

## **Accountability in Government Selected Performance Highlights Third Quarter, Fiscal Year 2021**

### **Background**

Pursuant to the Accountability in Government Act (AGA), quarterly reports are required of key state agencies, including performance measures and targets approved for each fiscal year by the Department of Finance and Administration (DFA) in consultation with LFC, as well as other measures important to agency operations.

The quarterly LFC report card process begins when the agency quarterly performance reports are received by the LFC. LFC analysts use these reports and other pertinent sources of information to compile a draft report card, and then LFC management, the report card team, and the analysts all meet for an in-depth review of each report card. Analysts then revise as appropriate and send draft report cards to the agencies for feedback. When agencies have responded and analysts have made final edits, the report cards are presented to the LFC and posted on the LFC website.

Agency performance measures are listed in tables in the body of the report cards, along with a green, yellow, or red rating that indicates how well agencies are progressing in meeting performance targets. Where relevant and timely data is available, LFC analysts may add national or regional benchmarks to provide context for the state's outcomes. Yellow and red ratings indicate the data is insufficient for LFC analysts to readily recognize progress or problems or an early warning that an agency is not on track to meet a target by fiscal year end.

Although the Covid-19 pandemic continues to impact performance in the third quarter, agencies report some effects of the pandemic are subsiding as cases decrease and normal activities resume. Few agencies are showing improvements in performance or efficiency, and overall state oversight has declined due to remote working conditions or a lack of reporting. Performance of note for the third quarter of FY21 by major area includes:

### **Public Safety** (*NMCD page 55, DPS page 59*)

New Mexico's prison population has fallen 18 percent from its high in FY16, resulting in almost 1,600 empty prison beds in FY21. Despite declining prison admissions driving further population reductions, the share of individuals admitted due to parole revocations surged to its highest level in at least 15 years, and recidivism rates due to technical parole violations have doubled since last year. Although Covid-19 appears to be receding in prisons, New Mexico's prison system had significantly higher rates of infection and death compared with other states'

prisons, and while the Corrections Department has made significant progress vaccinating its staff, it lags behind the rest of the country on inmate vaccinations.

Crime has been rising across the country, and preliminary statistics suggest New Mexico and Albuquerque have followed the same trend. As a result of the Covid-19 pandemic, New Mexico State Police officers have reduced proactive policing operations, and are only now beginning to resume normal operations. State police only held one recruit school in FY21 and saw significant retirements in the third quarter, resulting in higher vacancy rates. The Department of Public Safety has improved staffing levels and case completion rates in its forensic laboratory, but changing caseloads also impact the laboratory's performance.

### **Natural Resources** (*EMNRD page 25, OSE page 28, NMED page 49*)

Despite improved Covid-19 conditions coinciding with peak outdoor recreation season, state park visitation continues to fall short of expectations. Severe drought across the state has reduced reservoir levels, limiting opportunities for water recreation, a major draw for state parks in the spring and summer. In the Oil Conservation Division, progress on remediating orphan well sites has been slow, even after additional contracts were approved.

At the Office of the State Engineer, managers in the Water Resource Allocation Program report reliance on physical documents and on-site resources makes telework less efficient. Although drinking water quality data appears encouraging, the Environment Department warns that reduced onsite sanitary surveys during the pandemic likely resulted in unidentified violations, thus inflating the percentage of community water systems meeting health-based standards.

### **Early Childhood** (*page 32*)

Childcare assistance average monthly enrollment remains low, with average monthly enrollments of 14.4 thousand as of April 2021 compared to enrollments of 18 thousand to 20 thousand prior to Covid-19. The average monthly cost per child has increased to \$672, or \$8,064 annually, rising 8 percent in FY21 above the previous fiscal year despite the significant decline in enrollment. The increased cost stems from the department's coverage of parent co-payments and a \$200 per child differential payment to providers.

Despite the increased cost per child, low enrollment will still result in general fund reversions or significant federal revenue carry-forward. The department is unlikely to spend more than \$140 million of the \$158 million annual child care assistance budget in FY21. This estimate also does not include federal child care relief funding,

of which New Mexico will receive \$432 million, most of which must be spent by 2023 or 2024.

### **Children, Youth and Families** (*page 52*)

The Protective Services (PS) program met some performance targets related to kinship care, which has been a particular focus of the program in recent years, but continued to miss targets on several critical safety measures, including repeat maltreatment. In the last year, PS has seen an increase in the percentage of children who are placed with relatives. Relative placements are more stable for children and PS has made significant improvement in the number of relative placements that are made immediately following removal by cross-training county staff in conducting initial relative assessments and mandating management approval prior to placing a child with a non-relative. The percent of children in foster care who achieve permanency within 12 months has remained stagnant at around 29 percent.

### **Public Education** (*page 65*)

Statewide student participation will decrease for K-5 Plus and remain flat for Extended Learning Time Programs next year, as school districts continue to opt out of extending the school calendar. Because standards-based assessments are optional this year, the state will lack robust data on student performance for a second year in a row. Recent data from *Zearn*, an online math program, indicates students in New Mexico fell further behind students in other states in online math progress.

### **Higher Education** (*page 67*)

This quarterly report focuses on part-time students, who account for 70 percent of students attending two-year colleges in New Mexico. Graduation rates for two-year community colleges trend lower than four-year universities, principally because of the slower path of completion of part-time students. The 2014 freshman cohort included more than 2,141 part-time students. Only 9.9 percent of the 2014 cohort, or 213 students, graduated within 6 years. At two-year branch campuses, the 2014 freshman cohort included more than 678 part-time students. Only 15.6 percent of the 2014 cohort, or 106 students, graduated within 6 years.

### **Health** (*ALTSD page 34, DOH page 43*)

During the second quarter, the Aging and Disability Resource Center (ADRC) at the Aging and Long-Term Services Department (ALTSD) began answering calls by a live operator again. ALTSD reported a decline in calls, mostly due to the ADRC staff assisting the Department of Health in registering and scheduling appointments for Covid-19 vaccinations.

Department of Health (DOH) has projected an operating deficit in the current fiscal year due to declining occupancy at state facilities. Occupied beds fell to 55 percent in the third quarter, 25 percent below the previous year. In particular, the New Mexico Veterans' Home (NMVH) and the Behavioral Health Institute have seen significant declines in occupancy. NMVH's average monthly cost per patient in the first two quarters was \$12,400 but noticeably increased to \$19 thousand when the census dropped in December 2020. New Mexico Medicaid data indicated the average cost per member per month at Nursing Facility Private – Low Level of Care in 2020 was \$4,738.

### **Investments** (*page 84*)

For the year ending March 31, 2021, the value of New Mexico's combined investment holdings for the pension and permanent funds grew by \$10.3 billion, or 20.9 percent annually, to an ending balance of \$59.8 billion. Over the last five years, the state's combined investment holdings grew \$15.6 billion, or 36 percent.

After a year of record growth, one-year returns ranged from 21.6 percent (PERA) to 26 percent (LGPF), and average investment returns over the last 10 years ranged from 7 percent (PERA) to 7.85 percent (ERB).

Despite annual returns in excess of 20 percent, when compared with peer funds greater than \$1 billion on a net-of-fee basis, all funds performed in the lowest quartile for the one-year period. All funds also performed below the median for all periods except the quarter.

### **Economic Development and Tourism** (*Tourism page 20, EDD page 22*)

The Economic Development Department met most of the performance targets for the third quarter; however, LEDA awards and revenue from film projects were concentrated in the Albuquerque metro area, with direct spending by film industry productions in rural areas at only \$100 thousand, or 25 percent of the target.

Tourism reported a continued increase in digital engagement, improving its digital footprint during the Covid-19 public health emergency. However, leisure and hospitality industry employment rates remain stunted. The department, in collaboration with other state agencies, will need to address these workforce concerns to successfully re-open as the tourism season begins.

### **Courts and Justice** (*page 7*)

The average cost per juror reached \$55.29, an increase of nine dollars, or 19 percent, from the previous quarter, which exceeded the target of \$50 per juror. The increase

in cost is likely due to the courts' increase in jury trials and the continued cost of purchasing individual masks, note-taking supplies, and hand sanitizer to satisfy proper Covid-19 safety practices. Jury trials for the third quarter of FY21 increased by 134 percent from those conducted in the second quarter, as the Supreme Court resumed jury trials in February 2021. The number of jury trials for the third quarter were on par with trials conducted in the first quarter, prior to the halt of jury trials.

Attorney caseloads for the district attorneys were at or below their FY21 target and the national benchmark in all judicial districts except for the 5<sup>th</sup> (Chaves, Eddy and Lea Counties), 10<sup>th</sup> (DeBaca, Quay and Harding Counties) and 11<sup>th</sup> Division II (McKinley County).

### **Taxation and Revenue Department** *(page 12)*

During the third quarter, Motor Vehicle Division (MVD) offices were still operating at limited capacity, and the agency has not tracked wait times for the past year, making it difficult to know how well MVD is serving customers. MVD offices are reopened at full capacity as of the fourth quarter. MVD call center wait times continued to increase, due in part to a change in measurement methodology. The agency's Audit and Compliance Division (ACD) continues to see slow but steady progress in improving its collections of audit assessments. Investment in a data analytics tool in FY20 appears to be paying off, with the division increasing collections by approximately \$20 million over the past year. However, ACD's collections of collectible audit assessments – 30 percent – still fell short of its goal of maintaining collections at 60 percent.

### **General Government** *(GSD page 16, SPO page 19, DOT page 62)*

The General Services Department reports stable balances in risk funds used to pay state property damage, liability, and workers compensation claims. The state's self-insured health benefits program continues to face a deficit, but health costs are stabilizing after the considerable uncertainty brought on by the Covid 19 pandemic.

For the State Personnel Office, the two measures of compa-ratio, or salary divided by midpoint of salary range, continue to point to salary compaction; new employees are hired at 99 percent of midpoint while more tenured employees are receiving 104 percent of midpoint. This suggests the middle of the salary range has become entry level and there is little room for employees to move through the salary range. The lack of opportunity for regular advancement can lead to low morale and increased turnover.

The Department of Transportation is on pace to vastly exceed the target for roadway preservation due to a combination of increased legislative appropriations and the

effects of a mild winter, which allowed maintenance activities to continue longer. The department reported actual costs were 4.3 percent less than the bid amounts for projects completed in the 3<sup>rd</sup> quarter. Out of the \$405 million in nonrecurring appropriations made to the department in 2019 and 2020, 40 percent has been expended.

### **Information Technology Projects** *(page 70)*

The majority of IT projects under LFC review continue to be at high risk of delays or needing corrective action. One project successfully closed this quarter – the Department of Information Technology’s statewide infrastructure replacement and enhancement project (SWIRE) – with a green rating and within budget, having upgraded 89 towers and replaced over 900 of the 8,000 mobile and portable subscriber units, including infrastructure not in the initial scope.

LFC’s review includes four high risk (red), four moderate risk (yellow), and two low risk (green) projects – including SWIRE. State Land Office’s royalty administration and revenue processing system (RAPS) project is making progress, as the royalty system is currently live and in production with phase 2 contracts underway.

### **Human Services and Medicaid** *(page 39)*

The Human Services Department’s (HSD) third quarter performance report did not include any new reporting of quarterly data for multiple performance measures. The Medicaid program has a red rating because of incomplete quarterly reporting as well as declining performance.

### **Behavioral Health** *(page 37)*

The Behavioral Health Services Division (BHSD) of the Human Services Department submits performance data on behalf of the Behavioral Health Collaborative. Much of the submitted data is on a calendar year basis and is later converted to quarterly data. For the third quarter, the Behavioral Health program received a yellow rating given the difficulty in gathering reliable quarterly data.

## ACTION PLAN

Submitted by agency? Yes  
Courts and PDD

Timeline assigned? Yes

Responsibility assigned? Yes

## Courts and Justice

### Courts

**Administrative Support.** The Administrative Office of the Courts reduced costs in the Administrative Support program through centralized interpreter services and purchasing a new jury management tool that allows for uniform data collection, resulting in significant fund balance. The average cost per juror in the third quarter increased by nine dollars, or 19 percent, from the second quarter of FY21 — \$5.29 above the FY21 target cost of \$50 per juror. The increase in cost is likely due to the courts' increase in jury trials and the continued cost of purchasing individual masks, note taking supplies, and hand sanitizer to satisfy proper Covid-19 safety practices. Jury trials for the third quarter of FY21 increased by 134 percent from those conducted in the second quarter, as the Supreme Court resumed jury trials in February 2021. The number of jury trials for the third quarter were nearly on par with those conducted in the first quarter, prior to the halt of jury trials. The average interpreter cost per session decreased from the second to the third quarter of FY21, remaining well below FY20 levels and the FY21 target, partially due to a drop in court hearings.

**Budget:** \$13,169 **FTE:** 49.8

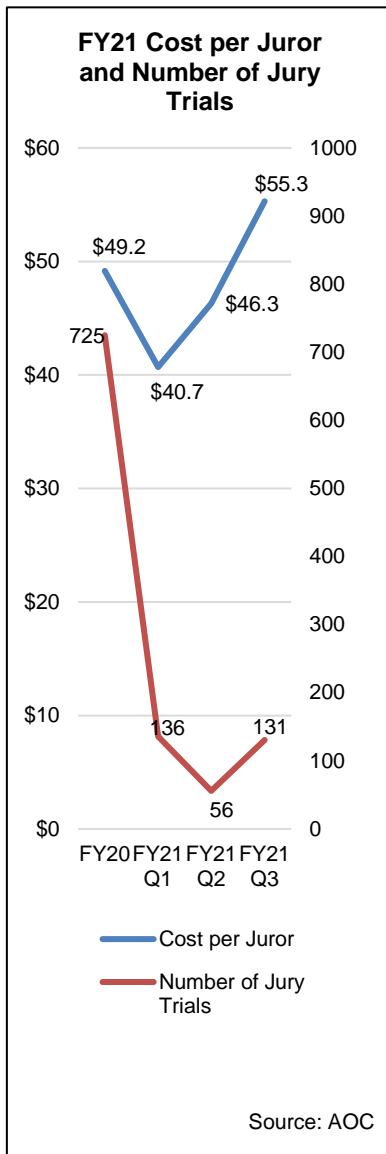
	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Average cost per juror	\$41.41	\$49.17	\$50.00	\$40.69	\$46.30	\$55.29	Y
Number of jury trials*	963	725	N/A	136	56	131	
Average interpreter cost per session	\$157	\$117	\$100	\$55.92	\$57.49	\$54.96	G
<b>Program Rating</b>	<b>G</b>	<b>G</b>					<b>G</b>

\*Measure is classified as explanatory and does not have a target.

**Special Court Services.** The number of cases assigned to Court Appointed Special Advocates (CASA) decreased from the second quarter to the third quarter of FY21, following a decreasing trend for the fiscal year. The number of cases assigned decreased from 724 referrals in the first quarter to 495 referrals in the third quarter – a 31 percent decrease or a 19 percent decrease from the second quarter. AOC maintained monthly supervised visitation rates for children in abuse and neglect cases above the target, showing an increasing trend for the fiscal year – increasing from 2,659 visitations in the first quarter to 2,903 visitations in the third quarter, though still behind FY20 numbers.

**Budget:** \$13,416 **FTE:** 15.5

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Cases to which CASA volunteers are assigned*	2,413	1,050	N/A	724	611	495	G
Monthly supervised child visitations and exchanges conducted	11,698	11,359	1,000	2,659	2,692	2,903	G
Average time to completed disposition in abuse and neglect cases, in days*	85	61.5	N/A	62	No Report	No Report	R
Recidivism rate for drug-court participant	14%	18%	12%	Bi-Annual	11%	Bi-Annual	



## PERFORMANCE REPORT CARD

### Judicial Branch

### Third Quarter, Fiscal Year 2021

#### FY22 proposed additional performance measures for the judiciary, vetoed by the governor:

- **Appearance rate:** percentage of supervised defendants who make all scheduled court appearances.
- **Reoffenders:** number (or percentage) of supervised defendants who are not charged with a new offense during the pretrial stage.
- **Release success rate:** percentage of released defendants who do not violate conditions of their release, appear for all scheduled court appearances, and are not charged with a new offense during pretrial supervision.
- **Pretrial detainee length of stay:** average length of stay in jail for pretrial detainees who are eligible by statute for pretrial release.

Recidivism rate for DWI-court participants	6%	7%	12%	Bi-Annual	7%	Bi-Annual
Graduation rate for drug-court participants*	51%	59%	N/A	Bi-Annual	52%	Bi-Annual
Graduation rate for DWI-court participants*	76%	81%	N/A	Bi-Annual	81%	Bi-Annual
Cost per client per day for all drug-court participants*	\$18.36	\$25.39	N/A	Bi-Annual	\$27.72	Bi-Annual

#### Program Rating

Y Y G

**Statewide Judiciary Automation.** AOC began reporting on new measures for FY20 to better gauge the success of the Statewide Judiciary Automation Program. Last year, complications with the Odyssey case management system caused times per service call to increase sharply. Previous targets, which measured call times in hours regardless of difficulty, were unattainable. The new measure tracks responses and resolutions to customer service requests in days, and AOC surpassed the target for the first and second quarters of FY21.

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Average time to resolve calls for assistance, in days	NEW	0.33	1	0.25	0.17	0.33	G
Program Rating		G					G

\*Measure is classified as explanatory and does not have a target.

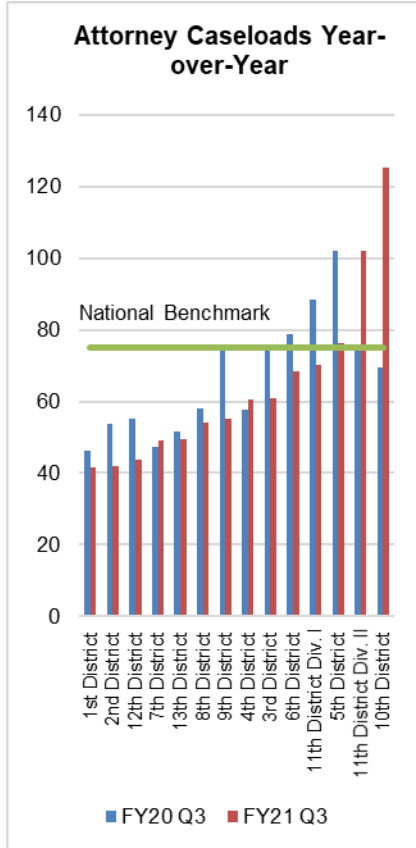
**District, Metro, and Magistrate Courts.** AOC collected and reported biannual data on disposition rates for district, metro, and magistrate courts for the first time since FY19. In the third quarter of FY21, district and magistrate courts met or exceeded their target of 100 percent – showing the backlog of cases filed during the first half of the public health emergency has been dealt with. The courts did not report on time to disposition for the second or third quarters of FY21, a key metric for gauging the administration of timely justice in state courts.

	FY20 Actual	FY21 Target	FY21 Q2	FY21 Q3	Rating
District Courts					
Cases disposed as a percent of cases filed	106%	100%	86%	100%	Y
Time to disposition in days	No Report	180	No Report	No Report	R
Metropolitan Court					
Cases disposed as a percent of cases filed	119%	100%	103%	No Report	R
Time to disposition in days	No Report	180	No Report	No Report	R
Magistrate Courts					
Cases disposed as a percent of cases filed	108%	100%	102%	101%	G
Time to disposition in days	No Report	180	No Report	No Report	R
Program Rating		Y			Y



## District Attorneys

After receiving guidance from the Legislature, the district attorneys submitted a unified priorities budget request for FY22, requesting restoration of original funding levels approved in the 2020 General Appropriation Act, prior to the solvency measures of the 2020 Special Session. District attorneys statewide experienced a sharp drop in workload in the latter half of 2020 as case referrals dropped during the Covid-19 public health emergency, which has largely continued in the first half of FY21. Cases referred in the third quarter of FY21 decreased by about 9 percent compared with the first quarter, but increased 6 percent when compared to the second quarter. Attorney caseloads for the third quarter of FY21 were at or below their FY21 target (and the national benchmark) in all judicial districts except the 5<sup>th</sup> (Chaves, Eddy and Lea Counties), the 10<sup>th</sup> (DeBaca, Quay and Harding Counties) and the 11<sup>th</sup> Division II (McKinley County). Attachment 1, at the end of this report, details attorney caseload trends for the last seven quarters.



<b>Budget:</b> \$80,486	<b>FTE:</b> 954	<b>FY20 Actual</b>	<b>FY21 Target</b>	<b>FY21 Q1</b>	<b>FY21 Q2</b>	<b>FY21 Q3</b>	<b>Rating</b>
Number of Cases Referred for Screening*	73,256	73,386	N/A	16,376	14,058	14,840	
1st District	5,888	4,985	N/A	1,281	1,059	1,205	
2nd District	24,859	21,806	N/A	5,314	4,542	4,461	
3rd District	1,878	5,244	N/A	1,231	1,004	1,068	
4th District	1,888	1,734	N/A	488	415	423	
5th District	7,510	7,163	N/A	1,867	1,587	1,560	
6th District	2,737	2,621	N/A	685	560	685	
7th District	2,107	1,747	N/A	366	367	416	
8th District	2,005	1,758	N/A	423	307	378	
9th District	3,150	2,840	N/A	691	552	634	
10th District	902	670	N/A	161	135	188	
11th Division I.	5,298	5,128	N/A	1,226	1,182	1,191	
11th District Div. II	2,603	2,279	N/A	469	553	556	
12th District	2,936	2,850	N/A	710	599	569	
13th District	5,803	5,647	N/A	1,464	1,196	1,506	
Average Attorney Caseload	287	231	70	67	60	64	G
1st District	210	174	70	46	40	42	G
2nd District	239	207	70	47	42	42	G
3rd District	346	233	70	79	57	61	G
4th District	376	247	70	65	52	60	G
5th District	319	318	70	91	77	76	G
6th District	288	275	70	124	93	69	G
7th District	221	183	70	38	43	49	G
8th District	286	251	70	56	41	54	G
9th District	331	270	70	66	44	55	G
10th District	360	268	70	64	90	125	R
11th Division I.	294	301	70	72	66	70	G
11th District Div. II	274	414	70	85	101	101	R
12th District	244	219	70	56	52	43	G
13th District	232	195	70	50	41	49	G
<b>Program Rating</b>			R	R			Y

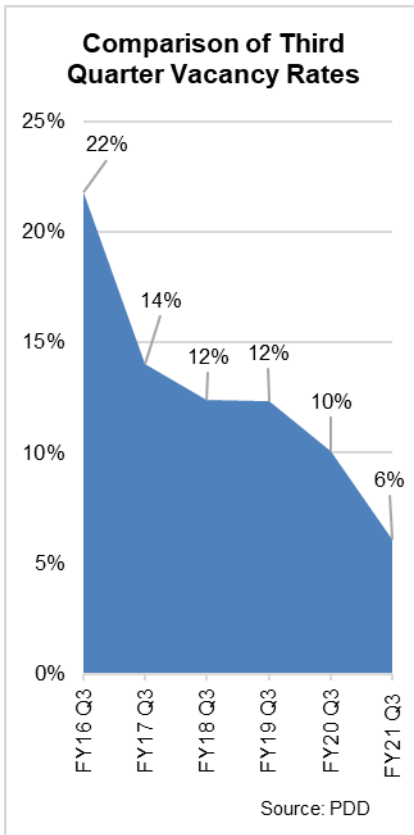
\*Measure is classified as explanatory and does not have a target

## Public Defender

Like other criminal justice partners, the Public Defender Department (PDD) has difficulties recruiting and retaining legal professionals in rural areas. PDD implemented geographical pay differentials and expanded recruitment tactics, significantly decreasing the agency vacancy rate from 21 percent in FY17 to 6.2 percent in the second quarter of FY21, the lowest vacancy rate in the last five years, significantly reducing attorney caseloads.

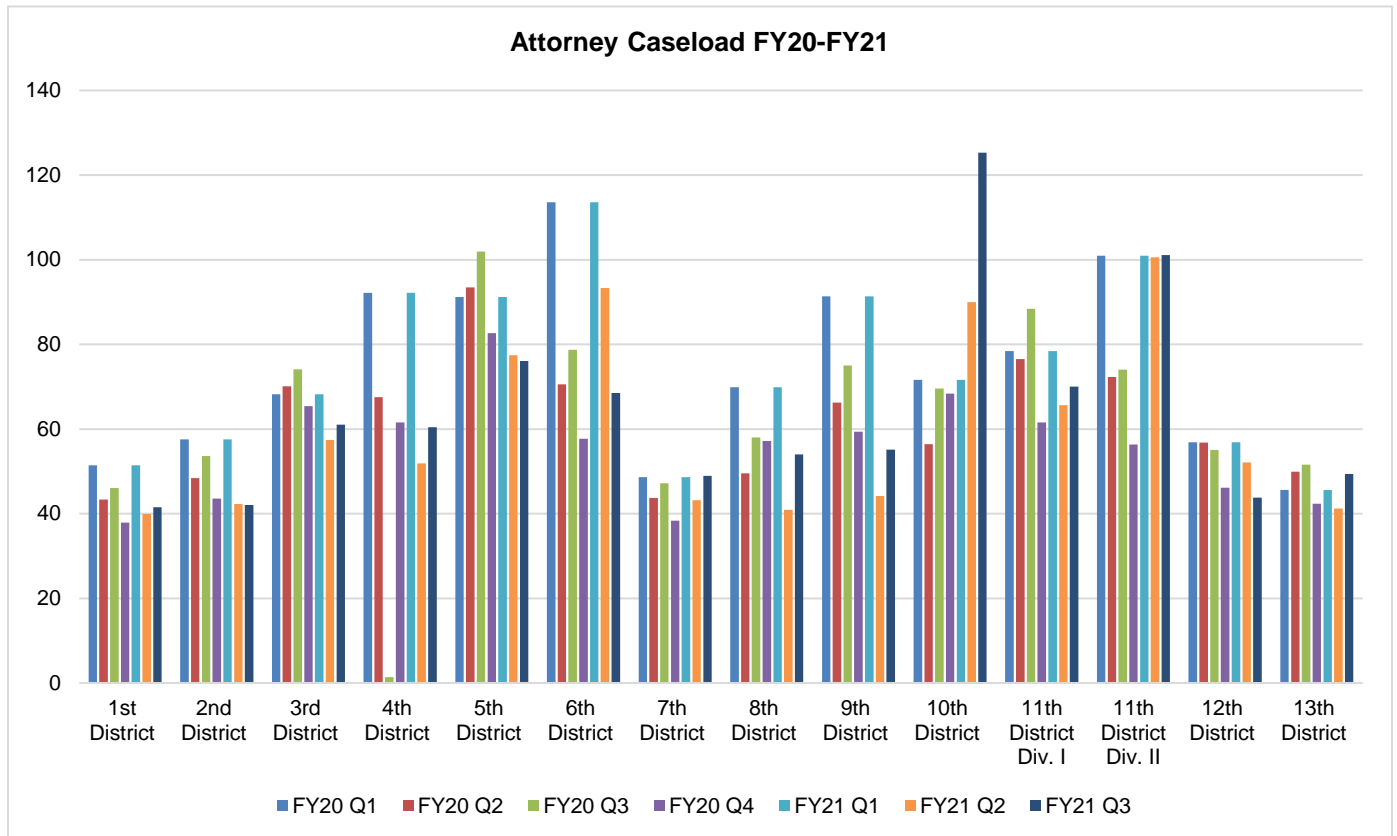
PDD did not meet the target for total reduced charges in felony, misdemeanor, and juvenile cases for the third quarter of FY21. According to the agency, this is largely due to the dramatic change in how the criminal justice system operated during the Covid-19 pandemic, where limited in-person contact decreased the ability of attorneys to effectively communicate with clients and increased the likelihood that defendants accepted unfavorable plea deals for fear of contracting the virus in detention. Contract attorneys reduced originally filed charges in only 42 percent of assigned cases according to data provided by PDD, which may be in part due to poor reporting practices and overwhelming caseloads.

**Budget:** \$55,488    **FTE:** 439



	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Felony, misdemeanor, and juvenile cases resulting in a reduction of original formally filed charges	72%	63%	70%	50.3%	46%	47%	Y
In-house attorneys	84%	77%	70%	40%	52%	49%	Y
Contract attorneys	31%	20.6%	70%	38%	36%	42%	R
Felony, misdemeanor, and juvenile cases resulting in alternative sentencing treatment	13,900	8,003	5,000	1,491	1,592	1,516	G
In-house attorneys	12,281	6,956	4,000	1,159	1,109	1,089	G
Contract attorneys	1,169	1,047	1,000	332	483	427	Y
Percent of cases assigned to contract attorneys*	34%	35%	N/A	35.7%	32.5%	35%	
Average time to disposition for felonies, in days*	326	268	N/A	271	294	244	
In-house attorneys*	291	243	N/A	281	246	224	
Contract attorneys*	326	293	N/A	271	343	264	
Cases opened by Public Defender Department *	63,292	54,607	N/A	14,057	13,613	14,106	
In-house attorneys*	40,628	40,074	N/A	7,919	8,794	8,747	
Contract attorneys*	22,664	21,220	N/A	4,857	4,819	5,359	
<b>Program Rating</b>	<b>G</b>	<b>G</b>					<b>Y</b>

## Attachment 1



## ACTION PLAN

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

## Taxation and Revenue Department

For the third quarter of FY21, the Taxation and Revenue Department (TRD) fell slightly behind in meeting its annual target for collections of outstanding balances. While the department continues to fall short of its target for collectible audit assessments, the Audit and Compliance Division (ACD) is making slow but steady progress in increasing collectible audit assessments, improving its collection rate from approximately 20 percent to 30 percent over the past year.

Call center wait times in the Motor Vehicle Division (MVD) continued to increase, which MVD attributes to a more accurate measurement method, as well as higher call volumes. MVD has not tracked wait times in offices for the past year, citing a need to focus on Covid-19-related social distancing and hygiene practices. A lack of measurement makes it difficult to know how well MVD offices are able to serve customers, even with limited capacity. The division has implemented a number of customer-friendly changes that make it easier for drivers to conduct transactions remotely and in-person, and reopened offices at 100 percent capacity beginning in the fourth quarter.

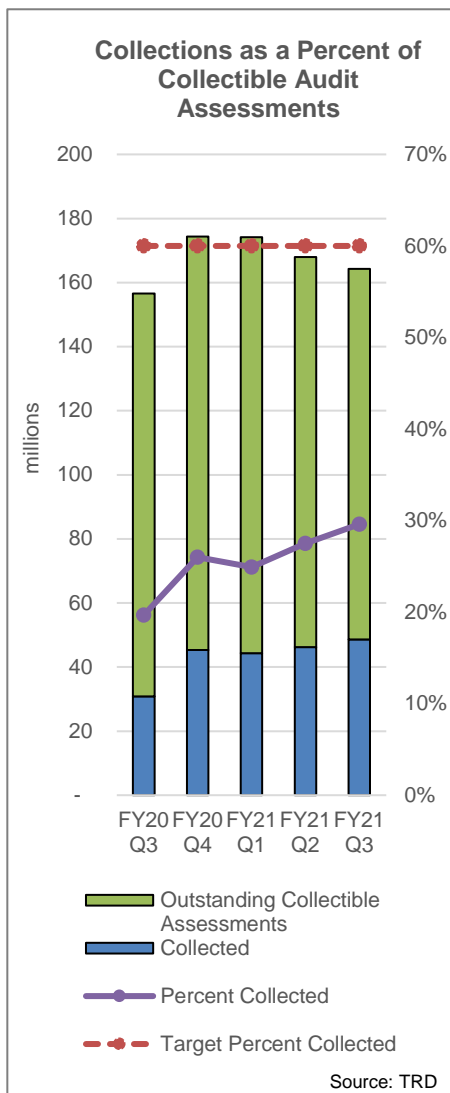
The agency's vacancy rate fell slightly, to 24.2 percent in May, after nearly a year of increasing. The agency points to high vacancy rates in its MVD call center and plans to focus on hiring for that division during the next quarter.

