



NEW MEXICO  
EDUCATIONAL RETIREMENT BOARD

701 Camino de los Marquez  
Santa Fe, NM 87505  
1-800-663-1919  
www.erb.nm.gov



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**MEMORANDUM**

To: Andrew Miner, State Budget Division Director  
From: David Archuleta, Executive Director  
Re: FY26 Appropriation Request – Business Unit 35200  
Date: August 30, 2024

The FY26 appropriation request for the New Mexico Educational Retirement Board (NERB) is attached. The spending proposal for FY26 covers our sole program, Educational Retirement (P635), and supports our ability to effectively manage the growth of our retiree population and our \$17.1 billion investment portfolio.

The NERB's budget is self-funded and does not receive a direct general fund appropriation. This request supports our mission, vision, and strategic plan to provide secure retirement benefits for New Mexico's educational employees.

Overall, the request totals \$31,483,878, including a modest increase in the personnel services and employee benefits category to support ongoing recruitment and retention efforts and increases for Workers' Compensation Insurance. The contractual services category reflects a decrease related to five investments contracts being redeemed or cancelled in FY24 and FY25. However, the other costs category has a slight increase related to projected maintenance costs for the new Santa Fe office building, a planned Board retreat, and rate increases for GSD car leases and Department of Information Technology services.

The details supporting our FY26 appropriation request are included in our submission.

APPROPRIATION REQUEST  
CERTIFICATION  
FORM S-1

Agency Name: Educational Retirement Board

Business Unit: 35200

*I hereby certify that the accompanying summary and detailed statements are true and correct to the best of my knowledge and belief and that the arithmetic accuracy of all numeric information has been verified.*



David Archuleta, Executive Director



H. Russell Goff, Board Chairperson



Renada Peery-Galon, ASD Director/CFO

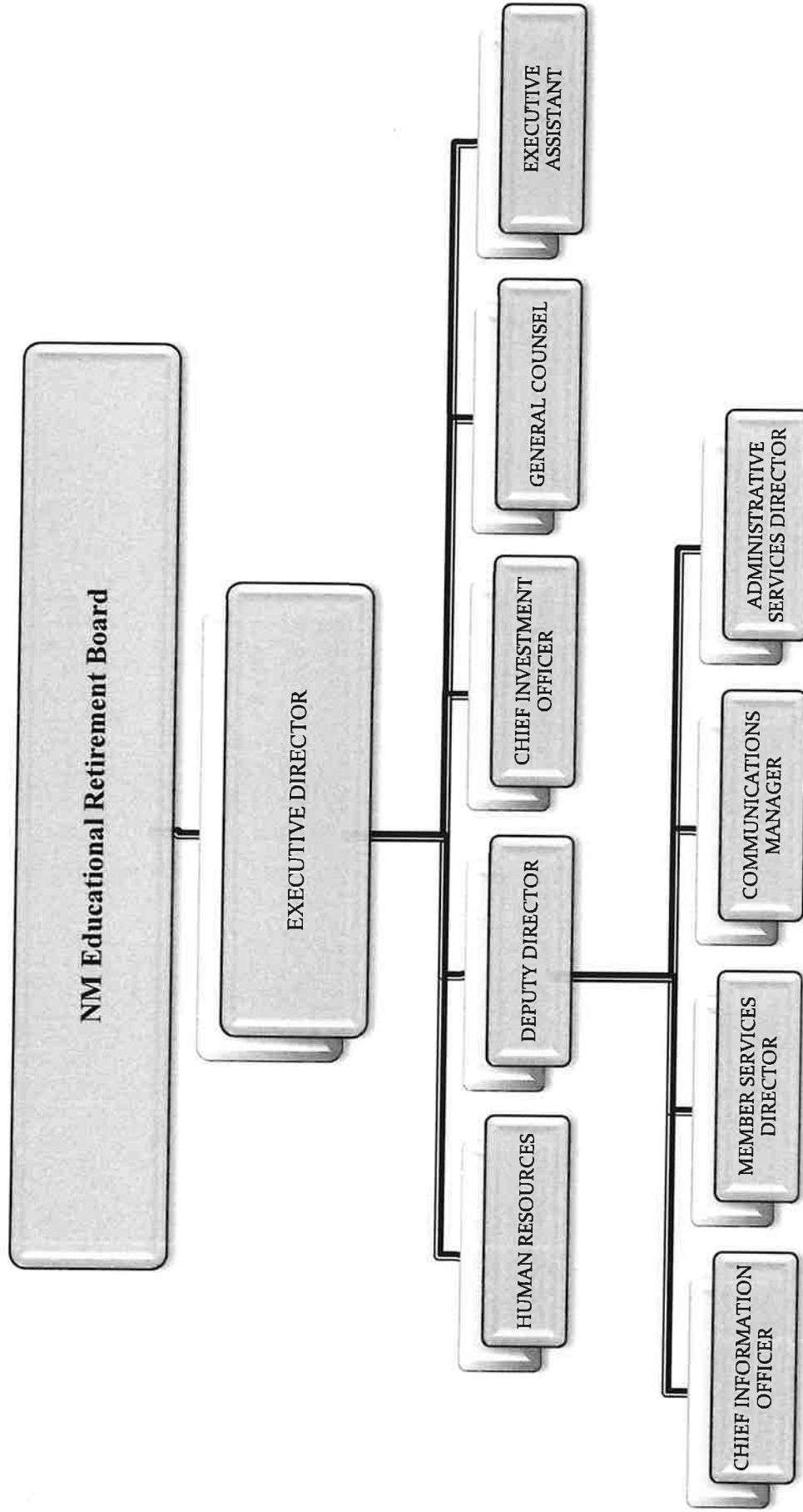
701 Camino de los  
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Santa Fe, NM 87505

505-819-1191

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*Note: Appropriation Requests for agencies headed by a board or commission must be approved by the board or commission by official action and signed by the chairperson. Operating Budgets of other agencies must be signed by the director or secretary. Appropriation Requests not properly signed will be returned.*

# FY26 Appropriation Request Organizational Chart Form S-2



BU PCode  
35200 P635

## P-1 Program Overview

### Program Description:

The New Mexico Educational Retirement Board (NMEERB) administers the state's educational employee retirement system (Plan), a cost-sharing multi-employer pension plan governed by the Educational Retirement Act (Section 22-11-1 et seq. NMSA 1978). NMEERB's mission is "providing secure retirement benefits for New Mexico's educational employees—past, present and future." The NMEERB's Board of Directors is composed of leadership from the following sources:

- 1) Secretary of the Public Education Department (PED), or a designee who is a New Mexico resident, an employee of PED, and has experience relevant to the financial or fiduciary aspects of pension or investment fund management;
- 2) State Treasurer, or a designee who is a New Mexico resident, an employee of the State Treasurer's Office (STO), and has experience relevant to the financial or fiduciary aspects of pension or investment fund management;
- 3) A member elected by the New Mexico Association of Educational Retirees;
- 4) A member elected by the National Educational Association of New Mexico;
- 5) A member elected by the New Mexico members of the American Association of University Professors;
- 6) Two members appointed by the Governor with backgrounds in investments, finance, or pension administration;
- 7) A member elected by the members of the American Federation of Teachers New Mexico; and
- 8) Secretary of Higher Education (HED), or a designee who is a New Mexico resident, an employee of HED has experience relevant to the financial or fiduciary aspects of pension or investment fund management.

NMEERB implements its strategic plan by prudently managing the financial assets of the fund, reliably administering pension benefits, and providing plan education and outreach services for stakeholders (employers, educational employees, retirees and/or their beneficiaries).

### Major Issues and Accomplishments:

In FY24, the Educational Retirement Board (ERB) embarked upon the beginning of two major projects that will shape the business activities and operations of ERB for at least the next two decades. These projects include the construction and development of a new office building and the development and programming of a new pension administration system.

The new office building will provide members and staff with improved access to ERB services given the limited parking and congestion around our main office facility. The new building will provide more than 19,000 sq ft of office and meeting space, which will allow ERB to consolidate staffing under one roof and reduce our leased office footprint. This energy efficient facility will also have a Board Room that will allow for the business activities of the Board to occur in ERB owned office space and is expected to be completed by the spring of 2025.

With regard to the development and programming of a new pension administration system, ERB is currently preparing to begin testing on the first iteration of the project following the completion of the first interval that included a series of discovery, fit gap, data cleansing, and transition management activities. Currently, this project is on schedule with an expected completion date of November 2026.

At the end of FY24, the trust fund reached a new quarterly high of \$17.1 billion having generated an 8.6% return on investment, supporting more than \$1 billion in growth to the fund. However, this was a slight underperformance compared to the policy index of 9.56% for the 1-year period and the only underperformance compared to the policy index in the 3, 5, 10 or 30-year reporting period.

Lastly, while ERB continues to experience turnover in certain critical positions, we were able to maintain a low single digit vacancy rate throughout FY23, with most positions being filled in less than 30 days.

**P-1 Program Overview**

BU PCode  
35200 P635

**Overview of Request:**

The appropriation request was developed after assessing our priorities for the upcoming fiscal year, meeting with the heads of each Division at NMERB, and reviewing actual expenditures in FY24 compared to the approved operating budget for FY25. The proposed increases reflect reasonably anticipated costs next fiscal year based on our strategic priorities, inflation, and staffing needs.

**Programmatic Changes:**

Currently, there are no programmatic or policy changes to be implemented in FY25.

**Base Budget Justification:**

The NMERB FY26 appropriation request is an overall decrease of \$1.3 million, or 4.1% percent, compared to the FY25 operating budget. The personal services and employee benefits category will increase due to the General Services Department (GSD) set rate for Workers' Compensation Insurance increasing and our ongoing recruitment and retention efforts to maintain a low vacancy rate. The increase in other costs includes anticipated maintenance costs related to the new Santa Fe office building, a planned Board Member retreat, and rate increases for GSD vehicle leases and Department of Technology (DoIT) services. The contractual services category will decrease due to five investments contracts being redeemed or cancelled in FY24 and FY25.

Educational Retirement Board

State of New Mexico

BU PCode Department  
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S-8 Financial Summary

(Dollars in Thousands)

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	Base	Expansion	Total
<b>REVENUE</b>							
130 Other Revenues	32,230.1	22,984.6	32,820.1	0.0	31,483.9	0.0	31,483.9
REVENUE, TRANSFERS	32,230.1	22,984.6	32,820.1	0	31,483.9	0.0	31,483.9
REVENUE	32,230.1	22,984.6	32,820.1	0	31,483.9	0.0	31,483.9
<b>EXPENSE</b>							
200 Personal Services and Employee Benefits	10,302.4	9,972.5	10,622.9	10,862.9	11,229.2	0.0	11,229.2
300 Contractual services	20,000.0	11,119.9	20,000.0	0.0	18,000.0	0.0	18,000.0
400 Other	1,927.7	1,892.2	2,197.2	0.0	2,254.7	0.0	2,254.7
EXPENDITURES	32,230.1	22,984.6	32,820.1	10,862.94	31,483.9	0.0	31,483.9
EXPENSE	32,230.1	22,984.6	32,820.1	10,862.94	31,483.9	0.0	31,483.9
<b>FTE POSITIONS</b>							
810 Permanent	91.00	91.00	91.00	91.00	91.00	0.00	91.00
830 Temporary	2.00	0.00	0.00	0.00	0.00	0.00	0.00
FTEs	93.00	91.00	91.00	91.00	91.00	0.00	91.00
FTE POSITIONS	93.00	91.00	91.00	91.00	91.00	0.00	91.00

