61100

NEW MEXICO
Early Childhood
Education & Care Department

Fiscal Year 2028
Appropriation Request

Submitted:
September 1, 2026

By:
Elizbeth Groginsky
Cabinet Secretary

MICHELLE LUJAN GRISHAM
GOVERNOR

HOWIE MORALES
LIEUTENANT GOVERNOR

ELIZABETH GROGINSKY
CABINET SECRETARY
Early Childhood Education and Care Department

NEW MEXICO
Early Childhood
Education & Care Department

DR. JOANNIE SUINA
ASSISTANT SECRETARY
for Native American Early Education and Care

ARIANA QUIÑONES-MIRANDA
DEPUTY SECRETARY for Operations

KENDAL CHAVEZ
DEPUTY SECRETARY for Policy and Programs

September 1, 2026

Secretary Wayne Propst
NM Department of Finance and Administration
407 Galisteo Street
Santa Fe, NM 87501

Director Charles Sallee
Legislative Finance Committee
325 Don Gaspar Ave Suite 101
Santa Fe, NM 87501

Dear Secretary Propst and Director Sallee,

I respectfully submit the New Mexico Early Childhood Education and Care Department's (ECECD) fiscal year 2028 (FY28) budget request for consideration by the Department of Finance and Administration (DFA) and the Legislative Finance Committee (LFC).

ECECD's FY28 request is designed to sustain New Mexico's investments in early childhood services while strengthening the infrastructure, workforce, and accountability necessary to support continued growth. The request is organized around three core strategic priorities as outlined in the agency's detailed FY27-FY31 Strategic Plan.

1. Improve school readiness;
2. Strengthen the early childhood ecosystem; and
3. Advance organizational excellence.

The ECECD budget request for State Fiscal Year 2028 (FY28) is a $49.9 million increase in general funds over FY27 – impacting more than 110,000 children through quality services using the following funding sources. Of this, the Land Grant Permanent Fund will distribute a $19.2 million increase over FY27 funding levels.

FY28 General Fund Operating Request: $49.9 Million Increase

ECECD requests **$375.6 million in General Fund support for FY28**, an increase of approximately **$49.9 million, or 15.3 percent, above the FY27 HB2 General Fund appropriation**. The proposed increase is focused on two primary areas: $38.0 million for direct services and $11.9 million for quality and infrastructure.

Increase Direct Services: $38.0 Million

- **New Mexico Early PreK: $15.0 million**
  - Expand access for 1,240 more children and support continued progress toward universal PreK for 3-year-olds and 4-year-olds.
- **Home Visiting: $14.0 million**
  - Expand home visiting services for more than 795 children and strengthen access to family-centered supports for young children and families.
- **Family Infant Toddler Program: $7.0 million**
  - Strengthen services for infants and toddlers with developmental delays and disabilities and support the quality and sustainability of the FIT service system.
- **Tribal Investment Strategy: $2.0 million**
  - Strengthen partnerships and investments supporting early childhood services in New Mexico's Tribal communities.

Strengthen Quality and Infrastructure: $11.9 Million

- **ECECD Staffing: $4.0 million**
  - Add **28 FTE** to strengthen departmental capacity and support expanded services, oversight, accountability, and operational sustainability.
- **Required Rate Obligations: $1.7 million**
  - Address increased state-required costs, including audit, insurance, General Services Department, Health Care Authority, and other required rate adjustments.
- **Information Technology Contracts: $1.2 million**
  - Strengthen technology operations and infrastructure necessary to support statewide service delivery, data management, and program administration.
- **Infant Toddler Pay Parity: $5.0 million**
  - Support continued implementation of compensation strategies intended to improve recruitment, retention, and workforce stability for infant toddler educators.

Early Childhood Trust Fund Use: Up to $315.0 Million

ECECD's FY28 proposal also contemplates **up to $315.0 million in Early Childhood Trust Fund use**, currently structured around:

- **$225.0 million** in authority, including necessary language adjustments associated with FY27 additional funding; and
- **$90.0 million** to support Universal Child Care in FY28.

ECECD recognizes that the final structure and appropriation language associated with these funds will require continued discussion among the Executive, DFA, LFC, and the Legislature. Maintaining flexibility in this area will allow the State to respond to updated expenditure projections, program participation, available balances, and policy decisions as the FY28 budget develops.

FY28 Special Appropriation Requests: $25.0 Million

ECECD also requests **$25.0 million in special appropriations** to strengthen child care supply, program quality, professional development, and local early childhood systems:

- **Child Care Revolving Loan Fund: $10.0 million**
    - Increase child care supply through the New Mexico Finance Authority by supporting the development and expansion of child care facilities.
- **FIT Professional Development: $2.0 million**
    - Support continued professional development and workforce capacity within the Family Infant Toddler Program.
- **Local Early Childhood Coalitions: $1.0 million (GRO)**
    - Strengthen community-based coordination and locally responsive early childhood systems.
- **Quality for New Mexico Early PreK: $6.0 million (GRO)**
    - Support quality improvements and consistent implementation across New Mexico Early PreK programs.
- **Quality for Child Care: $4.0 million (GRO)**
    - Strengthen child care quality through supports for providers and the early childhood workforce.
- **Social Emotional Early Development: $2.0 million (GRO)**
    - Strengthen supports addressing the social and emotional development of young children.

FY27 Tentative Supplemental Request

- ECECD anticipates a supplemental need for FY27, to be further refined in the department's supplemental submission in October 2026.

FY28 Capital Outlay Request: $17.5 Million

ECECD's FY28 Infrastructure Capital Improvement Plan request includes:

- **$15.0 million** to purchase a facility in the Rio Rancho/Albuquerque area to accommodate departmental growth associated with expanded and increasingly universal services; and
- **$2.5 million** for statewide office facilities to equip, furnish, relocate, and modernize offices and address aging infrastructure.

Continuing a Collaborative FY28 Budget Process

ECECD recognizes that the FY28 budget is being developed at an important point of transition for New Mexico. Investments made today should support continuity of essential services while providing sufficient flexibility for the State's next phase of leadership and policy development.