In response to the Covid-19 public health emergency, both MVD offices and TRD district offices were open by appointment only during the quarter. The department has not held delinquent property tax sales for the past five quarters.

### Tax Administration

The Tax Administration Program is slightly behind in progress towards its annual target for collections of outstanding balances. As of the third quarter, the program had collected \$133.7 million, or nearly 15 percent, of its total collectible balance of \$896.9 million, or 65 percent of the target amount for the year.

The program again fell short of its goal for collectible audit assessments. At the end of the third quarter, the program had collected \$48.6 million, or 29.6 percent, of the \$164.3 million in collectible audit assessments, short of its goal of maintaining collections at 60 percent. However, the program continues to make slow but steady progress on this measure, increasing collectible audit assessments by almost 10 percentage points since the third quarter of FY20. ACD began using a new data analytics tool in FY20 to identify the most collectible audits, and expects performance on collectible audits to continue to improve over time as a result of the tool. TRD received a \$1.15 million appropriation to implement the tool, and has increased collections by almost \$20 million in the past year. While it is difficult to know how much use of the tool is directly tied to increasing collections, early indications suggest the tool may already have a very positive return on investment.



# PERFORMANCE REPORT CARD

Taxation and Revenue Department  
Third Quarter, Fiscal Year 2021

**\$560.7 million**

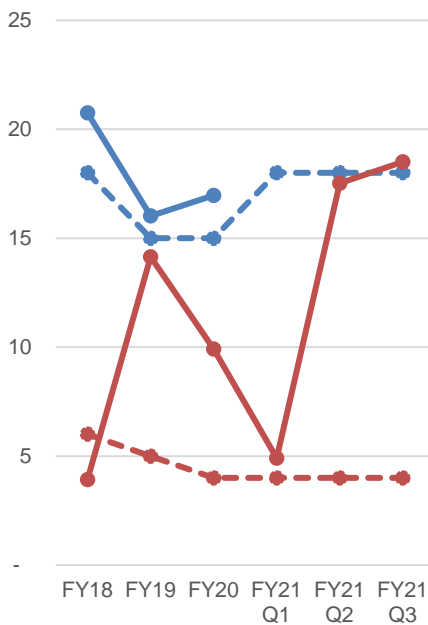
Amount under protest  
(as of April 2021)

Budget: \$33,916 FTE: 495.8

Measure	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Collections as a percent of collectible outstanding balances from the end of the prior fiscal year*	19%	19%	23%	9.4%	12%	14.9%	Y
Collections as a percent of collectible audit assessments generated in the current fiscal year	49%	26%	60%	24.9%	27.5%	29.6%	Y
<b>Program Rating</b>	Y	Y					Y

\*Target is cumulative

**Average Wait Time in MVD  
Offices and Call Centers  
(in minutes)**



Source: TRD  
\*Only MVD q-matic equipped offices

## Motor Vehicle

For the fourth consecutive quarter, MVD did not report on office wait times, citing a need to focus on maintaining Covid-19-related social distancing and hygiene practices while offices are operating on an appointment-only basis and with limited capacity. MVD has made available additional online transaction types, including license renewal for New Mexicans over the age of 79, weight distance renewals, and interlock driver's licenses. In addition, MVD is testing a new queuing system to allow customers to check in remotely at offices. The improvements to online and in-person services will likely be beneficial even with expanded office capacity. As of the fourth quarter, all offices reopened at 100 percent capacity, while remaining on an appointment-only model.

MVD call center wait times continued to rise, increasing from under five minutes in the first quarter to 17.5 minutes in the second quarter and 18.5 minutes in the third quarter. However, MVD recently changed the way it measures call times, using a weighted average based on volume of different call types. For example, MVD now weights English-language calls, which tend to have a longer wait time, more heavily, as they account for the majority of all calls. TRD may want to consider updating its targets to better reflect the new, more accurate, method of measurement. MVD call volume continued to increase, although not as much as in recent quarters, growing by almost 6 percent from the previous quarter. TRD indicated that the increased volume made it challenging to keep up with calls, and the call center's vacancy rate also increased over the past year. As MVD offices increase capacity in the fourth quarter, pressure on call centers will likely decrease. A new phone system allows more customers to wait on hold, but likely also contributes to a higher rate of abandoned calls. In March, 52 percent of customers abandoned their calls.

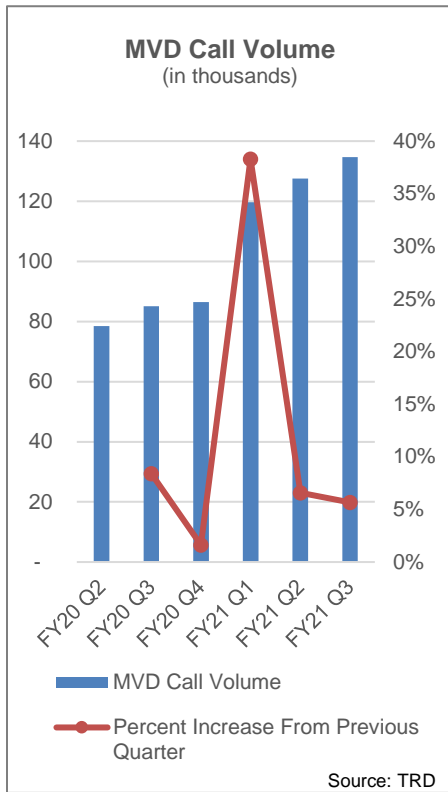
The share of registered vehicles with liability insurance continued to increase slightly, nearly reaching the target of 92 percent.

Budget: \$40,396 FTE: 326

Measure	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Registered vehicles with liability insurance	90.4%	90.6%	92%	91.2%	91.3%	91.4%	Y
Average wait time in "q-matic" equipped offices, in minutes	16:01	16:29	<18:00	NR	NR	NR	R

## PERFORMANCE REPORT CARD

Taxation and Revenue Department  
Third Quarter, Fiscal Year 2021



Average call center wait time to reach an agent, in minutes

14:09

9:55

<4:00

4:54

17:31

R

Program Rating

Y

Y

R

### Compliance Enforcement

The agency is on track to meet its target for referral of tax investigations to prosecutors. The number of tax investigations opened annually is small, causing this measure to fluctuate significantly between each quarter. Only one tax fraud case was prosecuted – successfully – during the third quarter, leading to a 100 percent success rate. Due to the Covid-19 pandemic, the courts are experiencing a delay in scheduling hearings.

Budget: \$1,656 FTE: 21

Measure	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Tax investigations referred to prosecutors as a percent of total investigations assigned during the year	61%	114%	85%	25%	50%	20%	G
Successful tax fraud prosecutions as a percent of total cases prosecuted*	100%	100%	N/A	0%	0%	100%	G
Program Rating	R	G					G

\*Measure is explanatory and does not have a target

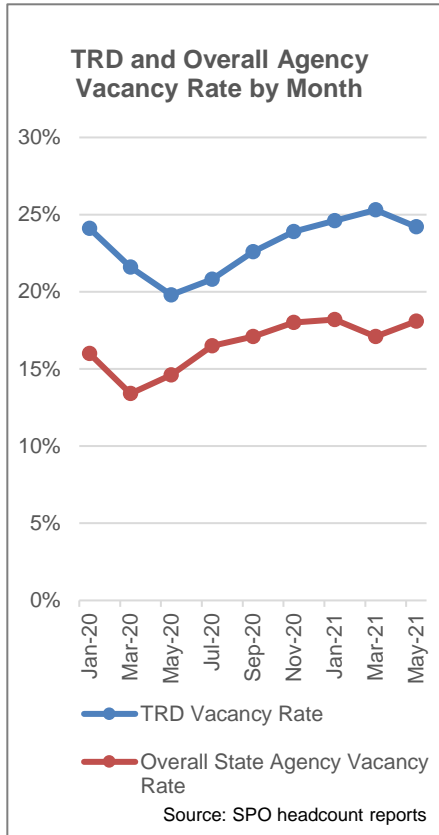
### Property Tax

In the third quarter of FY21, the Property Tax Program collected and distributed to counties \$1.6 million in delinquent property taxes, reaching nearly 50 percent of the annual target, and recovered 2.5 percent of total delinquent property taxes, or nearly 62 percent of the annual target. Public sales of delinquent property have not taken place for the previous four quarters, due to public health restrictions. TRD indicates it will begin holding property sales in the next quarter.

Budget: \$4,226 FTE: 41

Measure	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Delinquent property tax collected and distributed to counties, in millions	\$12.9	\$10.4	\$13	\$2.5	\$2.2	\$1.6	Y
Percent of total delinquent property taxes recovered	21.2%	18.7%	18%	4.9%	3.7%	2.5%	Y
Dollar value of all delinquent property tax sales held, in thousands	\$244.4	\$435.6	\$800	\$0	\$0	\$0	R
Program Rating	G	Y					Y

## Program Support



The department is running slightly behind in meeting its annual performance target for the number of tax protest cases resolved, resolving 334 cases in the second quarter of FY21, or nearly 70 percent of its total target number of cases for FY21.

The department submitted a figure of 73 percent for internal audit recommendations implemented, which is on track to meet a goal of 92 percent for FY21. However, the Internal Audit Division is engaged in documenting procedures for all of TRD, and is counting completed internal controls as part of the performance measure on implementation of internal audit recommendations. The work of the internal audit team has shifted since FY20 to assist in business process improvement, and supporting other divisions in identifying and documenting internal controls. These efforts reflect the result of previous audit findings on agency-wide lack of documented controls. TRD intends to build business process improvement capacity within its divisions, allowing the internal audit team to refocus its efforts on internal audits, while still providing support on internal controls. While business process improvement is an important agency-wide goal, it may not be the best measure of internal audit performance. TRD may wish to consider a separate performance measure to gauge progress on internal controls. So far in FY21, the division has completed 26 internal procedures and 15 audits.

**Budget: \$21,077 FTE: 182**

	FY19	FY20	FY21	FY21	FY21	FY21	
Measure	Actual	Actual	Target	Q1	Q2	Q3	Rating
Tax protest cases resolved	1,003	1,744	1,550	432	310	334	Y
Internal audit recommendations implemented	61%	94%	92%	43%	73%	73%	Y
<b>Program Rating</b>	<b>R</b>	<b>Y</b>					<b>Y</b>



## ACTION PLAN

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

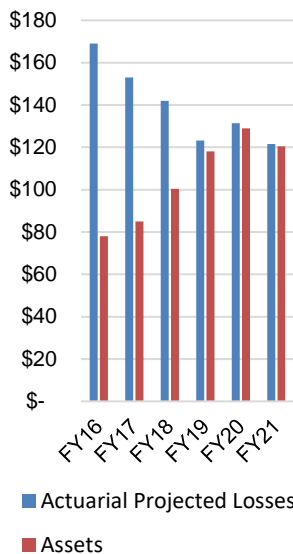
## General Services Department

Operations of the General Services Department (GSD) continue to be affected by the Covid-19 pandemic, from volatility in health insurance claims payments to the ability of the agency to conduct scheduled preventative maintenance at state facilities. Overall, the department reports healthy fund balances in the risk programs and notes health care costs fell in the third quarter, improving the financial position of the health benefits fund. However, as Covid cases decline and restrictions are eased, the department will be challenged to contain costs. To this end, a number of new measures will be added for the Group Health Benefits Program, including nationally benchmarked measures comparable across public and private health plans. Improved performance reporting in the health benefits program is vital as it will provide insight into cost drivers, care quality, and employee satisfaction with the benefit offered.

### Risk Management

GSD reports the three largest risk funds have a combined balance of \$120.6 million and liabilities of \$121.6 million for a total funded ratio of 99 percent, up from 46 percent in FY16. Since the fourth quarter of FY20, projected losses of the public liability fund fell by \$11.2 million while liabilities of the public property and workers' compensation funds increased by \$608 thousand and \$780 thousand, respectively.

**Assets vs. Actuarial Projected Losses for Major Risk Funds**  
(in millions)



Source: GSD and LFC Files

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget: \$9,086.7 FTE: 56</b>							
Projected financial position of the public property fund*	581%	736%	N/A	517%	513%	504%	<b>G</b>
Projected financial position of the workers' compensation fund*	52%	60%	N/A	59%	59%	60%	<b>G</b>
Projected financial position of the public liability fund*	89%	103%	N/A	113%	114%	113%	<b>G</b>
<b>Program Rating</b>	<b>G</b>	<b>G</b>					<b>G</b>

\*Measure is classified as explanatory and does not have a target.

### Group Health Benefits

The department reports that, relative to the second quarter of FY21, PMPM costs are down 17 percent. The dramatic reduction comes after two quarters that saw significant increases. However, when compared to the pre-pandemic third quarter of FY20, costs are only up by 1.5 percent while utilization is up by 2.7 percent. This suggests that medical plan costs are normalizing following disruptions brought on by the Covid pandemic. Appointments at the stay well health center are far below capacity, likely as a result of telework options for state employees.

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget: \$385,187.7 FTE: 0.0</b>							
State group prescriptions filled with generic drugs	88%	87.2%	80%	87%	86%	87%	<b>G</b>
Change in average per member per month total healthcare cost	0.4%	-2.5%	<5%	10%	15%	-17%	<b>G</b>
Percent of available appointments filled at the stay well health center*	NEW	NEW	N/A	54%	50%	48%	



## PERFORMANCE REPORT CARD

General Services Department  
Third Quarter, Fiscal Year 2021

Percent of eligible state employees purchasing state medical insurance\* NEW NEW N/A Annual

Percent of hospital readmissions for patients within 30 days of discharge\* NEW NEW N/A Annual

### Program Rating

**R**

**G**

**G**

\*Measure is classified as explanatory and does not have a target.

## Facilities Management

### Appropriations to GSD for Building Repair and Maintenance

FY20	\$5,000,000
FY19	\$1,500,000
FY18	\$0
FY17	\$4,000,000
FY16	\$3,500,000
FY15	\$0
FY14	\$4,500,000
FY13	\$500,000

Source: LFC Files

The Facilities Management Division (FMD) is responsible for maintaining 2.4 million square feet of state-owned space and 2.1 million square feet of leased space. FMD is responsible for master planning functions to ensure agencies have the space required to fulfil their missions while maximizing the efficient use of state facilities. FMD is attempting to reduce the state's facility footprint, reflecting a smaller workforce. Additionally, GSD is working to move employees from leased space to state-owned facilities and reduce occupied square footage to account for telework. Efforts to consolidate state agencies and reduce leased space have been hampered by uncertainty about the future space needs of the state workforce and the lack of a statewide telework policy.

FMD reports only 32 percent of scheduled preventive maintenance activities were completed on time as Covid-19 restrictions reduced staff ability to complete work. There were five new leases entered into in the third quarter, one of which was exempted from the space standard. The other four met the 215 square foot per FTE space standard.

Budget: \$15,036.3	FTE: 141	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Capital projects completed on schedule		98%	96%	97%	92%	100%	100%	<b>G</b>
Preventive maintenance completed on time		57%	75%	95%	78%	44%	32%	<b>R</b>
New office leases meeting space standards		86%	93%	80%	100%	100%	100%	<b>G</b>
Program Rating		<b>G</b>	<b>G</b>					<b>Y</b>

### FY21 Leased and State-Owned Office Space by Square Foot and FTE Top 10 Agencies by Space Utilization

Department	Leased Space	Rent	State-Owned Space	State-owned Space Per FTE (Target 215)	Total Space
Human Services Department	716,989	\$17,045,290	61,456	415	778,445
Children, Youth & Families Department	419,432	\$8,593,213	301,488	493	720,920
Department of Health	274,835	\$4,315,346	245,776	362	520,611
Corrections Department*	73,273	\$1,386,037	299,424		372,697
Taxation and Revenue Department	184,566	\$4,239,764	149,838	288	334,404
Department of Environment	120,490	\$2,273,294	71,669	462	192,159
Workforce Solutions Department	25,163	\$475,187	162,160	374	187,323
Department of Public Safety	63,007	\$516,839	64,858		127,865
State Engineer	63,251	\$924,009	37,885	209	101,136
Regulation and Licensing Department	24,188	\$392,655	65,687	373	89,875
<b>Total</b>	<b>1,965,193</b>	<b>\$40,161,634</b>	<b>1,460,241</b>	<b>386</b>	<b>3,425,434</b>

## PERFORMANCE REPORT CARD

General Services Department  
Third Quarter, Fiscal Year 2021

### State Purchasing

The program reports the contract review took 3 days on average, down from 20 days in the first quarter and less than the target of 5 days. Of the 75 executive agencies, 73 had a procurement officer in the third quarter.

Budget: \$2,461.1	FTE: 28	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Procurement code violators receiving procurement code training, as compared to previous fiscal year		99%	113%	90%	33%	100%	100%	G
Agencies with certified procurement officers		91%	92%	95%	93%	96%	96%	G
Average number of days for completion of contract review*		NEW	NEW	<5	20	6	3	G
Program Rating		G	Y					G

\*Measure is classified as explanatory and does not have a target.

### Transportation Services

Of the 1,928 vehicles in the GSD fleet, 355 were used over 750 miles per month and 135 were used daily. The third quarter result for vehicle use is yellow because, while it was well below target, it was impacted by factors outside of the agency's control.

Budget: \$9,590.6	FTE: 33	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Vehicle operational cost per mile		\$0.49	\$0.48	<\$0.59		Annual		
Vehicles used 750 miles per month		65%	56%	70%	26%	24%	26%	Y
Program Rating		G	Y					Y

### State Printing

The State Printing Program continues to be adversely affected by the Covid-19 pandemic. For the third quarter, the program reports a 38 percent reduction in revenue compared to FY19, the last year there was a 60-day legislative session. The program generally orders materials in the first two quarters of the fiscal year and then invoices for printing in quarters three and four. However, orders have fallen as employees work remotely and printing for the legislative session was diminished.

Budget: \$2,030.3	FTE: 9	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Revenue exceeding expenditures		NEW	5%	5%	-15%	-31%	-5%	R
Sales growth in revenue		31%	8.6%	20%	76%	-31%	-38%	R
Program Rating		G	Y					R

## PERFORMANCE REPORT CARD

State Personnel Office  
Third Quarter, Fiscal Year 2021

### ACTION PLAN

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

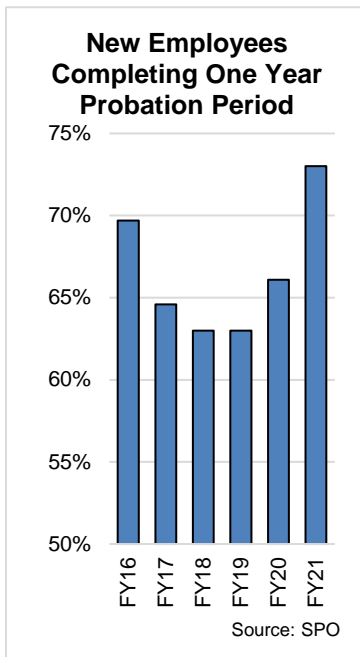
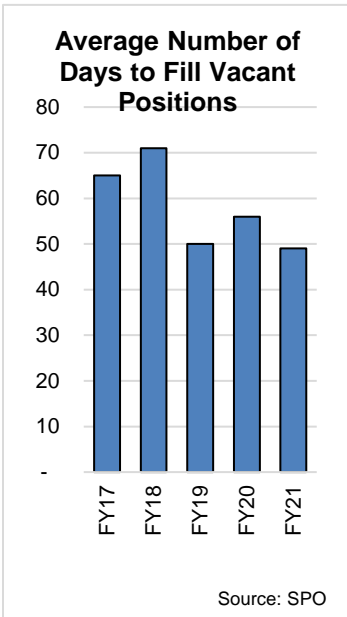
### State Personnel Office

Despite falling Covid-19 case counts and easing of public health restrictions, the State Personnel Office (SPO) has yet to offer updated guidance on return to work protocols. Additionally, the creation of a telework policy has been discussed for the past year, but no policy has been implemented.

The state operated under a hiring freeze through the third quarter which significantly reduced the number of positions filled; SPO reports 1,388 hires through the third quarter of FY21, down from the 2,553 reported over the same period in FY20. While 73 percent of new hires completed their first year of state service, a significant increase from prior years, it remains to be seen if this is a permanent trend or if it was driven by uncertainty in the labor market brought on by the pandemic. The two measures of compa-ratio, or salary divided by midpoint of salary range, continue to point to salary compaction; new hire employees are being brought in at 99 percent of midpoint while more tenured employees are receiving 104 percent of midpoint. This suggests that the middle of the salary range has become entry level and there is little room for employees to move through the salary range. The lack of opportunity for regular advancement can lead to low morale and increased turnover.

For years, SPO provided high-quality quarterly reports on the state workforce. However, for FY21, the agency significantly reduced the amount of information contained in the reports and did not provide information requested by LFC staff including time to fill positions by agency, turnover by agency, and number of salary increases awarded, among others. The removal of this information makes it more difficult to assess the challenges confronting agencies statewide.

At SPO's request, a number of measures are classified as explanatory, meaning they do not have performance targets; however, ratings were given based, in part, on prior year performance. Overall, SPO is rated red. Performance report card criteria laid out in LFC Volume 1 state red ratings may be given when there is no action plan in place for improvement. No action plan was submitted with the quarterly report and the performance information reported makes it difficult to determine how SPO is working to improve the functioning of the state's HR system.

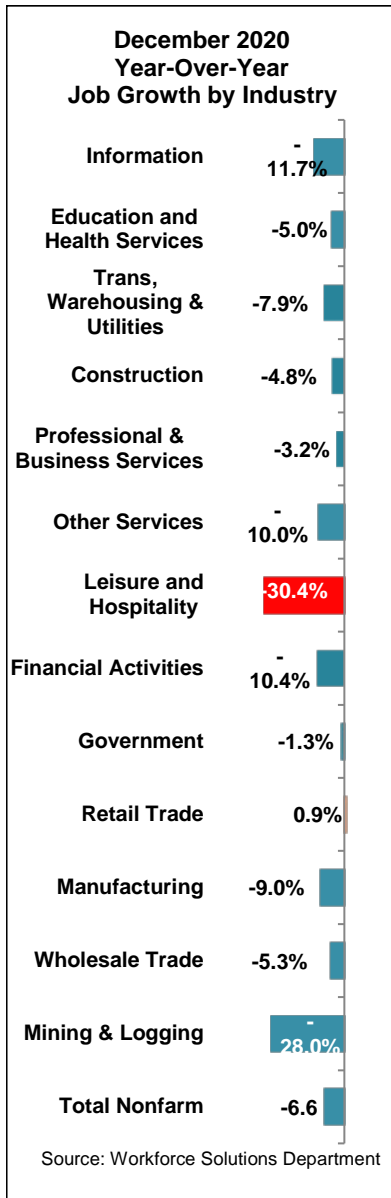


	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget: \$4,147.5 FTE: 46</b>							
Classified service vacancy rate	19%	21%	N/A*	19.4%	19.6%	19.8%	Y
Average days to fill a position from the date of posting	50	56	N/A*	59	49	51	Y
Average state classified employee compa-ratio	103%	103%	100%	104%	104%	104%	R
Average state classified employee new-hire compa-ratio	99%	100%	N/A*	98%	99%	99%	Y
New employees who complete their first year of state service	63%	66%	N/A*	66%	70%	73%	Y
Classified employees voluntarily leaving state service	14%	12%	N/A*	3.0%	2.8%	2.9%	
Classified employees involuntarily leaving state service	1.2%	2%	N/A*	0.4%	0.4%	0.4%	
Number of hires external to state government	NEW	NEW	N/A*	369	508	511	
<b>Program Rating</b>	Y	Y					R

\*Measure is classified as explanatory and does not have a target.

## ACTION PLAN

## Tourism Department



Covid-19 has had a substantial negative impact on the tourism industry in New Mexico. Jobs in the leisure and hospitality sector continued to show year-over-year declines in the third quarter of FY21, with an overall average decline of 24 percent. This is an improvement over previous quarters and a slight improvement over the first and second quarter of FY21, but still represents substantial losses.

### Marketing and Promotion

According to the Tourism Department, jobs in the leisure and hospitality sector continued to show year-over-year declines in the third quarter of FY21, with an overall average decline of 24.3 percent. While this is an improvement over the previous quarters of FY20 and a slight improvement over Q1, the decrease still represents substantial losses.

Digital engagement grew year-over-year during the third quarter of FY21, increasing by 25 percent. This growth is primarily due to Twitter engagement, which more than doubled, and Instagram engagement, which saw a 44 percent increase. As the Covid-19 pandemic has changed marketing priorities, the Tourism Department has worked to increase digital engagement through virtual experiences and motivational posting to encourage delayed visitation. The department focused on earned media in the first quarter of FY21, with the addition of a dedicated public relations firm to assist with developing and implementing an earned media strategy. This strategy continued to show positive results in the third quarter, resulting in over \$938.3 thousand in earned media value generated, which, if maintained, will result in the department exceeding the annual target of \$1 million.

**Budget:** \$14,795.1 **FTE:** 16

Measure	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Change in New Mexico leisure and hospitality employment	5%	-27.5%	3%	-26%	-24%	-24	<span style="background-color: red; color: white;">R</span>
Change in total digital engagement	New	New	3%	24.7%	34%	25	<span style="background-color: green; color: white;">G</span>
Amount of earned media value generated in millions	New	New	\$1	\$0.657	\$0.835	\$0.340	<span style="background-color: green; color: white;">G</span>

**Program Rating**

Y

### New Mexico Magazine

*New Mexico Magazine* exceeded its target for advertising revenue per issue, reaching an average of \$132 thousand in the third quarter. Due to the Covid-19 pandemic, the department re-evaluated its sales strategy, which, combined with a fully staffed sales team, accounted for the increase in advertising revenue. *New Mexico Magazine* has a

## PERFORMANCE REPORT CARD

Tourism Department  
Third Quarter, Fiscal Year 2021

circulation of approximately 68 thousand customers. The magazine's digital engagement reaches more than 200 thousand visitors per month across various platforms.

<b>Budget:</b> \$3,231.9 <b>FTE:</b> 10							
Measure	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Advertising revenue per issue, in thousands	\$67.8	\$75	\$80	\$123.5	\$131.5	132.0	<b>G</b>
<b>Program Rating</b>							<b>G</b>

### Tourism Development Program

The Tourism Development Program provides tourism support for communities, regions, and other entities around the state by providing training, litter prevention, cultural heritage outreach, and financial support in the form of competitive grants. The tourism development division made collaboration with Native American partners a priority in recent years, hiring a full-time cultural heritage coordinator in late FY20. The New Mexico True Certified program continued to grow in the third quarter, and the agency anticipates further increases in participants through the remainder of FY21 as businesses realize the potential of branding for growing small businesses, especially during the pandemic.

<b>Budget:</b> \$2,305.8 <b>FTE:</b> 18							
Measure	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Number of meetings or events conducted with Native American entities	NEW	NEW	16	31	44	52	<b>G</b>
Number of participants in New Mexico True Certified Program	NEW	NEW	250	400	415	425	<b>G</b>
<b>Program Rating</b>							<b>G</b>

## ACTION PLAN

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

## Economic Development Department

In the beginning of the second quarter, the Economic Development Department continued to offer webinars for local businesses on topics including how to qualify for state and federal funding, Local Economic Development Act (LEDA), and Job Training Incentive Program (JTIP) resources, while also continuing to have multiple programs in place to assist businesses throughout the pandemic.

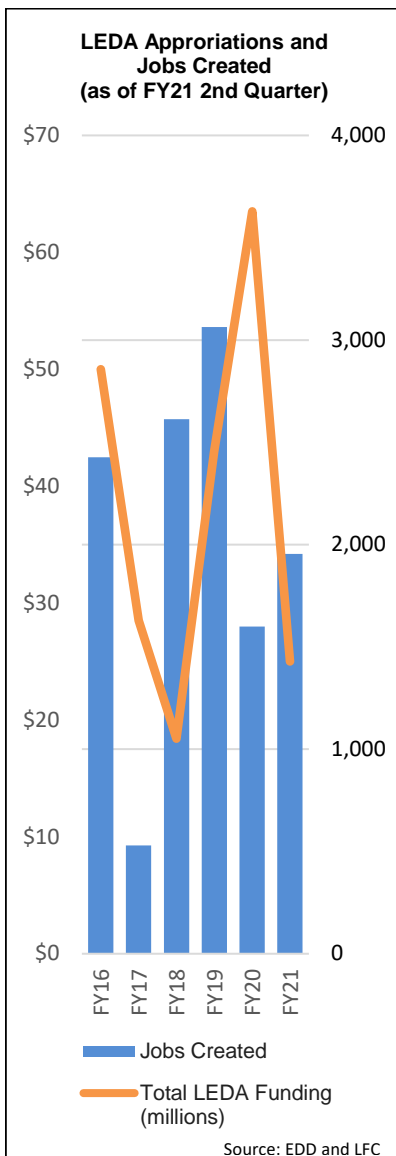
### Economic Development

The Economic Development Division awarded six companies \$1.1 million in LEDA funds in the third quarter of FY21 and created 137 jobs, all in the Albuquerque metropolitan area. Bueno Foods, a New Mexican food company operating for over 70 years, received \$500 thousand for food processing expansion. Build with Robots, an Albuquerque company that designs sanitization robots, received \$360 thousand in LEDA funds to support 64 new jobs by the end of 2024. Los Poblanos Historic Inn received \$250 thousand to expand year-round manufacturing and acquire new land. The funds matched for these LEDA projects totaled \$15 million.

Overall, \$10 million in private sector reinvestment in MainStreet was reported for the third quarter, up from 6 million compared with quarter two. Artesia MainStreet saw \$173 thousand in investments for remodeling buildings, Belen constructed a new apartment complex valued at \$250 thousand that adds six new units to the MainStreet district, and Las Cruces building and business owners leveraged public-health closures to improve MainStreet buildings, investing over \$1 million in the district. Key buildings within the Nob Hill MainStreet district changed ownership, representing over \$4 million in investment to acquire three historic buildings, including the Monte Vista Fire Station, and the former Kelly's Brew Pub building.

**Budget:** \$10,277 **FTE:** 25

Measure	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Jobs created due to economic development department efforts	3,840	2,670	4,000	1,219	1,602	724	G
Rural jobs created	1,376	460	1,320	551	199	89	G
Jobs created through business relocations facilitated by the New Mexico partnership	617	812	2,250	0	95	42	R
Potential recruitment opportunities submitted by the New Mexico Partnership	53	33	60	10	9	17	Y
Private sector investment in mainstreet districts, in millions	\$30.7	\$24.57	\$30	\$30.95	\$6.1	\$10.8	G
Private sector dollars leveraged by each dollar through Local Economic Development Act	32:1	27:1	20:1	10:1	21:3	16:1	Y
Number of company visits to New Mexico for projects	New	New	2	0	2	3	G

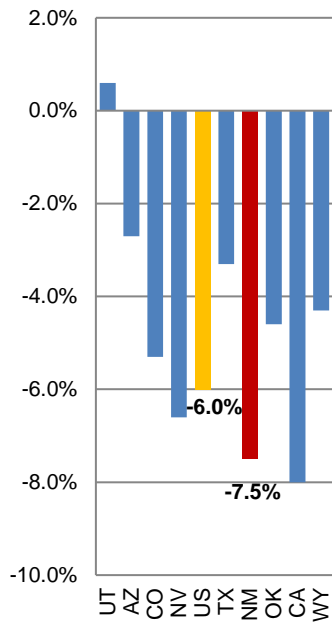




**Cost Per Job**

	JTIP	LEDA
FY15	\$ 5,300	\$ 5,000
FY16	\$ 6,000	\$ 10,400
FY17	\$ 12,563	\$ 29,200
FY18	\$ 8,839	\$ 4,025
FY19	\$ 8,144	\$ 13,272
FY20	\$ 4,541	\$ 39,688
FY21*	\$ 8,743	\$ 19,384

**December FY21  
Year-over-Year  
Job Growth by State**



Source: Workforce Solutions Department

managed by the New Mexico Partnership

Jobs created through the use of Local Economic Development Act funds

3,586 1,600 3,000 1,181 1,338 724

**G**

Workers trained by Job Training Incentive Program

2,333 2,202 1,900 1,260 432 825

**G**

**Program Rating**

**Y**

The Legislature increased recurring appropriations for the Job Training Incentive Program (JTIP) for FY21 by \$1 million for a total recurring operating budget of \$5 million.