Educational Retirement

State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

BU PCode Department  
35200 P635 000000

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	Base	Expansion	Total
<b>REVENUE</b>							
130 Other Revenues	32,230.1	22,984.6	32,820.1	0.0	31,483.9	0.0	31,483.9
REVENUE, TRANSFERS	32,230.1	22,984.6	32,820.1	0.0	31,483.9	0.0	31,483.9
REVENUE	32,230.1	22,984.6	32,820.1	0.0	31,483.9	0.0	31,483.9
<b>EXPENSE</b>							
200 Personal Services and Employee Benefits	10,302.4	9,972.5	10,622.9	10,862.9	11,229.2	0.0	11,229.2
300 Contractual services	20,000.0	11,119.9	20,000.0	0.0	18,000.0	0.0	18,000.0
400 Other	1,927.7	1,892.2	2,197.2	0.0	2,254.7	0.0	2,254.7
EXPENDITURES	32,230.1	22,984.6	32,820.1	10,862.94	31,483.9	0.0	31,483.9
EXPENSE	32,230.1	22,984.6	32,820.1	10,862.94	31,483.9	0.0	31,483.9
<b>FTE POSITIONS</b>							
810 Permanent	91.00	91.00	91.00	91.00	91.00	0.00	91.00
830 Temporary	2.00	0.00	0.00	0.00	0.00	0.00	0.00
FTEs	93.00	91.00	91.00	91.00	91.00	0.00	91.00
FTE POSITIONS	93.00	91.00	91.00	91.00	91.00	0.00	91.00

**S-9 Account Code Revenue/Expenditure Summary**  
 (Dollars in Thousands)

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	----- Base	----- Expansion	----- Total
441201 Interest On Investments	32,230.1	22,984.6	32,820.1	0.0	31,483.9	0.0	31,483.9
441301 Dividend Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
441501 Other Investment Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
471308 Undistr. Contributions/Ret.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
471608 Retiree Contr.-Retiree Ins.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
493801 Capital Gains(Losses)	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
496901 Miscellaneous Revenue	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
496903 Miscellaneous Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>130 Other Revenues</b>	<b>32,230.1</b>	<b>22,984.6</b>	<b>32,820.1</b>	<b>0.0</b>	<b>31,483.9</b>	<b>0.0</b>	<b>31,483.9</b>
<b>TOTAL REVENUE</b>	<b>32,230.1</b>	<b>22,984.6</b>	<b>32,820.1</b>	<b>0</b>	<b>31,483.9</b>	<b>0.0</b>	<b>31,483.9</b>
520000 Payroll	0.0	0.0	0.0	0.0	0.0	0.0	0.0
520100 Exempt Perm Positions P/T&F/T	2,804.6	2,773.4	2,794.9	2,955.9	2,936.9	0.0	2,936.9
520300 Classified Perm Positions F/T	4,608.2	4,430.4	4,746.0	5,032.3	4,995.4	0.0	4,995.4
520500 Temporary Positions F/T & P/T	0.0	2.5	0.0	0.0	0.0	0.0	0.0
520600 Paid Unused Sick Leave	0.0	16.7	0.0	0.0	0.0	0.0	0.0
520700 Overtime & Other Premium Pay	0.0	0.0	0.0	0.0	0.0	0.0	0.0
520800 Annl & Comp Paid At Separation	0.0	53.2	0.0	0.0	0.0	0.0	0.0
521100 Group Insurance Premium	741.7	617.6	849.9	701.1	894.9	0.0	894.9
521200 Retirement Contributions	1,386.1	1,362.7	1,401.8	1,523.1	1,486.5	0.0	1,486.5
521300 F I C A	543.2	512.7	556.4	491.0	590.4	0.0	590.4
521400 Workers' Comp Assessment Fee	0.0	0.8	0.9	0.0	0.9	0.0	0.9
521410 GSD Work Comp Insur Premium	6.3	6.2	66.3	0.0	102.9	0.0	102.9
521500 Unemployment Comp Premium	0.0	0.0	0.0	0.0	0.1	0.0	0.1
521600 Employee Liability Ins Premium	64.4	54.4	57.1	0.0	62.6	0.0	62.6
521700 RHC Act Contributions	147.9	141.8	149.6	159.6	158.6	0.0	158.6
<b>200 Personal Services and Employee Bene</b>	<b>10,302.4</b>	<b>9,972.5</b>	<b>10,622.9</b>	<b>10,862.9</b>	<b>11,229.2</b>	<b>0.0</b>	<b>11,229.2</b>
530000 Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
535200 Professional Services	16,957.4	8,633.4	16,658.0	0.0	14,645.9	0.0	14,645.9
535300 Other Services	162.0	139.1	194.0	0.0	154.0	0.0	154.0
535309 Other Services - Interagency	0.3	0.4	0.3	0.0	0.3	0.0	0.3
535400 Audit Services	130.2	129.9	142.8	0.0	149.9	0.0	149.9
535500 Attorney Services	1,113.0	936.5	1,488.0	0.0	1,573.0	0.0	1,573.0
535600 IT Services	1,637.1	1,280.6	1,516.9	0.0	1,476.9	0.0	1,476.9

S-9 Account Code Revenue/Expenditure Summary  
 (Dollars in Thousands)

300	Contractual services	2023-24	2023-24	2024-25	2025-26	FY 2026 Agency Request		Total
		Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	
		20,000.0	11,119.9	20,000.0	0.0	18,000.0	0.0	18,000.0
540000	Other Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542100	Employee I/S Mileage & Fares	3.0	2.2	3.5	0.0	3.5	0.0	3.5
542200	Employee I/S Meals & Lodging	6.0	2.5	8.0	0.0	8.0	0.0	8.0
542300	Brd & Comm Mbr Meals & Lodging	4.0	1.2	4.0	0.0	9.0	0.0	9.0
542310	Brd & Comm Mbr Mileage & Fares	2.0	1.8	2.0	0.0	2.5	0.0	2.5
542500	Transp - Fuel & Oil	1.5	1.0	1.5	0.0	1.5	0.0	1.5
542600	Transp - Parts & Supplies	0.5	0.1	0.5	0.0	0.5	0.0	0.5
542700	Transp - Transp Insurance	0.2	0.0	0.0	0.0	0.0	0.0	0.0
542800	State Transp Pool Charges	8.5	8.5	9.2	0.0	11.3	0.0	11.3
543100	Maint - Grounds & Roadways	5.0	3.0	5.0	0.0	15.0	0.0	15.0
543200	Maint - Furn, Fixt, Equipment	12.0	0.1	12.0	0.0	12.0	0.0	12.0
543300	Maint - Buildings & Structures	15.7	11.9	15.7	0.0	15.7	0.0	15.7
543400	Maint - Property Insurance	26.4	26.2	29.4	0.0	26.6	0.0	26.6
543500	Maint - Supplies	5.0	5.6	5.0	0.0	7.5	0.0	7.5
543700	Maintenance Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
543820	Maintenance IT	0.0	1.1	0.0	0.0	1.1	0.0	1.1
543830	IT HW/SW Agreements	676.0	623.9	738.4	0.0	805.6	0.0	805.6
544000	Supply Inventory IT	40.0	85.9	80.0	0.0	80.0	0.0	80.0
544100	Supplies-Office Supplies	17.5	13.7	25.0	0.0	20.0	0.0	20.0
544900	Supplies-Inventory Exempt	8.0	3.5	8.0	0.0	8.0	0.0	8.0
545600	Reporting & Recording	4.5	2.2	2.5	0.0	2.3	0.0	2.3
545609	Report/Record Inter St Agency	0.0	0.0	0.0	0.0	15.0	0.0	15.0
545700	ISD Services	212.7	118.9	114.3	0.0	154.1	0.0	154.1
545710	DOIT HCM Assessment Fees	29.8	29.8	32.8	0.0	31.9	0.0	31.9
545900	Printing & Photo Services	30.0	47.6	57.5	0.0	58.5	0.0	58.5
546000	Building Use Fee GSD	0.0	0.0	0.0	0.0	0.0	0.0	0.0
546100	Postage & Mail Services	53.6	157.2	60.0	0.0	60.0	0.0	60.0
546200	Bond Assurity for Employees	0.0	0.1	0.0	0.0	0.0	0.0	0.0
546310	Utilities - Sewer/Garbage	7.0	2.6	7.0	0.0	7.0	0.0	7.0
546320	Utilities - Electricity	32.0	15.0	32.0	0.0	32.0	0.0	32.0
546330	Utilities - Water	7.0	3.4	7.0	0.0	7.0	0.0	7.0
546340	Utilities - Natural Gas	4.0	2.0	4.0	0.0	4.0	0.0	4.0

Educational Retirement Board  
 BU PCode Department  
 35200 0000 0000000000

State of New Mexico

S-9 Account Code Revenue/Expenditure Summary  
 (Dollars in Thousands)

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	Base	Expansion	Total
546400 Rent Of Land & Buildings	178.2	150.9	165.0	0.0	95.0	0.0	95.0
546500 Rent Of Equipment	40.2	39.6	40.2	0.0	40.2	0.0	40.2
546600 Communications	19.5	12.1	19.5	0.0	4.5	0.0	4.5
546610 DOIT Telecommunications	124.0	137.8	153.9	0.0	141.2	0.0	141.2
546700 Subscriptions/Dues/License Fee	205.6	201.8	342.1	0.0	350.9	0.0	350.9
546800 Employee Training & Education	25.5	43.9	47.5	0.0	50.5	0.0	50.5
546810 Board Member Training	4.7	8.1	4.7	0.0	8.0	0.0	8.0
546900 Advertising	1.4	0.3	1.5	0.0	1.7	0.0	1.7
547105 Bank Fees/Services	4.5	5.4	4.5	0.0	11.0	0.0	11.0
547360 Insurance Premiums-non_payroll	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547900 Miscellaneous Expense	10.7	3.9	11.5	0.0	7.0	0.0	7.0
547999 Request to Pay Prior Year	0.0	3.2	0.0	0.0	0.0	0.0	0.0
549600 Employee O/S Mileage & Fares	33.0	46.9	51.0	0.0	51.1	0.0	51.1
549700 Employee O/S Meals & Lodging	61.0	55.0	80.0	0.0	81.0	0.0	81.0
549800 Brd & Comm O/S Mileage & Fares	3.5	5.4	3.5	0.0	5.0	0.0	5.0
549900 Brd & Comm O/S Meals & Lodging	4.0	6.4	8.0	0.0	8.0	0.0	8.0
400 Other	1,927.7	1,892.2	2,197.2	0.0	2,254.7	0.0	2,254.7
<b>TOTAL EXPENSE</b>	<b>32,230.1</b>	<b>22,984.6</b>	<b>32,820.1</b>	<b>10,862.94</b>	<b>31,483.9</b>	<b>0.0</b>	<b>31,483.9</b>
810 Permanent	91.00	91.00	91.00	91.00	91.00	0.00	91.00
810 Permanent	91.00	91.00	91.00	91.00	91.00	0.00	91.00
830 Temporary	2.00	0.00	0.00	0.00	0.00	0.00	0.00
830 Temporary	2.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL FTE POSITIONS</b>	<b>93.00</b>	<b>91.00</b>	<b>91.00</b>	<b>91.00</b>	<b>91.00</b>	<b>0.00</b>	<b>91.00</b>

Educational Retirement

BU PCode Department  
35200 P635 000000

State of New Mexico

S-9 Account Code Revenue/Expenditure Summary  
(Dollars in Thousands)

