends in special education, bilingual, training and experience, size adjustment, enrollment growth, at-risk, and new charter school program units support this increase in unit value; however, PED also projects an overall increase in total program units for FY18, which is contrary to data reported by the department.

## **Higher Education** *(page 37)*

Research institutions demonstrated gains in fall-to-spring retention rates compared with prior years, while comprehensive institutions demonstrated mixed results. For fall-to-fall retention rates, six out of 17 community colleges exceeded national benchmarks, but one institution – Eastern New Mexico University-Ruidoso – retained fewer than 30 percent of its students. Performance data from the Higher Education Department show a higher percentage of adult education students are earning the high school equivalency credential and obtaining employment; however, third quarter results are still below prior-year results.

Several higher education institutions are facing challenges worth noting. Both Santa Fe Community College and Doña Ana Community College were previously unable to enroll new students after the New Mexico Board of Nursing placed the programs on conditional status. The board later voted to upgrade the programs' statuses to "full approval with warning," which allows the colleges to resume enrolling nursing students. The 4<sup>th</sup> Judicial District Attorney's Office is working with the Attorney General on an investigation concerning Luna Community College's hiring practices and financial controls. New Mexico Highlands University has until November 1, 2017 to submit an "assurance filing" providing evidence it has satisfied its accrediting body's concerns. Finally, Northern New

Mexico College is working to improve financial controls after an employee allegedly stole about \$200 thousand from the college.

**Natural Resources** (*EMNRD: page 41; NMED: page 43; OSE: page 45*)

Three Freeport McMoran mines came back into compliance when the Mining and Minerals Division received modifications to the mines' financial assurances, reducing third-party guarantees, and increasing the value of trust agreements. Additionally, the Oil Conservation Division plugged 10 wells in the third quarter after reporting no activity in the second quarter due to a delay in General Services Department approval of a new four-year plugging contract.

While the New Mexico Environment Department increased the amount of loans and grants for water infrastructure projects issued in the third quarter, it reported an unobligated balance of approximately \$90 million in the clean water state revolving fund (CWSRF) during the 2017 legislative session. The agency reduced CWSRF interest rates in April 2017 to make loans more affordable and attractive to communities and to match rates from the rural infrastructure program, and adjusted the basis of hardship rates from household income to per capita income.

According to the State Personnel Office, the Office of the State Engineer (OSE) took longer than any other agency, 96 days on average, to fill a position in the third quarter. Specifically, the Litigation and Adjudication program continues to struggle with a vacancy rate of nearly 30 percent and relies on contract attorneys to help advance adjudications which continue at a glacial pace.

**Economic Development and Tourism** (*EDD: page 47; NMED: page 50*)

The Economic Development Department's performance results for the third quarter showed improvement over the second quarter; however, results are still below target. In March, New Mexico's job growth was the second lowest in the region. Performance increased in overall job growth, rural jobs created, jobs created through use of Local Economic Development Act (LEDA) funds, and private sector dollars invested in MainStreet districts, while workers trained by the Job Training Incentive Program decreased slightly for the third quarter. The New Mexico Film Office surpassed all annual targets by the second quarter and continues to see growth in both direct spending and film and media worker days for the third quarter.

The Economic Development Department awarded seven companies \$4.6 million in LEDA funds, including four in rural areas, contributing to 383 jobs created. As of the third quarter, cost per job created with LEDA funding is sharply rising. The

unspent LEDA balance as of May 15<sup>th</sup> is \$35 million in other state funds and severance tax bonds. The Job Training Incentive Program (JTIP) Board approved thirteen businesses for funding in the third quarter, awarding \$1.1 million, with 493 workers trained.

The Tourism Department continues to see strong performance results and met or exceeded annual targets for three performance measures. The Marketing and Promotion program contains the largest general fund appropriation within the Tourism Department, and continues to prioritize advertising funds within local communities to promote the New Mexico True brand. The leisure and hospitality industry created 3,700 jobs in March 2017 when compared to March 2016, its most significant gain since November 2006.

### **Workforce Solutions Department** *(no third quarter report card)*

As of the time of this report, LFC had not received the Workforce Solutions Department performance report for the third quarter of FY17. This is a recurring issue with WSD and detracts from LFC efforts to report agency outcomes and effectiveness in a timely manner. The highlights below are from the second quarter of FY17.

New Mexico is struggling with persistently high unemployment rates. In March, the state reported the highest unemployment rate in the nation, 6.7 percent, nearly two percent above the national average. Despite this, the Workforce Solutions Department (WSD) met or exceeded a majority of performance targets during the second quarter of fiscal year 2017 in the Unemployment Insurance program. The performance measures for this program relate more closely to the administration of unemployment insurance rather than re-connecting workers with jobs.

The Employment Services program, whose mission more closely relates to re-engaging the workforce, reported meeting a majority of performance measures as well. While WSD is meeting a majority of performance measures and the state is reporting some job growth, many workers are still unemployed.

### **General Government** *(GSD: page 51; SPO: page 55; DOT: page 57)*

For the General Services Department, the effect of “sweeps” from enterprise funds to help with state solvency, executive-imposed hiring freezes for key positions, and budget uncertainty during the FY17 legislative session contributed to missed measures for capital project oversight, state building maintenance, improving occupancy standards in leased facilities, reducing the risk of mismanagement and corruption in procurement systems, and achieving a more cost-effective and

efficient fleet of state vehicles. However, a large portion of government spending passes through GSD, and the department has not realized its full potential to preserve state resources by delivering these services in the most cost effective and efficient way. For instance, office space per FTE in privately-owned buildings is almost twice the space standard which adds over \$6 million to agency lease costs.

The State Personnel Office (SPO) consolidation of all executive agencies' human resource (HR) functions has progressed rapidly from a general announcement in January 2017 to consolidations beginning in July. The executive initially indicated the consolidation would save millions, but moving, furniture, rent and other costs may result in cost increases in FY18. If measurable savings are generated, they likely will not be available for reallocation, but instead realized within state agencies' FY18 and FY19 budgets generated primarily by job reductions particularly impactful in rural areas as the consolidated HR offices will solely be located in Albuquerque and Santa Fe.

The state's salary structure continues to fall behind market rates and has resulted in increased salary compaction as the gap between the salaries of new employees and more tenured employees shrinks. Although overall turnover rates are somewhat declining, the statewide vacancy rate grew by 15 percent from FY15. Concurrently, a hiring freeze has been instituted since March, but it exempted several classes of positions.

The Department of Transportation (NMDOT) is engaged in operationalizing transportation asset management data collection to prioritize the selection of construction and maintenance projects. Transportation asset management uses frequently collected data points from roadways including pavement smoothness and pavement condition to give a system-wide assessment of roadway conditions. This data can in turn be used to determine which projects should be prioritized for funding. The system should be operational in two years, but in the meantime the initial data is being used in conjunction with judgments by the district engineers regarding observable roadway conditions, traffic safety, equity, and formula funding availability to determine project prioritization.

New Mexico's bridges are in relatively good condition given a dedicated expenditure of revenues for their upkeep and maintenance, somewhat to the detriment of state roadways. As road fund revenues just keep pace with inflation or grow slightly, roadways continue to decline. Given the affordability of gasoline, mass transit ridership also continues to decline.



## **Information Technology Projects**

The IT Project Status report includes 11 projects, of which six are rated “red” for budget, schedule or functionality.

The ONGARD replacement project continues to struggle with multi-agency management interests and competing and shared priorities. The independent verification and validation (IV&V) vendor reported the highest risk is the State Land Office's (SLO) royalty portion of the project. With TRD's Severance Tax System and Royalty Administration and Revenue Processing System (RAPS) likely to operate as separate and stand-alone projects changes are needed to the Joint Powers Agreement and the Senior Management Team to facilitate ONGARD program oversight of two distinct projects. A transition plan is needed to align the two systems. SLO cancelled the requests for proposals for RAPS, citing inadequate submissions based on the available \$5 million budget. SLO is assessing other options to move RAPS forward, leaving project costs and scheduling unknown.

DoIT postponed its quarterly briefings for the SHARE upgrade with key management from DFA, STO, LFC and the AG's office due to the HCM upgrade scheduled and completed on April 28, 2017. The \$9.9 million spent on the SHARE upgrade project exceeds the \$5 million certified by the Project Certification Committee, with the additional \$4.9 million coming from the SHARE equipment replacement fund. DoIT has not provided LFC a detailed project management plan or an equipment replacement fund plan as required by statute, making it unclear why the estimated cost has increased from \$15 million to \$19 million, or 27 percent.

The current IV&V assessment for HSD's Medicaid Management Information System Replacement (MMISR) project reported several areas of concern that may limit the success of the project, resulting in an overall “red” rating. While the Medical Assistance Division (MAD) and Information Technology Division (ITD) are the MMISR project owners, project teams continue to work in silos. Collaboration and defined processes between stakeholders (DoIT, MAD and ITD) is sometimes lacking and the unclear and changing document review and approval processes result in rework and schedule delays.

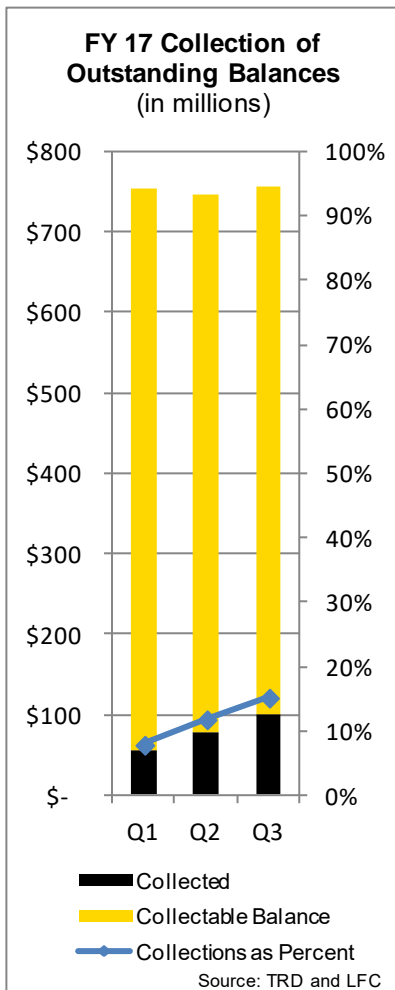


## PERFORMANCE REPORT CARD

Taxation and Revenue Department  
Third Quarter, Fiscal Year 2017

### ACTION PLAN

Submitted by agency?	Yes
Timeline assigned?	Yes
Responsibility assigned?	Yes



## Taxation and Revenue Department

The department is on track to meet many of its performance targets and exceed others. However, the department is falling short of its target for waiting times in Motor Vehicle Division (MVD) field offices as a consequence of the REAL ID roll out. Collections of past due taxes are likely to reach the target by the end of the fiscal year, but as of the third quarter still represent only 15.3 percent of what is owed. It is unclear what the average collection rate is in comparison to other states.

### Tax Administration

The department is on track to meet its target for collections of outstanding balances set at 18 percent. Collections through the third quarter of outstanding balances from the end of FY16 were \$100.1 million out of the \$656.3 million that is collectible. Legislation requiring the department to wait 90 days from assessment to take collection action has hampered its ability to collect in a timely manner. The department received a total of 960,289 returns, of which 869,481 or 90.5 percent were electronically filed. The department reports the increased rate of filing in the third quarter is a result of Personal Income Tax (PIT) filing season. The deadline to file was April 18, 2017.

The LFC's October 2016 Tax Gap evaluation outlined many recommendations the agency should pursue to narrow the gap. A six-month follow-up was requested and due to LFC staff by May 15, 2017 but has not yet been received. The evaluation identified a need for the state to conduct a thorough tax gap analysis, reassess staffing allocations, and adopt new compliance tools. The Tax Gap evaluation also documented collection methodologies in other states. Understaffing in the tax administration program is a problem seen in most states, including New Mexico.

Tax Administration		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$30.4 million FTE: 504								
1	Collections of collectible assessments outstanding at the end of the prior fiscal year	15.5%	19%	18%	7.9%	11.9%	15.3%	G
2	Collections of collectible assessments generated in the current fiscal year plus assessments generated in the last quarter of the prior fiscal year	59%	43%	60%	27%	42%	52%	G
3	Electronically filed personal income tax and combined reporting system returns	92%	85%	92%	85%	87%	91%	G
Program Rating		Y	Y					G

### Compliance Enforcement

For the third quarter, four tax cases were assigned to state investigators and three tax cases were referred for prosecution.

Compliance Enforcement		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$1.7 million FTE: 22								
4	Tax investigations referred to prosecutors as a percent of total investigations assigned during the year	78%	88%	50%	100%	25%	75%	G
Program Rating		G	G					G



## PERFORMANCE REPORT CARD

Taxation and Revenue Department  
Third Quarter, Fiscal Year 2017

### Property Tax

After two and a half years of non-payment, delinquent property tax accounts are transferred to the Property Tax Division for collection pursuant to Section 7-38-62 NMSA 1978. The department adjusted second quarter data because a few counties report thirty days or more in arrears, and the department made the update to reflect those changes. The department expects the third quarter disbursement to be adjusted when the late reported data is received.

Property Tax		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$3.4 million FTE: 41								
5	Delinquent property tax collected and distributed to counties, in millions	10.4	11.6	11.0	2.6	2.9	2.7	<span style="background-color: green; color: white;">G</span>
Program Rating		<span style="background-color: green; color: white;">G</span>	<span style="background-color: green; color: white;">G</span>					<span style="background-color: green; color: white;">G</span>

### Motor Vehicle

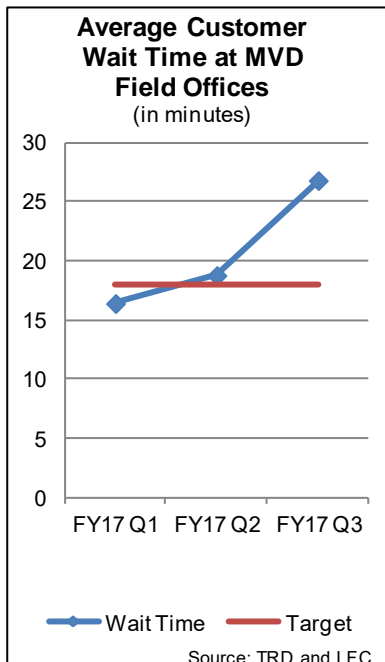
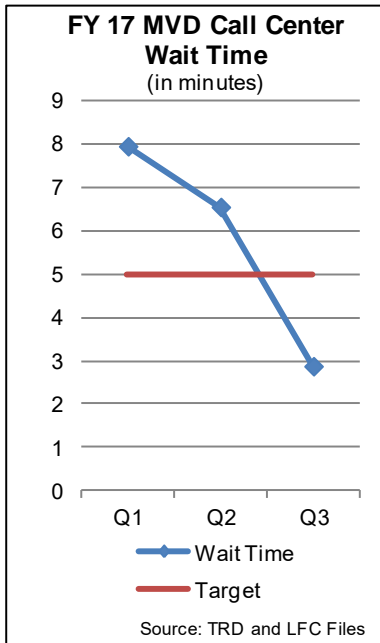
The automated call center took in a total of 176,676 calls; 115,843 were transferred to the call center, and 60,833 calls were answered by call center agents. The average wait time this quarter was 2:53 minutes, surpassing the target. Average wait times in MVD field offices increased again, due to REAL ID implementation in November, 2016. The third quarter target was not met for average wait times in MVD field offices. The percent of vehicles with liability insurance fell short of the 92 percent target, with the department reporting 88.9 percent.

Motor Vehicle		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$27.3 million FTE: 346								
6	Registered vehicles with liability insurance	91%	92%	92%	91%	90%	89%	<span style="background-color: yellow; color: black;">Y</span>
7	Average wait time in "q-matic" equipped offices, in minutes	15:36	13:08	18:00	16:26	18:48	26:50	<span style="background-color: red; color: white;">R</span>
8	Average call center wait time to reach an agent, in minutes	5:09	6:07	5:00	7:57	6:33	2:53	<span style="background-color: green; color: white;">G</span>
Program Rating		<span style="background-color: green; color: white;">G</span>	<span style="background-color: yellow; color: black;">Y</span>					<span style="background-color: yellow; color: black;">Y</span>

### Program Support

The department's goal is to resolve 324 tax protest cases per quarter, or 108 per month. The department resolved 322 protest cases, two less than the target for this quarter; however the department is still on track to meet the annual target. There were 45 audit recommendations carried over from previous quarters, 15 were due and implemented while 30 are due in future quarters. LFC staff made several requests for information from the department, including detail regarding tax protests ruled in favor of the state vs. the taxpayer and associated amounts; TRD promised responses but LFC has not received any information yet.

Program Support		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$20.8 million FTE: 182								
9	Tax protest cases resolved	1380	1897	1300	473	363	322	<span style="background-color: green; color: white;">G</span>
10	Internal audit recommendations implemented	83%	93%	90%	94%	43%	100%	<span style="background-color: green; color: white;">G</span>
Program Rating		<span style="background-color: green; color: white;">G</span>	<span style="background-color: green; color: white;">G</span>					<span style="background-color: green; color: white;">G</span>





## PERFORMANCE REPORT CARD

Taxation and Revenue Department  
Third Quarter, Fiscal Year 2017

### REAL ID Extended Effects

The implementation of REAL ID in November 2016 is also impacting the Vital Records and Health Statistics (VRHS) program within the Department of Health and the district courts due to increased requests for copies of birth certificates and name change hearings.

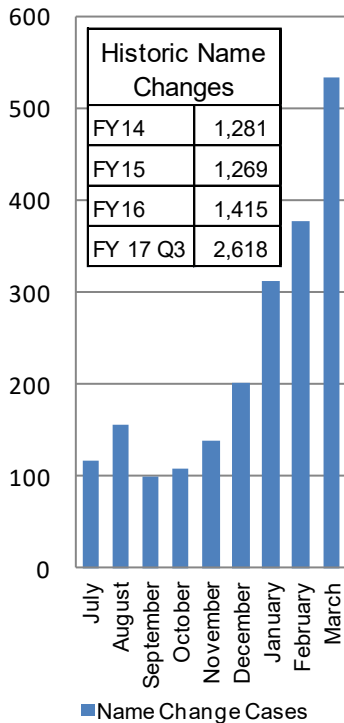
To qualify for a REAL ID in New Mexico, a new driver (or first time REAL ID applicant) must provide four documents to the MVD. The driver must provide an identification number (e.g. Social Security Number Card or W-2 form), one proof of identity (e.g. passport or birth certificate), and two documents providing New Mexico residency (e.g. lease or mortgage documents, insurance bill or card, or bank statements). To receive a driving authorization card a driver must provide two forms of identity and two showing New Mexico residency.

When upgrading to either a REAL ID or a driving authorization card, the driver's name must match all documents. Since the rollout, many New Mexico drivers have experienced trouble updating their driving credentials because of an inconsistent name among all documents. Anecdotally, prior to REAL ID implementation a person may have had their name spelled differently on several qualifying documents and still be issued a driver's license as long as the individual provided supporting documents; however that is no longer the case. Now, before qualifying for a REAL ID or driving authorization card, individuals must gather necessary matching documentation, sometimes requiring a name change and other documentation.

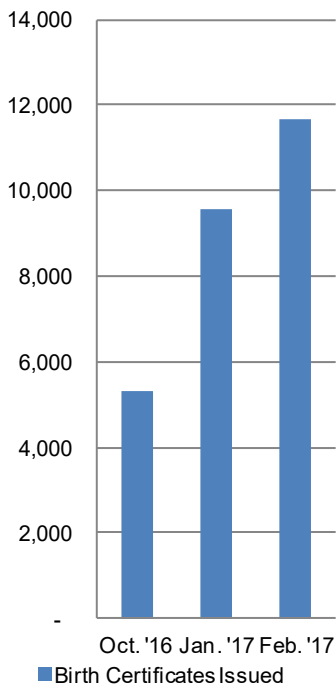
The processes for petitioning the court to change a name and receiving an updated birth certificate are time consuming, expensive, and at times cumbersome for New Mexicans. The process to receive a name change can take between 4 – 8 weeks and begins by filing for a name change with a filing fee of \$132 and a petition to the local district court for a hearing. A Petition for Name Change must be published in a printed newspaper for two weeks at a cost of \$45. The paper then sends an Affidavit of Publication which is taken to the court for the hearing where the judge may issue a Final Order, which is taken to the county clerk's office with a fee of \$25. An applicant for a new or updated birth certificate must provide qualifying documentation, pay a \$10 fee and wait between 6 – 12 weeks to receive the certificate. Individuals going through both a court name change and receiving a new birth certificate can expect to wait between 2 – 5 months and pay more than \$200 before initiating the process for an updated driving credential.

As a direct result of the new requirements, courts have seen increased petitions for name changes and, consequently, VRHS sales of birth certificates have increased since November 2016. To meet this new demand VRHS expanded its staff in Albuquerque and opened new vital records offices at public health offices in Las Vegas, Gallup, and Socorro. New Mexico courts have already closed almost as many name change cases in FY17 (2,618), than in FY15 (1,269) and FY16 (1,415) combined. VRHS has seen increased applications for birth certificates as well, almost doubling the volume from October 2016 to February 2017.

**FY 17 Name Change Cases**



**Birth Certificates Issued**





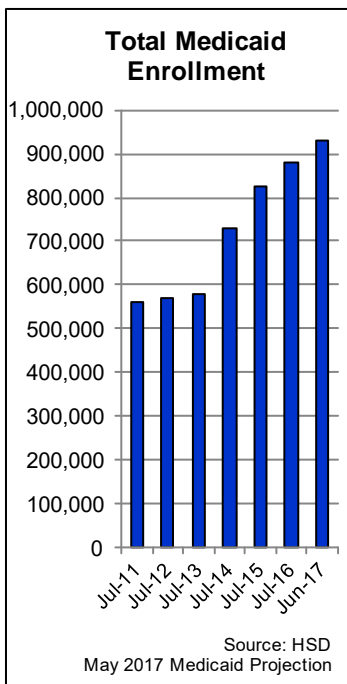
## PERFORMANCE REPORT CARD

Human Services Department  
Third Quarter, Fiscal Year 2017

### ACTION PLAN

Submitted by agency?	Yes
Timeline assigned?	No
Responsibility assigned?	No

HSD's quarterly performance report includes comments on each performance measure providing background and status information.



In FY18, the Medical Assistance Program is directed to pursue federal authority to establish a Medicaid-funded home-visiting program in collaboration with CYFD and DOH that will align home-visiting programs, avoid service duplication, and leverage general fund appropriations.

### Human Services Department

The department increased service requirements for managed care organizations in an effort to improve outcomes in areas including well-child visits and reduced emergency room use, but the new focus has yet to result in measureable system-wide improvement. Due to lag times in reporting and other data challenges, HSD intends to report on several measures annually and does not provide quarterly information.

Investigations and compliance issues continue to impact the department. The department requested a \$1.9 million special appropriation and was appropriated \$1.2 million to support attorneys' fees, HSD compliance efforts, special master costs, and other costs associated with the Deborah Hatten-Gonzales consent decree. The consent decree mandates HSD comply with state and federal requirements, as well as the provisions of the decree itself, pertaining to the administration of the Supplemental Nutrition Assistance Program (SNAP) and Medicaid program.

#### Medical Assistance Division

Measures for individuals with diabetes who were tested during the year and emergency room visits per one thousand member months are on pace to miss targets, but are in line with FY16 actual results. HSD notes in addition to health risk assessments associated with care coordination, managed care organizations (MCO) have implemented performance improvement projects to improve diabetes screenings and develop a prescribed plan focused on interventions.

Dental visits and hospital readmissions, while missing targets, are trending above FY16. For FY17, the program added three new measures, including number of managed care members enrolled in a patient-centered medical home (PCMH), in which a team of individuals collectively take responsibility for the ongoing care of patients using a coordinated, "whole person" approach. HSD requires MCOs to develop PCMH models of care that include standards for access, evidence-based medicine, quality improvement, and data management.

HSD has not reported on measures for well-child visits or prenatal care, indicating the data is only available annually due to provider reporting lag times; consequently, those measures received a red rating. HSD noted it incorporated well-child measures into MCO contract amendments as "tracking measures" effective July 1, 2016, to ensure MCOs focus on improving well-child visit outcomes.

Regarding prenatal care, MCOs provide incentives for patients to access prenatal care through the Centennial Care Member Rewards program which HSD reports has a 72 percent participation rate, in addition to incorporating quality improvement plans with a focus on the timeliness of prenatal care. HSD notes prenatal visit data is more difficult to capture since the visits are often bundled with other pregnancy-related care when claims are submitted. LFC staff is working with HSD to clarify how to provide updates for annual measures on a quarterly basis.

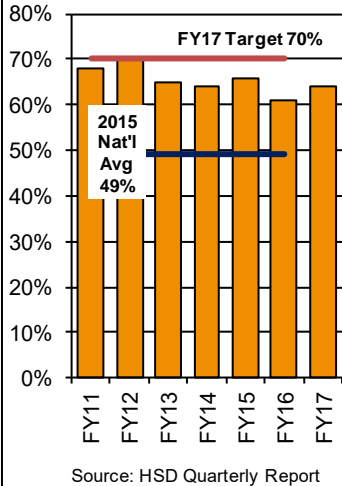




## PERFORMANCE REPORT CARD

Human Services Department  
Third Quarter, Fiscal Year 2017

### Medicaid Children Receiving Annual Dental Visit



MCOs are implementing performance improvement projects to encourage members to receive at least one dental visit annually. Centennial Care Member Rewards incentivizes members who receive annual dental visits by awarding them points. Some MCOs also use preventative interventions such as targeting members with low utilization through mailings of a member newsletter and posting website articles.

New Mexico is among the worst states at testing children for lead poisoning. Nationwide, 64 percent of lead-poisoned children under the age of five are identified by testing; in New Mexico, that number is five percent.

HSD's HEDIS measures for 2015 show Molina screened 32 percent of Medicaid-eligible children for lead, Blue Cross Blue Shield screened 31 percent, United Healthcare screened 30 percent, and Presbyterian screened 28 percent.

Medical Assistance		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3**	Rating
Budget: \$5,314,236.5 FTE: 184.5								
1	Children ages two to twenty-one enrolled in Medicaid managed care who had at least one dental visit during the measurement year	66%	61%	70%	65%	65%	64%	Y
2	Individuals in Medicaid managed care ages eighteen through seventy-five with diabetes (type 1 or type 2) who had a HbA1c test during the measurement year*	84%	58%	86%	58%	60%	60%	R
3	Emergency room visits per one thousand Medicaid member months	51	47	39	46	46	46	Y
4	Hospital readmissions for children ages two to seventeen within thirty days of discharge	7%	8%	6%	7%	7%	7%	Y
5	Hospital readmissions for adults eighteen and over, within thirty days of discharge	13%	13%	9%	11%	11%	11%	R
6	Justice-involved individuals determined eligible for Medicaid prior to release	NEW	NEW	500	1,089	1,492	1,571	G
7	Rate of short-term complication admissions for Medicaid managed care members with diabetes, per one hundred thousand member months	NEW	NEW	500	256	276	157	G
8	Medicaid managed care members enrolled in a patient centered medical home, in thousands	NEW	NEW	215	288	284	296	G
9	Infants in Medicaid managed care who had six or more well-child visits with a primary care physician during the first fifteen months	49%	43%	68%	No Report	No Report	No Report	R
10	Children and youth in Medicaid managed care who had one or more well-child visits with a primary care physician during the measurement year	91%	89%	92%	No Report	No Report	No Report	R
11	Newborns with Medicaid coverage whose mothers received a prenatal care visit in the first trimester or within forty-two days of enrollment in the managed care organization	71%	71%	85%	No Report	No Report	No Report	R
Program Rating		Y	R					Y

\*Final calendar year 2016 data audited by National Committee for Quality Assurance (NCQA) using administrative claims data and medical records. \*\*Quarterly results are based on a rolling 12-month average of encounter data submitted through March 31, 2017. Results are preliminary and likely underreported.