The JTIP board approved 31 businesses in the third quarter, seven of which were new to the program. JTIP awards reached a total of \$6.6 million. During the third quarter, 811 new jobs were approved, with an average wage of \$20.14 per hour. The average annual wage associated with the jobs approved is \$60 thousand. The cost per job was \$8.7 thousand. Of the approved jobs, 265 were in rural communities such as Las Vegas, Deming, Prewitt, Mesilla Park, Moriarty, Truth or Consequences, Sunland Park and Roswell. The average hourly wage for jobs approved in rural areas was \$15.66.

**New Mexico Film Office**

The COVID-19 pandemic brought film and television production to a standstill in March 2020, and production re-started in September 2020. Productions have since resumed at a steady pace, resulting in an increase in worker days throughout FY21, surpassing the annual target. Direct spending by the film industry reached \$311.6 million in the third quarter, a 15 percent increase over the second quarter, however, the agency reports that none of the high-budget productions contributing to the increase are working in the rural uplift zone.

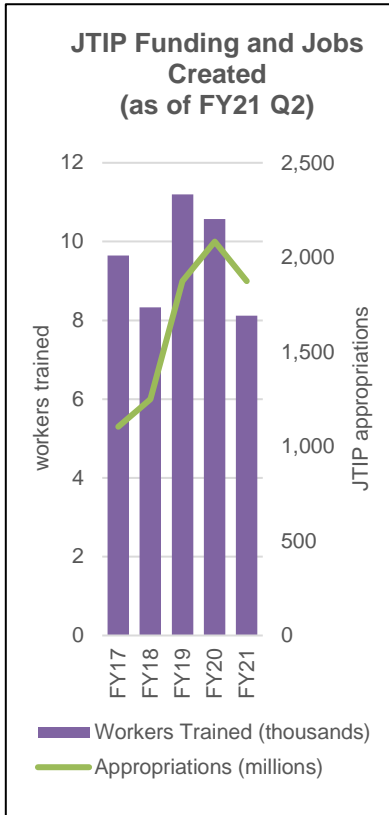
**Budget:** \$747.1 **FTE:** 8

**Measure**

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Direct spending by film industry productions, in millions	\$525.5	\$257.3	\$530	\$151.6	\$129.7	\$311.6	<b>G</b>
Film and media worker days	319,814	266,604	300,000	126,922	180,953	208,345	<b>G</b>
Direct spending by film industry productions eligible for the additional 5 percent credit in rural areas in millions	New	New	\$20	\$0.2	\$4.5	\$0.1	<b>R</b>

**Program Rating**

**Y**



## Outdoor Recreation

The Outdoor Recreation Division's (ORD) goal is to ensure all New Mexicans share in the public health, environmental, and economic benefits of sustainable outdoor recreation. The two-person ORD team focuses on a few key impact areas: economic development, promotion of outdoor-recreation assets, conservation, and education and public health programs.

During the second quarter, the outdoor recreation incubator developed by Creative Startups and funded in part by ORD began its fall/winter online curriculum for outdoor recreation business entrepreneurs. The division worked with the nonprofit on new marketing materials and helped re-open this program to entrepreneurs in late October. In the third quarter, ORD solicited applications for an outdoor recreation business accelerator to build off the work of the 2020 incubator. ORD will start to record results from those awards beginning in FY22.

ORD successfully launched the pilot Special Projects and Outdoor Infrastructure grant in summer 2020, which will re-launch in July 2021 with \$500,000 in funding. In addition to the outdoor infrastructure grant, ORD will oversee \$297,000 in Rio Grande Trail infrastructure funding in FY22.

**Budget:** \$451.4 **FTE:** 2

Measure	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Number of new outdoor recreation jobs created by the outdoor recreation division*	New	40	Explanatory	0	9	0	
Number of outdoor recreation projects funded or lead by the outdoor recreation division*	New	11	Explanatory	0	6	0	

\*Measures are explanatory and do not have targets



## PERFORMANCE REPORT CARD

Energy, Minerals and Natural Resources Department  
Third Quarter, Fiscal Year 2021

### ACTION PLAN

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

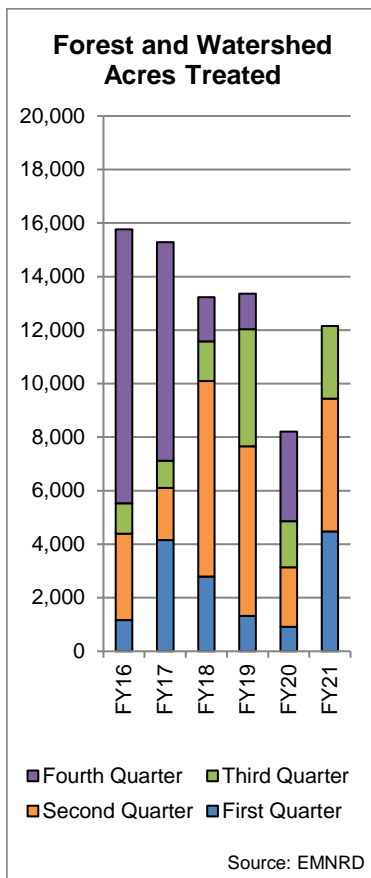
### Energy, Minerals and Natural Resources Department

The Energy, Minerals and Natural Resources Department (EMNRD) is pursuing initiatives in FY21 aimed at improving performance in key areas, such as a modernization and marketing plan to increase State Parks visitation and a reorganization of the Oil and Gas Conservation Division (OCD) to address the agency's need to pay competitive salaries. The impact of these efforts, however, is yet to be seen. State parks have returned to normal operations following pandemic-related closures and capacity limits, but visitation continues to decline. Meanwhile, OCD inspections and abandoned well reclamations have not yet increased to meet expectations set by the program.

#### Healthy Forests

The Covid-19 pandemic inhibited the operations and performance of the Healthy Forests Program, also known as the State Forestry Division (SFD), in the first half of FY21, placing the program behind schedule in meeting its firefighter training target. SFD amended contracts to develop and expand online classroom trainings, which led to an increase in FY21 Q3. Going forward, SFD will expand the group size for field training and testing in response to the state's improving Covid-19 conditions.

The number of forest and watershed acres treated was also affected by Covid-19 in FY20 and early FY21, as prescribed burns were canceled to comply with the public health order. Some forest thinning operations were also halted until contractors received clarification that natural resource extraction is deemed an essential business and work could resume within the safety guidelines. Improving pandemic conditions, however, have allowed SFD to return to a more typical pace. Furthermore, the court-ordered injunction on treatments in Mexican spotted owl habitat that was responsible for reduced treatment acres in FY20 was lifted, allowing SFD to move forward on high-priority U.S. Forest Service projects. Although third quarter numbers were lower than quarters one and two, acres treated in FY21 have already exceeded the FY20 total and the program is on track to meet its target.



Budget: \$16,032.8	FTE: 77	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Nonfederal wildland firefighters provided training		1,454	1,229	1,500	20	50	752	Y
Acres treated in New Mexico's forest and watersheds		13,358	8,213	15,500	4,473	4,968	2,716	G
<b>Program Rating</b>		<b>Y</b>	<b>Y</b>					<b>Y</b>

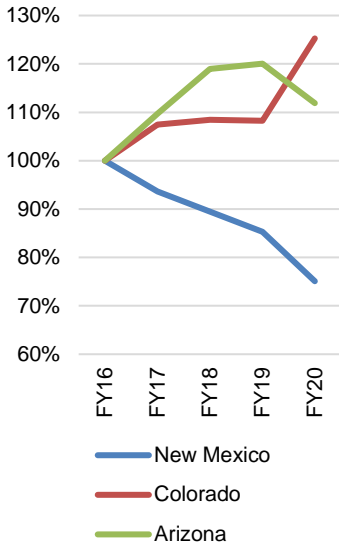
#### State Parks

State park visitation declined for the fifth year in a row in FY20. The Covid-19 pandemic suppressed visitation in the third and fourth quarters, when state parks were closed to the public or open at limited capacity for day-use only. Visitation continues to fall short of expectations, despite state parks gradually reopening and having returned to near normal operations late in the third quarter of FY21; third quarter visitation, which the program anticipated would outperform prior years, was about 5 percent below the same period in FY20. According to EMNRD, Covid-19 restrictions on mass gatherings in many counties had an impact on visitation this quarter. Self-generated revenue from camping was down 93 percent relative to the same period last year, and day-use revenue was down 22 percent.

## PERFORMANCE REPORT CARD

Energy, Minerals and Natural Resources Department  
Third Quarter, Fiscal Year 2021

### Regional State Parks Visitation: Percent Change from FY16



Source: EMNRD, Colorado Parks & Wildlife, Arizona State Parks & Trails, Arizona Office of Tourism

As a result of revenue losses, the State Parks program reduced its FY21 operating budget by \$5 million by planning for an elevated vacancy rate (currently 34 percent), reduced operational expenditures in the field and for statewide programming, and deferred operations and maintenance needs across the system.

In FY20, the State Parks program began implementing a modernization plan and promotional campaign to reduce cash management, improve visitor experience through facilities upgrades and new amenities, and increase park visitation. The agency used park closures in FY20 as an opportunity to complete some construction and maintenance work. However, the program's reported upgrades of self-pay kiosks and credit card purchase capabilities were not present during recent LFC site visits to smaller parks in Doña Ana and Sierra counties. The agency reports there are 23 point-of-sale credit/debit card machines located in park visitor centers, but if visitor centers are closed, this payment method is not an option. EMNRD is working with DFA and the state fiscal agent on financial accounting and reconciliation requirements to support self-pay kiosks.

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget: \$28,160.6 FTE: 242.4</b>							
Number of visitors to state parks, in millions*	4.5	3.9	N/A	1.4	0.5	0.4	R
Self-generated revenue per visitor, in dollars*	1.02	1.04	N/A	\$0.38	\$0.33	\$0.86	
<b>Program Rating</b>	Y	Y					R

\*Measure is classified as explanatory and does not have a target.

### Mine Reclamation

The Mining Act and the Surface Mining Act require that mines obtain a permit including an approved reclamation plan and financial assurance that would allow the state to complete the reclamation if the company owning the mine fails to do so. In the third quarter of FY21, 65 of the 66 mines managed by the program were in compliance with this requirement. The operator of the out-of-compliance mine has had its permit revoked and the agency is pursuing forfeiture of the financial assurance. Once the financial assurance is returned, the mine will be in compliance.

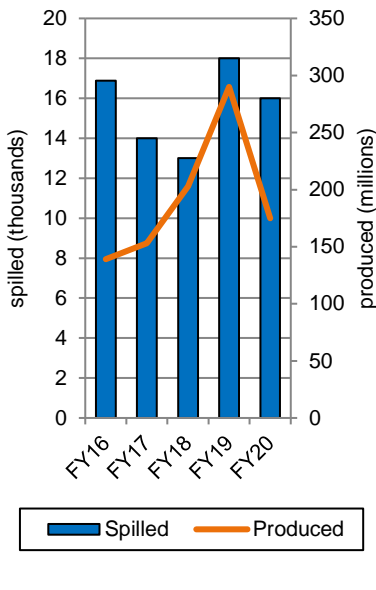
	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget: \$8,229.1 FTE: 32</b>							
Permitted mines with approved reclamation plans and adequate financial assurance posted to cover the cost of reclamation	100%	100%	97.5%	99%	99%	99%	G
<b>Program Rating</b>	G	G					G

### Oil and Gas Conservation

The Oil and Gas Conservation Division (OCD) is engaged in a reorganization effort that will address inconsistencies across district offices and streamline processes to improve compliance and enforcement. Performance data will help determine the effectiveness of the reorganization. Specifically, the agency expects the quality of inspections and compliance to increase as a result of the restructuring and aggressive hiring efforts.

The division approved 93 percent of drilling permits within 10 business days in the third quarter, allowing most operators to conduct business without unnecessary delays. A total

### Barrels of Oil Spilled and Produced



Source: OCD Data

## PERFORMANCE REPORT CARD

Energy, Minerals and Natural Resources Department  
Third Quarter, Fiscal Year 2021

of 558 applications for permit to drill (APDs) were approved this quarter. OCD has a new procurement agreement for FY21 that allows for additional approved well-plugging contractors, which staff expect to increase performance on the related metric. Last quarter, OCD reported bids to plug 30 wells in Q3 were submitted, but only 14 wells were completed.

The Environmental Bureau of OCD has the additional responsibility of overseeing the Carlsbad brine well remediation project, which is not captured in the division's performance measures. The southern void has been stabilized, but additional roof collapse was discovered in the northern portion of the cavern and additional filling material and work is needed to prevent potential groundwater contamination. A combination of special appropriations, local government contributions, and a transfer from the state road fund are expected to cover the remaining costs.

ECMD operates the Energy Savings Performance Contracting program, which implements energy efficient facility improvements without the need for upfront capital funding from state agencies. ECMD reviews and certifies investment grade audits that guarantee the energy savings will provide for the financing of construction costs.

ECMD also monitors project construction to ensure certified measures are implemented and evaluates monitoring and verification reports to assess the performance of the annual energy savings. LFC recommends EMNRD add performance measures to capture the energy and financial savings created by this program and demonstrate compliance with best practices.

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget: \$13,148.7 FTE: 75</b>							
Inspections of oil and gas wells and associated facilities showing compliance with permits and regulations	31,043	36,852	31,000	12,556	6,756	6,424	Y
Application to drill permits approved within 10 business days	92.9%	94.6%	95%	95%	90%	92.8%	Y
Abandoned oil and gas wells properly plugged	31	36	50	6	0	14	R
Violations issued*	1,620	2,176	N/A	618	603	628	
<b>Program Rating</b>	Y	Y					Y

\*Measure is classified as explanatory and does not have a target.

### Renewable Energy and Energy Efficiency

The purpose of the Renewable Energy and Energy Efficiency program, also called the Energy Conservation and Management Division (ECMD), is to develop and implement effective clean energy programs, renewable energy, energy efficiency and conservation, alternative transportation and fuels, and safe transportation of radioactive waste. ECMD also provides technical assistance and information to the renewable energy industry for ongoing, potential, and proposed projects.

ECMD administers six clean energy tax credit programs for renewable energy production, solar market development, sustainable buildings, agriculture biomass, biodiesel facilities, and ground-source heat pumps. The program received and reviewed nearly 1,600 tax credit applications in the third quarter of FY21, the vast majority of which were for the solar market development tax credit. ECMD reports this credit program has generated a strong interest in solar photovoltaic (PV) systems. The program has issued roughly \$5.2 million in tax credits, representing statewide investment in PV systems of about \$51.7 million.

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget: \$ 3,460.4 FTE: 21</b>							
Applications for clean energy tax credits reviewed within 30 days	90%	90%	90%	90%	97%	92%	G
Number of clean energy projects to which the division provided information and technical assistance*	N/A	143	N/A	88	63	36	
<b>Program Rating</b>	G	G					G

\*Measure is classified as explanatory and does not have a target.

## ACTION PLAN

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

The Dam Safety Bureau of the Office of the State Engineer (OSE) keeps a list of publicly owned dams in need of rehabilitation, ranked in priority order based on several factors. The list consists of 66 dams that are publicly owned, are of sufficient size to be regulated by OSE, are considered high-hazard potential dams, have auxiliary spillway capacity that is less than 70 percent of the regulatory requirement, and are deficient based on safety criteria with a condition rating of unsatisfactory, poor, or fair.

### Publicly Owned Dams in Need of Rehabilitation: 10 Highest Priority Dams

Dam Name	Purpose	Estimated Rehab Cost
Cimarroncito Dam	Water Supply	\$10M or more
San Mateo Dam	Irrigation	\$3M or more
Fenton Lake Dam	Recreation, Wildlife	\$8M or more
Eagle Nest Dam	Irrigation and Recreation	\$1M or more
Nichols Dam	Water Supply	\$3M
McClure Dam	Water Supply	\$3M
Lake Maloya Dam	Water Supply	>\$20M
Bluewater Dam	Irrigation	\$10M or more
Alto Lake Dam	Water Supply	\$10M or more
Lower Vallecito Dam	Irrigation	\$7M-\$8M

Source: OSE

## Office of the State Engineer

Short-term extreme drought within New Mexico's decades-long "mega-drought" has continued to deepen. In 2020, snowmelt runoff was one of the lowest on record and summer monsoons were almost nonexistent, putting a strain on the state's rivers and leading to shortage sharing operations. In 2021, the drought has become exceptional, the highest category of drought, in many parts of the state. These conditions combined with use demands resulted in reduced water deliveries to Elephant Butte Reservoir thus far in 2021, increasing the state's accrued debit under the Rio Grande Compact. In addition, exceptional drought has led to the need for the Interstate Stream Commission (ISC), under the 2003 Pecos River Settlement, to pump its wellfields to increase supply for the Carlsbad Irrigation District (CID). Those pumping efforts have exceeded delivery goals but are still insufficient in exceptional drought conditions. Consequently, CID has initiated a priority call on junior Pecos River water users. Water shortages will increase as the snowmelt runoff recedes and the Office of the State Engineer (OSE) is working with stakeholders to implement Active Water Resource Management (AWRM) in lieu of priority administration in a number of areas.

Experts warn the conditions exacerbating the region's long-term drought are likely the new normal. The ISC has initiated an effort with the New Mexico Bureau of Geology and Mineral Resources, the New Mexico Water Resources Resource Institute, the U.S. Army Corps of Engineers, the New Mexico Water Dialogue, and others to provide science-based information to New Mexicans about the type(s) of changes they should expect and decisions they can make as temperatures continue to increase. The Office of the State Engineer (OSE) is tasked with measuring and distributing available water efficiently, maximizing use of New Mexico's interstate stream apportionments to promote sustainability, and planning for the future water needs of residents and the environment. Significant issues for OSE and ISC in FY21 include continuing to address the extreme drought shortages using active water resource management, litigation with Texas over the Rio Grande Compact in the Lower Rio Grande, developing drought contingency plans for Colorado River water, changing direction on Arizona Water Settlement Act projects, and developing and implementing a water conservation and management pilot project for the Lower Rio Grande basin.

### Water Resource Allocation

The purpose of the Water Resource Allocation Program (WRAP) is to provide for administration, distribution, protection, conservation, and development of the state's surface water and groundwater resources, including the implementation of active water resource management. WRAP has an internal goal to keep the number of backlogged water rights permit applications under 500, which it slightly exceeded this quarter. The program did not meet the target for applications processed per month in any quarter of FY21 so far, reportedly due to 31 vacant positions in the Water Rights Division and the need to investigate illegal water use complaints that are higher due to drought conditions. Because much of WRAP's work involves being in the field and using tangible documents and resources, the program reports that teleworking and safety protocols for in-person work have reduced staff productivity.

Given ongoing concern about statewide dam safety, OSE should consider revising the performance measure related to dam deficiencies. The current measure reports the



# PERFORMANCE REPORT CARD

Office of the State Engineer  
Third Quarter, Fiscal Year 2021

number of notices for deficient dams issued each quarter, but this does not provide information on the actual number of dams with deficiencies or what proportion of all dams in the state that number represents. The owners of the 10 dams shown on the left are either planning rehabilitation work and assembling funding or they are currently undergoing rehabilitation. State capital outlay funds are being used for four of these dams.

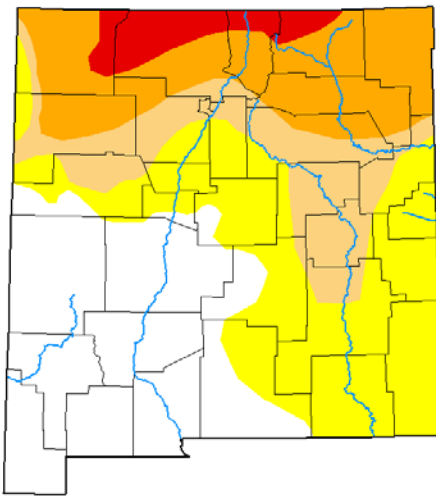
Budget:	FTE:	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Unprotected and unaggrieved water rights applications backlogged*		547	502	N/A	484	488	505	Y
Unprotected water rights applications processed, per month		30	39	50	28	28	33	R
Transactions abstracted annually into the water administration resource system database		24,946	20,432	20,000	4,679	4,847	6,446	Y
Notices issued to owners of publicly-owned dams notifying them of deficiencies or issues		84	58	45	9	15	26	G
<b>Program Rating</b>		Y	Y					Y

## U.S. Drought Monitor New Mexico

May 26, 2020  
(Released Thursday, May 28, 2020)  
Valid 8 a.m. EDT

## U.S. Drought Monitor New Mexico

May 25, 2021  
(Released Thursday, May 27, 2021)  
Valid 8 a.m. EDT

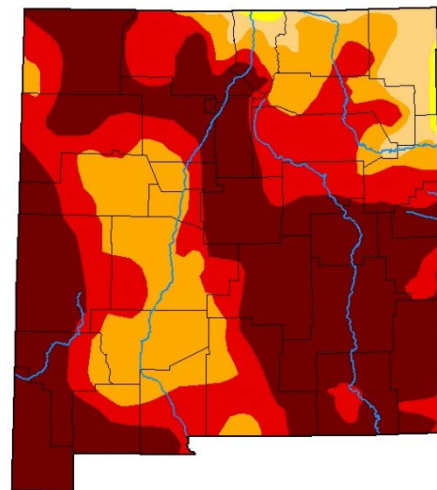


**Intensity:**

- None
- D0 Abnormally Dry
- D1 Moderate Drought
- D2 Severe Drought
- D3 Extreme Drought
- D4 Exceptional Drought

The Drought Monitor focuses on broad-scale conditions. Local conditions may vary. For more information on the Drought Monitor, go to <https://droughtmonitor.unl.edu/About.aspx>

**Author:**  
Curtis Riganti  
National Drought Mitigation Center



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**Author:**  
Adam Hartman  
NOAA/NWS/NCEP/CPC

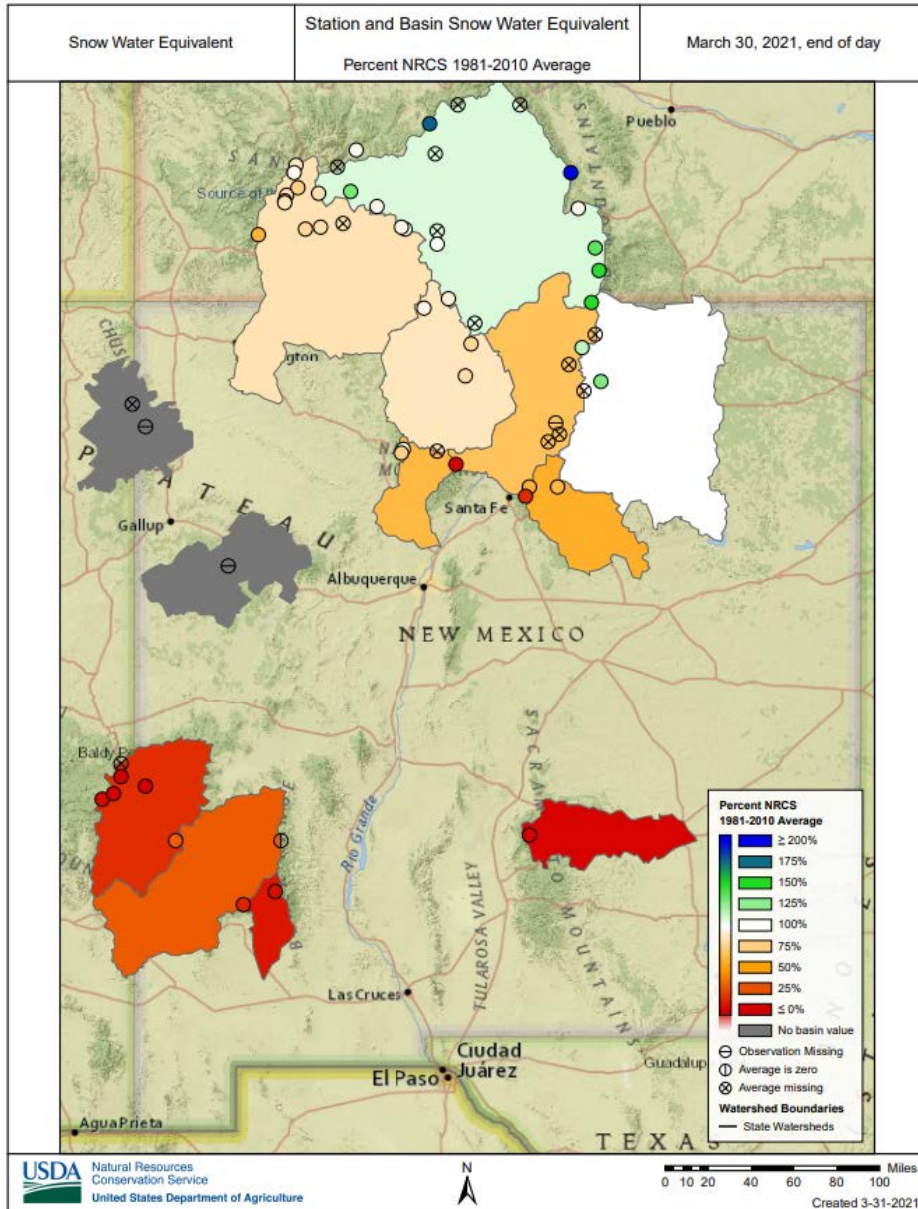


The maps above show current statewide drought conditions compared to statewide drought conditions one year ago. In May 2020, about 68 percent of the state was experiencing drought, the majority of it in the least severe designations of abnormally dry, moderate drought, and severe drought (D0-D2). Currently, three quarters of the state is rated D3 (extreme drought) or higher, with D4, exceptional drought, covering nearly half the state and more than any other individual category.

## Interstate Stream Commission

The purpose of the Interstate Stream Compact Compliance and Water Development Program is to ensure New Mexico's continued compliance with its interstate stream compacts, resolve federal and interstate water issues, develop water resources and stream systems in an environmentally sound manner, and plan for the future use of water to ensure maximum sustained beneficial use of available water resources.

The Pecos River Compact report for water year 2019, issued on June 24, 2020, included an annual debit to New Mexico of 9,800 acre-feet, resulting in a cumulative Pecos River compact credit of 166.3 thousand acre-feet. Texas disputed part of this credit in a case heard by the U.S. Supreme Court, which ruled in New Mexico's favor in late 2020.



The Rio Grande Compact Commission reports New Mexico has an accrued debit of 96.3 thousand acre-feet. Ongoing drought conditions and the release and consumption of approximately 32 thousand acre-feet of retained debit water in the middle Rio Grande valley in 2020 reduced the state's Compact deliveries.

Article VII storage restrictions went into effect in June 2020 and ISC staff anticipate they will remain in effect through the 2021 snowmelt runoff. ISC and OSE are working with the Middle Rio Grande Conservancy District (MRGCD) on actions necessary to repay the accrued debit and minimize agricultural depletions in the future. The MRGCD delayed the start of their irrigation season by one month and have no native water in storage to supplement irrigation supplies. ISC staff are also working closely with federal water managers to ensure adherence to the state's mandatory river maintenance responsibilities, with water conveyance and Compact deliveries being the top priority.

	Budget:	FTE:	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
	Cumulative state-line delivery credit per the Pecos River Compact, in thousand acre-feet		170.8	166.3	>0	166.3	166.3	166.3	G
	Cumulative delivery credit per the Rio Grande Compact, in thousand acre feet		5.4	-38.8	>0	-38.8	-38.8	-96.3	R
	Cumulative New Mexico unit fund expenditures, in millions*		\$14.83	\$20.1	N/A	N/A	\$22.1	N/A	
	<b>Program Rating</b>								Y

### Litigation and Adjudication

These two measures track progress toward the completion of the adjudication of water rights in New Mexico. The percentage of water rights that have judicial determinations represents the percentage of water rights that have been determined by court orders entered in all water rights adjudication suits to date. It is not expressed as a percentage of all water rights that have been and will be adjudicated in the future, as that number cannot be accurately ascertained before adjudication suits are filed in the future for areas yet to be adjudicated. This measure is therefore affected not only by the ongoing entry of new judicial determinations, but also by the opening of new adjudication suits or sections of adjudications. Since FY19, the program has included data for water rights with judicial determinations in all closed and active adjudications to provide more meaningful data on the cumulative effect of adjudications.

		FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget: \$7,732</b>	<b>FTE: 59</b>							
Offers to defendants in adjudications		456	444	325	126	98	58	<b>G</b>
Water rights that have judicial determinations		75%	76%	74%	76%	76%	76%	<b>G</b>
<b>Program Rating</b>		<b>G</b>	<b>G</b>					<b>G</b>

## ACTION PLAN

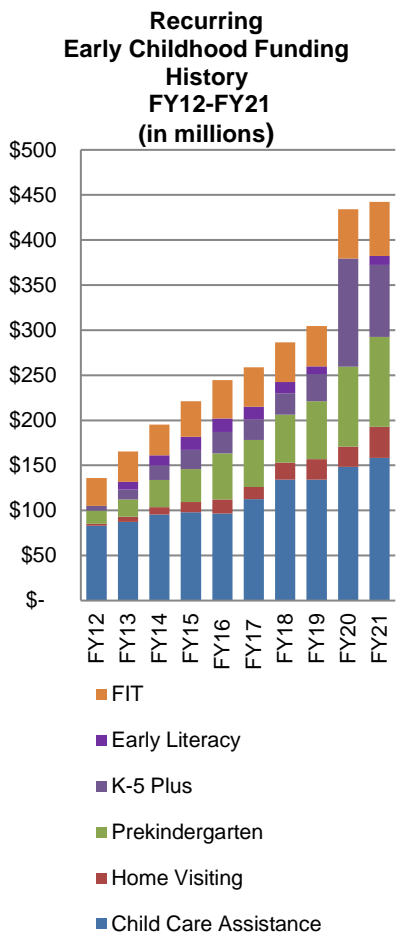
Submitted by agency?	Yes
Timeline assigned?	No
Responsibility assigned?	No

## Early Childhood Care and Education Department

The newly created Early Childhood Education and Care Department (ECECD) now primarily administers the state's early childhood care and education system. Primary programs include childcare assistance, home visiting, prekindergarten, and the Family, Infant, Toddler (FIT) program. However, some programs still considered part of the early care and education system will remain in other state agencies or are directly federally funded such as K-5 Plus, the Women, Infants and Children (WIC) program, and Head Start.

### Family Support and Intervention

The Family Support and Intervention Program is primarily comprised of the home visiting, Families First, and Family Infant Toddler (FIT) programs. The programs are considered the state's early childhood early intervention services. The program only has two performance measures for home visiting. Given the significant state investments in these early intervention programs additional performance measures are needed for policy makers to monitor performance. The program met targeted performance for both measures in the third quarter. In addition, system wide early childhood services enrollment has declined due to the Covid-19 pandemic including home visiting. In the closing month of FY21 the department transferred nearly \$700 thousand from home visiting to Jump Start for prekindergarten.



Note: Funding for the K-5 Plus Extended School-Year Program and Early Literacy are appropriated the Public Education Department.