	2023-24		2023-24		2024-25		2025-26		FY 2026 Agency Request		Total
	Opbud	Actuals	Opbud	PCF Proj	Opbud	PCF Proj	Base	Expansion			
441201 Interest On Investments	32,230.1	22,984.6	32,820.1	0.0	31,483.9	0.0	31,483.9	0.0	0.0	31,483.9	
441301 Dividend Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
441501 Other Investment Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
471308 Undistr. Contributions/Ret.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
471608 Retiree Contr.-Retiree Ins.	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
493801 Capital Gains(Losses)	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
496901 Miscellaneous Revenue	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
496903 Miscellaneous Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
<b>130 Other Revenues</b>	<b>32,230.1</b>	<b>22,984.6</b>	<b>32,820.1</b>	<b>0.0</b>	<b>31,483.9</b>	<b>0.0</b>	<b>31,483.9</b>	<b>0.0</b>	<b>0.0</b>	<b>31,483.9</b>	
<b>TOTAL REVENUE</b>	<b>32,230.1</b>	<b>22,984.6</b>	<b>32,820.1</b>	<b>0.0</b>	<b>31,483.9</b>	<b>0.0</b>	<b>31,483.9</b>	<b>0.0</b>	<b>0.0</b>	<b>31,483.9</b>	
520000 Payroll	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
520100 Exempt Perm Positions P/T&F/T	2,804.6	2,773.4	2,794.9	2,955.9	2,936.9	0.0	2,936.9	0.0	0.0	2,936.9	
520300 Classified Perm Positions F/T	4,608.2	4,430.4	4,746.0	5,032.3	4,995.4	0.0	4,995.4	0.0	0.0	4,995.4	
520500 Temporary Positions F/T & P/T	0.0	2.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
520600 Paid Unused Sick Leave	0.0	16.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
520700 Overtime & Other Premium Pay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
520800 Annl & Comp Paid At Separation	0.0	53.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
521100 Group Insurance Premium	741.7	617.6	849.9	701.1	894.9	0.0	894.9	0.0	0.0	894.9	
521200 Retirement Contributions	1,386.1	1,362.7	1,401.8	1,523.1	1,486.5	0.0	1,486.5	0.0	0.0	1,486.5	
521300 F I C A	543.2	512.7	556.4	491.0	590.4	0.0	590.4	0.0	0.0	590.4	
521400 Workers' Comp Assessment Fee	0.0	0.8	0.9	0.0	0.9	0.0	0.9	0.0	0.0	0.9	
521410 GSD Work Comp Insur Premium	6.3	6.2	66.3	0.0	102.9	0.0	102.9	0.0	0.0	102.9	
521500 Unemployment Comp Premium	0.0	0.0	0.0	0.0	0.1	0.0	0.1	0.0	0.0	0.1	
521600 Employee Liability Ins Premium	64.4	54.4	57.1	0.0	62.6	0.0	62.6	0.0	0.0	62.6	
521700 RHC Act Contributions	147.9	141.8	149.6	159.6	158.6	0.0	158.6	0.0	0.0	158.6	
<b>200 Personal Services and Employee Bene</b>	<b>10,302.4</b>	<b>9,972.5</b>	<b>10,622.9</b>	<b>10,862.9</b>	<b>11,229.2</b>	<b>0.0</b>	<b>11,229.2</b>	<b>0.0</b>	<b>0.0</b>	<b>11,229.2</b>	
530000 Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
535200 Professional Services	16,957.4	8,633.4	16,658.0	0.0	14,645.9	0.0	14,645.9	0.0	0.0	14,645.9	
535300 Other Services	162.0	139.1	194.0	0.0	154.0	0.0	154.0	0.0	0.0	154.0	
535309 Other Services - Interagency	0.3	0.4	0.3	0.0	0.3	0.0	0.3	0.0	0.0	0.3	
535400 Audit Services	130.2	129.9	142.8	0.0	149.9	0.0	149.9	0.0	0.0	149.9	
535500 Attorney Services	1,113.0	936.5	1,488.0	0.0	1,573.0	0.0	1,573.0	0.0	0.0	1,573.0	
535600 IT Services	1,637.1	1,280.6	1,516.9	0.0	1,476.9	0.0	1,476.9	0.0	0.0	1,476.9	

Educational Retirement

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S-9 Account Code Revenue/Expenditure Summary  
(Dollars in Thousands)

	2023-24		2023-24		2024-25		2025-26		FY 2026 Agency Request		Total
	Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Base	Expansion			
300 Contractual services	20,000.0	11,119.9	20,000.0	0.0	18,000.0	0.0	18,000.0	0.0	18,000.0	0.0	18,000.0
540000 Other Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542100 Employee I/S Mileage & Fares	3.0	2.2	3.5	0.0	3.5	0.0	3.5	0.0	3.5	0.0	3.5
542200 Employee I/S Meals & Lodging	6.0	2.5	8.0	0.0	8.0	0.0	8.0	0.0	8.0	0.0	8.0
542300 Brd & Comm Mbr Meals & Lodging	4.0	1.2	4.0	0.0	4.0	0.0	4.0	0.0	4.0	0.0	4.0
542310 Brd & Comm Mbr Mileage & Fares	2.0	1.8	2.0	0.0	2.0	0.0	2.0	0.0	2.0	0.0	2.0
542500 Transp - Fuel & Oil	1.5	1.0	1.5	0.0	1.5	0.0	1.5	0.0	1.5	0.0	1.5
542500 Transp - Parts & Supplies	0.5	0.1	0.5	0.0	0.5	0.0	0.5	0.0	0.5	0.0	0.5
542700 Transp - Transp Insurance	0.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542800 State Transp Pool Charges	8.5	8.5	9.2	0.0	11.3	0.0	11.3	0.0	11.3	0.0	11.3
543100 Maint - Grounds & Roadways	5.0	3.0	5.0	0.0	15.0	0.0	15.0	0.0	15.0	0.0	15.0
543200 Maint - Furr, Fixt, Equipment	12.0	0.1	12.0	0.0	12.0	0.0	12.0	0.0	12.0	0.0	12.0
543300 Maint - Buildings & Structures	15.7	11.9	15.7	0.0	15.7	0.0	15.7	0.0	15.7	0.0	15.7
543400 Maint - Property Insurance	26.4	26.2	29.4	0.0	26.6	0.0	26.6	0.0	26.6	0.0	26.6
543500 Maint - Supplies	5.0	5.6	5.0	0.0	7.5	0.0	7.5	0.0	7.5	0.0	7.5
543700 Maintenance Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
543820 Maintenance IT	0.0	1.1	0.0	0.0	1.1	0.0	1.1	0.0	1.1	0.0	1.1
543830 IT HW/SW Agreements	676.0	623.9	738.4	0.0	805.6	0.0	805.6	0.0	805.6	0.0	805.6
544000 Supply Inventory IT	40.0	85.9	80.0	0.0	80.0	0.0	80.0	0.0	80.0	0.0	80.0
544100 Supplies-Office Supplies	17.5	13.7	25.0	0.0	20.0	0.0	20.0	0.0	20.0	0.0	20.0
544900 Supplies-Inventory Exempt	8.0	3.5	8.0	0.0	8.0	0.0	8.0	0.0	8.0	0.0	8.0
545600 Reporting & Recording	4.5	2.2	2.5	0.0	2.3	0.0	2.3	0.0	2.3	0.0	2.3
545609 Report/Record Inter St Agency	0.0	0.0	0.0	0.0	15.0	0.0	15.0	0.0	15.0	0.0	15.0
545700 ISD Services	212.7	118.9	114.3	0.0	154.1	0.0	154.1	0.0	154.1	0.0	154.1
545710 DOIT HCM Assessment Fees	29.8	29.8	32.8	0.0	31.9	0.0	31.9	0.0	31.9	0.0	31.9
545900 Printing & Photo Services	30.0	47.6	57.5	0.0	58.5	0.0	58.5	0.0	58.5	0.0	58.5
546000 Building Use Fee GSD	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
546100 Postage & Mail Services	53.6	157.2	60.0	0.0	60.0	0.0	60.0	0.0	60.0	0.0	60.0
546200 Bond Assurity for Employees	0.0	0.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
546310 Utilities - Sewer/Garbage	7.0	2.6	7.0	0.0	7.0	0.0	7.0	0.0	7.0	0.0	7.0
546320 Utilities - Electricity	32.0	15.0	32.0	0.0	32.0	0.0	32.0	0.0	32.0	0.0	32.0
546330 Utilities - Water	7.0	3.4	7.0	0.0	7.0	0.0	7.0	0.0	7.0	0.0	7.0
546340 Utilities - Natural Gas	4.0	2.0	4.0	0.0	4.0	0.0	4.0	0.0	4.0	0.0	4.0
546400 Rent Of Land & Buildings	178.2	150.9	165.0	0.0	95.0	0.0	95.0	0.0	95.0	0.0	95.0

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S-9 Account Code Revenue/Expenditure Summary  
(Dollars in Thousands)

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	----- FY 2026 Agency Request ----- Base Expansion	Total
546500 Rent Of Equipment	40.2	39.6	40.2	0.0	40.2	40.2
546600 Communications	19.5	12.1	19.5	0.0	4.5	4.5
546610 DOIT Telecommunications	124.0	137.8	153.9	0.0	141.2	141.2
546700 Subscriptions/Dues/License Fee	205.6	201.8	342.1	0.0	350.9	350.9
546800 Employee Training & Education	25.5	43.9	47.5	0.0	50.5	50.5
546810 Board Member Training	4.7	8.1	4.7	0.0	8.0	8.0
546900 Advertising	1.4	0.3	1.5	0.0	1.7	1.7
547105 Bank Fees/Services	4.5	5.4	4.5	0.0	11.0	11.0
547360 Insurance Premiums-non_payroll	0.0	0.0	0.0	0.0	0.0	0.0
547900 Miscellaneous Expense	10.7	3.9	11.5	0.0	7.0	7.0
547999 Request to Pay Prior Year	0.0	3.2	0.0	0.0	0.0	0.0
549600 Employee O/S Mileage & Fares	33.0	46.9	51.0	0.0	51.1	51.1
549700 Employee O/S Meals & Lodging	61.0	55.0	80.0	0.0	81.0	81.0
549800 Brid & Comm O/S Mileage & Fares	3.5	5.4	3.5	0.0	5.0	5.0
549900 Brid & Comm O/S Meals & Lodging	4.0	6.4	8.0	0.0	8.0	8.0
400 Other	1,927.7	1,892.2	2,197.2	0.0	2,254.7	2,254.7
<b>TOTAL EXPENSE</b>	<b>32,230.1</b>	<b>22,984.6</b>	<b>32,820.1</b>	<b>10,862.9</b>	<b>31,483.9</b>	<b>31,483.9</b>
810 Permanent	91.00	91.00	91.00	91.00	91.00	91.00
810 Permanent	91.00	91.00	91.00	91.00	91.00	91.00
830 Temporary	2.00	0.00	0.00	0.00	0.00	0.00
830 Temporary	2.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL FTE POSITIONS</b>	<b>93.00</b>	<b>91.00</b>	<b>91.00</b>	<b>91.00</b>	<b>91.00</b>	<b>91.00</b>

**S-9 Account Code Revenue Summary**  
 (Dollars in Thousands)

Provider PCode	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	FY 2026 Agency Request		Total
					Base	Expansion	
441201 Interest On Investments	32,230.1	22,984.6	0.0	0.0	31,483.9	0.0	31,483.9
441301 Dividend Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
441501 Other Investment Income	0.0	0.0	0.0	0.0	0.0	0.0	0.0
471308 Undistr. Contributions/Ret.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
471608 Retiree Contr.-Retiree Ins.	0.0	0.0	0.0	0.0	0.0	0.0	0.0
493801 Capital Gains(Losses)	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
496901 Miscellaneous Revenue	0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
496903 Miscellaneous Revenue	0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>130 Other Revenues</b>	<b>32,230.1</b>	<b>22,984.6</b>	<b>32,820.1</b>	<b>0.0</b>	<b>31,483.9</b>	<b>0.0</b>	<b>31,483.9</b>
<b>TOTAL REVENUE</b>	<b>32,230.1</b>	<b>22,984.6</b>	<b>32,820.1</b>	<b>0</b>	<b>31,483.9</b>	<b>0.0</b>	<b>31,483.9</b>

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S-9 Account Code Revenue Summary  
 (Dollars in Thousands)

	Provider PCode	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	FY 2026 Agency Request		Total
						Base	Expansion	
441201 Interest On Investments		32,230.1	22,984.6	32,820.1	0.0	31,483.9	0.0	31,483.9
441301 Dividend Income		0.0	0.0	0.0	0.0	0.0	0.0	0.0
441501 Other Investment Income		0.0	0.0	0.0	0.0	0.0	0.0	0.0
471308 Undistr. Contributions/Ret.		0.0	0.0	0.0	0.0	0.0	0.0	0.0
471608 Retiree Contr.-Retiree Ins.		0.0	0.0	0.0	0.0	0.0	0.0	0.0
493801 Capital Gains(Losses)		0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
496901 Miscellaneous Revenue		0.0	(0.0)	0.0	0.0	0.0	0.0	0.0
496903 Miscellaneous Revenue		0.0	0.0	0.0	0.0	0.0	0.0	0.0
<b>130 Other Revenues</b>		<b>32,230.1</b>	<b>22,984.6</b>	<b>32,820.1</b>	<b>0.0</b>	<b>31,483.9</b>	<b>0.0</b>	<b>31,483.9</b>
<b>TOTAL REVENUE</b>		<b>32,230.1</b>	<b>22,984.6</b>	<b>32,820.1</b>	<b>0.0</b>	<b>31,483.9</b>	<b>0.0</b>	<b>31,483.9</b>

