

September 1, 2026

The Honorable Katie Hobbs
Governor, State of Arizona
1700 W. Washington St.
Phoenix, AZ 85007

Dear Governor Hobbs:

The Arizona State Retirement System (ASRS) is pleased to present the budget request for Fiscal Year (FY) 2028.

Historically, the ASRS has been able to develop and implement fiscally responsible budgets that are flexible and support key agency strategic objectives and priorities. As you know, the operational costs to administer the programs managed by the ASRS are funded from the ASRS Trust Fund.

Our agency continues to focus on minimizing budget requests in order to further keep down future contribution rates for employees and our participating employers.

A study conducted by CEM Benchmarking Inc., which analyzes pension cost and service data from other public pension plans, determined the ASRS total service score was the highest in both the peer group of US pension plans, as well as the universe of US and non-US pension plans, scoring 93 out of 100. This compares to the peer median score of 82. The ASRS accomplished this high level of customer service at a cost per member of \$75, which is \$59 below the peer average of \$134 and is the 2nd lowest in the peer group. In fact, the ASRS has actually driven its administration cost per member down by 0.6% per year from 2018 to 2025, while the peer average increased by 4.8% per annum and the universe average increased by 4.2% per annum for the same period.

These two metrics (service and cost) are extremely important, as they measure the service level that we provide to our members, and the cost at which we provide these services. These two goals - to provide top service levels and extremely low cost levels - continue to be at the core of our strategic and tactical planning initiatives.

In addition, employee satisfaction surveys conducted annually by the Arizona Department of Administration have routinely shown very high levels of satisfaction among ASRS employees – in the 90 percent range, exceeding our Strategic Goal by 8%.

Our Mission

To provide highly desirable and sustainable retirement benefits to our members that support the recruitment and retention of high-quality employees for our employer partners.

Our Vision

To be a top-performing retirement plan, leading the nation in customer service, investment performance, and organizational effectiveness.

As approved by the ASRS Board of Trustees, we believe this FY 2028 budget request will position the agency for continued success in providing extremely high-quality service at a very low cost, ensuring the overall long-term viability of the benefit programs managed by the ASRS.

We look forward to reviewing this budget request with you, the Arizona State Legislature, and the respective budget offices in the coming months.

Sincerely,



Paul Matson
ASRS Executive Director



State of Arizona Budget Request

State Agency

State Retirement System

A.R.S. Citation: A.R.S. § 38-712

Governor Hobbs:

This and the accompanying budget schedules, statements and explanatory information constitute the operating budget request for this agency for Fiscal Year 2028.

To the best of my knowledge all statements and explanations contained in the estimates submitted are true and correct.

Agency Head: **Paul Matson**

Title: **Director**

(signature)

8/27/2026

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Date Prepared: August 27, 2026

Appropriated Funds

	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Total Amount Requested:	29,642.5	-	29,642.5
Arizona State Retirement System Appropriated Fund	27,842.5	-	27,842.5
LTD Trust Fund	1,800.0	-	1,800.0

Non-Appropriated Funds

	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Total Amount Planned:	300,098.0	14,593.5	314,691.5
Arizona State Retirement System Non-Appropriated Fund	298,598.0	14,593.5	313,191.5
ASRS Non-Appropriated Self- Insurance Fund	1,500.0	-	1,500.0

State Retirement System Total:	329,740.5	14,593.5	344,334.0
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Revenue Schedule

Agency:	State Retirement System
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Fund:	RT1401 Arizona State Retirement System Appropriated Fund
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AFIS Code	Category of Receipt and Description	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
4699	Miscellaneous Receipts	26,510.7	27,842.5	27,842.5
	Arizona State Retirement System Appropriated Fund Total:	26,510.7	27,842.5	27,842.5

Forecast Methodology

Funding for the Appropriated Operating expenditures for the ASRS is from the ASRS administrative account. Proceeds are deposited (revenue) as needed based on periodic expenditure projections rather than a single deposit of the full appropriation at the beginning of the fiscal year.

Fund:	RT1407 Arizona State Retirement System Non-Appropriated Fund
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AFIS Code	Category of Receipt and Description	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
4699	Miscellaneous Receipts	416,582.3	298,598.0	313,191.5
	Arizona State Retirement System Non-Appropriated Fund Total:	416,582.3	298,598.0	313,191.5

Forecast Methodology

Funding for the Non-Appropriated expenditures for the ASRS is from the ASRS administrative account. Proceeds are deposited (revenue) as needed based on periodic expenditure projections rather than a single deposit of the full appropriation at the beginning of the fiscal year.

Fund:	RT1408 LTD Trust Fund
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AFIS Code	Category of Receipt and Description	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
4699	Miscellaneous Receipts	1,319.8	1,800.0	1,800.0
	LTD Trust Fund Total:	1,319.8	1,800.0	1,800.0

Forecast Methodology

Funding for this appropriation is from the LTD Trust Fund. Proceeds are deposited (revenue) as needed based on periodic expenditure projections rather than a single deposit of the full appropriation at the beginning of the fiscal year.

Revenue Schedule

Agency:	State Retirement System		
Fund:	RT1409	ASRS Non-Appropriated Self-Insurance Fund	

AFIS Code	Category of Receipt and Description	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
4699	Miscellaneous Receipts	1,420.3	1,500.0	1,500.0
ASRS Non-Appropriated Self-Insurance Fund Total:		1,420.3	1,500.0	1,500.0

Forecast Methodology

Funding for the non-appropriated self-insurance expenditures is from the ASRS Self-Insurance Fund. Proceeds are deposited (revenue) as needed based on periodic expenditure projections rather than a single deposit at the beginning of the fiscal year.

Sources and Uses

Agency: State Retirement System

Fund: RT1401 Arizona State Retirement System Appropriated Fund

Revenues consist of monies appropriated from retirement contributions that are used for the administration of the State Retirement System.

Cash Flow Summary

	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
Beginning Balance	7.9	0.0	0.0
Revenue (from Revenue Schedule)	26,510.7	27,842.5	27,842.5
Total Available	26,518.6	27,842.5	27,842.5
Total Appropriated Disbursements	26,518.6	27,842.5	27,842.5
Total Non-Appropriated Disbursements	-	-	-
Balance Forward to Next Year	0.0	0.0	0.0

Appropriated Expenditure

Expenditure Categories

	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
Personal Services	13,988.2	14,513.3	14,513.3
Employee Related Expenditures	5,987.9	6,723.3	6,723.3
Professional & Outside Services	1,968.6	1,942.4	1,942.4
Travel In-State	4.6	30.0	30.0
Travel Out-Of-State	31.2	49.0	49.0
Food	-	-	-
Aid To Organizations & Individuals	-	-	-
Other Operating Expenditures	3,805.4	4,195.0	4,195.0
Equipment	-	-	-
Capital Outlay	-	-	-
Capital Equipment	36.5	-	-
Non-Capital Equipment	375.1	389.5	389.5
Debt Service	-	-	-
Cost Allocation & Indirect Costs	-	-	-
Transfers-Out	1.1	-	-
Appropriated Expenditure Sub-Total:	26,198.5	27,842.5	27,842.5
Non-Lapsing Authority from Prior Years	-	-	-
Administrative Adjustments	320.1	-	-
Capital Projects (Land, Bldgs, Improv)	-	-	-
Appropriated 27th Pay Roll	-	-	-
Legislative Fund Transfers	-	-	-
IT Project Transfers	-	-	-
Proposed Fund Transfer	-	-	-

Sources and Uses

Agency:	State Retirement System
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Fund:	RT1401 Arizona State Retirement System Appropriated Fund
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Residual Equity Transfer	-	-	-
Transfer Due to Fund Balance Cap	-	-	-
Prior Committed or Obligated Expenditures (no entry for AY)	-	-	-
Non-Appropriated 27th Pay Roll	-	-	-
Appropriated Expenditure Total:	26,518.6	27,842.5	27,842.5
Appropriated FTE	174.7	169.9	169.9

Non-Appropriated Expenditure

Expenditure Categories	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
Personal Services	-	-	-
Employee Related Expenditures	-	-	-
Professional & Outside Services	-	-	-
Travel In-State	-	-	-
Travel Out-Of-State	-	-	-
Food	-	-	-
Aid To Organizations & Individuals	-	-	-
Other Operating Expenditures	-	-	-
Equipment	-	-	-
Capital Outlay	-	-	-
Capital Equipment	-	-	-
Non-Capital Equipment	-	-	-
Debt Service	-	-	-
Cost Allocation & Indirect Costs	-	-	-
Transfers-Out	-	-	-
Non-Appropriated Expenditure Sub-Total:	-	-	-
Non-Lapsing Authority from Prior Years	-	-	-
Administrative Adjustments	-	-	-
Capital Projects (Land, Bldgs, Improv)	-	-	-
Appropriated 27th Pay Roll	-	-	-
Legislative Fund Transfers	-	-	-
IT Project Transfers	-	-	-
Proposed Fund Transfer	-	-	-
Residual Equity Transfer	-	-	-
Transfer Due to Fund Balance Cap	-	-	-
Prior Committed or Obligated Expenditures (no entry for AY)	-	-	-
Non-Appropriated 27th Pay Roll	-	-	-

Sources and Uses

Agency:	State Retirement System
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Fund:	RT1401	Arizona State Retirement System Appropriated Fund
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Non-Appropriated Expenditure Total:	-	-	-
Non-Appropriated FTE	-	-	-

Sources and Uses

Agency: State Retirement System

Fund: RT1407 Arizona State Retirement System Non-Appropriated Fund

Revenues consist of retirement contributions that are limited in use by statute to expenditures such as investment management fees, consulting fees, rent, retiree payroll, costs for administering the health insurance program for retirees, and legal counsel.

Cash Flow Summary

	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
Beginning Balance	143.2	(0.0)	(0.0)
Revenue (from Revenue Schedule)	416,582.3	298,598.0	313,191.5
Total Available	416,725.4	298,598.0	313,191.5
Total Appropriated Disbursements	-	-	-
Total Non-Appropriated Disbursements	416,725.4	298,598.0	313,191.5
Balance Forward to Next Year	(0.0)	(0.0)	(0.0)

Appropriated Expenditure

Expenditure Categories

	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
Personal Services	-	-	-
Employee Related Expenditures	-	-	-
Professional & Outside Services	-	-	-
Travel In-State	-	-	-
Travel Out-Of-State	-	-	-
Food	-	-	-
Aid To Organizations & Individuals	-	-	-
Other Operating Expenditures	-	-	-
Equipment	-	-	-
Capital Outlay	-	-	-
Capital Equipment	-	-	-
Non-Capital Equipment	-	-	-
Debt Service	-	-	-
Cost Allocation & Indirect Costs	-	-	-
Transfers-Out	-	-	-
Appropriated Expenditure Sub-Total:	-	-	-
Non-Lapsing Authority from Prior Years	-	-	-
Administrative Adjustments	-	-	-
Capital Projects (Land, Bldgs, Improv)	-	-	-
Appropriated 27th Pay Roll	-	-	-
Legislative Fund Transfers	-	-	-
IT Project Transfers	-	-	-
Proposed Fund Transfer	-	-	-

Sources and Uses

Agency:	State Retirement System
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Fund:	RT1407 Arizona State Retirement System Non-Appropriated Fund
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Residual Equity Transfer	-	-	-
Transfer Due to Fund Balance Cap	-	-	-
Prior Committed or Obligated Expenditures (no entry for AY)	-	-	-
Non-Appropriated 27th Pay Roll	-	-	-
Appropriated Expenditure Total:	-	-	-
Appropriated FTE	-	-	-

Non-Appropriated Expenditure			
Expenditure Categories	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
Personal Services	5,798.6	6,888.9	7,024.9
Employee Related Expenditures	2,114.1	2,419.0	2,444.2
Professional & Outside Services	403,486.4	283,707.6	297,227.5
Travel In-State	1.2	-	-
Travel Out-Of-State	7.2	20.0	20.0
Food	-	-	-
Aid To Organizations & Individuals	-	-	-
Other Operating Expenditures	5,287.9	5,562.5	6,474.9
Equipment	-	-	-
Capital Outlay	-	-	-
Capital Equipment	-	-	-
Non-Capital Equipment	6.9	-	-
Debt Service	-	-	-
Cost Allocation & Indirect Costs	-	-	-
Transfers-Out	23.1	-	-
Non-Appropriated Expenditure Sub-Total:	416,725.4	298,598.0	313,191.5
Non-Lapsing Authority from Prior Years	-	-	-
Administrative Adjustments	-	-	-
Capital Projects (Land, Bldgs, Improv)	-	-	-
Appropriated 27th Pay Roll	-	-	-
Legislative Fund Transfers	-	-	-
IT Project Transfers	-	-	-
Proposed Fund Transfer	-	-	-
Residual Equity Transfer	-	-	-
Transfer Due to Fund Balance Cap	-	-	-
Prior Committed or Obligated Expenditures (no entry for AY)	-	-	-
Non-Appropriated 27th Pay Roll	-	-	-

Sources and Uses

Agency:	State Retirement System
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Fund:	RT1407	Arizona State Retirement System Non-Appropriated Fund
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Non-Appropriated Expenditure Total:	416,725.4	298,598.0	313,191.5
Non-Appropriated FTE	42.3	53.0	53.0

Sources and Uses

Agency: State Retirement System

Fund: RT1408 LTD Trust Fund

Revenues consist of monies appropriated from long-term disability contributions that are used to pay costs associated with the Long-Term Disability program.

Cash Flow Summary

	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
Beginning Balance	12.0	(0.0)	(0.0)
Revenue (from Revenue Schedule)	1,319.8	1,800.0	1,800.0
Total Available	1,331.7	1,800.0	1,800.0
Total Appropriated Disbursements	1,331.8	1,800.0	1,800.0
Total Non-Appropriated Disbursements	-	-	-
Balance Forward to Next Year	(0.0)	(0.0)	(0.0)

Appropriated Expenditure

Expenditure Categories

	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
Personal Services	-	-	-
Employee Related Expenditures	-	-	-
Professional & Outside Services	1,234.0	1,800.0	1,800.0
Travel In-State	-	-	-
Travel Out-Of-State	-	-	-
Food	-	-	-
Aid To Organizations & Individuals	-	-	-
Other Operating Expenditures	-	-	-
Equipment	-	-	-
Capital Outlay	-	-	-
Capital Equipment	-	-	-
Non-Capital Equipment	-	-	-
Debt Service	-	-	-
Cost Allocation & Indirect Costs	-	-	-
Transfers-Out	-	-	-
Appropriated Expenditure Sub-Total:	1,234.0	1,800.0	1,800.0
Non-Lapsing Authority from Prior Years	-	-	-
Administrative Adjustments	97.8	-	-
Capital Projects (Land, Bldgs, Improv)	-	-	-
Appropriated 27th Pay Roll	-	-	-
Legislative Fund Transfers	-	-	-
IT Project Transfers	-	-	-
Proposed Fund Transfer	-	-	-

Sources and Uses

Agency:	State Retirement System
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Fund:	RT1408 LTD Trust Fund
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Residual Equity Transfer	-	-	-
Transfer Due to Fund Balance Cap	-	-	-
Prior Committed or Obligated Expenditures (no entry for AY)	-	-	-
Non-Appropriated 27th Pay Roll	-	-	-
Appropriated Expenditure Total:	1,331.8	1,800.0	1,800.0
Appropriated FTE	-	-	-

Non-Appropriated Expenditure

Expenditure Categories	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
Personal Services	-	-	-
Employee Related Expenditures	-	-	-
Professional & Outside Services	-	-	-
Travel In-State	-	-	-
Travel Out-Of-State	-	-	-
Food	-	-	-
Aid To Organizations & Individuals	-	-	-
Other Operating Expenditures	-	-	-
Equipment	-	-	-
Capital Outlay	-	-	-
Capital Equipment	-	-	-
Non-Capital Equipment	-	-	-
Debt Service	-	-	-
Cost Allocation & Indirect Costs	-	-	-
Transfers-Out	-	-	-
Non-Appropriated Expenditure Sub-Total:	-	-	-
Non-Lapsing Authority from Prior Years	-	-	-
Administrative Adjustments	-	-	-
Capital Projects (Land, Bldgs, Improv)	-	-	-
Appropriated 27th Pay Roll	-	-	-
Legislative Fund Transfers	-	-	-
IT Project Transfers	-	-	-
Proposed Fund Transfer	-	-	-
Residual Equity Transfer	-	-	-
Transfer Due to Fund Balance Cap	-	-	-
Prior Committed or Obligated Expenditures (no entry for AY)	-	-	-
Non-Appropriated 27th Pay Roll	-	-	-

Sources and Uses

Agency:	State Retirement System
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Fund:	RT1408	LTD Trust Fund
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Non-Appropriated Expenditure Total:	-	-	-
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Non-Appropriated FTE	-	-	-
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Sources and Uses

Agency: State Retirement System

Fund: RT1409 ASRS Non-Appropriated Self-Insurance Fund

Revenues consist of monies received from the ASRS self insurance program. Funds are used to pay administrative and actuarial costs of the program.

Cash Flow Summary

	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
Beginning Balance	4.4	(0.0)	(0.0)
Revenue (from Revenue Schedule)	1,420.3	1,500.0	1,500.0
Total Available	1,424.7	1,500.0	1,500.0
Total Appropriated Disbursements	-	-	-
Total Non-Appropriated Disbursements	1,424.7	1,500.0	1,500.0
Balance Forward to Next Year	(0.0)	(0.0)	(0.0)

Appropriated Expenditure

Expenditure Categories	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
Personal Services	-	-	-
Employee Related Expenditures	-	-	-
Professional & Outside Services	-	-	-
Travel In-State	-	-	-
Travel Out-Of-State	-	-	-
Food	-	-	-
Aid To Organizations & Individuals	-	-	-
Other Operating Expenditures	-	-	-
Equipment	-	-	-
Capital Outlay	-	-	-
Capital Equipment	-	-	-
Non-Capital Equipment	-	-	-
Debt Service	-	-	-
Cost Allocation & Indirect Costs	-	-	-
Transfers-Out	-	-	-
Appropriated Expenditure Sub-Total:	-	-	-
Non-Lapsing Authority from Prior Years	-	-	-
Administrative Adjustments	-	-	-
Capital Projects (Land, Bldgs, Improv)	-	-	-
Appropriated 27th Pay Roll	-	-	-
Legislative Fund Transfers	-	-	-
IT Project Transfers	-	-	-
Proposed Fund Transfer	-	-	-

Sources and Uses

Agency:	State Retirement System
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Fund:	RT1409 ASRS Non-Appropriated Self-Insurance Fund
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Residual Equity Transfer	-	-	-
Transfer Due to Fund Balance Cap	-	-	-
Prior Committed or Obligated Expenditures (no entry for AY)	-	-	-
Non-Appropriated 27th Pay Roll	-	-	-
Appropriated Expenditure Total:	-	-	-
Appropriated FTE	-	-	-

Non-Appropriated Expenditure			
Expenditure Categories	FY 2026 Actuals	FY 2027 Estimate	FY 2028 Request
Personal Services	-	-	-
Employee Related Expenditures	-	-	-
Professional & Outside Services	1,424.7	1,500.0	1,500.0
Travel In-State	-	-	-
Travel Out-Of-State	-	-	-
Food	-	-	-
Aid To Organizations & Individuals	-	-	-
Other Operating Expenditures	-	-	-
Equipment	-	-	-
Capital Outlay	-	-	-
Capital Equipment	-	-	-
Non-Capital Equipment	-	-	-
Debt Service	-	-	-
Cost Allocation & Indirect Costs	-	-	-
Transfers-Out	-	-	-
Non-Appropriated Expenditure Sub-Total:	1,424.7	1,500.0	1,500.0
Non-Lapsing Authority from Prior Years	-	-	-
Administrative Adjustments	-	-	-
Capital Projects (Land, Bldgs, Improv)	-	-	-
Appropriated 27th Pay Roll	-	-	-
Legislative Fund Transfers	-	-	-
IT Project Transfers	-	-	-
Proposed Fund Transfer	-	-	-
Residual Equity Transfer	-	-	-
Transfer Due to Fund Balance Cap	-	-	-
Prior Committed or Obligated Expenditures (no entry for AY)	-	-	-
Non-Appropriated 27th Pay Roll	-	-	-

Sources and Uses

Agency:	State Retirement System
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Fund:	RT1409 ASRS Non-Appropriated Self-Insurance Fund
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Non-Appropriated Expenditure Total:	1,424.7	1,500.0	1,500.0
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Non-Appropriated FTE	-	-	-
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Funding Issue List

Agency:	State Retirement System
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FY 2026

Priority	Funding Issue Title	Total FTE	Total Amount	General Fund	Other Appropriated Funds	Non- Appropriated Funds
1	Continuously Appropriated Funding	-	14,593.5	-	-	14,593.5
Total:		-	14,593.5	-	-	14,593.5

Funding Issue Detail

Agency: State Retirement System

Issue: 1 Continuously Appropriated Funding

Calculated ERE:

25.2

Uniform Allowance:

Program: Member Services

Fund: RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)

Expenditure Categories		FY 2028
6000	Personal Services	50.6
Subtotal Personal Services and ERE		50.6
6200	Professional & Outside Services	163.9
7000	Other Operating Expenditures	855.0
Program/Fund Total:		1,069.5

Program: Investment Management

Fund: RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)

Expenditure Categories		FY 2028
6000	Personal Services	85.4
6100	Employee Related Expenditures	25.2
Subtotal Personal Services and ERE		110.6
6200	Professional & Outside Services	13,356.0
7000	Other Operating Expenditures	57.4
Program/Fund Total:		13,524.0

Funding Issue Narrative

Agency:	State Retirement System
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Issue:	1 Continuously Appropriated Funding
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Description of Issue:

In accordance with A.R.S. § 38-721(C), expenditures for certain investment and administrative costs are continuously appropriated in the amount deemed necessary by the ASRS Board of Trustees.