The table below provides per capita (per member per month) data for FY14 through FY16 on costs for various services provided under the Medicaid program.

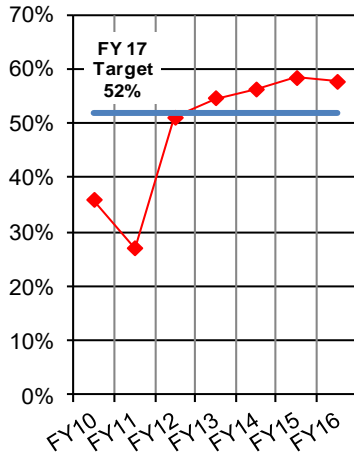
Medicaid Service Categories	Per Capita Medical Costs (PMPM)			Percentage Change		
	2014	2015	2016	2015/2014	2016/2015	2016/2014
Acute Inpatient	\$97.54	\$90.71	\$91.25	-7.0%	0.6%	-3.3%
Outpatient/Physician	\$89.84	\$92.29	\$95.56	2.7%	3.5%	3.1%
Nursing Facility	\$33.21	\$28.40	\$26.37	-14.5%	-7.1%	-10.9%
Community Benefit	\$49.55	\$47.85	\$48.75	-3.4%	1.9%	-0.8%
Other Services	\$84.55	\$93.74	\$91.91	10.9%	-2.0%	4.3%
Behavioral Health	\$32.81	\$32.96	\$32.39	0.4%	-1.7%	-0.6%
Pharmacy	\$36.84	\$42.99	\$49.43	16.7%	15.0%	15.8%
<b>Total</b>	<b>\$424.34</b>	<b>\$428.94</b>	<b>\$435.66</b>	<b>1.1%</b>	<b>1.6%</b>	<b>1.3%</b>



## PERFORMANCE REPORT CARD

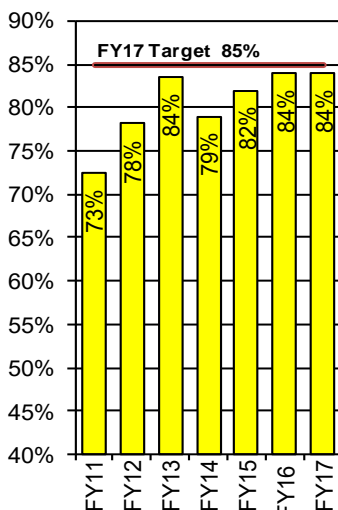
Human Services Department  
Third Quarter, Fiscal Year 2017

**TANF Clients Newly Employed during the Year**



Source: HSD Quarterly Report

**Cases with Child Support Orders**



Source: HSD Quarterly Reports

### Income Support Division

Participation rates for families meeting temporary assistance for needy families (TANF) work requirements declined in the second quarter and were not reported in the third quarter. The program increased monitoring of its New Mexico Works (NMW) service provider and provided training to its employees on working with individuals with multiple barriers to employment and implemented dedicated teams to follow-up with clients with daily phone calls, letters, and home and site visits as appropriate. The department expects to see additional improvement in TANF-related measures, particularly for individuals who become newly employed during the year, due to increased participation in Career Links and the Wage Subsidy program which were expanded for FY17.

In November 2016, a federal judge appointed a special master to provide objective assistance to the department to come into compliance with federal and state requirements and court orders for administration of SNAP and Medicaid benefits. The program reports it expects a drop in timeliness of expedited cases meeting federal requirements as it processes pending applications and re-certifications that were impacted by a federal court order. The reduced timeliness rate continued its decline in the third quarter of FY17.

Income Support		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$961,274.5 FTE: 1,075								
12	Temporary assistance for needy families two-parent recipients meeting federally required work requirements	33%	63%	60%	54%	56%	No Report	Y
13	Temporary assistance for needy families recipients (all families) meeting federally-required work requirements	34%	54%	50%	54%	47%	No Report	Y
14	Children eligible for supplemental nutrition assistance program participating in the program at one hundred thirty percent of poverty level	90%	93%	90%	94%	92%	93%	G
15	Temporary assistance for needy families clients who become newly employed during the fiscal year*	58%	58%	52%	40%	50%	No Report	Y
16	Expedited supplemental nutrition assistance program cases meeting federally-required timeline within seven days	96%	98%	99%	96%	93%	89%	R
Program Rating		Y	G					Y

\*The most recent data available from the Department of Workforce Solutions is the fourth quarter of calendar year 2016.

### Child Support Enforcement

The program is currently tracking behind FY17 targets; however, data for these measures lags throughout the federal fiscal year. The program has historically met or exceeded targets, particularly with increased total child support enforcement collections, with wage garnishments the largest source of child support collections. HSD reports it is piloting a new business process model to provide more focused attention on collections. For the past three fiscal years the program has collected arrears on two-thirds of the cases in which arrears were owed.



## PERFORMANCE REPORT CARD

Human Services Department  
Third Quarter, Fiscal Year 2017

<b>Child Support Enforcement</b>		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$30,970.2      FTE: 383								
17	Child support cases having support arrears due, for which arrears are collected	62%	62%	67%	65%	50%	54%	<b>R</b>
18	Total child support enforcement collections, in millions	\$140	\$141	\$145	\$32	\$31	\$38	<b>Y</b>
19	Current child support owed that is collected	56%	56%	62%	57%	56%	56%	<b>Y</b>
20	Cases with support orders	82%	84%	85%	84%	83%	84%	<b>Y</b>
Program Rating		<b>G</b>	<b>G</b>					<b>Y</b>





## PERFORMANCE REPORT CARD

Department of Health

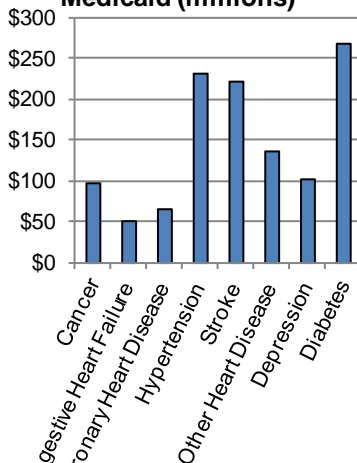
Third Quarter, Fiscal Year 2017

### Department of Health

#### ACTION PLAN

Submitted by agency?	Yes
Timeline assigned?	Yes
Responsibility assigned?	No

**New Mexico's Cost of Treating Preventable Chronic Disease in Medicaid (millions)**



Source: Centers for Disease Control  
Chronic Disease Cost Calculator

#### Public Health

One of several ways to determine the impact Public Health could have on the state is to look at the costs of treating chronic diseases, many of them preventable. The cost to Medicaid alone to treat cancer, congestive heart failure, coronary heart disease, hypertension, stroke, other heart diseases, depression, and diabetes is estimated at about \$1.2 billion in New Mexico according to the federal Centers for Disease Control. Every year the department invests in initiatives to reduce the prevalence of chronic disease risk factors such as targeting funding towards nutrition services, obesity, and tobacco use reduction programs. However, aside from the performance measures on tobacco use, tracking what the department does to improve chronic disease outcomes is limited within the Accountability in Government Act framework.

Another way to understand Public Health's impact is to consider child health outcomes. For example, a 2015 LFC evaluation on teen pregnancy found that children born to teen moms cost taxpayers \$84 million annually due to costs to Medicaid associated with their births, increased reliance on public assistance, and poor educational outcomes. Furthermore, teens are more likely to have pre-term babies which cost Medicaid an average of \$20 thousand in medical care during the first year of life. While progress was made in recent years New Mexico still has one of the highest teen pregnancy rates in the nation. Another concern is low birth-weight. Significant maternal risk factors for low birth-weight include diabetes, high blood pressure, infections, inadequate prenatal care, insufficient weight gain, tobacco use, unemployment, and low education or income levels. As stated above, the state invests significantly in reducing many of these risk factors. However, the state ranked twelfth nationally for low birth-weight babies in 2016.

#### New Mexico Child Health Indicator Rankings (From Highest)

Teen Pregnancies ages 15-19	5
Low Birthweight Babies	12
Pertussis Cases	10
Child Immunizations	37
Children in Poverty	1

Source: United Health Foundation:  
America's Health Rankings

Public Health		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$177,655.1 FTE: 863								
1	Females aged fifteen to seventeen seen in public health offices given effective contraceptives	55%	56%	≥66%	59%	56%	63%	Y
2	Quit Now enrollees who successfully quit using tobacco at seven month follow-up	31%	33%	33%	34%	26%	35%	G
3	Teens aged fifteen to seventeen receiving services at clinics funded by the family planning program	1,334	1,405	3,616	588	961	935	Y
4	High school youth trained to implement tobacco projects in their school or community	New	New	Baseline	0	187	273	
Program Rating		Y	Y					Y



## PERFORMANCE REPORT CARD

Department of Health

Third Quarter, Fiscal Year 2017

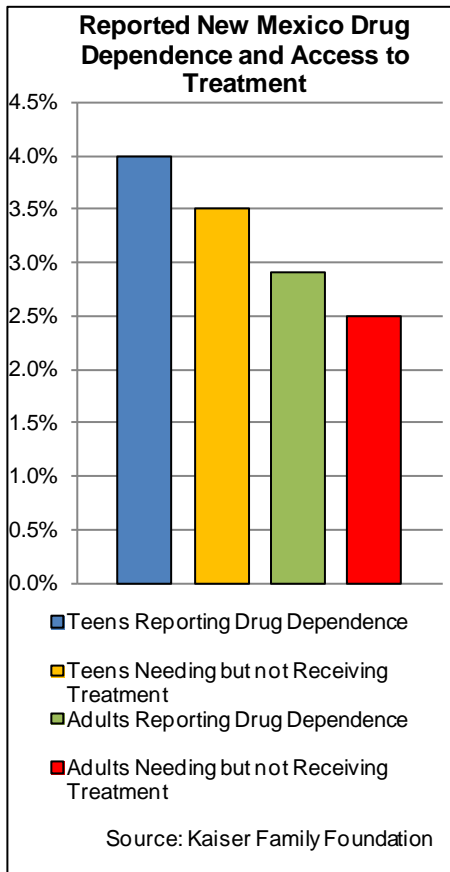
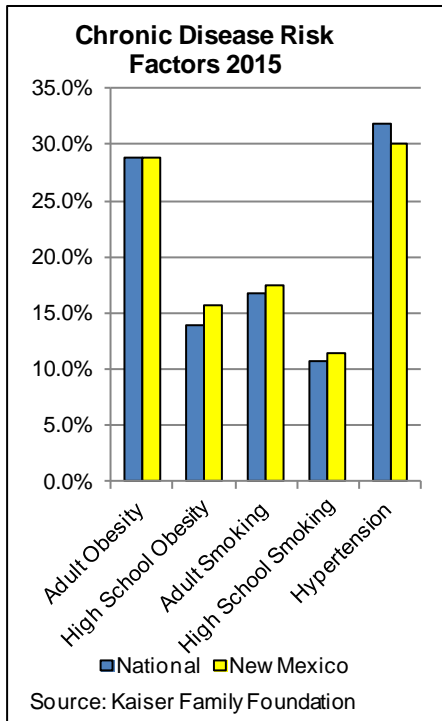
### Epidemiology and Response

The measure on infant pertussis cases (whooping cough) is key to understanding the department's impact on protecting infants through the immunization process. Given that the state ranks tenth in overall cases of pertussis and thirty-seventh for child immunizations we may not be doing a great job. Pertussis can be a serious, even life-threatening illness especially in infants. The Centers for Disease Control estimates that half of infants younger than 1 year who develop pertussis require hospitalization for complications. In the third quarter, infants were eight times more likely than the total population to have a reported pertussis infection. The department provided a quarter by quarter action plan to improve infant pertussis infection rates, such as further promotion of vaccines.

In 2016 New Mexico ranked second for drug deaths in the United States while male drug deaths were nearly double the national rate. One way to reduce drug deaths is to ensure widespread availability of Naloxone, an opiate overdose reversal medication. Recent legislation allowed any individual to possess Naloxone, and authorizes licensed prescribers to write standing orders to prescribe, dispense, or distribute Naloxone. The percent of retail pharmacies dispensing Naloxone improved in the third quarter to 32 percent.

However, preventing overdoses through the distribution of Naloxone alone is not a comprehensive strategy and the department plays a key role in coordinating a wider response to the opioid epidemic. According to the department "in 2015, 1.7 million opioid prescriptions were written in New Mexico, dispensing enough opioids for each adult in the state to have 800 morphine milligram equivalents (MME), or roughly 30 opioid doses." CDC recommended strategies include increasing the use of prescription drug monitoring programs, policy changes to reduce prescribing, working to detect inappropriate prescribing, increasing access to treatment services, and assisting local jurisdictions. In 2016, New Mexico was one of 14 states to receive federal supplemental funding to implement these strategies. While the department does a good job tracking opioid epidemic indicators, there is little cross agency cohesion and no proposed statewide plan.

Epidemiology and Response		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$28,448.3 FTE: 185								
5	Hospitals certified for stroke care	9%	9%	≥14%	14%	14%	14%	G
6	Vital records customers satisfied with the service they received	98%	95%	≥95%	93%	95%	No data	Y
7	Ratio of infant pertussis rate to total pertussis rate	New	New	4.4	13.2	6.6	8.2	Y
8	Percent of retail pharmacies dispensing naloxone	New	New	Baseline	23%	27%	32%	
9	New Mexicans who completed a sexual assault primary prevention program	New	New	Baseline	745	2,585	2,082	
10	New Mexico population served during mass distribution of antibiotics or vaccinations in the event of a public health emergency	New	New	Baseline	11%	11%	12%	
Program Rating		Y	Y					Y





## PERFORMANCE REPORT CARD

Department of Health

Third Quarter, Fiscal Year 2017

### Facilities Management

State operated facilities are one area where the department could have a direct impact on the state's drug epidemic. However, until recently three of the department's hospitals were in the substance abuse rehabilitation business but the number of beds available for these services is diminished. As of April 20, 2017, the New Mexico Rehabilitation Center (NMRC) had a census of zero in both its medical detoxification and chemical dependency units. Fort Bayard Medical Center closed Yucca Lodge and the department stated that it was going to move these services to NMRC, but it is unclear how or when the department intends to do this. In response to a draft of this report card, the department stated that NMRC had its first two admissions recently. Turquoise Lodge Hospital in Albuquerque had a patient census of 15 in the medical detoxification unit and 16 in its rehabilitation unit. Ideally each unit would have 24, but the hospital does not have Joint Commission accreditation and also recently lost several payor sources.

Imagining a future for state operated inpatient substance abuse rehabilitation services is difficult. However, the federal government is encouraging states to seek a Medicaid waiver for drug and alcohol treatment centers with more than 16 beds. These waivers have already been granted to four states and seven additional states are seeking them. The Medicaid rule prohibits the use of federal dollars for addiction treatment provided in facilities with 16 or more beds and a waiver would side step this requirement. If the state were to seek this waiver continued support of these hospitals would be more likely.

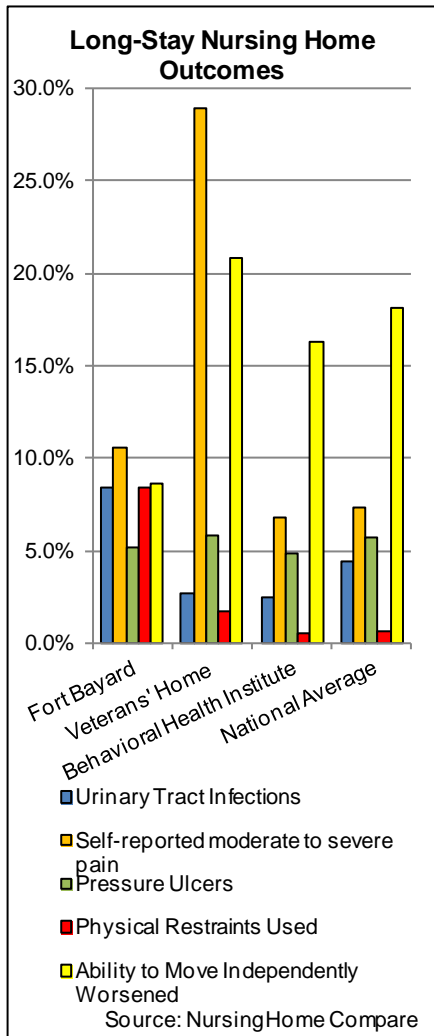
One improvement in the department's quarterly report this year was to revamp the measure for patient falls in a way that is easily benchmarked. The Centers for Disease Control says nationally, patient falls are a leading cause of hospital-acquired injury, frequently prolonging or complicating hospital stays, and are the most common adverse event reported in hospitals. The goal is to eliminate or reduce falls with injury through a falls prevention protocol in the acute care setting. There was a total of three falls with major injury in the third quarter and the department has an action plan in place to reduce this further.

Facilities Management		FY15	FY16	FY17	Q1	Q2	Q3	Rating
Budget: \$140,535.8 FTE: 2,038		Actual	Actual	Target				
11	Falls resulting in major injury per one thousand long-term care patient days	New	New	≤3	0.2	0.2	0.1	G
12	Eligible third-party revenue collected at agency facilities	88%	94%	≥92%	88%	92%	92%	G
13	Vacancy rate for direct care positions	New	New	≤10%	22%	24%	22%	R
Program Rating		Y	Y					Y

### Developmental Disabilities Support

Positively impacting people with developmental disabilities requires more than counting wait lists and ensuring service plans are in place. For example, the employment rate for people with cognitive disabilities in New Mexico is about 20 percent, seventh lowest in the country and six percent lower than the national average. The state contracts with the University of New Mexico Center for Development and Disability to provide employment services; however, little has been published on the performance of this initiative.

Additionally, education is a key determinant of economic performance that also affects long-term socioeconomic status and quality of life. Children and



### Nursing Home Compare Star Ratings (Out of Five Stars)

	Behavioral Health Institute	New Mexico Veterans' Home	Fort Bayard Medical Center
Overall	4	2	4
Health Inspections	3	2	3
Staffing	5	4	5
Quality Measures	3	1	2

Source: Nursing Home Compare

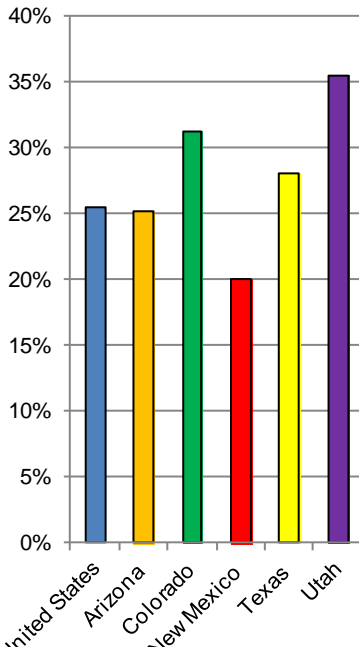


## PERFORMANCE REPORT CARD

Department of Health

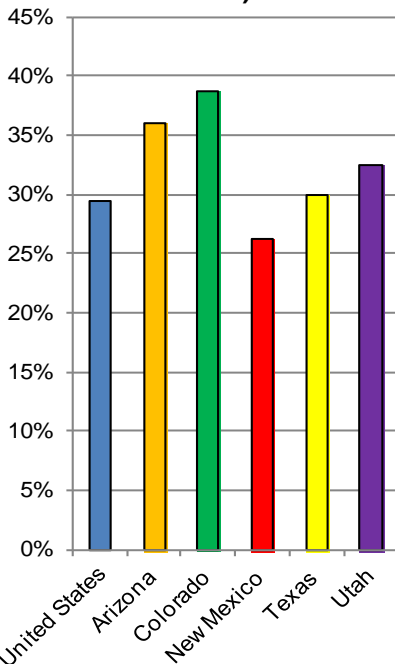
Third Quarter, Fiscal Year 2017

**Employment Rate for People With Cognitive Disabilities (Surrounding States)**



Source: Cornell University Disability Statistics

**Educational Attainment for People with Cognitive Disabilities (Surrounding States)**



Source: Cornell University Disability Statistics

adolescents with physical and cognitive disabilities typically have more limited access to formal education than their non-disabled peers. Working to educate people with developmental disabilities, when appropriate, improves quality of life and independence. The Legislature recognized this and included language in the 2017 General Appropriations Act that would have allowed appropriations for evidence-based job training services at the Special Services Program at Eastern New Mexico University – Roswell, but was subsequently vetoed. The National Institutes of Health considers multiple developmental experiences that may contribute to learning and work achievements through the transition from adolescence to young adulthood to be important and this strategy would have added to educational options for people with developmental disabilities in New Mexico.

The department recently discontinued use of supports intensity scale (SIS) assessments for adults on the developmental disabilities Medicaid waiver (DD waiver). Recipients are now receiving funding approvals solely through the outside review process, an outcome of the Waldrop lawsuit settlement. In FY11, in response to a 2010 LFC evaluation of the DD waiver program, the department made reforms such as implementing the new SIS. Since that time, the average cost per client dropped and the savings were used to create new slots. It remains to be seen whether the new outside review process will be cost neutral. Additionally, seemingly unending litigation drives much of the department's costs, further limiting its ability to reduce wait lists.

Over the past several years, the DD waiver waiting list grew faster than the availability of new slots. With an average 5 percent growth rate since FY08, the DD waiver waiting list exceeded 6,500 in FY16 and it can take as long as 10.4 years before an individual starts receiving services. According to DOH, in any given year, if fewer than 300 new slots are made available the wait list will grow. It is important to note that while clients are waiting for DD waiver services they receive healthcare services from Medicaid. During the second quarter the Central Registry Unit (CRU) began working to clean up the waiting list and closed over 100 backlogged applications. Eliminating people on the waiting list who may not be eligible for DD waiver services will result in fewer people on the waiting list. Pending data on measure 18 is due to IT systems upgrades within the Health Certification, Licensing, and Oversight Program.

Developmental Disabilities Support		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$ 160,671.9 FTE: 188								
14	Developmental disabilities waiver applicants with service plans in place within ninety days	91%	53%	≥95%	56%	73%	92.2%	Y
15	Adults receiving community inclusion services also receiving employment services	29%	36%	≥33%	34%	35%	36%	G
16	People receiving developmental disabilities waiver services	4,610	4,660	≥4,700	4,619	4,635	4,644	Y
17	People on the developmental disabilities waiver waiting list	6,365	6,526	≤6,300	6,529	6,580	6,775	R
18	Abuse, neglect, and exploitation rate for DD Waiver and Mi Via waiver clients	11.9%	10.2%	≤8%	6.2%	6.1%	Pending	G
Program Rating		Y	Y					Y

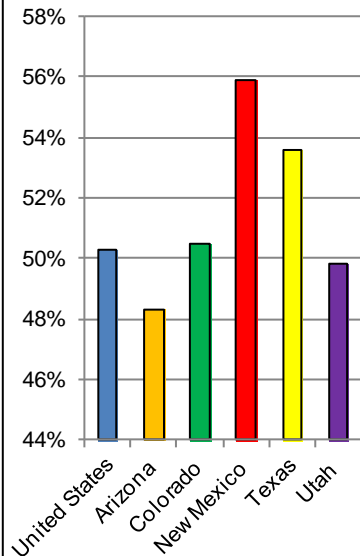




## ACTION PLAN

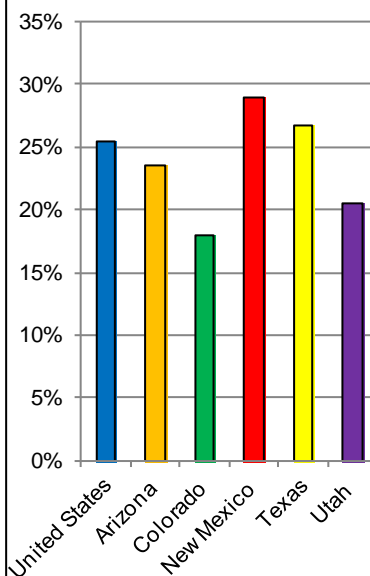
Submitted by agency?	Yes
Timeline assigned?	Yes
Responsibility assigned?	Yes

**Disability Prevalence 75 Years of Age and Older**



Source: Kaiser Family Foundation

**Adults 65 Years of Age and Older Reporting Fair to Poor Health**



Source: Centers for Disease Control and Prevention

## Aging and Long-Term Services Department

New Mexico has nearly the highest prevalence of disability in adults ages 65 and older and has the highest rate of non-institutionalized adults living below the poverty level, at 33.7 percent. Improving the department's impact on these populations requires strategic vision, leadership, and robust performance monitoring. In recent quarters, the department began working again on its 4-year state plan renewal. Proposed drafts of the plan changed little from the 2013 state plan. The current draft does not include goals or objectives to serve Native American Indian elders, people with Alzheimer's disease, or protocols for cost sharing and voluntary contributions. There is also no guidance on whether the coming wave of older adults will need or want services provided through current service delivery models or whether services provided meet the expectations of a new generation of older adults.

The department's plans cover goals such as protecting older adults who cannot protect themselves, protecting the rights of residents in long-term care facilities, effectively coordinating services for older New Mexicans, supporting evidence based health promotion, enhancing public and private partnerships, and developing adequate network structures. However, it is difficult to assess success at accomplishing these goals due to little meaningful performance monitoring. Many of the measures the department reports on are poor indicators of progress, explaining why the department received yellow or red ratings on these measures even when the target was met.

### Aging Network

New Mexico's population is aging and by 2030 New Mexico will be the fourth oldest state in the nation. Given this, working to keep older adults safe, fed, healthy, and in their communities—seen as key to managing the aging population—is the priority. Four area agencies on aging (AAA) serve the entire state under the Aging and Long-Term Services Department. One AAA, in particular, serves all non-metro non-Native American regions of the state, encompassing almost all of rural New Mexico. The base of operations for the non-metro AAA is located in Northern New Mexico and it is impossible to determine whether the needs of the 274 thousand older New Mexicans who live within the 120,189 square miles this AAA covers are being met. Improved performance monitoring would help the department and LFC determine whether the aging network is having a positive impact on New Mexicans.

