



NEW MEXICO JUDICIAL BRANCH

GENERAL PERSONNEL POLICY AND PROCEDURE

Reference NMJBPR Part 1, Section 3.08
NMJBPR Part 2, Section 17.09

Inquiries: AOC HR (505) 827-4937 or 827-4810
Dev: 2/1/07, Rev: 02/14/12

MARKET ADJUSTMENT POLICY

This policy applies to both at-will employees and employees. For the purpose of this policy, the term "employee" will apply to both at-will employees and employees.

1. PURPOSE

The purpose of this policy is to establish the procedure to be followed when alternative pay range adjustments to job content assigned pay ranges based upon the competitive market pay rates for a class series, are needed and assigned to remedy recruitment and retention problems.

2. 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 List Policy.) (Added 2/14/12)
- B. **Alternative Pay Range** - The pay range assigned to a job based on the current market rate for benchmark jobs in the relevant labor market(s).
- C. **AOC HRD** – Administrative Office of the New Mexico Courts Human Resources Division. (Added 2/14/12)
- D. **AOC HRD Director** - Director of the AOC HRD, or designee. (Added 2/14/12)
- E. **Assigned Market Value** - Benchmark pay rate for a complete set of tasks assigned to a classification represented by 100% of the pay range.
- F. **At-Will Employee** – A person in the Judicial Branch who is FLSA non-covered, on the New Mexico Judicial Branch Job Classification and Pay Schedule, excluding a justice or judge. (Ref: Administrative Authority, Appointing Authority and At-Will Employee List.) (Added 2/14/12)
- G. **Classification** - A collection of tasks, responsibilities, knowledge and abilities considered essential to a job.
- H. **Compa Ratio** - Pay expressed as a percentage of the assigned market value of a pay range.



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- I. **Compa Ratio to Compa Ratio** - Movement of an at-will employee's or employee's pay rate to maintain compa ratio placement.
- J. **Comparison Market** - The market as defined in the Classification and Compensation Plan or the competitive market identified for the job classification or series.
- K. **Director** – The Director of the New Mexico Administrative Office of the Courts or designee. (Added 2/14/12)
- L. **Employee** – A person who holds a permanent or term position within the Judicial Branch, excluding a justice, judge or at-will employee. (Added 2/14/12)
- M. **Equal Job Match** - Job classifications that have similar duties, level of responsibility, complexity and required minimum qualifications.
- N. **Job** - A collection of assigned tasks and responsibilities as listed in the job description and contained in the Classification and Compensation Plan.
- O. **Job Content Pay Range** - The pay range assigned to a job as a result of the adopted method of job measurement that establishes the relative job worth to the Judicial Branch.
- P. **Market Review** - Pay rate data collected from immediate competitors.
- Q. **Pay Range** - A monetary span identifying the lowest and highest value of pay for a classification.
- R. **Pay Rate** - Hourly pay or salary.

3. REQUEST FOR AND SCOPE OF MARKET REVIEW

- A. An Administrative Authority may request the Director to conduct a market review of the competitive pay rates for a classification series within a geographic location or specific market to address documented critical recruitment and retention problems.
- B. The Director approves the comparison market.
- C. Requests associated with job classifications that are used statewide will require statewide documentation from the majority of judicial entities utilizing the job classification for a market review to be considered.



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- D. Requests associated with a job classification that is used only in a specific judicial entity will require documentation from that specific entity to address its individual critical recruitment and retention problems.
- E. If recruitment and retention problems associated with a statewide job classification are particular to a specific geographic region or district, affected judicial entities shall resolve associated issues through flexibility in pay administration.

4. DOCUMENTATION OF RECRUITMENT AND RETENTION PROBLEMS

The Administrative Authority's request to the Director for an initial comparison market review or to extend an alternative pay range assignment must document recruitment and retention problems and shall include the following:

- A. information regarding other judicial entities if problems affect a job classification used statewide;
- B. unsuccessful attempts to recruit and retain employees in a particular job classification over the last two (2) years;
- C. employee turnover rates and length of service data;
- D. length of time the position has been vacant;
- E. position location;
- F. the critical situation and how the assigned pay range affects recruitment and retention of employees; and
- G. any other pertinent information.



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5. MARKET REVIEW & RECOMMENDATION FOR ALTERNATIVE PAY RANGE TO THE DIRECTOR

- A. The AOC HRD Director will conduct the market review and provide an analysis of the review to the Director.
- B. AOC HRD Director will make recommendations regarding alternative pay ranges to the Director based upon the following:
 - (1) equal job match salary data; average pay of employees in equal job matches;
 - (3) an analysis of the assigned market value of the assigned pay range and pay range breadth;
 - (4) severity of documented recruitment and retention problems; and
 - (5) relative placement within the Judicial Branch salary structure.
- C. The Director shall have final approval regarding the assignment of an alternative pay range.

6. EMPLOYEE PAY & ASSIGNMENT OF AN ALTERNATIVE PAY RANGE

- A. There shall be no downward pay adjustment for employees in a job classification for which an alternative pay range has been removed.
- B. Compa Ratio to Compa Ratio Restoration
 - (1) Pay adjustments may be made upon alternative pay range assignment to restore employee compa ratio placement.
 - (2) Compa ratio restoration shall not exceed 15% increase in monetary compensation.
 - (3) Increases associated with alternative pay range assignments and compa ratio restoration must be implemented within a six (6) month period following alternative pay range implementation.



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- (4) Restoration efforts resulting in monetary compensation shall be applied equally to all affected employees within a judicial entity.

7. ALTERNATIVE PAY RANGE NOTIFICATION

The Administrative Authority shall notify employees occupying a job classification assigned an alternative pay range in writing in both the new employee offer letter and in yearly reminders. The notice shall be sent out at the beginning of every fiscal year that the alternative pay range is assigned to the job classification and shall inform employees that the alternative pay range:

- A. is based upon documented critical recruitment and retention problems;
- B. is temporary and has an assigned end date (Note what the end date is for the assigned alternative pay range.);
- C. shall be for no more than a duration of two years; and
- D. be extended thereafter in two (2) year increments if supported by updated market review data.

Effective Date:



Arthur W. Pepin, Director
Administrative Office of the Courts

2/14/2012

Date