For that reason, ECECD is committed to working closely with DFA and LFC throughout the recommendation and legislative processes to further evaluate expenditure assumptions, implementation timelines, workforce capacity, performance measures, and long-term funding sustainability. This collaborative approach will help ensure that proposed investments are both fiscally responsible and responsive to the needs of New Mexico's children, families, providers, and communities.

I appreciate the continued partnership of DFA and LFC and look forward to working together throughout the FY28 budget process. By maintaining a shared focus on outcomes, transparency, sustainability, and continuity of services, we can continue building a strong early childhood system while ensuring that future policymakers have the information and flexibility necessary to guide its next phase.

Sincerely,

Elizabeth Groginsky
Cabinet Secretary
New Mexico Early Childhood Education and Care Department

APPROPRIATION REQUEST

CERTIFICATION
FORM S-1

Agency Name: Early Childhood Education and Care Department Business Unit: 61100

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

Elizabeth Groginsky, Cabinet Secretary

Cyndi Montoya

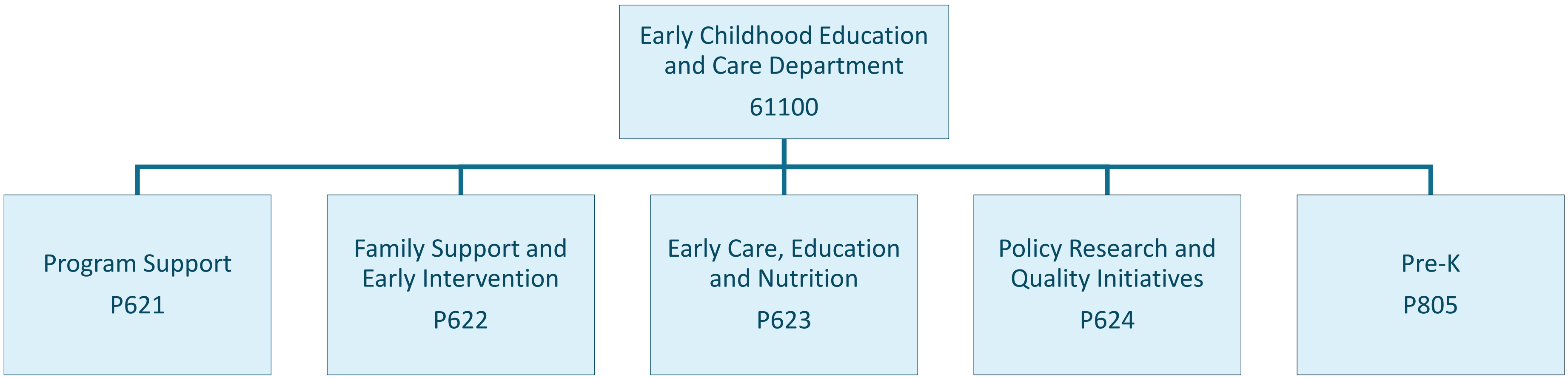
Cyndi Montoya, Mobile CFO

1120 Paseo de Peralta
Santa Fe, NM 87501

505-690-5470

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

EARLY CHILDHOOD EDUCATION & CARE DEPARTMENT
61100
FY28 APPROPRIATION REQUEST
ORGANIZATION CHART



New Mexico
Early Childhood
Education & Care Department

State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE								
111	General Fund Transfers	301,451.8	301,034.2	325,720.0	0.0	375,648.6	0.0	375,648.6
112	Other Transfers	534,675.5	534,843.0	700,723.9	0.0	860,723.9	0.0	860,723.9
120	Federal Revenues	152,623.8	200,314.9	144,994.8	0.0	151,148.1	0.0	151,148.1
130	Other Revenues	7,559.6	4,428.2	2,554.7	0.0	2,054.7	0.0	2,054.7
REVENUE, TRANSFERS		**996,310.7**	**1,040,620.3**	**1,173,993.4**	**0**	**1,389,575.3**	**0.0**	**1,389,575.3**
REVENUE		**996,310.7**	**1,040,620.3**	**1,173,993.4**	**0**	**1,389,575.3**	**0.0**	**1,389,575.3**
EXPENSE								
200	Personal services and employee benefits	36,083.7	39,022.5	40,120.6	44,060.3	45,716.7	0.0	45,716.7
300	Contractual services	122,788.1	117,325.4	114,088.6	0.0	118,376.5	0.0	118,376.5
400	Other	781,537.3	799,249.6	962,882.6	0.0	1,168,580.5	0.0	1,168,580.5
EXPENDITURES		**940,409.1**	**955,597.5**	**1,117,091.8**	**44,060.34**	**1,332,673.7**	**0.0**	**1,332,673.7**
500	Other financing uses	55,901.6	55,901.6	56,901.6	0.0	56,901.6	0.0	56,901.6
OTHER FINANCING USES		**55,901.6**	**55,901.6**	**56,901.6**	**0**	**56,901.6**	**0.0**	**56,901.6**
EXPENSE		**996,310.7**	**1,011,499.1**	**1,173,993.4**	**44,060.34**	**1,389,575.3**	**0.0**	**1,389,575.3**
FTE POSITIONS								
810	Permanent	200.00	344.00	200.00	372.00	172.00	0.00	172.00
820	Term	160.00	0.00	160.00	0.00	0.00	0.00	0.00
830	Temporary	3.00	0.00	3.00	0.00	0.00	0.00	0.00
FTEs		**363.00**	**344.00**	**363.00**	**372.00**	**172.00**	**0.00**	**172.00**
FTE POSITIONS		**363.00**	**344.00**	**363.00**	**372.00**	**172.00**	**0.00**	**172.00**