The ASRS utilizes continuously appropriated dollars for the following expenses to complement ASRS operations and member service functions.

1. Investment management and related consulting fees necessary to meet the Board's investment objectives

Internal investment management

- ASRS Investment Management Division (IMD) staff salaries and employee benefits, travel, education and training, rent, and other operational costs.

External investment management

- Public Markets investment management fees and transactional and other fees, which include foreign taxes and commissions on derivatives and other incidental costs. Quarterly investment management fees are calculated based on the market value of the investments, using the assumption of a 7.0% annual rate of return less estimated net cash flows of 2.5%. Accordingly, the fees are directly correlated with both investment performance as well as net cash flows.
- Private Markets investment management fees and performance incentive and carried interest fees, which are only paid if earned – upon successful performance of the manager after other return criteria are met – or incurred, and other contractually agreed-upon fees and expenses. Investment management fees are calculated based on the percentage of capital committed to the program. The fees are correlated to capital commitments and are calculated on a cash basis. Due to the nature of the investments and contingent variables, estimated annual performance incentive and other fees are not projected and are only reported, on a cash basis, when identified and paid.

Consulting fees

- Investment-related consulting and legal fees, electronic information services and subscriptions, custodial banking administrative fees, and external auditing service fees.

2. Administrative costs

- Rent – costs required as tenants for occupancy at 3300 N Central Avenue in Phoenix and in an ADOA-owned office space in Tucson.
- Actuarial fees – costs for consulting services related to plan design, health benefits, administration, and valuations.
- Pension Payroll - costs associated with administering and safeguarding retiree pension benefits, disbursements, and personally identifiable information (PII) for ASRS member and employer accounts.

Proposal:

For FY 2028, current projections indicate the ASRS will expend an estimated \$313,191,500 in continuously appropriated funds. Investment management and related consulting fees comprise approximately 96.9% of the expected expenditures, and make up the large majority of continuously appropriated increases from FY 2027 to current projections in FY 2028. Administrative and other costs that support the member services program represent the remaining 3.1% of projected FY 2028 expenditures.

Alternatives Considered:

None considered

Impact of Not Funding This Year:

Not applicable

Statutory Reference:

A.R.S. 38/721

Equipment to be Purchased (if applicable):

Not applicable

Classification of New Positions:

Annualization(s):

Alignment with Agency's Strategic Plan or Statutory Responsibilities:

Funding Issue Narrative

Agency:	State Retirement System
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Issue:	1	Continuously Appropriated Funding
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Impact on Historically Underserved, Marginalized, or Adversely Affected Groups:

No impact

How has feedback been incorporated from groups directly impacted by proposal?:

Not applicable

Description of how this furthers the Governor's priorities:

Summary of Expenditure and Budget Request for All Funds

Agency: State Retirement System

Appropriated Funds		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program:					
RTA-1-0	Member Services	22,439.3	24,756.4	-	24,756.4
RTA-2-0	Administration and Support	4,993.2	4,886.1	-	4,886.1
Appropriated Funds Total:		27,432.5	29,642.5	-	29,642.5
Expenditure Categories					
	FTE	174.7	169.9	-	169.9
	Personal Services	13,988.2	14,513.3	-	14,513.3
	Employee Related Expenditures	5,987.9	6,723.3	-	6,723.3
	Subtotal Personal Services and ERE	19,976.1	21,236.6	-	21,236.6
	Professional & Outside Services	3,202.6	3,742.4	-	3,742.4
	Travel In-State	4.6	30.0	-	30.0
	Travel Out-Of-State	31.2	49.0	-	49.0
	Other Operating Expenditures	3,805.4	4,195.0	-	4,195.0
	Capital Equipment	36.5	-	-	-
	Non-Capital Equipment	375.1	389.5	-	389.5
	Transfers-Out	1.1	-	-	-
Expenditure Categories Total:		27,432.5	29,642.5	-	29,642.5

Summary of Expenditure and Budget Request for All Funds

Agency: State Retirement System

Non-Appropriated		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program:					
RTA-1-0	Member Services	9,053.1	9,446.5	1,069.5	10,516.0
RTA-2-0	Administration and Support	755.6	844.4	-	844.4
RTA-3-0	Investment Management	408,341.4	289,807.1	13,524.0	303,331.1
Non-Appropriated Total:		418,150.1	300,098.0	14,593.5	314,691.5
Expenditure Categories					
	FTE	42.3	53.0	-	53.0
	Personal Services	5,798.6	6,888.9	136.0	7,024.9
	Employee Related Expenditures	2,114.1	2,419.0	25.2	2,444.2
	Subtotal Personal Services and ERE	7,912.7	9,307.9	161.2	9,469.1
	Professional & Outside Services	404,911.1	285,207.6	13,519.9	298,727.5
	Travel In-State	1.2	-	-	-
	Travel Out-Of-State	7.2	20.0	-	20.0
	Other Operating Expenditures	5,287.9	5,562.5	912.4	6,474.9
	Capital Equipment	-	-	-	-
	Non-Capital Equipment	6.9	-	-	-
	Transfers-Out	23.1	-	-	-
Expenditure Categories Total:		418,150.1	300,098.0	14,593.5	314,691.5
State Retirement System Total for All Funds:		445,582.6	329,740.5	14,593.5	344,334.0

Appropriated and Non-Appropriated		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2027 Funding Issue	FY 2028 Total Request
RTA-1-0	Member Services	31,492.4	34,202.9	1,069.5	35,272.4
RTA-2-0	Administration and Support	5,748.8	5,730.5	-	5,730.5
RTA-3-0	Investment Management	408,341.4	289,807.1	13,524.0	303,331.1
State Retirement System Total for All Funds:		445,582.6	329,740.5	14,593.5	344,334.0

Summary of Expenditure and Budget Request for Selected Funds

Agency:		State Retirement System			
Fund:		RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)			
		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program:					
RTA-1-0	Member Services	21,205.3	22,956.4	-	22,956.4
RTA-2-0	Administration and Support	4,993.2	4,886.1	-	4,886.1
Arizona State Retirement System Appropriated Fund (Appropriated) Summary Total:		26,198.5	27,842.5	-	27,842.5
Expenditure Categories					
FTE		174.7	169.9	-	169.9
Personal Services		13,988.2	14,513.3	-	14,513.3
Employee Related Expenditures		5,987.9	6,723.3	-	6,723.3
Subtotal Personal Services and ERE		19,976.1	21,236.6	-	21,236.6
Professional & Outside Services		1,968.6	1,942.4	-	1,942.4
Travel In-State		4.6	30.0	-	30.0
Travel Out-Of-State		31.2	49.0	-	49.0
Other Operating Expenditures		3,805.4	4,195.0	-	4,195.0
Capital Equipment		36.5	-	-	-
Non-Capital Equipment		375.1	389.5	-	389.5
Transfers-Out		1.1	-	-	-
Expenditure Categories Total:		26,198.5	27,842.5	-	27,842.5

Summary of Expenditure and Budget Request for Selected Funds

Agency:		State Retirement System			
Fund:		RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)			
		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program:					
RTA-1-0	Member Services	7,628.4	7,946.5	1,069.5	9,016.0
RTA-2-0	Administration and Support	755.6	844.4	-	844.4
RTA-3-0	Investment Management	408,341.4	289,807.1	13,524.0	303,331.1
Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated) Summary Total:		416,725.4	298,598.0	14,593.5	313,191.5
Expenditure Categories					
	FTE	42.3	53.0	-	53.0
	Personal Services	5,798.6	6,888.9	136.0	7,024.9
	Employee Related Expenditures	2,114.1	2,419.0	25.2	2,444.2
	Subtotal Personal Services and ERE	7,912.7	9,307.9	161.2	9,469.1
	Professional & Outside Services	403,486.4	283,707.6	13,519.9	297,227.5
	Travel In-State	1.2	-	-	-
	Travel Out-Of-State	7.2	20.0	-	20.0
	Other Operating Expenditures	5,287.9	5,562.5	912.4	6,474.9
	Capital Equipment	-	-	-	-
	Non-Capital Equipment	6.9	-	-	-
	Transfers-Out	23.1	-	-	-
Expenditure Categories Total:		416,725.4	298,598.0	14,593.5	313,191.5

Summary of Expenditure and Budget Request for Selected Funds

Agency:	State Retirement System
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Fund:	RT1408 LTD Trust Fund (Appropriated)
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		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program:					
RTA-1-0	Member Services	1,234.0	1,800.0	-	1,800.0
LTD Trust Fund (Appropriated) Summary Total:		1,234.0	1,800.0	-	1,800.0
Expenditure Categories					
	FTE	-	-	-	-
	Personal Services	-	-	-	-
	Employee Related Expenditures	-	-	-	-
	Subtotal Personal Services and ERE	-	-	-	-
	Professional & Outside Services	1,234.0	1,800.0	-	1,800.0
	Travel In-State	-	-	-	-
	Travel Out-Of-State	-	-	-	-
	Other Operating Expenditures	-	-	-	-
	Capital Equipment	-	-	-	-
	Non-Capital Equipment	-	-	-	-
	Transfers-Out	-	-	-	-
	Expenditure Categories Total:	1,234.0	1,800.0	-	1,800.0

Summary of Expenditure and Budget Request for Selected Funds

Agency:		State Retirement System			
Fund:		RT1409 ASRS Non-Appropriated Self-Insurance Fund (Non-Appropriated)			
		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program:					
RTA-1-0	Member Services	1,424.7	1,500.0	-	1,500.0
ASRS Non-Appropriated Self-Insurance Fund (Non-Appropriated) Summary Total:		1,424.7	1,500.0	-	1,500.0
Expenditure Categories					
	FTE	-	-	-	-
	Personal Services	-	-	-	-
	Employee Related Expenditures	-	-	-	-
	Subtotal Personal Services and ERE	-	-	-	-
	Professional & Outside Services	1,424.7	1,500.0	-	1,500.0
	Travel In-State	-	-	-	-
	Travel Out-Of-State	-	-	-	-
	Other Operating Expenditures	-	-	-	-
	Capital Equipment	-	-	-	-
	Non-Capital Equipment	-	-	-	-
	Transfers-Out	-	-	-	-
Expenditure Categories Total:		1,424.7	1,500.0	-	1,500.0

Program Budget Unit Summary of Expenditure and Budget Request for All Funds

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services				
Expenditure Categories				
FTE	177.2	182.2	-	182.2
Personal Services	13,900.6	15,072.6	50.6	15,123.2
Employee Related Expenditures	6,146.1	7,035.5	-	7,035.5
Subtotal Personal Services and ERE	20,046.7	22,108.1	50.6	22,158.7
Professional & Outside Services	5,876.9	6,087.5	163.9	6,251.4
Travel In-State	1.9	22.0	-	22.0
Travel Out-Of-State	7.8	29.0	-	29.0
Other Operating Expenditures	5,139.8	5,586.8	855.0	6,441.8
Capital Equipment	30.8	-	-	-
Non-Capital Equipment	365.4	369.5	-	369.5
Transfers-Out	23.1	-	-	-
Expenditure Categories Total:	31,492.4	34,202.9	1,069.5	35,272.4
Fund Source				
Appropriated Funds				
Arizona State Retirement System Appropriated Fund (Appropriated)	21,205.3	22,956.4	-	22,956.4
LTD Trust Fund (Appropriated)	1,234.0	1,800.0	-	1,800.0
Appropriated Funds Total:	22,439.3	24,756.4	-	24,756.4
Non-Appropriated Funds				
Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	7,628.4	7,946.5	1,069.5	9,016.0
ASRS Non-Appropriated Self-Insurance Fund (Non-Appropriated)	1,424.7	1,500.0	-	1,500.0
Non-Appropriated Funds Total:	9,053.1	9,446.5	1,069.5	10,516.0
Member Services Total:	31,492.4	34,202.9	1,069.5	35,272.4

Sub Program: RTA-1-1 Member Services

Expenditure Categories				
FTE	177.2	182.2	-	182.2
Personal Services	13,900.6	15,072.6	50.6	15,123.2

Program Budget Unit Summary of Expenditure and Budget Request for All Funds

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services				
Sub Program: RTA-1-1 Member Services				
Employee Related Expenditures	6,146.1	7,035.5	-	7,035.5
Subtotal Personal Services and ERE	20,046.7	22,108.1	50.6	22,158.7
Professional & Outside Services	5,876.9	6,087.5	163.9	6,251.4
Travel In-State	1.9	22.0	-	22.0
Travel Out-Of-State	7.8	29.0	-	29.0
Other Operating Expenditures	5,139.8	5,586.8	855.0	6,441.8
Capital Equipment	30.8	-	-	-
Non-Capital Equipment	365.4	369.5	-	369.5
Transfers-Out	23.1	-	-	-
Expenditure Categories Total:	31,492.4	34,202.9	1,069.5	35,272.4
Fund Source				
Appropriated Funds				
Arizona State Retirement System Appropriated Fund (Appropriated)	21,205.3	22,956.4	-	22,956.4
LTD Trust Fund (Appropriated)	1,234.0	1,800.0	-	1,800.0
Appropriated Funds Total:	22,439.3	24,756.4	-	24,756.4
Non-Appropriated Funds				
Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	7,628.4	7,946.5	1,069.5	9,016.0
ASRS Non-Appropriated Self-Insurance Fund (Non-Appropriated)	1,424.7	1,500.0	-	1,500.0
Non-Appropriated Funds Total:	9,053.1	9,446.5	1,069.5	10,516.0
Member Services Total:	31,492.4	34,202.9	1,069.5	35,272.4

Sub Program: RTA-1-2 SLI One-Time IT Expenses

Expenditure Categories				
FTE	-	-	-	-
Personal Services	-	-	-	-
Employee Related Expenditures	-	-	-	-
Subtotal Personal Services and ERE	-	-	-	-
Professional & Outside Services	-	-	-	-
Travel In-State	-	-	-	-

Program Budget Unit Summary of Expenditure and Budget Request for All Funds

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services				
Sub Program: RTA-1-2 SLI One-Time IT Expenses				
Travel Out-Of-State	-	-	-	-
Other Operating Expenditures	-	-	-	-
Capital Equipment	-	-	-	-
Non-Capital Equipment	-	-	-	-
Transfers-Out	-	-	-	-
Expenditure Categories Total:	-	-	-	-
Fund Source				
Appropriated Funds				
Arizona State Retirement System Appropriated Fund (Appropriated)	-	-	-	-
Appropriated Funds Total:	-	-	-	-
Member Services Total:	-	-	-	-

Program Budget Unit Summary of Expenditure and Budget Request for All Funds

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-2-0 Administration and Support				
Expenditure Categories				
FTE	26.0	25.8	-	25.8
Personal Services	3,071.5	3,111.1	-	3,111.1
Employee Related Expenditures	1,070.1	1,081.2	-	1,081.2
Subtotal Personal Services and ERE	4,141.6	4,192.3	-	4,192.3
Professional & Outside Services	618.9	584.4	-	584.4
Travel In-State	2.3	8.0	-	8.0
Travel Out-Of-State	24.8	20.0	-	20.0
Other Operating Expenditures	944.8	905.8	-	905.8
Capital Equipment	5.7	-	-	-
Non-Capital Equipment	9.6	20.0	-	20.0
Transfers-Out	1.1	-	-	-
Expenditure Categories Total:	5,748.8	5,730.5	-	5,730.5
Fund Source				
Appropriated Funds				
Arizona State Retirement System Appropriated Fund (Appropriated)	4,993.2	4,886.1	-	4,886.1
Appropriated Funds Total:	4,993.2	4,886.1	-	4,886.1
Non-Appropriated Funds				
Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	755.6	844.4	-	844.4
Non-Appropriated Funds Total:	755.6	844.4	-	844.4
Administration and Support Total:	5,748.8	5,730.5	-	5,730.5

Sub Program: RTA-2-1 Administration and Support

Expenditure Categories				
FTE	26.0	25.8	-	25.8
Personal Services	3,071.5	3,111.1	-	3,111.1
Employee Related Expenditures	1,070.1	1,081.2	-	1,081.2
Subtotal Personal Services and ERE	4,141.6	4,192.3	-	4,192.3
Professional & Outside Services	618.9	584.4	-	584.4

Program Budget Unit Summary of Expenditure and Budget Request for All Funds

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-2-0 Administration and Support				
Sub Program: RTA-2-1 Administration and Support				
Travel In-State	2.3	8.0	-	8.0
Travel Out-Of-State	24.8	20.0	-	20.0
Other Operating Expenditures	944.8	905.8	-	905.8
Capital Equipment	5.7	-	-	-
Non-Capital Equipment	9.6	20.0	-	20.0
Transfers-Out	1.1	-	-	-
Expenditure Categories Total:	5,748.8	5,730.5	-	5,730.5
Fund Source				
Appropriated Funds				
Arizona State Retirement System Appropriated Fund (Appropriated)	4,993.2	4,886.1	-	4,886.1
Appropriated Funds Total:	4,993.2	4,886.1	-	4,886.1
Non-Appropriated Funds				
Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	755.6	844.4	-	844.4
Non-Appropriated Funds Total:	755.6	844.4	-	844.4
Administration and Support Total:	5,748.8	5,730.5	-	5,730.5

Program Budget Unit Summary of Expenditure and Budget Request for All Funds

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-3-0 Investment Management				

Expenditure Categories

FTE	13.8	15.0	-	15.0
Personal Services	2,814.7	3,218.5	85.4	3,303.9
Employee Related Expenditures	885.8	1,025.6	25.2	1,050.8
Subtotal Personal Services and ERE	3,700.6	4,244.1	110.6	4,354.7
Professional & Outside Services	401,617.9	282,278.1	13,356.0	295,634.1
Travel In-State	1.5	-	-	-
Travel Out-Of-State	5.7	20.0	-	20.0
Other Operating Expenditures	3,008.7	3,264.9	57.4	3,322.3
Capital Equipment	-	-	-	-
Non-Capital Equipment	6.9	-	-	-
Transfers-Out	-	-	-	-
Expenditure Categories Total:	408,341.4	289,807.1	13,524.0	303,331.1

Fund Source

Non-Appropriated Funds

Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	408,341.4	289,807.1	13,524.0	303,331.1
Non-Appropriated Funds Total:	408,341.4	289,807.1	13,524.0	303,331.1
Investment Management Total:	408,341.4	289,807.1	13,524.0	303,331.1

Sub Program: RTA-3-1 Investment Management

Expenditure Categories

FTE	13.8	15.0	-	15.0
Personal Services	2,814.7	3,218.5	85.4	3,303.9
Employee Related Expenditures	885.8	1,025.6	25.2	1,050.8
Subtotal Personal Services and ERE	3,700.6	4,244.1	110.6	4,354.7
Professional & Outside Services	401,617.9	282,278.1	13,356.0	295,634.1
Travel In-State	1.5	-	-	-
Travel Out-Of-State	5.7	20.0	-	20.0
Other Operating Expenditures	3,008.7	3,264.9	57.4	3,322.3
Capital Equipment	-	-	-	-

Program Budget Unit Summary of Expenditure and Budget Request for All Funds

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-3-0 Investment Management				
Sub Program: RTA-3-1 Investment Management				
Non-Capital Equipment	6.9	-	-	-
Transfers-Out	-	-	-	-
Expenditure Categories Total:	408,341.4	289,807.1	13,524.0	303,331.1
Fund Source				
Non-Appropriated Funds				
Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	408,341.4	289,807.1	13,524.0	303,331.1
Non-Appropriated Funds Total:	408,341.4	289,807.1	13,524.0	303,331.1
Investment Management Total:	408,341.4	289,807.1	13,524.0	303,331.1

Program Budget Unit Summary of Expenditure and Budget Request for Selected Funds

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services				
Fund: RT1401 Arizona State Retirement System Appropriated Fund				
Appropriated				
Personal Services	10,916.7	11,402.2	-	11,402.2
Employee Related Expenditures	4,917.8	5,642.1	-	5,642.1
Subtotal Personal Services and ERE	15,834.5	17,044.3	-	17,044.3
Professional & Outside Services	1,542.6	1,633.0	-	1,633.0
Travel In-State	2.2	22.0	-	22.0
Travel Out-Of-State	6.4	29.0	-	29.0
Other Operating Expenditures	3,423.4	3,858.6	-	3,858.6
Capital Equipment	30.8	-	-	-
Non-Capital Equipment	365.4	369.5	-	369.5
Transfers-Out	-	-	-	-
Expenditure Categories Total:	21,205.3	22,956.4	-	22,956.4
Arizona State Retirement System Appropriated Fund Total:	21,205.3	22,956.4	-	22,956.4