<b>Budget:</b> \$35,098.5	<b>FTE:</b> 46	<b>FY19 Actual</b>	<b>FY20 Actual</b>	<b>FY21 Target</b>	<b>FY21 Q1</b>	<b>FY21 Q2</b>	<b>FY21 Q3</b>	<b>Rating</b>
Percent of parents participating in home visiting who demonstrate progress in practicing positive parent-child interactions		45.5%	43.7%	50%	43%	73%	74%	<b>G</b>
Percent of families receiving home visiting services for at least six months that have one or more protective services-substantiated abuse or neglect referrals during the participating period		1.1%	0.9%	3%	0.3%	0.4%	0.5%	<b>G</b>
<b>Program Rating</b>		<b>Y</b>	<b>G</b>					<b>G</b>

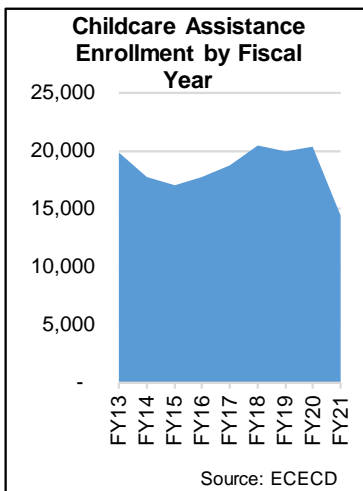
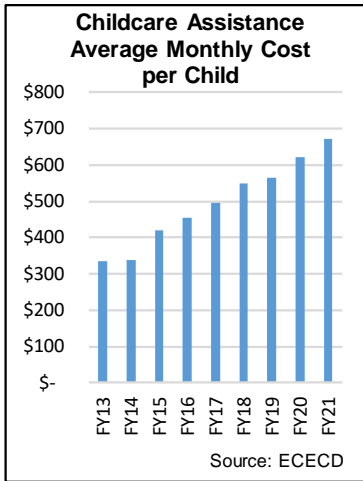
### Early Education, Care and Nutrition

The Early Education, Care and Nutrition Program is primarily comprised of the private provider prekindergarten, childcare assistance, and the family nutrition bureau. The program met a majority of targeted performance measures. Again, given the significant state investments in these early care and education programs additional performance measures are needed for policy makers to monitor performance. Despite increased eligibility and prior to the pandemic, childcare assistance average monthly enrollment had been relatively flat ranging between 18 thousand and 20 thousand children a month. However, in the fall of 2020, enrollment began to decline significantly, to 15 thousand and continued to decline to 14 thousand in April. Over FY21, average monthly enrollment was 14.4 thousand as of April 2021. The average monthly cost per child, however, increased to \$672, or \$8,064 annually. The average annual cost per child has risen 8 percent in FY21 above the previous fiscal year despite the significant decline in



## PERFORMANCE REPORT CARD

### Early Childhood Care and Education Department Third Quarter, Fiscal Year 2021



enrollment. The increased cost has been primarily driven by the department covering parent co-payments and a \$200 per child differential payment to providers. Despite the increased cost per child, low enrollment will result in general fund reversions or significant federal revenue carry-forward. The department is unlikely to spend more than \$140 million of the \$158 million annual child care assistance budget in FY21. This estimate also does not include federal child care relief funding, of which New Mexico will receive \$432 million, most of which must be spent by 2023 or 2024.

Budget: \$329,628.9	FTE: 156	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Percent of children in community-based pre-kindergarten funded by the Early Childhood and Education Department showing measurable progress		95%	93%	95%	Reported Annually			
Percent of licensed childcare providers participating in high-quality programs		43%	47%	43%	46.7%	47.2%	50.8%	G
Percent of children receiving subsidy in high quality programs		73%	71%	60%	69.2%	69.8%	71.7%	G
Percent of children receiving childcare assistance with substantiated abuse or neglect referrals during the childcare assistance participating period		1.3%	1.5%	1.3%	0.7%	0.9%	1.2%	Y
Percent of children in New Mexico childcare assistance who have attended four- or five- star programs for eight months or longer showing measurable progress on the school readiness fall preschool assessment		New	Not Reported	85%	Reported Annually			
Program Rating		Y	G					Y

### Public Prekindergarten

Funding for prekindergarten services delivered by public schools is transferred to the Public Education Department from ECECD and the performance measure is reported annually.

Budget: \$48,856.5	FTE: 0	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Percent of children in community-based pre-kindergarten funded by the Early Childhood and Education Department showing measurable progress		95%	93%	95%	Reported Annually			
Program Rating								

## ACTION PLAN

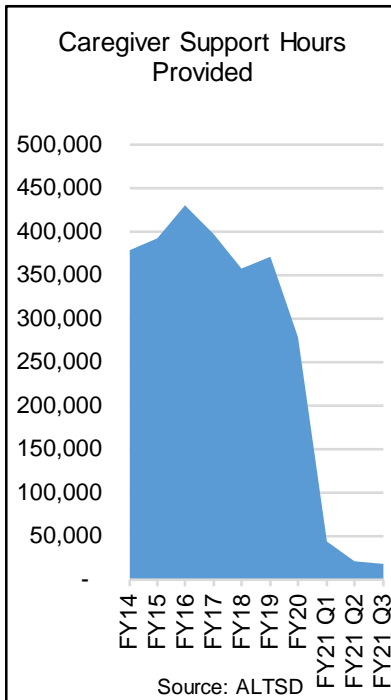
Submitted by agency?	Yes
Timeline assigned?	Yes
Responsibility assigned?	Yes

## Aging and Long Term Services Department

The Aging and Long-Term Services Department (ALTSD) continued to miss a significant portion of its targets for the third quarter of FY21, but did show some improvement. Its mission is to serve older adults and adults with disabilities so that they can remain active, age with dignity, be protected from abuse, neglect, and exploitation, and have equal access to healthcare.

### Consumer and Elder Rights

During the second quarter, the Aging and Disability Resource Center (ADRC) began answering calls by a live operator again. The ADRC staff continued to work remotely but began taking live calls starting the middle of October, 2020. During the third quarter, the ADRC received 12,495 calls, an average of 202 per day. This was down from second quarter of 14,484 calls, an average of 239 per day. ALTSD reported the decline was due to the Aging and Disability Resource Center staff assisting the Department of Health in registering, and scheduling appointments for Covid-19 vaccinations



	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget: \$4,940.7 FTE: 48</b>							
Calls to the aging and disability resource center that are answered by a live operator	79%	55%	90%	0%	63%	47%	R
Residents who remained in the community six-months following a nursing home care transition	84%	82%	90%	86%	85%	82%	R
Individuals provided short-term assistance that accessed service within 30 days of a referral from options counseling	New	New	89%	100%	100%	100%	G
Facilities Visited Monthly	New	New	40%	0%	3%	25%	R
Ombudsman complaints resolved within sixty days	97%	100%	97%	92%	92%	88%	R
<b>Program Rating</b>	<b>Y</b>	<b>Y</b>					<b>R</b>

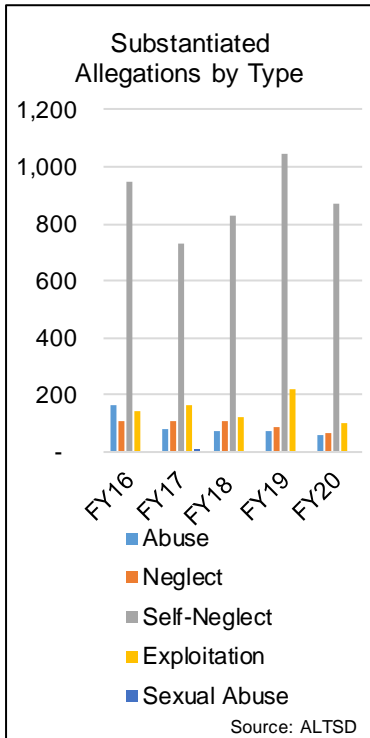
### Adult Protective Services

The program began reporting repeat maltreatment substantiations within six months of a previous substantiation of abuse or neglect in FY21. This performance measure assists the state in assessing the effectiveness of the program in preventing maltreatment. In the third quarter, repeat maltreatment declined however investigations also declined. The department believes overall improvements for older adults who were particularly at risk of Covid-19 resulted in reduced repeat maltreatment, but is uncertain why performance improved so significantly. The program met the performance target for priority investigations, making face-to-face contact quickly. The program is increasing outreach events. Previously, the department was providing outreach through virtual platforms but is now returning to a regionally based outreach approach. APS is presenting regularly on Area Agencies on Aging calls, as well as other webinars to law enforcement agencies, district attorney's offices, hospitals, and the State Bar.

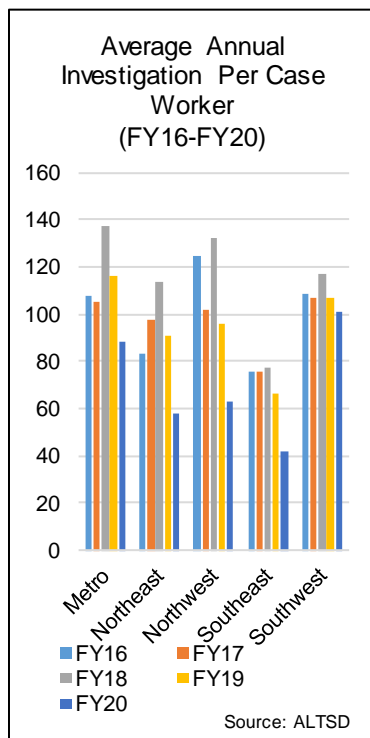
## PERFORMANCE REPORT CARD

### Aging and Long Term Services Department

### Third Quarter, Fiscal Year 2021



Budget: \$13,553.6	FTE: 127	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Adult Protective Services investigations of abuse, neglect, or exploitation		6,671	5,494	6,150	1,204	980	992	R
Emergency or priority one investigations a caseworker makes initial face-to-face contact with the alleged victim within prescribed timeframes		99%	99%	99%	97%	99%	100%	G
Repeat abuse, neglect, or exploitation cases within six months of a substantiation of an investigation		New	New	5%	5.6%	8.3%	1%	G
Outreach Presentations conducted in the community within Adult Protective Services' jurisdiction		New	205	141	6	31	54	R
Referrals made to and enrollments in home care and adult day care services as a result of an investigation of abuse, neglect, or exploitation		New	New	600	153	15	33	R
Priority two investigations in which a case worker makes initial face to face contact with the alleged victim within prescribed time frame		New	95%	95%	99%	98%	100%	G
<b>Program Rating</b>		Y	Y					Y



## Aging Network

The Aging Network did not meet targeted performance for the hours of caregiver support for the second quarter of FY21 and continues fall below previous fiscal years. Services included in this measure are home care, adult daycare, respite care, and counseling and support groups. These services are provided by area agencies on aging (AAA) contract providers and the New Mexico chapter of the Alzheimer's Association. The agency reported the Covid-19 pandemic and executive emergency declarations closed adult daycare centers, and the remaining services were affected by the stay-at-home and social-distancing orders. This continues to result in the decline of services during the second quarter of FY21. The department reported the number of hours of caregiver support were 7,192 hours of respite care, 474 of adult day care, 7,325 hours of homemakers, and 2,989 hours of other support services.

Budget: \$42,264.2	FT: 14	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Older New Mexicans receiving congregate and home delivered meals through aging network programs that are assessed with "high" nutritional risk		New	New	15%	19%	20%	9.7%	R
Outreach events and activities to identify, contact and provide information about aging network services to potential aging network consumers who may be eligible to access		New	New	50	69	158	313	G



## PERFORMANCE REPORT CARD

Aging and Long Term Services Department  
Third Quarter, Fiscal Year 2021

senior services but are not  
currently accessing those  
services

Meals served in congregate  
and home delivered meal  
settings

New	New	4,410,000	1,307,763	1,277,363	1,257,396
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G

Transportation Units  
Provided

New	New	637,000	16,975	15,554	16,801
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R

Hours of caregiver support

370,538	278,513	444,000	43,743	21,406	17,989
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R

**Program Rating**

Y

Y

Y

## ACTION PLAN

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

New Mexico has among the poorest substance use and behavioral health outcomes in the country. The Covid-19 pandemic further resulted in increased anxiety, depression, insomnia, and psychological distress as well as increased prevalence and severity of substance use. Forty-five percent of adults in the United States reported their mental health was negatively impacted due to worry and stress during the pandemic. Children also experienced high rates of anxiety, depression, and post-traumatic symptoms. Closure of in-person schooling exacerbated the problem.

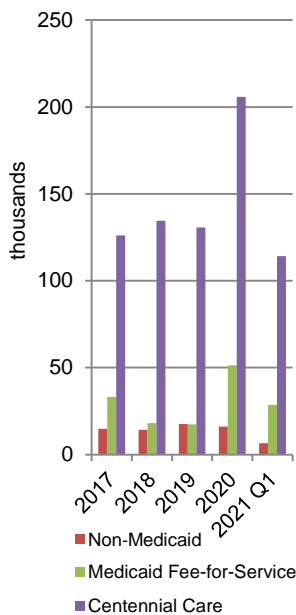
In New Mexico, 19 percent of adults experience mental illness, and as of 2018, New Mexico had the highest suicide rate in the nation, a rate of 25 per 100,000 people. The Behavioral Health Services Division (BHSD) of the Human Services Department (HSD) reports over 60 percent of adults with moderate mental illness and over 30 percent of adults with serious mental illness in the past year did not receive treatment.

HSD reported on a retrospective case-controlled national study of electronic health records of 73 million unique patient encounters that 7,510,380 patients had a substance use disorder (SUD) diagnosis and 12,030 had a diagnosis of Covid-19. Patients with a diagnosis of SUD were at significantly increased risk for Covid-19, an effect strongest for individuals with opioid use disorder, followed by individuals with tobacco use disorder. Patients with SUD had a significantly higher prevalence of chronic kidney, liver, and lung diseases, cardiovascular diseases, type 2 diabetes, obesity, and cancer. Black Americans with SUD had a significantly higher risk of Covid-19 than white Americans, and also had worse outcomes in terms of death and hospitalization rates.

HSD has taken measures to ensure and improve behavioral health access during the Covid-19 pandemic. Medicaid managed care organization (MCOs) have been directed to allow behavioral health providers to bill for telephonic visits using the same codes and rates that are currently established for in-person visits. BHSD non-Medicaid providers are similarly allowed to bill for telephonic visits through the duration of the pandemic. For the 12-month period, July 1, 2019 through June 30, 2020, 22,575 unduplicated members were served through telehealth services. In the third quarter, the unduplicated count of persons served through telehealth in rural and frontier counties was 19,435 persons which is 6.3 percent lower than members served during the prior quarter, 20,744 persons. This is not a sizeable change and likely due to claims lag.

HSD also implemented strategies to increase the behavioral health providers network including: (1) expanded the substance use disorder (SUD) waiver to add Medicaid funding for Screening, Brief Intervention, and Referral to Treatment (SBIRT), CareLink health homes, adult substance use residential treatment, medication assisted treatment, and use of peer supports; (2) implemented \$78 million in FY20 Medicaid provider rate increases in October 2019 including behavioral health providers; (3) implemented a graduate medical expansion (GME) program for primary care, behavioral health physicians, and psychiatry; (4) reached settlement agreements in December 2019 with the remaining five behavioral health organizations that filed lawsuits against HSD when their Medicaid payments were frozen in 2013 due to largely unsubstantiated allegations of fraud; and (5) received a \$2.4 million federal planning grant in September 2019 to increase the treatment capacity of Medicaid providers to deliver SUD treatment and recovery services. Finally, the 2020 Medicaid MCO contracts include a delivery system improvement performance measure to increase the number of unduplicated Medicaid members receiving behavioral health services from a behavioral health provider.

**Individuals Served Annually in State-Funded Substance Abuse or Mental Health Programs**



Source: HSD

## PERFORMANCE REPORT CARD

### Behavioral Health Collaborative Third Quarter, Fiscal Year 2021

#### Status of FY21 Behavioral Health Performance Measures

Beginning in FY21, three behavioral health performance measures were discontinued:

- Individuals discharged from inpatient facilities who receive follow-up services at seven days;

- Individuals discharged from inpatient facilities who receive follow-up services at 30 days; and

- Suicides among fifteen to nineteen year olds served by the behavioral health collaborative and Medicaid programs.

The General Appropriation Act of 2020 mandated reporting on the following measures not reported on by HSD:

- Percent of adults with mental illness or substance use disorders receiving Medicaid behavioral health services who have housing needs who receive assistance with their housing needs;

- Percent of individuals discharged from inpatient facilities who receive follow-up services at 30 days;

- Percent of people with a diagnosis of alcohol or drug dependency who initiated treatment and receive two or more additional services within 30 days of the initial visit; and

- Percent reduction in number of incidents from the first to last day of the school year in classrooms participating in the pax good behavioral games, as measured by the spleen instrument.

In the last two federal stimulus packages, BHSD received over \$20 million in federal funds to support treatment services for individuals with mental health and substance use disorders. Priorities are to train and provide ongoing coaching to providers on evidence-based practices that can rapidly be delivered via telehealth; enhance the New Mexico Crisis and Access Line (NMCAL); implement peer recovery supports; and support the network of crisis response, including telepsychiatry, crisis triage, and mobile outreach. NMCAL created a dedicated crisis line open 24/7 for healthcare workers and first responders to provide professional counseling and support for those on the front lines of the state's pandemic response, and launched NMConnect, an app that connects New Mexicans to crisis counseling.

BHSD's Office of Peer Recovery and Engagement trains and identifies peers to provide daily engagement and support for displaced individuals, to monitor health and overall well-being, encourage participation in behavioral health services, and assist with any additional needs (e.g. food, clothing, medications, cell phone service, laundry and cleaning supplies) related to the social determinants of health.

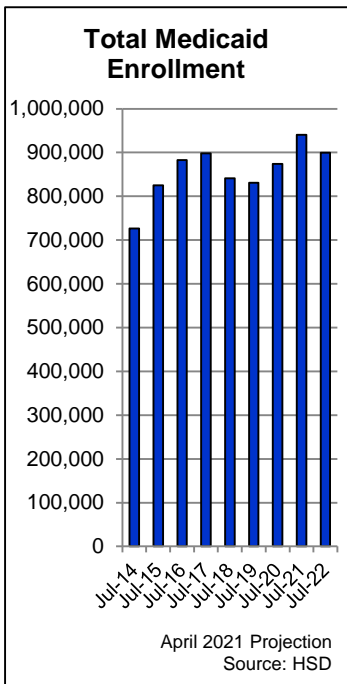
	Budget: \$73,387.7	FTE: 55	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Adult Medicaid members diagnosed with major depression who received continuous treatment with an antidepressant medication			37%	40%	35%	39.7%	40.6%	33.2%	R
Medicaid members ages 6 to 17 discharged from inpatient psychiatric hospitalization stays of four or more days who receive follow-up community-based services at seven days			No Report	No Report	51%	76.2%	66.5%	53.7%	G
Percent increase in the number of persons served through telehealth in rural and frontier counties*			5.2%	308%	N/A	14%	6.9%	-6.3%	Y
Readmissions to same level of care or higher for children or youth discharged from residential treatment centers and inpatient care			8.6%	8.9%	5%	11.1%	12.5%	6.3%	R
Individuals served annually in substance use or mental health programs administered by the Behavioral Health Collaborative and Medicaid			165,641	293,754	165,000	37,250	69,021	149,330	G
Emergency department visits for Medicaid members ages 13 and older with a principal diagnosis of alcohol or drug dependence who receive follow-up visit within seven days and 30 days			13.3% 7 day; 19.6% 30 day	14.3% 7 day; 21.8% 30 day	25%	14.1% 7 day; 21.4% 30 day	14.3% 7 day; 21.8% 30 day	11.6% 7 day; 17.2% 30 day	Y
<b>Program Rating</b>			R	R					Y

\*Measure is classified as explanatory and does not have a target.



## ACTION PLAN

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



The Medicaid caseload in March 2021 was 919,923 individuals, a 10.7 percent increase over a year ago. The count of Medicaid recipients increased by 4,245, or 0.5 percent, over February.

In March 2021, 378,240 children were on Medicaid, an increase of 20,733, or 5.8 percent, over March 2020. The number of children on Medicaid decreased by 217 members, or 0.06 percent, from February to March

The Covid-19 pandemic, unemployment, and federal Medicaid policy greatly impacted the state's Medicaid program's FY21 enrollment, utilization, costs, and health outcomes. In March 2020, the Families First Coronavirus Response Act (FFCRA) was enacted and included a 6.2 percent increase in the regular Medicaid matching rate. States receiving the 6.2 percentage point increase are required to continue Medicaid eligibility for any individuals enrolled as of March 18, 2020, or enrolled during the public health emergency, unless the individual voluntarily terminates eligibility or is no longer a resident of the state. Between March 2020 and March 2021, Medicaid enrolled over 90,000 new members. A total of 919,923 New Mexicans were enrolled in Medicaid as of March 2021.

In October, the Human Services Department's (HSD's) website added a performance "scorecard." The scorecard provides comparative annual data on a few contract management performance measures for the three managed care organizations (MCOs), and provides some high-level data on the performance of other HSD programs and services. Examples include how MCOs compare with ensuring follow-up appointments, child support payments collected, and percent of follow-up appointments with mental health practitioners. Some of the dashboard's performance measures are included in the LFC quarterly performance report cards; however, HSD's third-quarter performance report did not include any new reporting of quarterly data for multiple performance measures.

## Medical Assistance Division

The Medicaid program has a red rating because of incomplete quarterly reporting as well as declining performance. The Medical Assistance Division reported on three performance measures on health outcomes for the first three-quarters of FY21. In FY20, HSD elected to continue reporting on the full list of Medicaid performance measures reported on in previous fiscal years. And in FY22, HSD is required to report on 18 performance measures for the Medicaid program; however, it is problematic to have a gap year with only three performance measures reported quarterly for Medicaid. The Medicaid program is too important to proceed with quarterly performance reporting on just a handful of measures.

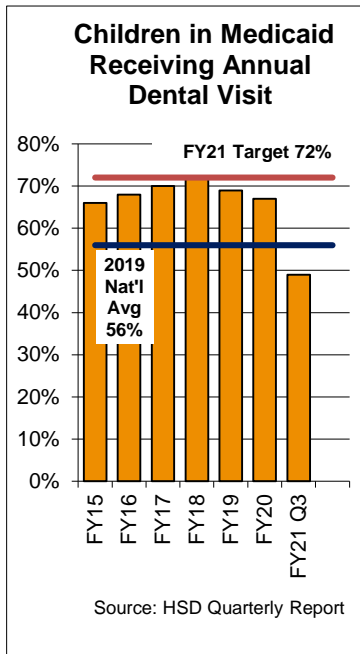
Two of the three Medicaid performance measures reported on by HSD attributed their declining performance to members' hesitancy to seek services during the pandemic. However, it should be noted Covid-19 significantly impacted the utilization of services due to closures of healthcare and dental offices and implementation of office safety protocols that limited the number of scheduled appointments. MCOs were directed to extend all existing prior authorizations and maintain 24-hour/7-day per week nurse advice lines for the duration of the emergency declaration. Additionally, MCOs were directed to offer access to out-of-network services for Medicaid members where appropriate and required.

Furthermore, HSD is not reporting quarterly data on two performance measures identified in the General Appropriation Act of 2020 including 1) Percent of infants in Medicaid managed care who had six or more well child visits with a primary care physician before the age of 15 months; and 2) Rate per one thousand members of emergency room use categorized as nonemergent care.

# PERFORMANCE REPORT CARD

## Human Services Department

### Third Quarter, Fiscal Year 2021



The Supplemental Nutrition Assistance Program (SNAP) caseload in March 2021 was 267,291, an 18.5 percent increase over a year ago, and an increase of 3,211 cases, or 1.2 percent, above February.

The Temporary Assistance for Needy Families (TANF) caseload was 12,422 in March, an increase of 24.3 percent over a year ago, and a decrease of 202 cases, or 1.6 percent, from February.

	Budget: \$5,919,667.4	FTE: 220.5	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Infants in Medicaid managed care who had six or more well-child visits with a primary care physician during their first 15 months*			44.5%	46.1%	N/A	No Report	No Report	No Report	R
Children and youth in Medicaid managed care who had one or more well-child visits with a primary care physician during the measurement year*			86%	85%	88%	72%	70.4%	67.2%	R
Children ages 2 to 21 enrolled in Medicaid managed care who had at least one dental visit during the measurement year			72%	69%	70%	55.2%	51.3%	49.5%	R
Individuals in managed care with persistent asthma appropriately prescribed medication			60%	66%	N/A	No Report	No Report	No Report	R
Hospital readmissions for children ages 2 to 17 within 30 days of discharge			5.6%	4.5%	N/A	No Report	No Report	No Report	R
Hospital readmissions for adults 18 and over within 30 days of discharge			7%	7.5%	<8%	7.6%	7.8%	7.6%	G
Emergency room use categorized as non-emergent per one thousand Medicaid member months <sup>2</sup>			60%	60%	N/A	No Report	No Report	No Report	R
Individuals with diabetes in Medicaid managed care ages 18 through 75 whose hospital admissions had short-term complications			16.7	24.6	N/A	No Report	No Report	No Report	R
Newborns with Medicaid whose mothers received a prenatal care visit in the first trimester or within 42 days of enrollment in the managed care organization*			77%	82%	N/A	No Report	No Report	No Report	R
Medicaid managed care members with a nursing facility level of care being served in the community			87%	86%	N/A	No Report	No Report	No Report	R
<b>Program Rating</b>			Y	Y					R

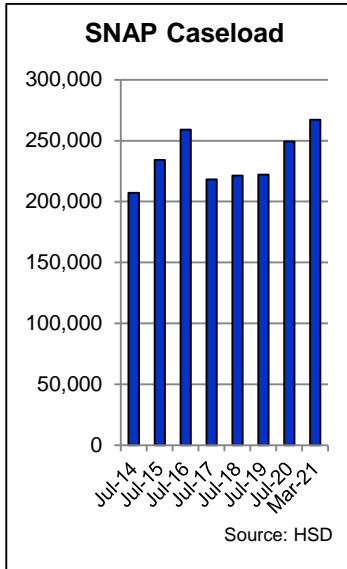
<sup>1</sup> HSD uses a rolling average; the most recent unaudited data available includes the last quarters of FY20 and the first quarters of FY21. The data for HEDIS measures is preliminary.

<sup>2</sup> The target was a per capita target whereas the data is per 1,000 members. HSD previously reported it would use a consistent methodology in the future.

\*Measures are Healthcare Effectiveness Data and Information Set (HEDIS) measures which represent a tool used by more than 90 percent of America's health plans to measure performance on important dimensions of care and service.



## Income Support Division



Due to the declaration of the Covid-19 public health emergency, ISD lifted all New Mexico Works (NMW) requirements related to work participation and restored participants' benefits to their full benefit levels.

In addition to ensuring all newly approved TANF recipients received the proper orientation and assessments to identify and locate additional resources to support vulnerable families during the pandemic, the NMW service provider, Creative Work Solutions, is actively re-engaging all previous sanctioned participants through phone calls, texts, and emails.

This re-engagement effort ensures participants have access to the supports they need in their communities and remain engaged with NMW to avoid sanctions in the future.

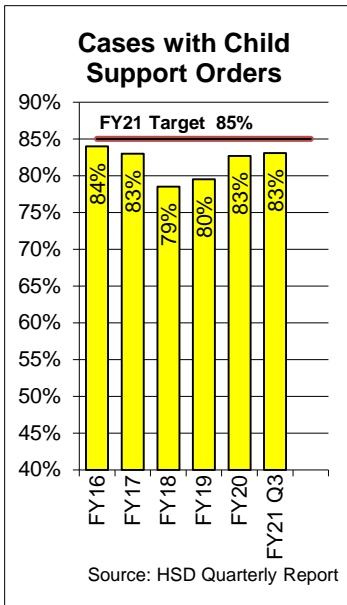
The Income Support Division (ISD) declined to provide quarterly reporting for two performance measures which had been reported on quarterly for several years – Temporary Assistance for Needy Families (TANF) federal two-parent recipients and families meeting federally required work requirements. These measures are required by the federal Administration for Children and Families (ACF) and will not be reported on by HSD in FY21, but will be restored in FY22, but only annually, instead of the previous quarterly reporting.

The new performance measure, TANF recipients ineligible for cash assistance due to work related income, reflects adults whose new employment income exceeded TANF guidelines. However, during the first quarter the average unemployment rate in New Mexico was 10.8 percent and is currently about 8 percent, which negatively impacts employment opportunities for TANF recipients.

ISD added a performance measure for TANF recipients in the University of New Mexico's (UNM) Accelerated College and Career Education program and who graduated and obtained their certificate of completion. During FY21, an average of 189 TANF recipients were active in the UNM program, but because of challenges due to the pandemic, of those who were active in the program, two people successfully obtained their high school equivalency. This represents a success rate of less than one percent.

	Budget: \$945,325.0	FTE: 1,149	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Regular supplemental nutrition assistance program cases meeting the federally required measure of timeliness of 30 days			99.1%	98.8%	96%	99%	98.4%	98%	G
Expedited supplemental nutrition assistance program cases meeting federally required measure of timeliness of 7 days			99.1%	98.8%	98%	98.5%	98.4%	97.8%	Y
Temporary assistance for needy families recipients ineligible for cash assistance due to work related income			No Report	14.1%	37%	2%	1.2%	1.4%	Y
Temporary assistance for needy families recipients who obtain a high school equivalency certificate			New	New	N/A	0.01%	0.01%	0.03%	Y
Two-parent recipients of temporary assistance for needy families meeting federally required work requirements			59.5%	39.5%	N/A	No Report	No Report	No Report	R
All families recipients receiving temporary assistance for needy families meeting federally required work requirements			48.9%	31.1%	N/A	No Report	No Report	No Report	R
<b>Program Rating</b>			Y	R					Y

### Child Support Enforcement Division



The Child Support Enforcement Division (CSED) reported it is engaged in modernizing the program in an effort to set accurate child support obligations based on the non-custodial parents ability to pay; increase consistent, on-time payments to families; move non-paying cases to paying status; improve child support collections rates; reduce the accumulation of unpaid and uncollectable child support arrearages; and incorporate technological advances and evidence-based standards that support good customer service and cost-effective management practices.

Due to Covid-19, CSED escalated implementation of its child support prioritization tool to assist with managing for performance. CSED also worked on having parties agree to an establishment order, when possible, to avoid reliance on court hearings which could delay establishing court orders during the Covid-19 public health emergency.

CSED reported its child support collections for calendar year 2020 were up from about \$138 million to \$156 million due to intercepting federal CARES Act stimulus funds checks that went out to non-custodial parents (NCPs). CSED encouraged NCPs to use electronic means to make payments, including mailing payments, rather than dropping off payments at local offices due to the social distancing order. However, CSED is keeping daily limited office hours to allow NCP payments to continue to flow to the custodial parents during the pandemic. In addition, NCPs who apply for unemployment insurance will be automatically linked with the child support system and a portion of their unemployment benefit will pay for their child support obligation.

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget:</b> \$32,508.6 <b>FTE:</b> 378							
Non-custodial parents paying support per total cases with support orders	No Report	51.7%	58%	56%	55.4%	55.6%	<span style="background-color: red; color: white;">R</span>
Total child support enforcement collections, in millions	\$137.5	\$156.1	\$145	\$36.9	\$33.7	\$36.5	<span style="background-color: yellow; color: black;">Y</span>
Child support owed that is collected	57.7%	58.7%	60%	60.8%	60.5%	60.1%	<span style="background-color: green; color: white;">G</span>
Cases with support orders	79.5%	83.2%	85%	83.6%	83.3%	83.1%	<span style="background-color: red; color: white;">R</span>
Total dollars collected per dollars expended	\$3.55	\$3.44	\$4.00	No Report	No Report	No Report	<span style="background-color: red; color: white;">R</span>
<b>Program Rating</b>	<span style="background-color: red; color: white;">R</span>	<span style="background-color: yellow; color: black;">Y</span>					<span style="background-color: yellow; color: black;">Y</span>

Note: Children with paternity acknowledged or adjudicated are reported in the federal fiscal year.