BU	PCode	Department
61100	0000	0000000000

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

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
499105	General Fd. Appropriation	301,451.8	301,034.2	325,720.0	0.0	375,648.6	0.0	375,648.6
111	**General Fund Transfers**	**301,451.8**	**301,034.2**	**325,720.0**	**0.0**	**375,648.6**	**0.0**	**375,648.6**
425909	Other Services - Interagency	0.0	0.0	0.0	0.0	0.0	0.0	0.0
451909	Federal Contract - Interagency	32,027.5	32,144.6	32,227.5	0.0	32,227.5	0.0	32,227.5
475109	Other Gifts-Grants-Interagency	0.0	15.0	0.0	0.0	0.0	0.0	0.0
499905	Other Financing Sources	502,648.0	502,683.4	668,496.4	0.0	828,496.4	0.0	828,496.4
112	**Other Transfers**	**534,675.5**	**534,843.0**	**700,723.9**	**0.0**	**860,723.9**	**0.0**	**860,723.9**
451903	Federal Direct - Operating	152,623.8	153,672.5	144,994.8	0.0	151,148.1	0.0	151,148.1
120	**Federal Revenues**	**152,623.8**	**153,672.5**	**144,994.8**	**0.0**	**151,148.1**	**0.0**	**151,148.1**
416902	Other Licenses & Permits	0.0	870.5	0.0	0.0	0.0	0.0	0.0
418802	Death & Birth Certificate Fees	1,100.0	0.0	1,100.0	0.0	850.0	0.0	850.0
434402	Payments For Care-Individuals	2,517.1	2,757.5	1,204.7	0.0	1,204.7	0.0	1,204.7
475101	Other Gifts & Grants	3,942.5	600.0	250.0	0.0	0.0	0.0	0.0
496901	Miscellaneous Revenue	0.0	200.1	0.0	0.0	0.0	0.0	0.0
130	**Other Revenues**	**7,559.6**	**4,428.2**	**2,554.7**	**0.0**	**2,054.7**	**0.0**	**2,054.7**
TOTAL REVENUE		**996,310.7**	**993,977.8**	**1,173,993.4**	**0**	**1,389,575.3**	**0.0**	**1,389,575.3**
520100	Exempt Perm Positions P/T&F/T	832.4	1,611.0	2,276.7	1,611.0	275.0	0.0	275.0
520200	Term Positions	9,020.9	10,169.6	5,459.6	86.1	8.8	0.0	8.8
520300	Classified Perm Positions F/T	13,829.2	14,127.4	15,790.0	28,868.2	32,265.5	0.0	32,265.5
520500	Temporary Positions F/T & P/T	45.6	32.2	1.2	0.7	0.0	0.0	0.0
520600	Paid Unused Sick Leave	1.4	15.9	44.9	0.0	0.0	0.0	0.0
520700	Overtime & Other Premium Pay	0.0	282.0	101.0	0.0	1.0	0.0	1.0
520800	Annl & Comp Paid At Separation	2,083.0	84.8	642.0	0.0	466.0	0.0	466.0
521100	Group Insurance Premium	1,857.7	3,883.8	5,783.4	5,098.2	11,681.8	0.0	11,681.8
521200	Retirement Contributions	4,565.3	5,027.9	5,121.6	5,892.6	364.9	0.0	364.9
521300	F I C A	1,815.6	1,944.7	2,037.2	1,880.6	350.0	0.0	350.0
521400	Workers' Comp Assessment Fee	3.4	3.4	4.5	0.0	0.4	0.0	0.4
521410	GSD Work Comp Insur Premium	411.7	411.5	337.0	0.0	54.7	0.0	54.7
521500	Unemployment Comp Premium	0.0	0.0	142.0	0.0	0.0	0.0	0.0
521600	Employee Liability Ins Premium	905.8	905.7	1,777.9	0.0	158.7	0.0	158.7
521700	RHC Act Contributions	711.7	522.6	601.6	622.9	89.9	0.0	89.9
200	**Personal services and employee benef**	**36,083.7**	**39,022.5**	**40,120.6**	**44,060.3**	**45,716.7**	**0.0**	**45,716.7**
535200	Professional Services	6,605.7	11,020.4	7,617.3	0.0	8,490.9	0.0	8,490.9

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
535300	Other Services	106,670.8	95,494.3	99,174.7	0.0	99,357.5	0.0	99,357.5
535309	Other Services - Interagency	0.0	1.0	0.0	0.0	0.0	0.0	0.0
535400	Audit Services	184.7	197.2	397.1	0.0	397.1	0.0	397.1
535600	IT Services	6,926.9	10,607.6	6,759.5	0.0	9,991.0	0.0	9,991.0
535609	IT Services- Interagency	2,400.0	2.1	140.0	0.0	140.0	0.0	140.0
536000	GenAdminInsur	0.0	2.7	0.0	0.0	0.0	0.0	0.0
300	**Contractual services**	**122,788.1**	**117,325.4**	**114,088.6**	**0.0**	**118,376.5**	**0.0**	**118,376.5**
542100	Employee I/S Mileage & Fares	55.6	12.3	1,162.6	0.0	27.4	0.0	27.4
542200	Employee I/S Meals & Lodging	86.0	206.7	188.1	0.0	3.4	0.0	3.4
542500	Transp - Fuel & Oil	1.9	34.4	36.1	0.0	0.0	0.0	0.0
542600	Transp - Parts & Supplies	0.2	12.7	3.8	0.0	0.0	0.0	0.0
542800	State Transp Pool Charges	269.1	364.3	258.9	0.0	0.0	0.0	0.0
543100	Maint - Grounds & Roadways	2.7	0.0	0.0	0.0	0.0	0.0	0.0
543200	Maint - Furn, Fixt, Equipment	11.1	1.6	10.7	0.0	1.6	0.0	1.6
543300	Maint - Buildings & Structures	10.9	11.5	8.2	0.0	0.0	0.0	0.0
543400	Maint - Property Insurance	0.0	0.5	0.0	0.0	0.0	0.0	0.0
543500	Maint - Supplies	0.0	4.1	3.1	0.0	0.0	0.0	0.0
543700	Maintenance Services	0.5	0.0	0.0	0.0	0.0	0.0	0.0
543710	Other Service - Non-Contractual	0.0	34.1	0.0	0.0	0.0	0.0	0.0
543820	Maintenance IT	0.0	121.4	0.0	0.0	0.0	0.0	0.0
543830	IT HW/SW Agreements	3,221.4	3,874.0	5,195.0	0.0	1,965.2	0.0	1,965.2
544000	Supply Inventory IT	820.0	330.5	1,022.0	0.0	3,311.9	0.0	3,311.9
544100	Supplies-Office Supplies	50.7	62.5	77.5	0.0	5.0	0.0	5.0
544200	Supplies-Medical,Lab,Personal	0.0	3.6	0.1	0.0	0.0	0.0	0.0
544400	Supplies-Field Supplies	0.0	0.5	2.1	0.0	0.0	0.0	0.0
544800	Supplies-Education&Recreation	0.0	2,556.1	49.0	0.0	0.0	0.0	0.0
544900	Supplies-Inventory Exempt	82.2	618.1	230.7	0.0	0.8	0.0	0.8
545600	Reporting & Recording	0.0	612.2	93.0	0.0	0.0	0.0	0.0
545700	ISD Services	476.7	487.2	767.5	0.0	46.1	0.0	46.1
545710	DOIT HCM Assessment Fees	127.3	127.1	352.0	0.0	180.7	0.0	180.7
545900	Printing & Photo Services	27.4	91.8	38.5	0.0	2.5	0.0	2.5
546100	Postage & Mail Services	72.7	3.0	23.6	0.0	0.0	0.0	0.0
546310	Utilities - Sewer/Garbage	3.5	0.0	0.5	0.0	0.0	0.0	0.0

