



Internal Audit Services for the New Mexico Educational Retirement Board

RFP # 26-352-0428-02623

Responses to Written Questions

1. Does ERB have its own internal audit function, internal auditor(s) that has been doing the internal audits?

No

2. Who is the incumbent or most recent incumbent outsourced or co-sourced Internal Auditors and long have they been serving in this capacity?

REDW, since 2015

3. What is the annual budget for these internal audit services?

A finalized budget for FY27 is not currently available, please see question #4 for reference to prior years.

4. What were the fees billed for the last three years, annually and in total for outsourced internal audit services?

FY24 - \$206,000

FY25 - \$154,000

FY26 - \$109,000

5. How many hours did the prior firm bill in the last three years, annually, and in total?

The hours per year averaged between 500-1500.

6. How many internal audits were delivered by the prior firm in the last three years, annually, and in total?

This information is not readily available for this RFP.

7. What were the hourly rates by classification that the prior firm used for its billings in the prior year?

\$166/hr

8. Are the audits conducted remotely, using a hybrid model, or in-person full-time?

Hybrid

9. Is NMERB open to the internal audits performed remotely?

No, NMERB will accept a hybrid model.

10. Why is the NMERB going out for proposal for these internal audit services?

The current contract expired.

11. Is the current firm allowed to bid on the RFP?

Yes

12. What were the internal audits delivered in the last three years? Can you provide copies or direct where we might access them?

There were multiple audits over the various NMERB departments. Access outside of NMERB will not be provided for this RFP.

13. Is there a current or recent internal audit plan? If so, provide copies.

The incumbent would need to work with the agency to determine an internal audit plan.

14. What specific qualifications or experience are considered the minimum threshold for a proposal to be deemed technically acceptable (i.e., not eliminated)?

Per the Mandatory Specifications:

A. Offeror must have experience assisting at least three (3) separate government agencies of similar or larger size to NMERB within the last five (5) years.

15. How critical is direct public pension fund audit experience versus broader institutional investment or government audit experience in meeting minimum requirements?

It is not a critical component as the RFP states significant experience in the following areas is being sought: government accounting standards, generally accepted government auditing standards; knowledge of governmental finance

administration; principles and practices of governmental finance administration; principles and practices of governmental accounting systems and controls, investments, budgeting, and procurement; integrated computer based accounting systems; statutes and regulations; and best practices of internal and administrative controls.

16. Which evaluation criteria have historically been the most differentiating among top-ranked proposals (e.g., experience, technical approach, staffing, cost)?

Evaluations are based solely on the criteria identified in the RFP.

17. What credentials (e.g., CPA, CIA) and experience levels are expected at minimum for the engagement partner and core team?

The RFP does not outline a minimum experience level.

18. What is the expected annual level of effort (hours or FTE equivalent) and typical number of audit projects anticipated under this contract?

Between 500-1500 hours per year. The total audit projects will vary depending upon the audit plan.

19. Are there specific functional areas (e.g., investments, benefits administration, IT, cybersecurity) that are expected to be included in initial audit plans?

This would be discussed and mutually agreed upon by the Agency and the Contractor.

20. What are the Audit Committee's primary priorities or expectations for the internal audit function that would distinguish a successful contractor?

This would be discussed and mutually agreed upon by the Agency and the Contractor.

21. What strengths and areas for improvement were identified with prior internal audit services that bidders should address in their proposals?

That information will not be provided as part of this procurement process.

22. How is cost evaluated relative to technical scoring, and is there an anticipated or historical cost range considered competitive for this engagement?

Please refer to the RFP regarding points awarded for cost and technical specifications and the evaluation factors.