Aging Network		FY15	FY16	FY17	Q1	Q2	Q3	Rating
Budget: \$39,236.8 FTE: 1		Actual	Actual	Target				
1	Older New Mexicans whose food insecurity is alleviated by meals received through the aging network	87%	94%	85%	78%	72%	64%	<b>R</b>
2	Hours of caregiver support provided (cumulative)	392,872	429,612	400,000	97,644	96,582	99,456	<b>Y</b>
Program Rating		<b>G</b>	<b>G</b>					<b>Y</b>

### Consumer and Elder Rights

Through the long-term care ombudsman, part of the Consumer and Elder Rights Program's purpose is to assist and support older individuals, people with disabilities, and residents of long-term care facilities to protect their rights and help them make informed decisions. In October 2016, LFC published a program

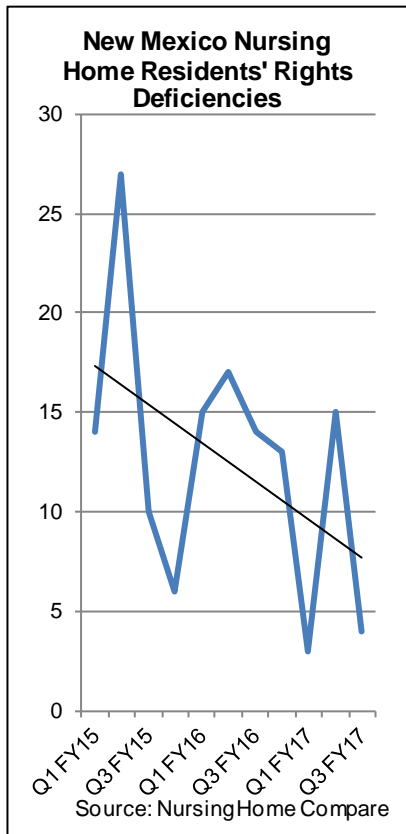


## PERFORMANCE REPORT CARD

### Aging and Long-Term Services Department

#### Third Quarter, Fiscal Year 2017

evaluation on the performance of nursing homes in New Mexico. The report found the second most common issue found in New Mexico's nursing homes are violations of resident rights and this deficiency is more common in New Mexico than in the rest of the country. With only 70 percent of ombudsman complaints resolved within 60 days the department received a red rating for this measure. Additionally, the department asserts that it tracks ombudsman complaint types and complaint outcomes, but no data were provided showing this.



Consumer and Elder Rights		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$3,872.8 FTE: 53.5								
3	Ombudsman complaints resolved within sixty days	98%	100%	95%	99.8%	100%	70%	<span style="color: red;">R</span>
4	Residents requesting short-term transition assistance from a nursing facility who remained in the community during the six month follow-up	New	86%	85%	80%	92%	89%	<span style="color: green;">G</span>
5	Calls to the aging and disability resource center that are answered by a live operator	70%	72%	85%	79%	82%	88%	<span style="color: yellow;">Y</span>
Program Rating		<span style="color: yellow;">Y</span>	<span style="color: green;">G</span>					<span style="color: yellow;">Y</span>

### Adult Protective Services

A recent LFC evaluation stated reports of adult abuse, neglect, and exploitation are increasing; however, current data and performance measures make it difficult to assess the effectiveness of the program in preventing future maltreatment. Additionally, the program does not report on repeat maltreatment, hampering the state's ability to determine the effectiveness of interventions. Measure seven does not measure progress since the program routinely scores in the 99 percent range, justifying the yellow rating. Adult Protective Services (APS) typically experiences a reduction in referrals during the second quarter, which then rebounds in the third quarter.

#### Substantiated Allegations by Type

Type	FY14	FY15	FY16
Abuse	201	132	165
Neglect	289	182	108
Self-Neglect	444	1,061	949
Exploitation	1,185	212	141
Sexual Abuse	8	-	-
<b>Total</b>	<b>2,127</b>	<b>1,587</b>	<b>1,363</b>

#### Average Annual Investigations Per Case Worker

Region	FY14	FY15	FY16
Metro	147	122	108
Northeast	74	76	83
Northwest	120	85	125
Southeast	85	71	76
Southwest	100	95	109
<b>Statewide</b>	<b>107</b>	<b>94</b>	<b>99</b>

Source: Adult Protective Services

Adult Protective Services		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$13,023.9 FTE: 133								
6	Adult protective services investigations of abuse, neglect or exploitation	5,931	6,315	6,100	1,604	1,385	1,652	<span style="color: green;">G</span>
7	Emergency or priority one investigations in which a caseworker makes initial face-to-face contact with the alleged victim within prescribed time frames	98%	99%	98%	99.5%	98.9%	99.8%	<span style="color: yellow;">Y</span>
8	Adults receiving in-home services or adult day services as a result of an investigation of abuse, neglect or exploitation	1,416	1,500	1,250	1,019	926	821	<span style="color: green;">G</span>
Program Rating		<span style="color: yellow;">Y</span>	<span style="color: yellow;">Y</span>		<span style="color: yellow;">Y</span>			<span style="color: yellow;">Y</span>



## PERFORMANCE REPORT CARD

Children, Youth and Families Department  
Third Quarter, Fiscal Year 2017

### ACTION PLANS

Submitted by agency?	Yes
Timeline assigned?	No
Responsibility assigned?	Yes

The Children, Youth and Families Department has increased the number of foster care providers 6.5 percent between March 2016 and 2017, keeping pace with similar percent increases to children in care during the same time period.

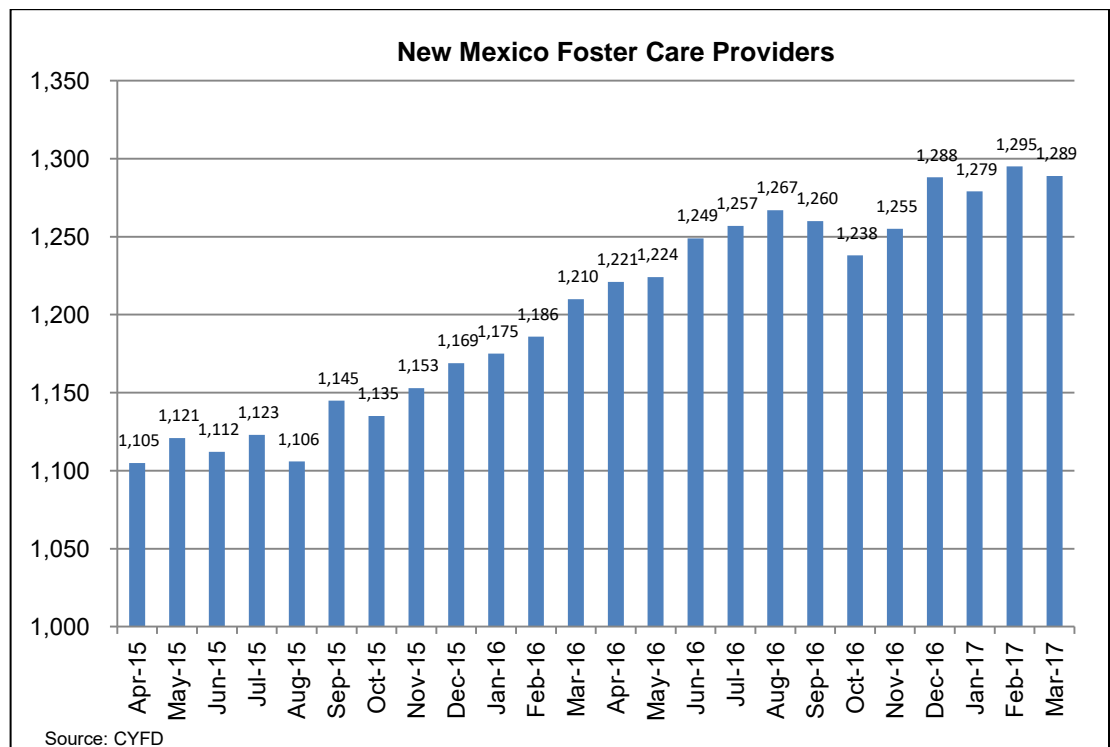
## Children, Youth and Families Department

New Mexico continues to struggle with increased stresses on the child welfare system. Repeat maltreatment remains close to double the national average and children in care of the Protective Services program increased 5.8 percent between March of 2016 and 2017. In response, the state has continually secured additional resources for the Children, Youth and Families Department (CYFD) to provide early interventions to families and additional personnel for the agency to reduce case loads. However, persistently difficult economic and social factors statewide may be countering these efforts.

### Protective Services

The number of children in care of the Protective Services program in March of 2017 was 2,635, 144 children above the previous year. The statewide average caseload for permanency workers during this same time was slightly over 20. Conversely, certain regions including Cibola, Taos, Curry, Roosevelt, Santa Fe, and Otero counties were closer to an average caseload of 30, significantly above the national recommendation of 19. Despite this the agency continued to report a significant improvement in turnover rates from the previous year, coupled with a continued recruitment strategy to assist counties with unsustainable caseloads in future quarters.

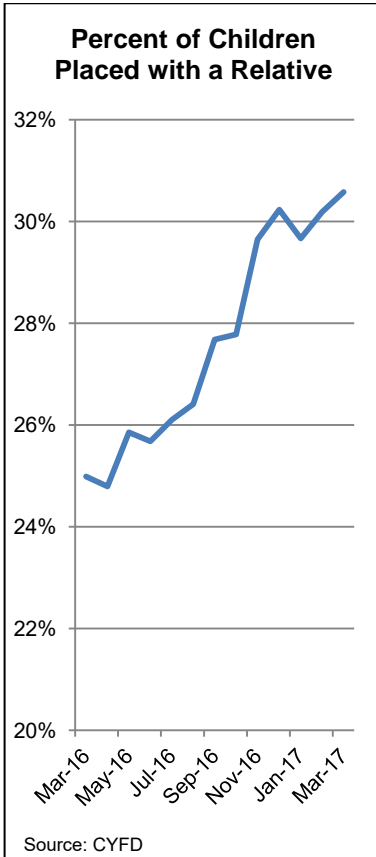
Nearly a third of children are placed in the care of a non-offending relative. Relative foster placement has risen significantly over the previous year, over 5 percentage points. National research suggests relative placement for children who come into contact with child welfare systems supports better long-term outcomes such as the utilization of behavioral health services and likelihood of timely adoptions.





## PERFORMANCE REPORT CARD

Children, Youth and Families Department  
Third Quarter, Fiscal Year 2017



Protective Services		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$147,432.8 FTE: 927.8								
1	Children who are not the subject of substantiated maltreatment within six months of a prior determination of substantiated maltreatment	89.1%	87.7%	93.0%	87.4%	88.0%	88.3%	R
2	Children who are not the subject of substantiated maltreatment while in foster care	99.8%	99.8%	99.8%	99.9%	99.9%	99.9%	G
3	Children reunified with their natural families in less than twelve months of entry into care	64.1%	60.4%	65.0%	57.0%	57.8%	59.0%	R
4	Children in foster care for twelve months with no more than two placements	73.8%	70.5%	76.0%	72.7%	72.8%	73.0%	R
5	Children adopted within twenty-four months from entry into foster care	32.1%	23.3%	33.0%	19.1%	20.1%	20.3%	R
6	Children reentering foster care in less than twelve months	9.8%	12.6%	9.0%	10.7%	11.9%	11.2%	R
7	Children in foster care who have at least one monthly visit with their caseworker	New	95.6%	97.0%	96.4%	96.4%	95.1%	R
8	Turnover rate for protective services workers	29.0%	29.7%	20.0%	7.5%	14.2%	18.3%	G
Program Rating		R	R					R

### Early Childhood Services

To prevent additional at-risk children and families from reaching a point of crisis necessitating protective service intervention, New Mexico has been significantly investing in early care and education services. The largest of these services in both funding and enrollment is childcare assistance. At a cost of \$100 million annually, childcare assistance is serving over 18 thousand children a month statewide. Enrollment in childcare assistance has increased close to 1,000 additional children since the previous fiscal year. This increase is a result of a concerted effort by the agency and the federal extension of certification requirements.

In addition, the Early Childhood Services program reported the transition from Aim High to Focus is proceeding as expected and increasing children served by Focus. As Focus continues to roll out system-wide this year, continued attention will remain on enrolling children in the highest levels of quality.

Early Childhood Services		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$227,897.4 FTE: 181.5								
9	Children receiving state subsidy in focus, level four	New	New	6.0%	3.1%	3.7%	4.3%	Y
10	Children receiving state subsidy in focus, level five	New	New	14.5%	14.0%	14.9%	18.2%	G
11	Licensed child care providers participating in focus, level four	New	New	5.0%	2.5%	2.7%	2.8%	Y

In March 2017 the American Academy of Pediatrics reported, “A growing body of evidence suggests that children who cannot live with their biological parents fare better, overall, when living with extended family than with nonrelated foster parents,” and recommended policy makers identify and eliminate barriers to the use of kinship care arrangements including providing funding for relative care givers.





## PERFORMANCE REPORT CARD

### Children, Youth and Families Department

#### Third Quarter, Fiscal Year 2017

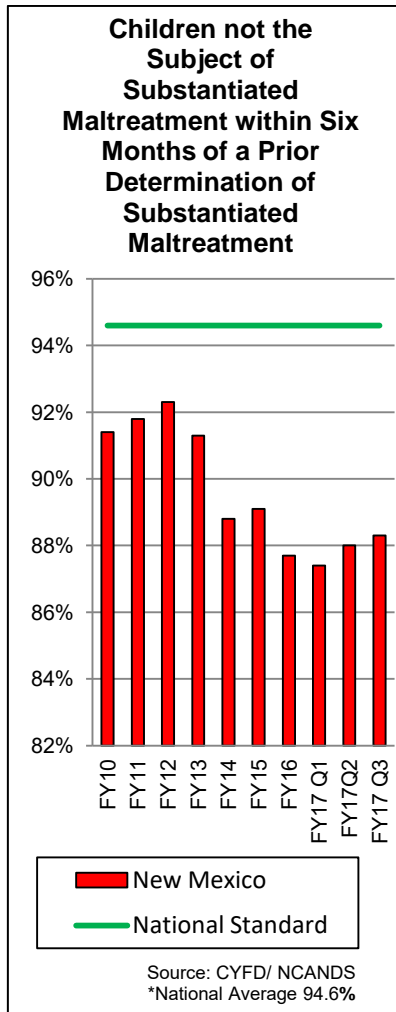
During the second quarter, CYFD transferred \$4.8 million non-reverting general fund balances into the Early Childhood Services program to fund increased enrollment for child care assistance.

12	Licensed child care providers participating in focus, level five	New	New	15.0%	15.5%	16.0%	17.1%	G
13	Parents who demonstrate progress in practicing positive parent-child interactions	New	43.8%	30.0%	38.9%	42.4%	43.9%	G
14	Mothers who initiate breastfeeding	New	88.0%	75.0%	94.0%	90.7%	89.6%	G
15	Children receiving state subsidy, excluding child protective services child care, that have one or more Protective Services-substantiated abuse or neglect referrals	New	New	1.3%	0.4%	0.7%	0.9%	G
Program Rating		G	G					G

### Juvenile Justice Services

The Juvenile Justice Services program (JJS) continues to struggle with violence in committed youth facilities. Efforts to develop pro-social skills, including de-escalation training, have been a focus of the program for several quarters to reduce violence; however, results of these programs are not materializing in performance measures. During the second quarter, JJS also rolled out additional programming for technical professional training and dog training with an eye to long term social and economic outcome improvements for committed juveniles. In addition to these policies to improve outcomes for juvenile justice clients, the agency kicked off a joint taskforce hosted by the Council of State Governments including representatives from the executive, judicial, and legislative branches and juvenile justice services providers. The taskforce will review juvenile justice data and programs to develop system-wide policy recommendations to improve outcomes. Recommendations from the taskforce are expected in early 2018.

Juvenile Justice Facilities		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$73,062.3 FTE: 943.3								
16	Clients who successfully complete formal probation	83.2%	85.4%	80.0%	81.6%	82.7%	81.3%	G
17	Clients re-adjudicated within two years of previous adjudication	6.4%	5.5%	5.8%	4.3%	5.5%	6.7%	R
18	Clients recommitted to a CYFD facility within two years of discharge from facilities	7.6%	9.5%	8.0%	2.4%	8.1%	7.8%	G
19	JJS facility clients age 18 and older who enter adult corrections within two years after discharge from a JJS facility	11.9%	13.1%	10.0%	13.9%	10.0%	11.0%	Y
20	Incidents in JJS facilities requiring use of force resulting in injury	2.2%	1.6%	1.5%	2.0%	2.0%	1.7%	R
21	Physical assaults in juvenile justice facilities	374	448	<255	134	210	292	R
22	Client-to-staff battery incidents	108	147	<108	52	73	102	R
23	Turnover rate for youth care specialists	22.4%	18.3%	14.0%	7.0%	9.0%	14.7%	R
Program Rating		R	R					Y



The Washington State Institute for Public Policy reports education and employment training for juveniles focusing on three domains, employment, school engagement and use of free time, has a lifetime benefit to cost ratio of \$31.



## PERFORMANCE REPORT CARD

Department of Public Safety  
Third Quarter, Fiscal Year 2017

### Department of Public Safety

#### ACTION PLAN

Submitted by agency?	Yes
Timeline assigned?	No
Responsibility assigned?	Yes

Violent crime rates have increased nationally over the last two years and compared to the rest of the country, New Mexico stands out. Violent crime in New Mexico has increased almost 10 percent despite the state's population shrinking slightly between 2014 and 2015. U.S. violent crime increased 3 percent even while the overall population grew. Property crime rose in the state by 4.4 percent while U.S. property crime rates dropped 3.4 percent. In the mountain region, as defined by the FBI in the table below, violent crime rates increased an average 7.3 percent while property crime rates grew 0.5 percent. DPS is not solely responsible for crime rates; of the nearly 5,600 certified officers in the state, DPS fields about 660 officers.

New Mexico Crime Rate per 100 thousand Population			
	2014	2015	Percent Change
<b>Population (thousands)</b>	<b>2,085.5</b>	<b>2,085.1</b>	<b>0.0%</b>
<b>Violent Crime</b>	<b>598</b>	<b>656</b>	<b>9.8%</b>
Murder	5	6	16.7%
Rape	71	80	13.0%
Robbery	100	119	19.2%
Aggravated Assault	422	451	7.0%
<b>Property Crime</b>	<b>3,542</b>	<b>3,697</b>	<b>4.4%</b>
Burglary	887	819	-7.7%
Larceny	2,353	2,469	4.9%
Motor Vehicle Theft	302	409	35.6%

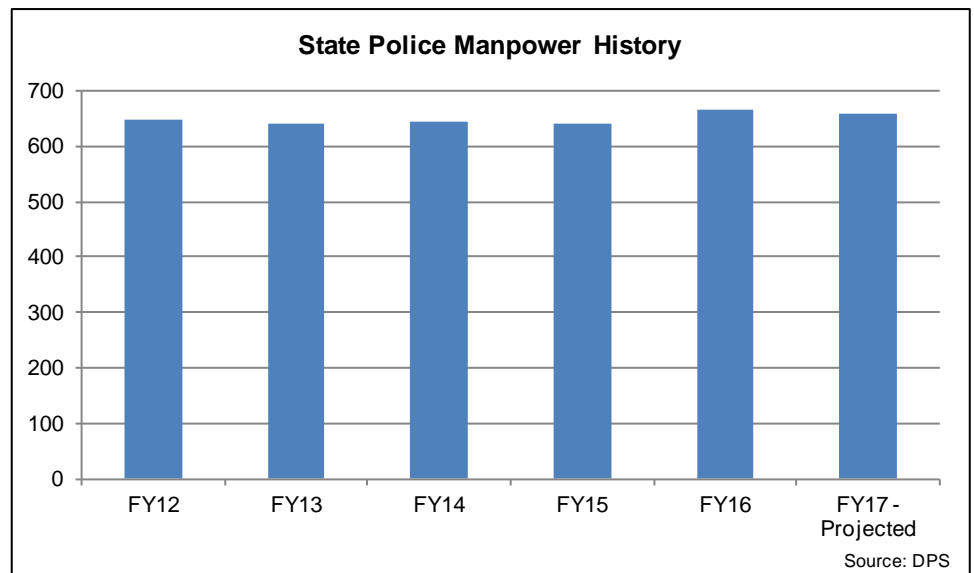
Source: Federal Bureau of Investigations

Surrounding States Crime Rates 2014-2015		
State	Violent Crime Rate per 100,000	Property Crime Rate per 100,000
Wyoming	13.7%	-3.1%
New Mexico	9.8%	4.4%
Nevada	9.5%	1.6%
Utah	7.5%	2.7%
Montana	6.4%	5.2%
Arizona	4.5%	-4.4%
Colorado	4.3%	4.2%
Idaho	2.5%	-6.3%
<b>Average Mountain Area Percent Change</b>	<b>7.3%</b>	<b>0.5%</b>
<b>U.S. Percent Change</b>	<b>3.0%</b>	<b>-3.4%</b>

Source: Federal Bureau of Investigations

The state's climbing crime rate and prison population has spurred public safety investments over the last six years. Funds directed toward public safety agencies in the 2017 legislative session increased by \$1.8 million, or 0.4 percent, while the Department of Public Safety (DPS) budget decreased \$1.6 million, or 1.3 percent, largely due to the transfer of maintenance costs to other agencies.

During 2016, the State Police Commercial Vehicle Enforcement bureau conducted a total of 97.1 thousand safety inspections, significantly higher than 79.8 thousand in 2015. Increased transportation inspector personnel and an effective partnership with the Department of Transportation (DOT) regarding permit sales contributed to the higher inspection rate.





## PERFORMANCE REPORT CARD

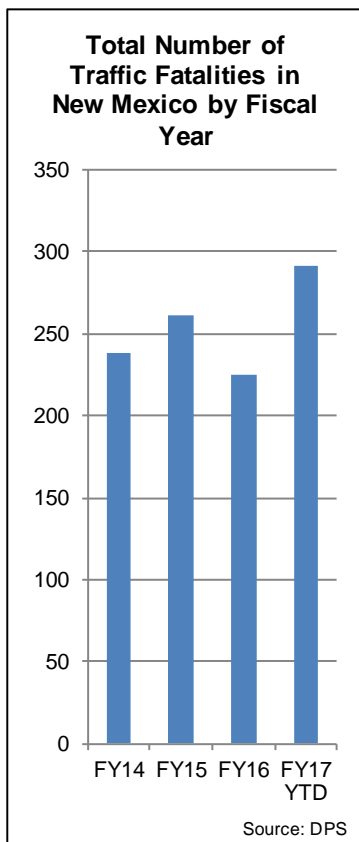
Department of Public Safety  
Third Quarter, Fiscal Year 2017

DPS historically does not receive Traffic Safety Bureau federal grant funding until late in the second quarter or third quarter of the fiscal year. This grant is the sole source of funding for the number of DWI checkpoints and saturation patrols conducted.

Sufficient manpower is integral to lower crime rates. The department ended FY16 with a 10 percent vacancy rate and projects the same rate for FY17. DPS has received \$11.5 million over the last four years to address high police officer vacancy rates. The funds have helped DPS retain their officers, but manpower has increased by only a handful and pay continues to lag behind the top payers in the market, like Los Alamos and Albuquerque. Pay is not the only factor involved in state police officers remaining on the force; other important issues include the areas in which officers are stationed and fringe benefits like signing and anniversary bonuses. DPS, like other states, has shortened academy length and testing policies to begin hiring officers more quickly.

### Law Enforcement

The department continues to struggle with the measure of commercial motor vehicle citations issued per assigned officer. DPS explains that some factors may not have been considered when establishing the goal, including staffing issues and organizational changes, and that the target may have been set too high. DPS is on track to surpass last year's target. All Law Enforcement Program measures are cumulative and targets represent year end goals.



Centers for Disease Control research indicates DWI checkpoints consistently reduce alcohol-related traffic crashes, typically by 9 percent.

Law Enforcement		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$121,038.3 FTE: 1,067.7								
1	Criminal investigations conducted by agents assigned to criminal investigative and impact positions in the investigations bureau	NEW	24	20	7	4	7	G
2	Drug-related investigations conducted per agent assigned to narcotics investigative positions in the investigations bureau	26	63	20	15	13	16	G
3	Commercial motor vehicle citations issued per filled full-time-equivalent position assigned to enforcement duties	NEW	342	522	89	92	100	R
4	Commercial motor vehicle safety inspections conducted per filled full-time-equivalent position assigned to inspection duties	NEW	662	430	161	152	182	G
5	DWI arrests per patrol officer	9	9	10	2	2	3	G
6	DWI checkpoints and saturation patrols conducted	1,051	2,421	1,175	755	49	69	Y
7	Crime scenes investigated or processed statewide	113	112	150	41	32	32	Y
8	Minor compliance and underage enforcement operations conducted per agent assigned to alcohol enforcement duties	30	34	30	12	6	6	G
9	Enforcement operations for sales to intoxicated persons	2,542	581	600	77	203	250	G
10	Motor carrier safety trainings completed	51	117	50	31	27	28	G
Program Rating		Y	Y					Y



## PERFORMANCE REPORT CARD

Department of Public Safety  
Third Quarter, Fiscal Year 2017

### Statewide Law Enforcement Support

Training of forensic scientists can take one to two years before full productivity is reached. High turnover rates increase the number of non-productive hours. Currently, one individual is in training with an anticipated completion in the fourth quarter of this fiscal year.

DPS continues to make progress resolving the backlog of sexual assault kits, reporting about 400 of the 1,000 kits cleared. DPS is working towards compliance with federal grant requirements they anticipate will prevent the need for additional money from the state in the future.

The Legislature in 2016 authorized \$7.5 million for the new Santa Fe Crime Lab and Evidence Center: a \$500 thousand severance tax bond for plan and design and a \$7 million general obligation bond for the first phase of construction. DPS has completed the plan and design phase and will be shovel ready when the general obligation bonds are sold.

DPS performed well on latent finger print case completion, but struggled in DNA, firearm and toolmark, and chemistry case completion as measured below. These measures will be discontinued after this fiscal year and replaced with more meaningful measures. Although DPS did not meet targets for forensic science cases completed per scientist, gross quarterly clearance rates tell another story. On average, the department cleared 29 percent of cases received this quarter as measured by statutory performance measures but cleared an average 143 percent of cases received this quarter overall. During the third quarter, the Firearm and Toolmark scientists completed a large number of single-evidence, non-violent cases and worked overtime, resulting in the spike in the number of cases completed.

Department of Public Safety FY17 Q3 Forensic Cases Received and Completed			
Case Type	Cases received	Case completed	Completion rate
Biology and DNA	1,301	2,809	216%
Latent Fingerprint	446	645	145%
Firearm and Toolmark	457	403	88%
Chemistry	3,383	4,145	123%
Source: Department of Public Safety			

Statewide Law Enforcement Support		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$19,805.4 FTE: 147								
11	Forensic biology and DNA cases completed per scientist within sixty working days	NEW	NEW	40%	28%	13%	11%	R
12	Forensic latent fingerprint cases completed per scientist within sixty working days	NEW	NEW	30%	30%	32%	34%	G
13	Forensic firearm or toolmark cases completed per scientist within sixty working days	NEW	NEW	50%	20%	10%	41%	Y
14	Forensic chemistry cases completed per scientist within sixty working days	NEW	NEW	40%	23%	31%	29%	R
15	Average turnaround time for concealed carry permit issuance from date application received to date completed, in working days	11	13	15	9	9	9	G
16	Average turnaround time of civil applicant results posted from the date the fingerprints are taken to the date of posting, in working days	1.3	1.3	2.0	1.2	1.1	1.1	G
Program Rating		Y	Y					Y



## PERFORMANCE REPORT CARD

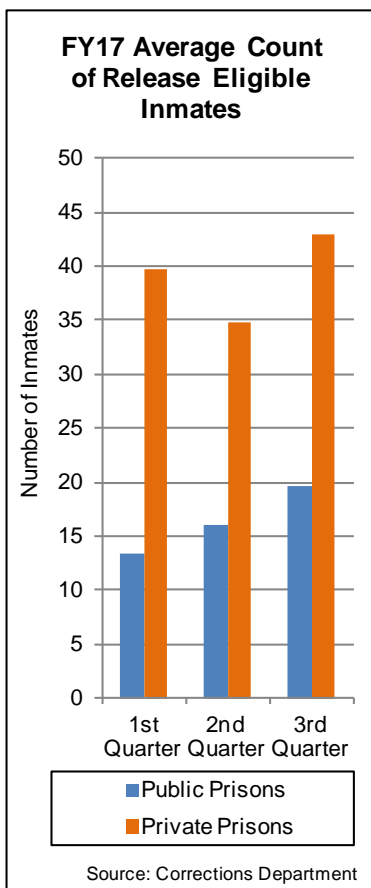
New Mexico Corrections Department  
Third Quarter, Fiscal Year 2017

### New Mexico Corrections Department

#### ACTION PLAN

Submitted by agency?	Yes
Timeline assigned?	No
Responsibility assigned?	No

Oklahoma, Nevada, New Mexico, and Wyoming all experienced growth in incarceration rates in 2015. Arizona's rate remained stable, while Texas' rate fell 3 percent and Colorado's fell 4 percent. Utah's rate fell 9 percent as a result of justice system improvement efforts.