Fund: RT1407 Arizona State Retirement System Non-Appropriated Fund

Non-Appropriated				
Personal Services	2,983.9	3,670.4	50.6	3,721.0
Employee Related Expenditures	1,228.3	1,393.4	-	1,393.4
Subtotal Personal Services and ERE	4,212.1	5,063.8	50.6	5,114.4
Professional & Outside Services	1,675.6	1,154.5	163.9	1,318.4
Travel In-State	(0.4)	-	-	-
Travel Out-Of-State	1.5	-	-	-
Other Operating Expenditures	1,716.4	1,728.2	855.0	2,583.2
Capital Equipment	-	-	-	-
Non-Capital Equipment	-	-	-	-
Transfers-Out	23.1	-	-	-
Expenditure Categories Total:	7,628.4	7,946.5	1,069.5	9,016.0
Arizona State Retirement System Non- Appropriated Fund Total:	7,628.4	7,946.5	1,069.5	9,016.0

Program Budget Unit Summary of Expenditure and Budget Request for Selected Funds

Agency: State Retirement System

		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program:	RTA-1-0 Member Services				
Fund:	RT1407 Arizona State Retirement System Non-Appropriated Fund				
Fund:	RT1408 LTD Trust Fund				

Appropriated

Personal Services	-	-	-	-
Employee Related Expenditures	-	-	-	-
Subtotal Personal Services and ERE	-	-	-	-
Professional & Outside Services	1,234.0	1,800.0	-	1,800.0
Travel In-State	-	-	-	-
Travel Out-Of-State	-	-	-	-
Other Operating Expenditures	-	-	-	-
Capital Equipment	-	-	-	-
Non-Capital Equipment	-	-	-	-
Transfers-Out	-	-	-	-
Expenditure Categories Total:	1,234.0	1,800.0	-	1,800.0
LTD Trust Fund Total:	1,234.0	1,800.0	-	1,800.0

Fund: RT1409 ASRS Non-Appropriated Self-Insurance Fund

Non-Appropriated

Personal Services	-	-	-	-
Employee Related Expenditures	-	-	-	-
Subtotal Personal Services and ERE	-	-	-	-
Professional & Outside Services	1,424.7	1,500.0	-	1,500.0
Travel In-State	-	-	-	-
Travel Out-Of-State	-	-	-	-
Other Operating Expenditures	-	-	-	-
Capital Equipment	-	-	-	-
Non-Capital Equipment	-	-	-	-
Transfers-Out	-	-	-	-
Expenditure Categories Total:	1,424.7	1,500.0	-	1,500.0
ASRS Non-Appropriated Self-Insurance Fund Total:	1,424.7	1,500.0	-	1,500.0

Program Budget Unit Summary of Expenditure and Budget Request for Selected Funds

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services				
Fund: RT1409 ASRS Non-Appropriated Self-Insurance Fund				
Program Total for Select Funds:	31,492.4	34,202.9	1,069.5	35,272.4

Sub Program: RTA-1-1 Member Services

Fund: RT1401 Arizona State Retirement System Appropriated Fund

Appropriated

Personal Services	10,916.7	11,402.2	-	11,402.2
Employee Related Expenditures	4,917.8	5,642.1	-	5,642.1
Subtotal Personal Services and ERE	15,834.5	17,044.3	-	17,044.3
Professional & Outside Services	1,542.6	1,633.0	-	1,633.0
Travel In-State	2.2	22.0	-	22.0
Travel Out-Of-State	6.4	29.0	-	29.0
Other Operating Expenditures	3,423.4	3,858.6	-	3,858.6
Capital Equipment	30.8	-	-	-
Non-Capital Equipment	365.4	369.5	-	369.5
Transfers-Out	-	-	-	-
Expenditure Categories Total:	21,205.3	22,956.4	-	-
Arizona State Retirement System Appropriated Fund Total:	21,205.3	22,956.4	-	22,956.4

Fund: RT1407 Arizona State Retirement System Non-Appropriated Fund

Non-Appropriated

Personal Services	2,983.9	3,670.4	50.6	3,721.0
Employee Related Expenditures	1,228.3	1,393.4	-	1,393.4
Subtotal Personal Services and ERE	4,212.1	5,063.8	50.6	5,114.4
Professional & Outside Services	1,675.6	1,154.5	163.9	1,318.4
Travel In-State	(0.4)	-	-	-
Travel Out-Of-State	1.5	-	-	-
Other Operating Expenditures	1,716.4	1,728.2	855.0	2,583.2
Capital Equipment	-	-	-	-
Non-Capital Equipment	-	-	-	-
Transfers-Out	23.1	-	-	-

Program Budget Unit Summary of Expenditure and Budget Request for Selected Funds

Agency: State Retirement System

		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program:	RTA-1-0 Member Services				
Sub Program:	RTA-1-1 Member Services				
Fund:	RT1407 Arizona State Retirement System Non-Appropriated Fund				

Expenditure Categories Total:	7,628.4	7,946.5	1,069.5	1,069.5
Arizona State Retirement System Non-Appropriated Fund Total:	7,628.4	7,946.5	1,069.5	9,016.0

Fund: RT1408 LTD Trust Fund

Appropriated

Personal Services	-	-	-	-
Employee Related Expenditures	-	-	-	-
Subtotal Personal Services and ERE	-	-	-	-
Professional & Outside Services	1,234.0	1,800.0	-	1,800.0
Travel In-State	-	-	-	-
Travel Out-Of-State	-	-	-	-
Other Operating Expenditures	-	-	-	-
Capital Equipment	-	-	-	-
Non-Capital Equipment	-	-	-	-
Transfers-Out	-	-	-	-
Expenditure Categories Total:	1,234.0	1,800.0	-	-
LTD Trust Fund Total:	1,234.0	1,800.0	-	1,800.0

Fund: RT1409 ASRS Non-Appropriated Self-Insurance Fund

Non-Appropriated

Personal Services	-	-	-	-
Employee Related Expenditures	-	-	-	-
Subtotal Personal Services and ERE	-	-	-	-
Professional & Outside Services	1,424.7	1,500.0	-	1,500.0
Travel In-State	-	-	-	-
Travel Out-Of-State	-	-	-	-
Other Operating Expenditures	-	-	-	-

Program Budget Unit Summary of Expenditure and Budget Request for Selected Funds

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services				
Sub Program: RTA-1-1 Member Services				
Fund: RT1409 ASRS Non-Appropriated Self-Insurance Fund				
Capital Equipment	-	-	-	-
Non-Capital Equipment	-	-	-	-
Transfers-Out	-	-	-	-
Expenditure Categories Total:	1,424.7	1,500.0	-	-
ASRS Non-Appropriated Self-Insurance Fund Total:	1,424.7	1,500.0	-	1,500.0
Sub Program Total for Select Funds:	31,492.4	34,202.9	1,069.5	35,272.4

Sub Program: RTA-1-2 SLI One-Time IT Expenses

Fund: RT1401 Arizona State Retirement System Appropriated Fund

Appropriated

Personal Services	-	-	-	-
Employee Related Expenditures	-	-	-	-
Subtotal Personal Services and ERE	-	-	-	-
Professional & Outside Services	-	-	-	-
Travel In-State	-	-	-	-
Travel Out-Of-State	-	-	-	-
Other Operating Expenditures	-	-	-	-
Capital Equipment	-	-	-	-
Non-Capital Equipment	-	-	-	-
Transfers-Out	-	-	-	-
Expenditure Categories Total:	-	-	-	-
Arizona State Retirement System Appropriated Fund Total:	-	-	-	-
Sub Program Total for Select Funds:	-	-	-	-

**Program Budget Unit Summary of Expenditure and Budget Request
for Selected Funds**

Agency:	State Retirement System
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		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program:	RTA-1-0 Member Services				

Program Budget Unit Summary of Expenditure and Budget Request for Selected Funds

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-2-0 Administration and Support				
Fund: RT1401 Arizona State Retirement System Appropriated Fund				
Appropriated				
Personal Services	3,071.5	3,111.1	-	3,111.1
Employee Related Expenditures	1,070.1	1,081.2	-	1,081.2
Subtotal Personal Services and ERE	4,141.6	4,192.3	-	4,192.3
Professional & Outside Services	426.1	309.4	-	309.4
Travel In-State	2.3	8.0	-	8.0
Travel Out-Of-State	24.8	20.0	-	20.0
Other Operating Expenditures	382.1	336.4	-	336.4
Capital Equipment	5.7	-	-	-
Non-Capital Equipment	9.6	20.0	-	20.0
Transfers-Out	1.1	-	-	-
Expenditure Categories Total:	4,993.2	4,886.1	-	4,886.1
Arizona State Retirement System Appropriated Fund Total:	4,993.2	4,886.1	-	4,886.1

Fund: RT1407 Arizona State Retirement System Non-Appropriated Fund

Non-Appropriated				
Personal Services	-	-	-	-
Employee Related Expenditures	-	-	-	-
Subtotal Personal Services and ERE	-	-	-	-
Professional & Outside Services	192.9	275.0	-	275.0
Travel In-State	-	-	-	-
Travel Out-Of-State	-	-	-	-
Other Operating Expenditures	562.8	569.4	-	569.4
Capital Equipment	-	-	-	-
Non-Capital Equipment	-	-	-	-
Transfers-Out	-	-	-	-
Expenditure Categories Total:	755.6	844.4	-	844.4
Arizona State Retirement System Non- Appropriated Fund Total:	755.6	844.4	-	844.4

Program Budget Unit Summary of Expenditure and Budget Request for Selected Funds

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-2-0 Administration and Support				
Fund: RT1407 Arizona State Retirement System Non-Appropriated Fund				
Program Total for Select Funds:	5,748.8	5,730.5	-	5,730.5

Sub Program: RTA-2-1 Administration and Support

Fund: RT1401 Arizona State Retirement System Appropriated Fund

Appropriated

Personal Services	3,071.5	3,111.1	-	3,111.1
Employee Related Expenditures	1,070.1	1,081.2	-	1,081.2
Subtotal Personal Services and ERE	4,141.6	4,192.3	-	4,192.3
Professional & Outside Services	426.1	309.4	-	309.4
Travel In-State	2.3	8.0	-	8.0
Travel Out-Of-State	24.8	20.0	-	20.0
Other Operating Expenditures	382.1	336.4	-	336.4
Capital Equipment	5.7	-	-	-
Non-Capital Equipment	9.6	20.0	-	20.0
Transfers-Out	1.1	-	-	-
Expenditure Categories Total:	4,993.2	4,886.1	-	-
Arizona State Retirement System Appropriated Fund Total:	4,993.2	4,886.1	-	4,886.1

Fund: RT1407 Arizona State Retirement System Non-Appropriated Fund

Non-Appropriated

Personal Services	-	-	-	-
Employee Related Expenditures	-	-	-	-
Subtotal Personal Services and ERE	-	-	-	-
Professional & Outside Services	192.9	275.0	-	275.0
Travel In-State	-	-	-	-
Travel Out-Of-State	-	-	-	-
Other Operating Expenditures	562.8	569.4	-	569.4
Capital Equipment	-	-	-	-
Non-Capital Equipment	-	-	-	-
Transfers-Out	-	-	-	-

Program Budget Unit Summary of Expenditure and Budget Request for Selected Funds

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-2-0 Administration and Support				
Sub Program: RTA-2-1 Administration and Support				
Fund: RT1407 Arizona State Retirement System Non-Appropriated Fund				

Expenditure Categories Total:	755.6	844.4	-	-
Arizona State Retirement System Non-Appropriated Fund Total:	755.6	844.4	-	844.4
Sub Program Total for Select Funds:	5,748.8	5,730.5	-	5,730.5

Program Budget Unit Summary of Expenditure and Budget Request for Selected Funds

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-3-0 Investment Management				
Fund: RT1407 Arizona State Retirement System Non-Appropriated Fund				
Non-Appropriated				
Personal Services	2,814.7	3,218.5	85.4	3,303.9
Employee Related Expenditures	885.8	1,025.6	25.2	1,050.8
Subtotal Personal Services and ERE	3,700.6	4,244.1	110.6	4,354.7
Professional & Outside Services	401,617.9	282,278.1	13,356.0	295,634.1
Travel In-State	1.5	-	-	-
Travel Out-Of-State	5.7	20.0	-	20.0
Other Operating Expenditures	3,008.7	3,264.9	57.4	3,322.3
Capital Equipment	-	-	-	-
Non-Capital Equipment	6.9	-	-	-
Transfers-Out	-	-	-	-
Expenditure Categories Total:	408,341.4	289,807.1	13,524.0	303,331.1
Arizona State Retirement System Non-Appropriated Fund Total:	408,341.4	289,807.1	13,524.0	303,331.1
Program Total for Select Funds:	408,341.4	289,807.1	13,524.0	303,331.1

Sub Program: RTA-3-1 Investment Management

Fund: RT1407 Arizona State Retirement System Non-Appropriated Fund

Non-Appropriated				
Personal Services	2,814.7	3,218.5	85.4	3,303.9
Employee Related Expenditures	885.8	1,025.6	25.2	1,050.8
Subtotal Personal Services and ERE	3,700.6	4,244.1	110.6	4,354.7
Professional & Outside Services	401,617.9	282,278.1	13,356.0	295,634.1
Travel In-State	1.5	-	-	-
Travel Out-Of-State	5.7	20.0	-	20.0
Other Operating Expenditures	3,008.7	3,264.9	57.4	3,322.3
Capital Equipment	-	-	-	-
Non-Capital Equipment	6.9	-	-	-
Transfers-Out	-	-	-	-

Program Budget Unit Summary of Expenditure and Budget Request for Selected Funds

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-3-0 Investment Management				
Sub Program: RTA-3-1 Investment Management				
Fund: RT1407 Arizona State Retirement System Non-Appropriated Fund				
Expenditure Categories Total:	408,341.4	289,807.1	13,524.0	13,524.0
Arizona State Retirement System Non-Appropriated Fund Total:	408,341.4	289,807.1	13,524.0	303,331.1
Sub Program Total for Select Funds:	408,341.4	289,807.1	13,524.0	303,331.1

Program Summary of Expenditure and Budget Request

Agency: State Retirement System

Program: Member Services

Program Summary		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
RTA-1-1	Member Services	31,492.4	34,202.9	1,069.5	35,272.4
RTA-1-2	SLI One-Time IT Expenses	-	-	-	-
Member Services Summary Total:		31,492.4	34,202.9	1,069.5	35,272.4
Expenditure Categories					
FTE	FTE	177.2	182.2	-	182.2
6000	Personal Services	13,900.6	15,072.6	50.6	15,123.2
6100	Employee Related Expenditures	6,146.1	7,035.5	-	7,035.5
Subtotal Personal Services and ERE		20,046.7	22,108.1	50.6	22,158.7
6200	Professional & Outside Services	5,876.9	6,087.5	163.9	6,251.4
6500	Travel In-State	1.9	22.0	-	22.0
6600	Travel Out-Of-State	7.8	29.0	-	29.0
7000	Other Operating Expenditures	5,139.8	5,586.8	855.0	6,441.8
8400	Capital Equipment	30.8	-	-	-
8500	Non-Capital Equipment	365.4	369.5	-	369.5
9100	Transfers-Out	23.1	-	-	-
Expenditure Categories Total:		31,492.4	34,202.9	1,069.5	35,272.4
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	21,205.3	22,956.4	-	22,956.4
RT1408	LTD Trust Fund (Appropriated)	1,234.0	1,800.0	-	1,800.0
Appropriated Funds Total:		22,439.3	24,756.4	-	24,756.4
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	7,628.4	7,946.5	1,069.5	9,016.0
RT1409	ASRS Non-Appropriated Self-Insurance Fund (Non-Appropriated)	1,424.7	1,500.0	-	1,500.0
Non-Appropriated Funds Total:		9,053.1	9,446.5	1,069.5	10,516.0
Member Services Summary Total:		31,492.4	34,202.9	1,069.5	35,272.4

Program Summary of Expenditure and Budget Request

Agency:	State Retirement System
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Program:	Administration and Support
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Program Summary		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
RTA-2-1	Administration and Support	5,748.8	5,730.5	-	5,730.5
Administration and Support Summary Total:		5,748.8	5,730.5	-	5,730.5

Expenditure Categories		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
FTE	FTE	26.0	25.8	-	25.8
6000	Personal Services	3,071.5	3,111.1	-	3,111.1
6100	Employee Related Expenditures	1,070.1	1,081.2	-	1,081.2
Subtotal Personal Services and ERE		4,141.6	4,192.3	-	4,192.3
6200	Professional & Outside Services	618.9	584.4	-	584.4
6500	Travel In-State	2.3	8.0	-	8.0
6600	Travel Out-Of-State	24.8	20.0	-	20.0
7000	Other Operating Expenditures	944.8	905.8	-	905.8
8400	Capital Equipment	5.7	-	-	-
8500	Non-Capital Equipment	9.6	20.0	-	20.0
9100	Transfers-Out	1.1	-	-	-
Expenditure Categories Total:		5,748.8	5,730.5	-	5,730.5

Fund Source		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	4,993.2	4,886.1	-	4,886.1
Appropriated Funds Total:		4,993.2	4,886.1	-	4,886.1
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	755.6	844.4	-	844.4
Non-Appropriated Funds Total:		755.6	844.4	-	844.4
Administration and Support Summary Total:		5,748.8	5,730.5	-	5,730.5

Program Summary of Expenditure and Budget Request

Agency: State Retirement System

Program: Investment Management

Program Summary		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
RTA-3-1	Investment Management	408,341.4	289,807.1	13,524.0	303,331.1
Investment Management Summary Total:		408,341.4	289,807.1	13,524.0	303,331.1
Expenditure Categories					
FTE	FTE	13.8	15.0	-	15.0
6000	Personal Services	2,814.7	3,218.5	85.4	3,303.9
6100	Employee Related Expenditures	885.8	1,025.6	25.2	1,050.8
Subtotal Personal Services and ERE		3,700.6	4,244.1	110.6	4,354.7
6200	Professional & Outside Services	401,617.9	282,278.1	13,356.0	295,634.1
6500	Travel In-State	1.5	-	-	-
6600	Travel Out-Of-State	5.7	20.0	-	20.0
7000	Other Operating Expenditures	3,008.7	3,264.9	57.4	3,322.3
8400	Capital Equipment	-	-	-	-
8500	Non-Capital Equipment	6.9	-	-	-
9100	Transfers-Out	-	-	-	-
Expenditure Categories Total:		408,341.4	289,807.1	13,524.0	303,331.1
Fund Source					
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	408,341.4	289,807.1	13,524.0	303,331.1
Non-Appropriated Funds Total:		408,341.4	289,807.1	13,524.0	303,331.1
Investment Management Summary Total:		408,341.4	289,807.1	13,524.0	303,331.1

Program Summary of Expenditure and Budget Request for Selected Funds

Agency:	State Retirement System
Program:	Member Services
Fund:	RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)

Program Expenditures		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
RTA-1-1	Member Services	21,205.3	22,956.4	-	22,956.4
RTA-1-2	SLI One-Time IT Expenses	-	-	-	-
Arizona State Retirement System Appropriated Fund (Appropriated) Summary Total:		21,205.3	22,956.4	-	22,956.4
Appropriated Funding					
6000	Personal Services	10,916.7	11,402.2	-	11,402.2
6100	Employee Related Expenditures	4,917.8	5,642.1	-	5,642.1
Subtotal Personal Services and ERE		15,834.5	17,044.3	-	17,044.3
6200	Professional & Outside Services	1,542.6	1,633.0	-	1,633.0
6500	Travel In-State	2.2	22.0	-	22.0
6600	Travel Out-Of-State	6.4	29.0	-	29.0
7000	Other Operating Expenditures	3,423.4	3,858.6	-	3,858.6
8400	Capital Equipment	30.8	-	-	-
8500	Non-Capital Equipment	365.4	369.5	-	369.5
9100	Transfers-Out	-	-	-	-
Expenditure Categories Total:		21,205.3	22,956.4	-	22,956.4
Fund RT1401 - A Total:		21,205.3	22,956.4	-	22,956.4

Program Summary of Expenditure and Budget Request for Selected Funds

Agency:	State Retirement System
Program:	Member Services
Fund:	RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)

Program Expenditures		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
RTA-1-1	Member Services	7,628.4	7,946.5	1,069.5	9,016.0
Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated) Summary Total:		7,628.4	7,946.5	1,069.5	9,016.0
Non-Appropriated Funding					
6000	Personal Services	2,983.9	3,670.4	50.6	3,721.0
6100	Employee Related Expenditures	1,228.3	1,393.4	-	1,393.4
Subtotal Personal Services and ERE		4,212.1	5,063.8	50.6	5,114.4
6200	Professional & Outside Services	1,675.6	1,154.5	163.9	1,318.4
6500	Travel In-State	(0.4)	-	-	-
6600	Travel Out-Of-State	1.5	-	-	-
7000	Other Operating Expenditures	1,716.4	1,728.2	855.0	2,583.2
8400	Capital Equipment	-	-	-	-
8500	Non-Capital Equipment	-	-	-	-
9100	Transfers-Out	23.1	-	-	-
Expenditure Categories Total:		7,628.4	7,946.5	1,069.5	9,016.0
Fund RT1407 - N Total:		7,628.4	7,946.5	1,069.5	9,016.0