S-9 Account Code Revenue/Expenditure Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
546320	Utilities - Electricity	31.6	0.0	11.5	0.0	0.0	0.0	0.0
546330	Utilities - Water	3.9	0.0	0.4	0.0	0.0	0.0	0.0
546340	Utilities - Natural Gas	4.8	0.0	0.9	0.0	0.0	0.0	0.0
546400	Rent Of Land & Buildings	540.8	423.6	47.8	0.0	24.8	0.0	24.8
546409	Rent Expense - Interagency	0.0	0.6	75.0	0.0	0.0	0.0	0.0
546500	Rent Of Equipment	110.0	100.9	97.4	0.0	7.5	0.0	7.5
546600	Communications	165.1	20.8	19.0	0.0	0.0	0.0	0.0
546610	DOIT Telecommunications	574.8	574.8	792.7	0.0	66.4	0.0	66.4
546700	Subscriptions/Dues/License Fee	22.9	1,962.0	35.1	0.0	20.4	0.0	20.4
546709	Subscription & Due Interagency	0.0	1.0	0.0	0.0	0.0	0.0	0.0
546800	Employee Training & Education	98.9	80.0	163.3	0.0	41.6	0.0	41.6
546900	Advertising	455.1	34.1	5.5	0.0	0.0	0.0	0.0
547300	Care & Support	505,741.7	582,668.1	676,149.2	0.0	857,469.8	0.0	857,469.8
547400	Grants To Local Governments	3,000.0	3,306.5	0.0	0.0	0.0	0.0	0.0
547410	Grants To Public Schools&Univ	0.0	197.8	181.0	0.0	0.0	0.0	0.0
547420	Grants -Higher Ed (in CAFR)	3,630.0	3,264.0	4,679.0	0.0	173.3	0.0	173.3
547430	Grants to Native Amer Indians	0.0	1,295.1	1,500.0	0.0	0.0	0.0	0.0
547440	Grants To Other Entities	114,132.8	145,629.1	116,944.8	0.0	278,947.6	0.0	278,947.6
547450	Grants to Other Agencies	147,669.2	49,290.2	152,442.6	0.0	17,000.0	0.0	17,000.0
547900	Miscellaneous Expense	0.0	146.4	11.8	0.0	8,987.6	0.0	8,987.6
547999	Request to Pay Prior Year	0.0	607.3	65.0	0.0	290.9	0.0	290.9
548200	Furniture & Fixtures	0.0	0.0	35.0	0.0	0.0	0.0	0.0
549600	Employee O/S Mileage & Fares	23.2	30.0	58.4	0.0	5.7	0.0	5.7
549700	Employee O/S Meals & Lodging	12.6	47.2	44.2	0.0	0.3	0.0	0.3
400	**Other**	**781,537.3**	**799,249.6**	**962,882.6**	**0.0**	**1,168,580.5**	**0.0**	**1,168,580.5**
555100	Other Financing Uses	55,901.6	55,901.6	56,901.6	0.0	56,901.6	0.0	56,901.6
500	**Other financing uses**	**55,901.6**	**55,901.6**	**56,901.6**	**0.0**	**56,901.6**	**0.0**	**56,901.6**
TOTAL EXPENSE		**996,310.7**	**1,011,499.1**	**1,173,993.4**	**44,060.34**	**1,389,575.3**	**0.0**	**1,389,575.3**
810	Permanent	200.00	344.00	200.00	372.00	172.00	0.00	172.00
810	**Permanent**	**200.00**	**344.00**	**200.00**	**372.00**	**172.00**	**0.00**	**172.00**
820	Term	160.00	0.00	160.00	0.00	0.00	0.00	0.00
820	**Term**	**160.00**	**0.00**	**160.00**	**0.00**	**0.00**	**0.00**	**0.00**
830	Temporary	3.00	0.00	3.00	0.00	0.00	0.00	0.00

(Dollars in Thousands)

830	**Temporary**	**3.00**	**0.00**	**3.00**	**0.00**	**0.00**	**0.00**	**0.00**
TOTAL FTE POSITIONS		**363.00**	**344.00**	**363.00**	**372.00**	**172.00**	**0.00**	**172.00**

EARLY CHILDHOOD EDUCATION AND CARE DEPARTMENT (61100)
FY28 RECURRING GENERAL FUND: AGENCY APPROPRIATION REQUEST
CHANGES BY PROGRAM AND CATEGORY

Support and Intervention (P622)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$2,870.1**	**$34,468.5**	**$21,786.3**	**$11,901.6**	**$71,026.5**
Increases (Decreases)					
DoIT/GSD/HCA internal service charges (insurance, IT provider rates)			$21.8		$21.8
Home visiting capacity increase (~795 additional slots)			$14,000.0		$14,000.0
Family Infant Toddler (FIT) program - increase provider rates and program capacity			$7,000.0		$7,000.0
					$0.0
					$0.0
					$0.0
FY28 Request: General Fund	**$2,870.1**	**$34,468.5**	**$42,808.1**	**$11,901.6**	**$92,048.3**
$ increase over FY27	$0.0	$0.0	$21,021.8	$0.0	$21,021.8
% increase over FY27	0.0%	0.0%	96.5%	0.0%	29.6%