NMCD reports the transfer of women to different prisons resulted in turnover of staff and an increase in release eligible female inmates. The department continues to cite lack of community programs for male inmates to transition into as a key issue.

The New Mexico Corrections Department (NMCD) continues to not report three of 12 measures in Laws of 2016, Chapter 11 (House Bill 2): eligible inmates who earn a general educational development certificate, residential drug abuse program graduates reincarcerated within thirty-six months of release, and male offenders who graduate from the men's recovery center and are reincarcerated within thirty-six months. The department believes reporting the data annually will better capture performance outcomes.

NMCD's FY18 base budget increased \$3.6 million in the General Appropriation Act of 2017, a 1.2 percent increase. The department also received \$4 million general fund special appropriations for inmate population growth, hepatitis C treatment, and custodial staff overtime. 2016 joint interim efforts to generate a gap analysis and master plan for a new, efficient facility to replace old beds should be revived.

#### Inmate Management and Control

The percent of male and female release eligible inmates (REIs) not released on time has fluctuated over the first three quarters of the fiscal year. Daily population data shows the average number of REIs at public facilities has climbed over the fiscal year while fluctuations have occurred at private facilities, seemingly due largely to the transfer of the women's population from private to public facilities.

FY17 Average Release Eligible Inmate Count per Facility			
Facility	1st Quarter	2nd Quarter	3rd Quarter
<b>Public</b>			
Penitentiary of New Mexico	17	18	24
Southern NM Correctional Facility	23	22	21
Western NM Correctional Facility*	2	8	10
Central NM Correctional Facility	29	18	25
Roswell Correctional Center	10	11	15
Springer Correctional Center*	0	20	22
<b>Public Facility Average Total:</b>	<b>81</b>	<b>96</b>	<b>117</b>
<b>Public Facility Percent Change:</b>	<b>-</b>	<b>20%</b>	<b>22%</b>
<b>Private</b>			
Guadalupe County Correctional Facility	8	6	6
Lea County Correctional Facility	15	13	19
Northeast NM Correctional Facility	4	6	9
Otero County Prison Facility	25	24	24
Northwest NM Correctional Facility*	27	7	13
<b>Private Facility Average Total:</b>	<b>79</b>	<b>56</b>	<b>70</b>
<b>Private Facility Percent Change:</b>	<b>-</b>	<b>-29%</b>	<b>25%</b>
<b>Overall Average Total:</b>	<b>159</b>	<b>152</b>	<b>188</b>
<b>Overall Percent Change:</b>	<b>-</b>	<b>-4%</b>	<b>23%</b>

Source: Corrections Department

\* Western NM Correctional Facility and Springer Correctional Center became women's prisons in the 2nd Quarter of FY17. Previously, all women were housed at the Northwest NM Correctional Facility, now a men's prison.





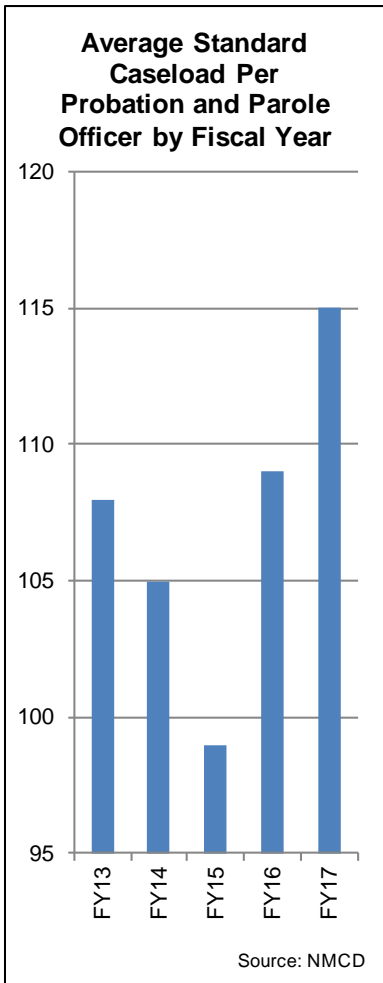
## PERFORMANCE REPORT CARD

New Mexico Corrections Department  
Third Quarter, Fiscal Year 2017

A 2012 LFC program evaluation found resolving approximately 40 percent of the issues causing release eligible inmates could save an estimated \$4 million per year.

About 49 percent of the prison population is held at state facilities with the remainder in private facilities. Many inmates are difficult to place, especially sex offenders. To stymie climbing REI rates and create more resources for hard to place inmates, efforts should focus on treating nonviolent inmates outside of prison, creating more transitional living opportunities, and addressing administrative inefficiencies that cause delays.

NMCD experienced a spike in inmate-on-inmate assaults this quarter. NMCD explained 20 percent of recent urinalysis tests were positive for drugs use, an all time high, and stated reduced segregation and increased drug presence contributed to the spike.



Inmate Management and Control		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$296,932.6 FTE: 1,837								
1	Participating inmates who have completed adult basic education	34%	52%	40%	55%	57%	62%	G
2	Inmate-on-inmate assaults with serious injury	13	21	10	1	1	9	R
3	Inmate-on-staff assaults with serious injury	2	9	4	1	0	2	Y
4	Escapes from a private facility	0	0	0	0	0	0	G
5	Release eligible female inmates incarcerated past their scheduled release date	13%	10%	10%	7%	9%	7%	Y
6	Release eligible male inmates incarcerated past their scheduled release date	NEW	9%	10%	10%	9%	9%	Y
7	Standard healthcare requirements met by medical contract vendor	90.5%	97.1%	100%	95%	92%	96%	Y
8	Eligible inmates who earn a general educational development certificate	64%	76%	75%	No report	No report	No report	R
9	Prisoners reincarcerated into the corrections department system within thirty-six months due to new charges or pending charges	23%	21%	20%	21%	22%	21%	Y
10	Residential drug abuse program graduates reincarcerated within thirty-six months of release	1.9%	47%	10%	No report	No report	No report	R
Program Rating		Y	G					Y

### Community Offender Management

NMCD data shows hepatitis C costs fell from an FY16 average of \$88.5 thousand per patient to \$68.8 thousand in FY17 as a result of competitive market pricing and having treated all highest acuity patients. Year to date, the department has treated 29 patients and plans to treat between 35 and 40 in total.

The percent of absconders apprehended has fallen over the fiscal year due to vacancies and high caseloads. On average, an investigator in the Security Threat Intelligence Unit has a caseload of 104 offenders – there are currently about 1,700 absconders statewide.

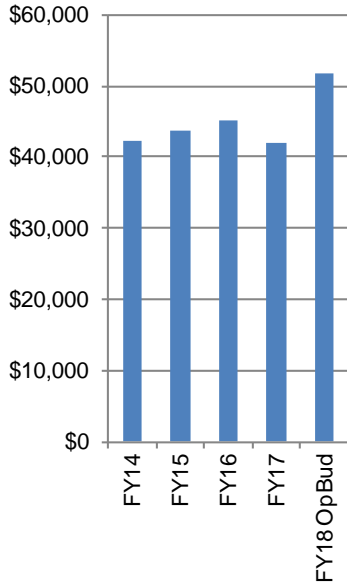
Community Offender Management		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$33,380.9 FTE: 376								
11	Out-of-office contacts per month with high and extreme supervision on standard caseloads	93%	95%	95%	94%	97%	96%	G



## PERFORMANCE REPORT CARD

New Mexico Corrections Department  
Third Quarter, Fiscal Year 2017

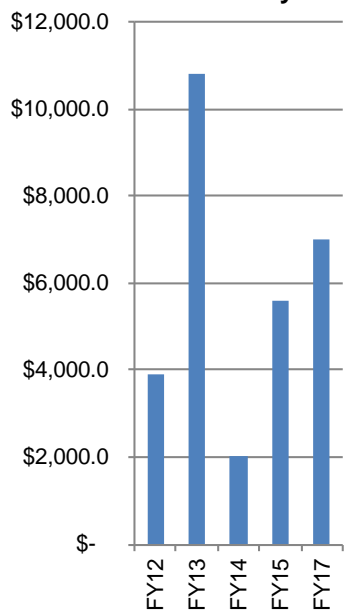
**Corrections Department  
Healthcare Contract 5  
Year History**



Source: LFC files

Last spring, the General Services Department (GSD) released the facility condition index (FCI) for NMCD facilities showing many buildings would be more expensive to repair than replace. The index shows 5 year capital needs of \$192 million.

**NMCD Capital Outlay  
Allocation History**



Source: LFC Files

12	Absconders apprehended	27%	31%	30%	30%	26%	27%	Y
13	Average standard caseload per probation and parole officer	99	109	95	112	118	115	R
14	Male offenders who graduate from the men's recovery center and are reincarcerated within thirty-six months	NEW	95%	25%	No report	No report	No report	R
Program Rating		Y	Y					Y

### Program Support

As of May 1<sup>st</sup>, the probation and parole officer vacancy rate was 19 percent and correctional officers were 21 percent vacancy rate. High turnover and vacancy rates result in tired and overworked officers, a significant safety hazard. NMCD was asked to provide an explanation and monitoring plan for consistently low turnover rates compared to previous years; no data has yet been provided.

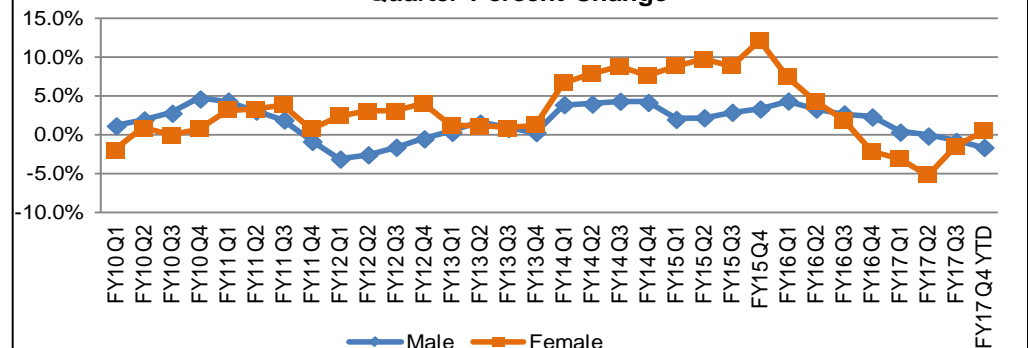
Program Support		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$13,536.4 FTE: 158								
15	Turnover of probation and parole officers	13%	10%	10%	1.7%	2.9%	3.3%	G
16	Turnover of correctional officers in public facilities	14%	13%	10%	2.3%	2.8%	3.2%	G
Program Rating		Y	Y					G

### New Mexico Corrections Department Inmate Count 3/23/2017

	Capacity	Inmate Count	Vacancy Rate
Penitentiary of New Mexico	864	777	10%
Southern New Mexico Correctional Facility	768	693	10%
Western New Mexico Women's Correctional Facility	352	328	7%
Central New Mexico Correctional Facility	1,229	965	21%
Roswell Correctional Center	340	298	12%
Springer Women's Facility	424	412	3%
<b>Total State Facility</b>	<b>3,977</b>	<b>3,473</b>	<b>13%</b>
Lea County Correctional Facility	1,284	1,237	4%
Guadalupe County Correctional Facility	601	589	2%
Northeast New Mexico Correctional Facility	637	570	11%
Otero County Prison Facility	640	579	10%
Northwest New Mexico Correctional Facility	714	666	7%
<b>Total Private Facility</b>	<b>3,876</b>	<b>3,641</b>	<b>6%</b>
<b>Total Female Population</b>	<b>776</b>	<b>740</b>	<b>5%</b>
<b>Total Male Population</b>	<b>7,077</b>	<b>6,374</b>	<b>10%</b>
<b>Total Overall Population</b>	<b>7,853</b>	<b>7,114</b>	<b>9%</b>

Source: New Mexico Corrections Department

### Corrections Department 8 Year Population, Quarter-over-Quarter Percent Change



Source: New Mexico Sentencing Commission



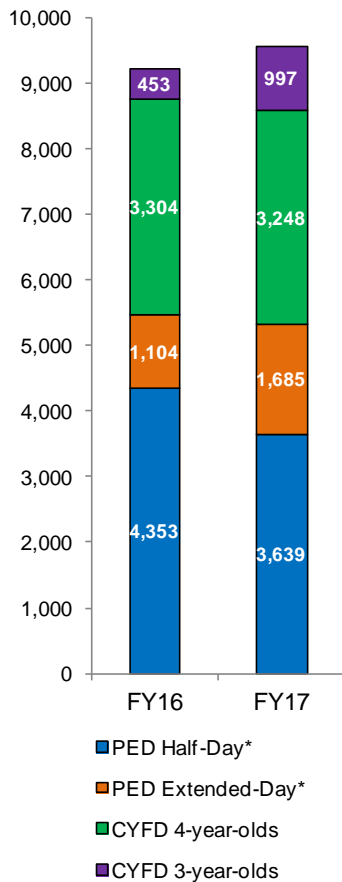
## PERFORMANCE REPORT CARD

Public Education Department  
Third Quarter, Fiscal Year 2017

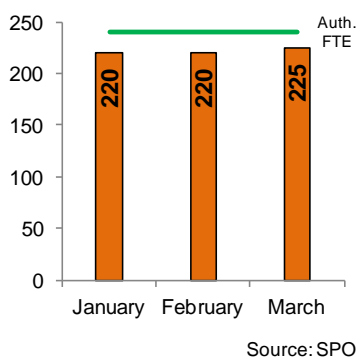
### ACTION PLAN

Submitted by agency?	Yes
Timeline assigned?	Yes
Responsibility assigned?	Yes

### Prekindergarten Children Served



### PED Filled Positions



### Public Education

The Public Education Department (PED) is focused on the following five strategic imperatives: expect a smarter return on New Mexico's investment; require real accountability for real results; ensure our students are ready for success; reward effective educators and leaders; and provide effective options for parents.

### Public Education Department

PED is on track to meet most performance targets for FY17. The department stayed on target in processing school district budget adjustment requests (BAR) for state and federal grants, taking nine days on average to process federal BARs and three days on average to process state BARs in the third quarter. Processing time affects cash flow for many school districts and charter schools, especially those with small cash balances. Additionally, of the 566 teachers who submitted their dossiers in the third quarter, over 85 percent passed on the first submission.

Public Education Dept.		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$11,065.3								
FTE: 240.8								
1	Teachers passing all strands of professional dossiers on the first submittal	76%	78%	80%	86.7%	84%	85.3%	G
2	Annual data validation audits of funding formula components	13	6	35	1	11	8	R
3	Average days to process federal reimbursements to grantees	26	34	24	42	16	21	G
4	Eligible children served in state-funded prekindergarten	8,604	8,761	N/A	8,496	8,496	8,572	G
Program Rating		Y	Y					G

PED conducted eight local education agency data validation audits of funding formula components and program compliance in the third quarter. These audits ensure equitable distribution of the state equalization guarantee and other categorical grant funding. Although the completion of 20 audits is a significant improvement—exceeding total completed audits in FY15 and FY16 combined—the department is still tracking below the annual target of 35 audits.

The total number of eligible children served in prekindergarten increased slightly (by 76 participants) in the third quarter but remained lower than FY15 and FY16 levels. PED reported the number of four-year-old children switching from half-day to extended-day programs increased from 1,346 to 1,685 participants in the third quarter. The overall number of children served has decreased as more children move to extended-day programs. In FY16, PED served 1,104 children in extended day programs. PED submitted a \$1.2 million BAR using funds from the public prekindergarten fund in the second quarter of FY17 to convert half-day slots to extended-day slots.

According to the State Personnel Office organizational listing report, PED averaged 221.7 filled FTE in the third quarter, resulting in a 7.9 percent agency vacancy rate. This is based on 240.8 FTE authorized in the General Appropriation Act of 2016; however, PED budgeted 275.2 FTE in its FY18 operating budget, 34.4 more FTE than authorized in the General Appropriation Act of 2017.

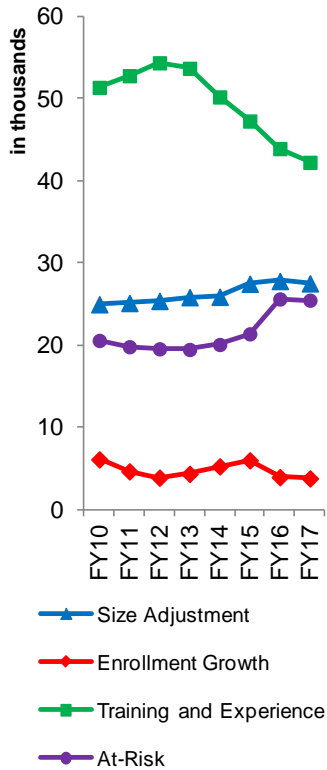




## PERFORMANCE REPORT CARD

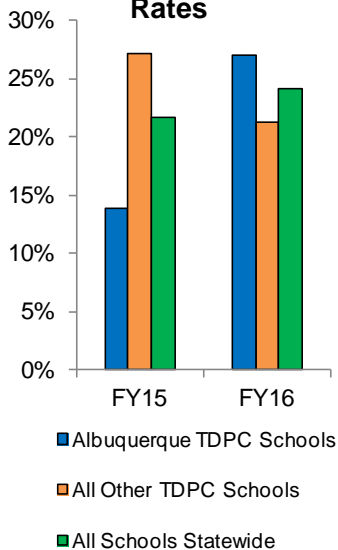
Public Education Department  
Third Quarter, Fiscal Year 2017

### Program Units Generated



Source: PED

### Habitual Truancy Rates

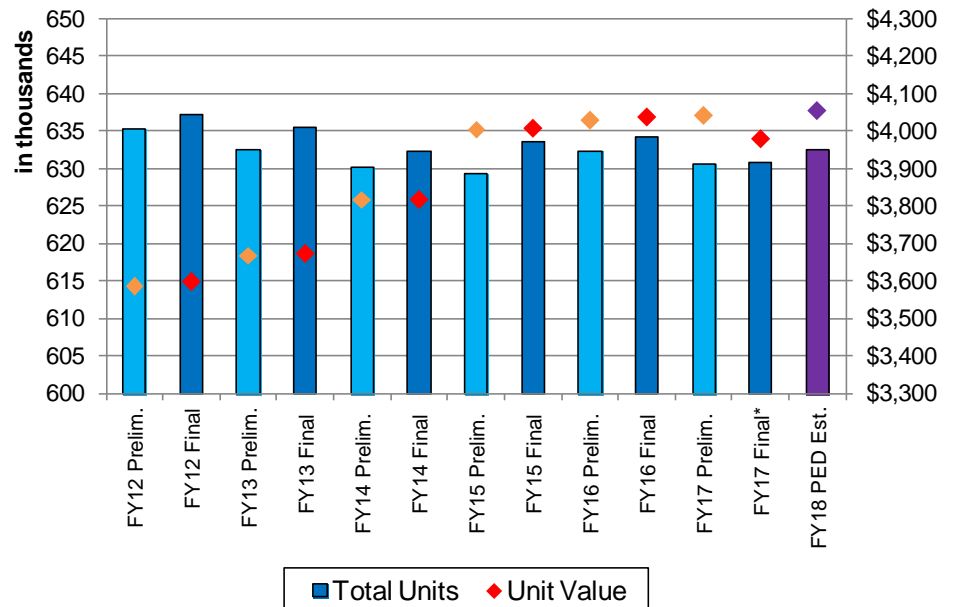


Source: PED

### Public School Funding Formula

At the 2017 spring budget workshop, PED announced the FY18 preliminary unit value to be \$4,053.55, a \$73.92 or 1.9 percent increase from the FY17 final unit value of \$3,979.63. Compared with the FY17 preliminary unit value of \$4,040.24; however, this only represents a \$13.31 or 0.3 percent increase in FY18. According to the 2016 80th day count, PED reported total program units decreased by 1,984 units—mostly attributed to fewer special education, bilingual, training and experience, size adjustment, enrollment growth, at-risk, and new charter school units being generated. In April, PED set the preliminary FY18 unit value based on a projected increase of 1,439 units, contrary to the declining trend from the 80th day count. As such, PED's total unit estimate for FY18 may be too high, making a potential increase in the final FY18 unit value likely.

### Total Units and Unit Value History



\*FY17 unit value was reduced 1.5 percent in Laws 2016, 2nd S.S., Chapter 6.  
Source: PED

### Truancy and Dropout Prevention

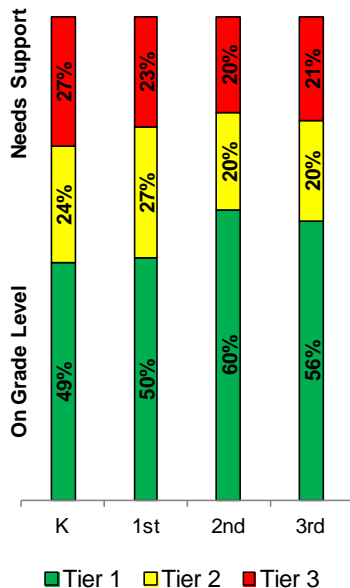
Habitual truancy and absenteeism contribute to lost time in the classroom, which can lead to lower academic achievement and higher dropout rates. According to PED, average statewide habitual truancy rates have fluctuated around 15 percent in the past few years. In FY16, PED allocated \$3 million to support its truancy and dropout prevention coaches (TDPC) program and pay for coach salaries at 42 school sites. Between FY15 and FY16, habitual truancy rates at the 12 Albuquerque Public Schools sites with TDPC programs increased from 14 percent to 27 percent; however, habitual truancy rates for all other school sites with TDPC programs in the state saw an overall decrease, from 27 percent to 21 percent. Statewide, schools experienced an average increase in habitual truancy rates from 22 percent to 24 percent between FY15 and FY16. For FY17, PED allocated \$3.6 million to 25 school districts and six state-chartered charter schools for coach salaries.



## PERFORMANCE REPORT CARD

Public Education Department  
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### Q3 Istation Performance

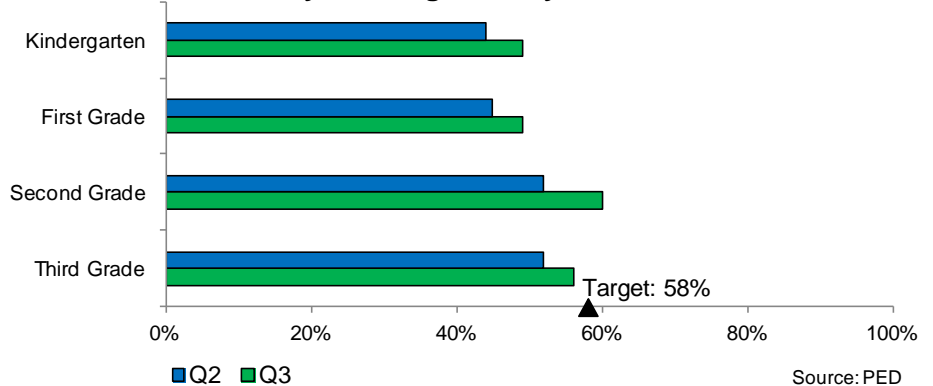


Source: PED

### Early Literacy

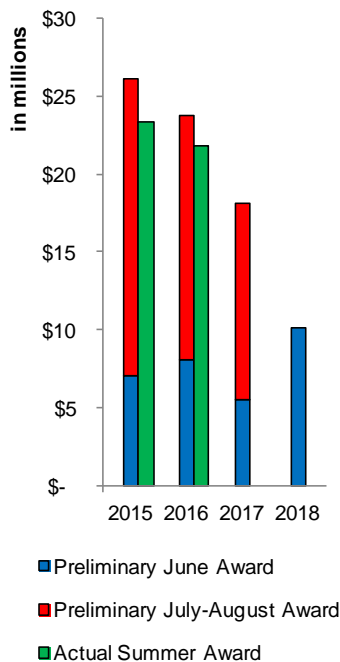
Beginning in FY17, students in grades K-3 were assessed using Istation, a platform for testing reading fluency. Istation replaced DIBELS, the kindergarten through third-grade literacy assessment, which PED reported would result in a \$1.3 million savings. Out of the 101 thousand students tested in the third quarter, about 49 percent tested at Tier 1 (performing at grade level). This represented an overall improvement from the second quarter, where 44 percent of students tested at Tier 1; however, only second grade students met the performance target of 58 percent in the third quarter.

### Early Reading Fluency Growth



Source: PED

### Preliminary and Actual K-3 Plus Summer Awards



Source: PED

In late April, PED notified superintendents and charter school administrators that all summer 2017 K-3 Plus program awards would be reduced by 15 percent (based on a three year average of funded enrollment) and planning days would be shifted from a full-day to half-day so funding could be maximized for classrooms and students. According to PED, “distributions to schools were right-sized based on increasing demand and available funding—by 15% based on past allotments or their current application (whichever was lower). Districts and charters participating in the program can use other funds, such as Title I, to meet enrollment projections.”

PED notes FY17 funding was not sufficient to fully fund June 2017 K-3 Plus programs, and applications for new programs in June were denied. Additionally, school districts and charter schools were asked to move their programs further into July to allow for more FY18 funding to June programs. Laws 2017, Chapter 2 (Senate Bill 113), reduced appropriations to PED special “below-the-line” appropriations by \$8 million. In response, the department reduced \$1.1 million from the K-3 Plus Fund, but later supplanted this reduction with \$509.1 thousand from the early reading initiative and \$430.9 thousand from interventions and supports. PED indicated this cut to the program hampered their ability to fund June programming requests.

It should also be noted that Laws 2017, Chapter 19 (Senate Bill 32), amended the Public School Code to adjust K-3 Plus eligibility requirements. The bill expanded eligibility to elementary schools that served specific grade levels between kindergarten and third grade. Additionally, the bill included new language requiring PED to prioritize funding to school districts and charter schools that kept K-3 participants with the same teacher and cohort of students during the regular school year.



