

Business Office

Payment to the New Mexico Educational Retirement Board

Updated March 2004

General

Each pay period, retirement is deducted (7.6%) from participating employees' gross pay. These funds, as well as the employer portion (8.65%), are held in escrow until the liability is paid to the New Mexico Educational Retirement Board (NMERB).

Procedures for Payment

At the close of each payroll period, the Retirement Payable liability account is credited for the employee's and the employer's contribution to NMERB.

There is a direct pay signed by two members of the Payroll Staff. These direct pays are put in a folder for payment to the NMERB. The Payroll Staff completes two electronic reports to send to the NMERB on a monthly basis. One report is for information only; this includes all active employees who are not contributing, as well as all active members of NMERB. The other report is on the member and employer contributions and earnings; this must be balanced to the paper report filed monthly. These files are sent with the FTP protocol to a secure site at the NMERB.

The direct pays, Journal Voucher, and paper reports are signed or approved by the Payroll Manager. These are taken to the Associate Vice President for Finance and the Senior Associate Vice President for signature and approval. After these approvals are verified by the Payroll Staff, the payment of the contributions is done by wire transfer to the State of New Mexico Treasury's Office, on the fourteenth of each month. Supporting documentation is available in the Payroll Office.