## ACTION PLAN

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

“Access to and availability of effective contraceptive methods contribute to the steady decrease in New Mexico’s teen birth rate. The broad range of contraceptive methods including IUDs and implants (most-effective) and pills, injectable, and rings (moderately-effective) is available at 41 of the 43 public health offices that offer family planning services. In December 2020, 34 Public Health Offices provided family planning services, due to COVID response. Since 2014, the teen birth rate among 15-to-19-year-olds in New Mexico has declined by 34.8% to 24.4 per 1,000 in 2019 (NM IBIS) and is tied in 2018 for the seventh highest in the nation (at 25.2 per 1,000, with Tennessee and Texas) (National Center for Health Statistics).”

Source: Department of Health

## Department of Health

The Department of Health’s (DOH) mission is to promote health and wellness, improve health outcomes, and assure safety net services for all people in New Mexico. DOH reported some increases in performance targets across the agency during the third quarter of FY21.

### Covid-19

A significant portion of the state’s response to Covid-19 is either managed, delivered, or coordinated by the Department of Health. Given the tremendous department resources being dedicated to the pandemic, DOH began reporting temporary performance measures regarding this work. New Mexico has continued to rank highly nationally for vaccine distributions. As of April 2021, DOH reported that 47 percent of New Mexicans have been fully vaccinated.

Covid-19	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3
Covid-19 swab tests performed	N/A	104,540	180,511	60,246
Hours between the time a case is identified and when the case is contacted by Epidemiology and Response Division to isolate	24	24	25	21
Hours between the time a case contact is identified and when the case contact is contacted by Epidemiology and Response Division to quarantine	36	30	29	25
Facility admissions (and hospital readmissions) having two verified Covid-19 negative tests	100%	63%	53%	71%
Staff tested for Covid-19	20%	100%	100%	100%
Patients/residents tested for Covid-19	25%	100%	100%	100%
Number and percent of individuals receiving Home and Community Based Services (HCBS) who have received a Covid-19 test	N/A	2,864/ 5,134 16.8%	1,416/ 5,239 27.0%	967/ 5,364 18%
Number and percent of individuals receiving Home and Community Based Services (HCBS) who have received a Covid-19 test	N/A	24/5,134 0.7%	373/ 5,239 7.1%	115/ 5,364 2.1%
Number and percent of individuals receiving Home and Community Based Services (HCBS) who are confirmed positive for Covid-19	N/A	518/596 86.9%	1,201/ 1,558 77.1%	3,363/ 4,657 72.2%
Covid-19 tests resulted within 48 hours of receipt in the laboratory	95%	82%	99%	99%
Percent and number of individuals who have been fully vaccinated	N/A	N/A	N/A	1,525/3, 258 47%

### Public Health Program

The Public Health Program continues to be a cornerstone of the state’s response to Covid-19. Given the significant size the of program’s response to the pandemic and statewide closures the program has reported declines in performance on tobacco cessation services and behavioral health in school based health centers. During the third

## PERFORMANCE REPORT CARD

Department of Health  
Third Quarter, Fiscal Year 2021

quarter, the program reported meeting performance targets for females receiving the most or moderately effective contraception, increased healthy eating opportunities for children, and participation in diabetes prevention programming. During the first quarter, DOH was unable to refer participants to diabetes prevention services but increased performance during the second and third quarters. In 2018, an estimated 567 thousand New Mexican adults had prediabetes and only three out of 10 were aware of their condition. The CDC states without weight loss and physical activity, 15 to 30 percent of pre-diabetics will develop diabetes within 5 years, but with access to a services change program the risk can be reduced by nearly half.

Budget: \$170,302.6	FTE: 775	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Adolescents who smoke		8.9%	Not Reported	N/A	Reported Annually			
Adult who smoke		16%	Not Reported	N/A	Reported Annually			
Adult cigarette smokers who access cessation services		2.7%	2.6%	2.9%	0.4%	0.5%	0.5%	<span>R</span>
Successful overdose reversals per client enrolled in the NMDOH Harm Reduction Program		3,446	3,444	3,000	754	657	Not Reported	<span>R</span>
Births to teens per 1,000 females aged 15-19		21.7	Not Reported	N/A	Reported Annually			
Female clients ages 15-19 seen in NMDOH public health offices who are provided most or moderately effective contraceptives		68.5%	85.8%	62.5%	90.3%	89.8%	84.9%	<span>G</span>
Teens that successfully complete teen pregnancy prevention programming		512	502	232	Reported Annually			
School-based health centers that demonstrate improvement in their primary care or behavioral health care focus area		86%	50%	95%	0%	0%	0%	<span>R</span>
Third grade children who are considered obese		20.8%	22.9%	N/A	Reported Annually			
Children in Healthy Kids, Healthy Communities with increased opportunities for healthy eating in public elementary schools		99%	97%	89%	98%	98%	98%	<span>G</span>
Participants in the National Diabetes Prevention Program that were referred by a health care provider through the agency-sponsored referral system		29%	27%	25%	0%	100%	52%	<span>G</span>
Preschoolers (19-35 months) who are indicated as being fully immunized		69.9%	62.9%	65%	64.6%	64.3%	63.7%	<span>R</span>
Older adults who have ever been vaccinated against pneumococcal disease		71.6%	Not Reported	75%	Reported Annually			
<b>Program Rating</b>		<span>Y</span>	<span>Y</span>					<span>Y</span>

## Epidemiology and Response

The Epidemiology and Response Program (ERD) also plays a key role in the state's response to the pandemic, including case investigations of individuals who test positive for Covid-19 and contact tracing of individuals with direct exposure to Covid-19. The program did not meet a majority of performance targets.

As of July 1, 2020, a newly created home and community-based waiver was federally approved. The Supports Waiver is an option for individuals who are on the Developmental Disabilities (DD) waiver wait list. Supports Waiver services are intended to complement unpaid supports that are provided to individuals by family and others.

In FY21 Q1, the Developmental Disabilities Supports Division (DDSD) began providing offer letters to individuals on the DD waiver waitlist. Over 200 people have begun receiving services.

<b>Budget: \$108,305.7</b>	<b>FTE: 204</b>	<b>FY19 Actual</b>	<b>FY20 Actual</b>	<b>FY21 Target</b>	<b>FY21 Q1</b>	<b>FY21 Q2</b>	<b>FY21 Q3</b>	<b>Rating</b>
Youth who were sexually assaulted in the last 12 months		11.4%	11.4%	N/A	Reported Annually			
Youth who have completed an evidence-based or evidence-supported sexual assault primary prevention program		5,905	13,051	7,000	0	287	1,958	<b>R</b>
Suicide per 100,000 population		24.1	Not Reported	N/A	Reported Annually			
Community members trained in evidence-based suicide prevention program		522	1,030	225	0	143	213	<b>G</b>
Hospitals with emergency department based self-harm secondary prevention program		New	2.5%	7%	2.5%	2.5%	2.5%	<b>R</b>
Alcohol-related deaths per 100,000 population		Not Reported	Reported Fall 2021	N/A	Reported Annually			
Persons receiving alcohol screening and brief intervention (a-SBI) services		20.8	62.7	5%	Reported Annually			
Retail pharmacies that dispense naloxone		83%	95%	85%	90%	88%	88%	<b>G</b>
Opioid patients also prescribed benzodiazepines		12%	11%	5%	11%	11%	11%	<b>R</b>
Heat related illness hospitalizations per 100,000 population		2.1	Reported Fall 2021	N/A	Reported Annually			
Cardiovascular disease (heart disease & stroke) deaths per 100,000 population		203.7	Not Reported	N/A	Reported Annually			
NM hospitals certified for stroke care		16%	14%	24%	14%	14%	16%	<b>R</b>
Rate of fall-related deaths per 100,000 adults, aged 65 years or older		91.6	Reported Fall 2021	N/A	Reported Annually			
Emergency department based secondary prevention of older adult fractures due to falls programs		Data not collected	5%	7%	5%	0%	0%	<b>R</b>
Rate of pneumonia and influenza death per 100,000 population		13.1	Not Reported	N/A	Reported Annually			
Cities and counties with Access and Functional Needs (AFN) plans that help prepare vulnerable populations for a public health emergency		New	5%	65%	15%	20%	15%	<b>R</b>
Rate of avoidable hospitalizations per 100,000 population		751	Reported Fall 2021	N/A	Reported Annually			
<b>Program Rating</b>		<b>Y</b>	<b>Y</b>					<b>R</b>

## Scientific Laboratory

The Scientific Laboratory Program provides a wide variety of laboratory services to programs operated by numerous partner agencies across the State of New Mexico. The program provides a significant level of Covid-19 testing in the state. The program met all performance targets for the second quarter.

As of 2016, New Mexico has the twelfth highest drug overdose death rate in the nation. The consequences of substance use are not limited to death, but include many medical and social consequences, including poverty and lack of adequate insurance. Turquoise Lodge Hospital (TLH) is a specialty hospital that provides safety net services for New Mexican adults with substance use disorders.

According to the U.S. Centers of Disease Control and Prevention, for the year 2013, the average specialty hospital occupancy rate in the United States was 63 percent and in New Mexico the average rate was 56 percent.

Budget: \$16,963.1	FTE: 136	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Blood alcohol tests from driving-while-intoxicated cases that are completed and reported to law enforcement within 30-calendar days		44%	91%	95%	96%	97%	99%	<b>G</b>
Environmental samples for chemical contamination that are completed and reported to the submitting agency within 60-business days		91%	91%	90%	99%	93%	99%	<b>G</b>
Public health threat samples for communicable diseases and other threatening illnesses that are completed and reported to the submitting agency within published turnaround times		97%	97%	90%	99%	97%	99%	<b>G</b>
<b>Program Rating</b>		<b>Y</b>	<b>Y</b>					<b>G</b>

## Facilities Management

The Facilities Management Division (FMD) provides services for mental health, substance abuse, long-term care, and physical rehabilitation in both facility and community-based settings. Intake and capacity of state facilities has also been impacted by the global pandemic. Many of the state facilities have experienced declining occupancy. If facilities are unable to increase their occupancy there will be significant operational funding strains. The Department of Health has projected an estimated operating deficit in current fiscal year due to declining occupancy. Occupied beds fell to 55 percent in the third quarter, falling 25 percent below the previous fiscal year. In particular, the New Mexico Veterans' Home (NMVH) and the Behavioral Health Institute have seen significant declines in occupancy. NMVH spent \$16.9 million on operations in FY20, with total revenue of \$14.1 million. Between July 2019 and December 2020, the average monthly census at NMVH was 109 individuals, with a high of 123 in July 2020 and a low of 69 in December 2020. The average monthly cost per patient over this period was \$12,400, and noticeably increased to \$19 thousand when the census dropped in December 2020. New Mexico Medicaid data indicated the average cost per member Nursing Facility Private – Low Level of Care in 2020 was \$4,738.

Budget: \$151,277.2	FTE: 2,003	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Eligible third-party revenue collected at all agency facilities		83%	81%	93%	95%	87%	96%	<b>G</b>
Beds occupied		New	New	75%	61%	58%	55%	<b>R</b>
Overtime hours worked		New	New	387,000	182,686	178,853	175,350	<b>R</b>
Direct care contracted hours		New	New	N/A	36,015	49,598	47,236	



## PERFORMANCE REPORT CARD

Department of Health  
Third Quarter, Fiscal Year 2021

New Mexico has one of the highest suicide rates in the country. The state's Medical Advisory Team estimated that the Covid-19 pandemic will likely exacerbate behavioral health issues and could lead to an increase in suicides. State agencies and the suicide prevention coalition should expand and use proven initiatives, including ensuring care is provided to those in crisis and that care continues after a crisis, increasing access to behavioral healthcare through telehealth, and expanding gatekeeper training. Finally, the Legislature could enact laws to restrict access to lethal means and to strengthen best practices for the coalition and strategic plan.

Significant medication errors per 100 patients	2.4	.2	2.0	0.7	.6	1	G
Long-term care residents experiencing one or more falls with major injury	3.9%	5.3%	4%	4.5%	3%	4.5%	R
Long-term Veterans Home residents experiencing facility acquired pressure injuries	.8%	4.4%	2%	4.9%	2.8%	4.8%	R
Adolescent residents (SATC & NMBHI Care Unit) who successfully complete program	78%	77%	90%	86%	100%	100%	G
Priority Request for Treatment clients who are provided an admission appointment to Turquoise Lodge's program within 2 days	68%	66%	50%	55%	70%	69%	G
Medical detox occupancy at Turquoise Lodge Hospital	83%	68%	75%	69%	67%	72%	R
Naltrexone initiations on alcohol use disorders	New	New	360	38	46	47	R
Naltrexone initiations on opioid use disorders	New	New	12	1	0	1	R
Buprenorphine inductions conducted or conducted after referrals on opioid use disorders	New	New	240	34	29	41	R
Narcan kits distributed or prescribed	New	New	180	49	48	70	R
<b>Program Rating</b>	<b>Y</b>	<b>Y</b>					<b>Y</b>

### Developmental Disabilities

DOH reported a decline in the number of individuals receiving Developmental Disabilities (DD) and Mi Via Medicaid waivers. The program reported as of April 2021, there were 4,646 individuals on the waiting list for waivers. Of those individuals, 485 have placed their allocation on hold, meaning these individuals were offered waiver services and chose to remain on the waiting list, for now. During the third quarter, the number of individuals on the waitlist decreased. As of January 2021, over 200 individuals on the wait list had enrolled in the community supports waiver, far less than the 1,000 expected. The slow enrollment of people on wait list for the community supports waiver and increased federal matching dollars have led to a significant projected surplus for the program.

Budget: \$167,880.4	FTE: 182	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Individuals on the developmental disabilities' waiver waiting list		5,064	4,743	N/A	4,713	4,660	4,646	
Individuals receiving developmental disability waiver services		4,641	4,934	N/A	4,859	5,034	5,053	
Individuals receiving developmental disability supports waiver services		New	New	N/A	0	4	44	

## PERFORMANCE REPORT CARD

### Department of Health Third Quarter, Fiscal Year 2021

People on the waiting list that are formally assessed once allocated to the DD Waivers	New	New	100%	100%	100%	100%	<b>G</b>
Developmental disabilities waiver applicants who have a service and budget in place within 90-days of income and clinical eligibility	87%	96%	95%	93%	97%	100%	<b>G</b>
Adults of working age (22 to 64 years), served on the DD Waiver (traditional or Mi Via) who receive employment supports	29%	29%	34%	27%	27%	25%	<b>Y</b>
DD Waiver providers in compliance with General Events timely reporting requirements (2-day rule)	66%	84%	86%	70%	55%	27%	<b>Y</b>
<b>Program Rating</b>	<b>Y</b>	<b>Y</b>					<b>Y</b>

### Health Certification, Licensing, and Oversight

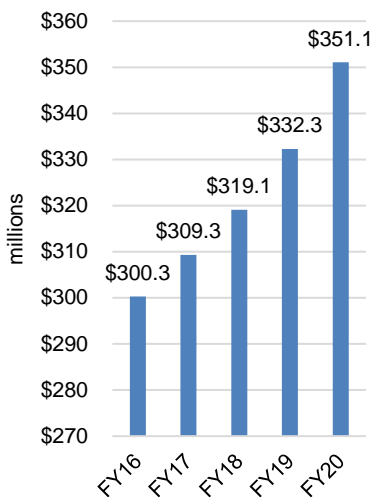
The Health Certification, Licensing, and Oversight Program met a majority performance measures targets during the third quarter of FY21. The program also has many Covid-19 related activities such as routine outreach to all nursing homes and assisted living facilities in the state in order to obtain information on how many staff and residents have been tested for Covid-19, test results, deaths, number of test kits available, and identifying any issues with PPE and staffing.

Budget: \$14,371.1	FTE: 183	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Rate of abuse for developmental disability waiver and mi via waiver clients		10.6%	12.8%	NA	7.4%	9%	5.5%	<b>G</b>
Rate of re-abuse for developmental disability waiver and mi via waiver clients		7%	8.5%	N/A	Reported Annually			
Percent of abuse, neglect and exploitation investigations completed within required timeframes		48.6%	81.7%	86%	99.5%	99%	92%	<b>G</b>
Percent of (IMB) assigned investigations initiated within required timelines		New	90.3%	86%	96.2%	92.7%	93.3%	<b>G</b>
Percent of Assisted Living Facilities in compliance with caregiver criminal history screenings requirements		New	77%	85%	97%	96%	93%	<b>G</b>
Percent of Nursing Home survey citation(s) upheld as valid when reviewed by the Centers of Medicare and Medicaid Services (CMS) and through Informal Dispute Resolution		85%	83%	90%	100%	100%	60%	<b>Y</b>
<b>Program Rating</b>		<b>Y</b>	<b>Y</b>					<b>G</b>

## ACTION PLAN

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

**Clean Water State Revolving Fund (CWSRF) Ending Net Position FY16 through FY20**



Source: State Auditor's Office

Through the CWSRF, local communities secure affordable financing for a wide range of projects. Communities benefit from CWSRF loans to finance essential wastewater, storm water, and solid waste projects at interest rates between 0 percent and 1 percent. These construction projects add revenue to local economies and improve quality of life through effective environmental infrastructure. The El Valle de Los Ranchos Water and Sanitation District in Taos County recently received national recognition for their successful project that provides sewer service to multiple small communities in place of substandard and failing septic systems and leach fields. The CWSRF program supported the multi-phase project through three loans totaling more than \$4.5 million.

## Environment Department

The performance of the Environment Department (NMED) continues to be mixed, with most below-target performance results associated with low inspection rates. NMED attributes many performance issues to resource constraints that increase attrition and curb effective recruitment, but recent personnel decisions at the agency appear to prioritize management and leadership positions over entry- and mid-level staff. As NMED plans for FY22, LFC staff will pay particular attention to how budget increases are implemented and the associated performance measures to ensure the Legislature's intent in providing the agency with additional funding is carried out.

### Water Protection

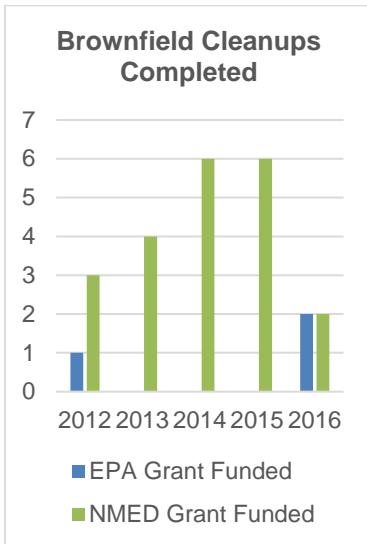
Approximately 1.98 million New Mexicans receive their drinking water from community public water systems, and about 1.97 million, or 99 percent, received water that met all health-based standards in the third quarter of FY21. However, NMED expressed concern that this data point is misleading due to the reduction in onsite sanitary surveys conducted by the Drinking Water Bureau during the Covid-19 pandemic. Agency staff suspect they would have identified more health-based violations in FY20-21 had they been conducting inspections as usual. Furthermore, NMED was forced to reduce testing for drinking water contaminants due to the depletion of the water conservation fund, which derives revenue from fees on public water systems and supports the sampling and analysis of drinking water in small and rural communities. Legislation to increase this fee to keep up with program costs was vetoed by the governor, and as a result, additional services will be discontinued, potentially worsening water quality as communities struggle to afford the tests needed to identify contaminants. The questionable validity of this measure's data is reflected by a yellow rating.

In the third quarter, NMED conducted 12 inspections of facilities operating under a groundwater discharge permit, less than 3 percent of the annual goal of 450 inspections. The agency reports a high vacancy rate and lack of modern tools such as databases in the Ground Water Quality Bureau affect its ability to perform inspections. NMED plans to petition for a permit fee increase in August to generate additional revenue that can be used to fund vacant positions in FY22 or FY23. The staff time invested in the rulemaking process, however, may impact other service levels in the bureau. Current fee revenue covers approximately 10 percent of the program's costs.

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget: \$27,520.1 FTE: 180.25</b>							
Facilities operating under a groundwater discharge permit inspected annually	68%	47%	66%	6%	3%	3%	<span style="background-color: red; color: white;">R</span>
Population served by community water systems that meet health-based drinking water standards	97%	99%	N/A*	95%	97%	99%	<span style="background-color: yellow; color: black;">Y</span>
Number of miles of active watershed restoration, including wetlands projects, state-funded projects and federal Clean Water Act Section 319 projects	564	560	N/A*	548	481	545	
EPA clean water state revolving loan fund capitalization grant and matching state funds committed for wastewater infrastructure	100%	100%	100%	17%	34%	66%	<span style="background-color: green; color: white;">G</span>

## PERFORMANCE REPORT CARD

### Environment Department Third Quarter, Fiscal Year 2021



A brownfield is a property whose expansion, redevelopment, or reuse may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.

Source: Environmental Council of the States

The Petroleum Storage Tank Bureau is increasing outreach and assistance to the regulated community to help improve compliance with regulatory requirements for underground storage tanks. Staff report that tank owners may still be learning about new regulations that were passed in 2018.

There are an estimated 905 leaking petroleum storage tanks throughout New Mexico that require and are in various stages of corrective action and are potentially eligible for reimbursement from the corrective action fund. The program currently has \$7 million worth of proposed cleanup work.

Number of outreach efforts to promote available clean water state revolving loan funds to eligible recipients throughout the state

NEW NEW 30 6 17 18 **G**

Dollar amount of new loans made from the clean water state revolving fund, in millions\*

NEW NEW N/A \$0 \$14.1 \$4.3

**Program Rating**

**G** **Y** **Y**

\*Measure is classified as explanatory and does not have a target.

### Resource Protection

There are 3,033 underground storage tank systems at 1,151 regulated facilities across the state, of which 90 have outstanding violations that can threaten groundwater. During the third quarter, 16 facilities had significant violations cleared. New Mexico's compliance rate is above the national average of 70 percent, but a very small number of facilities are actually being inspected. Due to the Covid-19 pandemic, only 11 inspections were conducted in the third quarter of FY21, compared with 60 inspections in the same period of FY20. This issue resulted in a mediocre performance rating on the compliance measure despite the program meeting its target.

Twenty-three solid waste or medical facilities were inspected in the third quarter of FY21, and two municipal landfills were cited for two or more substantial violations each. The department has identified 75 large quantity hazardous waste generators (LQGs) in the state, four of which were inspected during the third quarter; none were in compliance with permit requirements. Although this is an explanatory measure and does not have a target, a rating was included to flag the extremely low number of inspections. The FY22 general fund appropriation to NMED includes an increase of \$200 thousand to fill inspector vacancies in this program.

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget: \$15,275.9 FTE: 139.25</b>							
Large quantity hazardous waste generators inspected and in compliance, cumulatively	39%	25%	N/A*	0%	50%	0%	<b>R</b>
Underground storage tank facilities compliant with release prevention and release detection requirements	86%	83%	90%	91%	86%	92%	<b>Y</b>
Solid waste facilities and infectious waste generators not in compliance with solid waste rules	5%	5%	5%	8%	0%	9%	<b>Y</b>
Percent of obligated corrective action funds expended	14%	10%	N/A*	18%	13%	20%	
<b>Program Rating</b>	<b>Y</b>	<b>Y</b>					<b>Y</b>

\*Measure is classified as explanatory and does not have a target.

### Environmental Protection

The Environmental Protection Division, through its Food Program and Occupational Health and Safety Bureau (OHSB), has been heavily involved in managing the Covid-19 public health emergency. The Food Program is responsible for protecting employees, consumers, and the public from adverse health and safety conditions in food establishments, and thus enforces statewide restrictions on indoor dining per public health orders and provides guidance to food establishments on safely operating during the pandemic. OHSB is responsible for protecting employees of private industry and state, county, and city governments from workplace hazards. As a result, OHSB leads

**Occupational Health and  
Safety Bureau (OHSB)  
Performance**

Metric	Value	NMED Result
Complaints by employees of unsafe working conditions	600 per year	OHSB response rate: 33%
Occupational fatalities	10-20 per year	NMED OHSB response rate: 50%
Amputation, Burns, Chemical Exposures, Crushing, Traumatic Injuries/Organ Failure, etc.	2,000+ per year	NMED OHSB response rate: 1%
Federal mandated investigation timeframe	40 days	NMED OHSB timeframe: 120 days

Response rate refers to the percentage of the instances of each metric that OHSB investigates.

the majority of the state's rapid responses, which ensure employers are following proper safety precautions to prevent the transmission of Covid-19 within their workplaces. In the third quarter of FY21, 33 serious workplace violations were identified and 26 were corrected by the deadlines set by OHSB.

Significant issues within OHSB are not captured in the reported performance measures. For example, the agency reports that, due to personnel limitations, investigations into workplace fatalities and serious injuries are taking nearly three times as long as the U.S. Occupational Health and Safety Administration requires, delaying corrective action and putting the program's federal grant funding at risk. The General Appropriation Act of 2021 includes a general fund increase of \$1.5 million to expand the capacity of OHSB.

In the third quarter, 100 percent of restaurant and food manufacturer priority violations were corrected within the timeframes specified by the Environmental Health Bureau. Priority violations indicate the highest level of risk for foodborne illness. The bureau has been conducting virtual inspections due to the additional demands created by the pandemic as well as limited resources for field staff. In the third quarter of FY21, 98 percent of days had good or moderate air quality ratings as measured by NMED's statewide network of ambient air quality monitors.

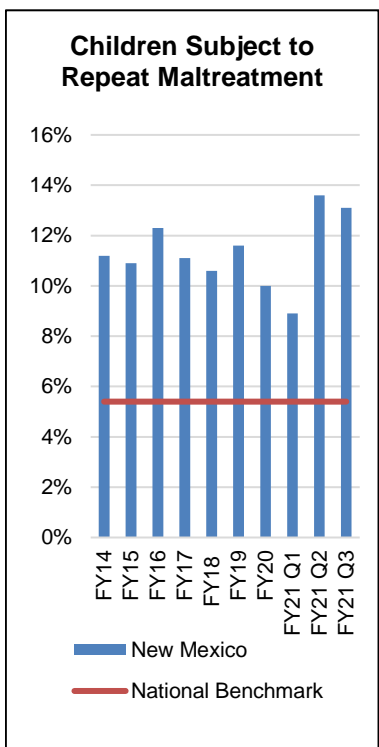
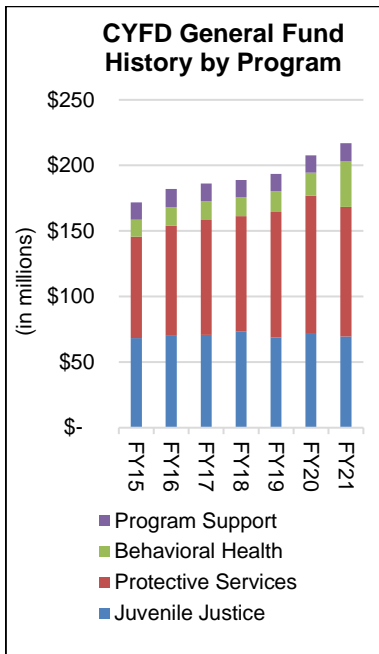
	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget: \$26,251.2 FTE: 276.75</b>							
Percent of serious worker health and safety violations corrected within the designated timeframes	95%	94%	96%	92%	100%	79%	<b>Y</b>
Priority food-related violations from inspections corrected within the designated timeframes	100%	95%	100%	95%	100%	100%	<b>G</b>
Days with good or moderate air quality index rating	87%	96%	N/A*	85%	97%	98%	<b>G</b>
Facilities taking corrective action to mitigate air quality violations within six months of violation	NEW	100%	100%	100%	100%	100%	<b>G</b>
Radiation-producing equipment in violation when inspected	NEW	NEW	20%	1%	0%	0%	<b>G</b>
<b>Program Rating</b>	<b>G</b>	<b>G</b>					<b>G</b>

\*Measure is classified as explanatory and does not have a target.



## ACTION PLAN

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



## Children, Youth and Families

In the third quarter of FY21, the Children, Youth and Families Department (CYFD) improved some targeted performance, however, the Protective Service (PS) program continues to struggle with high repeat maltreatment rates. PS has been particularly focused on improving kinship placements, response times, and case worker visits. The department's overall performance continues to be impacted by the Covid-19 public health emergency. The Covid-19 pandemic likely had an impact on the department's repeat maltreatment measure for the current quarter which remains nearly double the national average. Families were less likely to access and engage in community services due to fewer available services and multiple stressors related to employment, remote schooling, and reduced availability of child care and family support. In addition, unemployment, unstable housing, and transient living have put many system-involved youth and youth transitioning from care at higher risk.

### Protective Services Division

The Protective Services (PS) program met some performance targets related to kinship care, which has been a particular focus of the program in recent years, but continued to miss targets on several critical safety measures, including repeat maltreatment. In the last year, PS has seen an increase in the percentage of children who are placed with relatives. Relative placements are more stable for children and PS has made significant improvement in the number of relative placements that are made immediately following removal by cross-training county staff in conducting initial relative assessments and mandating management approval prior to placing a child with a non-relative. Over the past year, the percent of children in foster care who achieve permanency within 12 months has remained stagnant at around 29 percent. Permanency that occurs within 12 months is typically reunification with the child's primary caretakers, although permanent guardianship is sometimes the outcome for dismissals occurring within this timeframe. To improve timely reunification and permanency plans, PS is piloting a program in several counties to help PS engage parents in a more meaningful and timely manner and reduce barriers to accessing services. The new kinship unit will also work with staff to begin discussions with relative placements related to guardianship as a permanency option.

Budget: \$171,038.6	FTE: 1,019	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Children who have another substantiated maltreatment report within 6 months of their initial report.		89.6%	90%	93%	91.1%	86.3%	90.5%	R
Children who have another substantiated maltreatment report within 12 months of their initial report.		17%	14.1%	9.1%	13.8%	13.6%	13.1%	R
Maltreatment victimizations per 100,000 days in foster care.		13.4	12.6	8.5	13.5	14.7	14.3	R
Children in foster care for more than 8 days, who achieve permanency within 12 months of entry into foster care.		32.3%	29.3%	40.5%	29.8%	29.3%	29.6%	R
Children in foster care for 12-23 months at the start of a 12-month period, who		36.5%	40.2%	44%	43.1%	43.2%	38.4%	R

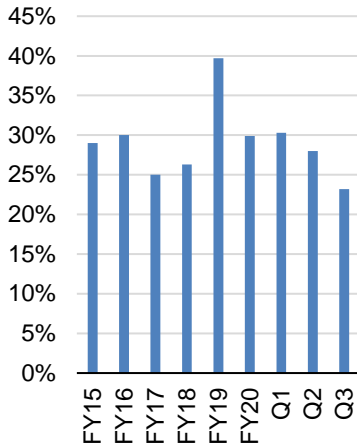


# PERFORMANCE REPORT CARD

## Children, Youth and Families Department

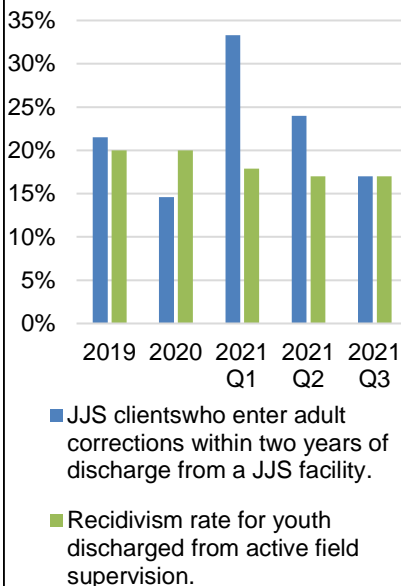
### Third Quarter, Fiscal Year 2021

**Turnover Rate for Protective Service Workers**



Source: CYFD

**Juvenile Justice Recidivism Rates**



Source: CYFD

achieved permanency within that 12 months.

Children in foster care for 24 months (or more) at the start of a 12-month period, who achieved permanency within that 12 months.

36.6% 34% 32% 35.7% 37.5% 40.7% **G**

Turnover rate for protective services workers.

39.7% 29.9% 20% 30.3% 28% 23.2% **R**

For children in foster care for more than 8 days, placement moves per 1,000 days of foster care.