Early Care and Education (P623)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$1,858.2**	**$524.4**	**$2,747.4**	**$0.0**	**$5,130.0**
Increases (Decreases)					
New FTE: Compliance Manager	$138.8		$15.0		$153.8
New FTE: Compliance Supervisor	$126.2		$13.0		$139.2
New FTEs: Senior Business Operations Specialist (X2)	$124.7		$13.0		$137.7
New FTEs: Lead Compliance (X8)	$816.6		$104.0		$920.6
DoIT/GSD/HCA internal service charges (insurance, IT provider rates)			$19.5		$19.5
					$0.0
					$0.0
					$0.0
FY28 Request: General Fund	**$3,064.5**	**$524.4**	**$2,911.9**	**$0.0**	**$6,500.8**
$ increase over FY27	$1,206.3	$0.0	$164.5	$0.0	$1,370.8
% increase over FY27	64.9%	0.0%	6.0%	#DIV/0!	26.7%

Policy, Research, and Quality Initiatives (P624)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$4,180.1**	**$15,168.8**	**$349.4**	**$0.0**	**$19,698.3**
Increases (Decreases)					
DoIT/GSD/HCA internal service charges (insurance, IT provider rates)			$4.7		$4.7
Wage and career ladder for infant and toddler early educators in classrooms with children whose families are enrolled in childcare assistance (provider pay parity) *GRO appropriation of $5M/year FY25-FY27			$5,000.0		$5,000.0
					$0.0
					$0.0
					$0.0

EARLY CHILDHOOD EDUCATION AND CARE DEPARTMENT (61100)
FY28 RECURRING GENERAL FUND: AGENCY APPROPRIATION REQUEST
CHANGES BY PROGRAM AND CATEGORY

FY28 Request: General Fund	**$4,180.1**	**$15,168.8**	**$5,354.1**	**$0.0**	**$24,703.0**
$ increase over FY27	$0.0	$0.0	$5,004.7	$0.0	**$5,004.7**
% increase over FY27	0.0%	0.0%	1432.4%	#DIV/0!	**25.4%**

Prekindergarten (P805)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$2,328.2**	**$7,550.1**	**$207,183.1**	**$0.0**	**$217,061.4**
Increases (Decreases)					
Increase early pre-k capacity (~1,240 more slots)			$15,000.0		**$15,000.0**
					$0.0
					$0.0
					$0.0
FY28 Request: General Fund	**$2,328.2**	**$7,550.1**	**$222,183.1**	**$0.0**	**$232,061.4**
$ increase over FY27	$0.0	$0.0	$15,000.0	$0.0	**$15,000.0**
% increase over FY27	0.0%	0.0%	7.2%	#DIV/0!	**6.9%**

Program Support (P621)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$6,924.7**	**$3,791.5**	**$2,087.6**	**$0.0**	**$12,803.8**
Increases (Decreases)					
Information Technology Staffing: convert 5 contractor positions to state classified & create 11 new positions	$1,923.0				**$1,923.0**
Website overhaul; Maintenance,support, and integration of department applications (EPICS, PDIA, ECIDS, FITKIDS)		$1,208.3			**$1,208.3**
Software license renewals, IT equipment, training			$214.3		**$214.3**
DoIT/GSD/HCA internal service charges (insurance, IT provider rates, etc.)			$2,185.7		**$2,185.7**
Tribal investment strategy			$2,000.0		**$2,000.0**
					$0.0
					$0.0
					$0.0
FY28 Request: General Fund	**$8,847.7**	**$4,999.8**	**$6,487.6**	**$0.0**	**$20,335.1**
$ increase over FY27	$1,923.0	$1,208.3	$4,400.0	$0.0	**$7,531.3**
% increase over FY27	27.8%	N/A	210.8%	#DIV/0!	**58.8%**

AGENCY TOTAL (61100)	Salaries and Benefits (200's)	Contractual Services (300's)	Other (400's)	Other Financing Uses (500's)	TOTAL
FY27 Operating Budget: General Fund	**$18,161.3**	**$61,503.3**	**$234,153.8**	**$11,901.6**	**$325,720.0**
Increases (Decreases)	$3,129.3	$1,208.3	$45,591.0	$0.0	$49,928.6
FY28 Request: General Fund	**$21,290.6**	**$62,711.6**	**$279,744.8**	**$11,901.6**	**$375,648.6**
$ increase over FY27	$3,129.3	$1,208.3	$45,591.0	$0.0	**$49,928.6**
% increase over FY27	17.2%	2.0%	19.5%	0.0%	**15.3%**

Performance Measures Summary

P621 **Program Support**

Purpose: The purpose of program support is to provide leadership and support for the early childhood education and care department through strategic planning, legal services, information and technology services, financial services and budget, human resources and background checks.

Performance Measures:		2024-25 Actual	2025-26 Actual	2026-27 Budget	2027-28 Request	2027-28 Recomm
Outcome	Percent of Comprehensive Addiction and Recovery Act families connected to agency services and supports	45.0%	49.0%	65.0%	65.0%	

P622 **Family Support and Early Intervention**

Purpose: The purpose of the family support and early intervention program is to provide a culturally sensitive early childhood comprehensive system of supports for families and young children, including home visiting, early intervention services and perinatal case management services.