Program Summary of Expenditure and Budget Request for Selected Funds

Agency:	State Retirement System
Program:	Member Services
Fund:	RT1408 LTD Trust Fund (Appropriated)

Program Expenditures		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
RTA-1-1	Member Services	1,234.0	1,800.0	-	1,800.0
LTD Trust Fund (Appropriated) Summary Total:		1,234.0	1,800.0	-	1,800.0
Appropriated Funding					
6000	Personal Services	-	-	-	-
6100	Employee Related Expenditures	-	-	-	-
Subtotal Personal Services and ERE		-	-	-	-
6200	Professional & Outside Services	1,234.0	1,800.0	-	1,800.0
6500	Travel In-State	-	-	-	-
6600	Travel Out-Of-State	-	-	-	-
7000	Other Operating Expenditures	-	-	-	-
8400	Capital Equipment	-	-	-	-
8500	Non-Capital Equipment	-	-	-	-
9100	Transfers-Out	-	-	-	-
Expenditure Categories Total:		1,234.0	1,800.0	-	1,800.0
Fund RT1408 - A Total:		1,234.0	1,800.0	-	1,800.0

Program Summary of Expenditure and Budget Request for Selected Funds

Agency:	State Retirement System
Program:	Member Services
Fund:	RT1409 ASRS Non-Appropriated Self-Insurance Fund (Non-Appropriated)

Program Expenditures		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
RTA-1-1	Member Services	1,424.7	1,500.0	-	1,500.0
ASRS Non-Appropriated Self-Insurance Fund (Non-Appropriated) Summary Total:		1,424.7	1,500.0	-	1,500.0
Non-Appropriated Funding					
6000	Personal Services	-	-	-	-
6100	Employee Related Expenditures	-	-	-	-
Subtotal Personal Services and ERE		-	-	-	-
6200	Professional & Outside Services	1,424.7	1,500.0	-	1,500.0
6500	Travel In-State	-	-	-	-
6600	Travel Out-Of-State	-	-	-	-
7000	Other Operating Expenditures	-	-	-	-
8400	Capital Equipment	-	-	-	-
8500	Non-Capital Equipment	-	-	-	-
9100	Transfers-Out	-	-	-	-
Expenditure Categories Total:		1,424.7	1,500.0	-	1,500.0
Fund RT1409 - N Total:		1,424.7	1,500.0	-	1,500.0
Member Services Total:		31,492.4	34,202.9	1,069.5	35,272.4

Program Summary of Expenditure and Budget Request for Selected Funds

Agency:	State Retirement System
Program:	Administration and Support
Fund:	RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)

Program Expenditures		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
RTA-2-1	Administration and Support	4,993.2	4,886.1	-	4,886.1
Arizona State Retirement System Appropriated Fund (Appropriated) Summary Total:		4,993.2	4,886.1	-	4,886.1
Appropriated Funding					
6000	Personal Services	3,071.5	3,111.1	-	3,111.1
6100	Employee Related Expenditures	1,070.1	1,081.2	-	1,081.2
	Subtotal Personal Services and ERE	4,141.6	4,192.3	-	4,192.3
6200	Professional & Outside Services	426.1	309.4	-	309.4
6500	Travel In-State	2.3	8.0	-	8.0
6600	Travel Out-Of-State	24.8	20.0	-	20.0
7000	Other Operating Expenditures	382.1	336.4	-	336.4
8400	Capital Equipment	5.7	-	-	-
8500	Non-Capital Equipment	9.6	20.0	-	20.0
9100	Transfers-Out	1.1	-	-	-
Expenditure Categories Total:		4,993.2	4,886.1	-	4,886.1
Fund RT1401 - A Total:		4,993.2	4,886.1	-	4,886.1

Program Summary of Expenditure and Budget Request for Selected Funds

Agency:	State Retirement System
Program:	Administration and Support
Fund:	RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)

Program Expenditures		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
RTA-2-1	Administration and Support	755.6	844.4	-	844.4
Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated) Summary Total:		755.6	844.4	-	844.4
Non-Appropriated Funding					
6000	Personal Services	-	-	-	-
6100	Employee Related Expenditures	-	-	-	-
Subtotal Personal Services and ERE		-	-	-	-
6200	Professional & Outside Services	192.9	275.0	-	275.0
6500	Travel In-State	-	-	-	-
6600	Travel Out-Of-State	-	-	-	-
7000	Other Operating Expenditures	562.8	569.4	-	569.4
8400	Capital Equipment	-	-	-	-
8500	Non-Capital Equipment	-	-	-	-
9100	Transfers-Out	-	-	-	-
Expenditure Categories Total:		755.6	844.4	-	844.4
Fund RT1407 - N Total:		755.6	844.4	-	844.4
Administration and Support Total:		5,748.8	5,730.5	-	5,730.5

Program Summary of Expenditure and Budget Request for Selected Funds

Agency:	State Retirement System
Program:	Investment Management
Fund:	RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)

Program Expenditures		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
RTA-3-1	Investment Management	408,341.4	289,807.1	13,524.0	303,331.1
Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated) Summary Total:		408,341.4	289,807.1	13,524.0	303,331.1
Non-Appropriated Funding					
6000	Personal Services	2,814.7	3,218.5	85.4	3,303.9
6100	Employee Related Expenditures	885.8	1,025.6	25.2	1,050.8
	Subtotal Personal Services and ERE	3,700.6	4,244.1	110.6	4,354.7
6200	Professional & Outside Services	401,617.9	282,278.1	13,356.0	295,634.1
6500	Travel In-State	1.5	-	-	-
6600	Travel Out-Of-State	5.7	20.0	-	20.0
7000	Other Operating Expenditures	3,008.7	3,264.9	57.4	3,322.3
8400	Capital Equipment	-	-	-	-
8500	Non-Capital Equipment	6.9	-	-	-
9100	Transfers-Out	-	-	-	-
Expenditure Categories Total:		408,341.4	289,807.1	13,524.0	303,331.1
Fund RT1407 - N Total:		408,341.4	289,807.1	13,524.0	303,331.1
Investment Management Total:		408,341.4	289,807.1	13,524.0	303,331.1

Program Expenditure Schedule

Agency:		State Retirement System			
		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program:		RTA-1-0 Member Services			
FTE					
	FTE	177.2	182.2	-	182.2
	Expenditure Category Total:	-	-	-	-
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	148.7	144.2	-	144.2
	Appropriated Funds Total:	148.7	144.2	-	144.2
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	28.5	38.0	-	38.0
	Non-Appropriated Funds Total:	28.5	38.0	-	38.0
	Fund Source Total:	177.2	182.2	-	182.2
Personal Services					
	Personal Services	13,900.6	15,072.6	50.6	15,123.2
	Expenditure Category Total:	13,900.6	15,072.6	50.6	15,123.2
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	10,916.7	11,402.2	-	11,402.2
	Appropriated Funds Total:	10,916.7	11,402.2	-	11,402.2
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	2,983.9	3,670.4	50.6	3,721.0
	Non-Appropriated Funds Total:	2,983.9	3,670.4	50.6	3,721.0
	Fund Source Total:	13,900.6	15,072.6	50.6	15,123.2
Employee Related Expenditures					
	Employee Related Expenses	-	7,035.5	-	7,035.5
	FICA Taxes	1,027.7	-	-	-
	Medical Insurance	3,020.5	-	-	-
	Basic Life	1.1	-	-	-
	Long-Term Disability (ASRS)	18.8	-	-	-

Program Expenditure Schedule

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services				
Unemployment Compensation & Other State' Taxes	2.4	-	-	-
Dental Insurance	17.5	-	-	-
Workers' Compensation	171.9	-	-	-
Arizona State Retirement System	1,591.6	-	-	-
Alternate Retirement Contributions – Contracted Retirees	5.0	-	-	-
Alternate Retirement Contributions – Reemployed Retirees	28.0	-	-	-
Personnel Board Pro-Rata Charges	120.3	-	-	-
Information Technology Pro Rata Charge	85.3	-	-	-
Accumulated Sick Leave Fund Charge	56.0	-	-	-
Expenditure Category Total:	6,146.1	7,035.5	-	7,035.5

Fund Source

Appropriated Funds

RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	4,917.8	5,642.1	-	5,642.1
Appropriated Funds Total:		4,917.8	5,642.1	-	5,642.1

Non-Appropriated Funds

RT1407	Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	1,228.3	1,393.4	-	1,393.4
Non-Appropriated Funds Total:		1,228.3	1,393.4	-	1,393.4
Fund Source Total:		6,146.1	7,035.5	-	7,035.5

Professional & Outside Services

Professional and Outside Services	-	6,087.5	163.9	6,251.4
Other External Financial Services	2,688.5	-	-	-
External Legal Services	4.1	-	-	-
Temporary Agency Services	2,585.1	-	-	-
Outside Actuarial Costs	293.9	-	-	-
Other Professional & Outside Services	305.2	-	-	-
Expenditure Category Total:	5,876.9	6,087.5	163.9	6,251.4

Fund Source

Appropriated Funds

RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	1,542.6	1,633.0	-	1,633.0
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Program Expenditure Schedule

Agency: State Retirement System

		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services					
RT1408	LTD Trust Fund (Appropriated)	1,234.0	1,800.0	-	1,800.0
	Appropriated Funds Total:	2,776.6	3,433.0	-	3,433.0
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	1,675.6	1,154.5	163.9	1,318.4
RT1409	ASRS Non-Appropriated Self-Insurance Fund (Non-Appropriated)	1,424.7	1,500.0	-	1,500.0
	Non-Appropriated Funds Total:	3,100.3	2,654.5	163.9	2,818.4
	Fund Source Total:	5,876.9	6,087.5	163.9	6,251.4

Travel In-State

Travel In-State	-	22.0	-	22.0
Mileage - Private Vehicle	0.3	-	-	-
Car Rental In-State	0.8	-	-	-
Lodging	0.4	-	-	-
Meals with Overnight Stay	(0.1)	-	-	-
Meals without Overnight Stay	0.1	-	-	-
Other Miscellaneous In- State Travel	0.4	-	-	-
Expenditure Category Total:	1.9	22.0	-	22.0

Fund Source

Appropriated Funds

RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	2.2	22.0	-	22.0
	Appropriated Funds Total:	2.2	22.0	-	22.0

Non-Appropriated Funds

RT1407	Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	(0.4)	-	-	-
	Non-Appropriated Funds Total:	(0.4)	-	-	-
	Fund Source Total:	1.9	22.0	-	22.0

Travel Out-Of-State

Travel Out of State	-	29.0	-	29.0
Airfare and Other Common Carrier Charges	1.9	-	-	-
Lodging Out-of-State	5.4	-	-	-
Meals with Overnight Stay	0.3	-	-	-

Program Expenditure Schedule

Agency: State Retirement System

		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services					
Other Miscellaneous Out-of- State Travel		0.3	-	-	-
Expenditure Category Total:		7.8	29.0	-	29.0
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	6.4	29.0	-	29.0
Appropriated Funds Total:		6.4	29.0	-	29.0
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	1.5	-	-	-
Non-Appropriated Funds Total:		1.5	-	-	-
Fund Source Total:		7.8	29.0	-	29.0
Other Operating Expenditures					
Other Operating Expenses		-	5,586.8	855.0	6,441.8
Internal Service Computer Processing, Hosting, Maintenance and Support Costs		14.8	-	-	-
Other External Computer Processing, Hosting, Maintenance and Support Costs		948.4	-	-	-
Charges Imposed Related to AFIS.		12.3	-	-	-
External Telecommunications Charges		486.2	-	-	-
Rental of Land & Buildings		550.4	-	-	-
Repair & Maintenance - Other Equipment		34.9	-	-	-
Software Support, Maintenance Short-term Licensing		2,234.1	-	-	-
Office Supplies		24.7	-	-	-
Computer Supplies		13.7	-	-	-
Other Operating Supplies		1.1	-	-	-
Employee Tuition Reimbursement		7.5	-	-	-
Conference Registration / Attendance Fees		16.4	-	-	-
Other Education & Training Costs		3.9	-	-	-
External Printing		42.1	-	-	-
Postage & Delivery		265.2	-	-	-
Translation and sign language services		1.6	-	-	-
Dues		91.3	-	-	-
Books, Subscriptions & Publications		390.1	-	-	-

Program Expenditure Schedule

Agency:	State Retirement System
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		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services					
	Other Miscellaneous Operating	1.2	-	-	-
	Expenditure Category Total:	5,139.8	5,586.8	855.0	6,441.8
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	3,423.4	3,858.6	-	3,858.6
	Appropriated Funds Total:	3,423.4	3,858.6	-	3,858.6
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	1,716.4	1,728.2	855.0	2,583.2
	Non-Appropriated Funds Total:	1,716.4	1,728.2	855.0	2,583.2
	Fund Source Total:	5,139.8	5,586.8	855.0	6,441.8
Capital Equipment					
	Other Equipment - Capital Purchase	30.8	-	-	-
	Expenditure Category Total:	30.8	-	-	-
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	30.8	-	-	-
	Appropriated Funds Total:	30.8	-	-	-
	Fund Source Total:	30.8	-	-	-
Non-Capital Equipment					
	Non-Capital Resources	-	369.5	-	369.5
	Furniture - Non-Capital Purchase	0.5	-	-	-
	Computer Equipment – Non- Capitalized Purchases	363.9	-	-	-
	Other Equipment - Non- Capital Purchase	1.0	-	-	-
	Expenditure Category Total:	365.4	369.5	-	369.5
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	365.4	369.5	-	369.5
	Appropriated Funds Total:	365.4	369.5	-	369.5

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services				
Fund Source Total:	365.4	369.5	-	369.5
Transfers-Out				
Transfers Out – Not Subject to Cost Allocation	23.1	-	-	-
Expenditure Category Total:	23.1	-	-	-
Fund Source				
Non-Appropriated Funds				
RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	23.1	-	-	-
Non-Appropriated Funds Total:	23.1	-	-	-
Fund Source Total:	23.1	-	-	-

Employee Retirement Coverage

Retirement System	FTE	Personal Services	Fund#
ASRS – return to work	2.5	170.2	RT1401-A
ASRS – return to work	1.5	121.7	RT1407-N
Arizona State Retirement System	141.7	11,232.0	RT1401-A
Arizona State Retirement System	36.5	3,548.7	RT1407-N

Sub Program: RTA-1-1 Member Services

Program Expenditure Schedule

Agency:	State Retirement System
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		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program:	RTA-1-0 Member Services				
Sub Program:	RTA-1-1 Member Services				
FTE					
FTE		177.2	182.2	-	182.2
Expenditure Category Total:		-	-	-	-
Fund Source					
Appropriated Funds					
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)		148.7	144.2	-	144.2
Appropriated Funds Total:		148.7	144.2	-	144.2
Non-Appropriated Funds					
RT1407 Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)		28.5	38.0	-	38.0
Non-Appropriated Funds Total:		28.5	38.0	-	38.0
Fund Source Total:		177.2	182.2	-	182.2
Personal Services					
Personal Services		13,900.6	15,072.6	50.6	15,123.2
Expenditure Category Total:		13,900.6	15,072.6	50.6	15,123.2
Fund Source					
Appropriated Funds					
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)		10,916.7	11,402.2	-	11,402.2
Appropriated Funds Total:		10,916.7	11,402.2	-	11,402.2
Non-Appropriated Funds					
RT1407 Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)		2,983.9	3,670.4	50.6	3,721.0
Non-Appropriated Funds Total:		2,983.9	3,670.4	50.6	3,721.0
Fund Source Total:		13,900.6	15,072.6	50.6	15,123.2

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services				
Sub Program: RTA-1-1 Member Services				
Employee Related Expenditures				
Employee Related Expenses	-	7,035.5	-	7,035.5
FICA Taxes	1,027.7	-	-	-
Medical Insurance	3,020.5	-	-	-
Basic Life	1.1	-	-	-
Long-Term Disability (ASRS)	18.8	-	-	-
Unemployment Compensation & Other State' Taxes	2.4	-	-	-
Dental Insurance	17.5	-	-	-
Workers' Compensation	171.9	-	-	-
Arizona State Retirement System	1,591.6	-	-	-
Alternate Retirement Contributions – Contracted Retirees	5.0	-	-	-
Alternate Retirement Contributions – Reemployed Retirees	28.0	-	-	-
Personnel Board Pro-Rata Charges	120.3	-	-	-
Information Technology Pro Rata Charge	85.3	-	-	-
Accumulated Sick Leave Fund Charge	56.0	-	-	-
Expenditure Category Total:	6,146.1	7,035.5	-	7,035.5
Fund Source				
Appropriated Funds				
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)	4,917.8	5,642.1	-	5,642.1
Appropriated Funds Total:	4,917.8	5,642.1	-	5,642.1
Non-Appropriated Funds				
RT1407 Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	1,228.3	1,393.4	-	1,393.4
Non-Appropriated Funds Total:	1,228.3	1,393.4	-	1,393.4
Fund Source Total:	6,146.1	7,035.5	-	7,035.5

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services				
Sub Program: RTA-1-1 Member Services				
Professional & Outside Services				
Professional and Outside Services	-	6,087.5	163.9	6,251.4
Other External Financial Services	2,688.5	-	-	-
External Legal Services	4.1	-	-	-
Temporary Agency Services	2,585.1	-	-	-
Outside Actuarial Costs	293.9	-	-	-
Other Professional & Outside Services	305.2	-	-	-
Expenditure Category Total:	5,876.9	6,087.5	163.9	6,251.4
Fund Source				
Appropriated Funds				
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)	1,542.6	1,633.0	-	1,633.0
RT1408 LTD Trust Fund (Appropriated)	1,234.0	1,800.0	-	1,800.0
Appropriated Funds Total:	2,776.6	3,433.0	-	3,433.0
Non-Appropriated Funds				
RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	1,675.6	1,154.5	163.9	1,318.4
RT1409 ASRS Non-Appropriated Self-Insurance Fund (Non-Appropriated)	1,424.7	1,500.0	-	1,500.0
Non-Appropriated Funds Total:	3,100.3	2,654.5	163.9	2,818.4
Fund Source Total:	5,876.9	6,087.5	163.9	6,251.4

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services				
Sub Program: RTA-1-1 Member Services				
Travel In-State				
Travel In-State	-	22.0	-	22.0
Mileage - Private Vehicle	0.3	-	-	-
Car Rental In-State	0.8	-	-	-
Lodging	0.4	-	-	-
Meals with Overnight Stay	(0.1)	-	-	-
Meals without Overnight Stay	0.1	-	-	-
Other Miscellaneous In- State Travel	0.4	-	-	-
Expenditure Category Total:	1.9	22.0	-	22.0
Fund Source				
Appropriated Funds				
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)	2.2	22.0	-	22.0
Appropriated Funds Total:	2.2	22.0	-	22.0
Non-Appropriated Funds				
RT1407 Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	(0.4)	-	-	-
Non-Appropriated Funds Total:	(0.4)	-	-	-
Fund Source Total:	1.9	22.0	-	22.0

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services				
Sub Program: RTA-1-1 Member Services				
Travel Out-Of-State				
Travel Out of State	-	29.0	-	29.0
Airfare and Other Common Carrier Charges	1.9	-	-	-
Lodging Out-of-State	5.4	-	-	-
Meals with Overnight Stay	0.3	-	-	-
Other Miscellaneous Out-of- State Travel	0.3	-	-	-
Expenditure Category Total:	7.8	29.0	-	29.0

Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	6.4	29.0	-	29.0
Appropriated Funds Total:		6.4	29.0	-	29.0
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	1.5	-	-	-
Non-Appropriated Funds Total:		1.5	-	-	-
Fund Source Total:		7.8	29.0	-	29.0

Other Operating Expenditures					
Other Operating Expenses	-	5,586.8	855.0	6,441.8	
Internal Service Computer Processing, Hosting, Maintenance and Support Costs	14.8	-	-	-	
Other External Computer Processing, Hosting, Maintenance and Support Costs	948.4	-	-	-	
Charges Imposed Related to AFIS.	12.3	-	-	-	
External Telecommunications Charges	486.2	-	-	-	
Rental of Land & Buildings	550.4	-	-	-	
Repair & Maintenance - Other Equipment	34.9	-	-	-	
Software Support, Maintenance Short-term Licensing	2,234.1	-	-	-	
Office Supplies	24.7	-	-	-	
Computer Supplies	13.7	-	-	-	
Other Operating Supplies	1.1	-	-	-	
Employee Tuition Reimbursement	7.5	-	-	-	

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services				
Sub Program: RTA-1-1 Member Services				
Conference Registration / Attendance Fees	16.4	-	-	-
Other Education & Training Costs	3.9	-	-	-
External Printing	42.1	-	-	-
Postage & Delivery	265.2	-	-	-
Translation and sign language services	1.6	-	-	-
Dues	91.3	-	-	-
Books, Subscriptions & Publications	390.1	-	-	-
Other Miscellaneous Operating	1.2	-	-	-
Expenditure Category Total:	5,139.8	5,586.8	855.0	6,441.8