**S-9 Account Code Expenditure Summary**  
 (Dollars in Thousands)

	2023-24		2023-24		2024-25		2025-26		----- FY 2026 Agency Request -----	
	Opbud	Actuals	Opbud	PCF Proj	Base	Expansion	Total			
520000 Payroll	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0		
520100 Exempt Perm Positions P/T&F/T	2,804.6	2,773.4	2,794.9	2,855.9	2,936.9	0.0	2,936.9			
520300 Classified Perm Positions F/T	4,608.2	4,430.4	4,746.0	5,032.3	4,995.4	0.0	4,995.4			
520500 Temporary Positions F/T & P/T	0.0	2.5	0.0	0.0	0.0	0.0	0.0			
520600 Paid Unused Sick Leave	0.0	16.7	0.0	0.0	0.0	0.0	0.0			
520700 Overtime & Other Premium Pay	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
520800 Annl & Comp Paid At Separation	0.0	53.2	0.0	0.0	0.0	0.0	0.0			
521100 Group Insurance Premium	741.7	617.6	849.9	701.1	894.9	0.0	894.9			
521200 Retirement Contributions	1,386.1	1,352.7	1,401.8	1,523.1	1,486.5	0.0	1,486.5			
521300 F I C A	543.2	512.7	556.4	491.0	590.4	0.0	590.4			
521400 Workers' Comp Assessment Fee	0.0	0.8	0.9	0.0	0.9	0.0	0.9			
521410 GSD Work Comp Insur Premium	6.3	6.2	66.3	0.0	102.9	0.0	102.9			
521500 Unemployment Comp Premium	0.0	0.0	0.0	0.0	0.1	0.0	0.1			
521600 Employee Liability Ins Premium	64.4	54.4	57.1	0.0	62.6	0.0	62.6			
521700 RHC Act Contributions	147.9	141.8	149.6	159.6	158.6	0.0	158.6			
<b>200 Personal Services and Employee Benefits</b>	<b>10,302.4</b>	<b>9,972.5</b>	<b>10,622.9</b>	<b>10,862.9</b>	<b>11,229.2</b>	<b>0.0</b>	<b>11,229.2</b>			
530000 Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
535200 Professional Services	16,957.4	8,633.4	16,658.0	0.0	14,645.9	0.0	14,645.9			
535300 Other Services	162.0	139.1	194.0	0.0	154.0	0.0	154.0			
535309 Other Services - Interagency	0.3	0.4	0.3	0.0	0.3	0.0	0.3			
535400 Audit Services	130.2	129.9	142.8	0.0	149.9	0.0	149.9			
535500 Attorney Services	1,113.0	936.5	1,488.0	0.0	1,573.0	0.0	1,573.0			
535600 IT Services	1,637.1	1,280.6	1,516.9	0.0	1,476.9	0.0	1,476.9			
<b>300 Contractual services</b>	<b>20,000.0</b>	<b>11,119.9</b>	<b>20,000.0</b>	<b>0.0</b>	<b>18,000.0</b>	<b>0.0</b>	<b>18,000.0</b>			
540000 Other Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0			
542100 Employee I/S Mileage & Fares	3.0	2.2	3.5	0.0	3.5	0.0	3.5			
542200 Employee I/S Meals & Lodging	6.0	2.5	8.0	0.0	8.0	0.0	8.0			
542300 Brd & Comm Mbr Meals & Lodgin	4.0	1.2	4.0	0.0	9.0	0.0	9.0			
542310 Brd & Comm Mbr Mileage & Fares	2.0	1.8	2.0	0.0	2.5	0.0	2.5			
542500 Transp - Fuel & Oil	1.5	1.0	1.5	0.0	1.5	0.0	1.5			
542600 Transp - Parts & Supplies	0.5	0.1	0.5	0.0	0.5	0.0	0.5			
542700 Transp - Transp Insurance	0.2	0.0	0.0	0.0	0.0	0.0	0.0			

**Educational Retirement Board**  
**BU PCode Department**  
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**State of New Mexico**

**S-9 Account Code Expenditure Summary**  
 (Dollars in Thousands)

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	----- Base	----- Expansion	----- Total
542800 State Transp Pool Charges	8.5	8.5	9.2	0.0	11.3	0.0	11.3
543100 Maint - Grounds & Roadways	5.0	3.0	5.0	0.0	15.0	0.0	15.0
543200 Maint - Furn, Fixt, Equipment	12.0	0.1	12.0	0.0	12.0	0.0	12.0
543300 Maint - Buildings & Structures	15.7	11.9	15.7	0.0	15.7	0.0	15.7
543400 Maint - Property Insurance	26.4	26.2	29.4	0.0	26.6	0.0	26.6
543500 Maint - Supplies	5.0	5.6	5.0	0.0	7.5	0.0	7.5
543700 Maintenance Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
543820 Maintenance IT	0.0	1.1	0.0	0.0	1.1	0.0	1.1
543830 IT HWSW Agreements	676.0	623.9	738.4	0.0	805.6	0.0	805.6
544000 Supply Inventory IT	40.0	85.9	80.0	0.0	80.0	0.0	80.0
544100 Supplies-Office Supplies	17.5	13.7	25.0	0.0	20.0	0.0	20.0
544900 Supplies-Inventory Exempt	8.0	3.5	8.0	0.0	8.0	0.0	8.0
545600 Reporting & Recording	4.5	2.2	2.5	0.0	2.3	0.0	2.3
545609 Report/Record Inter St Agency	0.0	0.0	0.0	0.0	15.0	0.0	15.0
545700 ISD Services	212.7	118.9	114.3	0.0	154.1	0.0	154.1
545710 DOJT HCM Assessment Fees	29.8	29.8	32.8	0.0	31.9	0.0	31.9
545900 Printing & Photo Services	30.0	47.6	57.5	0.0	58.5	0.0	58.5
546000 Building Use Fee GSD	0.0	0.0	0.0	0.0	0.0	0.0	0.0
546100 Postage & Mail Services	53.6	157.2	60.0	0.0	60.0	0.0	60.0
546200 Bond Assurity for Employees	0.0	0.1	0.0	0.0	0.0	0.0	0.0
546310 Utilities - Sewer/Garbage	7.0	2.6	7.0	0.0	7.0	0.0	7.0
546320 Utilities - Electricity	32.0	15.0	32.0	0.0	32.0	0.0	32.0
546330 Utilities - Water	7.0	3.4	7.0	0.0	7.0	0.0	7.0
546340 Utilities - Natural Gas	4.0	2.0	4.0	0.0	4.0	0.0	4.0
546400 Rent Of Land & Buildings	178.2	150.9	165.0	0.0	95.0	0.0	95.0
546500 Rent Of Equipment	40.2	39.6	40.2	0.0	40.2	0.0	40.2
546600 Communications	19.5	12.1	19.5	0.0	4.5	0.0	4.5
546610 DOJT Telecommunications	124.0	137.8	153.9	0.0	141.2	0.0	141.2
546700 Subscriptions/Dues/License Fee	205.6	201.8	342.1	0.0	350.9	0.0	350.9
546800 Employee Training & Education	25.5	43.9	47.5	0.0	50.5	0.0	50.5
546810 Board Member Training	4.7	8.1	4.7	0.0	8.0	0.0	8.0
546900 Advertising	1.4	0.3	1.5	0.0	1.7	0.0	1.7
547105 Bank Fees/Services	4.5	5.4	4.5	0.0	11.0	0.0	11.0

**S-9 Account Code Expenditure Summary**  
 (Dollars in Thousands)

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	----- Base	----- Expansion	----- Total
547360 Insurance Premiums-non_payroll	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547900 Miscellaneous Expense	10.7	3.9	11.5	0.0	7.0	0.0	7.0
547999 Request to Pay Prior Year	0.0	3.2	0.0	0.0	0.0	0.0	0.0
549600 Employee O/S Mileage & Fares	33.0	46.9	51.0	0.0	51.1	0.0	51.1
549700 Employee O/S Meals & Lodging	61.0	55.0	80.0	0.0	81.0	0.0	81.0
549800 Bro & Comm O/S Mileage & Fares	3.5	5.4	3.5	0.0	5.0	0.0	5.0
549900 Bro & Comm O/S Meals & Lodgin	4.0	6.4	8.0	0.0	8.0	0.0	8.0
<b>400 Other</b>	<b>1,927.7</b>	<b>1,892.2</b>	<b>2,197.2</b>	<b>0.0</b>	<b>2,254.7</b>	<b>0.0</b>	<b>2,254.7</b>
<b>TOTAL EXPENSE</b>	<b>32,230.1</b>	<b>22,984.6</b>	<b>32,820.1</b>	<b>10,862.94</b>	<b>31,483.9</b>	<b>0.0</b>	<b>31,483.9</b>

Educational Retirement

BU PCode Department  
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S-9 Account Code Expenditure Summary  
(Dollars in Thousands)

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	FY 2026 Agency Request		Total
					Base	Expansion	
520000 Payroll	0.0	0.0	0.0	0.0	0.0	0.0	0.0
520100 Exempt Perm Positions P/T&F/T	2,804.6	2,773.4	2,794.9	2,955.9	2,936.9	0.0	2,936.9
520300 Classified Perm Positions F/T	4,608.2	4,430.4	4,746.0	5,032.3	4,995.4	0.0	4,995.4
520500 Temporary Positions F/T & P/T	0.0	2.5	0.0	0.0	0.0	0.0	0.0
520600 Paid Unused Sick Leave	0.0	16.7	0.0	0.0	0.0	0.0	0.0
520700 Overtime & Other Premium Pay	0.0	0.0	0.0	0.0	0.0	0.0	0.0
520800 Annl & Comp Paid At Separation	0.0	53.2	0.0	0.0	0.0	0.0	0.0
521100 Group Insurance Premium	741.7	617.6	849.9	701.1	894.9	0.0	894.9
521200 Retirement Contributions	1,386.1	1,362.7	1,401.8	1,523.1	1,486.5	0.0	1,486.5
521300 F I C A	543.2	512.7	556.4	491.0	590.4	0.0	590.4
521400 Workers' Comp Assessment Fee	0.0	0.8	0.9	0.0	0.9	0.0	0.9
521410 GSD Work Comp Insur Premium	6.3	6.2	66.3	0.0	102.9	0.0	102.9
521500 Unemployment Comp Premium	0.0	0.0	0.0	0.0	0.1	0.0	0.1
521600 Employee Liability Ins Premium	64.4	54.4	57.1	0.0	62.6	0.0	62.6
521700 RHC Act Contributions	147.9	141.8	149.6	159.6	158.6	0.0	158.6
<b>200 Personal Services and Employee</b>	<b>10,302.4</b>	<b>9,972.5</b>	<b>10,622.9</b>	<b>10,862.9</b>	<b>11,229.2</b>	<b>0.0</b>	<b>11,229.2</b>
530000 Contracts	0.0	0.0	0.0	0.0	0.0	0.0	0.0
535200 Professional Services	16,957.4	8,633.4	16,658.0	0.0	14,645.9	0.0	14,645.9
535300 Other Services	162.0	139.1	194.0	0.0	154.0	0.0	154.0
535309 Other Services - Interagency	0.3	0.4	0.3	0.0	0.3	0.0	0.3
535400 Audit Services	130.2	129.9	142.8	0.0	149.9	0.0	149.9
535500 Attorney Services	1,113.0	936.5	1,488.0	0.0	1,573.0	0.0	1,573.0
535600 IT Services	1,637.1	1,280.6	1,516.9	0.0	1,476.9	0.0	1,476.9
<b>300 Contractual services</b>	<b>20,000.0</b>	<b>11,119.9</b>	<b>20,000.0</b>	<b>0.0</b>	<b>18,000.0</b>	<b>0.0</b>	<b>18,000.0</b>
540000 Other Expenses	0.0	0.0	0.0	0.0	0.0	0.0	0.0
542100 Employee I/S Mileage & Fares	3.0	2.2	3.5	0.0	3.5	0.0	3.5
542200 Employee I/S Meals & Lodging	6.0	2.5	8.0	0.0	8.0	0.0	8.0
542300 Brd & Comm Mbr Meals & Lodgin	4.0	1.2	4.0	0.0	9.0	0.0	9.0
542310 Brd & Comm Mbr Mileage & Fares	2.0	1.8	2.0	0.0	2.5	0.0	2.5
542500 Transp - Fuel & Oil	1.5	1.0	1.5	0.0	1.5	0.0	1.5
542600 Transp - Parts & Supplies	0.5	0.1	0.5	0.0	0.5	0.0	0.5
542700 Transp - Transp Insurance	0.2	0.0	0.0	0.0	0.0	0.0	0.0
542800 State Transp Pool Charges	8.5	8.5	9.2	0.0	11.3	0.0	11.3