## PERFORMANCE REPORT CARD

Public Education Department  
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### New K-3 Plus Funded Program Sites

PED funded new sites for programs that start in July 2017 at:

- Clovis Municipal Schools
- Mesa Vista Consolidated Schools
- Zuni Public Schools
- Taos International School (state charter)

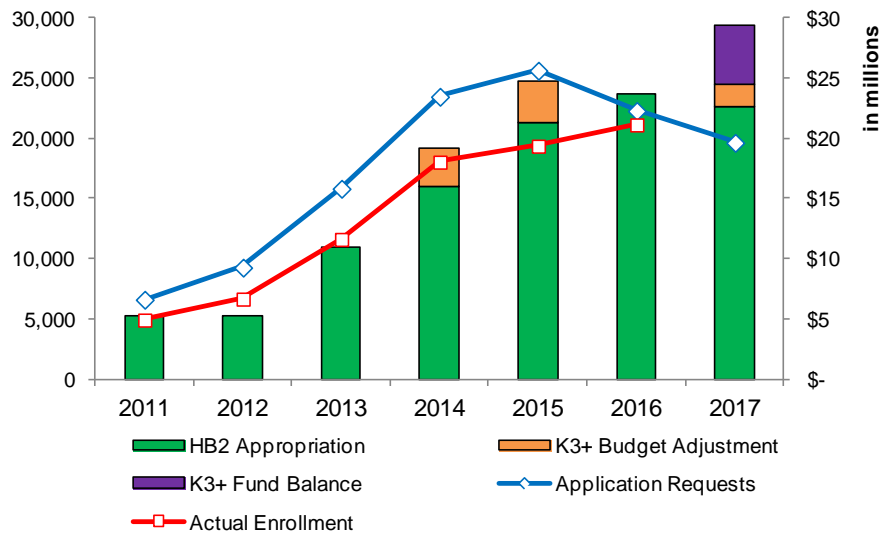
Silver Consolidated Schools applied for a new program but decided to defer implementation.

The following districts requested additional eligible program sites for June 2017 that would not be funded by state dollars:

- Alamogordo Public Schools
- Albuquerque Public Schools
- Bernalillo Public Schools
- Carlsbad Municipal Schools
- Central Consolidated Schools
- Deming Public Schools
- Gadsden Independent Schools
- Gallup-McKinley County Schools
- Grants/Cibola County Schools
- Rio Rancho Public Schools

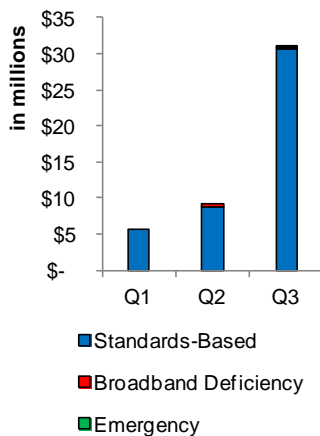
According to PED, Albuquerque Public Schools added 10 new schools with a total enrollment of 625 participants in its K-3 Plus application—of which seven never garnered PED approval in 2016, and three were new programs. In Deming Public Schools' application, the district projected 903 participants in the application, including Columbus Elementary School which had a projected K-3 Plus enrollment of 385 participants in 2016. Because Columbus Elementary School received a C school grade in 2016 and maintained a 77 percent free or reduced fee lunch rate, the school was deemed ineligible for K-3 Plus funding. As a result, both districts received a significant reduction in K-3 Plus slots and funding.

### K-3 Plus Summer Funding and Enrollment



Source: PED and LFC Files

### PSCOC Awards



Source: PSFA

Given an estimated \$4.8 million fund balance in the K-3 Plus Fund and increased demand projected for K-3 Plus programs, PED should consider less stringent enrollment caps for school districts and charter schools looking to add summer 2017 programs. However, expanding the program may require future increases to the K-3 Plus Fund appropriation, which has remained relatively flat since FY15.

### Public School Capital Outlay

During the third quarter, the Public School Capital Outlay Council (PSCOC) awarded \$30.9 million in out-of-cycle and emergency awards for standards-based construction projects and broadband deficiency correction. PSCOC began the systems-based project awards process and received nine pre-applications from seven school districts totaling \$23.6 million. Given the low initial application rate, PSCOC is considering expanding eligibility requirements to encourage more schools to apply. Systems-based project awards are designed to fund initiatives that extend an existing building's life rather than create new construction and design projects.



#### FY18 Performance Measures

During the 2016 interim, LFC staff and Department of Finance and Administration (DFA) staff came to consensus on a new set of performance measures for higher education institutions. The measures contain six measures consistent from institution to institution for better comparability, although targets will vary between institutions because of the different missions and populations served by each.

Future third quarter report cards will no longer contain fall-to-spring retention rates. Instead, institutions will be reporting retention rates into the third semester, similar to the current fall-to-fall retention performance measure.

#### Off-site Learning Centers and Satellite Campuses

As higher education institutions weigh cost-saving measures to maintain solvent budgets, some institutions have reevaluated off-site learning centers and satellite campuses.

In late April 2017, Western New Mexico University's Board of Regents adopted a plan that, at least for the foreseeable future, closed three learning centers in Gallup, Truth or Consequences, and Lordsburg. The university's Deming campus will continue to operate.

New Mexico State University- Dona Ana Community College is currently in the process of closing its Hatch Center. Situated adjacent to Hatch Valley High School, the 6,764 square-foot facility houses a computer lab, a light manufacturing lab, and a computer classroom.

Northern New Mexico College (NNMC) shut down its El Rito campus in 2015, but the college is pursuing options to put the campus to use by leasing it to a third party.

## Higher Education Institutions

Due to the structure of the academic year, quarterly performance reports for higher education institutions remain a challenge. For the spring data submissions, institutions provide one data point – retention rates. The rates reported below vary between four-year institutions and two-year institutions. Four-year institutions report the fall-to-spring retention rates, whereas two-year institutions report fall-to-fall rates. LFC staff continue to work with institutions to find measures that can be reported on a quarterly basis that provide a snapshot of higher education performance in New Mexico.

### Four-Year Institutions

Fall-to-spring retention rates at New Mexico's four-year institutions are not mandatory performance measures under the Accountability in Government Act. As such, targets for this measure are set by the institutions. Nonetheless, these retention rates provide insight into institutional performance in financial aid support, academic advising and support, and how well the college or university is orienting its students to college life in general. Among four-year institutions, both fall-to-fall and fall-to-spring retention rates are a strong predictor of six-year completion rates.

All research institutions experienced gains in their fall-to-spring retention rates compared with at least one of the previous two cohorts, with only one institution not meeting its target – NMSU. The university reports it has employed several measures to improve retention, including a pathway for students who may not be ready for university coursework to transition to NMSU through its affiliated community college as well as "intrusive mentoring" for first-year students. NM Tech came close enough to its goal to be given a rating of **G**.

Measure: First-Time, Full-Time Freshman Fall-to-Spring Retention	Fall 2014 to Spring 2015 Actual	Fall 2015 to Spring 2016 Actual	Fall 2016 to Spring 2017 Target	Fall 2016 to Spring 2017 Actual	Rating
New Mexico Institute of Mining and Technology (NM Tech)	90.5%	88.5%	90.0%	89.7%	<b>G</b>
New Mexico State University (NMSU)	86.0%	86.1%	88.2%	87.5%	<b>Y</b>
University of New Mexico (UNM)	90.6%	91.4%	91.0%	91.0%	<b>G</b>
Program Rating					<b>G</b>

Comprehensive institutions demonstrated mixed results. WNMU saw a marked improvement, coming within less than one student of its goal, while NMHU and NNMC both missed their goals and saw declines in retention compared with the previous two cohorts. ENMU demonstrated consistent results, but still missed its target.

To improve retention, NMHU indicates it is using models developed by retention consulting firm Ruffalo Noel Levitz to target specific student populations. NNMC reports, among other efforts, the college is engaging deans, department chairs, and



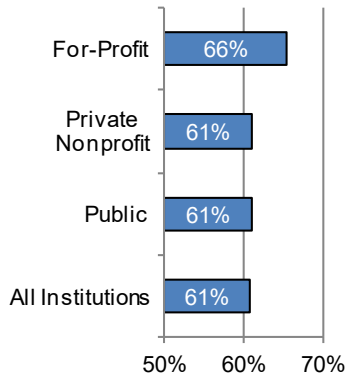
## PERFORMANCE REPORT CARD

### Higher Education

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faculty in curriculum review to streamline curricula and make it more efficient by redesigning bottleneck courses.

#### Community College Nationwide Retention



Note: First-time, full-time undergraduates who returned to the institutions to continue their studies the following fall (2014 cohort).

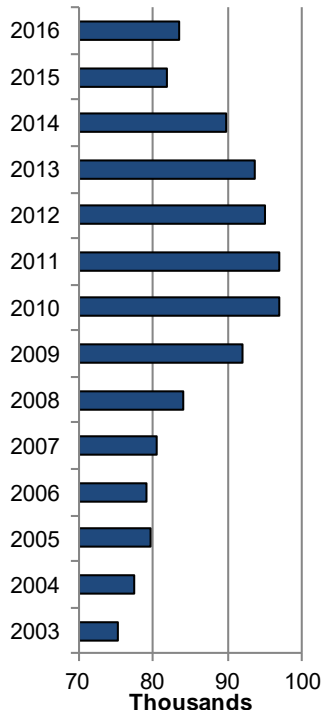
Source: NCES

Measure: First-Time, Full-Time Freshman Fall-to-Spring Retention	Fall 2014 to Spring 2015 Actual	Fall 2015 to Spring 2016 Actual	Fall 2016 to Spring 2017 Target	Fall 2016 to Spring 2017 Actual	Rating
Eastern New Mexico University (ENMU)	81.8%	79.4%	84%	81.5%	Y
New Mexico Highlands University (NMHU)	77.5%	74.8%	78.0%	72.1%	R
Northern New Mexico College (NNMC)	81.3%	80.2%	80.0%	78.0%	R
Western New Mexico University (WNMU)	75.6%	76.3%	81.5%	81.3%	G
Program Rating					Y

#### Community Colleges

Community colleges continue to experience significant variance in fall-to-fall retention rates, with only six colleges exceeding the most recently available national community college retention rate for public institutions of 61 percent. Programs that exceeded targets were given a rating of **Y** if they did not retain students above the national rate. As with four-year institutions, community college targets for spring performance measures are not determined through consensus between DFA and LFC. Instead, retention targets are set solely by the institutions. In addition, while four-year institutions report fall-to-spring retention rates each spring, two-year colleges report prior-year fall-to-fall retention rates in the spring.

#### Fall FTE Student Enrollment



Source: HED

Measure: First-Time, Full-Time Freshman Fall-to-Fall Retention	Fall 2013 to Fall 2014 Actual	Fall 2014 to Fall 2015 Actual	Fall 2015 to Fall 2016 Target	Fall 2015 to Fall 2016 Actual	Rating
ENMU-Roswell (ENMU-RO)	60.4%	58.2%	53.0%	55.9%	Y
ENMU-Ruidoso (ENMU-RU)	47.9%	34.6%	43.5%	29.7%	R
NMSU-Alamogordo (NMSU-A)	48.9%	50.3%	54.0%	56.5%	Y
NMSU-Carlsbad (NMSU-C)	42.5%	54.6%	47.0%	54.7%	Y
NMSU-Dona Ana Community College (NMSU-DACC)	60.5%	64.5%	64.8%	60.3%	Y
NMSU-Grants (NMSU-G)	43.5%	53.1%	50.0%	48.9%	Y
UNM-Gallup (UNM-G)	59.2%	63.0%	57.5%	59.4%	Y
UNM-Los Alamos (UNM-LA)	58.0%	54.5%	58.0%	54.7%	Y
UNM-Taos (UNM-T)	45.9%	57.8%	49.5%	57.7%	Y
UNM-Valencia (UNM-V)	56.4%	56.9%	55.0%	62.3%	G
Clovis Community College (CCC)	52.3%	61.7%	50.0%	69.0%	G
Central New Mexico Community College (CNM)	59.1%	59.9%	60.0%	62.3%	G
Luna Community College (LCC)	42.2%	28.3%	50.0%	35.9%	R
Mesalands Community College (MCC)	70.9%	61.6%	60.0%	62.9%	G
New Mexico Junior College (NMJC)	48.2%	52.4%	65.0%	58.7%	Y
Santa Fe Community College (SFCC)	55.7%	56.5%	60.0%	50.8%	R
San Juan College (SJC)	51.8%	60.6%	55.7%	61.9%	G
Program Rating					Y





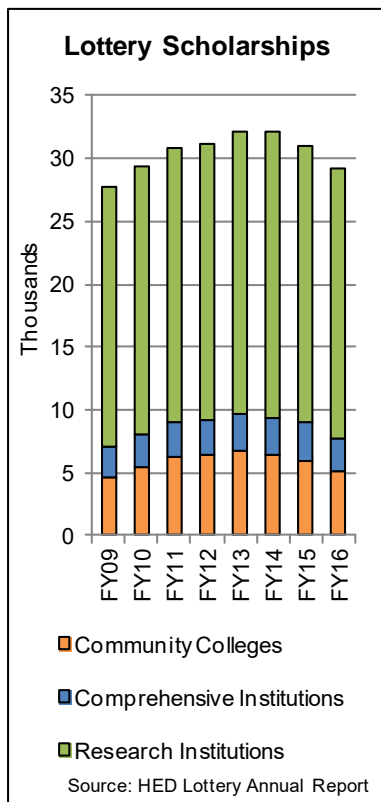
## PERFORMANCE REPORT CARD

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#### Legislative Lottery Tuition Scholarship Update

HED is required to determine a uniform percentage of tuition costs to calculate scholarships by June 1 of each year. However, because institutions do not have an approved appropriation from the state as of the writing of this report card, some institutions have delayed setting tuition rates for FY18. As a result, determining the uniform percentage of tuition covered by the Legislative Lottery Tuition Scholarship may present a challenge for the department as it prepares for FY18.



As of April 2017, the New Mexico Lottery Authority has deposited \$31.7 million in the lottery tuition fund, which is \$7.6 million, or 19.4 percent, lower than year-to-date deposits for the same time period in FY16. Current estimates suggest the scholarship will cover 60 percent of tuition in FY18. HED is scheduled to announce scholarship details on June 1, 2017.

A majority of community colleges remain below the national fall-to-fall retention rate. ENMU-RU continues to decline in this area, dropping double digits in the last two years. ENMU-RU indicates human and fiscal resources will be aligned and allocated to address areas of deficiencies, and the institution plans to actively recruit paraprofessional tutors, mandate tutoring for all students who place into developmental courses, develop a co-curricular course to support students in gateway courses, support high school equivalency credential transfer with a college preparedness course, and realign student services to better meet student needs.

LCC reported the second lowest retention rate for the fall 2015 cohort. The college attributes this to a “[s]ignificant number of students not prepared for college” and “[e]conomic difficulties in the service area.” The college reports it is working toward improving advisement strategies and tutoring services for students who are not prepared for college. LCC states the college has an early alert program, an improved advisement plan, and program maps to guide students to completion. LCC also notes it is working to minimize course cancellations through use of these program maps.

## Higher Education Department

### Policy Development and Institutional Financial Oversight

The Higher Education Department’s (HED) adult education program improved in the third quarter in terms of adults obtaining both the high school equivalency credential and employment. HED has previously noted these measures vary significantly from quarter to quarter due to the timing of high school equivalency test administration and adult education academic schedules.

Policy Development and Institutional Financial Oversight		FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$22,486.6 FTE: 49.0							
1	Eligible adult education students who earn the high school equivalency credential	82.4%	76.0%	75.0%	78.0%	81.3%	G
2	Unemployed adult education students obtaining employment	39.4%	42.0%	14.5%	18.0%	33.8%	G
Program Rating							G

### Student Financial Aid

Students taking advantage of the loan-for-service programs are allotted a deferment period before they must report their employment activities. As a result, the department indicates the data reported for this measure is artificially low. In previous years, year-end results indicated significant improvement in the fourth quarter for loan-for-service graduates who meet the requirements of the program.

Student Financial Aid		FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$84,680.3 FTE: 0							
3	Students who receive state loan for service funding who provide service after graduation	95%	95%	66%	66%	66%	Y





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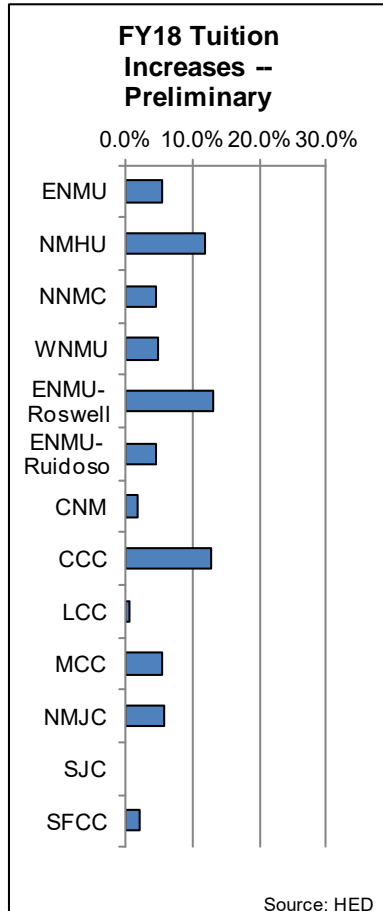
### Higher Education

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### Institutions to Watch

Several New Mexico institutions are facing challenges worth noting:

- Nursing programs at Santa Fe Community College and Doña Ana Community College were unable to enroll new students after the New Mexico Board of Nursing placed the programs on conditional status. The board later voted to upgrade the programs' statuses to "full approval with warning."
- In April, the 4<sup>th</sup> Judicial District Attorney's office confirmed it was working with the Attorney General on an investigation surrounding Luna Community College's hiring practices and financial controls. The college had been previously placed on an enhanced fiscal oversight program by the Higher Education Department for similar concerns.
- In fall 2016, New Mexico Highlands University (NMHU) was placed on probation by its accrediting body, the Higher Learning Commission (HLC). NMHU has until November 1, 2017 to file an "assurance filing" providing evidence the university has resolved HLC's concerns. The university will then host a comprehensive evaluation no later than December 2017 to determine whether corrective actions have resolved issues noted by HLC. The HLC board will meet in June 2018 to review materials from NMHU and determine whether to remove the university from probation.
- Northern New Mexico College is working to improve financial controls after an employee allegedly stole about \$200 thousand from the college. The college's 2016 audit found several issues related to inventory management, compliance with travel and per diem statutes, noncompliance with the Government Conduct Act, and multiple procurement violations. The college will have an opportunity to address these issues as it works to replace its current vice president for finance, who retires effective June 30, 2017.



Note: The University of New Mexico and New Mexico State University have not yet set tuition rates for FY18.



## PERFORMANCE REPORT CARD

Energy, Minerals and Natural Resources Department  
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### ACTION PLAN

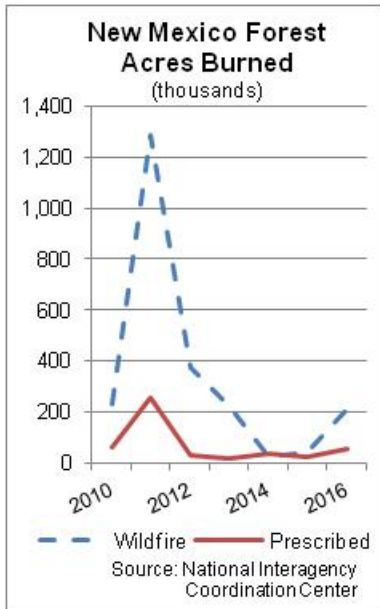
Submitted by agency? Yes  
Timeline assigned? Yes  
Responsibility assigned? Yes

## Energy, Minerals and Natural Resources Department

In addition to beginning new initiatives, such as the state energy roadmap and implementation plan and establishing a statewide parks friends group, the agency reported substantial progress toward most annual performance targets at the end of the third quarter.

### Healthy Forests

State Forestry has treated less than half of the annual target, with heavy snow impeding activity over the winter months and leading to the lowest level of activity in a third quarter, and the third lowest of any quarter, in at least the last eight years. However, the agency's efforts to train firefighters and provide financial assistance to at-risk communities are projected to improve over prior years.

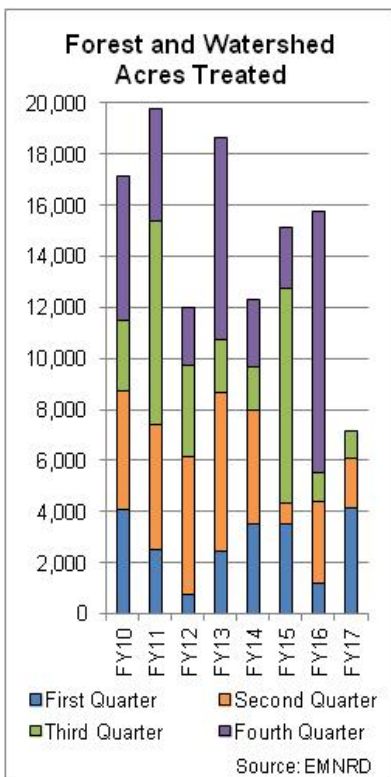


Healthy Forests		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$14,517.2 FTE: 80								
1	Nonfederal wildland firefighters provided professional and technical incident command system training.	1,627	1,625	1,650	74	38	1,042	G
2	Acres treated in New Mexico's forest and watersheds.	15,762	15,142	15,500	4,158	1,943	1,025	R
3	At-risk communities or local fire departments provided funding for wildland firefighting equipment or training.	126	112	110	51	10	68	G
Program Rating		Y	Y					G

### State Parks

In FY16, state parks saw a significant rise in visitation and generated nearly 45 percent of operating revenues, an increase over the 41 percent achieved in FY15. With slightly reduced visitation in each quarter of FY17 compared to FY16, there will likely be fewer visitors than last year. However, the agency is on track to exceed the annual target. Program offerings at parks are on pace to decline for the second consecutive year, after falling by nearly half from FY15 to FY16. Per visitor revenue declined slightly from the second quarter to the third quarter but is also above prior year performance, averaging \$0.89 to date in FY17.

The State Parks Division (SPD) plans to establish a statewide "friends group" to help organize and then coordinate with local groups to support park operations. In FY18, the agency will begin to report on the effectiveness and value of such efforts through a new performance measure, number of volunteer hours. SPD recently noted volunteers and friends groups are the "lifblood of state parks" in a press release announcing the newly established Friends of Navajo Lake State Park which would like to plan a holiday fireworks display, provide guided tours, and hold fundraisers for the park such as selling merchandise and firewood.



State Parks		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$26,606.5 FTE: 245								
4	Millions of visitors to state parks	4.7	5.5	4.3	1.7	0.6	0.6	G
5	Self-generated revenue per visitor	\$0.87	\$0.81	\$0.96	\$0.91	\$0.88	\$0.86	G



## PERFORMANCE REPORT CARD

Energy, Minerals and Natural Resources Department  
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6	Interpretive programs available to park visitors	2,562	1,312	2,000	459	182	191	<span style="background-color: red; color: white;">R</span>
Program Rating		<span style="background-color: green; color: white;">G</span>	<span style="background-color: yellow; color: black;">Y</span>					<span style="background-color: yellow; color: black;">Y</span>

### Mine Reclamation

The program continued to meet inspection requirements in the third quarter and reduced the number of mines without adequate financial assurance to one. Three Freeport McMoran (FMI) mines came back into compliance when the agency received modifications to the financial assurances, reducing third-party guarantees and increasing the value of trust agreements. Two Peabody Energy mines are in Chapter 11 bankruptcy protection and the court issued an order covering financial assurance modifications during the first quarter. The agency is working with the Attorney General's Office to ensure New Mexico is properly represented during the bankruptcy process. Peabody is working with the agency to reduce required financial assurance through active reclamation and submitting bond release applications.

Mine Reclamation		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$8,181.3 FTE: 34								
7	Permitted mines with approved reclamation plans and adequate financial assurance posted to cover the cost of reclamation.	99%	96%	100%	96%	96%	99%	<span style="background-color: green; color: white;">G</span>
Program Rating		<span style="background-color: green; color: white;">G</span>	<span style="background-color: yellow; color: black;">Y</span>					<span style="background-color: green; color: white;">G</span>

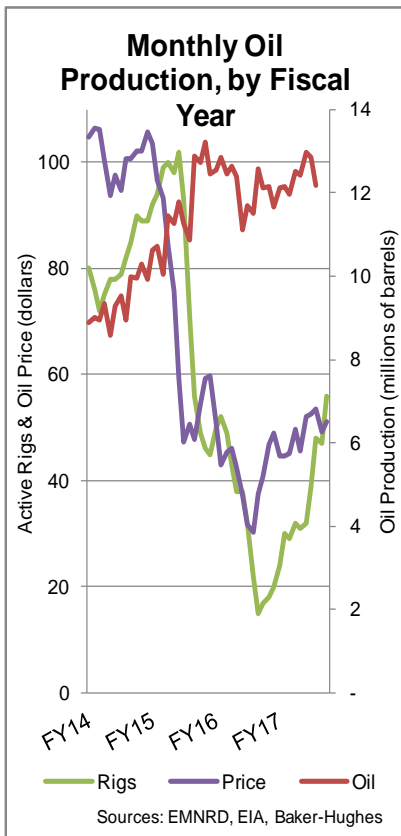
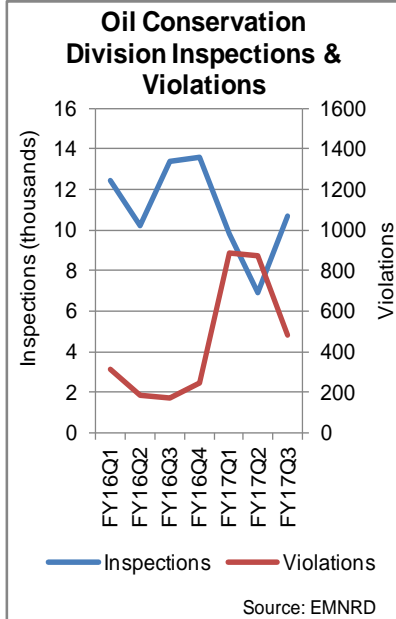
### Oil and Gas Conservation

Although the number of third quarter violations declined by nearly half compared with the first two quarters, this was an increase of more than 300 violations from the same period last year. The agency partially attributes this increase to the requirement that underground injection and disposal wells be tested every five years, and a violation is issued if the well fails a "mechanical integrity test" or if the operator fails to show up for the testing. The number of inspections increased significantly in the third quarter, and the agency continues to process nearly all drilling applications timely. The rate of inspections resulting in violations declined to 4.5 percent in the third quarter – lowering the year-to-date figure to 8.2 percent – but is still much higher than the 1.8 percent reported for all of FY16.

OCD had been waiting on General Services Department approval of a new four-year plugging contract, which stopped activity in the second quarter. However, 10 wells were plugged in the third quarter and improved weather conditions should allow the agency to meet the annual target of 30 wells plugged.