Fund Source

Appropriated Funds

RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	3,423.4	3,858.6	-	3,858.6
	Appropriated Funds Total:	3,423.4	3,858.6	-	3,858.6
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	1,716.4	1,728.2	855.0	2,583.2
	Non-Appropriated Funds Total:	1,716.4	1,728.2	855.0	2,583.2
	Fund Source Total:	5,139.8	5,586.8	855.0	6,441.8

Capital Equipment

Other Equipment - Capital Purchase	30.8	-	-	-
Expenditure Category Total:	30.8	-	-	-

Fund Source

Appropriated Funds

RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	30.8	-	-	-
	Appropriated Funds Total:	30.8	-	-	-
	Fund Source Total:	30.8	-	-	-

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
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Program: RTA-1-0 Member Services

Sub Program: RTA-1-1 Member Services

Non-Capital Equipment

Non-Capital Resources	-	369.5	-	369.5
Furniture - Non-Capital Purchase	0.5	-	-	-
Computer Equipment – Non- Capitalized Purchases	363.9	-	-	-
Other Equipment - Non- Capital Purchase	1.0	-	-	-
Expenditure Category Total:	365.4	369.5	-	369.5

Fund Source

Appropriated Funds

RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)	365.4	369.5	-	369.5
Appropriated Funds Total:	365.4	369.5	-	369.5
Fund Source Total:	365.4	369.5	-	369.5

Transfers-Out

Transfers Out – Not Subject to Cost Allocation	23.1	-	-	-
Expenditure Category Total:	23.1	-	-	-

Fund Source

Non-Appropriated Funds

RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	23.1	-	-	-
Non-Appropriated Funds Total:	23.1	-	-	-
Fund Source Total:	23.1	-	-	-

Employee Retirement Coverage

Retirement System	FTE	Personal Services	Fund#
ASRS – return to work	2.5	170.2	RT1401-A
ASRS – return to work	1.5	121.7	RT1407-N
Arizona State Retirement System	141.7	11,232.0	RT1401-A
Arizona State Retirement System	36.5	3,548.7	RT1407-N

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-1-0 Member Services				
Sub Program: RTA-1-2 SLI One-Time IT Expenses				

FTE				
FTE	-	-	-	-
Expenditure Category Total:	-	-	-	-

Fund Source				
Appropriated Funds				
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)	-	-	-	-
Appropriated Funds Total:	-	-	-	-
Fund Source Total:	-	-	-	-

Personal Services				
Personal Services	-	-	-	-
Expenditure Category Total:	-	-	-	-

Fund Source				
Appropriated Funds				
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)	-	-	-	-
Appropriated Funds Total:	-	-	-	-
Fund Source Total:	-	-	-	-

Employee Retirement Coverage				
Retirement System	FTE	Personal Services	Fund#	
	-	-		

Program Expenditure Schedule

Agency:		State Retirement System			
		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program:		RTA-2-0 Administration and Support			
FTE					
	FTE	26.0	25.8	-	25.8
	Expenditure Category Total:	-	-	-	-
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	26.0	25.8	-	25.8
	Appropriated Funds Total:	26.0	25.8	-	25.8
	Fund Source Total:	26.0	25.8	-	25.8
Personal Services					
	Personal Services	3,071.5	3,111.1	-	3,111.1
	Expenditure Category Total:	3,071.5	3,111.1	-	3,111.1
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	3,071.5	3,111.1	-	3,111.1
	Appropriated Funds Total:	3,071.5	3,111.1	-	3,111.1
	Fund Source Total:	3,071.5	3,111.1	-	3,111.1
Employee Related Expenditures					
	Employee Related Expenses	-	1,081.2	-	1,081.2
	FICA Taxes	195.3	-	-	-
	Medical Insurance	432.3	-	-	-
	Basic Life	0.2	-	-	-
	Long-Term Disability (ASRS)	4.0	-	-	-
	Dental Insurance	2.5	-	-	-
	Workers' Compensation	36.4	-	-	-
	Arizona State Retirement System	330.6	-	-	-
	Alternate Retirement Contributions – Reemployed Retirees	13.0	-	-	-
	Personnel Board Pro-Rata Charges	25.7	-	-	-
	Information Technology Pro Rata Charge	18.2	-	-	-
	Accumulated Sick Leave Fund Charge	11.9	-	-	-

Program Expenditure Schedule

Agency: State Retirement System

		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-2-0 Administration and Support					
Expenditure Category Total:		1,070.1	1,081.2	-	1,081.2
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	1,070.1	1,081.2	-	1,081.2
Appropriated Funds Total:		1,070.1	1,081.2	-	1,081.2
Fund Source Total:		1,070.1	1,081.2	-	1,081.2
Professional & Outside Services					
	Professional and Outside Services	-	584.4	-	584.4
	Attorney General Legal Services	267.4	-	-	-
	External Legal Services	157.7	-	-	-
	Outside Actuarial Costs	192.9	-	-	-
	Other Professional & Outside Services	1.0	-	-	-
Expenditure Category Total:		618.9	584.4	-	584.4
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	426.1	309.4	-	309.4
Appropriated Funds Total:		426.1	309.4	-	309.4
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	192.9	275.0	-	275.0
Non-Appropriated Funds Total:		192.9	275.0	-	275.0
Fund Source Total:		618.9	584.4	-	584.4
Travel In-State					
	Travel In-State	-	8.0	-	8.0
	Mileage - Private Vehicle	0.6	-	-	-
	Lodging	0.6	-	-	-
	Meals with Overnight Stay	0.1	-	-	-
	Other Miscellaneous In- State Travel	1.1	-	-	-
Expenditure Category Total:		2.3	8.0	-	8.0
Fund Source					

Program Expenditure Schedule

Agency: State Retirement System

		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-2-0 Administration and Support					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	2.3	8.0	-	8.0
	Appropriated Funds Total:	2.3	8.0	-	8.0
	Fund Source Total:	2.3	8.0	-	8.0

Travel Out-Of-State

Travel Out of State	-	20.0	-	20.0
Airfare and Other Common Carrier Charges	7.4	-	-	-
Airfare Out-of-Country	0.6	-	-	-
Lodging Out-of-State	9.0	-	-	-
Lodging Out-of-Country	5.7	-	-	-
Meals with Overnight Stay	0.9	-	-	-
Meals without Overnight Stay	0.0	-	-	-
Meals with Overnight Stay Out-of-Country	0.3	-	-	-
Other Miscellaneous Out-of- State Travel	1.0	-	-	-
Expenditure Category Total:	24.8	20.0	-	20.0

Fund Source

Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	24.8	20.0	-	20.0
	Appropriated Funds Total:	24.8	20.0	-	20.0
	Fund Source Total:	24.8	20.0	-	20.0

Other Operating Expenditures

Other Operating Expenses	-	905.8	-	905.8
Risk Management Charges to State Agencies	177.4	-	-	-
External Telecommunications Charges	0.1	-	-	-
Rental of Land & Buildings	479.2	-	-	-
Repair & Maintenance - Other Equipment	5.6	-	-	-
Office Supplies	8.7	-	-	-
Computer Supplies	1.4	-	-	-
Employee Tuition Reimbursement	1.2	-	-	-
Conference Registration / Attendance Fees	7.6	-	-	-

Program Expenditure Schedule

Agency: State Retirement System

		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-2-0 Administration and Support					
	Other Education & Training Costs	0.8	-	-	-
	Advertising	3.4	-	-	-
	External Printing	42.3	-	-	-
	Photography	1.6	-	-	-
	Postage & Delivery	68.3	-	-	-
	Document Shredding and Destruction Services	5.4	-	-	-
	Awards	4.6	-	-	-
	Dues	22.7	-	-	-
	Books, Subscriptions & Publications	22.5	-	-	-
	Settlements – Payments Made to Resolve Disputes and/ or Avoid the Costs of Litigation	92.0	-	-	-
	Other Miscellaneous Operating	0.0	-	-	-
	Expenditure Category Total:	944.8	905.8	-	905.8
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	382.1	336.4	-	336.4
	Appropriated Funds Total:	382.1	336.4	-	336.4
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	562.8	569.4	-	569.4
	Non-Appropriated Funds Total:	562.8	569.4	-	569.4
	Fund Source Total:	944.8	905.8	-	905.8
Capital Equipment					
	Other Equipment - Capital Purchase	5.7	-	-	-
	Expenditure Category Total:	5.7	-	-	-
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	5.7	-	-	-
	Appropriated Funds Total:	5.7	-	-	-
	Fund Source Total:	5.7	-	-	-
Non-Capital Equipment					

Program Expenditure Schedule

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-2-0 Administration and Support				
Non-Capital Resources	-	20.0	-	20.0
Furniture - Non-Capital Purchase	9.3	-	-	-
Other Equipment - Non- Capital Purchase	0.3	-	-	-
Expenditure Category Total:	9.6	20.0	-	20.0

Fund Source

Appropriated Funds

RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	9.6	20.0	-	20.0
	Appropriated Funds Total:	9.6	20.0	-	20.0
	Fund Source Total:	9.6	20.0	-	20.0

Transfers-Out

Transfers Out – Not Subject to Cost Allocation	1.1	-	-	-
Expenditure Category Total:	1.1	-	-	-

Fund Source

Appropriated Funds

RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	1.1	-	-	-
	Appropriated Funds Total:	1.1	-	-	-
	Fund Source Total:	1.1	-	-	-

Employee Retirement Coverage

Retirement System	FTE	Personal Services	Fund#
ASRS – return to work	0.3	18.3	RT1401-A
Arizona State Retirement System	25.5	3,092.8	RT1401-A

Sub Program: RTA-2-1 Administration and Support

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-2-0 Administration and Support				
Sub Program: RTA-2-1 Administration and Support				
FTE				
FTE	26.0	25.8	-	25.8
Expenditure Category Total:	-	-	-	-

Fund Source				
Appropriated Funds				
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)	26.0	25.8	-	25.8
Appropriated Funds Total:	26.0	25.8	-	25.8
Fund Source Total:	26.0	25.8	-	25.8

Personal Services				
Personal Services	3,071.5	3,111.1	-	3,111.1
Expenditure Category Total:	3,071.5	3,111.1	-	3,111.1

Fund Source				
Appropriated Funds				
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)	3,071.5	3,111.1	-	3,111.1
Appropriated Funds Total:	3,071.5	3,111.1	-	3,111.1
Fund Source Total:	3,071.5	3,111.1	-	3,111.1

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-2-0 Administration and Support				
Sub Program: RTA-2-1 Administration and Support				
Employee Related Expenditures				
Employee Related Expenses	-	1,081.2	-	1,081.2
FICA Taxes	195.3	-	-	-
Medical Insurance	432.3	-	-	-
Basic Life	0.2	-	-	-
Long-Term Disability (ASRS)	4.0	-	-	-
Dental Insurance	2.5	-	-	-
Workers' Compensation	36.4	-	-	-
Arizona State Retirement System	330.6	-	-	-
Alternate Retirement Contributions – Reemployed Retirees	13.0	-	-	-
Personnel Board Pro-Rata Charges	25.7	-	-	-
Information Technology Pro Rata Charge	18.2	-	-	-
Accumulated Sick Leave Fund Charge	11.9	-	-	-
Expenditure Category Total:	1,070.1	1,081.2	-	1,081.2
Fund Source				
Appropriated Funds				
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)	1,070.1	1,081.2	-	1,081.2
Appropriated Funds Total:	1,070.1	1,081.2	-	1,081.2
Fund Source Total:	1,070.1	1,081.2	-	1,081.2

Program Expenditure Schedule

Agency:	State Retirement System
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		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program:	RTA-2-0 Administration and Support				
Sub Program:	RTA-2-1 Administration and Support				
Professional & Outside Services					
	Professional and Outside Services	-	584.4	-	584.4
	Attorney General Legal Services	267.4	-	-	-
	External Legal Services	157.7	-	-	-
	Outside Actuarial Costs	192.9	-	-	-
	Other Professional & Outside Services	1.0	-	-	-
	Expenditure Category Total:	618.9	584.4	-	584.4
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	426.1	309.4	-	309.4
	Appropriated Funds Total:	426.1	309.4	-	309.4
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	192.9	275.0	-	275.0
	Non-Appropriated Funds Total:	192.9	275.0	-	275.0
	Fund Source Total:	618.9	584.4	-	584.4
Travel In-State					
	Travel In-State	-	8.0	-	8.0
	Mileage - Private Vehicle	0.6	-	-	-
	Lodging	0.6	-	-	-
	Meals with Overnight Stay	0.1	-	-	-
	Other Miscellaneous In- State Travel	1.1	-	-	-
	Expenditure Category Total:	2.3	8.0	-	8.0
Fund Source					
Appropriated Funds					
RT1401	Arizona State Retirement System Appropriated Fund (Appropriated)	2.3	8.0	-	8.0
	Appropriated Funds Total:	2.3	8.0	-	8.0
	Fund Source Total:	2.3	8.0	-	8.0

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-2-0 Administration and Support				
Sub Program: RTA-2-1 Administration and Support				
Travel Out-Of-State				
Travel Out of State	-	20.0	-	20.0
Airfare and Other Common Carrier Charges	7.4	-	-	-
Airfare Out-of-Country	0.6	-	-	-
Lodging Out-of-State	9.0	-	-	-
Lodging Out-of-Country	5.7	-	-	-
Meals with Overnight Stay	0.9	-	-	-
Meals without Overnight Stay	0.0	-	-	-
Meals with Overnight Stay Out-of-Country	0.3	-	-	-
Other Miscellaneous Out-of- State Travel	1.0	-	-	-
Expenditure Category Total:	24.8	20.0	-	20.0

Fund Source				
Appropriated Funds				
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)	24.8	20.0	-	20.0
Appropriated Funds Total:	24.8	20.0	-	20.0
Fund Source Total:	24.8	20.0	-	20.0

Other Operating Expenditures				
Other Operating Expenses	-	905.8	-	905.8
Risk Management Charges to State Agencies	177.4	-	-	-
External Telecommunications Charges	0.1	-	-	-
Rental of Land & Buildings	479.2	-	-	-
Repair & Maintenance - Other Equipment	5.6	-	-	-
Office Supplies	8.7	-	-	-
Computer Supplies	1.4	-	-	-
Employee Tuition Reimbursement	1.2	-	-	-
Conference Registration / Attendance Fees	7.6	-	-	-
Other Education & Training Costs	0.8	-	-	-
Advertising	3.4	-	-	-
External Printing	42.3	-	-	-
Photography	1.6	-	-	-

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-2-0 Administration and Support				
Sub Program: RTA-2-1 Administration and Support				
Postage & Delivery	68.3	-	-	-
Document Shredding and Destruction Services	5.4	-	-	-
Awards	4.6	-	-	-
Dues	22.7	-	-	-
Books, Subscriptions & Publications	22.5	-	-	-
Settlements – Payments Made to Resolve Disputes and/ or Avoid the Costs of Litigation	92.0	-	-	-
Other Miscellaneous Operating	0.0	-	-	-
Expenditure Category Total:	944.8	905.8	-	905.8
Fund Source				
Appropriated Funds				
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)	382.1	336.4	-	336.4
Appropriated Funds Total:	382.1	336.4	-	336.4
Non-Appropriated Funds				
RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	562.8	569.4	-	569.4
Non-Appropriated Funds Total:	562.8	569.4	-	569.4
Fund Source Total:	944.8	905.8	-	905.8
Capital Equipment				
Other Equipment - Capital Purchase	5.7	-	-	-
Expenditure Category Total:	5.7	-	-	-
Fund Source				
Appropriated Funds				
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)	5.7	-	-	-
Appropriated Funds Total:	5.7	-	-	-
Fund Source Total:	5.7	-	-	-

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-2-0 Administration and Support				
Sub Program: RTA-2-1 Administration and Support				
Non-Capital Equipment				
Non-Capital Resources	-	20.0	-	20.0
Furniture - Non-Capital Purchase	9.3	-	-	-
Other Equipment - Non- Capital Purchase	0.3	-	-	-
Expenditure Category Total:	9.6	20.0	-	20.0

Fund Source				
Appropriated Funds				
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)	9.6	20.0	-	20.0
Appropriated Funds Total:	9.6	20.0	-	20.0
Fund Source Total:	9.6	20.0	-	20.0

Transfers-Out				
Transfers Out – Not Subject to Cost Allocation	1.1	-	-	-
Expenditure Category Total:	1.1	-	-	-

Fund Source				
Appropriated Funds				
RT1401 Arizona State Retirement System Appropriated Fund (Appropriated)	1.1	-	-	-
Appropriated Funds Total:	1.1	-	-	-
Fund Source Total:	1.1	-	-	-

Employee Retirement Coverage			
Retirement System	FTE	Personal Services	Fund#
ASRS – return to work	0.3	18.3	RT1401-A
Arizona State Retirement System	25.5	3,092.8	RT1401-A

Program Expenditure Schedule

Agency:	State Retirement System
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		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-3-0 Investment Management					
FTE					
FTE		13.8	15.0	-	15.0
Expenditure Category Total:		-	-	-	-
Fund Source					
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	13.8	15.0	-	15.0
Non-Appropriated Funds Total:		13.8	15.0	-	15.0
Fund Source Total:		13.8	15.0	-	15.0
Personal Services					
Personal Services		2,814.7	3,218.5	85.4	3,303.9
Expenditure Category Total:		2,814.7	3,218.5	85.4	3,303.9
Fund Source					
Non-Appropriated Funds					
RT1407	Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	2,814.7	3,218.5	85.4	3,303.9
Non-Appropriated Funds Total:		2,814.7	3,218.5	85.4	3,303.9
Fund Source Total:		2,814.7	3,218.5	85.4	3,303.9
Employee Related Expenditures					
Employee Related Expenses		-	1,025.6	25.2	1,050.8
FICA Taxes		171.3	-	-	-
Medical Insurance		297.7	-	-	-
Basic Life		0.1	-	-	-
Long-Term Disability (ASRS)		3.8	-	-	-
Dental Insurance		2.0	-	-	-
Workers' Compensation		34.6	-	-	-
Arizona State Retirement System		323.7	-	-	-
Personnel Board Pro-Rata Charges		24.2	-	-	-
Information Technology Pro Rata Charge		17.2	-	-	-
Accumulated Sick Leave Fund Charge		11.3	-	-	-
Expenditure Category Total:		885.8	1,025.6	25.2	1,050.8
Fund Source					

Program Expenditure Schedule

Agency: State Retirement System

	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
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Program: RTA-3-0 Investment Management

Non-Appropriated Funds

RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	885.8	1,025.6	25.2	1,050.8
Non-Appropriated Funds Total:	885.8	1,025.6	25.2	1,050.8
Fund Source Total:	885.8	1,025.6	25.2	1,050.8

Professional & Outside Services

Professional and Outside Services	-	282,278.1	13,356.0	295,634.1
External Investment Services	398,844.3	-	-	-
Other External Financial Services	1,704.3	-	-	-
External Legal Services	1,059.6	-	-	-
Other Professional & Outside Services	9.7	-	-	-
Expenditure Category Total:	401,617.9	282,278.1	13,356.0	295,634.1

Fund Source

Non-Appropriated Funds

RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	401,617.9	282,278.1	13,356.0	295,634.1
Non-Appropriated Funds Total:	401,617.9	282,278.1	13,356.0	295,634.1
Fund Source Total:	401,617.9	282,278.1	13,356.0	295,634.1

Travel In-State

Mileage - Private Vehicle	0.1	-	-	-
Meals with Overnight Stay	0.1	-	-	-
Meals without Overnight Stay	0.0	-	-	-
Other Miscellaneous In- State Travel	1.3	-	-	-
Expenditure Category Total:	1.5	-	-	-

Fund Source

Non-Appropriated Funds

RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	1.5	-	-	-
Non-Appropriated Funds Total:	1.5	-	-	-
Fund Source Total:	1.5	-	-	-

Travel Out-Of-State

Program Expenditure Schedule

Agency: State Retirement System

		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-3-0 Investment Management					
Travel Out of State		-	20.0	-	20.0
Airfare and Other Common Carrier Charges		1.3	-	-	-
Car Rental Out-of-Country		0.4	-	-	-
Lodging Out-of-State		0.9	-	-	-
Lodging Out-of-Country		0.7	-	-	-
Meals with Overnight Stay		0.4	-	-	-
Meals without Overnight Stay		0.0	-	-	-
Meals with Overnight Stay Out-of-Country		0.5	-	-	-
Other Miscellaneous Out-of- State Travel		1.6	-	-	-
Expenditure Category Total:		5.7	20.0	-	20.0
Fund Source					
Non-Appropriated Funds					
RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)		5.7	20.0	-	20.0
Non-Appropriated Funds Total:		5.7	20.0	-	20.0
Fund Source Total:		5.7	20.0	-	20.0
Other Operating Expenditures					
Other Operating Expenses		-	3,264.9	57.4	3,322.3
Other External Computer Processing, Hosting, Maintenance and Support Costs		0.1	-	-	-
External Telecommunications Charges		6.3	-	-	-
Rental of Land & Buildings		40.2	-	-	-
Repair & Maintenance - Other Equipment		0.2	-	-	-
Software Support, Maintenance Short-term Licensing		4.0	-	-	-
Computer Supplies		0.4	-	-	-
Employee Tuition Reimbursement		1.8	-	-	-
Conference Registration / Attendance Fees		8.7	-	-	-
Other Education & Training Costs		2.4	-	-	-
Postage & Delivery		0.1	-	-	-
Dues		24.0	-	-	-
Books, Subscriptions & Publications		2,920.5	-	-	-
Expenditure Category Total:		3,008.7	3,264.9	57.4	3,322.3