Educational Retirement

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S-9 Account Code Expenditure Summary  
(Dollars in Thousands)

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	----- Base	----- Expansion	----- Total
543100 Maint - Grounds & Roadways	5.0	3.0	5.0	0.0	15.0	0.0	15.0
543200 Maint - Furn, Fixt, Equipment	12.0	0.1	12.0	0.0	12.0	0.0	12.0
543300 Maint - Buildings & Structures	15.7	11.9	15.7	0.0	15.7	0.0	15.7
543400 Maint - Property Insurance	26.4	26.2	29.4	0.0	26.6	0.0	26.6
543500 Maint - Supplies	5.0	5.6	5.0	0.0	7.5	0.0	7.5
543700 Maintenance Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0
543820 Maintenance IT	0.0	1.1	0.0	0.0	1.1	0.0	1.1
543830 IT HW/SW Agreements	676.0	623.9	738.4	0.0	805.6	0.0	805.6
544000 Supply Inventory IT	40.0	85.9	80.0	0.0	80.0	0.0	80.0
544100 Supplies-Office Supplies	17.5	13.7	25.0	0.0	20.0	0.0	20.0
544900 Supplies-Inventory Exempt	8.0	3.5	8.0	0.0	8.0	0.0	8.0
545600 Reporting & Recording	4.5	2.2	2.5	0.0	2.3	0.0	2.3
545609 Report/Record Inter St Agency	0.0	0.0	0.0	0.0	15.0	0.0	15.0
545700 ISD Services	212.7	118.9	114.3	0.0	154.1	0.0	154.1
545710 DOIT HCM Assessment Fees	29.8	29.8	32.8	0.0	31.9	0.0	31.9
545900 Printing & Photo Services	30.0	47.6	57.5	0.0	58.5	0.0	58.5
546000 Building Use Fee GSD	0.0	0.0	0.0	0.0	0.0	0.0	0.0
546100 Postage & Mail Services	53.6	157.2	60.0	0.0	60.0	0.0	60.0
546200 Bond Assurity for Employees	0.0	0.1	0.0	0.0	0.0	0.0	0.0
546310 Utilities - Sewer/Garbage	7.0	2.6	7.0	0.0	7.0	0.0	7.0
546320 Utilities - Electricity	32.0	15.0	32.0	0.0	32.0	0.0	32.0
546330 Utilities - Water	7.0	3.4	7.0	0.0	7.0	0.0	7.0
546340 Utilities - Natural Gas	4.0	2.0	4.0	0.0	4.0	0.0	4.0
546400 Rent Of Land & Buildings	178.2	150.9	165.0	0.0	95.0	0.0	95.0
546500 Rent Of Equipment	40.2	39.6	40.2	0.0	40.2	0.0	40.2
546600 Communications	19.5	12.1	19.5	0.0	4.5	0.0	4.5
546610 DOIT Telecommunications	124.0	137.8	153.9	0.0	141.2	0.0	141.2
546700 Subscriptions/Dues/License Fee	205.6	201.8	342.1	0.0	350.9	0.0	350.9
546800 Employee Training & Education	25.5	43.9	47.5	0.0	50.5	0.0	50.5
546810 Board Member Training	4.7	8.1	4.7	0.0	8.0	0.0	8.0
546900 Advertising	1.4	0.3	1.5	0.0	1.7	0.0	1.7
547105 Bank Fees/Services	4.5	5.4	4.5	0.0	11.0	0.0	11.0
547360 Insurance Premiums-non_payroll	0.0	0.0	0.0	0.0	0.0	0.0	0.0
547900 Miscellaneous Expense	10.7	3.9	11.5	0.0	7.0	0.0	7.0

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S-9 Account Code Expenditure Summary  
(Dollars in Thousands)

	2023-24 Opbud	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	----- Base	FY 2026 Agency Request Expansion	----- Total
547999 Request to Pay Prior Year	0.0	3.2	0.0	0.0	0.0	0.0	0.0
549600 Employee Q/S Mileage & Fares	33.0	46.9	51.0	0.0	51.1	0.0	51.1
549700 Employee O/S Meals & Lodging	61.0	55.0	80.0	0.0	81.0	0.0	81.0
549800 Brd & Comm O/S Mileage & Fares	3.5	5.4	3.5	0.0	5.0	0.0	5.0
549900 Brd & Comm O/S Meals & Lodgin	4.0	6.4	8.0	0.0	8.0	0.0	8.0
<b>400 Other</b>	<b>1,927.7</b>	<b>1,892.2</b>	<b>2,197.2</b>	<b>0.0</b>	<b>2,254.7</b>	<b>0.0</b>	<b>2,254.7</b>
<b>TOTAL EXPENSE</b>	<b>32,230.1</b>	<b>22,984.6</b>	<b>32,820.1</b>	<b>10,862.94</b>	<b>31,483.9</b>	<b>0.0</b>	<b>31,483.9</b>

Fund	Account	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	FY 2026 Agency Request			Total	Justification
					GF	OSF	ISF/IAT		
00000	520100	0.0	0.0	124.55	0.0	0.0	0.0	0.0	
00000	520300	0.0	0.0	108.82	0.0	0.0	0.0	0.0	
00000	521100	0.0	0.0	17.01	0.0	0.0	0.0	0.0	
00000	521200	0.0	0.0	65.27	0.0	0.0	0.0	0.0	
00000	521300	0.0	0.0	14.36	0.0	0.0	0.0	0.0	
00000	521700	0.0	0.0	7.94	0.0	0.0	0.0	0.0	
60500	520000	0.0	0.0	0	0.0	0.0	0.0	0.0	
60500	520100	2,773.4	2,794.9	2,831.4	0.0	2,936.9	0.0	2,936.9	
60500	520300	4,430.4	4,746.0	4,923.44	0.0	4,995.4	0.0	4,995.4	
60500	520500	2.5	0.0	0	0.0	0.0	0.0	0.0	
60500	520600	16.7	0.0	0	0.0	0.0	0.0	0.0	
60500	520700	0.0	0.0	0	0.0	0.0	0.0	0.0	
60500	520800	53.2	0.0	0	0.0	0.0	0.0	0.0	
60500	521100	617.6	849.9	684.07	0.0	894.9	0.0	894.9	
60500	521200	1,362.7	1,401.8	1,457.82	0.0	1,486.5	0.0	1,486.5	
60500	521300	512.7	556.4	476.64	0.0	590.4	0.0	590.4	
60500	521400	0.8	0.9	0	0.0	0.9	0.0	0.9	
60500	521410	6.2	66.3	0	0.0	102.9	0.0	102.9	
60500	521500	0.0	0.0	0	0.0	0.1	0.0	0.1	
60500	521600	54.4	57.1	0	0.0	62.6	0.0	62.6	
60500	521700	141.8	149.6	151.62	0.0	158.6	0.0	158.6	
200	Personal Services and Employee Bene	9,972.5	10,622.9	10,862.94	0.0	11,229.2	0.0	11,229.2	
60500	540000	0.0	0.0	0	0.0	0.0	0.0	0.0	
60500	542100	2.2	3.5	0	0.0	3.5	0.0	3.5	
60500	542200	2.5	8.0	0	0.0	8.0	0.0	8.0	
60500	542300	1.2	4.0	0	0.0	4.0	0.0	4.0	
60500	542310	1.8	2.0	0	0.0	2.5	0.0	2.5	
60500	542500	1.0	1.5	0	0.0	1.5	0.0	1.5	
60500	542600	0.1	0.5	0	0.0	0.5	0.0	0.5	
60500	542800	8.5	9.2	0	0.0	11.3	0.0	11.3	
60500	543100	3.0	5.0	0	0.0	15.0	0.0	15.0	
60500	543200	0.1	12.0	0	0.0	12.0	0.0	12.0	
60500	543300	11.9	15.7	0	0.0	15.7	0.0	15.7	

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E4 PCode Detail  
(Dollars in Thousands)

Fund	Account	2023-24 Actuals	2024-25 Oppbud	2025-26 PCF Proj	FY 2026 Agency Request				Total	Justification
					GF	OSF	ISF/IAT	FF		
60500	543400	26.2	29.4	0	0.0	26.6	0.0	0.0	26.6	
60500	543500	5.6	5.0	0	0.0	7.5	0.0	0.0	7.5	
60500	543820	1.1	0.0	0	0.0	1.1	0.0	0.0	1.1	
60500	543830	623.9	738.4	0	0.0	805.6	0.0	0.0	805.6	
60500	544000	85.9	80.0	0	0.0	80.0	0.0	0.0	80.0	
60500	544100	13.7	25.0	0	0.0	20.0	0.0	0.0	20.0	
60500	544900	3.5	8.0	0	0.0	8.0	0.0	0.0	8.0	
60500	545600	2.2	2.5	0	0.0	2.3	0.0	0.0	2.3	
60500	545609	0.0	0.0	0	0.0	15.0	0.0	0.0	15.0	
60500	545700	118.9	114.3	0	0.0	154.1	0.0	0.0	154.1	
60500	545710	29.8	32.8	0	0.0	31.9	0.0	0.0	31.9	
60500	545900	47.6	57.5	0	0.0	58.5	0.0	0.0	58.5	
60500	546000	0.0	0.0	0	0.0	0.0	0.0	0.0	0.0	
60500	546100	157.2	60.0	0	0.0	60.0	0.0	0.0	60.0	
60500	546200	0.1	0.0	0	0.0	0.0	0.0	0.0	0.0	
60500	546310	2.6	7.0	0	0.0	7.0	0.0	0.0	7.0	
60500	546320	15.0	32.0	0	0.0	32.0	0.0	0.0	32.0	
60500	546330	3.4	7.0	0	0.0	7.0	0.0	0.0	7.0	
60500	546340	2.0	4.0	0	0.0	4.0	0.0	0.0	4.0	
60500	546400	150.9	165.0	0	0.0	95.0	0.0	0.0	95.0	
60500	546500	39.6	40.2	0	0.0	40.2	0.0	0.0	40.2	
60500	546600	12.1	19.5	0	0.0	4.5	0.0	0.0	4.5	
60500	546610	137.8	153.9	0	0.0	141.2	0.0	0.0	141.2	
60500	546700	201.8	342.1	0	0.0	350.9	0.0	0.0	350.9	
60500	546800	43.9	47.5	0	0.0	50.5	0.0	0.0	50.5	
60500	546810	8.1	4.7	0	0.0	8.0	0.0	0.0	8.0	
60500	546900	0.3	1.5	0	0.0	1.7	0.0	0.0	1.7	
60500	547105	5.4	4.5	0	0.0	11.0	0.0	0.0	11.0	
60500	547900	3.9	11.5	0	0.0	7.0	0.0	0.0	7.0	
60500	547999	3.2	0.0	0	0.0	0.0	0.0	0.0	0.0	
60500	548600	46.9	51.0	0	0.0	51.1	0.0	0.0	51.1	
60500	549700	55.0	80.0	0	0.0	81.0	0.0	0.0	81.0	
60500	549800	5.4	3.5	0	0.0	5.0	0.0	0.0	5.0	
60500	549900	6.4	8.0	0	0.0	8.0	0.0	0.0	8.0	