Performance Measures:		2024-25 Actual	2025-26 Actual	2026-27 Budget	2027-28 Request	2027-28 Recomm
Output	Average annual number of home visits per family	23	22	23	23	
Output	Average annual number of home visits per family	0	N/A	0	N/A	
Outcome	Percent of parents participating in the New Mexico home visiting program for at least eight months who demonstrate progress in practicing positive parent-child interactions as demonstrated by the state-approved, evidence-based screening tool	83.0%	86.0%	85.0%	85.0%	
Outcome	Percent of eligible population reached based on family connects evidence-based framework	86.0%	0.0%	93.0%	93.0%	
Outcome	Percent of children participating in the family, infant, toddler program for at least six months who demonstrate a substantial increase in their development as measured by the early childhood outcomes tool in social relationships and other social-emotional skills, acquisition and use of early language, communication and other knowledge and skills and use of appropriate behaviors to meet their needs	78.0%	75.0%	80.0%	80.0%	
Outcome	Number of families enrolled in medicaid-funded home visiting	1,467	5,699	1,600	1,600	
Outcome	Percent of women who are pregnant when they enroll in home visiting and access postpartum care	80.0%	80.0%	85.0%	85.0%	
Outcome	Percent of eligible infants and toddlers with an individual family service plan for whom an initial evaluation and initial assessment and an initial individual family service plan meeting were conducted within the forty-five day timeline	97.0%	100.0%	100.0%	100.0%	
Outcome	Percent of children enrolled in home visiting for longer than six months who receive regular well child exams as recommended by the American academy of pediatrics	91.0%	92.0%	93.0%	93.0%	
Outcome	Percent of children performing at categorical age expectations annually, to include positive social and emotional skills, knowledge and skills and appropriate behavior	78.0%	49.0%	80.0%	80.0%	
Outcome	Percent of children making significant improvement annually in social emotional skills, knowledge and skills and appropriate behavior	0.0%	78.0%	80.0%	80.0%	
Outcome	Percent of resource referrals family connects New Mexico provided to families resulting in connection to needed resources, based on evidence-based framework	62.0%	0.0%	78.0%	78.0%	

Performance Measures Summary

Performance Measures:		2024-25 Actual	2025-26 Actual	2026-27 Budget	2027-28 Request	2027-28 Recomm
Outcome	Percent of families with an infant enrolled in home visiting who receive safe sleep education and supporting materials	79.0%	83.0%	83.0%	83.0%	
Outcome	Percent of women who enrolled prenatally in home visiting who are eligible for medicaid and access prenatal care by the twenty-eighth week of pregnancy	92.0%	92.0%	94.0%	94.0%	
Outcome	Number of unique family connects New Mexico families who receive a completed nurse home visit	47.0%	0.0%	87.0%	87.0%	
Explanatory	Percent of home visiting families with face-to-face visits, monthly	94.0%	96.0%	N/A	N/A	

P623 **Early Care and Education**

Purpose: The purpose of the early care and education program is to ensure New Mexicans have access to high-quality, healthy, safe and supportive early childhood education environments for children and their families, as well as access to healthy meals.

Performance Measures:		2024-25 Actual	2025-26 Actual	2026-27 Budget	2027-28 Request	2027-28 Recomm
Outcome	Percent of infants and toddlers participating in the childcare assistance program enrolled in childcare programs with four or five stars	69%	72%	80%	80%	
Outcome	Percent of children participating in the public and private state-funded New Mexico prekindergarten program for at least six months showing measurable progress on the school readiness spring preschool assessment tool	91.0%	78.0%	93.0%	93.0%	
Outcome	Amount of monthly copay as a percentage of monthly income	0.0%	0.0%	7.0%	7.0%	
Outcome	Average number of months families receiving childcare assistance are enrolled	18	17	18	18	
Outcome	Percent of children birth age to five attending thirty hours or more a week of childcare	72.0%	77.0%	75.0%	75.0%	
Outcome	Percent of enrolled families with incomes at or below two hundred percent of the federal poverty level	39.0%	57.0%	75.0%	75.0%	
Outcome	Average length of time enrolled in months for families receiving childcare assistance	New	New	0	0	
Outcome	Number of families enrolled in child care assistance with incomes at or below two hundred percent of the federal poverty level	New	57	New	75	
Outcome	Percent of children enrolled for at least six months in the state-funded New Mexico prekindergarten program who are on track for kindergarten utilizing the istation screening tool	50%	72%	80%	80%	

P624 **Policy, Research and Quality Initiatives Program**

Purpose: The purpose of the policy, research and quality initiatives program is to oversee the early childhood education and care department's quality initiatives, including workforce development, coaching and consultation, infant early childhood mental health consultation and data analysis and reporting and performance. The program also conducts internal audits to ensure program integrity for the childcare assistance program.

Performance Measures:		2024-25 Actual	2025-26 Actual	2026-27 Budget	2027-28 Request	2027-28 Recomm
Output	Percent of early childhood professionals, including tribal educators, with degrees or credentials	76%	72%	77%	77%	
Outcome	Percent of licensed child care providers participating in either the focus tiered quality rating and improvement system or national accreditation	66.0%	70.0%	72.0%	72.0%	

