Dev.: 11/30/2018

Inquiries: AOC HRD 505/827-4810

COMPENSATION

1. PURPOSE

The purpose of this policy is to establish standards in determining the appropriate compensation for New Mexico Judicial Branch employees, and provide a uniform and comprehensive system of compensation and pay administration to support the business needs of the New Mexico Judiciary. This policy is governed by and intended to supplement the New Mexico Judicial Branch Personnel Rules.

2. REFERENCES

NMJBPR Part 1, Section 3.0 Compensation NMJBPR Part 2, Section 17.0 Compensation

3. **DEFINITIONS**

- **A.** Administrative Authority Individual or designee with the primary responsibility to supervise and coordinate the administration of a judicial entity, or as designated by the Chief Judge and approved by the Supreme Court Order. (Ref: Administrative Authority, Appointing Authority and At-Will Employee Policy.)
- **B.** Alternative Pay Range The pay range assigned to a job based on the current market rate of benchmark jobs in the relevant labor market(s).
- C. AOC The Administrative Office of the Courts.
- **D. AOC HRD** The Administrative Office of the Courts Human Resources Division.
- **E. Appointing Authority** Appointing Authority The individual who has the primary responsibility to recruit, review and recommend applicants for vacant at-will positions in the Judicial Branch. An appointing authority may designate this responsibility to another supervisor or manager. (Ref: Administrative Authority, Appointing Authority, and At-Will Employee List Policy effective 08/01/10)
- F. Appropriate Placement Appropriate placement is a value, established or

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anticipated, of an individual employee's contribution relative to the value of the full scope of duties and responsibilities of the job as represented by the compa-ratio for that position. Placement and progression of an employee's salary should be reflective of his or her anticipated demonstrated skill, competency and performance. Elements to be considered in determining pay upon hire, promotion or transfer include the employee's education, experience, training, certification, applicable licensure, internal pay equity, budget availability and, when known and applicable, employee performance.

- **G.** Base Pay Rate An employee's pay expressed as an hourly rate or as an annual salary, excluding extra forms of compensation, which may be temporary. Extra forms of compensation may include shift differential, on-call pay, multi-lingual pay, and temporary salary increase or temporary promotion pay.
- **H.** Classified or Career Status Employee An employee who occupies a permanent or term position and has completed the assigned probationary period within the Judicial Branch excluding a justice, judge or at-will employee, (temporary employees are at-will employees).
- **I.** Compa-Ratio Pay expressed as a percentage of the *assigned market value* of a *pay range*. Also known as Comparative Ratio, is a formula commonly used to assess the competitiveness of an *employee's* pay level.
- **J. Director** The *Director* of the New Mexico Administrative Office of the Courts or designee.
- **K.** Job A collection of assigned tasks and responsibilities as listed in the job description and contained in the Classification and Compensation Plan.
- L. Minimum Target Pay Rate Step Increase A mandatory movement of an employee through their assigned pay range's compa-ratio based on continuous time in the same job classification.
- M. NMJBPR New Mexico Judicial Branch Personnel Rules.
- N. Pay Range A monetary span identifying the lowest and highest value of pay for a classification.
- **O.** Pay Rate Hourly pay or salary.
- **P. Promotion –** Movement to a classification at a higher pay range.

Q. Voluntary Classification Reduction – A movement to a job *classification* with a lower *pay range* at the *employee's* request with the *Administrative Authority*'s concurrence.

4. GENERAL POLICY

The New Mexico Judicial Branch Compensation Policy is based upon the New Mexico Judicial Branch Personnel Rules and the Compensation and Classification Plan published annually by the Administrative Office of the Courts Human Resources Division. The AOC HRD, at the direction of the Supreme Court and the AOC Director, establishes, maintains, and administers a pay plan for all positions in the Judicial Branch both at-will and classified.

5. CONSIDERATIONS IN MAKING SALARY DECISIONS

All salary decisions should reflect consideration of the items listed below and are subject to budget availability and should reflect the appropriate placement within the pay range:

- A. Budget limitations;
- B. Judicial Entity's operational business needs;
- C. Internal equity; and
- D. Market competitiveness.

Considerations in addition to those listed above, when determining the appropriate starting salary for a new employee should include the following:

- A. Education;
- B. Licensure, certification, training;
- C. Number of years and description of experience directly related to the job, and does the candidate meet the requested experience as stated in the job descriptor;
- D. Additional directly related experience;
- E. References;
- F. Recruitment and retention issues; and
- G. When known and applicable, employee's performance.

Appropriate placement is a value, established or anticipated, of an individual employee's contribution relative to the value of the full scope of duties and responsibilities of the job as represented by the compa-ratio for that position. Placement and progression of an employee's salary should be reflective of his or her anticipated demonstrated skill, competency and performance.