Educational Retirement

BU PCode  
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State of New Mexico

**E4 PCode Detail**  
(Dollars in Thousands)

Fund Account	2023-24 Actuals	2024-25 Opbud	2025-26 PCF Proj	FY 2026 Agency Request				Total	Justification
				GF	OSF	ISF/IAT	FF		
400 Other	1,892.2	2,197.2	0	0.0	2,254.7	0.0	0.0	2,254.7	
TOTAL EXPENSE	11,864.7	12,820.1		0.0	13,483.9	0.0	0.0	13,483.9	

Educational Retirement

State of New Mexico

Contract by PCode Detail

BU PCode  
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(Dollars in Thousands)

Fund	Account	#	Contract Purpose	Actuals	FY 2026 Agency Request					Total	Justification
					GF	OSF	IS/IIAT	FF			
60500	535200	1000	Professional Services	8,633.4	0.0	0.0	0.0	0.0	0.0	0.0	
60500	535200	1001	Investment Services	0.0	0.0	117.8	0.0	0.0	0.0	117.8	Banner Ridge
60500	535200	1002	Investment services	0.0	0.0	265.0	0.0	0.0	0.0	265.0	BlackRock Institutional (EAFE)
60500	535200	1003	Investment Services	0.0	0.0	210.0	0.0	0.0	0.0	210.0	BlackRock Financial (Aladdin)
60500	535200	1004	Investment Services	0.0	0.0	315.0	0.0	0.0	0.0	315.0	Bloomberg
60500	535200	1005	Investment Services	0.0	0.0	2,126.3	0.0	0.0	0.0	2,126.3	Brookfield
60500	535200	1006	Investment Services	0.0	0.0	555.0	0.0	0.0	0.0	555.0	Caledon
60500	535200	1007	Investment Services	0.0	0.0	7.5	0.0	0.0	0.0	7.5	DTCC
60500	535200	1008	Investment Services	0.0	0.0	2.0	0.0	0.0	0.0	2.0	FTSE
60500	535200	1009	Investment Services	0.0	0.0	555.0	0.0	0.0	0.0	555.0	Hamilton Lane
60500	535200	1010	Investment Services	0.0	0.0	580.0	0.0	0.0	0.0	580.0	Harvest
60500	535200	1011	Investment Services	0.0	0.0	7.5	0.0	0.0	0.0	7.5	ILPA
60500	535200	1012	Investment Services	0.0	0.0	125.0	0.0	0.0	0.0	125.0	Institutional Shareholders Class Action filing & Proxy Research
60500	535200	1013	Investment Services	0.0	0.0	2.0	0.0	0.0	0.0	2.0	Intercontinental Exchange Holdings
60500	535200	1014	Investment Services	0.0	0.0	700.2	0.0	0.0	0.0	700.2	NEPC Strategic Planning & Performance measures
60500	535200	1015	Investment services	0.0	0.0	1.9	0.0	0.0	0.0	1.9	New York Stock Exchange
60500	535200	1016	Investment services	0.0	0.0	265.0	0.0	0.0	0.0	265.0	Parametric
60500	535200	1017	Investment services	0.0	0.0	50.4	0.0	0.0	0.0	50.4	Pitchbook
60500	535200	1018	Investment services	0.0	0.0	64.0	0.0	0.0	0.0	64.0	Standard & Poor's 400 & 500 Index
60500	535200	1019	Investment services	0.0	0.0	115.0	0.0	0.0	0.0	115.0	Top Tier
60500	535200	1020	Investment services	0.0	0.0	3,675.0	0.0	0.0	0.0	3,675.0	UBS
60500	535200	1021	Investment services	0.0	0.0	1,517.5	0.0	0.0	0.0	1,517.5	State Street
60500	535200	1022	Training	0.0	0.0	50.0	0.0	0.0	0.0	50.0	Training
60500	535200	1023	Investment Services	0.0	0.0	2,592.1	0.0	0.0	0.0	2,592.1	Unassigned
60500	535200	1025	Internal Audit	0.0	0.0	200.0	0.0	0.0	0.0	200.0	REDW
60500	535200	1026	Actuaries	0.0	0.0	215.0	0.0	0.0	0.0	215.0	GRS
60500	535200	1027	Hosting & website support	0.0	0.0	12.0	0.0	0.0	0.0	12.0	Real Time Solutions
60500	535200	1028	Digitizing	0.0	0.0	25.0	0.0	0.0	0.0	25.0	IT Professional Services
60500	535200	1029	External Financial Auditing	0.0	0.0	65.3	0.0	0.0	0.0	65.3	Borruel LLC
60500	535200	1030	External Financial Auditing	0.0	0.0	64.4	0.0	0.0	0.0	64.4	Geraldine Mascarenas
60500	535200	1031	Data Cleansing	0.0	0.0	65.0	0.0	0.0	0.0	65.0	Kathy Webb

Educational Retirement

State of New Mexico

BU PCode  
35200 P635

Contract by PCode Detail  
(Dollars in Thousands)

Fund	Account	#	Contract Purpose	Actuals	FY 2026 Agency Request				Total	Justification
					GF	OSF	ISF/IAT	FF		
60500	535200 Professional Services	1032	disability retirement reviews	0.0	0.0	100.0	0.0	0.0	100.0	MMRO
60500	535300 Other Services	1000		139.1	0.0	0.0	0.0	0.0	0.0	
60500	535300 Other Services	1037	Recording services for board and committee meetings	0.0	0.0	22.0	0.0	0.0	22.0	Judith Beatty
60500	535300 Other Services	1038	Janitorial & Shredding Services	0.0	0.0	37.0	0.0	0.0	37.0	Work Quest
60500	535300 Other Services	1039	Burglar & Fire alarm services	0.0	0.0	4.0	0.0	0.0	4.0	ADT Security Corp
60500	535300 Other Services	1040	Nightly security patrols	0.0	0.0	9.0	0.0	0.0	9.0	Independent Security Services
60500	535300 Other Services	1041	Temp employees	0.0	0.0	62.0	0.0	0.0	62.0	Hirequest
60500	535300 Other Services	1042	court reporting services	0.0	0.0	20.0	0.0	0.0	20.0	Cumbre Court Reporting
60500	535309 Other Services - Interagency	1000		0.4	0.0	0.0	0.0	0.0	0.0	
60500	535309 Other Services - Interagency	1043	Background Checks	0.0	0.0	0.3	0.0	0.0	0.3	NM DPS
60500	535400 Audit Services	1000		129.9	0.0	0.0	0.0	0.0	0.0	
60500	535400 Audit Services	1044	Financial and compliance audit	0.0	0.0	149.9	0.0	0.0	149.9	Moss Adams
60500	535500 Attorney Services	1000		936.5	0.0	0.0	0.0	0.0	0.0	
60500	535500 Attorney Services	1023	Investment services	0.0	0.0	1,155.0	0.0	0.0	1,155.0	Foster Garvy
60500	535500 Attorney Services	1024	Investment services	0.0	0.0	210.0	0.0	0.0	210.0	K&L Gates
60500	535500 Attorney Services	1033	Hearing Officer	0.0	0.0	20.0	0.0	0.0	20.0	Monica Ontiveros
60500	535500 Attorney Services	1034	Legal counsel for pension tax and fiduciary law matters	0.0	0.0	60.0	0.0	0.0	60.0	Groom Law
60500	535500 Attorney Services	1035	Agency Representative in civil cases	0.0	0.0	64.0	0.0	0.0	64.0	Miller Stratvert
60500	535500 Attorney Services	1036	Legal advice and counsel	0.0	0.0	64.0	0.0	0.0	64.0	Peifer Hanson Mullins & Baker PA
60500	535600 IT Services	1000		1,280.6	0.0	0.0	0.0	0.0	0.0	
60500	535600 IT Services	1045	Support for Agency's V3 browser software	0.0	0.0	1,066.9	0.0	0.0	1,066.9	Vitech Systems
60500	535600 IT Services	1046	Amazon Web Services Cloud environment	0.0	0.0	310.0	0.0	0.0	310.0	Carahsoft Technology
60500	535600 IT Services	1047	Digitizing Services	0.0	0.0	100.0	0.0	0.0	100.0	
<b>TOTAL EXPENSE</b>				<b>11,119.9</b>	<b>0.0</b>	<b>18,000.0</b>	<b>0.0</b>	<b>0.0</b>	<b>18,000.0</b>	

## Annual Performance Report

### Agency: 35200 Educational Retirement Board

#### Program: P635 Educational Retirement

The purpose of the educational retirement program is to provide secure retirement benefits to active and retired members so they can have secure monthly benefits when their careers are finished.

Performance Measures:		2023-24 Target	2023-24 Result	Met Target	Year End Result Narrative
Explanatory	Five-year performance ranking in a national peer survey of public plans	N/A	18%	N/A	Exceeded target (1st is the best, 100th the worst).
Explanatory	Number of basis points that five-year annualized investment return differs from board-approved reference portfolio benchmark	N/A	809.00	N/A	Exceeded target by 40 basis points (bps) per annum.
Explanatory	Number of basis points that ten-year annualized investment return differs from board-approved reference portfolio benchmark	N/A	741.00	N/A	Exceeded target by 35 bps per annum.
Explanatory	Ten-year performance ranking in a national peer survey of public plans	N/A	11%	N/A	Exceeded target (1st is the best, 100th the worst).
Outcome	Average rate of net return over the last five years	7.00%	8.09%	Yes	Exceeded target.
Outcome	Average rate of net return over the last ten years	7.00%	7.41%	Yes	Exceeded target.
Outcome	Funding period of unfunded actuarial accrued liability, in years	30	TBD	No	The FY24 Actuarial Valuation Report will not be available until the end of October 2024, the number provided here is from FY23.
Quality	Percent of member satisfaction with seminars and trainings	0	Discont	Yes	This measure was discontinued.

## Performance Measures Summary

**P635 Educational Retirement**

**Purpose:** The purpose of the educational retirement program is to provide secure retirement benefits to active and retired members so they can have secure monthly benefits when their careers are finished.

Performance Measures:		2022-23 Actual	2023-24 Actual	2024-25 Budget	2025-26 Request	2025-26 Recomm
Quality	Percent of member satisfaction with seminars and trainings	97%	Discont	Discont	Discont	
Outcome	Average rate of net return over the last five years	7.8%	8.1%	7.0%	7.0%	
Outcome	Funding period of unfunded actuarial accrued liability, in years	27	TBD	30	30	
Outcome	Average rate of net return over the last ten years	8.0%	7.4%	7.0%	7.0%	
Explanatory	Number of basis points that five-year annualized investment return differs from board-approved reference portfolio benchmark	54.00	809.00	N/A	N/A	
Explanatory	Number of basis points that ten-year annualized investment return differs from board-approved reference portfolio benchmark	48.00	741.00	N/A	N/A	
Explanatory	Ten-year performance ranking in a national peer survey of public plans	12%	11%	N/A	N/A	
Explanatory	Five-year performance ranking in a national peer survey of public plans	6%	18%	N/A	N/A	



# **FY24-FY26 Strategic Plan**

**Updated: August 16, 2024**

## Executive Summary

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The New Mexico Educational Board (NMERB) strategic plan lists a set of goals and measurable objectives that will be used to guide the organization over the course of the next three years based on measurable objectives of our performance. These measures will vary by department, reporting frequency, and may evolve to accommodate changes or enhancements to our business processes. This will allow us to accommodate external factors beyond the organization's control, while grounded in sound principals that will guide our approach to the universe of possibilities affecting pension programs.

### **Vision Statement**

To be an effective and trusted manager of New Mexico's Educational retirement system.