Program Expenditure Schedule

Agency:	State Retirement System
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		FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program:	RTA-3-0 Investment Management				
Fund Source					
Non-Appropriated Funds					
RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)		3,008.7	3,264.9	57.4	3,322.3
Non-Appropriated Funds Total:		3,008.7	3,264.9	57.4	3,322.3
Fund Source Total:		3,008.7	3,264.9	57.4	3,322.3

Non-Capital Equipment					
Computer Equipment – Non- Capitalized Purchases		6.9	-	-	-
Other Equipment - Non- Capital Purchase		0.0	-	-	-
Expenditure Category Total:		6.9	-	-	-

Fund Source					
Non-Appropriated Funds					
RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)		6.9	-	-	-
Non-Appropriated Funds Total:		6.9	-	-	-
Fund Source Total:		6.9	-	-	-

Employee Retirement Coverage				
Retirement System	FTE	Personal Services	Fund#	
Arizona State Retirement System	15.0	3,218.5	RT1407-N	
Sub Program:	RTA-3-1 Investment Management			

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-3-0 Investment Management				
Sub Program: RTA-3-1 Investment Management				
FTE				
FTE	13.8	15.0	-	15.0
Expenditure Category Total:	-	-	-	-

Fund Source				
Non-Appropriated Funds				
RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	13.8	15.0	-	15.0
Non-Appropriated Funds Total:	13.8	15.0	-	15.0
Fund Source Total:	13.8	15.0	-	15.0

Personal Services				
Personal Services	2,814.7	3,218.5	85.4	3,303.9
Expenditure Category Total:	2,814.7	3,218.5	85.4	3,303.9

Fund Source				
Non-Appropriated Funds				
RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	2,814.7	3,218.5	85.4	3,303.9
Non-Appropriated Funds Total:	2,814.7	3,218.5	85.4	3,303.9
Fund Source Total:	2,814.7	3,218.5	85.4	3,303.9

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-3-0 Investment Management				
Sub Program: RTA-3-1 Investment Management				
Employee Related Expenditures				
Employee Related Expenses	-	1,025.6	25.2	1,050.8
FICA Taxes	171.3	-	-	-
Medical Insurance	297.7	-	-	-
Basic Life	0.1	-	-	-
Long-Term Disability (ASRS)	3.8	-	-	-
Dental Insurance	2.0	-	-	-
Workers' Compensation	34.6	-	-	-
Arizona State Retirement System	323.7	-	-	-
Personnel Board Pro-Rata Charges	24.2	-	-	-
Information Technology Pro Rata Charge	17.2	-	-	-
Accumulated Sick Leave Fund Charge	11.3	-	-	-
Expenditure Category Total:	885.8	1,025.6	25.2	1,050.8
Fund Source				
Non-Appropriated Funds				
RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	885.8	1,025.6	25.2	1,050.8
Non-Appropriated Funds Total:	885.8	1,025.6	25.2	1,050.8
Fund Source Total:	885.8	1,025.6	25.2	1,050.8

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
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Program: RTA-3-0 Investment Management

Sub Program: RTA-3-1 Investment Management

Professional & Outside Services

Professional and Outside Services	-	282,278.1	13,356.0	295,634.1
External Investment Services	398,844.3	-	-	-
Other External Financial Services	1,704.3	-	-	-
External Legal Services	1,059.6	-	-	-
Other Professional & Outside Services	9.7	-	-	-
Expenditure Category Total:	401,617.9	282,278.1	13,356.0	295,634.1

Fund Source

Non-Appropriated Funds

RT1407	Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	401,617.9	282,278.1	13,356.0	295,634.1
	Non-Appropriated Funds Total:	401,617.9	282,278.1	13,356.0	295,634.1
	Fund Source Total:	401,617.9	282,278.1	13,356.0	295,634.1

Travel In-State

Mileage - Private Vehicle	0.1	-	-	-
Meals with Overnight Stay	0.1	-	-	-
Meals without Overnight Stay	0.0	-	-	-
Other Miscellaneous In- State Travel	1.3	-	-	-
Expenditure Category Total:	1.5	-	-	-

Fund Source

Non-Appropriated Funds

RT1407	Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	1.5	-	-	-
	Non-Appropriated Funds Total:	1.5	-	-	-
	Fund Source Total:	1.5	-	-	-

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-3-0 Investment Management				
Sub Program: RTA-3-1 Investment Management				
Travel Out-Of-State				
Travel Out of State	-	20.0	-	20.0
Airfare and Other Common Carrier Charges	1.3	-	-	-
Car Rental Out-of-Country	0.4	-	-	-
Lodging Out-of-State	0.9	-	-	-
Lodging Out-of-Country	0.7	-	-	-
Meals with Overnight Stay	0.4	-	-	-
Meals without Overnight Stay	0.0	-	-	-
Meals with Overnight Stay Out-of-Country	0.5	-	-	-
Other Miscellaneous Out-of- State Travel	1.6	-	-	-
Expenditure Category Total:	5.7	20.0	-	20.0
Fund Source				
Non-Appropriated Funds				
RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	5.7	20.0	-	20.0
Non-Appropriated Funds Total:	5.7	20.0	-	20.0
Fund Source Total:	5.7	20.0	-	20.0

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-3-0 Investment Management				
Sub Program: RTA-3-1 Investment Management				
Other Operating Expenditures				
Other Operating Expenses	-	3,264.9	57.4	3,322.3
Other External Computer Processing, Hosting, Maintenance and Support Costs	0.1	-	-	-
External Telecommunications Charges	6.3	-	-	-
Rental of Land & Buildings	40.2	-	-	-
Repair & Maintenance - Other Equipment	0.2	-	-	-
Software Support, Maintenance Short-term Licensing	4.0	-	-	-
Computer Supplies	0.4	-	-	-
Employee Tuition Reimbursement	1.8	-	-	-
Conference Registration / Attendance Fees	8.7	-	-	-
Other Education & Training Costs	2.4	-	-	-
Postage & Delivery	0.1	-	-	-
Dues	24.0	-	-	-
Books, Subscriptions & Publications	2,920.5	-	-	-
Expenditure Category Total:	3,008.7	3,264.9	57.4	3,322.3
Fund Source				
Non-Appropriated Funds				
RT1407 Arizona State Retirement System Non- Appropriated Fund (Non-Appropriated)	3,008.7	3,264.9	57.4	3,322.3
Non-Appropriated Funds Total:	3,008.7	3,264.9	57.4	3,322.3
Fund Source Total:	3,008.7	3,264.9	57.4	3,322.3

Program Expenditure Schedule

Agency:	State Retirement System
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	FY 2026 Actuals	FY 2027 Expenditure Plan	FY 2028 Funding Issue	FY 2028 Total Request
Program: RTA-3-0 Investment Management				
Sub Program: RTA-3-1 Investment Management				
Non-Capital Equipment				
Computer Equipment – Non- Capitalized Purchases	6.9	-	-	-
Other Equipment - Non- Capital Purchase	0.0	-	-	-
Expenditure Category Total:	6.9	-	-	-
Fund Source				
Non-Appropriated Funds				
RT1407 Arizona State Retirement System Non-Appropriated Fund (Non-Appropriated)	6.9	-	-	-
Non-Appropriated Funds Total:	6.9	-	-	-
Fund Source Total:	6.9	-	-	-

Employee Retirement Coverage

Retirement System	FTE	Personal Services	Fund#
Arizona State Retirement System	15.0	3,218.5	RT1407-N

Program Expenditure Schedule

Agency: State Retirement System

Administrative Costs Summary

FY 2028

Personal Services	3,111.1
ERE	1,081.2
All Other	1,538.2
Administrative Costs Total:	5,730.5

Administrative Costs / Total Expenditure Ratio

Request

Admin %

FY 2028

344,334.0

1.7%

Agency Summary

State Retirement System

Paul Matson, Director

Phone: 6023085197

A.R.S. § 38-712

Mission:

To benefit our members, the Arizona State Retirement System (ASRS) is a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.

Description:

The Arizona State Retirement System (ASRS) provides pension, retiree health insurance, and long-term disability benefits to most public sector employers in Arizona, including State universities and community colleges, public school districts, and State and local governments.

Agency Summary: (\$ Thousands)

Program	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
▶ Member Services	31,492.4	34,202.9	35,272.4
▶ Administration and Support	5,748.8	5,730.5	5,730.5
▶ Investment Management	408,341.4	289,807.1	303,331.1
Agency Total:	445,582.6	329,740.5	344,334.0

Funding:

	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Other Appropriated Funds	27,432.5	29,642.5	29,642.5
Other Non-Appropriated Funds	418,150.1	300,098.0	314,691.5
Total Funding	445,582.6	329,740.5	344,334.0

FTE Positions	217.0	222.9	222.9
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5 Year Plan

Issue 1 Provide Outstanding Customer Service

Description: To ensure members continue to receive high levels of service, the ASRS must regularly monitor, review, and manage its customer service to ensure members remain satisfied with the service they receive.

Solutions:

1.1) Create More Net Promoters

1.1.1. Increase net promoter score by 25% or greater in key member cohorts.

1.2) Foster Well-Educated Members

1.2.1. Achieve 70% or greater of mid-career members who indicate an understanding of their ASRS Benefits.

1.3) Increase Retirees' and Caregivers' Confidence

1.3.1 Increase the percentage of retirees and caregivers that report confidence in dealing with ASRS on post-retirement topics of website navigation, documents, forms, Survivor Benefits, and Health Insurance.

1.4) Enhance Support for Beneficiaries

1.4.1 Achieve 90% or more excellent satisfaction rates for all benefit types in + the survivor benefits process.

1.5) Enhance Web Users' Satisfaction

1.5.1 Achieve 90% or greater satisfaction rates on ASRS websites across key stakeholder types for members, employers, and annuitants.

Issue 2 Achieve Investment Goals

Description: The financial health of the ASRS significantly depends on the ability to generate high levels of investment returns for acceptable levels of risk. Investment returns have one of the largest impacts on determining long-term contribution rates.

Solutions:

2.1) Mitigate Risk

2.1.1 Reduce the probability of errors with internally managed portfolios.

2.2) Increase available staff time for higher-order investment analysis

2.2.1 Reallocate staff to higher-value decisions.

2.3) Increase investment management flexibility

2.3.1 Enable increased internal investment management and modified investment approaches where prudent.

Issue 3 Enhance Risk Management Capabilities

Description: As the threat landscape evolves, pension funds must continue to enhance their risk management capabilities to protect pension fund assets, systems, and data.

Solutions:

3.1) Increase Security Maturity

3.1.1 Achieve Information Security Program maturity targets.

3.2) Enhance User Experience and Security

3.2.1 Adhere to Information Security and Privacy policies with minimal impact on user experience and satisfaction.

3.3) Embed a Culture of Risk Management

3.3.1 Expand the Administrative Enterprise Risk Management Program beyond IT security, privacy protection, and cash controls, and embed the framework within our culture.

3.4) Increase Adherence to Retention Schedules

3.4.1 Initiate plans to review the retention schedules, then implement and enforce adherence to retention schedules for all electronic records across all media.

Issue 4 Optimize Operational Effectiveness

Description: Continue analyzing and identifying opportunities to improve the agency's operational effectiveness.

Solutions:

- 4.1) Maximize Peer and Universe Benchmarking
 - 4.1.1 Achieve a top decile ranking in service and bottom decile ranking in cost compared to peers as measured by CEM Benchmarking.
- 4.2) Optimize Cycles of Continuous Process Improvement
 - 4.2.1 Streamline and automate member, employer, employee, and annuitant processes.
- 4.3) Improved Performance Reporting
 - 4.3.1 Reduce errors, minimize manual effort, and increase flexibility and speed of performance reporting.
- 4.4) Identify New IT Solutions
 - 4.4.1 Identify technology solutions that improve efficiency, mitigate costs, and improve member satisfaction.

Issue 5 Organizational Sustainability and Governance

Description: Develop effective recruitment and transition management plans. Work with management to develop strategies to maintain high levels of employee engagement. Cultivate an employee development plan that mentors and develops future leaders.

Solutions:

- 5.1) Align Processes, Rules, and Statutes
 - 5.1.1 Align 100% of ASRS processes, Rules, and State Statutes related to benefit payments.
- 5.2) Retain New Hires
 - 5.2.1 Reduce undesired turnover to 10% or lower among new employees (0- 2 yrs).
- 5.3) Enhance Continuity of Operations
 - 5.3.1 Expand the workforce plan to include career planning for relevant positions.

Resource Assumptions

	FY 2029 Estimate	FY 2030 Estimate	FY 2031 Estimate
Full-Time Equivalent Positions	222.9	222.9	222.9
General Fund	-	-	-
Other Appropriated Funds	29,642.5	29,642.5	29,642.5
Non-Appropriated Funds	313,191.5	313,191.5	313,191.5
Federal Funds	-	-	-

Program Summary
<div>Member Services (RTA-1-0)</div> <div>Jeremiah Scott, Deputy Director, Chief Operations Officer</div> <div>Phone: 6022402045</div> <div>A.R.S. § 38-712</div>

Mission:

To benefit our members, the Arizona State Retirement System (ASRS) will be a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.

Description:

The Member Services Program is comprised of the Member Services, Financial Services, and Technology Services Divisions of the ASRS. These three divisions are collectively responsible for delivering services to ASRS members.

Funding:

	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Other Appropriated Funds	22,439.3	24,756.4	24,756.4
Other Non-Appropriated Funds	9,053.1	9,446.5	10,516.0
Total Funding	31,492.4	34,202.9	35,272.4

FTE Positions	177.2	182.2	182.2
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- ◆ **Goal 1** To provide members and employers with timely and accurate service that results in high levels of customer satisfaction.

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Number of months which 70% or more of member calls are answered within 20 seconds	11	12	10	12	12
Percentage of overall member satisfaction with Telephone Service at the Arizona State Retirement System (objective 90%)	93	90	92	90	90
Number of months which 90% or higher of member secure messages are answered within one business day	11	12	12	12	12
Number of months which 90% or more of employer secure messages are answered within two business days	11	12	12	12	12
Percentage of overall member satisfaction with walk-in counseling (objective 90%)	96	90	95	90	90

- ◆ **Goal 2** To foster trust and confidence with members and employers through effective communication of the actions and activities of the ASRS

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Overall Satisfaction: Percentage of active members respond positively to "How satisfied are you with ASRS overall."	81	90	79	90	90
Members respond positively when asked if "ASRS operates in my best interest"	75	90	80	90	90
Members respond positively when asked if "My retirement is secure with the ASRS"	82	90	83	90	90
Overall Satisfaction: Percentage of employer partners respond positively to "How satisfied are you with ASRS overall."	92	90	87	90	90
Overall Satisfaction: Percentage of retired members respond positively to "How satisfied are you with ASRS overall."	74	90	73	90	90
Stakeholders respond positively when asked if "The ASRS acts ethically"	78	90	79	90	90

- ◆ **Goal 3** To ensure member disbursements will be distributed timely and accurately, resulting in high levels of member satisfaction.

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
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- ◆ **Goal 3** To ensure member disbursements will be distributed timely and accurately, resulting in high levels of member satisfaction.

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Number of months in which 90% or more of new retirees receive initial payment within 10 business days of retirement	12	12	12	12	12
Number of months in which 100% of monthly pension payments are disbursed on the first day of the month	10	12	12	12	12
Number of months in which 90% or more of forfeitures are disbursed within 5 business days of request	8	12	1	12	12
Percent of overall member satisfaction with the survivor benefit process (objective 90%)	77	90	76	90	90
Number of months in which 90% of survivor benefit annuity calculations are finalized within the first month possible following receipt of all documentation and information	10	12	10	12	12
Percent of overall member satisfaction with the retirement application process for new retirees (objective 90%)	86	90	87	90	90
Percent of overall member satisfaction with the forfeiture process (objective 90%)	87	90	86	90	90
Number of months in which 90% of survivor benefit lump sum payments are disbursed to beneficiaries within 10 days of receipt of required documentation and information	1	12	0	12	12

- ◆ **Goal 4** To ensure contributions and data received from members and employers will be processed and managed efficiently and effectively.

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Number of months in which 90% or higher of members receive a service purchase cost invoice within 5 days	12	12	11	12	12
Percent of members satisfied with the service purchase process	78	90	78	90	90
Percent of employers satisfied with the contribution process	71	90	88	90	90
Percent of active member accounts that have a complete demographic profile	95	95	95	95	95
Percent of inactive members that have a valid birthdate and address	94	90	93	90	90

- ◆ **Goal 5** To offer, for the sole benefit of all eligible members, health insurance plans which are cost competitive, accessible, efficient, and provide strong customer service

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Percent of members indicating satisfaction with ASRS dental plans, per annual ASRS survey.	0	0	0	0	0

- ◆ **Goal 5** To offer, for the sole benefit of all eligible members, health insurance plans which are cost competitive, accessible, efficient, and provide strong customer service

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Percent of eligible members participating in an ASRS medical insurance plan	22	23	22	23	23
Percent of medical insurance performance guarantees that are met and enforced	95	98	100	98	98
Percent of members that are satisfied with the cost of dental insurance plans for the benefits received	N/A	N/A	N/A	N/A	N/A
Percent of eligible members participating in an ASRS dental insurance plan	35	36	37	36	36
Percent of enrolled members indicating overall satisfaction with ASRS medical plans, per the annual ASRS survey	86	90	88	90	90

- ◆ **Goal 6** To administer a Long Term Disability plan that is competitive, efficient and satisfies members

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Percent of long term disability performance guarantees that are met and enforced	97	90	100	90	100
Percent of members that are satisfied with the LTD approval process based on the quarterly survey conducted by vendor	96	90	91	90	90
Percent of members that are satisfied with the LTD maintenance process based on the quarterly survey conducted by vendor	100	90	94	90	90

- ◆ **Goal 7** To provide members and business users with technology that is high-performing and able to support evolving business needs.

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Percent of overall user satisfaction with core business applications	81	90	88	90	90
Percent of overall user satisfaction with non-core business applications	88	90	91	90	90

Program Summary

Administration and Support (RTA-2-0)

Paul Matson, Executive Director

Phone: 6022402031

A.R.S. § 38-712

Mission:

To benefit our members, the Arizona State Retirement System (ASRS) will be a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.

Description:

The Administration and Support Program contains the various administrative processes necessary to support the ongoing administration of the ASRS.

Funding:

	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Other Appropriated Funds	4,993.2	4,886.1	4,886.1
Other Non-Appropriated Funds	755.6	844.4	844.4
Total Funding	5,748.8	5,730.5	5,730.5

FTE Positions	26.0	25.8	25.8
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- ◆ **Goal 1** To develop and implement fiscally responsible budgets and spending plans that are flexible and able to meet agency priorities.

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Percentage of agreement there are sufficient resources for their team(s) to complete strategic objectives.	90	90	89	90	90

- ◆ **Goal 2** To procure goods and services in a competitive and effective manner that satisfies users and meets the needs of the ASRS.

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Percent of level of satisfaction with the timeliness of receiving needed goods and services through appropriate suppliers, per Internal Services Survey.	97	90	99	90	90
Percentage of level of satisfaction with the goods and services procured, per Internal Services Survey.	97	90	99	90	90
Percentage of level of agreement that they (staff) have the proper tools and equipment to do their job (Furniture, computer, etc.), per Internal Services Survey.	96	90	95	90	90
Percentage of agreement with response time for requests sent to the facilities' mailbox, per Internal Services Survey.	97	90	99	90	90
Percentage of agreement in regards to safety and security, the ASRS provides a safe work environment, per Internal Services Survey.	96	100	96	100	90

- ◆ **Goal 3** To ensure responsible governance in the administration of ASRS and its benefit programs

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
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◆ **Goal 3** To ensure responsible governance in the administration of ASRS and its benefit programs

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Net promoter score: Employers respond positively when asked "How likely are you to recommend or promote ASRS as a great organization?"	54	50	52	50	50
Net Promoter Score: Active Members respond positively when asked "How likely are you to recommend or promote ASRS as a great organization?"	18	50	14	50	50
Net Promoter Score: Retirees respond positively when asked, "How likely are you to recommend or promote ASRS as a great organization?"	50	50	49	50	50

◆ **Goal 4** To ensure contribution rates for ASRS benefit plans will remain relatively stable.

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Percent of actively contributing members responding positively when asked "The ASRS contribution rate is affordable and manageable for the future benefit received."	78	80	78	80	80
Percent of employer partners responding positively when asked "The defined benefit plan contribution rate is affordable and manageable for the benefit received."	79	80	79	80	80

◆ **Goal 5** To recruit, retain and develop a high-performing and engaged workforce that is capable of achieving agency goals and implement workforce plans that prepare future leaders and ensure continuity in key positions.

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Total rolling annual turnover rate compared to the State of Arizona	12.8	13.7	9.2	13.7	13.7
Engagement score from ADOA employee engagement survey	88	80	87	80	80

Program Summary
Investment Management (RTA-3-0)
Michael Viteri, Chief Investment Officer
Phone: 6022402014
A.R.S. § 38-719

Mission:

To benefit our members, the Arizona State Retirement System (ASRS) will be a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.