7.8 5.9 4 5.3 4.9 4.7 **Y**

Families with a completed investigation who engaged in prevention services (In-Home Services, Family Support Services) for 30 days or more

4.5% 6.4% 20% 4.7% 3.34% 4.2% **R**

Rate of serious injury per 1,000 investigations

2.88 3.1 1 2.1 3.31 3.46 **R**

Average statewide central intake call center wait time (in minutes)

n/a 0:15 0:30 0:23 0:16 0:21 **G**

Average of the longest statewide central intake call center wait time per month for a rolling 12-month period (in minutes)

n/a 8:18 15:00 8:33 9:58 14:55 **G**

Foster care placements currently in kinship care settings.

23.1% 28.8% 35% 29% 39.4% 39.6% **G**

Kinship care placements that transition to permanent placement.

37.5% 40.5% 15% 43.9% 45.6% 45.5% **G**

Indian Child Welfare Act foster care children who are in an ICWA-preferred placement.

n/a n/a 38% 65.4% 66.7% 79.5% **G**

Children in foster care who have at least one monthly visit with their caseworker

94% 95.6% n/a 98.2% 98.1% 96.2% **G**

**Program Rating**

**Y**

## Juvenile Justice Services

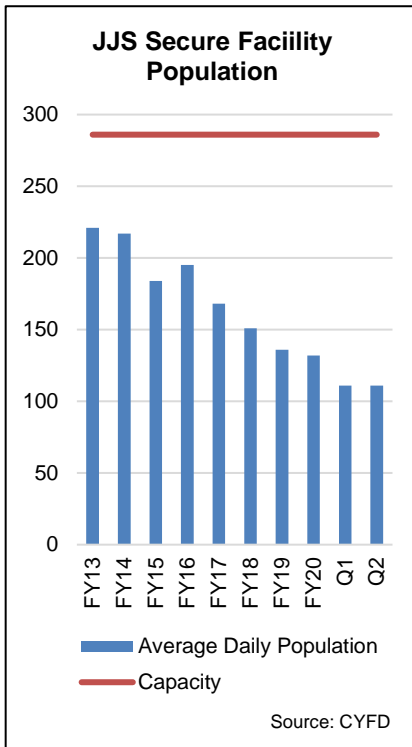
Juvenile Justice Services met many of its performance targets, but continues to miss targets related to recidivism. Rates for both youth discharge from active field supervision and youth who enter adult corrections within two years of discharge from a JJS facility remain above targets. As the population of youth committed to secure facilities continues to drop, the majority of the youth who come into the secure facilities have on average 19 prior referrals and multiple opportunities to receive services in the community. While it is appropriate to reserve the most intensive forms of supervision for serious and repeat offenders, this group of youth has the most complex needs and is at high risk of reoffending.

Budget: \$71,742.4	FTE: 821	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Physical assaults in Juvenile Justice Facilities (target is annual; quarterly numbers are cumulative)		235	287	<285	116	156	195	<b>G</b>

# PERFORMANCE REPORT CARD

## Children, Youth and Families Department

### Third Quarter, Fiscal Year 2021



JJS clients age 18 or older who enter adult corrections within two years of discharge from a JJS facility.

21.5% 14.6% 10% 33% 24% 17% **R**

JJS clients who successfully complete formal probation.

85.8% 93.7% 86% 93.9% 89.4% 90.3% **G**

Recidivism rate for youth discharged from active field supervision.

20% 20% 12% 17.9% 17% 17.4% **R**

Recidivism rate for youth discharged from commitment.

44.5% 41.1% 40% 35.5% 35.2% 33% **G**

Substantiated complaints by clients of abuse and neglect in JJS facilities.

10% 25.9% 13% 20% 14.3% 18.8% **R**

Turnover rate for youth care specialist.

16.9% 18.1% 19% 18.4% 18.6% 17.9% **G**

**Program Rating**

**Y**

## Behavioral Health Services

The Behavioral Health Services (BHS) program reported significant declines in performance for unification of families working with infant mental health teams and those receiving community based behavioral health services. The program reported referrals for community based health services declined due to vacancies in the BHS who work with PS and JJS involved youth in cross-referring clients. In FY21 BHS added 10 FTE assigned to this work, of which five remain vacant. BHS also reported the during the third quarter five infants being tracked following reunification and one of the five had a substantiated re-referral to PS resulting in the decline in performance.

Budget: \$42,948.0	FTE: 115.5	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Infants served by infant mental health teams with a team recommendation for unification who have not had additional referrals to protective services.		91%	94%	93%	100%	100%	80%	<b>R</b>
CYFD involved children and youth who are receiving services from community behavioral health clinicians.		51.8%	64%	75%	66.4%	77.3%	66.4%	<b>R</b>
Youth receiving services who are maintained in the least restrictive setting.		-	-	70%	89.9%	89.8%	89.3%	<b>G</b>
Domestic violence survivors who create a personalized safety plan with the support of agency staff prior to discharge from services.		-	-	85%	94.1%	96.6%	95.5%	<b>G</b>
<b>Program Rating</b>								<b>Y</b>

## ACTION PLAN

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

**49%** of New Mexico's prison population has contracted Covid-19, compared with **30%** across other state correctional systems and the federal Bureau of Prisons.

## Corrections Department

Covid-19 has ravaged New Mexico's prison population, but results from the Corrections Department's (NMCD) vaccine rollout are somewhat encouraging. The pandemic continues to severely impact NMCD's performance, resulting in decreased prison violence but also reduced opportunities for inmate education. The prison population continues to fall as admissions drop, but increased parole revocations for technical violations have resulted in a much larger share of admissions off parole than in prior years. NMCD is facing the possibility of significant changes to its facilities as it prepares to transition Springer Correctional Center.

New Mexico's prisons have seen much higher rates of infection and death during the Covid-19 pandemic than most other states' prison systems. Covid-19 infection has been so widespread throughout the state's prison system that an inmate in New Mexico was more than twice as likely to die from Covid-19 than the national average. Covid-19 was also 40 percent more likely to be fatal in New Mexico's prisons compared with the U.S. prison system as a whole.

However, New Mexico is making progress rolling out vaccines within the correctional system. NMCD reports 51 percent of inmates (2,920 individuals) and 83 percent of staff working in prison facilities have received at least one dose of the Covid-19 vaccine. Compared against an analysis of staff vaccinations by the Prison Policy Initiative in April, New Mexico had the fourth-highest overall rate of vaccinations of correctional staff out of 36 states and the federal Bureau of Prisons at 71 percent (inclusive of staff inside and outside prison facilities). Unfortunately, NMCD's vaccination rate among inmates lags behind the national average. NMCD continues to encourage vaccinations among staff and inmates to allow it to safely resume normal operations and aims to vaccinate all interested inmates by June 1 before embarking on a field campaign to facilities with the lowest vaccination rates. Overall, the department aims to vaccinate at least 70 percent of inmates. Currently, there is only one active Covid-19 case.

New Mexico's prisons held an average of 5,876 inmates in April, including 5,332 men and 544 women, a decrease of 0.5 percent compared with March and 12.1 percent lower than April 2020. Notably, the women's population increased month-over-month by 10 inmates, or 1.9 percent, after increasing by six inmates for the first time in over a year in March. Since December 2018, the total prison population has fallen by 19.3 percent. As a result of sharply declining prison populations, NMCD has had an average of almost 1,600 beds unoccupied in FY21 to date.

Population declines are driven by reductions in prison admissions. A total of 561 individuals were admitted to prison in the third quarter of FY21, a decrease of 3.3 percent compared with the second quarter. In the first three quarters of the year, 1,749 people were admitted to prison, a 24 percent reduction compared with the first three quarters of FY20. The majority of this reduction is a result of decreased admissions of individuals for new offenses, which have fallen 30 percent year-to-date compared with FY20, but admissions due to parole revocations only fell 5 percent.

## Inmate Management and Control

### Covid-19 Deaths in Prisons

#### death rate of total population



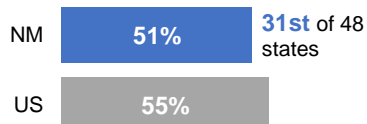
#### death rate of infected population



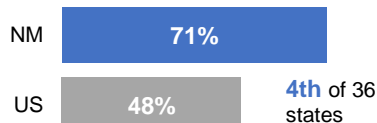
Source: NMCD, Marshall Project/AP, LFC files

### Covid-19 Vaccination Rates in Corrections

#### among prison inmates



#### among correctional staff



Source: NMCD, Prison Policy Initiative

In March, NMCD announced plans to cease using the Springer Correctional Center (SCC) as a prison in two to three years. Currently, 67 state employees and 22 contract employees serve the facility, which houses just over 200 minimum-security female inmates. Although NMCD reports there are both beds for SCC inmates and positions for SCC employees at its other facilities, concerns from the community regarding the potential economic impact of simply closing the prison have prompted an extended timeframe. NMCD reports that the executive does not intend to close the facility but rather expects to transition it to another use, such as a transitional living center or inpatient substance-use-disorder treatment.

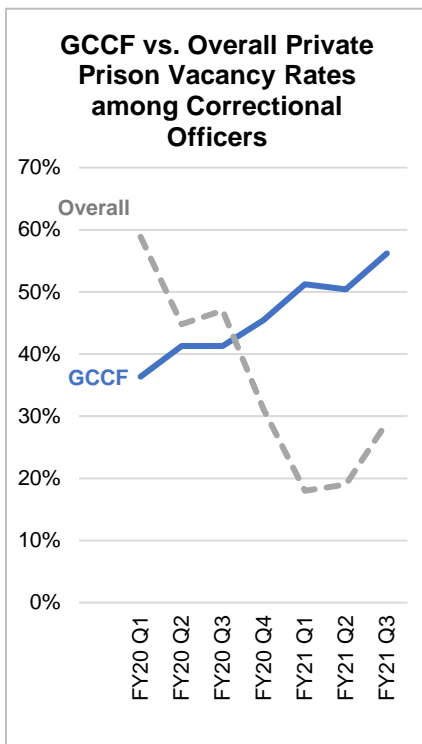
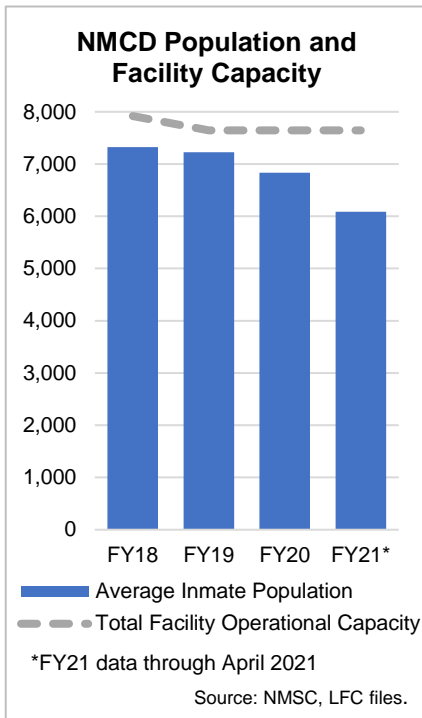
Vacancy rates among correctional officers employed by private facilities rose 10 percentage points between the second and third quarters, in part driven by the loss of 7 officers at the Guadalupe County Correctional Facility (GCCF), after NMCD staff and the local police department uncovered evidence that a significant number of officers were bringing contraband into the facility. Faced with a vacancy rate of 56 percent among correctional officers at the facility in the third quarter, NMCD began reducing the inmate population at the 590-bed facility to less than 300 inmates to ensure the prison could be operated safely. At the beginning of May, the Geo Group informed NMCD and Guadalupe County that it intends to close GCCF and terminate its agreement to operate the facility in August unless new terms can be negotiated, such as increasing its compensation per prisoner and reducing penalties for insufficient staffing. NMCD and Geo are currently engaged in negotiations over the continued operation of the facility.

NMCD reports just one inmate-on-inmate assault and two inmate-on-staff assaults requiring off-site medical treatment occurred in the third quarter, maintaining FY21's significant decrease in prison violence compared with prior years. While NMCD has previously cited drug deals between inmates as a primary cause of increasing or decreasing prison violence, analysis of prior years' assaults and rates of drug use among inmates casts doubt on this hypothesis. Restrictions on inmate activity and movement due to the Covid-19 pandemic, as well as a lack of large congregate groups of inmates due to reduced sizes of classes and other programs, may account for FY21's unusually low levels of violence; however, the fourth quarter of FY20 – the beginning of the pandemic – saw nine assaults, significantly exceeding any quarter in FY21.

NMCD has made significant strides in addressing underperformance of its inmate healthcare provider, Wexford, over the course of FY21. Wexford improved from meeting just 73 percent of standard healthcare requirements in the first quarter of FY21 to 86 percent in the second quarter and 100 percent in the third. NMCD credits this improvement to frequent communication with the vendor and independent auditing of inmate medical records.

Since the initiation of NMCD's project to significantly increase hepatitis C treatment among inmates in the fourth quarter of FY20, 232 inmates were treated with an average success rate of 89 percent. During the third quarter of FY21, NMCD fully transitioned its procurement of hepatitis C treatment medication from its medical vendor, Wexford, to its newly established 340b drug pricing program. NMCD is in the process of renegotiating its contract with Wexford to increase the number of inmates treated for hepatitis C each year from 150 to 600.

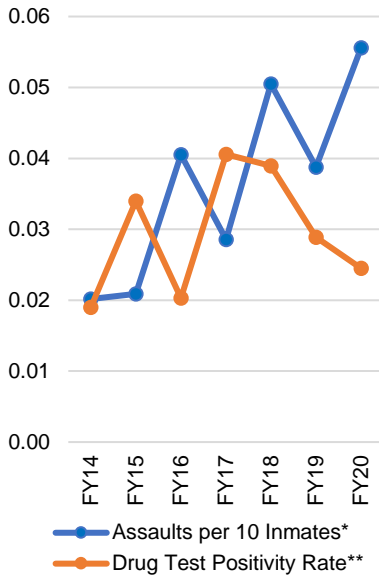
In the first quarter of FY21, NMCD reported its overall three-year recidivism rate had been reported incorrectly since 2016, due to a database error that erroneously counted



## PERFORMANCE REPORT CARD

### Corrections Department Third Quarter, Fiscal Year 2021

**Prison Violence and  
Inmate Drug Use**



\*Includes both inmate-on-inmate and inmate-on-staff assaults requiring offsite medical treatment.  
\*\*Tests randomly given to 10 percent of the inmate population.

all intakes to the parole system as prison admissions for purposes of calculating reincarceration rates. The agency has corrected this issue, but because it has not provided corrected historical data on this measure, it is unclear if FY21's recidivism results represent an increase or decrease from previous years' recidivism levels. NMCD reports it is working on recalculating annual results for its three-year recidivism rate measure and expects to be able to provide those results by the end of the fiscal year.

Budget: \$299,283.7	FTE: 2,044	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Recidivism</b>								
Percent of prisoners reincarcerated within 36 months		54%	54%	45%	42% <sup>1</sup>	45% <sup>1</sup>	44% <sup>1</sup>	Y
Percent of prisoners reincarcerated within 36 months due to new charges or pending charges		15%	12%	17%	14%	14%	13%	G
Percent of sex offenders reincarcerated on a new sex offense conviction within 36 months of release on the previous sex offense conviction		1%	2%	15%	0%	10%	10%	G
Percent of residential drug abuse program graduates reincarcerated within 36 months of release*		28%	21%	N/A	27%	15%	22%	
<b>Prison Violence</b>								
Number of inmate-on-inmate assaults resulting in injury requiring off-site medical treatment		25	31	15	1	1	1	G
Number of inmate-on-staff assaults resulting in injury requiring off-site medical treatment.		3	7	0	0	0	2	Y
<b>In-House Parole</b>								
Percent of release-eligible female inmates still incarcerated past their scheduled release date		9.4%	7.7%	6%	0.1% <sup>2</sup>	0.8% <sup>2</sup>	0.4% <sup>2</sup>	Y
Percent of release-eligible male inmates still incarcerated past their scheduled release date		9.3%	6.4%	6%	1.5% <sup>2</sup>	1.4% <sup>2</sup>	1.3% <sup>2</sup>	Y
<b>Staffing</b>								
Vacancy rate of correctional officers in public facilities		25%	31%	20%	28%	26%	26%	R
Vacancy rate of correctional officers in private facilities	NEW		46%	20%	18%	19%	29%	R
<b>Education</b>								
Percent of eligible inmates enrolled in educational, cognitive, vocational and college programs		76%	62%	68%	35%	39%	43%	R
Percent of participating inmates who have completed adult basic education* <sup>3</sup>		78%	77%	N/A	6.3% <sup>3</sup>	5.8% <sup>3</sup>	2.2% <sup>3</sup>	
Percent of eligible inmates who earn a high school equivalency credential <sup>3</sup>		78%	77%	80%	6.3% <sup>3</sup>	5.8% <sup>3</sup>	2.2% <sup>3</sup>	Y
Number of inmates who earn a high school equivalency credential		139	134	150	43	34	10	Y
<b>Health</b>								
Percent of standard healthcare requirements met by medical contract vendor		92%	87%	100%	73%	86%	100%	Y
Percent of random monthly drug tests administered to at least ten percent of the inmate population that test positive for drug use*		2.9%	2.5%	N/A	1.7%	2.8%	1.8%	
<b>Program Rating</b>		Y	R					Y

Metrics related to inmate education fell significantly in the third quarter, with the number of inmates who earned a high school equivalency (HSE) credential dropping from 34 in the second quarter to 10 this quarter. NMCD reports this quarter shows the full impact of educational disruption due to the Covid-19 pandemic on HSE credential attainment, which was not immediate. Additionally, personnel turnover among staff and proctors for HSE exams during the second and third quarters has impacted these measures, with insufficient proctors available to test all students who were ready to take the HSE exam. Due to the extenuating circumstances of the Covid-19 pandemic, these measures are rated yellow.

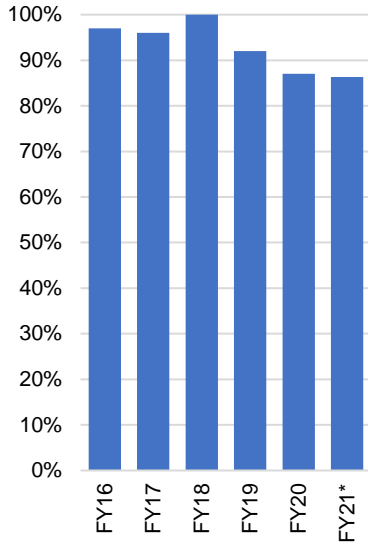


## PERFORMANCE REPORT CARD

### Corrections Department

### Third Quarter, Fiscal Year 2021

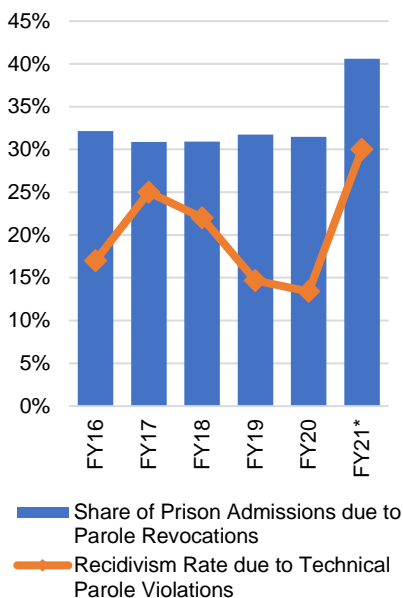
**Percent of Standard Healthcare Requirements Met by Medical Contract Vendor**



\*as of FY21 Q3

Source: LFC files, NMCD

**Parole Revocations and Recidivism for Technical Violations**



Source: NMCD, Sentencing Commission, LFC files

\*Measures are classified as explanatory and do not have targets.

1. In the first quarter of FY21, NMCD reported its overall three-year recidivism rate had been reported incorrectly since 2016, due to a database error that erroneously counted all intakes to the parole system as prison admissions for purposes of calculating reincarceration rates. The agency has corrected this issue but has not provided corrected historical data and this quarter's result cannot be compared to previous years. NMCD reports it is working on recalculating annual results for its three-year recidivism rate measure and expects to be able to provide those results by the end of the fiscal year. Because the FY21 target was set based on prior year results that have since been reported to be incorrect, it is difficult to properly rate this measure, and it is rated yellow at this time.

2. NMCD reported this measure had previously been miscalculated, changed the calculation for FY21, but did not provide corrected historic reports. LFC and DFA analysts believe NMCD's altered calculation is incorrect (the original calculation is correct). NMCD has demonstrated that these recalculated measures represent significant improvements over prior years' results calculated in the same manner, meaning it is likely that the original calculation would also reflect improvement this quarter; for this reason, these measures are rated yellow.

3. NMCD reported this measure had previously been miscalculated, changed the calculation for FY21, but did not provide corrected historic reports. Previously, these measures were both calculated as the pass rate of the high school equivalency test; now, they are both reported as the percent of inmates enrolled in adult basic education who pass the high school equivalency test and therefore earn the credential.

### Community Offender Management

The vast majority of parole revocations are attributed to substance abuse or technical parole violations. While technical violation revocations decreased in FY20, in the first quarter of FY21, the percent of prisoners reincarcerated within 36 months of release due to technical parole violations more than doubled, from 13 percent to 28 percent, and in the second quarter increased further, to 31 percent. In the third quarter, this reincarceration rate remained steady at 31 percent. To date in FY21, parole revocations make up 41 percent of total prison admissions, the largest share of prison admissions due to parole revocations in at least 15 years and almost 9 percentage points higher than the previous high of 32 percent in FY16. NMCD has not yet been able to identify the cause of these increases.

The Probation and Parole Division continues to maintain low vacancy rates and standard caseloads for probation and parole offices. The percent of contacts per month made with high-risk offenders in the community remains high but just below target; NMCD notes that new officers and vacancies impact this measure. The recidivism rates of the men's and women's recovery centers continue to fluctuate, and while both decreased this quarter, they are unlikely to reach their targets for the year.

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget:</b> \$40,010.2 <b>FTE:</b> 380							
Percent of prisoners reincarcerated within 36 months due to technical parole violations	15%	13%	14%	28%	31%	31%	R
Percent of graduates from the women's recovery center who are reincarcerated within 36 months	19%	25%	19%	27%	34%	25%	R
Percent of graduates from the men's recovery center who are reincarcerated within 36 months	27%	23%	23%	24%	28%	24%	R
Average standard caseload per probation and parole officer	110	91	103	100	86	84	G
Percent of contacts per month made with high-risk offenders in the community	98%	96%	97%	95%	91%	95%	Y
Vacancy rate of probation and parole officers	24%	25%	20%	15%	15%	16%	G
<b>Program Rating</b>	Y	Y					Y



## ACTION PLAN

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

## Department of Public Safety

In 2019, New Mexico had the highest overall crime rate of any state in the country and ranked second for its violent and property crime rates behind Alaska and Louisiana, respectively. After three years of increases, the state's overall crime rate began dropping over the past two years, and violent crime decreased slightly in the past year. However, homicide rates rose 18 percent, with 28 more reported in 2019 than 2018. Homicide rates in New Mexico increased in every year between 2014 and 2019, diverging from national trends (national and statewide data for 2020 are not yet available). Albuquerque drives these high rates, with the number of homicides reported to the Albuquerque Police Department (APD) rising 167 percent between 2014 and 2019, from 30 to 80. While APD reported a slight decrease in homicides in 2020 (76), the department reports 48 homicides year-to-date as of May 2021, a 50 percent increase compared with this time in 2020.

The Covid-19 pandemic depressed New Mexico State Police (NMSP) activity over FY20 and FY21 because the agency has not required officers to engage in proactive citizen encounters during this time. This quarter, NMSP misdemeanor and felony arrests (totaling 1,073 arrests) fell 60 percent compared with the second quarter (2,672 arrests) and are down 50 percent compared with quarterly average arrests in FY20 (2,151 arrests). NMSP anticipates it will gradually resume normal proactive operations beginning in June.

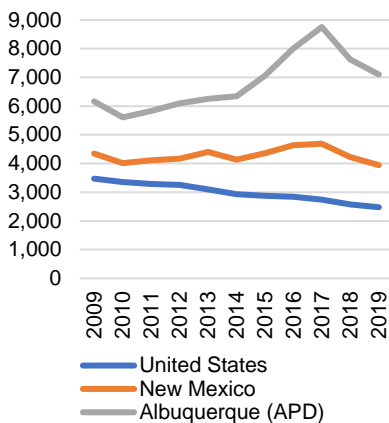
### Law Enforcement

The Department of Public Safety (DPS) appears unlikely to meet its targets for any of its key measures of law enforcement activity for FY21. While the number of data-driven traffic-related enforcement projects did increase this quarter compared with the prior two quarters, the agency has only reached 62 percent of its FY21 target and would need to conduct over 1,300 operations in the fourth quarter to meet that target. Commercial vehicle inspections were up in the first quarter of FY21 but reduced in the next two quarters, resulting in the department only reaching 58 percent of its FY21 target by the end of the third quarter.

The number of DWI saturation patrols conducted by NMSP fell by almost half between the first and second quarters of FY21 and by another 39 percent between the second and third quarters. DPS explains that traffic safety bureau grants, which fund these operations, were opened to NMSP districts statewide in the first quarter, leading to increased operations, but were limited or stopped in the second or third quarter due to increased Covid-19 cases in the state.

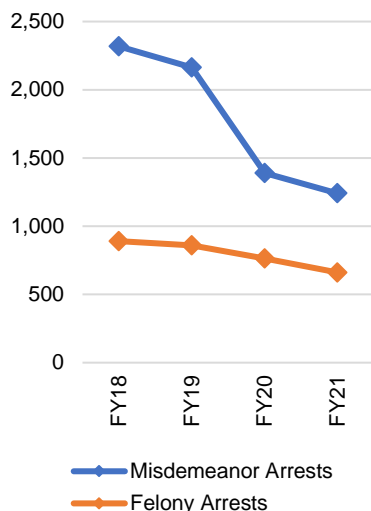
DWI arrests are down 32.2 percent in FY21 compared with the first three quarters of FY20, continuing a downward trend in DWI arrests since DPS began reporting this performance measure in FY18. Data from the New Mexico Department of Transportation suggest there has been some reduction in drunk driving in FY21 due to the pandemic, but alcohol-involved traffic fatalities previously increased every year between FY18 and FY20 while DWI arrests fell, suggesting reduced FY21 DWI arrests are likely driven largely by decreased enforcement rather than fewer drunk drivers.

**U.S., New Mexico, and Albuquerque (APD) Crime Rates**  
(per 100 thousand residents)



Source: Federal Bureau of Investigation, U.S. Census Bureau

**Average Quarterly NMSP Arrests**  
FY18 to FY21\*



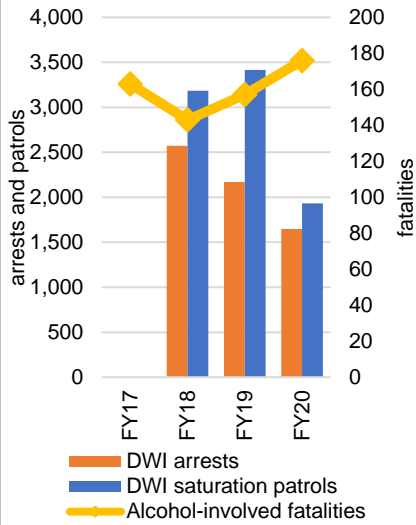
\*FY21 average through Q3.

Source: DPS

## PERFORMANCE REPORT CARD

Department of Public Safety  
Third Quarter, Fiscal Year 2021

### DWI Enforcement Actions and Alcohol- Involved Traffic Fatalities



Note: DWI arrest and saturation patrol measures were new in FY18.

Source: DPS, NMDOT

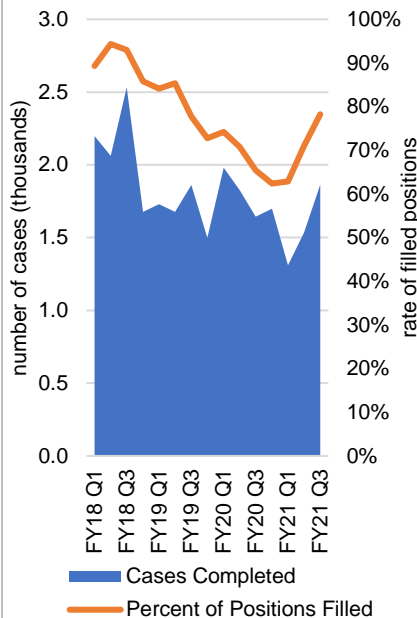
Of NMSP's 732 officers, 683 positions were filled at the end of the third quarter of FY21, a 9 percent overall vacancy rate and an 8 percent vacancy rate among positions supported by the general fund. NMSP experienced an unusually high number of retirements this quarter, with 12 commissioned officers retiring from the force. DPS's most recent state police force strength projection anticipates an average of 673 commissioned officers will be employed in FY21.

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget:</b> \$128,755.9 <b>FTE:</b> 1093.3							
Data-driven traffic-related enforcement projects held	3,308	2,851	3,500	663	654	864	Y
Driving-while-intoxicated saturation patrols conducted	3,416	1,933	3,350	803	436	268	R
Driving-while-intoxicated arrests	2,171	1,647	2,000	356	289	298	R
Commercial motor vehicle safety inspections conducted	95,041	68,378	95,000	23,170	15,627	16,518	R
Commissioned state police officer vacancy rate*	N/A	8.9%	N/A	8.7%	6.7%	9.2%	
Commissioned state police officer turnover rate*	N/A	5.4%	N/A	0.9%	1%	3.2%	
Graduation rate of the New Mexico State Police recruit school*	68%	73.3%	N/A	N/A <sup>1</sup>	71%	N/A <sup>1</sup>	
<b>Program Rating</b>	<b>G</b>	<b>G</b>					<b>R</b>

\*Measures are classified as explanatory and do not have targets.

1. No recruit school graduation this quarter; generally, there are two recruit schools held each year, but only one recruit school was able to be held in FY21 due to budget constraints.

### Forensic Lab Case Completions vs. Percent of Positions Filled



Source: DPS, LFC files

## Statewide Law Enforcement Support

Two of the forensic laboratory units with measured case types (the Latent Print Unit and the Biology Unit) made progress on backlogged cases this quarter. It is notable that the Biology Unit saw significant improvement this quarter after several quarters of poor performance, completing 52 percent more cases in the third quarter of FY21 than in the second. Both vacancy rates and the number of cases received by the laboratory impact its performance.

The forensic laboratory has lost over 20 percent of its forensic scientists and technicians since FY18 and averaged a 22 percent vacancy rate among those positions this quarter. In FY21, DPS implemented 3 percent pay increases for forensic scientists and technicians (the first targeted pay increase for these positions in five years), which may help reduce these high vacancies.

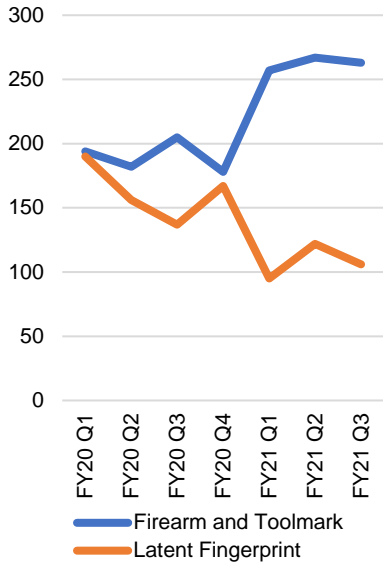
The average number of latent fingerprint and biology and DNA cases received by the laboratory each quarter this year are down 34 percent and 29 percent, respectively, compared with FY20, while firearm and toolmark cases are up 38 percent. This difference likely accounts for the much lower rate of completion for firearm and toolmark cases compared with latent fingerprint cases over the past two quarters, despite the two units having similar staffing levels during that period.