Performance Measures Summary

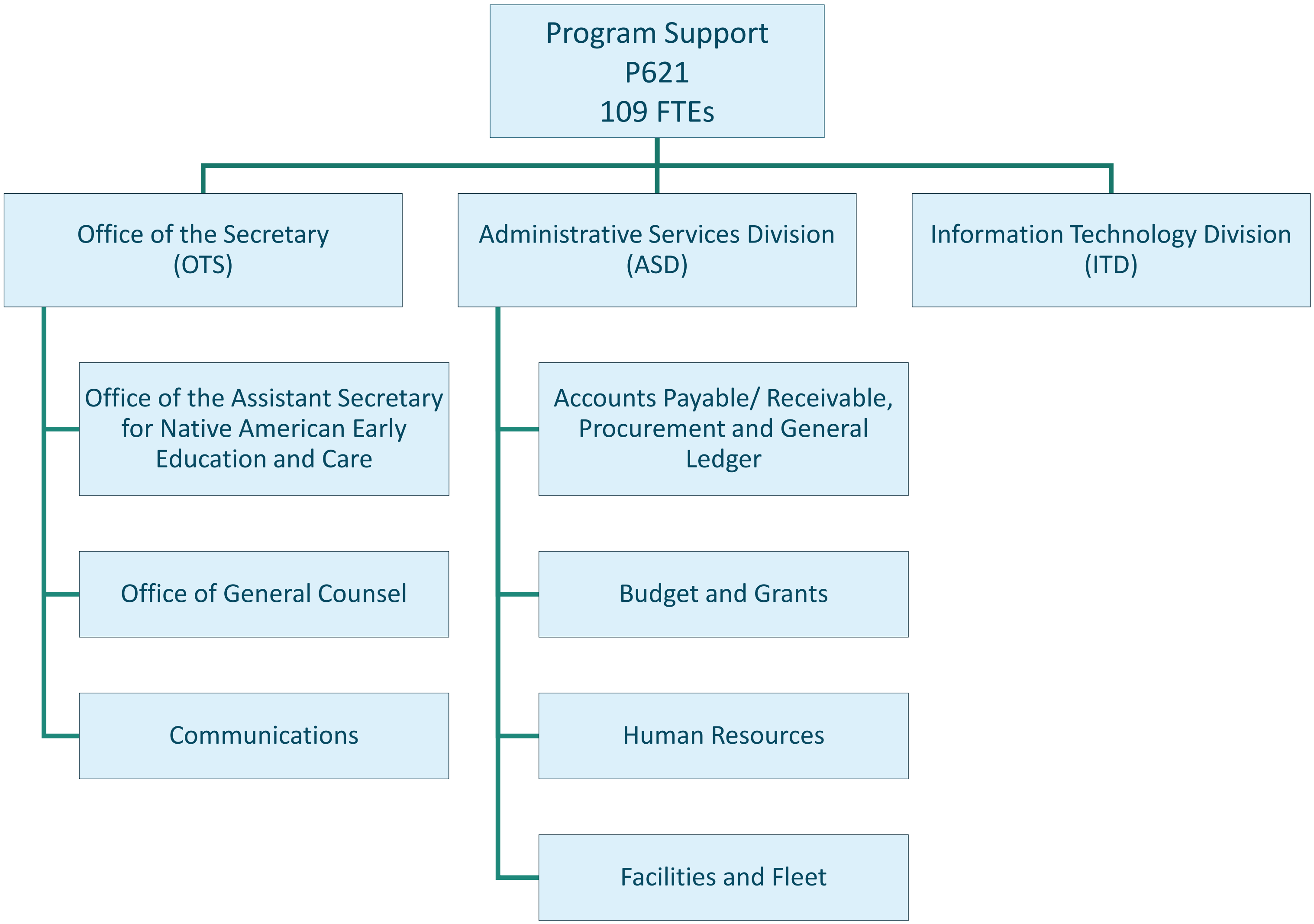
Performance Measures:		2024-25 Actual	2025-26 Actual	2026-27 Budget	2027-28 Request	2027-28 Recomm
Outcome	Number of infant early child mental health professionals trained and onboarded	21	20	22	22	
Outcome	Percent of early childhood professionals receiving support from infant early child mental health consultants	34.0%	32.0%	34.0%	34.0%	

P805 **Prekindergarten**

Purpose: The purpose of the prekindergarten program is to ensure New Mexicans have access to a high-quality mixed-delivery early childhood education system.

Performance Measures:		2024-25 Actual	2025-26 Actual	2026-27 Budget	2027-28 Request	2027-28 Recomm
Outcome	Percent of licensed child care providers rated at the four- or five-star level under the focus quality rating and improvement system	65.0%	69.0%	72.0%	72.0%	
Outcome	Percent of children who participated in a New Mexico prekindergarten program for at least nine months who were screened with the current formative assessment tool and were found to be on track in math in kindergarten	50%	46%	80%	80%	
Outcome	Percent of children who participate in a New Mexico prekindergarten program for at least nine months who were screened with the current formative assessment tool and were found to be on track in literacy in kindergarten	000,053.2%	72.0%	80.0%	80.0%	
Explanatory	Number of eligible children served in state-funded prekindergarten	0	11,720	N/A	N/A	
Explanatory	Number of eligible children served in state-funded early prekindergarten	0	6,488	N/A	N/A	

FY28 APPROPRIATION REQUEST
ORGANIZATION CHART
FORM S-2



Program Description: The purpose of program support is to provide leadership and support for the early childhood education and care department through strategic planning, legal services, information and technology services, financial services and budget, human resources and background checks.

Major Issues and Accomplishments: Established a data governance policy and procedure, completed the data warehouse for ECIDS, completed Phase I of the Professional Development Information System (PDIS). Successfully entered into Intergovernmental Agreements with the 23 Nations, Pueblos, and Tribes. The FY27 budget for Program Support is $65,477,400.00 with 93 FTES.

Overview of Request: The request for Program Support is related to the agency's goal of organizational excellence. The IT team needs additional support to successfully manage the true operational need of the division and enables modernization, security uplift, data engineering, improved user experience, and long-term sustainability. Additionally, the Office of the Assistance Secretary for Native American Early Education & Care seeks to expand it's tribal investment strategy.

Programmatic Changes: The Information Technology Division is advancing several major modernization and service-delivery efforts across Fiscal Years 27 and 28. In FY27, IT will implement the department’s new omni-channel contact center and begin an effort to create a single door web presence to strengthen support for families, providers, and internal staff while expanding human-centered design activities to document user journeys and improve system usability. In FY28, IT will continue progressing toward an integrated digital ecosystem by applying human-centered design across major platforms, strengthening interoperability through shared data services, and expanding data governance practices to improve consistency and stewardship. The division will also enhance accessibility work to meet Web Content Accessibility Guidelines (WCAG) 2.1 AA standards, invest in role-specific cybersecurity and privacy training for all staff and contractors, and begin implementing the new IT organizational structure to support improved customer service, expanded data engineering capacity, and sustainable modernization across the department.

Base Budget Justification: Personnel salaries and benefits increase by $1.9M in FY28 to support the conversion of contractor positions to classified state positions and create new IT positions. To improve service delivery and reduce long-term reliance on contractors, IT plans to convert five contractor positions to sponsored term positions in FY27 and to permanent positions in FY28. In addition, IT proposes to create 11 new positions to transform the business and improve user experience, enhance data engineering, improve management of the application portfolio, strengthen customer service and support, and improve documentation.

Contracts increase by $1.2M in FY28 to account for the conversion of long term IT contractor positions to state classified positions, replacement of the department’s website to meet the evolving needs of the department, and maintenance and support of the department’s essential applications such as EPICS, PDIS, ECIDS, and FITKIDS. In addition, the request supports the beginning implementation of interoperability among the department’s disparate systems.

The Other category increase of $214.3k in FY28 is to support a growing technology footprint, equipment lifecycle replacement, staff training needs, and rising software licensing costs.

Additionally, the program intends to expand on tribal investment by $2.0mil.