Description:

The Investment Management Program is responsible for overseeing the investment of the ASRS assets.

Funding:

	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Other Non-Appropriated Funds	408,341.4	289,807.1	303,331.1
Total Funding	408,341.4	289,807.1	303,331.1

FTE Positions	13.8	15.0	15.0
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- ◆ **Goal 1** To design, implement, and maintain an investment management program that maximizes rates of return for acceptable levels of risk.

Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
Percentage of investment returns	9.9	7.0	13.7	7.0	7.0
20-Year rolling annual rate of return on total fund assets (%)	8	7	8	7	7
Percentile Ranking: 1-year Total Fund Net Rate of Return compared to US Public Fund Peer (Greater than \$1 Billion) Median.	10	25	60	25	25
Percentile Ranking: 3-year Total Fund Net Rate of Return compared to US Public Fund Peer (Greater than \$1 Billion) Median.	9	25	64	25	25
Percentile Ranking: 5-year Total Fund Net Rate of Return compared to US Public Fund Peer (Greater than \$1 Billion) Median.	10	25	7	25	25
1-year excess return of total fund rate of return over strategic asset allocation benchmark.	(0)	1	(1)	1	1
3-year excess return of total fund rate of return over strategic asset allocation benchmark.	(0)	1	(1)	1	1
5-year excess return of total fund rate of return over strategic asset allocation benchmark.	0	1	0	1	1

Agency 5 Year Plan

RTA State Retirement System

Issue 1 Provide Outstanding Customer Service

Description: To ensure members continue to receive high levels of service, the ASRS must regularly monitor, review, and manage its customer service to ensure members remain satisfied with the service they receive.

Solutions:

1.1) Create More Net Promoters

1.1.1. Increase net promoter score by 25% or greater in key member cohorts.

1.2) Foster Well-Educated Members

1.2.1. Achieve 70% or greater of mid-career members who indicate an understanding of their ASRS Benefits.

1.3) Increase Retirees' and Caregivers' Confidence

1.3.1 Increase the percentage of retirees and caregivers that report confidence in dealing with ASRS on post-retirement topics of website navigation, documents, forms, Survivor Benefits, and Health Insurance.

1.4) Enhance Support for Beneficiaries

1.4.1 Achieve 90% or more excellent satisfaction rates for all benefit types in + the survivor benefits process.

1.5) Enhance Web Users' Satisfaction

1.5.1 Achieve 90% or greater satisfaction rates on ASRS websites across key stakeholder types for members, employers, and annuitants.

Issue 2 Achieve Investment Goals

Description: The financial health of the ASRS significantly depends on the ability to generate high levels of investment returns for acceptable levels of risk. Investment returns have one of the largest impacts on determining long-term contribution rates.

Solutions:

2.1) Mitigate Risk

2.1.1 Reduce the probability of errors with internally managed portfolios.

2.2) Increase available staff time for higher-order investment analysis

2.2.1 Reallocate staff to higher-value decisions.

2.3) Increase investment management flexibility

2.3.1 Enable increased internal investment management and modified investment approaches where prudent.

Issue 3 Enhance Risk Management Capabilities

Description: As the threat landscape evolves, pension funds must continue to enhance their risk management capabilities to protect pension fund assets, systems, and data.

Solutions:

Agency 5 Year Plan

3.1) Increase Security Maturity

3.1.1 Achieve Information Security Program maturity targets.

3.2) Enhance User Experience and Security

3.2.1 Adhere to Information Security and Privacy policies with minimal impact on user experience and satisfaction.

3.3) Embed a Culture of Risk Management

3.3.1 Expand the Administrative Enterprise Risk Management Program beyond IT security, privacy protection, and cash controls, and embed the framework within our culture.

3.4) Increase Adherence to Retention Schedules

3.4.1 Initiate plans to review the retention schedules, then implement and enforce adherence to retention schedules for all electronic records across all media.

Issue 4 Optimize Operational Effectiveness

Description: Continue analyzing and identifying opportunities to improve the agency's operational effectiveness.

Solutions:

4.1) Maximize Peer and Universe Benchmarking

4.1.1 Achieve a top decile ranking in service and bottom decile ranking in cost compared to peers as measured by CEM Benchmarking.

4.2) Optimize Cycles of Continuous Process Improvement

4.2.1 Streamline and automate member, employer, employee, and annuitant processes.

4.3) Improved Performance Reporting

4.3.1 Reduce errors, minimize manual effort, and increase flexibility and speed of performance reporting.

4.4) Identify New IT Solutions

4.4.1 Identify technology solutions that improve efficiency, mitigate costs, and improve member satisfaction.

Issue 5 Organizational Sustainability and Governance

Description: Develop effective recruitment and transition management plans. Work with management to develop strategies to maintain high levels of employee engagement. Cultivate an employee development plan that mentors and develops future leaders.

Solutions:

5.1) Align Processes, Rules, and Statutes

5.1.1 Align 100% of ASRS processes, Rules, and State Statutes related to benefit payments.

5.2) Retain New Hires

5.2.1 Reduce undesired turnover to 10% or lower among new employees (0- 2 yrs).

5.3) Enhance Continuity of Operations

5.3.1 Expand the workforce plan to include career planning for relevant positions.

Resource Assumptions

	FY 2029 Estimate	FY 2030 Estimate	FY 2031 Estimate
Full-Time Equivalent Positions	222.9	222.9	222.9
General Fund	-	-	-
Other Appropriated Funds	29,642.5	29,642.5	29,642.5

Agency 5 Year Plan

Non-Appropriated Funds	313,191.5	313,191.5	313,191.5
Federal Funds	-	-	-

AGENCY SUMMARY

Program: RTA State Retirement System

Director: Paul Matson, Director

Phone: 6023085197

Statute: A.R.S. § 38-712

Plan Contact: Jeremy Gunderson, Budget & Procurement Manager

https://www.azasrs.gov/sites/default/files/pdf/2024-28_StrategicPlanBook_022024.pdf

Mission:

To benefit our members, the Arizona State Retirement System (ASRS) is a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.

Description:

The Arizona State Retirement System (ASRS) provides pension, retiree health insurance, and long-term disability benefits to most public sector employers in Arizona, including State universities and community colleges, public school districts, and State and local governments.

AGENCY SUMMARY

Program: RTA State Retirement System

Director: Paul Matson, Director

Phone: 6023085197

Statute: A.R.S. § 38-712

Plan Contact: Jeremy Gunderson, Budget & Procurement Manager

https://www.azasrs.gov/sites/default/files/pdf/2024-28_StrategicPlanBook_022024.pdf

PROGRAM SUMMARY

Program: Member Services (RTA-1-0)

Contact: Jeremiah Scott, Deputy Director, Chief Operations Officer

Phone: Phone: 6022402045

Statute: A.R.S. § 38-712

Mission:

To benefit our members, the Arizona State Retirement System (ASRS) will be a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.

Description:

The Member Services Program is comprised of the Member Services, Financial Services, and Technology Services Divisions of the ASRS. These three divisions are collectively responsible for delivering services to ASRS members.

◆ Goal 1 To ensure member disbursements will be distributed timely and accurately, resulting in high levels of member satisfaction.

Performance Measures:

ML	Budget	Type		FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X		EF	Number of months in which 90% or more of new retirees receive initial payment within 10 business days of retirement	12	12	12	12	12
X		EF	Number of months in which 100% of monthly pension payments are disbursed on the first day of the month	10	12	12	12	12
X		EF	Number of months in which 90% or more of forfeitures are disbursed within 5 business days of request	8	12	1	12	12
X		OC	Percent of overall member satisfaction with the survivor benefit process (objective 90%)	77	90	76	90	90
X		EF	Number of months in which 90% of survivor benefit annuity calculations are finalized within the first month possible following receipt of all documentation and information	10	12	10	12	12
X		OC	Percent of overall member satisfaction with the retirement application process for new retirees (objective 90%)	86	90	87	90	90

AGENCY SUMMARY

Program: RTA State Retirement System

Director: Paul Matson, Director

Phone: 6023085197

Statute: A.R.S. § 38-712

Plan Contact: Jeremy Gunderson, Budget & Procurement Manager

https://www.azasrs.gov/sites/default/files/pdf/2024-28_StrategicPlanBook_022024.pdf

◆ **Goal 1 To ensure member disbursements will be distributed timely and accurately, resulting in high levels of member satisfaction.**

Performance Measures:

ML	Budget	Type		FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X		OC	Percent of overall member satisfaction with the forfeiture process (objective 90%)	87	90	86	90	90
X		EF	Number of months in which 90% of survivor benefit lump sum payments are disbursed to beneficiaries within 10 days of receipt of required documentation and information	1	12	0	12	12

◆ **Goal 2 To offer, for the sole benefit of all eligible members, health insurance plans which are cost competitive, accessible, efficient, and provide strong customer service**

Performance Measures:

ML	Budget	Type		FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X		OC	Percent of members indicating satisfaction with ASRS dental plans, per annual ASRS survey.	0	0	0	0	0
X		IP	Percent of eligible members participating in an ASRS medical insurance plan	22	23	22	23	23
X		QL	Percent of medical insurance performance guarantees that are met and enforced	95	98	100	98	98
X		OC	Percent of members that are satisfied with the cost of dental insurance plans for the benefits received	N/A	N/A	N/A	N/A	N/A
X		IP	Percent of eligible members participating in an ASRS dental insurance plan	35	36	37	36	36
X		OC	Percent of enrolled members indicating overall satisfaction with ASRS medical plans, per the annual ASRS survey	86	90	88	90	90

◆ **Goal 3 To administer a Long Term Disability plan that is competitive, efficient and satisfies members**

Performance Measures:

ML	Budget	Type		FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X		OC	Percent of long term disability performance guarantees that are met and enforced	97	90	100	90	100

AGENCY SUMMARY

Program: RTA State Retirement System

Director: Paul Matson, Director

Phone: 6023085197

Statute: A.R.S. § 38-712

Plan Contact: Jeremy Gunderson, Budget & Procurement Manager

https://www.azasrs.gov/sites/default/files/pdf/2024-28_StrategicPlanBook_022024.pdf

◆ **Goal 3 To administer a Long Term Disability plan that is competitive, efficient and satisfies members**

Performance Measures:

ML	Budget	Type		FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X		QL	Percent of members that are satisfied with the LTD approval process based on the quarterly survey conducted by vendor	96	90	91	90	90
X		QL	Percent of members that are satisfied with the LTD maintenance process based on the quarterly survey conducted by vendor	100	90	94	90	90

◆ **Goal 4 To provide members and employers with timely and accurate service that results in high levels of customer satisfaction.**

Performance Measures:

ML	Budget	Type		FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X		EF	Number of months which 70% or more of member calls are answered within 20 seconds	11	12	10	12	12
X	X	OC	Percentage of overall member satisfaction with Telephone Service at the Arizona State Retirement System (objective 90%)	93	90	92	90	90
X		EF	Number of months which 90% or higher of member secure messages are answered within one business day	11	12	12	12	12
X		EF	Number of months which 90% or more of employer secure messages are answered within two business days	11	12	12	12	12
X		OC	Percentage of overall member satisfaction with walk-in counseling (objective 90%)	96	90	95	90	90

◆ **Goal 5 To provide members and business users with technology that is high-performing and able to support evolving business needs.**

Performance Measures:

ML	Budget	Type		FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X		QL	Percent of overall user satisfaction with core business applications	81	90	88	90	90

AGENCY SUMMARY

Program: RTA State Retirement System

Director: Paul Matson, Director

Phone: 6023085197

Statute: A.R.S. § 38-712

Plan Contact: Jeremy Gunderson, Budget & Procurement Manager

https://www.azasrs.gov/sites/default/files/pdf/2024-28_StrategicPlanBook_022024.pdf

◆ **Goal 5 To provide members and business users with technology that is high-performing and able to support evolving business needs.**

Performance Measures:

ML	Budget	Type	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X		QL Percent of overall user satisfaction with non-core business applications	88	90	91	90	90

◆ **Goal 6 To ensure contributions and data received from members and employers will be processed and managed efficiently and effectively.**

Performance Measures:

ML	Budget	Type	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X		OC Number of months in which 90% or higher of members receive a service purchase cost invoice within 5 days	12	12	11	12	12
X		QL Percent of members satisfied with the service purchase process	78	90	78	90	90
X		QL Percent of employers satisfied with the contribution process	71	90	88	90	90
X		QL Percent of active member accounts that have a complete demographic profile	95	95	95	95	95
X		QL Percent of inactive members that have a valid birthdate and address	94	90	93	90	90

◆ **Goal 7 To foster trust and confidence with members and employers through effective communication of the actions and activities of the ASRS**

Performance Measures:

ML	Budget	Type	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X		QL Overall Satisfaction: Percentage of active members respond positively to "How satisfied are you with ASRS overall."	81	90	79	90	90
X		QL Members respond positively when asked if "ASRS operates in my best interest"	75	90	80	90	90
X		QL Members respond positively when asked if "My retirement is secure with the ASRS"	82	90	83	90	90
X		QL Overall Satisfaction: Percentage of employer partners respond positively to "How satisfied are you with ASRS overall."	92	90	87	90	90

AGENCY SUMMARY

Program: RTA State Retirement System

Director: Paul Matson, Director

Phone: 6023085197

Statute: A.R.S. § 38-712

Plan Contact: Jeremy Gunderson, Budget & Procurement Manager

https://www.azasrs.gov/sites/default/files/pdf/2024-28_StrategicPlanBook_022024.pdf

◆ **Goal 7 To foster trust and confidence with members and employers through effective communication of the actions and activities of the ASRS**

Performance Measures:

ML	Budget	Type		FY 2025	FY 2026	FY 2026	FY 2027	FY 2028
				Actual	Estimate	Actual	Estimate	Estimate
X		QL	Overall Satisfaction: Percentage of retired members respond positively to "How satisfied are you with ASRS overall."	74	90	73	90	90
X		QL	Stakeholders respond positively when asked if "The ASRS acts ethically"	78	90	79	90	90

AGENCY SUMMARY

Program: RTA State Retirement System

Director: Paul Matson, Director

Phone: 6023085197

Statute: A.R.S. § 38-712

Plan Contact: Jeremy Gunderson, Budget & Procurement Manager

https://www.azasrs.gov/sites/default/files/pdf/2024-28_StrategicPlanBook_022024.pdf

PROGRAM SUMMARY

Program: Administration and Support (RTA-2-0)

Contact: Paul Matson, Executive Director

Phone: Phone: 6022402031

Statute: A.R.S. § 38-712

Mission:

To benefit our members, the Arizona State Retirement System (ASRS) will be a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.

Description:

The Administration and Support Program contains the various administrative processes necessary to support the ongoing administration of the ASRS.

◆ Goal 1 To ensure responsible governance in the administration of ASRS and its benefit programs

Performance Measures:				FY 2025	FY 2026	FY 2026	FY 2027	FY 2028
ML	Budget	Type		Actual	Estimate	Actual	Estimate	Estimate
X		QL	Net promoter score: Employers respond positively when asked "How likely are you to recommend or promote ASRS as a great organization?"	54	50	52	50	50
X		QL	Net Promoter Score: Active Members respond positively when asked "How likely are you to recommend or promote ASRS as a great organization?"	18	50	14	50	50
X		QL	Net Promoter Score: Retirees respond positively when asked, "How likely are you to recommend or promote ASRS as a great organization?"	50	50	49	50	50

◆ Goal 2 To recruit, retain and develop a high-performing and engaged workforce that is capable of achieving agency goals and implement workforce plans that prepare future leaders and ensure continuity in key positions.

Performance Measures:				FY 2025	FY 2026	FY 2026	FY 2027	FY 2028
ML	Budget	Type		Actual	Estimate	Actual	Estimate	Estimate
X		QL	Total rolling annual turnover rate compared to the State of Arizona	12.8	13.7	9.2	13.7	13.7
X		OC	Engagement score from ADOA employee engagement survey	88	80	87	80	80

AGENCY SUMMARY

Program: RTA State Retirement System

Director: Paul Matson, Director

Phone: 6023085197

Statute: A.R.S. § 38-712

Plan Contact: Jeremy Gunderson, Budget & Procurement Manager

https://www.azasrs.gov/sites/default/files/pdf/2024-28_StrategicPlanBook_022024.pdf

◆ **Goal 3 To develop and implement fiscally responsible budgets and spending plans that are flexible and able to meet agency priorities.**

Performance Measures:

ML	Budget	Type	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X		QL Percentage of agreement there are sufficient resources for their team(s) to complete strategic objectives.	90	90	89	90	90

◆ **Goal 4 To procure goods and services in a competitive and effective manner that satisfies users and meets the needs of the ASRS.**

Performance Measures:

ML	Budget	Type	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X		OC Percent of level of satisfaction with the timeliness of receiving needed goods and services through appropriate suppliers, per Internal Services Survey.	97	90	99	90	90
X		QL Percentage of level of satisfaction with the goods and services procured, per Internal Services Survey.	97	90	99	90	90
X		QL Percentage of level of agreement that they (staff) have the proper tools and equipment to do their job (Furniture, computer, etc.), per Internal Services Survey.	96	90	95	90	90
X		EF Percentage of agreement with response time for requests sent to the facilities' mailbox, per Internal Services Survey.	97	90	99	90	90
X		QL Percentage of agreement in regards to safety and security, the ASRS provides a safe work environment, per Internal Services Survey.	96	100	96	100	90

◆ **Goal 5 To ensure contribution rates for ASRS benefit plans will remain relatively stable.**

Performance Measures:

ML	Budget	Type	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X		OC Percent of actively contributing members responding positively when asked "The ASRS contribution rate is affordable and manageable for the future benefit received."	78	80	78	80	80

AGENCY SUMMARY

Program: RTA State Retirement System

Director: Paul Matson, Director

Phone: 6023085197

Statute: A.R.S. § 38-712

Plan Contact: Jeremy Gunderson, Budget & Procurement Manager

https://www.azasrs.gov/sites/default/files/pdf/2024-28_StrategicPlanBook_022024.pdf

◆ **Goal 5 To ensure contribution rates for ASRS benefit plans will remain relatively stable.**

Performance Measures:

ML Budget Type

**FY 2025
Actual**

**FY 2026
Estimate**

**FY 2026
Actual**

**FY 2027
Estimate**

**FY 2028
Estimate**

X		OC	Percent of employer partners responding positively when asked "The defined benefit plan contribution rate is affordable and manageable for the benefit received."	79	80	79	80	80
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AGENCY SUMMARY

Program: RTA State Retirement System

Director: Paul Matson, Director

Phone: 6023085197

Statute: A.R.S. § 38-712

Plan Contact: Jeremy Gunderson, Budget & Procurement Manager

https://www.azasrs.gov/sites/default/files/pdf/2024-28_StrategicPlanBook_022024.pdf

PROGRAM SUMMARY

Program: Investment Management (RTA-3-0)

Contact: Michael Viteri, Chief Investment Officer

Phone: Phone: 6022402014

Statute: A.R.S. § 38-719

Mission:

To benefit our members, the Arizona State Retirement System (ASRS) will be a leading state benefit plan administrator in the areas of core member services, funded status, investment performance, and operational effectiveness, while keeping program benefits and associated costs relatively aligned and maintaining actuarial and fiscal integrity.

Description:

The Investment Management Program is responsible for overseeing the investment of the ASRS assets.

- ◆ **Goal 1 To design, implement, and maintain an investment management program that maximizes rates of return for acceptable levels of risk.**

Performance Measures:

ML	Budget	Type		FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X	X	OC	Percentage of investment returns	9.9	7.0	13.7	7.0	7.0
X		OC	20-Year rolling annual rate of return on total fund assets (%)	8	7	8	7	7
X		OC	Percentile Ranking: 1-year Total Fund Net Rate of Return compared to US Public Fund Peer (Greater than \$1 Billion) Median.	10	25	60	25	25
X		OC	Percentile Ranking: 3-year Total Fund Net Rate of Return compared to US Public Fund Peer (Greater than \$1 Billion) Median.	9	25	64	25	25
X		OC	Percentile Ranking: 5-year Total Fund Net Rate of Return compared to US Public Fund Peer (Greater than \$1 Billion) Median.	10	25	7	25	25
X		OC	1-year excess return of total fund rate of return over strategic asset allocation benchmark.	(0)	1	(1)	1	1
X		OC	3-year excess return of total fund rate of return over strategic asset allocation benchmark.	(0)	1	(1)	1	1
X		OC	5-year excess return of total fund rate of return over strategic asset allocation benchmark.	0	1	0	1	1

AGENCY SUMMARY

Program: RTA State Retirement System

Director: Paul Matson, Director

Phone: 6023085197

Statute: A.R.S. § 38-712

Plan Contact: Jeremy Gunderson, Budget & Procurement Manager
https://www.azasrs.gov/sites/default/files/pdf/2024-28_StrategicPlanBook_022024.pdf

Budget Related Performance Measures

RTA State Retirement System

PROGRAM SUMMARY

Program: Member Services (RTA-1-0)
Contact: Jeremiah Scott, Deputy Director, Chief Operations Officer 6022402045
2nd Contact:
Statute: A.R.S. § 38-712

ML	Budget Type	Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X	X	OC Percentage of overall member satisfaction with Telephone Service at the Arizona State Retirement System (objective 90%)	93	90	92	90	90

PROGRAM SUMMARY

Program: Investment Management (RTA-3-0)
Contact: Michael Viteri, Chief Investment Officer 6022402014
2nd Contact:
Statute: A.R.S. § 38-719

ML	Budget Type	Performance Measures	FY 2025 Actual	FY 2026 Estimate	FY 2026 Actual	FY 2027 Estimate	FY 2028 Estimate
X	X	OC Percentage of investment returns	9.9	7.0	13.7	7.0	7.0

FUNDING ISSUE 1: CONTINUOUSLY APPROPRIATED FUNDING

Description of Issue

In accordance with A.R.S. § 38-721(C), expenditures for certain investment and administrative costs are continuously appropriated in the amount deemed necessary by the ASRS Board of Trustees.