Oil and Gas Conservation		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$11,236.2 FTE: 70								
8	Inspections of oil and gas facilities, in thousands	47.5	49.6	40.0	9.8	6.9	10.7	<span style="background-color: green; color: white;">G</span>
9	Application to drill permits approved within 10 business days	90%	85%	85%	91%	99%	97%	<span style="background-color: green; color: white;">G</span>
10	Abandoned oil and gas wells properly plugged	31	36	30	7	0	10	<span style="background-color: green; color: white;">G</span>
11*	Violations issued	N/A	912	N/A	884	874	483	<span style="background-color: black; color: white;">↑</span>
Program Rating		<span style="background-color: green; color: white;">G</span>	<span style="background-color: yellow; color: black;">Y</span>					<span style="background-color: green; color: white;">G</span>

\*Measure 11 is classified as explanatory, meaning it is provided for informational purposes and does not have a target. The rating indicates an increase over the 173 violations issued in the third quarter of FY16.



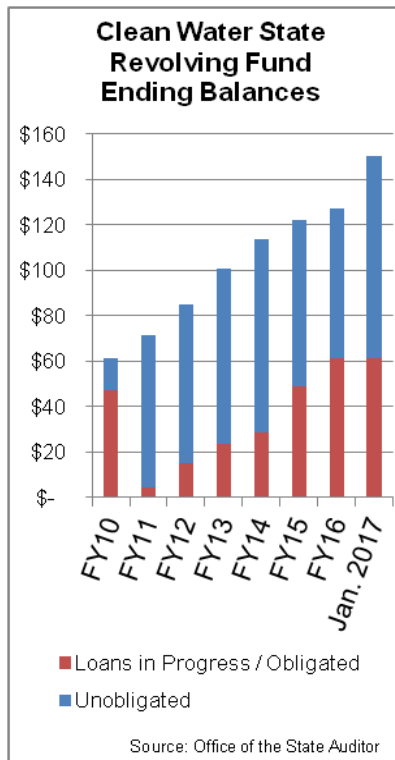


## PERFORMANCE REPORT CARD

Department of Environment  
Third Quarter, Fiscal Year 2017

### ACTION PLAN

Submitted by agency? No  
Timeline assigned? No  
Responsibility assigned? Yes



Over 50 thousand New Mexicans receive drinking water from systems that do not comply with health-based standards. In Flint, Michigan, five percent of the children screened had elevated levels of lead in their blood. In New Mexico between 2006 and 2015, those numbers were even higher in 29 communities, including:

- Chama (12.7 percent)
- Cloudcroft (13.3)
- Cuba/Navajo Nation (10.5)
- Hurley (10.1)
- Lordsburg (14.0)
- Melrose (12.5)
- Navajo/Navajo Nation (13.1)
- Navajo City/Navajo Nation (22.2)
- Sapello (11.8)
- Tierra Amarilla (8.9)
- Truth or Consequences (8.7)
- Williamsburg (11.1)

### Department of Environment

The Department of Environment (NMED) reports mixed results in third quarter performance. As expected, NMED reports a significant increase in awards from its revolving loan funds in the third quarter and statewide air quality has met the annual target in each of the first three quarters. While groundwater facility inspections – on track to fall short of the target – increased in the third quarter, they also found reduced compliance with groundwater standards.

#### Water Protection

While the agency increased the amount of loans and grants issued in the third quarter, it reported an unobligated balance of approximately \$90 million in the clean water state revolving fund (CWSRF) during the 2017 legislative session. The agency reduced CWSRF interest rates in April 2017 to make loans more affordable and attractive to communities and to match rates from the rural infrastructure program, and adjusted the basis of hardship rates from household income to per capita income. Solvency efforts have swept \$9 million from the rural infrastructure fund to the general fund since the 2016 legislative session.

Of the \$52.2 million of 2014 “year of water” capital outlay appropriations for local projects overseen by NMED, \$18.3 million remains unspent. Almost half of the 120 projects overseen by NMED are complete, nine projects totaling \$6.7 million are yet to begin spending, and 18 projects that received just over \$1 million were de-authorized during the special legislative session in 2016.

Water Protection		FY15	FY16	FY17	Q1	Q2	Q3	Rating
Budget: \$30,689.1 FTE: 190.5		Actual	Actual	Target				
1	Groundwater discharge permitted facilities inspected	53%	65%	60%	9%	21%	37%	<span style="background-color: red; color: white;">R</span>
2	Permitted facilities where monitoring results demonstrate compliance with groundwater standards	66%	63%	70%	63%	64%	57%	<span style="background-color: red; color: white;">R</span>
3	Population served by community water systems that receive drinking water meeting health-based standards	99%	98%	100%	97%	97%	97%	<span style="background-color: yellow; color: black;">Y</span>
4	Amount of new grants/loans made from the clean water state revolving fund program and the rural infrastructure revolving loan program, in millions	\$27.4	\$30.7	\$20.0	\$0.8	\$3.9	\$6.4	<span style="background-color: green; color: white;">G</span>
Program Rating		<span style="background-color: yellow; color: black;">Y</span>	<span style="background-color: yellow; color: black;">Y</span>					<span style="background-color: yellow; color: black;">Y</span>

#### Resource Protection

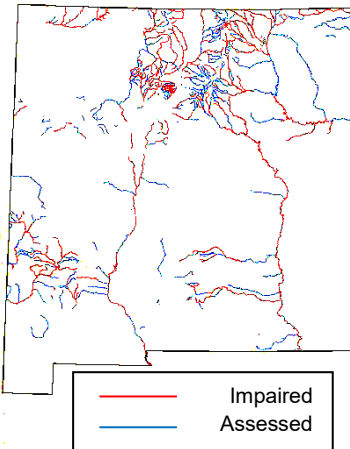
The reported figure for underground storage tank compliance continues to be higher than previously reported. NMED provided additional information confirming compliance exceeding the performance target. However, this target was based on the misreported prior year performance levels and will need to be adjusted in future years to reflect actual data.



## PERFORMANCE REPORT CARD

Department of Environment  
Third Quarter, Fiscal Year 2017

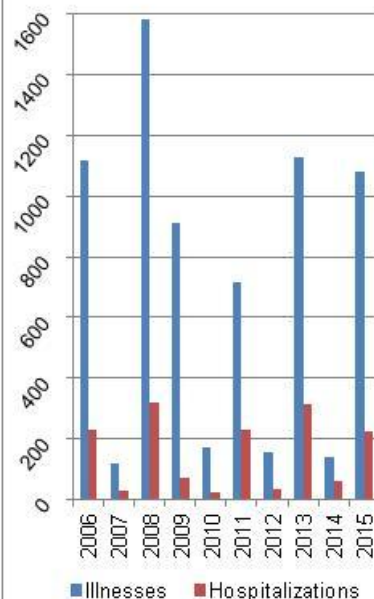
### New Mexico River and Stream Impairment, 2016



Source: NMED

According to a recent NMED report, 53 percent of rivers and streams and 66 percent of publicly-owned lakes and reservoirs have water quality that does not meet standards for the water body's designated uses such as water supply, recreation, or aquatic life.

### New Mexico Foodborne Illnesses & Hospitalizations, 2006-2015



Source: Centers for Disease Control & Prevention

Resource Protection		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$14,760.9 FTE: 136								
5	Underground storage tank facilities in compliance with release prevention and detection requirements	77%	77%	80%	88%	87%	87%	G
6	Landfills compliant with groundwater sampling and reporting requirements	95%	98%	97%	96%	100%	92%	Y
7	Active solid waste facility inspections showing compliance	98%	93%	90%	100%	100%	100%	G
Program Rating		Y	Y					Y

### Environmental Protection

The program reports all of nearly 2,000 food establishment inspections were completed on schedule in the third quarter and that all air quality violations are being addressed through corrective action. The percent of allegations of serious workplace hazards and the percent of violations corrected both improved slightly in the third quarter. While certain areas of the state experience varying levels of air quality due to a range of factors, reporting on the new performance measure (#12) shows New Mexico's air generally meets ozone and particulate matter pollution standards.

Environmental Protection		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: 23,769.6 FTE: 241								
8	Food establishments inspected within timeframe due	100%	100%	100%	100%	100%	100%	G
9	Facilities taking corrective action to mitigate air quality violations discovered as a result of inspections	98%	100%	100%	100%	100%	100%	G
10	Serious worker health and safety violations corrected within the timeframes designated	98%	96%	97%	93%	95%	97%	G
11	Referrals alleging serious hazards responded to via an on-site inspection or investigation within ten working days	98%	98%	98%	97%	95%	97%	G
12	Days with good or moderate air quality index rating	New	New	92%	95%	98%	92%	G
Program Rating		Y	G					G





## PERFORMANCE REPORT CARD

Office of the State Engineer  
Third Quarter, Fiscal Year 2017

### ACTION PLAN

Submitted by agency? Yes  
Timeline assigned? Yes  
Responsibility assigned? Yes

According to data from the State Personnel Office (SPO), OSE took 96 days on average to fill a position in the third quarter. OSE notes that figure captures routine delays between when the agency closes a hiring process and when SPO officially closes out a job posting. Specifically, the Litigation and Adjudication program continues to struggle with a vacancy rate of nearly 30 percent and relies on specialized contract attorneys to help advance adjudications through associated litigation. Contract attorneys primarily conduct the Animas and Pecos adjudications.

On May 5, the federal Department of the Interior notified the Interstate Stream Commission that New Mexico appears to have fulfilled its \$50 million cost-share obligation towards the Navajo-Gallup Water Supply Project required by the Navajo Nation Water Rights Settlement, subject to final review and approval of outstanding credit requests. To date, New Mexico has contributed \$13.6 million in cash, \$6.3 million in approved cost share credits, \$8.8 million in requested credits, and \$23.3 million in appropriations that have not yet been submitted for approval.

### Office of the State Engineer

With a high number of vacancies exacerbated by hiring restrictions, the Office of the State Engineer (OSE) is on track to meet almost all performance targets in FY17. However, the agency reported reduced performance in some key areas, including adjudications and compact deliveries, during the third quarter.

#### Water Resource Allocation

In previous quarters, OSE fell short of the annual target for the number of water right applications processed monthly while continuing to reduce the application backlog; in the third quarter, performance on both measures headed in the wrong direction. Still, the backlog remains well below the target and this varied performance indicates shifting priorities with constrained resources. The number of transactions entered into the agency's water rights database increased in the third quarter, following data clean up that will increase the agency's efficiency going forward, but is less than half the annual target.

Water Resource Allocation		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$14,080.3 FTE: 185								
1	Unprotected new and pending applications processed monthly	108	37	85	41	40	39	G
2	Unprotected and unaggrieved water right applications backlogged	1,219	422	625	404	387	400	G
3	Transactions abstracted into the water administration technical engineering resource system database	22,792	18,287	23,000	2,882	3,109	4,388	R
Program Rating		Y	Y					Y

#### Litigation and Adjudication

Although OSE reached the target for percent of water rights in active adjudications with judicial determinations before the start of FY17, progress during the year reflects the slow pace of prior years. After meeting the annual target for offers to defendants in FY16 for the first time since FY10, the agency has made 70 percent of the FY17 target in the first three quarters of FY17.

The state constitution mandates priority administration of water rights by users' seniority; however, the framework active water resource management (AWRM) rule is the state's only tool to enforce this requirement in much of the state. Adjudications, which establish who legally owns the water and how much, continue at a glacial pace. Additionally, basin specific AWRM regulations – a tool to allow for local solutions to avoid priority administration by creating a more expedited process to address shortage situations – are yet to be finalized. Notable alternative shortage sharing agreements have been reached and are being implemented in the San Juan and Chama basins in the absence of basin specific AWRM rules.

Litigation and Adjudication		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$7,306.1 FTE: 71								
4	Offers to defendants in adjudications	594	839	600	197	142	85	Y
5	Water rights adjudicated in active cases	62%	63%	62%	64%	65%	66%	G
Program Rating		G	G					Y





## PERFORMANCE REPORT CARD

Office of the State Engineer  
Third Quarter, Fiscal Year 2017

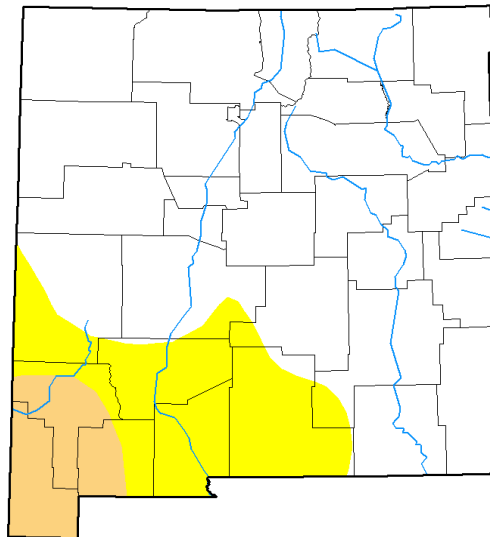
A court appointed special master issued a recommendation to deny New Mexico's motion to dismiss Texas' lawsuit claiming under delivery of Rio Grande water in February 2017. New Mexico still has an opportunity to argue the merits of the case; however, the potential liability of losing the lawsuit is enormous and the Attorney General's Office and ISC continue to prepare to see the case through but also to explore alternative resolutions.

### Interstate Stream Compact Compliance

New Mexico's Rio Grande Compact compliance is the subject of ongoing litigation, but the agency's adviser estimates it fell to a debit of 20 thousand acre-feet at the end of 2017. While the Rio Grande Compact allows for a delivery debit up to 200 thousand acre-feet, the agency had not reported a debit since at least FY07 until the third quarter of FY17. New Mexico's Pecos River Compact credit of nearly 110 thousand acre-feet was unchanged in the third quarter.

Interstate Stream and Compact Compliance		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$14,364.3 FTE: 49								
6	Delivery credit on the Pecos River Compact, in thousand acre-feet	98	110	>0	110	110	110	G
7	Delivery credit on the Rio Grande Compact, in thousand acre-feet	0	0	>0	0	0	-20	R
Program Rating		G	G					Y

### Current United States Drought Monitor Map – New Mexico



### Percent of State by Drought Category

Week	None	Abnormally Dry	Moderate Drought	Severe Drought	Extreme Drought	Exceptional Drought
<b>Current 5-23-17</b>	76.30	23.70	6.56	0.00	0.00	0.00
<b>Last Week 5-16-17</b>	81.27	18.73	6.56	0.00	0.00	0.00
<b>3 Months Ago 2-21-17</b>	86.71	13.29	2.49	0.00	0.00	0.00
<b>Start of Calendar Year 12-27-16</b>	65.55	34.45	4.28	0.00	0.00	0.00
<b>Start of Water Year 9-27-16</b>	53.33	46.67	3.85	0.00	0.00	0.00
<b>One Year Ago 5-24-16</b>	16.18	83.82	36.77	0.00	0.00	0.00



## PERFORMANCE REPORT CARD

Economic Development Department  
Third Quarter, Fiscal Year 2017

### Economic Development Department

#### ACTION PLAN

Submitted by agency?	No
Timeline assigned?	No
Responsibility assigned?	No

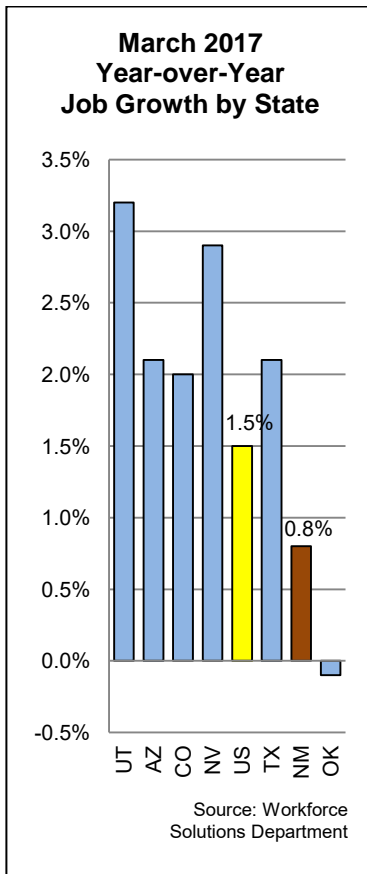
The Economic Development Department's performance results for the third quarter showed some improvement over the second quarter, but results are still below target. Performance increased in overall job growth, rural jobs created, jobs created through use of Local Economic Development Act Funds (LEDA), and private sector dollars invested in MainStreet districts, while workers trained by the Job Training Incentive Program decreased slightly for the third quarter. The New Mexico Film Office surpassed all annual targets by the second quarter and continues to see growth in both direct spending and film and media worker days for the third quarter. New Mexico's total nonfarm employment, comparing March 2017 with March 2016, grew by 6,800 jobs, which represented a 0.8 percent increase.

#### Economic Development

The Finance Development team within the Economic Development Division awarded seven companies \$4.6 million in LEDA funds, contributing to 383 jobs created. These companies include CSI Aviation, Wholesome Valley Farms, T or C Brewing Co., Keter Plastics, Dean Baldwin, El Pinto Foods, and NM Greenhouse Holdings. The funds matched for these LEDA projects totaled \$66 million, contributing to a 14 to 1 ratio of private sector dollars invested per dollar of LEDA funds awarded. Of the seven companies awarded LEDA funds, four were located in rural areas. The Facebook data center continues its construction and the Economic Development Department states that the Village of Los Lunas will see a net fiscal impact from the data center of approximately \$2.2 million annually once the center is complete and fully operational.

The Job Training Incentive Program (JTIP) Board approved thirteen businesses for JTIP funding: Affordable Solar, Century Automotive Service, CSI Aviation, Meow Wolf, PCM Sales, Phat Steel, RiskSense, Rural Sourcing, Safelite Solutions, Skorpis Technologies, SolAero Technologies, Southwest Cheese, and Vitality Works. The total amount of JTIP awards for the third quarter was \$1.1 million, with 493 workers trained. Available JTIP funding for the remainder of FY17 as of April is \$338 thousand. The overall average wage was \$16.60 per hour, and the average wage for 23 rural jobs created was \$21.30 per hour.

The MainStreet program reported 107 private building renovations in the third quarter, with 38 net new businesses and business expansions, and 127 net new jobs created. Businesses with MainStreet renovations and improvements were located in Portales, Roswell, Clovis, Belen, downtown Albuquerque, Albuquerque's Nob Hill, and Silver City.

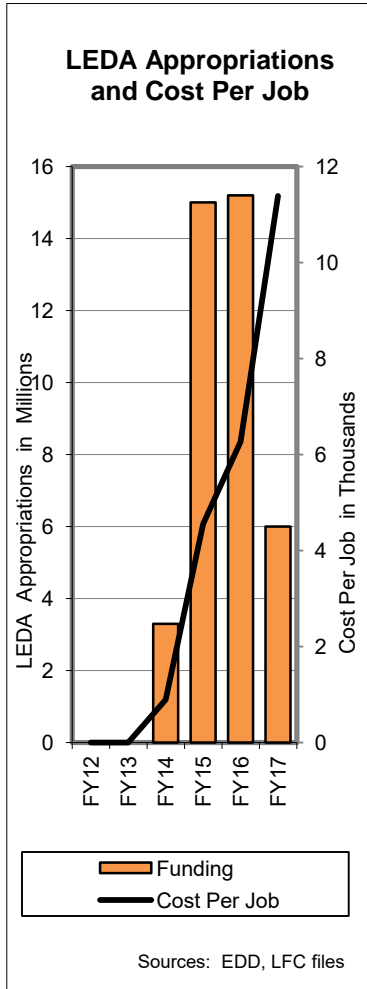


Economic Development		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$6,506.8 FTE: 26								
1	Jobs created due to economic development department efforts	3,294	4,140	4,500	736	196	550	R
2	Rural jobs created	726	641	1,600	168	145	370	R
3	Jobs created through business relocations and competitive expansions facilitated by the economic development partnership	1,624	222	2,250	80	20	15	R



## PERFORMANCE REPORT CARD

Economic Development Department  
Third Quarter, Fiscal Year 2017



4	Potential recruitment opportunities generated by Partnership marketing and sales activities	NEW	NEW	84	12	16	19	Y
5	Dollars of private sector investment in MainStreet districts (millions)	\$7.9	\$22	\$9	\$10	\$1	\$15	G
6	Private sector dollars leveraged by each dollar through Local Economic Development Act	10:1	17:1	10:1	25:1	0	14:1	G
7	Jobs created through the use of Local Economic Development Act funds	NEW	2,426	2,000	144	0	383	R
8	Workers trained by Job Training Incentive Program	1,894	2,238	1,500	321	600	493	G
9	Successfully completed agency grant funded projects resulting in job growth, new investment, increased revenue, or workforce development	NEW	7	15	0	1	1	R
Program Rating		Y	Y					Y

### New Mexico Film Office

The New Mexico Film Office continues to see growth, with \$113 million in direct spending for the third quarter. There are currently seven feature films and six television series in production. Seven additional projects are currently being produced by local New Mexico film makers. Film and media worker days dropped for the third quarter to 69 thousand; however the film office already met the annual target for this measure by the second quarter of the year. The New Mexico Film Office continues to work on marketing the state to film, television and emerging industries, service the recruited production companies and promote job opportunities for New Mexico residents.

New Mexico Film Office		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$747.1 FTE: 8								
10	Direct spending by film industry productions, in millions	\$286	\$387	\$200	\$144	\$132	\$113	G
11	Film and media worker days, in thousands	298	260	200	133	160	69	G
Program Rating		G	G					G

### National Tax Incentives for Job Growth

A recent report published by the Pew Charitable Trusts (PEW) titled, "How States Are Improving Tax Incentives for Jobs and Growth," describes three steps for states to use evidence to improve tax incentives: make a plan, measure the impact, and inform policy choices. Pew assessed every state on the extent to which they have successfully taken these steps since the start of 2012.

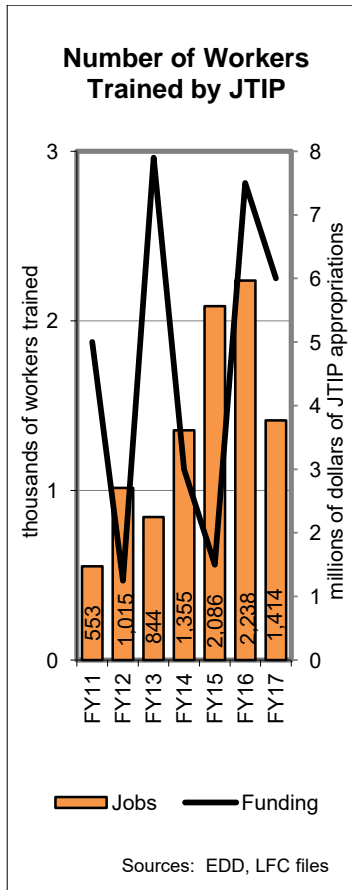
Overall, more states are evaluating economic incentives and policy impact than were doing so in the past few years. In 2015 and 2016, thirteen states approved laws requiring regular evaluations. Ten states excelled, including Florida, Indiana, Iowa, Maine, Maryland, Minnesota, Mississippi, Nebraska, Oklahoma, and Washington. But all states still have room to improve. This report describes the strengths and weaknesses of each state's approach to evaluating incentives and offers options for how states can enhance their efforts. New Mexico, however, is



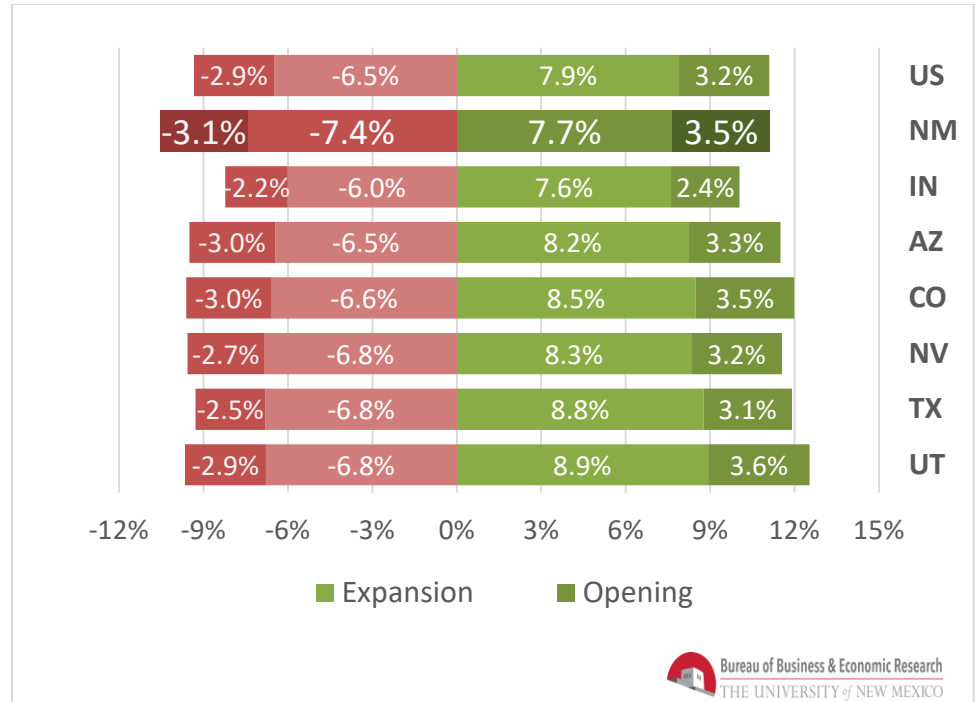
## PERFORMANCE REPORT CARD

Economic Development Department  
Third Quarter, Fiscal Year 2017

one of the states that PEW recognized as trailing in efforts. This is because New Mexico lacks a regular evaluation process of the tax and economic incentives that are provided. According to the report, the 23 states that are still trailing can start to improve data analysis and regular evaluations by making a well-designed evaluation plan and requiring annual or biannual studies in statute.



### New Mexico Employment Dynamics 2010-2016



New Mexico has performed relatively well when compared to peer states in fostering job growth through business openings. However, the state noticeably underperforms when it comes to business expansion, and is experiencing more business contractions and closings than our peers. New Mexico compared to surrounding states has had the largest amount of both contraction and closing of jobs since 2010. While this indicates New Mexico does well in attracting new companies more focus is needed on retaining the businesses and jobs already in New Mexico.



## PERFORMANCE REPORT CARD

New Mexico Tourism Department  
Third Quarter, Fiscal Year 2017

### ACTION PLAN

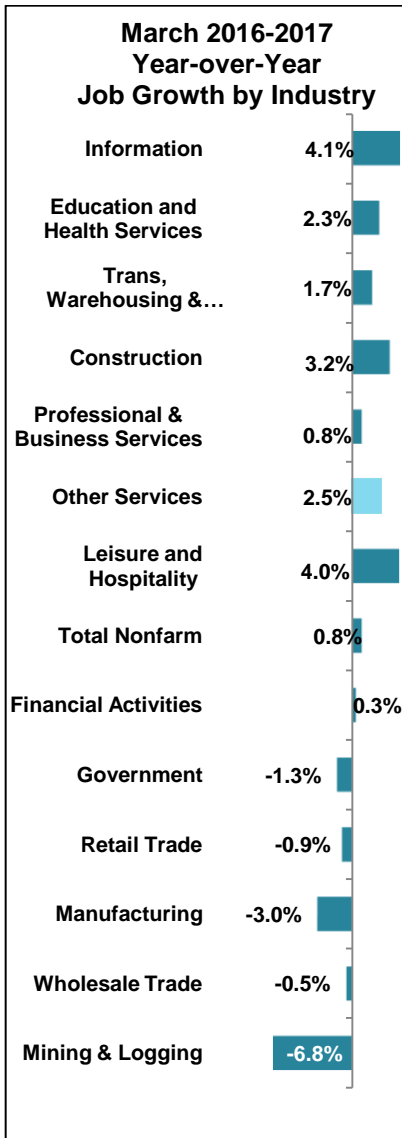
Submitted by agency?	Yes
Timeline assigned?	Yes
Responsibility assigned?	Yes

### Tourism Department

The Tourism Department continues to see strong performance results and met or exceeded annual targets for two performance measures. The leisure and hospitality industry created 3,700 jobs in March 2017 when compared to March 2016, its most significant gain since November 2006.