The Firearms and Toolmark Unit has struggled to meet its target for case completions since FY19, and FY21 has seen its lowest numbers of case completions in that time. However, this quarter the unit hired two fully trained forensic scientists with considerable experience, and is now fully staffed. DPS reports these scientists will be

## PERFORMANCE REPORT CARD

Department of Public Safety  
Third Quarter, Fiscal Year 2021

**Firearm and Toolmark  
and Latent Fingerprint  
Cases Received by the  
Forensic Laboratory**



Source: DPS

able to work independently within six months, so case completions from this unit should rise significantly over the next three quarters.

**Department of Public Safety  
FY21 Q3 Forensic Cases Received and Completed**

Case Type	Cases Received	Cases Completed	Completion Rate	Pending Cases	Scientist/Technician Vacancy Rate
Firearm and Toolmark	263	86	33%	1,547	22%
Latent Fingerprint	106	180	170%	341	22%
Chemistry	1,301	1,196	92%	3,881	28%
Biology and DNA	387	401	104%	1,623	18%

Source: Department of Public Safety

	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget:</b> \$21,488.1 <b>FTE:</b> 161							
Forensic firearm and toolmark cases completed	67%	80%	90%	21%	29%	33%	<span style="background-color: red; color: white;">R</span>
Forensic latent fingerprint cases completed	118%	65%	100%	125%	124%	170%	<span style="background-color: green; color: white;">G</span>
Forensic chemistry cases completed	65%	93%	90%	92%	96%	92%	<span style="background-color: green; color: white;">G</span>
Forensic biology and DNA cases completed	87%	73%	95%	64%	66%	104%	<span style="background-color: green; color: white;">G</span>
<b>Program Rating</b>	<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>

## ACTION PLAN

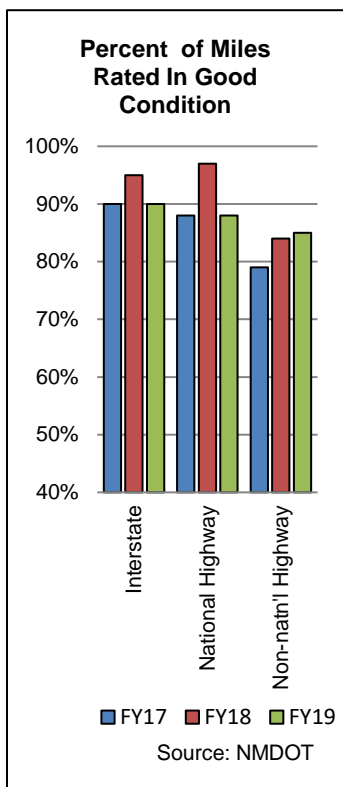
Submitted by agency?	Yes
Timeline assigned?	No
Responsibility assigned?	No

## Department of Transportation

The Department of Transportation (DOT) reports that, despite challenges brought on by the Covid-19 pandemic, projects are being completed on time and maintenance activity has continued at a pace sufficient to meet performance targets.

### Project Design and Construction

For the past several years, the department has done well in completing construction on time and within budget, though project preparation has been a concern. In the third quarter of FY21, the department put 6 of 8 projects out to bid according to schedule. The department reports the six projects completed during the quarter came in a combined \$1.7 million, or 4.3 percent, under the bid amount.



Budget: \$619,589.9	FTE: 368	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Projects completed according to schedule		97%	92%	>88%	91%	100%	100%	G
Projects put out for bid as scheduled		35%	75%	>67%	56%	100%	75%	G
Final cost-over-bid amount on highway construction projects		0.2%	1%	<3%	7.1%	1.7%	-4.3%	G
<b>Program Rating</b>		Y	G					G

### Highway Operations

Maintenance crews are on-pace to meet the FY21 target for roadway preservation and have completed 95 percent of the annual maintenance goal in the first three quarters. Maintenance activity typically slows during the winter months as crews transition to cold-weather operations. However, a mild winter and an increase in non-recurring funding provided by the Legislature may allow the department to significantly exceed the target for pavement preservation in FY21.

Road condition data suggests New Mexico roadways have deteriorated significantly from the prior year. However, it is likely that FY18 survey data, which showed dramatic year-over-year improvements in road condition, was influenced by a change in technology as well as the temporary impact of minor road repairs. Recognizing this, DOT partnered with other state DOTs in FY19 to pilot the use of new condition assessment technology to better determine pavement distress.

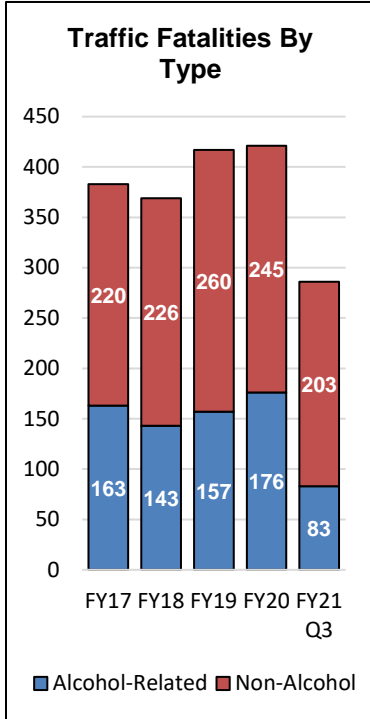
Budget: \$250,882.6	FTE: 1,829	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Statewide pavement miles preserved		3,143	3,970	>3,000	1,418	1,040	385	G
Bridges in fair condition or better, based on deck area		96%	96%	>90%	96%	96%	96%	G
<b>Program Rating</b>		G	G					G

FY19 Road Condition Survey	FY16 Actual	FY17 Actual	FY18 Actual	FY19 Target	FY19 Actual	Rating
Interstate miles rated fair or better	95%	93%	95%	>90%	90%	G
National highway system miles rated good	91%	89%	97%	>86%	88%	G
Non-national highway system miles rated good	81%	79%	84%	>75%	85%	G

# PERFORMANCE REPORT CARD

Department of Transportation  
Third Quarter, Fiscal Year 2021

Lane miles in deficient condition	4,515	4,606	3,783	<5,500	4,420	<b>G</b>
<b>Program Rating</b>	<b>G</b>	<b>G</b>	<b>G</b>			<b>G</b>



## Modal

Total fatalities were down 11.7 percent from the third quarter of FY20 to the third quarter of FY21. The reduction is likely attributable to decreased traffic related to Covid-19 restrictions. Alcohol-related fatalities are down, however fatalities are often revised upward as medical reports are received making it difficult to draw conclusions from current year data. Park and ride and rail runner service was curtailed in the first two quarters of FY21, but passenger service resumed in the third quarter. However, no return to office guidance has been issued and state employees continue working remotely resulting in fewer passengers utilizing transportation services.

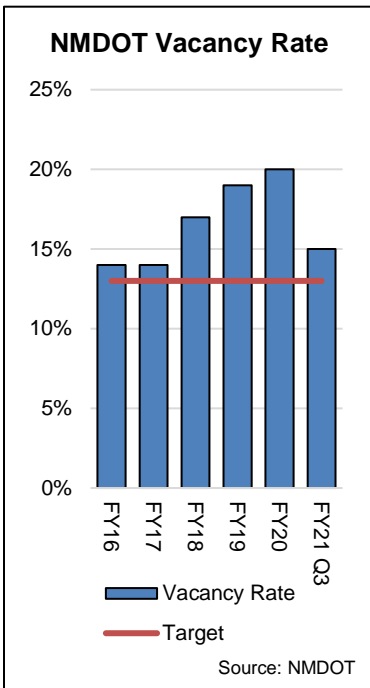
Budget: 74,251.2	FTE: 126	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Traffic fatalities		417	424	<357	104	95	87	<b>G</b>
Alcohol-related traffic fatalities		157	176	<125	36	30	17	<b>G</b>
Non-alcohol-related traffic fatalities		260	248	<232	68	65	70	<b>Y</b>
Occupants not wearing seatbelts in traffic fatalities		134	157	<133	42	39	38	<b>Y</b>
Pedestrian fatalities		83	83	<72	12	25	21	<b>Y</b>
Riders on park and ride, in thousands		230	175	235	15	11	11.4	
Riders on rail runner, in thousands*		761	516	N/A	0	0	4.6	
<b>Program Rating</b>		<b>Y</b>	<b>R</b>					<b>Y</b>

\*Measure is classified as explanatory and does not have a target.

## Program Support

The department received exemptions from the statewide hiring freeze and was able to lower the vacancy rate from 20 percent at the close of FY20 to 15 percent in the third quarter. The majority of positions were related to road maintenance including highway maintainers and mechanics.

Budget: \$44,606.7	FTE: 252.8	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
Vacancy rate in all programs		18.3%	20.4%	<13%	17.4%	17.5%	15%	<b>Y</b>
Employee injuries		72	54	<90	8	6	9	<b>G</b>
Percent of invoices paid within 30 days		94%	93%	>90%	92%	91%	91%	<b>G</b>
Employee injuries occurring in work zones		27	13	<35	3	0	2	<b>G</b>
<b>Program Rating</b>		<b>G</b>	<b>G</b>					<b>G</b>



## Nonrecurring Appropriation Tracking

The Legislature recognizes that growth in the State Road Fund and in federal funding available for roads have not kept pace with construction cost increases, resulting in deteriorating infrastructure statewide. To address this, the Legislature has increased both recurring and non-recurring revenue to DOT. It is the intent of the Legislature that the funds appropriated be expended quickly to both rebuild infrastructure and to provide economic development in surrounding communities.

In the 2019 and 2020 sessions, approximately \$410 million was appropriated for state road projects. Of this amount, approximately \$5 million was held back to address contingencies and \$405.7 million was budgeted. The table below shows the progress DOT has made in expending these funds.

### History of Nonrecurring General Fund Road Appropriations (in millions)

Year	Amount	Description
2018	\$ 44.0	for state roads
2018	\$ 20.0	for local roads
2018	\$ 4.0	for rest areas
2019	\$ 250.0	for state roads, MIPS
2019	\$ 100.0	for state roads, maintenance
2019	\$ 50.0	for local roads
2020	\$ 180.0	state roads
2020 SS	\$ (75.0)	rescission of 2019 Section 9 monies
2020 SS	\$ (45.0)	rescission of 2020 Section 9 monies
2021	\$ 170.0	for state roads, MIPS
2021	\$ 121.0	for local roads
<b>Total</b>	<b>\$ 819.0</b>	

District	Budget	Expended	Percent Expended	Encumbered	% Encum.	Remaining Balance	Percent Remaining
D1	61,986,666	33,556,781	54%	17,629,052	28%	10,800,833	17%
D2	83,000,878	33,656,856	41%	49,344,022	59%	0	0%
D3	54,666,666	20,482,039	37%	17,849,778	33%	16,334,849	30%
D4	63,539,654	19,539,498	31%	32,429,618	51%	11,570,538	18%
D5	47,886,658	27,267,727	57%	17,419,569	36%	3,199,361	7%
D6	79,638,709	22,218,140	28%	50,442,282	63%	6,978,286	9%
GO	15,000,000	6,513,393	43%	7,833,607	52%	653,000	4%
<b>Total</b>	<b>405,719,230</b>	<b>163,234,434</b>	<b>40%</b>	<b>192,947,928</b>	<b>48%</b>	<b>49,536,869</b>	<b>12%</b>

While approximately 40 percent of the funding appropriated in 2019 and 2020 has been expended to date, the distribution has been uneven; funding designated for maintenance projects has been expended faster than funding for major investment projects. This is likely because maintenance projects require less planning and design and are often completed using existing price agreements rather than requiring a more complex bid process necessary for major projects.

### Nonrecurring Appropriations By Year and Type

Year	Project Type	Budget	Expended	Percent Expended	Remaining	Percent Remaining
2019-2024	Major Investment	171,496,015	27,144,386	16%	144,351,630	84%
2019-2024	Maintenance	99,535,681	79,857,516	80%	19,678,165	20%
2020-2025	Maintenance	134,687,534	56,232,532	42%	78,455,002	58%
	<b>Total</b>	<b>405,719,230</b>	<b>163,234,434</b>	<b>40%</b>	<b>242,484,797</b>	<b>60%</b>



## ACTION PLAN

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

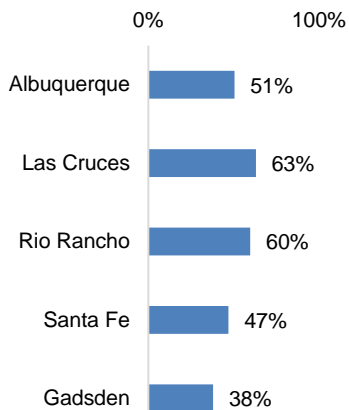
### New Martinez-Yazzie Ruling

On May 18, 2021, the 1st Judicial District Court issued an order requiring the state to immediately provide at-risk students and teachers access to digital devices, high-speed Internet, and qualified IT staff.

For instances where access to high-speed Internet is not immediately possible, the court ordered the state to provide school districts with funding for special remote learning expenses, including costs such as transportation.

The state must immediately address the order for each of the 23 focus school districts designated previously in the case.

### Students Attending Schools in Person (April 2021)

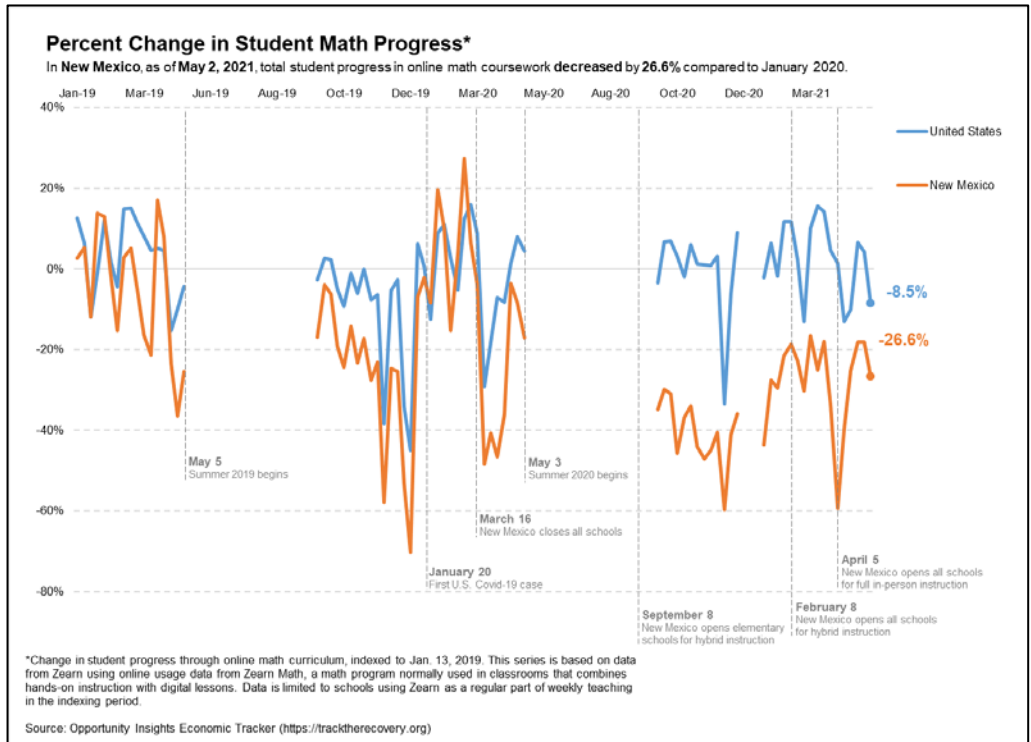


Source: Albuquerque Journal

## Public Schools

### Standards-Based Assessments

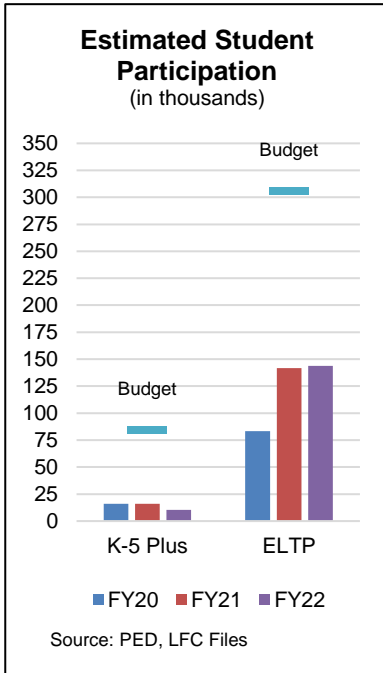
Because PED applied for and received a federal waiver for standardized assessments in FY21, most students will not be taking reading and math tests for a second year in a row. It is unclear if the limited number of students with families that opted to participate in assessments this year will be a representative sample of the state – recent LFC reports indicated fewer at-risk students participated in interim assessments during school closures, which artificially inflated test scores. Recent data from *Zearn*, an online math program, indicates students in New Mexico fell further behind, widening the gap with other students in the country in online math progress during school closures.



### Schools Reopen

With declining Covid-19 case counts, the Public Education Department (PED) announced that middle and high schools could begin offering hybrid instruction on February 8, 2021. A month later, PED established a goal for all schools to fully reopen by April 5, 2021. School officials noted the announcement came with short notice and educator unions expressed concerns about requiring unvaccinated staff to return. In response, the Department of Health began prioritizing vaccines for school personnel.

Within the first week of all schools reopening, about 149 thousand students, or 47 percent, were reported in classrooms. Approximately 35.2 thousand school staff, or 69 percent, were in school buildings. In the second week following reopening, about 160.5 thousand students (51 percent) and 34.4 thousand school staff (67 percent) were in school buildings. Overall in-person attendance has been sporadic, with elementary schools typically reporting higher attendance rates than secondary schools.

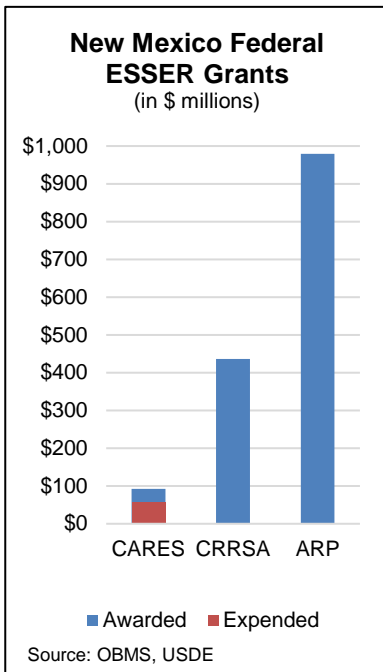


### K-5 Plus and Extended Learning Time Programs

PED's April 9, 2021, survey of school districts and charter schools indicated 29.7 thousand students would participate in K-5 Plus and 223.9 thousand students would participate in Extended Learning Time Programs (ELTP) for FY22. After pushback from teacher unions and communities about extending the school year, many large districts (such as Albuquerque, Las Cruces, and Los Lunas) cut back or fully retracted initial applications to participate in the programs.

As of June 16, 2021, PED notes 63 school districts and charter schools have declined to participate in K-5 Plus or ELTP next year. Estimated participation is 10.3 thousand students for K-5 Plus next fall, a decrease of 5,817 students, or 36 percent from the prior year. About 143.8 thousand students are signed up for ELTP, effectively flat with the prior year. PED notes 6,378 students are enrolled for the new additional instructional time program, or K-5 Plus Pilot 140, which is intended to provide a longer school day (about 45 additional minutes each day).

PED staff notes pending school board decisions may reduce estimates of FY22 program participation further. At the current unit value of \$4,770.70, these programs are projected to generate \$90 million in formula funding. However, the Legislature appropriated \$280.1 million for K-5 Plus and ELTP in FY22, which will leave \$190 million in unspent appropriations for reversions to the public education reform fund.



Total ESSER spending by districts through this quarter has reached \$56.6 million, or 61 percent of the first round of stimulus aid (CARES). Districts have not spent any of the second (CRRSA) or third (ARP) rounds of stimulus aid to date.

Public Education Department	FY19 Actual	FY20 Actual	FY21 Target	FY21 Q1	FY21 Q2	FY21 Q3	Rating
<b>Budget: \$14,322.2 FTE: 282.2</b>							
Students served in K-5 Plus Programs	18,227	15,967	N/A*	16,067	15,225	15,225	Y
Students served in Extended Learning Time Programs	New	82,816	N/A*	134,042	Not reported	141,622	Y
Average days to process reimbursements	26.8	31	24	78	39	38	R
Data validation audits of funding formula	28	12	35	7	7	10	G
<b>Program Rating</b>	Y	R					Y

\*Measure is classified as explanatory and does not have a target.

### Federal Funds

On April 15, 2021, the U.S. Department of Education (USDE) denied New Mexico's request to credit federal Impact Aid payments in the public school funding formula for FY21, reversing its initial approval of the state's request to credit payments on December 7, 2020. USDE indicated the change from the initial decision was due to PED submitting its application 3 days late. PED has until June 14, 2021, to appeal this decision.

On May 12, 2021, PED requested \$37.6 million from the state-support reserve fund to cover costs related to the state's inability to credit Impact Aid for FY21. The state-support reserve fund currently has a balance of \$39 million and will receive \$36.4 million from FY22 appropriations, primarily to cover a \$60 million deficiency from USDE's denial of New Mexico's FY20 request to credit Impact Aid. On July 15, 2021, PED decided against appealing USDE's decision, and Board of Finance approved a \$35 million transfer from the state-support reserve fund, leaving a \$19.6 million remaining liability for FY20 Impact Aid credits.

## ACTION PLAN

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

## Higher Education Institutions

Traditional data reporting for colleges and universities focuses on retention and graduation of full-time freshman cohorts. For instance, UNM's graduation rate of 53 percent in 2020 means that from the 2014 freshman class of full-time students, 53 percent of this cohort graduated within six years.

A large gap in the data – impacting two-year colleges more than four-year universities – surrounds the success of part-time freshman cohorts. Though reported to the federal government, public colleges and universities have not reported on part-time student outcomes to state policymakers. The legislative deliberation on the Governor's opportunity scholarship brought more attention to these gaps in data reporting. The proposed legislation sought to award financial scholarships to part-time students, for up to five years to complete a two-year degree.

Leadership from both DFA and LFC joined to restructure the data reporting framework for colleges and universities throughout the state two years ago.

### Data Reporting on Part-time Students

Graduation rates for two-year community colleges trend lower than four-year universities. Community college administrators point to several factors but highlight the higher proportion of part-time students. On average, 70 percent of students attending two-year colleges in New Mexico are enrolled part-time. Part-time students reflect varied backgrounds: some may be adults returning to college campuses to learn new skills, some may be traditional college students, who have children or families they must support through full-time employment, some may need remedial work to develop skills necessary to be successful in college, some may be high school students who are earning college credits prior to high school graduation, or some may transfer to a four-year university before completing an associate degree. Regardless, the data reporting on this majority student population is limited. According to institutions, this student population moves in and out of full-time to part-time enrollment and many drop out of college prior to earning a credential.

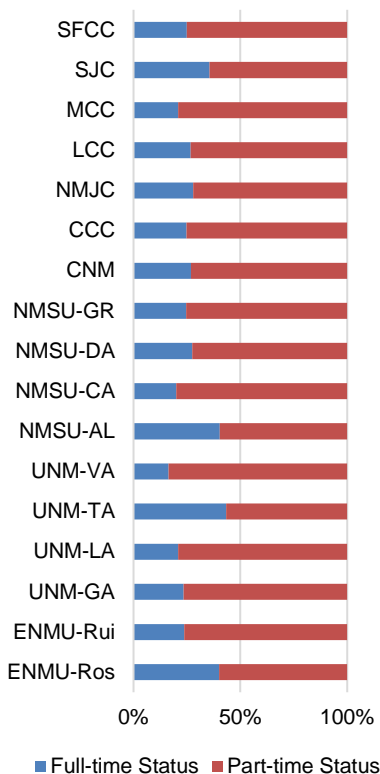
### Graduation Rate: 300 Percent of Expected Time to Graduation, Part-time Students

Historically, colleges and universities provided little to no information on part-time student enrollment, retention, or completion. Now, the performance data reporting framework requires two-year colleges to report on part-time student graduation rates. Unlike conventional graduation rates for full-time students, two-year colleges report on the success of part-time students to earn a two-year credential within six years, or 300 percent of standard time.

Given the large share of part-time student enrollment, two year colleges are providing this data to enlighten policymakers on student outcomes for its largest component of student population.

**Independent Community Colleges.** The 2014 freshman cohort included more than 2,141 part-time students. Only 9.9 percent of the 2014 cohort, or 213 students, graduated within 6 years. Of note, the measure only reports on students who earn a two-year

**Parttime v. Fulltime  
Students**



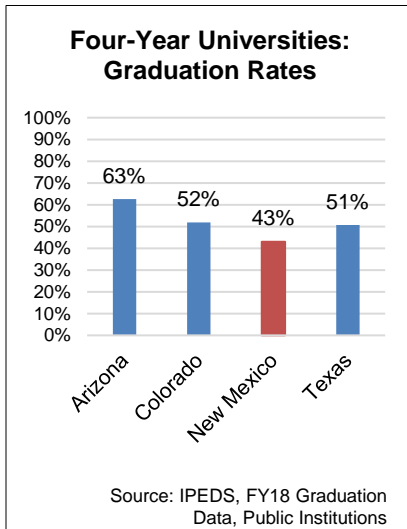
Source: IPEDS

## PERFORMANCE REPORT CARD

### Higher Education Institutions

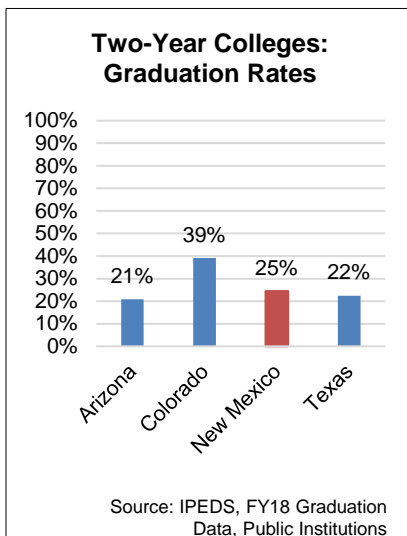
### Third Quarter, Fiscal Year 2021

associate degree. Students in this cohort who earned a sub-baccalaureate certificate are not counted in the graduation rate. When included, the number of students who earned a certificate or degree jumps to 381 students, or a 17.8 graduation rate.



Measure: First-time, Part-Time Freshman 300 Percent Graduation Rate	Students in 2014 Cohort	Fall 2014 Cohort Target	Fall 2014 Grad Rate	Rating
Central NM Community College	1,268	15.3%	7.5%	R
Clovis Community College	195	10%	6%	R
Luna Community College	124	65%	27%	G
Mesalands Community College	69	45%	17.7%	Y
New Mexico Junior College	NR	50%	4%	R
San Juan College	271	18%	9.6%	R
Santa Fe Community College	214	15%	4.2%	R

**Branch Community Colleges.** The 2014 freshman cohort included more than 678 part-time students. Only 15.6 percent of the 2014 cohort, or 106 students, graduated within 6 years. As with community colleges, the measure only reports on students who earn a two-year associate degree. When including students who earned a sub-baccalaureate certificate, the number of students who earned a certificate or degree jumps to 381 students, or a 17.8 graduation rate.



Measure: First-time, Part-Time Freshman 300 Percent Graduation Rate	Students in 2014 Cohort	Fall 2014 Cohort Target	Fall 2014 Grad Rate	Rating
ENMU - Roswell	N/R	30%	12%	Y
ENMU - Ruidoso	N/R	30%	33%	G
NMSU - Alamogordo	26	15%	11.5%	Y
NMSU - Carlsbad	24	10%	19%	Y
NMSU - Dona Ana CC	211	10%	26%	G
NMSU - Grants	26	15%	17%	Y
UNM - Gallup	73	7%	9.6%	R
UNM - Los Alamos	145	1%	12%	Y
UNM - Taos	32	5%	3%	R
UNM - Valencia	141	5.5%	9.9%	R

**NMSU Branch Campuses.** The four branch campuses of New Mexico State University perform better as a group than other branch systems. That certificates have declined within the NMSU system when compared with statewide growth, 42 percent in past five years, shows NMSU branch campuses, through the Aggie Pathway program, appear to be transferring students to four-year institutions. The outsized growth in certificate programs appears to be occurring at independent community colleges.

The data validate the value of the Aggie Pathway program in helping students begin at a two-year branch campus, and after earning an associate degree, transferring to the main campus. At each of the branch campuses, the highest number of associate degrees awarded are aligned with the top-producing bachelor degree programs at the main campus.

Headcount Enrollment at NM Institutions			
	Total Freshman Enrollment	NM Freshman Enrollment	Share of NM Students
NM Tech	284	246	87%
NMSU	1,785	1,243	70%
UNM	2,789	2,218	80%
ENMU	437	346	79%
Highlands	193	141	73%
Northern	103	98	95%
Western	235	176	75%
	<b>5,826</b>	<b>4,468</b>	<b>77%</b>
Gallup	84	70	83%
Los Alamos	214	145	68%
Valencia	272	239	88%
Taos	108	102	94%
Alamogordo	58	58	100%
Carlsbad*	112	112	100%
DACC*	1151	1,151	100%
Grants*	50	50	100%
Roswell	326	276	85%
Ruidoso	66	51	77%
	<b>2,441</b>	<b>2,254</b>	<b>92%</b>
Clovis	250	154	62%
CNM	1,656	1,417	86%
Luna	106	75	71%
Mesalands	42	36	86%
NMJC	488	388	80%
SJC	521	341	65%
SFCC	177	150	85%
	<b>3,240</b>	<b>2,561</b>	<b>79%</b>
<b>Total</b>	<b>11,507</b>	<b>9,283</b>	<b>81%</b>

\*Institution reported more NM students than total freshman enrollment. LFC staff reduced to total enrollment.

Source: Institutional researchers.

## New Mexico High School Graduates

Colleges and universities have begun to report on the number of freshman who graduate from a New Mexico high school and who have enrolled at a state higher education institution. The LFC has long reported on the top feeder high schools to UNM and to NMSU, which has served as a proxy measurement of market penetration for state postsecondary institutions. The new data will offer a more comprehensive assessment of the ability of local, regional, and research universities to attract and recruit New Mexico students. The data will inform legislators on how many New Mexico students are matriculating within the state, or seeking higher education out of the state, or simply not enrolling at all.

The policy initiatives surrounding this data are numerous and not well informed by existing data sources, such as the number of high school students who opt in for a “gap” year for lottery scholarship or the actual college going rate for high school graduates.

The table shows the number of New Mexico freshmen enrolling at each New Mexico institution. Overall, of the total freshman cohort from the Fall 2020 semester, 81 percent of the students were graduates of New Mexico high schools. The branch campuses are achieving the highest level of support from New Mexico students, which would be expected given the ability for local students to transfer to a four-year university after earning an associate degree.

The independent community colleges show lower rates of support from high school graduates, which may indicate the institutions are service a larger portion of adult learners.



## IT Project Status Report – Third Quarter

### Project Status Legend

G	Project is on track; scope, budget, schedule, and deliverables are being managed appropriately.		
Y	Project has potential risk to scope, cost, schedule, or deliverables; independent verification and validation (IV&V) or LFC staff has identified one or more areas of concern needing improvement.		
R	Significant issues limit success of the project; high risks to scope, cost, schedule, or deliverables identified; management attention and corrective action needed.		
Status Trend	↑ Overall project status has shown improvement this quarter (ex. A project moved from Red to Yellow)	→ Overall project status is stable or shows no change in risk status from the previous quarter.	↓ Overall project status has declined since last quarter (ex. A project moved from Green to Yellow)

### DoIT-led Projects

- G** → The **statewide infrastructure replacement and enhancement (SWIRE) project**, intended to implement public safety communication infrastructure, was certified for closeout in January 2021. The project provided infrastructure and equipment upgrades to 89 towers and replacement of over 900 of the 8,000 mobile and portable subscriber units, including infrastructure not in the initial scope, while staying on schedule and within budget. The project was closed at a total cost of \$14.28 million and will allow for the continuation of the P25 radio project. Maintenance and operational costs are included in the agency's ongoing enterprise operational budget.
- R** → The **P25 public safety radio project** will replace and upgrade public safety radio equipment statewide. Current phases are progressing, with deployment of phase 1 (Albuquerque, Bernalillo County, Spaceport) nearing completion. However, the project's large cost, estimated at \$176.7 million, and reliance on continued capital appropriations poses additional risk and may delay final implementation date if funding is not secured as planned.
- R** → DoIT's **cybersecurity project**, which will aims to monitor and address state cybersecurity risks, was realigned and expanded in scope due to changing cyber priorities and delays resulting from hiring the state CISO, which has led to an expanded project timeline. Final implementation is now planned for June 2024. IV&V is not engaged with the project, posing risk. During the 2021 legislative session, language



requiring DoIT to submit a cybersecurity plan to the LFC was vetoed by the governor, but DoIT is scheduled to present a cybersecurity plan at the June 2021 LFC meeting.