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As further guidance, each pay range is divided into three contributor proficiency zones, which represent varying levels of pay in relation to demonstrated skill, competency, and performance. The contributor proficiency zones are:

Learn Zone:

Compa-ratio of 80% - 95%

Pay in this zone should reflect the fact that the employee is actively still learning the job and has not yet achieved full competency in the job; receives close supervision and is expected to seek instruction and guidance before taking on new tasks.

Competent Zone:

Compa-ratio of 96% - 110%

Pay in this zone should reflect the fact that the employee is fully developed and capable of performing the full scope of job duties and responsibilities; rarely needs instruction and guidance to perform routine duties; expected to assume full accountability for successful completion of tasks.

Excel Zone:

Comp ratio of 111% - 125%

Pay in this zone should reflect the fact that the employee has demonstrated mastery of the job; regularly performs the most complex and demanding work associated with the job role; supervisor spends relatively little time coaching in technical competencies and skills; consistently functions as a team leader.

Placement and progression of an employee's salary should be reflective of his or her demonstrated skill, competency and performance in the job classification. An employee may not be paid below the minimum or above the maximum of a pay range.

6. SPECIFIC PAY PROVISIONS

Offers of employment to a selected candidate should only be made after appropriate approvals and verification of the job-related qualification standards have been completed. No offer or promise of employment should be made in writing or verbally until these approvals have been received. Formal offer letters for selected and approved candidates should include the terms and conditions of employment in addition to salary information.

7. INITIAL HIRE BELOW 100% COMPA-RATIO [REF: NMJBPR 3.03]

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The Administrative Authority for a Judicial Entity may hire or rehire an employee at a pay rate up to 100% of the pay range, without the approval of the Director, based upon the criteria outlined in Section 5 above.

8. INITIAL HIRE ABOVE 100% COMPA-RATIO [REF: NMJBPR 3.03]

An initial hire or rehire above 100% compa-ratio will be reviewed and approved/denied in accordance with the NMJBPR Section 3.03.

The AOC Director approves all classified employee hires above 100% compa-ratio. Requests to hire a new classified employee, including a rehire from outside the Judiciary above the 100% compa-ratio of the pay range must be submitted to the AOC Director along with appropriate justification, such as the applicant's resume and qualifications.

9. MINIMUM TARGET PAY RATE STEP INCREASE BASED ON SUCCESSFUL CONTINUOUS SERVICE IN A JOB CLASSIFICATION

A minimum target pay rate step increase is based on an employee's continuous service in a job classification or in the same pay range and is designed to address the retention and recruitment challenges of the New Mexico Judicial Branch, as well as provide a mechanism to move employees through their pay range. All judicial employees other than temporary employees and those paid by a Supreme Court Order or statute will receive a target pay rate step increase for their continuous service and time in the same job classification or pay range. Successful service is demonstrated through continuous employment within the same job classification and not specifically tied to an employee's performance rating.

The minimum target pay rate step increases provide a baseline for an employee who has held the same job classification continuously or held the same pay range continuously. This policy applies to employees who reach the milestones outlined below by holding the same job classification or pay range without a break in service or a change to their job classification. Breaks in service and changes in job classifications will restart the employee's years of service or time in the same job classification for purposes of the minimum target pay rate step increase. Employees who are hired into a higher level job classification or pay range after being temporarily promoted into the same job classification or pay range will receive continuous time in job classification credit from the day they were temporarily promoted provided there is not a return to their old job classification of more than one day.

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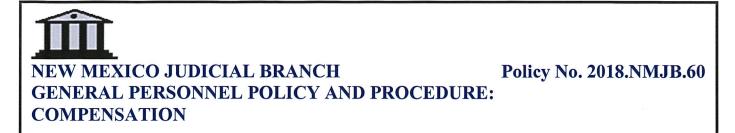
If an employee's job title changes due to a judiciary-wide job classification audit or similar, but the employee's job classification or pay range remains unchanged then the service will be considered continuous. An example of this would include the job title change of the Court Clerk 2 to Judicial Specialist 2. If an employee's position status changes, but the employee's job classification remains unchanged then service will be considered continuous. An example is when an at-will position becomes classified (at-will bailiff to classified bailiff), or the term funding becomes general funding.