#### Marketing and Promotion

The Marketing and Promotion program contains the largest general fund appropriation within the Tourism Department, and continues to prioritize advertising funds within local communities to promote the New Mexico True brand. New jobs created in the leisure and hospitality industry surpassed the annual target for the third quarter in a row, reaching 2,660 jobs. YouTube views of the department's advertising videos reached 575 thousand, tripling the amount from the second quarter and continuing the trend of surpassing the annual target of 25 thousand. The department is reviewing information received from the Taxation and Revenue Department on gross receipts collected for accommodations for the third quarter, after just recently receiving first and second quarter data.



Marketing and Promotion		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: 11,225 FTE: 36								
1	New jobs created in the leisure and hospitality industry year-over-year	2,900	5,300	800	1,566	2,219	2,660	G
2	YouTube views of department videos, in thousands	820	593	25	243	177	575	G
3	Year-over-year percent increase in gross receipts tax revenue for accommodations receipts	5.6%	TBD	4.0%	1.4%	-0.3%	TBD	R
Program Rating		G	G					Y

#### New Mexico Magazine

The New Mexico Magazine reached the target for advertising revenue per issue in the second quarter; however, revenue dropped in the third quarter to \$56 thousand. The department reports the drop is due to issues with collection of accounts receivable, rather than a decline in sales. The department anticipates the addition of a new CEO, beginning in June, will enhance its ability to generate new revenue.

New Mexico Magazine		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: 3,329 FTE: 14								
4	Advertising revenue per issue, in thousands	\$65	\$53	\$72	\$65	\$68	\$56	Y
Program Rating		Y	G					Y



## PERFORMANCE REPORT CARD

General Services Department  
Third Quarter, Fiscal Year 2017

### ACTION PLAN

Submitted by agency? Yes  
Timeline assigned? No  
Responsibility assigned? Yes

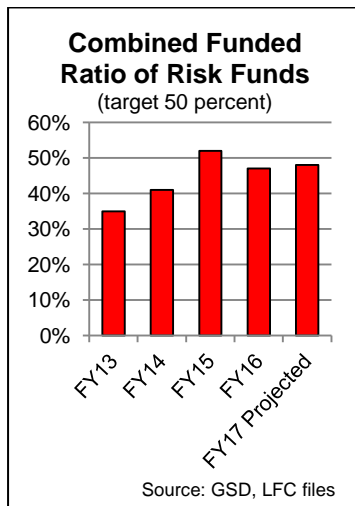
GSD reports efforts to improve performance will include review by the secretary of all new office leases and office space renewals that exceed space standards.

### General Services Department

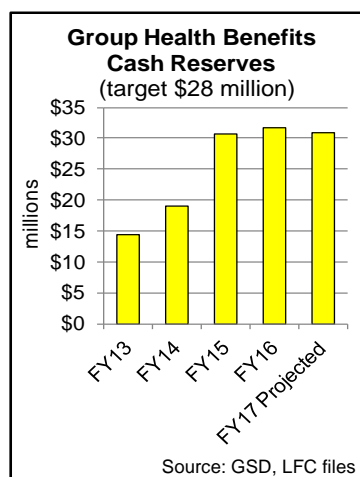
During the third quarter, the effect of “sweeps” from enterprise funds to help with state solvency, executive-imposed hiring freezes for key positions, and budget uncertainty during the FY17 legislative session contributed to missed measures for capital project oversight, state building maintenance, improving occupancy standards in leased facilities, reducing the risk of mismanagement and corruption in procurement systems, and for achieving a more cost-effective and efficient fleet of state vehicles. However, a large portion of government spending passes through GSD, and the department has not realized its full potential to preserve state resources by delivering these services in the most cost effective and efficient way.

### Risk Management

Partly due to a smaller workforce, the program has seen fewer new claims but higher costs per claim due to inflation and other factors including changes in employment-related laws. However, an inconsistent level of oversight in state agency human resource practices may also be contributing to higher costs. In recent years, the program has increased its loss prevention efforts. Trainings with loss-producing agencies, litigation avoidance, and settling claims for less than reserve amounts have kept fund balances high. Although the program is only a flow-through for other agency unemployment compensation claims, payments increased by \$388 thousand compared to FY16 due to more claimants receiving benefits.



Risk Management		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$96,017.1 FTE: 57								
1	Projected financial position of the public property fund	274%	365%	50%	428%	539%	377%	G
2	Projected financial position of the workers' comp fund	28%	40%	50%	46%	42%	42%	Y
3	Projected financial position of the public liability fund	22%	50%	50%	55%	36%	42%	Y
4	Claims paid quarterly to the unemployment comp fund	NEW	\$1.2M	\$1.4M	\$1.6M	\$1.6M	\$1.5M	Y
5	Trainings with top twenty loss-producing agencies	NEW	5	6	10	9	11	G
Program Rating		Y	G					Y



### Group Health Benefits

This fiscal year, GSD has seen a decline in participation in the health plan due to eligible participants declining coverage or getting coverage elsewhere. To control medical costs, GSD provides participants with free early detection screenings, behavioral health counseling, and primary care through contracts with several vendors/providers and third-party administrators. To control drug costs, in addition to participating in the IBAC purchasing collaborative, GSD uses cost sharing arrangements with participants to encourage the generic alternative and mail order over retail for filling prescriptions.

A more formal cost-benefit analysis is now needed to determine if continued investment in these strategies is warranted or if there are other cost control or quality improvement reforms that should be explored.





## PERFORMANCE REPORT CARD

General Services Department  
Third Quarter, Fiscal Year 2017

Group Health Benefits		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$363,542.5 FTE: 0								
6	Percent of generic drug fill	83%	82%	84%	88%	86%	88%	<b>G</b>
7	Employees buying insurance	95%	92%	95%	85%	84%	84%	<b>R</b>
8	Medical premium change compared to industry	3%	- 3%	4%	Annual			
9	Per member monthly medical cost	NEW	\$351	\$296	\$278	\$336	\$335	<b>Y</b>
10	Members who participated in preventative health checkups	NEW	25%	15%	Annual			
Program Rating		<b>Y</b>	<b>G</b>					<b>Y</b>

### Facilities Management

Due to budget uncertainties and as a result too few custodians per square foot than industry cleaning standards recommend, it is becoming increasingly more challenging for the program to complete operations and maintenance work in a timely manner. In addition, about 20 percent of capital projects required a change order due to work that was added to or deleted from contracts which may suggest poor planning by some agencies that may not have the expertise or funding to develop long-range facilities plans.

GSD reports that 50 percent of office space renewals in the third quarter included a reduction in rent. Additionally, out of 18 new or renewed leases, only one-third met GSD's adopted space standard of 215 square feet per FTE which may contribute to higher overhead costs for insurance, utilities, and maintenance. However, half of new leases were for group homes for Department of Health clients which may justify the need for that additional space.

### Total Capital Outlay Appropriations for Statewide Repairs

(2013-2017)

2017	\$ 4,000,000
2016	\$ 2,000,000
2015	\$ -
2014	\$ 4,500,000
2013	\$ 500,000

Source: LFC Fil

Facilities Management		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$12,862.6 FTE: 139								
11	Work orders completed on time	NEW	NEW	75%	74%	67%	57%	<b>R</b>
12	Building square feet per custodian	NEW	NEW	31,000	38,163	37,159	37,159	<b>R</b>
13	Capital projects within budget	NEW	NEW	90%	No data	79%	77%	<b>R</b>
14	New office leases meeting space standards	NEW	NEW	90%	9%	0%	14%	<b>Y</b>
15	Office space renewals meeting space standards	NEW	NEW	50%	0%	6.7%	14%	<b>R</b>
16	Reduction in base rent costs for office space renewals	NEW	NEW	50%	30%	30%	50%	<b>G</b>
Program Rating		<b>Y</b>	<b>G</b>					<b>Y</b>



## PERFORMANCE REPORT CARD

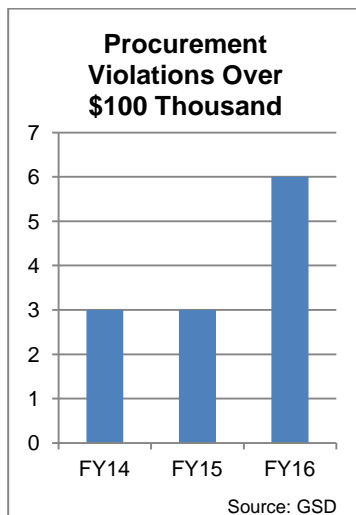
General Services Department  
Third Quarter, Fiscal Year 2017

### GSF per FTE under GSD Purview

Department	Leased Space under GSD purview	State-owned Space under GSD purview	Total Space Occupied (GSF)	Lease Costs Attributed to Unfilled FTE	Total FTE	Total GSF Per FTE (target 215)
Aging and Long-Term Services	39,450	32,403	71,853	\$74,117	235	306
Department of Environment	127,862	67,822	195,684	\$407,189	668	293
Department of Health	295,262	1,230,263	1,525,525	\$901,676	2,938	519
Department of Public Safety	60,367	408,408	468,775	\$71,874	1,281	366
Division of Vocational Rehabilitation	136,638	5,088	141,726	\$995,658	291	487
Energy, Minerals and Natural Resources Department	3,871	77,723	81,594	\$16,023	245	333
Human Services Department	768,601	115,720	884,321	\$3,043,407	1,923	460
Public Education Department	13,407	61,613	75,020	\$105,297	323	232
Regulation and Licensing Dept.	21,278	58,473	79,751	\$0	190	419
Office of the State Engineer	57,368	89,967	147,335	\$141,323	299	493
Taxation and Revenue Department	219,520	171,526	391,046	\$912,377	1,144	342
Workforce Solutions Department	28,111	153,858	181,969	\$52,732	591	308
<b>Total (excludes smaller agencies)</b>				<b>\$6,721,673</b>	<b>10,127</b>	<b>414</b>

### State Purchasing

Prior to sweeps of its enterprise funds for state solvency purposes, the program had been moving the state toward a more centralized model to aggregate spending and standardize contracts and procurement forms and processes. To assist with that transition, the program had added new requirements for buyer certification and additional training requirements for procurement violators. However, due to budget constraints and hiring freezes, critical positions that support vendor reporting and agency compliance with public procurement best practices are not being filled. According to a 2016 LFC performance review, agencies overuse noncompetitive bid processes and apply exemptions inappropriately, increasing costs for the state.



State Purchasing		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$2,342.9 FTE: 27								
17	Number of vendors who report fee-based sales	NEW	NEW	250	110	175	7	Y
18	Procurements using best value	NEW	NEW	15%	24%	24%	21%	G
19	Executive agencies with certified procurement officers	NEW	NEW	90%	97%	99%	98%	G
20	Agency procurement compliance audits	NEW	7	5	0%	0%	0%	R
21	Procurement violators receiving training	NEW	NEW	90%	18%	22%	33%	R
Program Rating		Y	Y					Y



## PERFORMANCE REPORT CARD

General Services Department  
Third Quarter, Fiscal Year 2017

### Transportation Services

This program is responsible for the operation of the state's central fleet of 2,000 vehicles, the state aircraft - primarily used to fly NMDOH physicians to rural areas, and the acquisition and redistribution of surplus property from state and federal agencies. Due to budget constraints and state solvency measures including sweeps of its enterprise funds, the program temporarily turned off new GPS vehicle tracking tools used to reduce operational costs and discontinued its vehicle replacement program indefinitely. These decisions resulted in a return to manual mileage logs to establish accountability for the use of vehicles and may exacerbate an underutilized, aging fleet problem that could cost more to operate and maintain.

Transportation Services		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$12,163.3    FTE: 35								
22	Vehicle fleet beyond five years	NEW	46%	≤20	43%	43%	41%	<b>R</b>
23	Division revenues to expenses	NEW	86%	90%	139%	75%	147%	<b>G</b>
24	Average vehicle operational costs per mile, as compared to industry average	NEW	\$0.47	≤\$0.59	Annual			N/A
25	Leased vehicles utilized 750 miles per month	NEW	35%	80%	58%	48%	53%	<b>R</b>
26	Revenue generated from surplus property, in thousands	NEW	\$652	\$686	\$99	\$241	\$251	<b>G</b>
Program Rating		<b>Y</b>	<b>G</b>					<b>Y</b>



## PERFORMANCE REPORT CARD

State Personnel Board

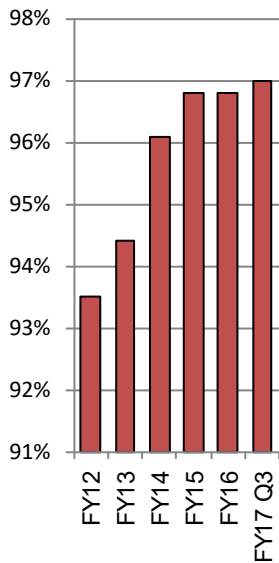
Third Quarter, Fiscal Year 2017

### State Personnel Board

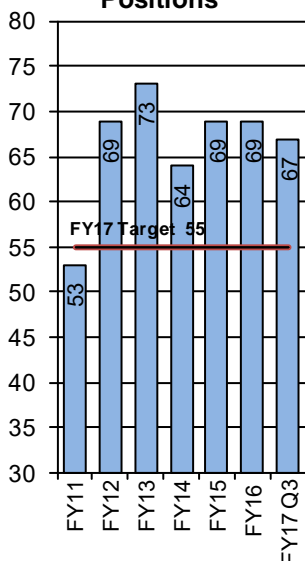
#### ACTION PLAN

Submitted by agency?	No
Timeline assigned?	No
Responsibility assigned?	No

**Average New Hire  
Compa-Ratio**



**Average Number of  
Days to Fill Vacant  
Positions**



The State Personnel Office (SPO) is consolidating all executive agencies' human resource (HR) functions with the goals of increasing efficiency and enhancing cost effectiveness. The consolidation has progressed rapidly from a general announcement in January 2017 to consolidations beginning in May with a projected completion date of July 1 for core HR services. The executive initially indicated the consolidation would save millions, but moving, furniture, rent and other costs may result in cost increases in FY18. If measurable savings are generated, they likely will not be available for reallocation, but instead realized within state agencies' FY18 and FY19 budgets generated primarily by job reductions particularly impactful in rural areas as the consolidated HR offices will solely be located in Albuquerque and Santa Fe. A furlough plan was also announced by the executive as a measure to save a projected \$8 million in FY17, but was abandoned. Concurrently, a hiring freeze has been instituted since March, but it exempts several classes of positions for safety, lawsuit compliance, and other reasons.

SPO is responsible for developing and maintaining the state's compensation plan but has allowed the salary structure to fall further behind market rates. The result has been increased salary compaction as the gap between the salaries of new employees and more tenured employees shrinks. Narrowing the gap between new hire salaries and average salaries is determined by compa-ratios, or salary divided by midpoint. New hire compa-ratios have increased from 91 percent to 97 percent from FY11 to FY17. Over this same period, the average state employee compa-ratio grew to 101 percent with SPO indicating the FY17 change in average compa-ratio is attributed to implementation of classification studies and two new salary structures. But remaining compaction can lead to low morale and higher turnover as employees seek to increase their salaries by moving between agencies. The Department of Health had the highest number of employee separations with 146 employees leaving and the Corrections Department was next with 74 employees leaving.

The average time to fill vacant positions varied by quarter from 69 days to 62.5 days to 67.1 days in the third quarter. The Department of Information Technology and Office of the State Engineer took the longest to fill positions at over 96 days, up from 75 days in the second quarter. Turnover decreased from a rate of 14.8 percent to 8.2 percent, but the Corrections Department and Higher Education Department had a turnover rate of 15 percent. Despite filling vacancies sooner and declining turnover, the statewide vacancy rate grew by 5.2 percent from FY15. Measures eight and nine are explanatory and do not have targets; however, overtime accumulation and use continues to grow and is concentrated at the Corrections Department, Department of Health, Department of Transportation, and the Children, Youth and Families Department. SPO does not report overtime for state police who also accrue significant overtime. To date, SPO has not proposed an action plan for reducing turnover and overtime usage, but expects the governor's initiative to consolidate all HR under SPO will improve hiring efficiency.



## PERFORMANCE REPORT CARD

State Personnel Board

Third Quarter, Fiscal Year 2017

State Personnel Office		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$4,182.1 FTE: 53								
1	Classified service vacancy rate	13%	15%	13%	19%	17%	18%	R
2	Average number of days to fill a position from the date of posting	69	69	55	65	63	67	R
3	Average state classified employee compa-ratio	101%	102%	≥95%	101%	101%	101%	Y
4	Average state classified employee new-hire compa-ratio	97%	97%	91%	96%	97%	97%	R
5	New employees who successfully complete their probationary period	67%	70%	75%	63%	68%	66%	R
6	Classified employees voluntarily leaving state service	11%	15%	15%	4%	3%	3%	Y
7	Classified employees involuntarily leaving state service	2%	2%	5%	0.5%	0.4%	0.5%	Y
8	State employee average overtime usage per month	15.5 hours	16.2 hours	n/a	16.4 hours	15.3 hours	16.2 hours	Y
9	State employees receiving overtime	16%	17%	n/a	16%	17%	17%	Y
Program Rating		R	R					Y



## PERFORMANCE REPORT CARD

Department of Transportation  
Third Quarter, Fiscal Year 2017

### Department of Transportation

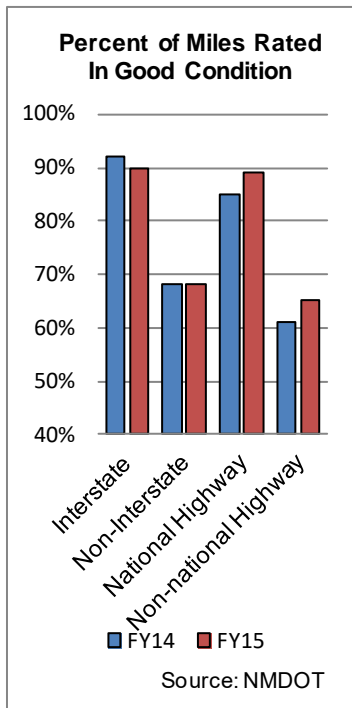
#### ACTION PLAN

Submitted by agency? Yes

Timeline assigned? No

Responsibility assigned? No

NMDOT's quarterly performance report includes an action plan for each performance measure.



The New Mexico Department of Transportation (NMDOT) reported 81 total traffic fatalities in the third quarter, 22 percent of the total 365 reported in FY16, and improved from 30 percent in the first quarter and 25 percent in the second quarter. In FY15, the most recent year for which data is available, 68 percent of non-interstate miles in the state transportation network were rated good, down from 70 percent in FY13 and the same as FY14. NMDOT's vacancy rate hovers around 13 to 14 percent, just below the statewide average of 15.9 percent. Despite little resource growth, the U.S. Department of Transportation ranks New Mexico as the 16<sup>th</sup> best state in the percent of structurally deficient bridges in the system and 17<sup>th</sup> best in roadway conditions.

#### Programs and Infrastructure

The performance measures provide information to determine how well projects are being managed and kept within budget and on time. Maintaining costs at bid amount or lower allows NMDOT to re-obligate residual fund balances for other construction projects. NMDOT continues to have variability in letting projects on time, as the agency bid three of 12 projects on time in the first quarter, 14 out of 18 in the second quarter, and six out of 14 in the third quarter. The cost over bid increased to 3 percent compared to -2 percent last quarter.

NMDOT is engaged in transportation asset management data collection to prioritize the selection and funding of construction and maintenance projects. Transportation asset management uses frequently collected data points including pavement smoothness for a system-wide assessment of roadway conditions. The system should be operational in two years, but currently, the initial data is used along with observable roadway conditions, traffic safety, equity, and funding availability to prioritize projects.

Programs and Infrastructure		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$529,905.0 FTE: 372								
1	Projects completed according to schedule	84%	89%	>85%	100%	100%	93%	G
2	Projects put out for bid as scheduled	50%	51%	>70%	17%	78%	43%	R
3	Bridges in fair condition or better, based on deck area	95%	95%	>90%	96%	96%	96%	G
4	Final cost-over-bid amount on highway construction projects	2%	1%	<3%	2%	-2%	3%	Y
Program Rating		Y	Y					Y

#### Transportation and Highway Operations

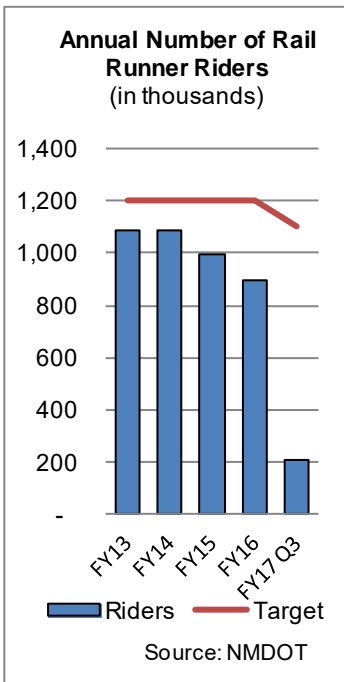
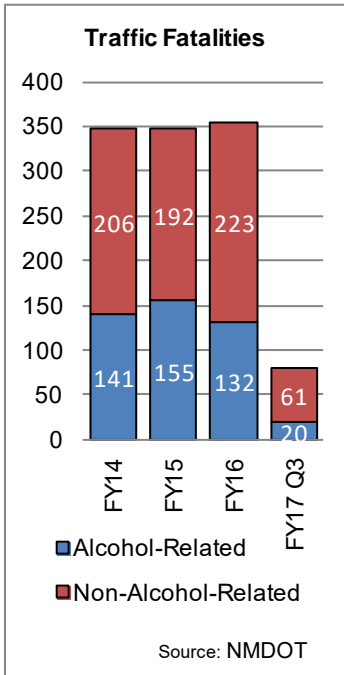
The percent of miles in good condition decreased for interstate and non-interstate roadways, but improved for National Highway System (NHS) and non-National Highway System (non-NHS) roadways. Reasons for deficient roadways include lack of funding, attention to other roads, and not applying the appropriate treatment to roads. The number of pavement preservation lane miles is dependent on the focus of maintenance crews and available budget, weather conditions, or other functions such as litter collection.





## PERFORMANCE REPORT CARD

Department of Transportation  
Third Quarter, Fiscal Year 2017



Transportation and Highway Operations		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$233,794.9 FTE: 1,827.7								
5	Statewide pavement miles preserved	2,611	2,457	>2,600	1,276	984	246	G
6	Litter collected from roads, in tons	6,484	7,599	>7,000	17.6	26	22	R
7	Customer satisfaction at rest areas	99%	99%	>99%	99%	99%	99%	G
Program Rating		Y	Y					Y

### Modal

The Modal Program was created in FY17 to enhance safety and provide federal grants management and oversight of dedicated funding programs including traffic safety, aviation, transit and rail. Most of the performance measures were transferred from the Programs and Infrastructure Program. Performance in this program is lower than the trend necessary to meet targets. NMDOT reports on Rail Runner ridership which totals to 634,280 from quarter 1 to quarter 3, but NMDOT does not operate the passenger rail service; however, all public transit ridership continues to be down as more people use personal vehicles. The current low price of gasoline and diesel are rendering these transit services less competitive relative to driving. Total fatalities were up 14 percent and alcohol fatalities were up 5.2 percent when compared to the third quarter in FY16.

Modal		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$61,681.2 FTE: 50								
8	Traffic fatalities	347	365	<330	108	91	81	R
9	Alcohol related traffic fatalities	133	132	<130	40	32	20	Y
10	Non-alcohol related traffic fatalities	198	223	<200	68	59	61	R
11	Occupants not wearing seatbelts in traffic fatalities	131	133	<140	35	38	27	Y
12	Pedestrian fatalities	60	72	<55	16	25	13	R
13	Riders on park and ride, in thousands	291.9	264.2	>310.0	64.4	57.1	62.8	R
14	Riders on rail runner, in millions	1.0	0.9	1.1	0.2	0.2	0.2	R
Program Rating		Y	R					R

### Program Support

The vacancy rate decreased slightly but did not meet its target despite aggressive recruitment and targeted salary increases for positions including highway maintenance workers and engineering technicians. Of the 57 injuries occurring in the first through third quarters of FY17, 25 occurred in a work zone.

Program Support		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$42,171.9 FTE: 237.8								
15	Vacancy rate in all programs	12%	14%	<11%	14%	14%	14%	R
16	Employee injuries	95	89	<90	20	18	19	G
17	Working days between expenditure of federal funds and request for reimbursement from federal treasury	7	7	7	7	7	7	G
18	Employee injuries occurring in work zones	27	32	<30	9	9	7	R
Program Rating		G	G					Y



## PERFORMANCE REPORT CARD

Administrative Office of the Courts  
Third Quarter, Fiscal Year 2017

### ACTION PLAN

Submitted by agency?	Partial
Timeline assigned?	No
Responsibility assigned?	No

#### Funding Source for Interpreters by Case Category

State	Civil	Criminal	Domestic Relations	Juvenile	Traffic
ALASKA	Shared	Shared	Shared	Shared	State
ARIZONA	Local	Local	Local	Local	Local
CALIFORNIA	None	State	State	State	State
COLORADO	State	State	State	State	State
NEVADA	Local	Local	Local	Local	Local
NEW MEXICO	State	State	State	State	State
OKLAHOMA	State	State	State	State	State
OREGON	State	State	State	State	State
TEXAS	None	Local	None	Local	Local
UTAH	Shared	Shared	State	State	Shared
WASHINGTON	Shared	Shared	Shared	Shared	Shared

Source: National Center for State Courts

Fewer than half of 11 western states fund interpreter services for all case types on a state level, including New Mexico. This has been a point of chronic deficit for the court system, and only in the most recent session has a new fund been created to better track interpreter expenses. Additionally, New Mexico is the only state with a constitutional right for non-English speakers to serve as jurors through an interpreter.

### Administrative Office of the Courts

The Judiciary is preparing to begin reporting on new FY18 performance measures, including average cost per interpreter session, time to legal permanency in children's cases, and cost per client per day for drug court participants, and has already begun the process of adding additional improved measures for FY19. New measures, in combination with a 2.5 percent funding increase for the Judiciary in FY18, will increase accountability. FY17 measures are not as descriptive or informational as the FY18 and FY19 measures will be, but they still indicate that though the Judiciary struggles with historically reduced budgets and high turnover, it continues to seek efficient processes to deliver justice to New Mexicans.

### Administrative Support.

The average cost per juror dropped sharply in the third quarter, coming in under the target of \$50 for the first time since the third quarter of FY14; however, despite the good result, the Administrative Office of the Courts (AOC) is still on track to exceed the target by almost \$10. The third quarter drop in average cost per juror could be because of the new mileage rate, which was changed by court order from \$0.45 per mile to \$0.29 per mile in late 2016. Legislation passed in the 2017 regular session will restrict mileage reimbursements to 40 mile round trips, further reducing juror costs. The new Jury Management System, which could have caused a temporary slowdown of payments, also affected average cost per juror this quarter.