- Y** ➡ The **rural broadband project**, which aims to maximize availability of broadband, is currently within budget, with \$6.6 million encumbered for use. As a result, the project was given an improved budget risk status this quarter. For FY22, the legislature included \$133 million in special appropriations to support broadband access and expansion statewide, of which DoIT received \$70 million in general funding and \$5 million in capital funds. DoIT is currently working to develop a statewide price agreement to assist with planning, grant writing, and infrastructure deployment but has not planned any additional emergency fiber construction projects.

## Executive Agency IT Projects

- G** ➡ The State Land Office successfully completed phase 1 of the **Royalty Administration and Revenue Processing System (RAPS) project** and the project is currently within budget for phase 2. The RAPS system, intended to replace the Oil and Natural Gas Administration and Revenue Database (ONGARD) system is now live in production as of January 11, 2021, with a final project end date estimated for April 2022. The phase 2 scope is still being determined but work on contracts is underway, according to the agency.
- Y** ➡ The Human Services Department (HSD) has yet to establish a project timeline nor a final completion date for the **child support enforcement system replacement (CSESR) project**, which aims to replace the legacy CSES application. HSD plans to move the project from an on-premises environment to a cloud-based environment, which will accelerate future project tasks but will require change requests from the vendor, Deloitte, for additional time and cost.
- R** ➡ HSD's **Medicaid management information system replacement (MMISR) project**, which will replace the legacy MMIS application, is supported by a 90 percent federal participation match, but data services contracts have not yet been approved by the federal partner, putting the data services work at risk. HSD reports completing contract negotiations for a system integrator (SI) vendor in February 2021, but this one year delay in contracting resulted in a five year project extension, with a new estimated completion date of 2026. This delay resulted in an escalated schedule risk status this quarter.
- R** ➡ The Children, Youth and Families Department's **comprehensive child welfare information system (CCWIS) project** intends to replace the legacy family automated client tracking system, or FACTS, but continues to be behind schedule. While the agency has prioritized work needed to complete the planning document response for the federal partner, the agency has not yet defined a cost methodology with the HHS 2020 initiative, posing risk to the funding strategy. During the 2021

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legislative session, language requiring a successful pilot and federal approvals for the project before releasing the \$3.5 million in appropriated state funds was vetoed by the governor.

- Y** ➡ The Correction's Department is making progress with the **offender management system replacement project**, which will replace the 15-year old legacy client server, and is on track for meeting the revised estimated completion date of January 2022. Currently, the project is 91 percent complete. All funds are certified and the agency reports that current appropriations should fully fund the remainder of project activities, including \$178,299 contributed from the agency's operating budget used to cover a portion of the service level agreement with the vendor.
- Y** ➡ The Department of Public Safety's **records management system project**, which will provide public safety agencies with a new data repository, is fully funded and the agency is currently in the contract process for implementation services. The schedule now accommodates work on the computer aided dispatch project, planning for implementation in December 2022 and closeout in June 2023. Risks associated with accommodating both IT projects simultaneously are being adequately managed this quarter with the new project schedule.

## Other Projects

- The Regulation and Licensing Department's **permitting and inspection software modernization project**, which will replace the legacy system Accela, has completed phase 1, with the Manufactured Housing Division currently operating. The agency has expended funds for the Construction Industries Division project phase in February for project management and IV&V support, with contracts processing for planning and design work with the vendor. The agency was certified for \$2.28 million in appropriated funds by the Project Certification Committee in January 2021 for work on phases 2 and 3 of the project. The project continues to make progress and will be included in the primary status rating next quarter to detail progress.

Project Status Legend

	Project is on track; scope, budget, schedule, and deliverables are being managed appropriately.
	Project has potential risk to scope, cost, schedule, or deliverables; independent verification and validation (IV&V), or LFC staff has identified one or more areas of concern needing improvement.
	Significant issues limit success of the project; high risks to scope, cost, schedule, or deliverables identified; management attention and corrective action needed.

Agency	361	Department of Information Technology (DoIT)						
Project Name	DoIT Statewide Infrastructure Replacement and Enhancement (SWIRE)							
Project Description	Plan, design, purchase, and implement infrastructure for public safety communications statewide for improved communication equipment affecting emergency responders.							
Project Phase	Closeout	Estimated Implementation Date:			6/30/2018; revised 1/28/2021			
		Estimated Total Cost (in thousands):			\$14,299.4			
	State	Federal	Total Available Funding	Spent to Date	Balance	% of Budget Expended		
In thousands	\$14,300.0	\$0.0	\$14,300.0	\$14,288.8	\$11.2	99.9%		
FY21 Rating	Q1	Q2	Q3	Q4	Status			
Budget					DoIT completed the project within budget, with \$11.2 thousand remaining from appropriated sources to be reverted, making up less than 1 percent of the total budget. No additional funding is required, as maintenance and operational costs are included in the agency's ongoing enterprise operational budget.			
Schedule					The agency reports that all deliverables have been completed and the project was certified for closeout at the January 2021 project certification committee (PCC) meeting.			
Risk					All risks were appropriately managed and did not impact closeout certification.			
Functionality					The SWIRE project provided infrastructure and equipment upgrades to 89 towers and replacement of over 900 of the 8,000 mobile and portable subscriber units, including infrastructure not in the initial project scope. While not all subscribers have access to the two-way radio system, which will be addressed in the P25 project, most upgrades completed during the project are expected to last 10 years or more, depending on the infrastructure category.			
Overall					The project was certified for closeout in January 2021. The project refreshed infrastructure not in the initial scope, staying on schedule and within budget, and provided infrastructure that will allow for the continuation of the P25 radio project.			

Agency	361	Department of Information Technology (DoIT)						
Project Name	P25 Digital Statewide Public Safety Radio System Upgrade							
Project Description	Upgrade and replace public safety radio equipment and systems with digital mobile communications for public safety organizations.							
Project Phase	Implementation		Estimated Implementation Date:			6/30/2022		
			Estimated Total Cost (in thousands):			\$150,000.0; revised \$176,711.66		
	State	Federal	Total Available Funding <sup>1</sup>	Spent to Date	Balance	% of Budget Expended		
In thousands	\$28,300.7	\$0.0	\$28,300.7	\$22,271.0	\$6,029.7	78.7%		
FY21 Rating	Q1	Q2	Q3	Q4	Status			
Budget					Of the available funding, \$1.3 million is from the equipment replacement fund. The agency received \$9.5 million for FY22 to continue the project, out of a request of \$28 million, and additional project funding is not guaranteed, which poses risk.			
Schedule					Schedule status remains yellow due to final implementation date of FY26, but the current phase is on track for completion in FY22. Because the project timeline is dependent on available funding, if the agency does not receive requested funds for current and future appropriation cycles, the project will experience additional delays. However, deployment of Phase 1 (Albuquerque/ BernCo/ Spaceport) is nearing completion and the agency plans to sign acceptance certificate for Phase 1 deliverables by May 2021.			
Risk					Funding remains the greatest risk to the project, considering that capital appropriations are not guaranteed. However, the project continues to make progress despite budget shortfalls. Current risk status does not indicate an imminent project failure at this time and risk is being managed but should be monitored for potential changes or delays.			
Overall					The agency continues to make progress on current project phases. However, the project's large cost and reliance on capital appropriations poses additional risk to project progress and may delay final implementation date if funding is not secured as planned. Continued progress on deliverables should decrease overall project risk in subsequent quarters.			
^Total available funding does not include an additional \$9.5 million appropriated in Laws 2021.								

Agency	361	Department of Information Technology (DoIT)						
Project Name	Enterprise Cybersecurity Upgrade (ECU)							
Project Description	To establish framework and foundation for the state's cybersecurity structure, including identifying tools for compliance monitoring and cybersecurity management, and implement an enterprise cybersecurity operations center system.							
Project Phase	Initiation	Estimated Implementation Date:				6/30/2024		
		Estimated Total Cost (in thousands):				\$8,000.0		
	State	Federal	Total Available Funding <sup>1</sup>	Spent to Date	Balance	% of Budget Expended		
In thousands	\$7,000.0	\$0.0	\$7,000.0	\$3,462.9	\$3,537.1	49.5%		
FY21 Rating	Q1	Q2	Q3	Q4	Status			
Budget					In January 2021, DoIT was certified for release of just under \$6 million by the PCC, of which \$2.4 million has already been utilized by the agency. The agency received a \$1 million appropriation in General Fund revenues for cybersecurity services for FY22.			
Schedule					The project was re-scoped and streamlined to align with funding requirements, which led to an expanded project timeline with final implementation planned for June 2024. The re-scope includes the implementation of a state-wide security operations center (SOC) to detect and monitor cybersecurity incidents.			
Risk					The re-scope of the project poses risk to the project timeline as new deliverables are added and priorities are realigned. Language requiring the agency to submit a plan to LFC was vetoed by the governor, but DoIT is scheduled to present a cybersecurity plan at the June 2021 LFC meeting. Planning is necessary to ensure adequate risk mitigation and remediation services for state agencies, and risk should decline once a plan is presented.			
Overall					Risk remains high due to chanes to project scope and timeline, and the project should be monitored closely to limit additional delays. The functionality of the project is yet to be determined but involves operational tools, scanning, and implmenetation of vulnerability assessments to address cyber risks.			
<sup>1</sup> Total available funding includes an additional \$6 million general fund appropriated through capital outlay in Laws 2019.								

Agency	361	Department of Information Technology (DoIT)						
Project Name	New Mexico Rural Broadband							
Project Description	Maximize availability of broadband connectivity across the state's rural areas.							
Project Phase	Initiation	Estimated Implementation Date:				6/30/2023		
		Estimated Total Cost (in thousands):				\$10,000.0		
	State <sup>1</sup>	Federal	Total Available Funding	Spent to Date	Balance	% of Budget Expended		
In thousands	\$10,000.0	\$0.0	\$10,000.0	\$2,976.9	\$7,023.1	29.8%		
FY21 Rating	Q1	Q2	Q3	Q4	Status			
Budget					DoIT reports spending 29.8 percent the total budget available, and has encumbered \$5 million for established projects. For FY22, the Legislature appropriated \$131 million to support broadband access and expansion statewide. This includes \$100 million general funding, of which \$10 million is allocated to DoIT (SB377). In addition DoIT received \$7 million in capital funding. Higher available funding for FY22 led to improvements to budget risk status this quarter.			
Schedule					A request for proposal is scheduled for release in March for a statewide price agreement to assist with planning, grant writing, and infrastructure deployment. Pilot planning activities for FY22 include potential fixed wireless and low-earth orbit satellite projects. However currently the agency reports that there are no existing plans to fund emergency fiber construction projects.			
Risk					Planning is needed for further expansion of broadband projects. With the funding secured through FY22, budget status is improving and should decrease the overall project risk.			
Overall					The project will focus on addressing urgent connectivity needs and will rely on continued appropriations to support the scope of the project, posing additional risk. However, funding secured for FY22 should adequately support the project moving forward.			
<sup>1</sup> Laws 2018 appropriated \$10 million general fund through the capital outlay process.								



Agency	539	State Land Office (SLO)						
Project Name	ONGARD Replacement - Royalty Administration and Revenue Processing System (RAPS)							
Project Description	Replacement of the Oil and Natural Gas Administration and Revenue Database (ONGARD) system. Replacement will be delivered in two separate systems: TRD severance tax and SLO RAPS.							
Project Phase	Implementation	Estimated Implementation Date:			4/05/2022			
		Estimated Total Cost (in thousands):			\$10,000; revised \$11,850.0			
	State <sup>1</sup>	Federal	Total Available Funding	Spent to Date	Balance	% of Budget Expended		
In thousands	\$11,850.0	\$0.0	\$11,850.0	\$9,163.6	\$2,686.4	77.3%		
FY21 Rating	Q1	Q2	Q3	Q4	Status			
Budget					The total budget for implementation has been certified. Project funds include an extension of FY19 funding through the General Appropriations Act and the project is currently within budget for Phase 2.			
Schedule					The RAPS system is now live in production as of January 11, 2021, with a final project end date estimated for April 2022. Scope definitions for Phase 2 are still pending but planning for Phase 2 contracts is underway.			
Risk					Recent IV&V reports indicate that critical bugs have been resolved prior to going live and issues are analyzed and resolved within a reasonable timeframe. SLO is also planning to contract for penetration testing of the system, which will evaluate system security. Project risks are being managed appropriately for Phase 1 completion and Phase 2 initiation.			
Overall					Some risks remain related to resource constraints for Phase 2 and potential long-term maintenance, but these risks are manageable and the project has met the January 2021 go-live timeline for Phase 1.			
<sup>1</sup> Laws 2018 appropriated an additional \$5 million available for expenditure through FY20; the appropriation is from state lands maintenance fund.								

<sup>1</sup>Laws 2018 appropriated an additional \$5 million available for expenditure through FY20; the appropriation is from state lands maintenance fund.

Agency	630	Human Services Department (HSD)						
Project Name	Child Support Enforcement System Replacement (CSESR)							
Project Description	Replace the more than 20-year-old system with a flexible, user-friendly solution to enhance the department's ability to meet federal performance measures.							
Project Phase	Implementation		Estimated Implementation Date:			TBD		
			Estimated Total Cost:			\$65,581.9		
	State	Federal	Total Available Funding¹	Spent to Date	Balance	% of Budget Expended		
In thousands	\$5,143.4	\$13,384.30	\$18,527.7	\$5,274.2	\$13,253.5	28.5%		
FY21 Rating	Q1	Q2	Q3	Q4	Status			
Budget					HSD reports a total budget of \$18.5 million and just over \$12.2 million certified. Laws 2021 extended a \$3.4 million appropriation for use through FY22 and the agency did not receive additional appropriations, as previous appropriations will fully fund the project through FY22.			
Schedule					An estimated final completion date is still to be determined, posing additional risk. IV&V reports a 17 week project delay due to delays in procurement and configuration. HSD plans to move the project from an on-premises environment to a cloud-based environment, which will accelerate future project tasks but will require change requests from the vendor, Deloitte.			
Risk					The vendor has submitted change requests for the additional time and cost associated with the procurement and configuration delays, and risks remain given these and other outstanding change requests to cost and schedule.			
Overall					Establishing a project timeline continues to be essential, and IV&V suggests that the agency plan for future hardware and software needs in advance to prevent additional delays. The agency plans to adopt a new schedule with no overlap in testing to limit potential resource constraints, which should eliminate some schedule risk moving forward.			
¹Total available funding includes an additional \$5.2 million appropriated in Laws 2019: \$1.8 million general fund and \$3.4 million federal.								

Agency	630	Human Services Department (HSD)						
Project Name	Medicaid Management Information System Replacement (MMISR)							
Project Description	Replace current Medicaid management information system and supporting application, including Medicaid information technology architecture, to align with federal Centers for Medicare and Medicaid Services (CMS) requirements.							
Project Phase	Planning and Implementation	Estimated Implementation Date:			12/2021; revised 8/31/2026			
		Estimated Total Cost <sup>1</sup> (in thousands):			\$211,805.6; revised \$221,167.8			
\$								
	State	Federal	Total Available Funding <sup>2</sup>	Spent to Date	Balance	% of Budget Expended		
In thousands	\$16,677.5	\$149,735.6	\$166,413.1	\$119,737.1	\$46,676.0	72.0%		
FY21 Rating	Q1	Q2	Q3	Q4	Status			
Budget					The project is currently within budget, with \$151.1 million certified for use. The project is supported by a 90 percent federal funding participation match, and HSD recently received conditional approval from the federal investment partner for one-quarter of total federal funding.			
Schedule					HSD reports completing contract negotiations for a system integrator (SI) vendor in February 2021, but this one year delay resulted in a five year project extension. With a new estimated completion date of 2026, schedule risk status this quarter has been escalated pending a new project timeline.			
Risk					The project's data services contractor activities have slowed and have not been approved by CMS, putting that work at risk. Additional project risk remains given the large budget and conditional approvals from CMS.			
Overall					Schedule and budget risks remain due to high estimated cost and pending federal approvals for remaining project costs.			
<sup>1</sup> CMS approved budget including HHS2020 partner agencies.								
<sup>2</sup> Total available funding includes an additional \$12.6 million appropriated in Laws 2019: \$1.3 million from the general fund and \$11.3 million federal.								

Agency	690	Children, Youth and Families Department (CYFD)						
Project Name	Comprehensive Child Welfare Information System (CCWIS)							
Project Description:	Replace the legacy Family Automated Client Tracking System (FACTS) with a modular, integrated system to meet the federal Administration on Children and Families (ACF) requirements.							
Project Phase:	Initiation/Planning	Estimated Implementation Date:			Phase I 10/26/21; Overall 10/31/22			
		Estimated Total Cost (in thousands):			\$36,000.0; revised \$44,905.9			
	State	Federal	Total Available Funding¹	Spent to Date	Balance	% of Budget Expended		
In thousands	\$6,000.0	\$2,095.6	\$8,095.6	\$5,581.6	\$2,514.0	68.9%		
FY21 Rating	Q1	Q2	Q3	Q4	Status			
Budget					Funds in the amount of \$1.7 million have been certified to date. According to the most recent PCC certification documents, conservative reimbursement estimates put the projected federal funding at \$5.5 million, however responses to the federal partner on the advanced planning documents are still pending, putting federal funds at risk.			
Schedule					While the agency has prioritized work needed to complete the multi-operational advanced planning document response for the federal partner, the agency has not yet developed a clearly defined cost methodology with the HHS 2020 initiative, posing risk to the funding strategy. Additional requirements to add a Juvenile Justice Services and Children's Behavioral Health business process to the module by October 2022 will likely extend project timeline for other modules.			
Risk					Risk remains due to delayed federal partner approval and uncertainty over final project budget, schedule, and scope. The project lacks a data conversion plan, which can further impact schedule and budget.			
Overall					Due to the complexity and high risk, the overall status remains red. Federal approval for the implementation phase is critical and continues to delay progress.			
¹Total available funding includes an additional \$7 million appropriated in Laws 2019: \$5.5 million from the general fund and \$1.5 million in federal funds.								

<sup>1</sup>Total available funding includes an additional \$7 million appropriated in Laws 2019: \$5.5 million from the general fund and \$1.5 million in federal funds.

Legislative Finance Committee  
Information Technology Status Report

Agency	770	Corrections Department (NMCD)						
Project Name	Offender Management System Replacement (OMS)							
Project Description:	Replace 15-year-old client server offender management system with a commercial-off-the-shelf (COTS), web-based solution. The COTS solution has 17 modules associated with NMCD requirements.							
Project Phase:	Implementation	Estimated Implementation Date:			6/30/2019; revised 3/31/2022			
		Estimated Total Cost (in thousands):			\$14,230.2			
	State <sup>1</sup>	Federal	Total Available Funding	Spent to Date	Balance	% of Budget Expended		
In thousands	\$14,230.2		\$14,408.5	\$10,851.5	\$3,557.0	75.3%		
FY21 Rating	Q1	Q2	Q3	Q4	Status			
Budget					All funds are certified and the agency reports that current funding should fully fund the remainder of project activities. NMCD contributed \$178,299 from their operating budget to cover a portion of the service level agreement with the vendor, increasing total project costs to just over \$14.4 million.			
Schedule					The agency is making progress on meeting the revised estimated completion date of January 2022. The project is 91 percent complete and the agency has finalized the service level agreement with the vendor for operations and maintenance.			
Risk					The agency is continuing data conversion activities, but the vendor seems unlikely to develop a detailed data conversion plan without a push from NMCD, leaving data conversion at risk for this quarter. However, schedule risks have decreased this quarter given new estimated completion date and timeline.			
Overall					The overall project is now 91 percent complete, which is a 13 percent increase from the previous quarter. Schedule risks should be monitored closely to prevent additional delays.			
¹Amount includes Laws 2019 appropriation of \$4.1 million.								

Agency	780	Department of Public Safety (DPS)						
Project Name	Records Management System (RMS)							
Project Description:	Replace various nonpayer record storage with an integrated records management system to provide law enforcement and other public safety agencies with a single repository of data available to support day-to-day operations, reporting, and records and data analysis. A new RMS will ensure access, preservation, and control of DPS records in all formats.							
Project Phase:	Implementation	Estimated Implementation Date:			6/30/2021; revised 6/30/2023			
		Estimated Total Cost (in thousands):			\$7,381.3			
	State	Federal	Total Available Funding	Spent to Date	Balance	% of Budget Expended		
In thousands	\$7,381.3		\$7,381.3	\$1,388.5	\$5,992.8	18.8%		
FY21 Rating	Q1	Q2	Q3	Q4	Status			
Budget					All funds have been certified by the Project Certification Committee, and the project is within budget. IV&V and project management contracts are now in place and the agency is in the contract process for implementation services.			
Schedule					The project schedule includes accomodations for the agency's other IT project - the computer-aided dispatch (CAD) project - planning for implementation in December 2022 and closeout in June 2023. Implementation is on schedule and the agency reports progress on procuring hardware, such as computers and monitors.			
Risk					The agency has received full funding for the project, and the schedule intends to accomodate the CAD project. Risks associated with accommodating both IT projects simultaneously are being adequately managed this quarter with the new project schedule.			
Overall					Budget risks have been reduced but schedule status remains a risk given the need to accommodate CAD project alongside the records management system.			



Other IT Projects of Concern

Agency	420	Regulation and Licensing Department (RLD)			
Project Name	Permitting and Inspection Software Modernization Project				
Project Description:	Modernize RLD's permitting and inspection software (replacing Accela).				
State Funding (in thousands):	\$4,677.4	Spent to Date:	\$1,926.1	Project Phase:	Implementation
<p>► RLD's phase 1 Manufactured Housing Division is currently operating, and the phase 2 Construction Industries Division (CID) permitting collects an estimated \$4 million in revenue per year.</p> <p>► The agency has expended funds for the CID project phase in February for project management and IV&amp;V support, with contracts processing for planning and design work with the vendor.</p> <p>► RLD was certified for \$2.28 million in appropriated funds by the Project Certification Committee in January 2021 to continue implementation of the project. Of which, \$300 thousand will be used to continue phase 2 (CID) and \$1.98 million will be used for phase 3 (MLO Boards and Commissions Division).</p> <p>► The vendor, MTX Group Inc. will validate the previously gathered requirements for the initial six boards being completed and review any changes made to laws or statutes that could be standardized across all current boards. After the review is complete, the process of designing/developing the infrastructure being used for all the boards will commence.</p>					



## Investment Performance Quarterly Report, Third Quarter, FY21

In the first quarter of 2021, record stimulus funding, vaccine rollout, and relaxing economic conditions resulted in soaring markets and large gains for state investments; however, performance remains lackluster compared with peer funds.

### Investment Performance Highlights

- For the year ending March 31, 2021, the value of New Mexico's combined investment holdings for the pension and permanent funds grew by \$10.3 billion, or 20.9 percent annually, to an ending balance of \$59.8 billion. Over the last five years, the state's combined investment holdings grew \$15.6 billion, or 36 percent.
- After a year of record growth, one-year returns ranged from 21.6 percent (PERA) to 26 percent (LGPF), and average investment returns over the last 10 years ranged from 7 percent (PERA) to 7.85 percent (ERB).
  - Public equities were very strong, with the state's public equity investments returning over 50 percent for the one-year period.
- ERB and the permanent funds outperformed their targets for every period except the quarter, while PERA only outperformed its targets for the one- and five-year periods.<sup>1</sup>
- Despite annual returns in excess of 20 percent, when compared with peer funds greater than \$1 billion on a net-of-fee basis, all funds performed in the lowest quartile for the one-year period. All funds also performed below the median for all periods except the quarter.
  - This is primarily due to the investments funds' risk-balanced asset class allocations that do not benefit as much as other funds during market rallies.
  - The PERA fund performed in the lowest quartile for all reported periods. The LGPF and ERB fund performed below the median for the one-, three- and five-year periods, and near the median for the ten-year period. The STPF performed in the lowest quartile for all periods except the quarter.

**THIS REPORT** details the comparative investment performance of the three investment agencies: the Educational Retirement Board (ERB), the Public Employees Retirement Association (PERA), and the State Investment Council (SIC), which manages the land grant permanent fund (LGPF) and the severance tax permanent fund (STPF).

Agency performance and market environment information are derived from the investment performance reports submitted by PERA, ERB, and SIC.

### Returns as of March 31, 2021 (Net of Fees)<sup>1</sup>

Returns (%)	PERA		ERB		LGPF		STPF	
	Fund	Policy Index	Fund	Policy Index	Fund	Policy Index	Fund	Policy Index
Quarter	2.20	1.98	4.73	3.46	4.38	3.74	3.52	2.97
1-Year	<b>21.58</b>	30.35	<b>23.21</b>	26.10	<b>25.99</b>	25.72	<b>24.01</b>	24.94
3-Year	7.02	7.42	<b>8.56</b>	9.06	<b>8.42</b>	8.70	<b>7.46</b>	8.52
5-Year	<b>8.00</b>	8.15	<b>9.42</b>	9.79	<b>9.48</b>	9.25	<b>8.67</b>	9.20
10-Year	7.00	7.04	<b>7.85</b>	7.79	<b>7.76</b>	7.94	<b>7.23</b>	7.91

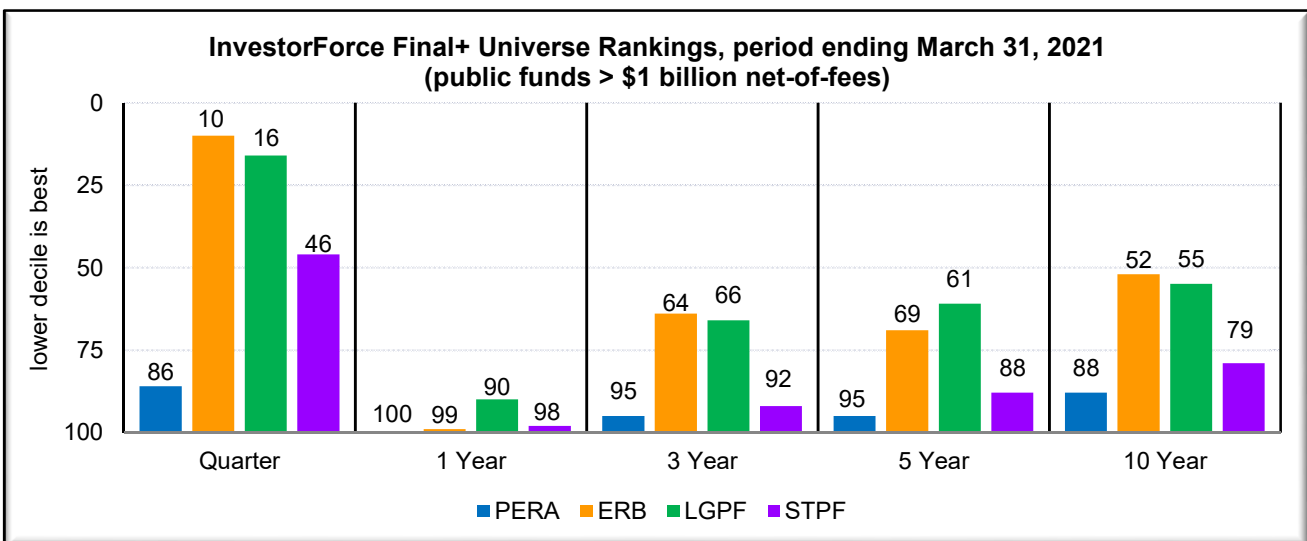
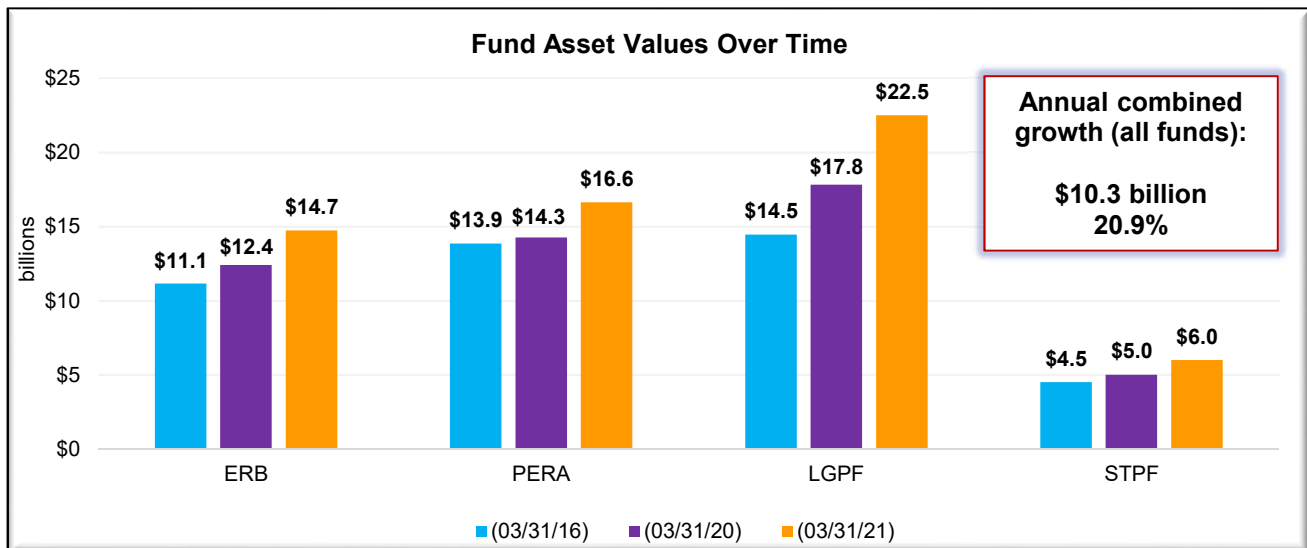
Note: bold indicates returns that exceed the fund's long-term target

<sup>1</sup> The funds' long-term return targets are 7.25 percent (PERA), 7 percent (ERB), 7 percent (LGPF), and 6.75 percent (STPF).

## Investment Agency Performance Dashboard

Quarter Ending March 31, 2021

This report detail the comparative investment performance of the three investment agencies: the Educational Retirement Board (ERB), the Public Employees Retirement Association (PERA), and the State Investment Council (SIC) which manages the land grant permanent fund (LGPF) and the severance tax permanent fund (STPF).



Risk Profiles, Five Years Ending 03/31/21, Net of Fees				
Fund	ERB	PERA	LGPF	STPF
Standard Deviation*	5.7	6.5	7.9	7.8
Sharpe Ratio**	1.4	1.0	1.0	0.9
Beta***	0.3	0.4	0.4	0.5

\*measures variability from the mean return; higher is more volatile

\*\*higher numbers indicate higher return-to-risk level; a good ratio is 1 or better

\*\*\*represents the volatility of the portfolio versus the S&P 500. Beta = 1: portfolio moves with the market. Beta < 1: portfolio is less volatile than market. Beta > 1: portfolio is more volatile than the market.

**Aggregate Value  
of New Mexico  
Investment  
Holdings**

**\$59.8 billion**

Source: Agency  
Investment Reports