

## **NOMINATION**

### **Submission for the National Association of State Personnel Executives (NASPE) Eugene H. Rooney, Jr. Award**

#### **Innovative State Human Resource Management Program Category**

**Program Title:** Quality Assurance Performance Review Program  
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## **PROGRAM SUMMARY**

The Quality Assurance Bureau of the New Mexico State Personnel Office (SPO) was established in September 1998. Several years later, incoming SPO management found that the Bureau did not have a specific focus and established guidelines to be effective and efficient in accomplishing its mission. At the time, specific and viable goals, objectives, and processes to guide the Bureau in its mission did not exist. As a result, the Quality Assurance Bureau underwent a transformation in 2007 with the creation of the Quality Assurance Performance Review Program.

The Quality Assurance Performance Review Program redefined the Bureau's existence as a partner to SPO customer agencies through its commitment to add value, provide guidance, and improve operations in the delivery of SPO human resource management objectives. Incorporated in the program were universally recognized audit standards and methodologies administered with a specific focus on partnering with customer agencies to find solutions to improve the delivery of the human resource management function and not solely on findings. Through implementation efforts, which included stakeholder input, the development of a review charter, review guide, a flexible annual work plan, and a statewide assessment of human resource internal controls, the program has given SPO the ability to turn a critical eye on its own processes in an effort to improve statewide human resource management for SPO customer agencies.

As a result of the systematic and disciplined approach set forth in the program, the Bureau has conducted over 50 individual agency reviews since implementation. Comprehensive and objective audit evaluation has focused on compliance with the rules governing the hiring and selection processes; safety-sensitive positions (drug and alcohol policies and practices); I-9 requirements; employment records preservation, content, storage, and security; Fair Labor Standards Act (FLSA) and overtime payment processes; and performance appraisal practices.

- 1. Please provide a brief description of this program.** The Quality Assurance Performance Review Program is a comprehensive and independent review program that empowers the Quality Assurance Bureau of the New Mexico State Personnel Office (SPO) to further the quality of state government human resource management objectives. To direct the Bureau's activities, the program established the Quality Assurance Bureau's mission – *Work in partnership with the State Personnel Board, State Personnel Office management, and state agencies to provide an objective review process to guide and add value to the delivery of human resource programs.* The program has improved the statewide effectiveness of the human resource function through procedures that address the assessment of internal controls; the recommendation of necessary improvements emphasizing economy, efficiency, and effectiveness; and the offering of analyses, appraisal, and counsel in the delivery of state government human resource programs.
- 2. How long has this program been operational (month/year)?** The Quality Assurance Performance Review Program was created in 2007 and was adopted through New Mexico State Personnel Board approval in October 2007.
- 3. Why was this program created? What problem[s] or issue[s] does it address?** The creation of the Quality Assurance Performance Review Program addressed an ongoing concern within the state government human resource function. The prior audit program existed to police state agencies solely by pointing out violations to rule requirements. However, there was no effort to provide the needed education and training to guide those agencies into adhering to the proper human resource processes. At that time, the Quality Assurance Bureau was not providing the necessary help for state agencies to be successful in the human resource function. The prior program lacked the capacity to assist SPO in its efforts to partner with its customer agencies versus policing its customer agencies, which

was that program's shortfall. The program was then recreated with a completely new structure and approach. The current program offers a critical eye view with built in accountability attached to all parties including SPO so that SPO's relationship to state agencies is recognized as that of a partnership.

**4. Why is this program a new and creative method?** The Quality Assurance Performance Review Program gives SPO and the State Personnel Board an avenue to take a critical look at its own human resource processes as well as those of state agencies. The program utilizes universally recognized auditing standards and methodologies administered in a manner that allows SPO to take on the role of partner to customer agencies rather than the role of police. Given this partnering relationship, most agency findings relate to SPO, as they provide an opportunity for SPO to assess the service and guidance that they had previously provided and what modifications can be made in the future. SPO and the Quality Assurance Bureau then partner with the agency until the findings have been corrected. SPO's belief in the "shared success and improvement" concept holds all involved parties accountable including SPO itself, which, as the oversight agency, is responsible for providing the necessary training and guidance to customer agencies into following the proper human resource processes. It is a system based not solely on policing, but on partnering with state agencies in an effort to provide solutions, thereby improving human resource management.

**5. What were the program's start-up costs?** Because the Quality Assurance Bureau was in existence prior to the implementation of the Quality Assurance Performance Review Program, no additional start-up costs were required. The program utilized existing staff by reorganizing its efforts and staffing levels were based upon anticipated needs and proper classifications. Existing technology was utilized throughout program implementation. The redirection of the Bureau's efforts did not impact cost.

- 6. What are the program's operational costs?** All of the Quality Assurance Performance Review Program's operational costs are absorbed through SPO's annual general appropriation budget. This includes payroll costs for the Quality Assurance Bureau staff (currently three full-time employees with one additional full-time vacancy), costs associated with travel to and from state agencies for on-site performance reviews, and additional office-related expenses including copies of all work paper documentation and expenditures essential to meeting the objectives of the program.
- 7. How is this program funded?** The Quality Assurance Performance Review Program is funded through the annual fiscal year general appropriation allocated to the State Personnel Office by the New Mexico State Legislature.
- 8. Did this program originate in your state?** We believe the Quality Assurance Performance Review Program in its use, function, and detail is unique to New Mexico state government activities. While there is widespread use, in varying degrees, of the Quality Assurance function in state government, this program is a creation of SPO in conjunction with its Quality Assurance Bureau.
- 9. Are you aware of similar programs in other states? If yes, how does this program differ?** There may possibly be similar programs in other states. However, the Quality Assurance Performance Review Program offers a unique and comprehensive approach to the human resource audit function. The program utilizes a flexible annual work plan that includes State Personnel Board Rule compliance reviews and more comprehensive systemic design reviews. The quality assurance review function is used in the post-assessment process to provide consultation and education to state agencies in a collaborative effort of human resource service delivery. Through this collaborative effort, the Quality Assurance

Performance Review Program is recognized as the model for state government personnel and human resource management needs.

**10. How do you measure the success of this program?** The Quality Assurance Performance Review Program establishes a flexible annual work plan schedule containing projects that address both systemic issues and compliance matters. Through this ongoing annual work plan, compliance reviews are completed on a cyclical basis and have been scheduled at intervals through 2012. The Bureau reports all initial findings and follow-up resolutions to the State Personnel Board to ensure proper follow-up and oversight. For all reviews, the program dictates a process for improvements by emphasizing economy, efficiency, effectiveness, and compliance with rules, regulations, and industry-wide best practices. SPO and its Quality Assurance Bureau partner with state agencies in the management of the internal control environment. Through this process and with consistent follow-up of review findings, the result of the program has been high-level performance and accountability.

**11. How has the program grown and/or changed since its inception?** The most notable change has been the Quality Assurance Bureau's transformation from a traditional audit policing function to its current form as a quality assurance partnership between SPO and its customer agencies. Aside from this, the program is highly dynamic and its success is, in large part, due to this aspect of its structure. While the program's core elements of integrity, reliability, independence, and objectivity remain intact at all times, it also accommodates the ever-changing nature of legislative rules, regulatory requirements, and industry-wide best practices. This program has the capacity to remain viable by adjusting to those changes. Through a flexible annual work plan and an intensive focus on compliance, education, and consultation, the Quality Assurance Performance Review Program responds to NM state government human resource needs as well as the needs of SPO customer agencies.