### **Mission Statement**

Providing secure retirement benefits for New Mexico's educational employees – past, present, and future.

### **Values**

Innovation, Integrity, Quality, Respect, Service, Stewardship, Transparency

## Overview

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The Educational Retirement Act was passed in 1957 following efforts to create a public pension plan. Beginning in the early 1920s, with first serious efforts taking place in 1925 when Governor Arthur Hannett and the Legislature passed House Bill 178, An Act Relating to the Retirement of Faculty Members in State Educational Institutions and Providing for the Payment of Annuities. This marked the beginning of what is now the present-day New Mexico Educational Retirement Board.

The agency is governed by a nine-member Board of Directors ("the Board") consisting of the following:

- Secretary of Education, or designee of the Secretary
- State Treasurer
- A member elected by the New Mexico Association of Educational Retirees (4-year term)
- A member elected by the National Education Association of New Mexico (4-year term)
- A member elected by the New Mexico Association of University Professors (4-year term)
- Two members appointed by the Governor (4-year term)
- A member elected by the American Federation of Teachers New Mexico (4-year term)
- Secretary of Higher Education, or designee of the Secretary

The Educational Retirement Board has grown to provide pension benefits to all public education employees subject to the Educational Retirement Act. Employer groups include 220 charter schools, public schools, state agencies, universities and colleges, and special schools.

## Agency Programs

Executive Leadership  
Administrative Services  
Member Services  
Information Technology Services  
Investments  
Communications  
Legal Services

### Significant Challenges

- Inflation and market volatility
- National and geopolitical tensions
- Future plan participation
- Recruitment and retention of qualified staff
- Succession planning
- Pressure to pursue alternative pension arrangements
- Changes to future funding streams
- Internal communication – organizational changes, personnel transactions, policies, procedures, and guidelines
- External communication – rules, deadlines, benefit explanation, establishing expectations

### Agencywide Goals

1. Financial Integrity & Good Governance
2. Meet Member Expectations
3. Technological Innovation
4. Organizational Strength

### FY24-26 Strategic Priorities

- Implementation of new Pension Administration System (PAS)
- Construction of new central office complex
- Recruitment and retention of qualified personnel
- Compliance with reporting requirements contained in GASB Statements 25, 53, 67, 68, 87 and 72
- Continuous improvement to the funded ratio of the Trust Fund
- Implementation of internal audit recommendations
- Board member training and education
- Employee training and education

## Internal and External Assessments

---

### **Financial Integrity & Good Governance**

- Is the program on track to achieve full funding within 30-years?
- Are investments meeting performance targets?
- Is NMERB recognized as an upholder of good governance standards?
- Is NMERB leadership competent and recognized for their management efforts?
- Is NMERB transparent and accountable?

### **Meet Member Expectations**

- Do Members, Employers and general public understand the value of NMERB benefits?
- Do Members feel respected and listened to when communicating with our office?
- Are we providing Members with timely and accurate information?
- Are stakeholder relationships healthy and productive?
- Are Board Members and staff knowledgeable about challenges and issues facing NMERB?
- Are Members engaged and educated on their NMERB benefits, and prepared for retirement?
- Are we reducing the number of inactive accounts?

### **Technological Innovation**

- Are current IT issues being addressed in a timely manner?
- Is our IT network meeting the needs of our staff? Is it safe and secure?
- Is the implementation of a new Pension Administration System on time and on budget?
- Does our new Pension Administration System meet our business needs?
- Are Members able to securely access, update and make changes to their accounts?
- Are Members utilizing the online tools being made available for them?

### **Organizational Strength**

- Are the Board Members engaged, well-trained and active?
- Is NMERB recruiting and retaining a highly trained workforce?
- Is NMERB evolving its workforce needs i.e., training, education, scheduling & flexibility?
- Do NMERB's facilities and office space meet the needs of its workforce?

## Measures

### Executive Leadership

Department Mission: To effectively administer the Educational Retirement Act and to support an environment that facilitates employee achievement and satisfaction.

Measure	FY24 Target	FY24 Actual	FY25 Target	FY26 Target
1 Percent of agency goals met	100	83	100	100
2 Number of days to fill vacant positions	<30	28.25	<30	<30
3 Average agency vacancy rate	<10%	6%	<10%	<10%
4 Percent of employees meeting mandatory training requirements	100	100	100	100
5 Funding period of unfunded actuarial accrued liability, in years	<30	26	<30	<30

### Administrative Services

Department Mission: To provide comprehensive financial and administrative support to all stakeholders and comply with all state, federal and GASB reporting requirements.

Measure	FY24 Target	FY24 Actual	FY25 Target	FY26 Target
1 Percent of prior year audit findings resolved	100	NA	100	100
2 Percent of payments made within thirty days of receipt of invoice	100	98	100	100
3 Percent of major fund reconciliations completed within twenty-one days after the official closing of the books each quarter	100	90	100	100
4 Number of internal trainings completed	3	4	4	4

### Member Services

Department Mission: To provide quality customer service.

Measure	FY24 Target	FY24 Actual	FY25 Target	FY26 Target
1 Average speed to answer incoming calls	<5 min	7.2	<5 min	<5 min
2 Number of inactive accounts eliminated	500	4970	5000	5000
3 Percent of calls handled during initial call	>75%	83%	>85%	>85%
4 Number of in-person appointments	5,500	6,889	7,000	7,000
5 Number of virtual appointments	600	595	600	600

### Information Technology Services

Department Mission: To provide safe and reliable computing resources to all aspects of the organization.

Measure	FY24 Target	FY24 Actual	FY25 Target	FY26 Target
1 Average number of days to resolve help desk tickets	<2	2.2	<2	<2
2 Number of security breaches	0	0	0	0
3 Compliance w/PAS implementation timeline	100%	100%	100%	100%
4 Network downtime	<0.5%	0.05%	<0.5%	<0.5%

## Investments

Department Mission: Manage investment portfolio in accordance with Board approved parameters based on balanced approach between risk and return.

Measure	FY24 Target	FY24 Actual	FY25 Target	FY26 Target
1 Five-year annualized investment returns to meet or exceed board approved reference portfolio benchmark, in basis points	>=Benchmark Index	40	>=Benchmark Index	>=Benchmark Index
2 Five-year performance ranking in national peer survey of public plans	<=50th	18th	<=50th	<=50th
3 Ten-year performance investment returns to meet or exceed board approved reference portfolio benchmark, in basis points	>=Benchmark Index	35	>=Benchmark Index	>=Benchmark Index
4 Ten-year performance ranking in a national peer survey of public plans	<=50th	11th	<=50th	<=50th
5 Average rate of net return over the last five years	7.00%	8.09%	7.00%	7.00%
6 Average rate of net return over the last ten years	7.00%	7.41%	7.00%	7.00%

## Communications

Department Mission: To provide relevant, timely and helpful information to internal and external stakeholders.

Measure	FY24 Target	FY24 Actual	FY25 Target	FY26 Target
1 Number of Member and Retiree seminars attended	20	27	25	25
2 Number of NMERB initiated communication pieces ie., newsletters, fliers, Facebook	24	18	20	20
3 Number of members registered with retirement account	400	10,584	3,000	3,000

## Legal Services

Department Mission: To provide timely and accurate legal advice and analysis to agency leadership.

Measure	FY24 Target	FY24 Actual	FY25 Target	FY26 Target
1 Percent of fiscal impact reports completed within 24 hours of receipt	100	100	100	100
2 Number of days to review/approval contracts	2	2	2	2
3 Percent of independent contractor applications reviewed/approved within 3 days	100	94	100	100



**New Mexico Educational Retirement Board**

**FY26 IT STRATEGIC PLAN**

**September 3, 2024**

**Kevin Swinson, M.B.A.**  
**Chief Information Officer**

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# EXECUTIVE SUMMARY

The Educational Retirement Act was passed in 1957 following efforts to create a public pension plan beginning in the early 1920s, with the first serious efforts taking place in 1925 when Governor Arthur Hannett and the Legislature passed House Bill 178, an Act Relating to the Retirement of Faculty Members in State Educational Institutions and Providing for the Payment of Annuities Thereo – marking the beginning of the present-day New Mexico Educational Retirement Board (NMERB).

The Educational Retirement Board has grown to provide pension benefits to all public education employees subject to the Educational Retirement Act. Employer groups include 220 charter schools, public schools, state agencies, universities and colleges, and special schools. As of 2024, NMERB has more than 60,000 active members, 54,000 pension recipients with more than \$1.3 billion total pension benefits paid annually.

This IT Strategic Plan aligns with the New Mexico Educational Retirement Board's overall strategic plan and strategic priorities. Our certified project for the Pension Administration System (PAS) is a priority for the next three (3) years. We will continue to maintain a strong IT environment focusing on the daily tasks to support NMERB staff and our members.

## I. AGENCY OVERVIEW

### A. AGENCY MISSION

Providing secure retirement benefits for New Mexico's educational employees – past, present, and future.

### B. AGENCY GOALS

NMERB's strategic goals are 1) financial integrity and good governance, 2) meet member expectations, 3) technological innovation, and 4) organizational strength.

### C. VISION AND PRIORITIES

To be an effective and trusted manager of New Mexico's educational retirement system.

NMERB's priorities include the following:

- Implementation of the new Pension Administration System
- Design and construction of the new central office complex
- Recruitment and retention of qualified personnel
- Compliance with reporting requirements contained in Government Accounting Standards Board (GASB) requirements
- Continuous improvement to the funded ratio of the Trust Fund
- Implementation of internal audit recommendations
- Board member training and education
- Employee training and education

## **D. AGENCY DESCRIPTION AND ORGANIZATION STRUCTURE**

NMERB is organized as the Educational Retirement Program in the General Appropriation Act to provide secure retirement benefits to active and retired members so they can have secure monthly benefits when their careers are finished.

To support the program, NMERB has 91 FTE located in 2 office locations in Santa Fe and 1 office in Albuquerque. Appendix A-I reflects the current organizational structure, and Appendix A-II illustrates the operational areas and classifications.

## **II. IT ENVIRONMENT**

### **1. Major Applications**

NMERB administers a pension administration application for its day-to-day operations in meeting the needs of its members and the educational employer community. The primary Pension Administration System (PAS) is Vitech V3 (“Browser”). This application is supported by Oracle Database Solutions that are now end-of-life and will be phased out over the next 3 years.

The replacement application will be developed and supported by Telus Health. The new system is a Software as a Service (SaaS) solution. This project kicked-off in mid-July 2023 (FY24), with an estimated completion date of June 30, 2027.

### **2. Infrastructure**

NMERB’s IT infrastructure consists of virtual desktops running on Dell Wyse units. Our goal is to standardize end-user devices to Workspaces running on the same physical Wyse units in Amazon Web Services (AWS).

All PAS critical server infrastructure has been migrated into AWS. Current PAS architecture in AWS provides the agency with resiliency of the primary application as depicted in the image below.



#### 4. Agency IT Certified Projects

NMERB administers one certified project “Pension Administration System (PAS) Modernization project” to meet the agency’s goals and strategic priority for procurement and implementation of a new PAS system. This certified project was based on recommendations from the Business Process Improvement project completed in FY22.

PROJECT NAME	
Project Description	The PAS modernization project is a multi-year phased project to modernize the existing PAS and improve its existing business processes. There are multiple vendors for the modernization effort including: 1) Project Management/Organizational Change Management, 2) IV&V, and 3) Data Cleansing and Conversion.
Estimated Project Costs	\$30,500,000
Current Funding	\$14,548,444
Certified Project Phase	Implementation
Estimated Completion	FY27
Strategic Priority	Implementation of new Pension Administration System

**TABLE II.1: Current Certified IT Projects**

#### 5. Workforce

##### A. Full Time Employees

Currently, NMERB has 91 authorized FTE and 2 vacancies. In FY24, NMERB hired an IT Project Manager, 2 Business Analysts, and 2 End User Support staff. NMERB has also recently hired a new Security and Compliance Analyst.

##### B. IT Professional Services Contractors

NMERB is currently in partnership with Vitec to administer and support its current Pension Administration System. Vitech owns the PAS V3 Browser and provides ongoing support and maintenance.