The number of jurors paid has remained steady with the previous quarter, but will still exceed FY16 actual jurors paid at the current pace. Additional measures for interpreters, which make up the other half of the expenses that cause continual shortfalls in this program, will be added in FY18 and FY19.

Administrative Support		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$12,400.3	FTE: 49.2							
1	Number of jurors paid	59,876	53,562	n/a	19,027	15,552	15,500	Y
2	Average cost per juror	\$59.85	\$67.44	\$50.00	\$78.12	\$56.71	\$46.49	Y
Program Rating		R	R					Y

\*Measure 1 is classified as explanatory, meaning it is provided for informational purposes and does not have a target. The rating indicates the agency is on track to be above FY15 and FY16 actual jurors paid.

### Statewide Judiciary Automation.

AOC recently updated its helpdesk application, creating new help topics and data collection forms that provide more detailed information for each individual ticket. Results for resolving assistance calls in the first and second quarters were based on the older help topics and forms, while the result for the third quarter is based on updated topics and forms. Updates are one contributing factor to the drastic increase in time to resolve those calls.

Also affecting the outcome is AOC's need for additional staff to respond to help tickets. AOC has contracted to triage the tickets and route them to the appropriate regular automation staff. This process is as efficient as possible under current budget realities, but is also time consuming and not ideal, and is another contributing factor to the increase in resolution times. Finally, the process of registering attorneys and members of the press in the Secure Odyssey Public Access system, which allows online access to court records by certain parties, has placed additional burdens on the helpdesk staff.

#### States Using Tyler Technologies (Odyssey) for Case Management

State	Court Name
Indiana	Small Claims Court of Marion County
Michigan	Wayne County Circuit Court
New Hampshire	All courts (statewide)
New Mexico	All courts (statewide)
North Dakota	All courts (statewide)
Oregon	All courts (statewide)
South Dakota	All courts (statewide)

Source: National Center for State Courts

New Mexico uses the Odyssey case management system in all courts, including appellate courts. This has improved docketing and provided better performance monitoring. As the judiciary begins to report on more robust measures, Odyssey will become even more useful to the state.



## PERFORMANCE REPORT CARD

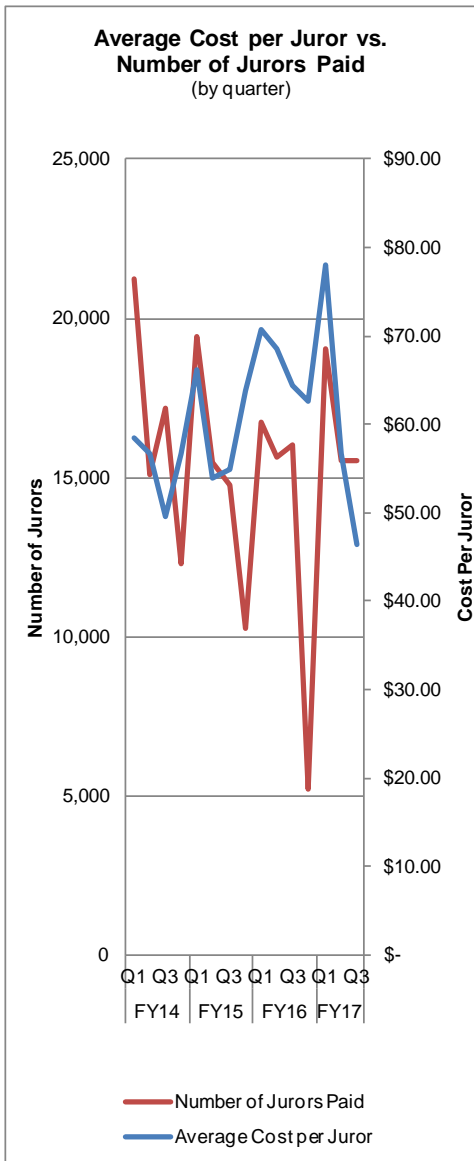
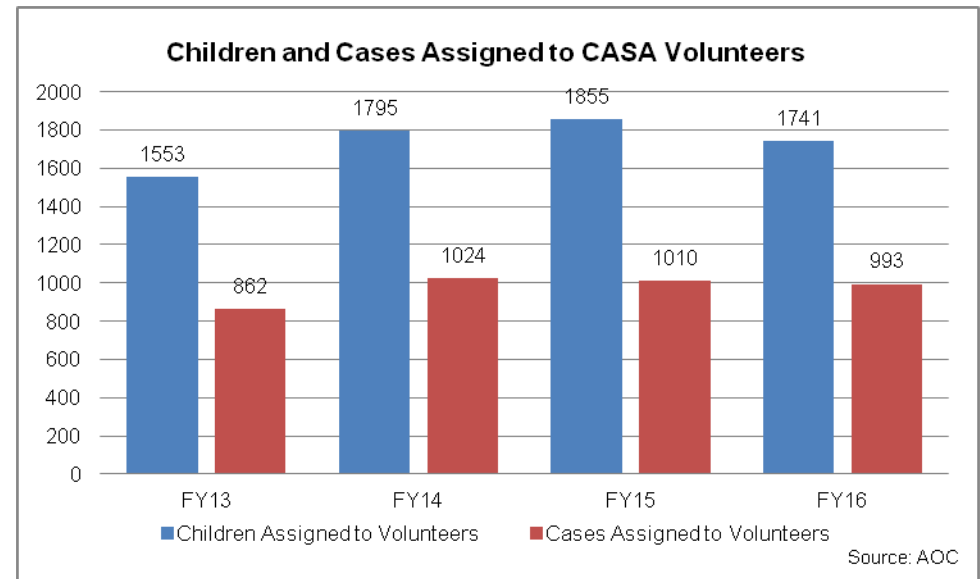
Administrative Office of the Courts  
Third Quarter, Fiscal Year 2017

Statewide Judiciary Automation		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$9,175.9	FTE: 53.5							
3	Average time to resolve calls for assistance, in hours	3.9	16.2	4.0	37.3	27.9	51.5	R
4	Number of help desk calls resolved	n/a	27,376	n/a	6,163	4,216	9,199	G
5	Judicial computer user qualitative rating of help desk support	97.5%	97.2%	n/a	94.9%	97.1%	97.7%	G
Program Rating		Y	Y					Y

### Special Court Services.

Drug courts continue to perform well, despite reductions during the 2016 special legislative session. In the first half of FY17, intent-to-treat recidivism and recidivism among drug court graduates was lower than FY16 on average. Average cost per client per day was also lower in the first half of the year, from \$25.66 per client per day to \$23.80 per client per day. In FY18 and FY19, AOC will begin reporting retention, graduation, and employment rates of drug court participants.

AOC's role in administering the Court Appointed Special Advocates (CASA) program is to strengthen local programs by assisting with recruitment, supervision, training, and retention. The programs statewide continue to do well and case assignments and number of children remain steady.



Juror usage has fluctuated drastically since FY14. The FY16 uptick in usage largely pertained to the Case Management Order (CMO), which caused the second judicial district to hold more jury trials in reducing its backlog. Average cost per juror does not always track with number of jurors paid because it includes mileage, meals, and other associated costs. Recently, the Supreme Court ordered mileage rates to be reduced to \$0.29 per mile, which reduced the average cost per juror. Legislation in the 2017 regular session restricted the mileage payout to a 40 mile round trip, which will further reduce the average cost per juror.

One role of the Court Appointed Attorney (CAA) program is to ensure parties in juvenile dependency cases are appointed an attorney at the inception of the case, as required by 32A-4-10 NMSA 1978. In the third quarter, only 2.5 percent of cases had no child advocate appointed prior to child custody hearings, and only 4.7 percent had no respondent's advocate appointed prior to child custody hearings.

The programs within special court services submitted an action plan to gain better results and better recording of those results. While not a substantial plan, it is not common for any other program within AOC to submit any action plans along with performance results.



## PERFORMANCE REPORT CARD

Administrative Office of the Courts  
Third Quarter, Fiscal Year 2017

### Treatment Court Performance Standards in the Western States

State	Adult Drug Courts	Mental Health Courts
Alaska	--	--
Arizona*	--	Standards
California	Guidelines	Recommendations
Colorado	Standards	--
Idaho	Standards and Guidelines	Standards
Montana	Standards	--
Nevada	Funding Certification	Funding Certification
New Mexico*	Standards	Standards
Oklahoma	Requirements	Requirements
Oregon	Standards	Standards
Texas	Recommendations	Recommendations
Utah*	Certification Checklist	Certification Checklist
Washington	--	--
Wyoming	Statutes and Rules	--

\* Indicates NCSC has worked with the state to develop statewide governing documents and/or statewide performance measures.

The Drug Court Advisory Commission, under the Judicial Budget Committee, is responsible for undertaking creation of standards and has done so for adult drug courts and mental health courts in coordination with the National Center for State Courts (NCSC), as indicated in the chart. New Mexico does not currently have standards for Juvenile or Family drug courts, or DWI or Veterans courts.

Special Court Services		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$12,181.4		FTE: 6.5						
6	Number of children assigned to CASA volunteers	1,855	1,741	1,200	1,242	192	187	G
7	Number of cases assigned to CASA volunteers	1,010	993	1,000	701	106	106	G
8	Number of monthly supervised child visitations and exchanges conducted.	1,047	1,049	1,000	1,077	1,125	1,073	G
Program Rating		G	G					G

### Magistrate Court.

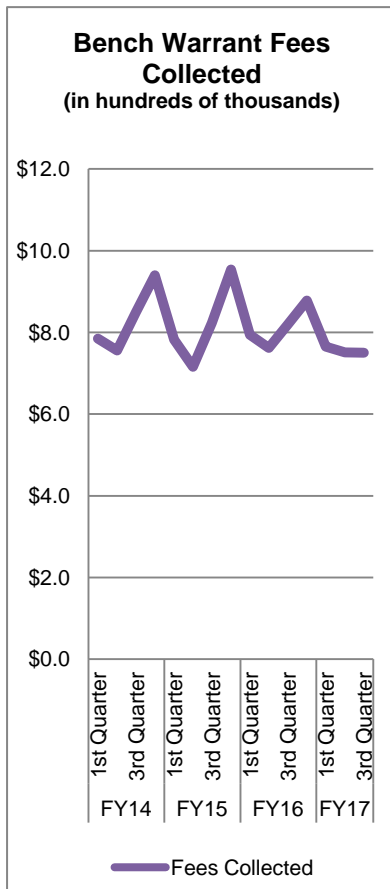
Despite experiencing near 30 percent turnover amongst court clerks, magistrate courts continue to maintain excellent disposition rates, reporting 101 percent for the third quarter, indicating the courts not only got through every case filed in the quarter, but through one percent of backlogged cases.

Bench warrant revenue is barely on track to meet the target of \$3.1 million, meaning the magistrate courts will need to generate more than \$75 thousand in bench warrant revenue in the fourth quarter. Through vetoes, the governor flagged some magistrate leases with costs above market rate, and AOC has undertaken a strategic plan to review and revisit leases within the next fiscal year to achieve alignment with current market rates. Magistrate courts plan to improve accountability by reporting on cost measures and consistently assessing local market values and associated lease values.

Magistrate Court		FY15 Actual	FY16 Actual	FY17 Target	Q1	Q2	Q3	Rating
Budget: \$31,046.0		FTE: 343.5						
9	Cases disposed as a percent of cases filed	102%	102%	95%	95%	105%	101%	G
10	Bench warrant revenue collected annually, in millions	\$3.27	\$3.25	\$3.10	\$0.77	\$0.75	\$0.75	Y
Program Rating		Y	Y					G

### Improving Performance Reporting in the Judiciary.

LFC leadership wants to expand this report to show broader information on the entire scope of the Judiciary, including district attorneys and the Public Defender Department. Recently, the Legislature implemented a pilot appropriation format for the courts, appropriating funding to only one line item. This pilot was meant to increase autonomy for the third branch of government in exchange for more robust reporting, so an improved and more comprehensive performance report will be the impetus for continuation or expansion of the single line appropriation format, or even budget increases.



Information Technology Status Report  
Fiscal Year 2017 Q3

Agency	Project Description	Total State Appropriations	Total Federal	Estimated Total Cost	Spent to Date	Project Stage	Estimated Implementation Date	Milestone(s) achieved last quarter	Milestone goal(s) for next quarter	Project status	Budget	Schedule	Functionality
333 TRD	<b>ONGARD Replacement:</b> Full business process analysis and replacement of the oil and natural gas administration and revenue database (ONGARD) system to the American Petroleum Institute (API) standard (expand current well number by four digits and add additional processing logic for horizontal drilling).	\$16,100,000	\$0	TBD	\$7,135,591	Planning	TRD 6/30/2018 for Severance Tax  SLO 1/15/2019 for Royalty	TRD completed an analysis of proposals for the production unit number (PUN) format.  SLO received three responses to its Request for Proposals (RFP) for the royalty system.	TRD is initiating the development of a plan for the ONGARD Service Center (OSC) operations after June 2018.  SLO assessment on options to move the royalty project forward.	<p>Taxation and Revenue Department's (TRD) Severance Tax planning phase is near completion, final specifications were published to the oil and gas industry April 7th.</p> <p>The March 2017 monthly independent verification and validation (IV&amp;V) assessment reported the highest risk to the ONGARD project is the State Land Office's (SLO) royalty portion of the project. Laws 2017 return \$5 million of the ONGARD replacement project funding to SLO's control. It is likely SLO will operate the royalty project separately in the replacement project umbrella. It is unclear how that will materialize, particularly in terms of DoIT oversight and on-going triagency communications beyond the Senior Management Team (SMT). There is not a plan in place to facilitate this transition and determine the logistics in aligning the two systems.</p> <p>SLO received three responses to the RFP for the Royalty Administration and Revenue Processing System (RAPS). However, SLO is in the process of cancelling the RFP citing inadequate submissions based on the available \$5 million budget. SLO is assessing other options to move the RAPS forward. With another delay, the cost and project schedule for RAPS remains unknown. As a result, the budget and schedule are red.</p> <p>Although the SMT approved TRD's proposed PUN for severance tax reporting, IV&amp;V reported the content and format of the PUN for TRD and SLO may be different. This may cause issues with the oil and gas industry. IV&amp;V recommends TRD and SLO develop a communication plan for industry to ensure consistent communications on the replacement projects.</p> <p>With the severance tax and RAPS likely to operate as separate and stand-alone projects, changes are needed to the JPA and the SMT to facilitate ONGARD program oversight of the two distinct projects.</p>			

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361 DoIT	<b>SHARE Software Upgrade:</b> Update the SHARE system from the current versions, 8.9 Human Capital Management (HCM) and 8.8 Financials (FIN), to the newest version, 9.2, with goals to increase standardization of the system, make key processes easier, and empower users with the right information and training.	\$5,000,000	\$0	\$19,000,000	\$9,941,064	Planning	12/30/2017	<p>Completed HCM user acceptance testing.</p> <p>Payroll parallel testing completed prior to go-live date.</p> <p>Completed the To Be Business Flow Functional Design Workshops and Develop Test Strategy for the FIN upgrade.</p> <p>FIN Baseline Configuration complete.</p>	<p>HCM upgrade go-live April 28, 2017.</p> <p>Unknown based on available documentation.</p>	<p>DoIT postponed its quarterly briefings with key management from DFA, STO, LFC and the AG's office due to the HCM upgrade scheduled and completed by April 28, 2017. The last briefing was held in January and DoIT anticipates the next briefing following the special session. The SHARE upgrade team also continued to conduct monthly webinars on the status of the HCM upgrade, focusing on the change to positive time reporting and overall readiness, including training. DoIT provided LFC an updated schedule (high level) indicating the FIN release is scheduled for October 2017.</p> <p>The \$9.9 million spent on the upgrade project exceeds the \$5 million certified by the Project Certification Committee (PCC). The additional \$4.9 million funding is from the SHARE Equipment Replacement Fund. All executive branch agencies IT projects must follow the certification process in order for IT project funds to be released by DFA regardless of the source of funds.</p> <p>The independent verification and validation vendor verifies project management is providing adequate reporting and responsibility on technical and managerial oversight of the project. However, DoIT has not provided the LFC a detailed project management plan or an equipment replacement fund plan as required by statute. Without a detailed project plan and budget breakdown, including the use of the SHARE equipment replacement fund, it is not clear why the estimated cost has increased from \$15 million to \$19 million, or 27 percent. The SHARE upgrade project is a large enterprise IT project, and this presents a risk to the project and emphasizes the need for oversight.</p>			



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361 DoIT	<b>SIRCITS:</b> (Statewide Integrated Radio Communication Internet Transport System) -- Two Part Project: 1) Complete analog to digital microwave (DMW) conversion statewide to provide Middle Mile Broadband service, and; 2) Design and build a public safety 700Mhz Long Term Evolution (LTE) broadband technology platform "last mile" service in ABQ and Santa Fe for increased public safety agency broadband data interoperability and be capable of integration into the nation wide public safety LTE network.	\$17,000,003	\$38,699,997	\$55,700,000	\$55,700,000	Close-out	7/29/2016	Grant award closed.		DoIT continues to investigate the opportunity to relocate asset sites to the City of Santa Fe where the system can be used by Santa Fe Police, Ambulance and Fire Departments.  The value of any assets that are not deployed by December 31, 2017, may require reimbursement to the National Telecommunications and Information Administration. In order to ensure system sustainability, DoIT continues to explore redeployment of selected LTE assets to increase system utilization and increase distribution of undeployed assets.  <b>Background:</b> The 700 MHz Band is an important segment of spectrum freed up by the digital television transition and has excellent propagation characteristics such as the ability to penetrate buildings. In 2012, Congress enacted the Spectrum Act which formed the First Responder Network Authority (FirstNet, part of U.S. Department of Commerce) deploying and operating the nationwide public safety broadband network, and allocated up to \$7 billion dollars to FirstNet to construct this nationwide public safety broadband network.			
361 DoIT	<b>DoIT Statewide Infrastructure Replacement &amp; Enhancement (SWIRE):</b> Plan, design, purchase and implement infrastructure for public safety communications statewide for improved communication equipment affecting emergency responders.	\$9,200,000	\$0	\$9,200,000	\$9,118,209	Implementation	6/30/2017	Dispatch Console core system installed.  Installed DPS District 2 and District 5 Dispatch Consoles.	Implementation of the CommSHOP360 (radio asset, inventory, and workflow) application.  Refresh of the DPS fleet mobile and portable radios.	Accomplishments include installation and deployment of Land Mobile Radio (LMR) antenna and radio systems, Digital Microwave (DMW) radios, antennas, network equipment, dispatch console systems, back-up power systems including generators, grounding systems, battery systems, and surge suppression systems.  Local government Dispatch Console System upgrade is 90% complete.			
366 PERA	<b>Retirement Information Online (RIO) Enhancement:</b> Update current PERA system to include implementing business process improvements, user interface enhancement, data integrity and remediation, and customer relationship management software and workflow system.	\$4,200,000	\$0	\$4,200,000	\$480,767	Implementation	6/30/2018	Deliverables for data remediation and governance complete.	Sole source procurement notice to Hewlett Packard (HP) posted until June 7th.  Issue sole source contracts for enhancements and maintenance effective July 1, 2017.	Procurement delays have set the project behind schedule. PERA submitted a contract for approval to DoIT in February, DoIT then moved it forward in late March to the Department of Finance and Administration (DFA) for approval. DFA did not approve a contract amendment to the current HP contract. Instead PERA has to pursue a sole source contract with HP for the implementation phase and anticipates the process to be completed before the end of FY17. The project schedule requires an update based on known delays.  PERA awarded a \$1.2 million contract to Technology Integration Group (TIG) for project management and business process improvement under statewide price agreement. TIG subsequently subcontracted a vendor (Linea Solutions) with extensive knowledge in state-wide pension administration system implementations and business process improvement programs.			

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630 HSD	<b>MMIS Replacement Project:</b> Replace the Medicaid Management Information System ("Omnicaid") and supporting application to align with Centers for Medicare and Medicaid Services (CMS) requirements.	\$3,820,000	\$33,580,000	\$175,762,080	\$9,916,672	Planning	11/30/2019	System Integrator request for proposals (RFP) released February 20, 2017.  CMS approved the Data Services RFP January 12, 2017.	Release Data Services RFP.  Submit updated Advanced Planning Document (APD) to CMS for approval.	<p>The Centers for Medicare and Medicaid Services (CMS) authorized a \$175.8 million budget to replace the current MMIS. There is potential the estimated budget may be reduced. This project is supported by 90 percent Federal Funding Participation (FFP) and 10 percent State general fund. Laws 2017 appropriates up to \$5 million from unexpended balances in the medical assistance program.</p> <p>The MMISR procurement schedule has been updated to reflect the Systems Integrator (SI) and Data Services (DS) request for proposals.</p> <p>The current independent verification and validation (IV&amp;V) assessment for HSD's MMISR project reported several areas of concern that may limit the success of the project, resulting in an overall "red" status. While the Medical Assistance Division (MAD) and Information Technology Division (ITD) are the MMISR project owners, project teams continue to work in silos. Collaboration and defined processes between stakeholders (DoIT, MAD and ITD) is sometimes lacking and the unclear and changing document review and approval processes result in rework and schedule delays. Project management plans are being created with due dates not consistently being met for completion. Without these plans in place, the project lacks the foundation and structure required to successfully execute the project. In addition, an integrated end-to-end schedule, with resource allocations, is not complete. Without an integrated schedule, the achievability of the project cannot be gauged and the impacts of near-term activities not meeting due dates cannot be understood.</p> <p>The project team continues to monitor the contingency plan for the MMISR budget to address anticipated reductions due to the state budget shortfalls. HSD is in the process of updating the APD for submission to CMS for approval.</p>			

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630 HSD	<b>Child Support Enforcement System Replacement (CSES):</b> Enhance or replace the existing system which maintains more than 59 thousand active cases with over \$132 million in annually distributed child support payments.	\$3,927,300	\$1,023,700	\$4,951,000	\$2,611,860	Planning	TBD	Office of Child Support Enforcement (OCSE) on-site review.	Develop and release request for information (RFI).	CYFD will resubmit the CSES Feasibility Study based on OCSE review. Planning phase is extended through FY18. Also the planning phase timeframes may be affected based on the RFI responses that may be received from the vendor community for CSES replacement/modernization options.  Current remaining funding appears sufficient to complete CSES planning activities. HSD will submit another funding request for the FY19 budget cycle. HSD continues to explore options to modernize CSES to achieve near-term cost savings and help bridge the gap to when the system can be replaced.  Selection of an independent verification and validation vendor is pending OCSE approval.			
665 DOH	<b>Women, Infants, and Children (WIC) System Replacement Project:</b> Replace a 14-year-old legacy system with the WIC regional solution that includes Texas, Louisiana, New Mexico and two Indian tribal organizations. The State's new system will meet the USDA Food and Nutrition Service (FNS) requirements for Management Information Systems (MIS) and Electronic Benefits Transfer (EBT) delivery of WIC client benefits.	\$0	\$7,004,899	\$7,004,899	\$936,502	Implementation	11/30/2018	EBT system requirements and development complete.  Implementation Advanced Planning Document (IAPD) submitted to FNS for approval.	Finalize review of EBT Disaster Recovery and Security Plan.	Vexcel and Texas (as the lead state) updated the regional schedule and it does not impact NM schedule at this time. NM initiated the parallel process for the first phase of EBT. In addition, NM training plan and data conversion plan are under review.			
690 CYFD	<b>EPICS</b> is a multi-phase/multi year project to consolidate Children, Youth and Families Department's legacy system (FACTS) and 25+ stand-alone systems into one enterprise-wide web application. The system will support program efforts to build a rapid response to federal, state, and local requirements. A comprehensive view of clients and providers will increase productivity, direct client care, and safety.	\$7,535,200	\$9,190,511	\$16,725,711	\$15,419,856	Implementation	3/31/2018	"Am I Eligible" subproject in production (Release 3.2).  Completed Child and Adult Care Food Program payments user acceptance testing.  Developed Child Care reports.	Deploy Pilot for Law Enforcement Portal.	DFA Cash Remediation project pushed user acceptance testing for Child and Adult Care Food Program (CACFP) payments from June 2016 to August 2016. Although CYFD completed the UAT in March 2017, CACFP cash remediation for Race to the Top (RTTT) deployment is delayed. Available documentation does not indicate the period of the delay.  Resource constraints continue to impact project schedule. For example, the primary report writer resigned in February; a new replacement contractor will require time to assimilate and will not be able to develop Pre-K reports in time for April deployment.  The project schedules for Pre-K, and Summer Foods are not set up with subtasks or specific milestones. In contrast, the project schedule for RTTT Child Care includes tasks, subtasks, milestones within tasks, and tracks percentage complete. IV&V vendor recommends using the RTTT model of project schedule for all subprojects. In addition, update and publish project plans to project team on a regular basis.			

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770 CD	<b>OFFENDER MANAGEMENT SYSTEM (OMS) Replacement Project</b> The Corrections Department (CD) will replace its 15-year old client-server offender management system with a commercial-off-the-shelf (COTS) web-based OMS.	\$7,800,000	\$0	TBD	\$327,976	Implementation	6/30/2018	Technical Architecture Review Committee approval.  Developed project website accessible by CD employees.  System vendor selected.	CD anticipates the contract award by end of June 2017.  Data and infrastructure planning.  Purchase software licensing and hardware.	The proposal Evaluation Committee selected a vendor, contract negotiations are complete and the contract is in the signature approval process. CD will not release additional details to the LFC until the contract is fully executed with all required signatures.  The agency identified the inability to fill vacant IT positions as the highest risk of the project. The CD IT Division currently has a 34 percent vacancy rate. CD hired one additional employee prior to the hiring freeze. CD is contracting with a staff augmentation vendor to mitigate this risk as the project moves into the implementation phase.  CD stated current funding may not be enough to complete the project. The department requested an additional \$5 million in C2 funding for FY18 which was not considered due to state budget deficiencies.  □			
790 DPS	<b>Computer Automated Dispatch (CAD)</b> The DPS project will replace the existing CAD system, which is over 10 years old. CAD is used to dispatch 911 calls to officers, map the call location in the dispatch center, provide automatic vehicle location for officers in the field, and provide the National Crime Information Center with access to data.	\$4,150,000	\$0	\$3,976,200	\$2,172,309	Implementation	9/27/2017	GIS map schedule finalized.  CAD mobile functional tests complete.  Technical health check complete.  Developer training complete.	Updated project management plan to reflect contract amendments.	Laws 2017 re-authorizes 2013 project funding through fiscal year 2018. The project has been behind schedule primarily due to issues with the map data. Although the map data issues are resolved, the project continues to be behind schedule and DPS anticipates completion by September 2017. Several contract amendments in process and timely completion is a high risk to the project timeline.  DPS has contacted several entities including Sierra County, Clayton, Game and Fish Department, White Sands, and Otero County, who have expressed an interest in using the new system. Proposed costing for non-DPS agencies is in draft, pending review and approval.  The independent verification and validation vendor recommends DPS initiate lessons learned as the project moves forward.			

Source: DoIT IT project status reports, agency status reports, project certification committee documents, Independent Verification & Validation (IV&V) reports, Sunshine Portal, and LFC analysis.