The ASRS utilizes continuously appropriated dollars for the following expenses to complement ASRS operations and member service functions.

1. Investment management and related consulting fees necessary to meet the Board's investment objectives

- Internal investment management
 - ASRS Investment Management Division (IMD) staff salaries and employee benefits, travel, education and training, rent, and other operational costs.
- External investment management
 - Public Markets investment management fees and transactional and other fees, which include foreign taxes and commissions on derivatives and other incidental costs. Quarterly investment management fees are calculated based on the market value of the investments, using the assumption of a 7.0% annual rate of return less estimated net cash flows of 2.5%. Accordingly, the fees are directly correlated with both investment performance as well as net cash flows.
 - Private Markets investment management fees and performance incentive and carried interest fees, which are only paid if earned – upon successful performance of the manager after other return criteria are met – or incurred, and other contractually agreed-upon fees and expenses. Investment management fees are calculated based on the percentage of capital committed to the program. The fees are correlated to capital commitments and are calculated on a cash basis. Due to the nature of the investments and contingent variables, estimated annual performance incentive and other fees are not projected and are only reported, on a cash basis, when identified and paid.
- Consulting fees
 - Investment-related consulting and legal fees, electronic information services and subscriptions, custodial banking administrative fees, and external auditing service fees.

2. Administrative costs

- Rent – costs required as tenants for occupancy at 3300 N Central Avenue in Phoenix and in an ADOA-owned office space in Tucson.
- Actuarial fees – costs for consulting services related to plan design, health benefits, administration, and valuations.
- Pension Payroll - costs associated with administering and safeguarding retiree pension

FUNDING STATEMENT: HEALTH INSURANCE FUND

Description of Issue

Pursuant to Arizona Revised Statutes (A.R.S.) § 38-782 authorizes the ASRS to establish group health and accident coverage for its members. The statute also authorizes the ASRS to pay administrative costs to operate a self-insurance program. Beginning in January 2022, the ASRS self-insures the non-Medicare medical and pharmaceutical plans for eligible individuals. The ASRS pays an administrative fee to a contracted insurance carrier, rather than enter into a contract with the carrier for a fully insured product for this specific population.

Fund RT 1409 was created to account for the administrative costs the ASRS pays to the insurance provider to administer the non-Medicare medical and pharmaceutical plans. This account only pays for the costs associated with administration and consultation services associated with the self-insurance plans.

Statute dictates that these funds will be continuously appropriated and are not subject to annual legislative appropriation.

Proposed Solution

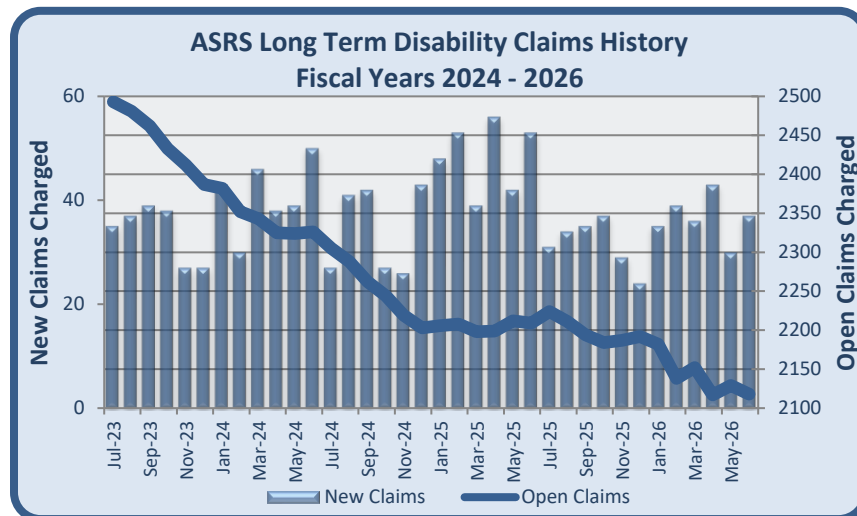
For FY 2028, current projections indicate the ASRS will expend an estimated \$1,500,000 in continuously appropriated funds. This projection is unchanged from the projection for FY 2027. The expenditures are funded through the premiums paid by the eligible non-Medicare individuals who choose to elect their Health Insurance and pharmaceutical coverage through the ASRS plans.

FUNDING STATEMENT: OPERATING BUDGET - LONG TERM DISABILITY ADMINISTRATION FUNDING

Description of Issue

Pursuant to Arizona Revised Statutes (A.R.S.) § 38-797, the ASRS Long Term Disability (LTD) Program is a mandatory contributory plan with benefits designed to be a source of income during periods of disability, as defined by statute. LTD coverage is provided to all active members of the ASRS but is not provided to retirees or dependents. The ASRS collects required contributions from employers and active members each pay period and holds such contributions in the LTD Trust Fund, which is designated solely for the purpose of paying benefits and costs of administering this program.

Over the past several fiscal years, the ASRS has continued to pay less in annual administrative fees to the contracted third-party administrator that currently manages the ASRS LTD Program. In addition, the number of ASRS members receiving an LTD benefit has continued to slightly decline, as illustrated below.



The ASRS believes current funding levels will be sufficient in FY 2028. The existing contract with the third-party administrator is ending and is set to expire by June 30, 2027. As such, the ASRS will be entering into a new contract beginning FY 2028, which could lead to increased costs that are above the current contract negotiated rates. In the event that costs change due to the new contract, ASRS will incorporate any necessary adjustments in the FY 2029 budget request.

Should program costs exceed the LTD budget appropriation, statute allows for the payments from the LTD Administration Trust Fund on a continuously appropriated basis. Through past dialogue, the Governor's Office of Strategic Planning and Budget, the Joint Legislative Budget Committee, the Arizona Department of Administration General Accounting Office – State Comptroller, and counsel from the Arizona Attorney General's office are aware of this flexibility for required payments to effectively administer the LTD program

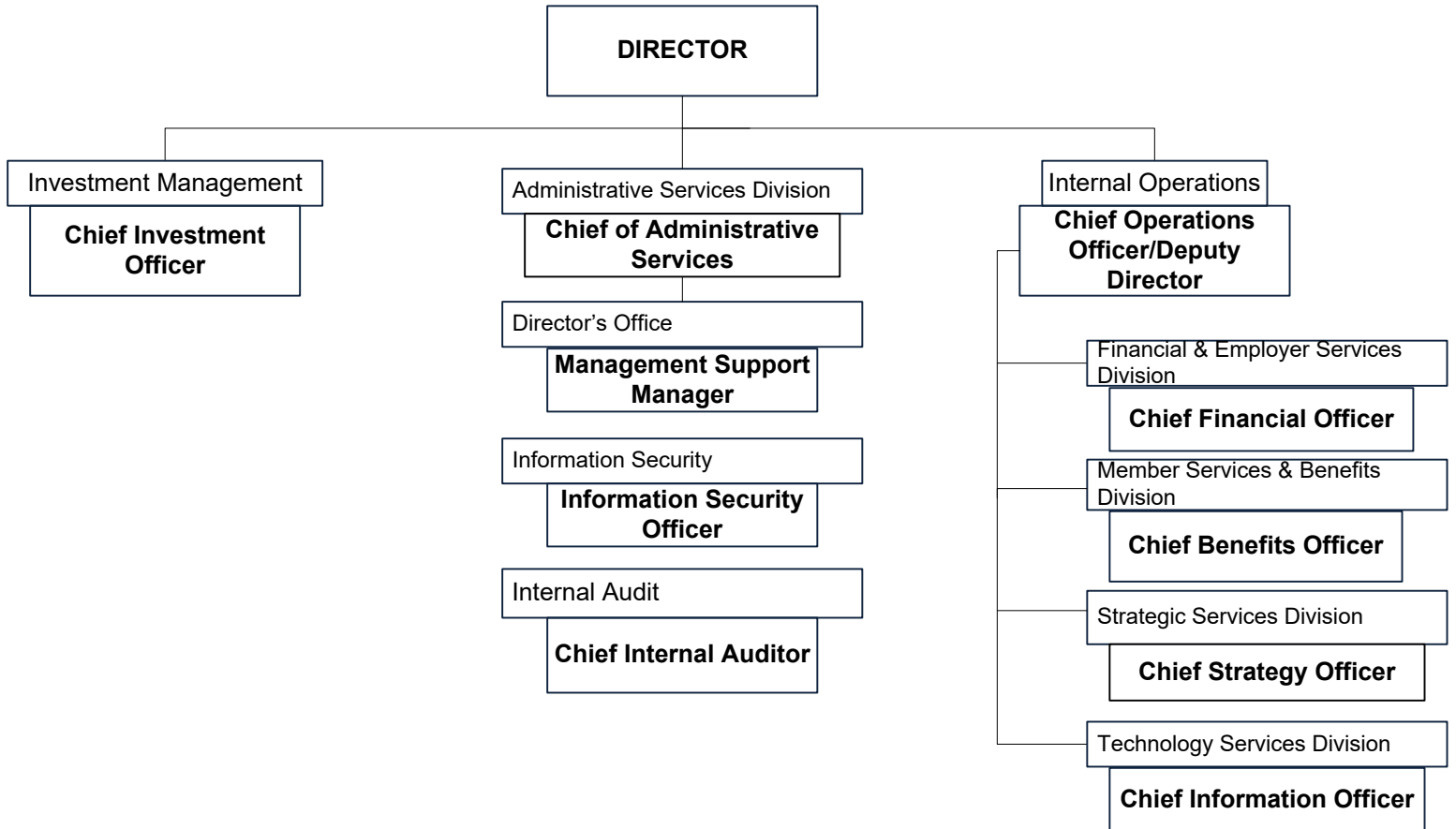
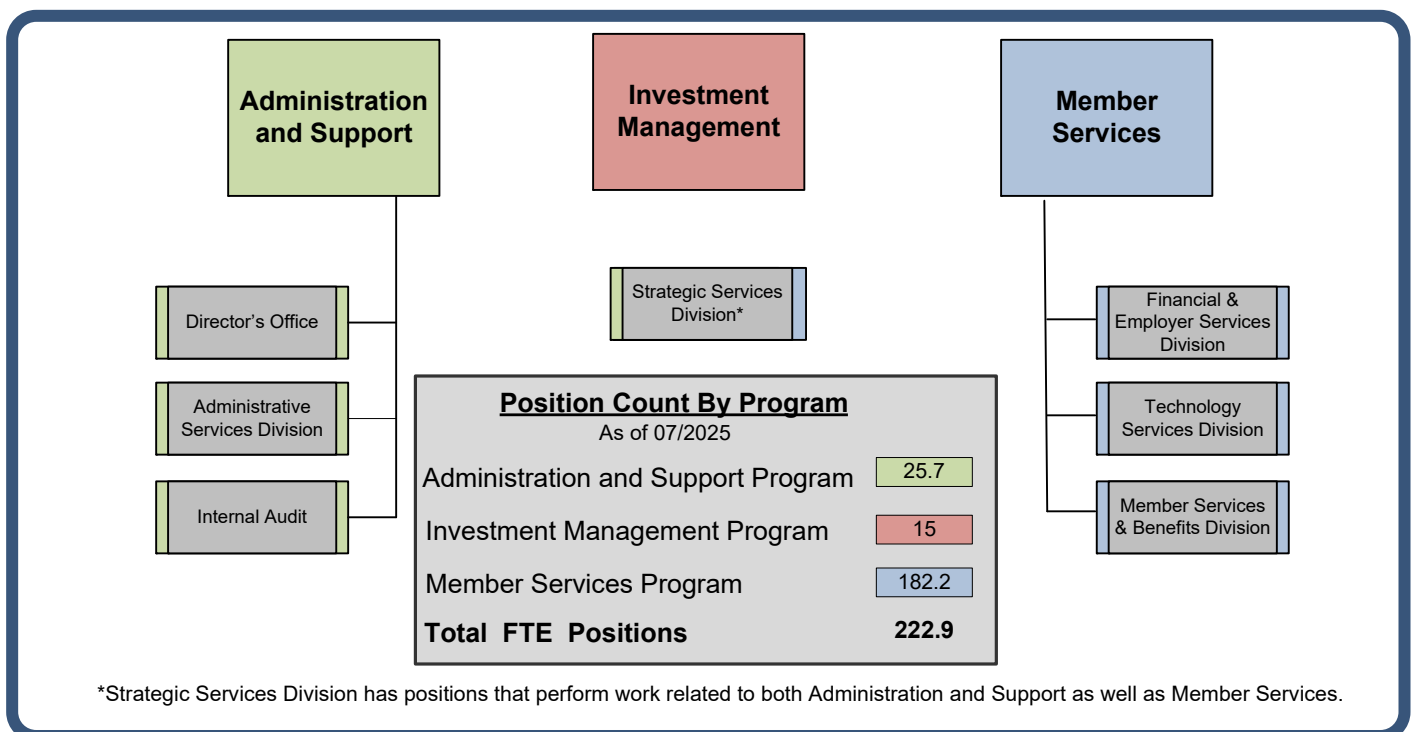
FUNDING ISSUE 1: CONTINUOUSLY APPROPRIATED FUNDING

benefits, disbursements, and personally identifiable information (PII) for ASRS member and employer accounts.

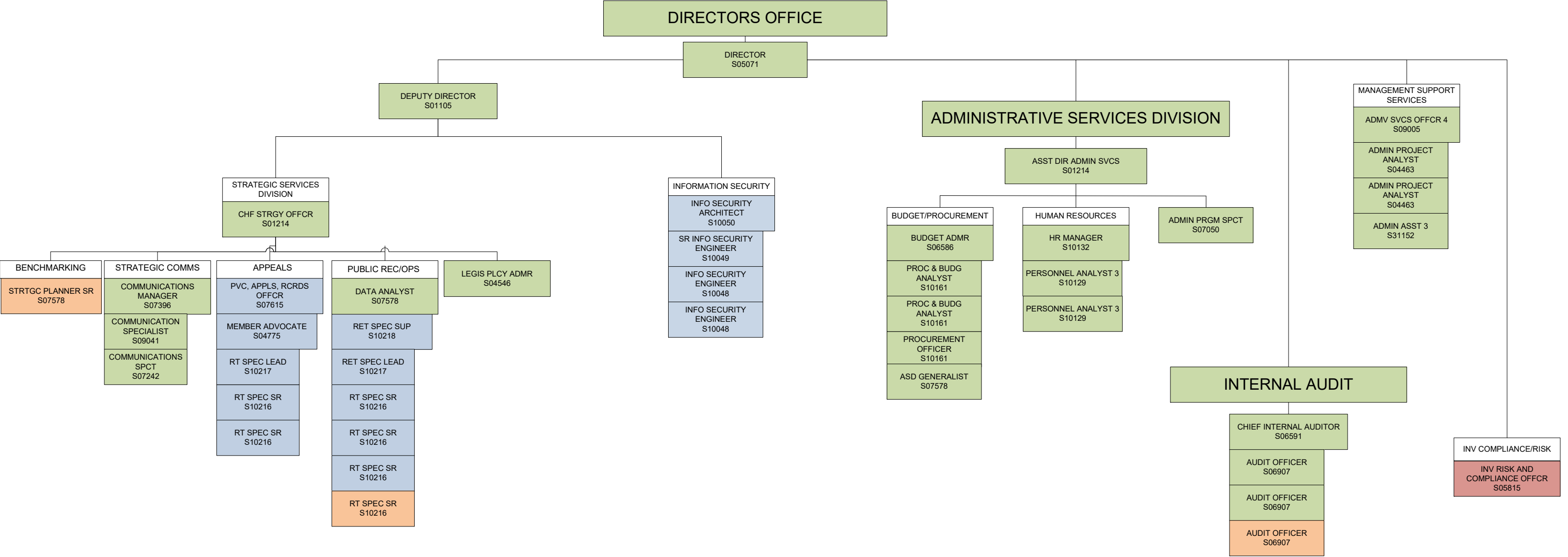
Proposed Solution

For FY 2028, current projections indicate the ASRS will expend an estimated \$313,191,500 in continuously appropriated funds. Investment management and related consulting fees comprise approximately 96.9% of the expected expenditures, and make up the large majority of continuously appropriated increases from FY 2027 to current projections in FY 2028. Administrative and other costs that support the member services program represent the remaining 3.1% of projected FY 2028 expenditures.

Arizona State Retirement System



ADMINISTRATION AND SUPPORT PROGRAM



LEGEND

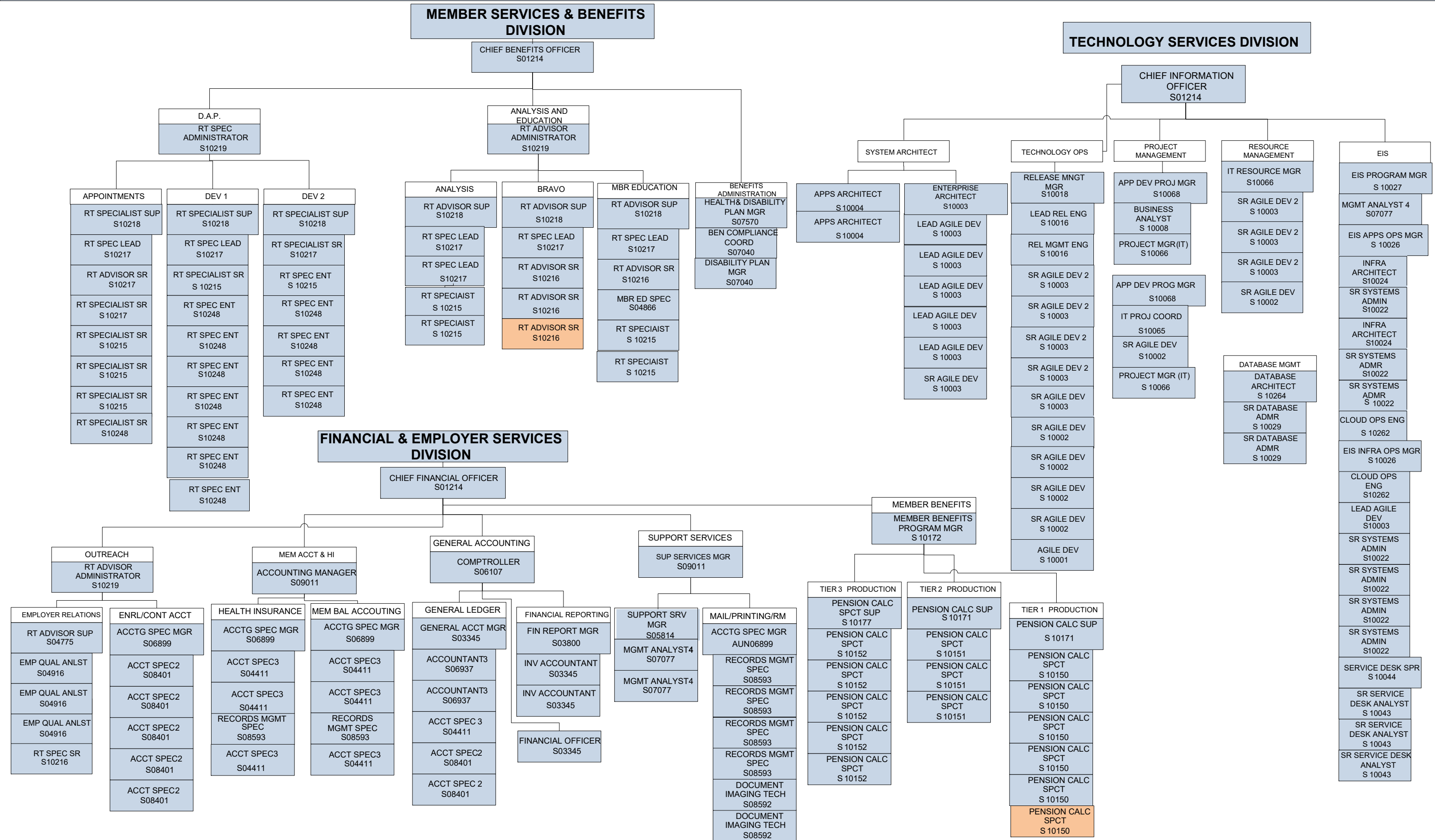
FTE

PART-TIME FTE

MEMBER SERVICES PROGRAM FTE*

*Role responsibilities fall under Member Services Program

MEMBER SERVICES PROGRAM	
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INVESTMENT MANAGEMENT PROGRAM