As of July 1, 2018:

- A. 90% Compa-Ratio Baseline: Employees who have been in the same job classification continuously for more than 3 years but less than 6 years who are not already paid at the 90% compa-ratio will be moved to the 90% compa-ratio of the pay range.
- B. 95% Compa-Ratio Baseline: Employees who have been in the same job classification continuously for more than 6 years but less than 10 years who are not already paid at the 95% compa-ratio will be moved to the 95% compa-ratio of the pay range.
- C. 100% Compa-Ratio Baseline: Employees who have been in the same job classification continuously for more than 10 years but less than 15 years who are not already paid at 100% compa-ratio will be moved to the 100% compa-ratio of the pay range.
- D. 105% Compa-Ratio Baseline: Employees who have been in the same job classification continuously for more than 15 years who are not already paid at 105% compa-ratio will be moved to the 105% compa-ratio of the pay range.
- E. 110% Compa-Ratio Baseline: Employees who have been in the same job classification continuously for more than 20 years who are not already paid at 110% compa-ratio will be moved to the 110% compa-ratio of the pay range.

Years Employee is in the same Job Classification	Minimum Compa-Ratio
0 to 3 years	80% [minimum of the pay range]
More than 3 up to 6 years	90%
More than 6 up to 10 years	95%
More than 10 up to 15 years	100%
More than 15 up to 20 years	105%
More than 20 years	110%

A temporary employee is not eligible for the minimum target pay rate step increase. A temporary employee's continuous time in the same job classification may be counted



towards the employee's continuous service if, when the employee leaves the temporary position and is hired into either a term or perm position, the job classification remains unchanged and the employee is transferred without a break in service.

The minimum target pay rate step increases are budgeted for and paid annually in the first full pay period of the new fiscal year and are calculated using a July 1 calculation date. Employees who meet the years of service baselines of 3, 6, 10, and 15 years as of the July 1 calculation date will receive the increase in that corresponding fiscal year. For example, an employee who has nine years and *seven* months of service as of July 1 of the upcoming fiscal year will receive the minimum target pay rate step increase movement to the 100% compa-ratio of their pay range in that *upcoming* fiscal year, because on July 1, the nine years and seven months is closest to 10 years of continuous service time. Whereas another employee who has nine years and *three* months of service as of July 1 of the upcoming fiscal year will receive the minimum target pay rate step increase movement the *following* fiscal year, because, on July 1, the nine years and three months are closest to 9 years of continuous service time.

Judicial Entities, with the assistance of, and in coordination with the AOC HRD will annually review their employee's tenure within the same job classification and corresponding compa-ratio to determine the annual funding necessary for individual Judicial Entity's budget requests. These budget costs will be submitted annually with their budget request. Each Judicial Entity shall request sufficient funds to move all employees who will be eligible on July 1 for a minimum target pay rate step increase. Movements will occur in the first full pay period of each fiscal year.

Provided available and sufficient funding, Judicial Entity's may implement in an equitable fashion all or part of the minimum Target Pay Rate Step Increases earlier than required under this policy by submitting a written request to the AOC Director and the AOC HR Director. Such a request should confirm sufficient budget is available and the early implementation will not require supplemental monies.

10. EMERGENCY RETENTION PAY

[REF: 3.03]

An Emergency Retention Pay Action will be reviewed and approved/denied in accordance with the NMJBPR Section 3.03.

Requests for an emergency retention pay action should be submitted to the AOC Director with the appropriate justification. Requests may be submitted using the NMJB Form No. 2014.NMJBPR.3.03.

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NEW MEXICO JUDICIAL BRANCH GENERAL PERSONNEL POLICY AND PROCEDURE:

Policy No. 2018.NMJB.60

COMPENSATION

11. **OUT OF CYCLE PAY ADJUSTMENTS**

Out of Cycle Pay Adjustments will be reviewed and approved/denied in accordance with the Out of Cycle Pay Adjustment Policy.

12. TEMPORARY SALARY INCREASE OR TEMPORARY PROMOTION [REF: 3.03]

A Temporary Salary Increase or Temporary Promotion will be reviewed and approved/denied in accordance with the NMJBPR Section 3.03.

Request for a temporary salary increase or temporary promotion should be submitted to the AOC Director with the appropriate justification. Requests may be submitted using the NMJB Form No. 2014.NMJBPR.3.03.

13. VOLUNTARY CLASSIFICATION REDUCTION [REF: 3.03]

A Voluntary Classification Reduction will be reviewed and approved/denied in accordance with the NMJBPR Section 3.03.

An employee may voluntarily request a classification reduction or apply for a job classification in a lower pay range, also known as a voluntary downgrade. When an employee moves to a job classification with a lower pay range the employee's pay rate must be reduced no less than 5% and no more than 15% unless a greater than 15% reduction is necessary to bring the employee to the maximum of the pay range of the new job classification.

Effective Date: November 30, 2018

Arthur W./Pepin, Director

Administrative Office of the Courts

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