Partners for the PAS Modernization project are.

- 1) Telus Health – Implementation of new system as SaaS including Azure DevOps software development, testing, and quality assurance.
- 2) Segal – Project Management/Organizational Change Management
- 3) Managed Business Solutions (MBS) – Data analysis and cleansing
- 4) NTT Data State Health Consulting, LLC – Independent Verification and Validation

##### Challenges

As the PAS Modernization Project progresses, NMERB anticipates challenges with the recruitment and retention of staff combined with staff augmentation. Specifically, NMERB is concerned with the loss of institutional knowledge as staff members retire. Other challenges

include providing professional development opportunities for staff to gain skills relevant to the current IT practices, such as data analysis, IT cloud computing, IT automation, Agile project management, and DevOps.

### III. FY24 KEY ACCOMPLISHMENTS

#### A. FY24 STRATEGIC IT ACCOMPLISHMENTS

<b>STRATEGIC PRIORITY 1 – Process Improvements - PAS Modernization Project</b>	
<b>Identify areas of improvement and leverage technology</b>	
<b>FY24 Strategy 1</b>	Initiation of the PAS Modernization Project in July 2023 (FY24)
Accomplishments	DoIT Certification of Initiation/Planning phase. Funds released for the second year of project.
Outcomes/Metrics	Review and acceptance of deliverables by NMERB, IV&V, & PCC / TARC Project is currently On-Time, On-Budget, On-Track.
<b>FY24 Strategy 2</b>	Data Analysis and Cleansing
Accomplishments	On Track with all Data Cleansing and Data Mapping
Outcomes/Metrics	CDR's 1 – 5 completed, Tracking of Vitech to Telus Status and Count scorecards. Review and acceptance of deliverables by NMERB, IV&V, & PCC / TARC
<b>FY24 Strategy 3</b>	IT Infrastructure Initiatives – Retire legacy hardware from Simms and OSO data centers
Accomplishments	NMERB has retired all legacy hardware, The agency is no longer in Simms or OSO data centers. NMERB left a half-rack for potential future build out if needed.
Outcomes/Metrics	All NMERB Systems now on AWS, NMERB staff build skillset in AWS environments to improve depth of bench.

<b>STRATEGIC PRIORITY 2 – Cybersecurity &amp; Staff Development</b>	
<b>STRATEGY STATEMENT – Monitor and mitigate vulnerabilities in agency environment. Encourage staff development in knowledge, skills and abilities.</b>	
<b>FY24 Strategy 1</b>	Conduct monthly, quarterly, and annual network security testing and audits.
Accomplishments	Agency and third-party vendor have successfully conducted the outlined cadence of testing and audits.

Outcomes/Metrics	Agency staff continue to take mitigating actions on quarterly scanning and annual penetration testing results that identified vulnerabilities in the environment.
<b>FY24 Strategy 2</b>	Professional development of staff
Accomplishments	NMERB IT Staff training into AWS, to increase depth-of-bench for support of NMERB Operations.
Outcomes/Metrics	IT staff members can complete classes or certification courses in AWS. IT Staff creating cross-training content for IT-Peers.

**TABLE III.1: FY24 Strategic IT Accomplishments**

**B. OTHER KEY IT ACCOMPLISHMENTS – FY24**

[Preface this section with a statement that summarizes the content in this table.]

<b>APPLICATION</b>	
Accomplishment	The Business Analysts play a key role and provide data, analysis, testing and validation, technical application training, recommendations for solutions, and have been the liaison between the NMERB line of business and technical product support. Fifteen (15) deployments occurred in production in FY24. Deployment schedule appears to be back at once a quarter. Six (6) of the fifteen (15) deployments were in the first half of FY2024 which closed 29 JIRA tickets. Overall, we closed 50 JIRA tickets in FY24.
Value or Impact	
<b>DATA</b>	
Accomplishment	NMERB Continues to “Prepare our Data” for the move to Telus Health’s Ariel application.  Working with the PAS Modernization Project, MBS is assisting with our data migration and cleansing of Vitech ‘Browser’ data.
Value or Impact	The cleaner the data in our new system, the fewer issues we will have moving forward.
<b>PROCESS IMPROVEMENT</b>	

Accomplishment	NMERB Business Analysts took ownership and updated 15 User Training Guides from the BPI project and completed a new Post Retirement User Guide.
Value or Impact	A greater collaboration and partnership with business users resulted in better understanding of systems and business processes. Communications staff contributed, as well, by providing a new cover for the user guides.
<b>WORKFORCE</b>	
Accomplishments	In the past year, NMERB has hired a new CIO, IT Project Manager, and 2 new Business Analyst. We have also replaced 2 End User Support Analysts and a Security and Compliance Analyst.
Value or Impact	NMERB IT Department is fully staffed, working on cross-training and depth-of-bench.
<b>CUSTOMER SERVICE</b>	
Accomplishments	The IT Division's dedication and commitment to being of service to our internal customers continues to improve. IT Division and NMERB Departments are working to improve communication and operational improvements.
Value or Impact	
<b>TELEWORK</b>	
Accomplishments	IT Staff returned to the office in February 2023 and transitioned to 100% in-office support.
Value or Impact	IT Staff were available at Santa Fe and Albuquerque Offices resulting in improved response times for troubleshooting and tech support.
<b>SECURITY</b>	
Accomplishments	Completed removal of legacy hardware from Oso and Simms Data centers.
Value or Impact	All NMERB Operations hosted in AWS Cloud-based Environment. Improved resiliency and scalability of our PAS and Server Environment.

**TABLE III.2: Other Key IT Accomplishments – FY24**

#### **IV. FY26 IT STRATEGIC GOALS AND STRATEGIES**

[Include an introductory statement to introduce the following information.]

**STRATEGIC PRIORITY 1 – – Modernization of the Pension Administration System (PAS)**

<b>Goal Statement. Implementation of PAS Certified Project</b>	
<b>FY26 Strategy 1</b>	NMERB secured extended support from existing PAS product vendor until new PAS project completion.
Outcomes/Metrics	Executed contract with vendor for next 48 months.
<b>FY26 Strategy 2</b>	Agency readiness in areas of communication and resource planning.
Outcomes/Metrics	A plan for communication to all stakeholders and a resource plan to include facility and staffing requirements.
<b>FY26 Strategy 3</b>	Improve process for submitting change requests to vendors.
Outcomes/Metrics	Created Change Management process and set up Change Management Committee to review change requests. The committee included members from IT, Member Services, and Administrative/Financial services.
<b>FY26 Strategy 4</b>	Project management tools implemented included TEAMS tools, Azure Dev Ops (MBS & Telus), SharePoint boards and project sites.
Outcomes/Metrics	Weekly IT project management meetings with staff reporting on project status and more visibility of PAS project to help facilitate organizational change.

<b>STRATEGIC PRIORITY 2 – Improve Business Processes</b>	
<b>Goal Statement Implement PAS Modernization project based on Business Process Improvement</b>	
<b>FY26 Strategy 1</b>	Improve business processes.
Outcomes/Metrics	Executed contract with Segal vendor for Program Management and Organizational Change Management for next 36-48 months.
<b>FY26 Strategy 2</b>	Improved data quality standards for data transfer to new PAS system.
Outcomes/Metrics	Executed contract with MBS vendor for Data Cleansing and Conversion.
<b>FY26 Strategy 3</b>	Leverage technology to improve customer experience
Outcomes/Metrics	Implement new deployment of Manage Engine Helpdesk with customer feedback built into each deployment sprint.
<b>FY26 Strategy 4</b>	Identify, secure, and protect customer data

Outcomes/Metrics	Implement data analysis and cleansing project.
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<b>STRATEGIC PRIORITY 3 – Best Practices for Project Management</b>	
<b>Goal Statement</b>	
<b>FY26 Strategy 1</b>	Perform web presence assessment with accessibility standard WCAG 2.1 AA
Outcomes/Metrics	Determine gap between current state against standard for accessibility standard.
<b>FY26 Strategy 2</b>	Mature IT processes through automation
Outcomes/Metrics	Strategy to fully automate IT Services by FY26
<b>FY26 Strategy 3</b>	
Outcomes/Metrics	
<b>FY26 Strategy 4</b>	

**TABLE IV.1. FY26 IT Strategic Goals and Strategies**

# V. IT FISCAL AND BUDGET MANAGEMENT

Contractual & Professional Services	1,144.4	1,281.4	1,516.9	1,501.9	1,501.9
IT Other Services	558.2	550.5	679.5	715.6	715.6
Other Financing Uses	0.0	0.0	0.0	0.0	0.0
<b>Total</b>	<b>3,027.9</b>	<b>3,228.4</b>	<b>3,744.6</b>	<b>3,861.3</b>	<b>3,861.3</b>

	Print Name	Phone	Email Address	Date
Agency Cabinet Secretary/ Director (Mandatory)	David Archuleta	(505)531-6706	<a href="mailto:David.Archuleta@erb.nm.gov">David.Archuleta@erb.nm.gov</a>	8/5/2024
Chief information Officer or IT Lead(Mandatory)	Kevin Swinson	(505)490-0453	<a href="mailto:Kevin.Swinson@erb.nm.gov">Kevin.Swinson@erb.nm.gov</a>	8/5/2024
Chief Finance Officer (Mandatory)	Renada Peery	(505)819-1191	<a href="mailto:Renada.Peery-Galon@erb.nm.gov">Renada.Peery-Galon@erb.nm.gov</a>	8/5/2024

Agency Cabinet Secretary/Director Signature

  
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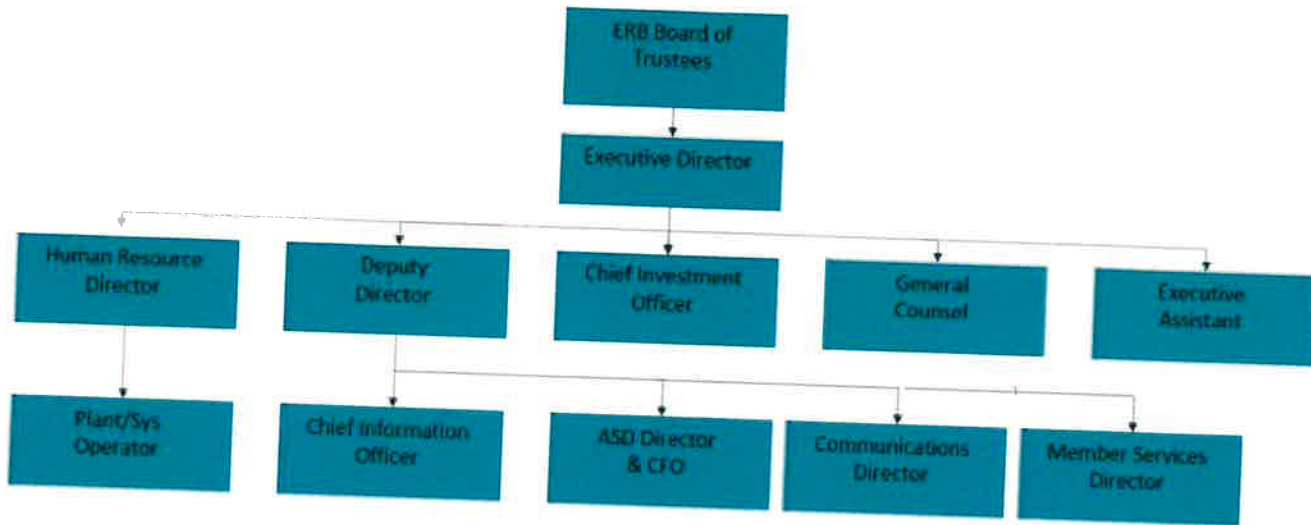
Chief Information Officer/IT Lead Signature

*Kevin Swinson*  
\_\_\_\_\_

Chief Financial Officer Signature

*R. Peery Galon*  
\_\_\_\_\_

# APPENDIX A-I: AGENCY ORGANIZATION CHART



## APPENDIX A-II: IT ORGANIZATION CHART