BU	PCode	Department
61100	P621	000000

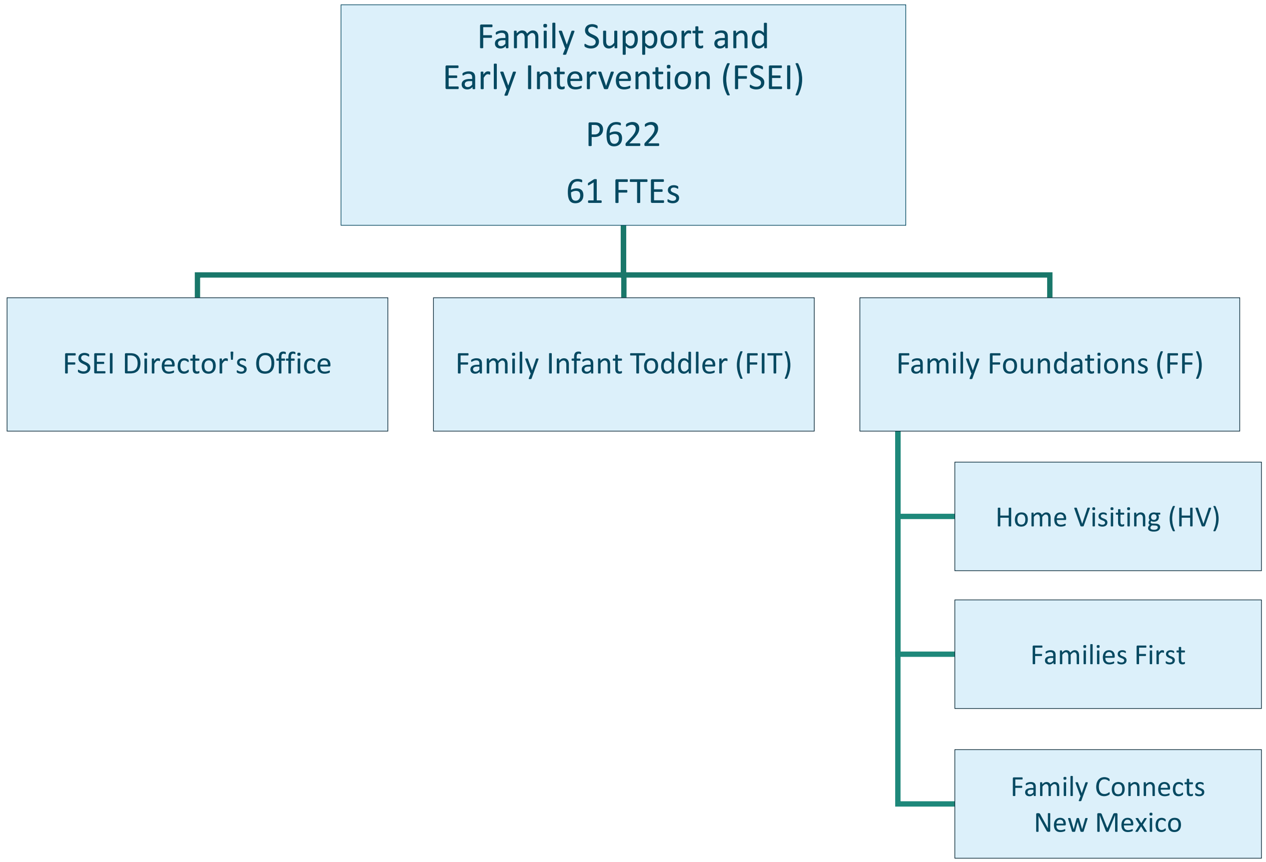
State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE								
111	General Fund Transfers	11,582.4	11,582.4	12,803.8	0.0	20,335.1	0.0	20,335.1
112	Other Transfers	51,465.8	51,886.2	52,673.6	0.0	52,673.6	0.0	52,673.6
120	Federal Revenues	6,466.3	7,662.9	0.0	0.0	4,216.3	0.0	4,216.3
130	Other Revenues	3,942.5	661.7	0.0	0.0	0.0	0.0	0.0
REVENUE, TRANSFERS		**73,457.0**	**71,793.2**	**65,477.4**	**0.0**	**77,225.0**	**0.0**	**77,225.0**
REVENUE		**73,457.0**	**71,793.2**	**65,477.4**	**0.0**	**77,225.0**	**0.0**	**77,225.0**
EXPENSE								
200	Personal services and employee benefits	11,749.7	12,015.9	9,533.6	12,414.1	13,508.2	0.0	13,508.2
300	Contractual services	17,159.0	11,902.9	11,956.2	0.0	15,329.2	0.0	15,329.2
400	Other	4,548.3	2,525.6	3,987.6	0.0	8,387.6	0.0	8,387.6
EXPENDITURES		**33,457.0**	**26,444.3**	**25,477.4**	**12,414.07**	**37,225.0**	**0.0**	**37,225.0**
500	Other financing uses	40,000.0	40,000.0	40,000.0	0.0	40,000.0	0.0	40,000.0
OTHER FINANCING USES		**40,000.0**	**40,000.0**	**40,000.0**	**0**	**40,000.0**	**0.0**	**40,000.0**
EXPENSE		**73,457.0**	**66,444.3**	**65,477.4**	**12,414.07**	**77,225.0**	**0.0**	**77,225.0**
FTE POSITIONS								
810	Permanent	55.00	80.00	55.00	88.00	71.00	0.00	71.00
820	Term	35.00	0.00	35.00	0.00	0.00	0.00	0.00
830	Temporary	3.00	0.00	3.00	0.00	0.00	0.00	0.00
FTEs		**93.00**	**80.00**	**93.00**	**88.00**	**71.00**	**0.00**	**71.00**
FTE POSITIONS		**93.00**	**80.00**	**93.00**	**88.00**	**71.00**	**0.00**	**71.00**

FY28 APPROPRIATION REQUEST
ORGANIZATION CHART
FORM S-2



P-1 Program Overview

BU	PCode
61100	P622

Program Description:

The purpose of the family support and early intervention (FSEI) program is to provide culturally and linguistically relevant home visiting and early intervention services with a focus on prenatal families and children up to age three. The goals of these programs are to promote positive parenting practices, improved health and developmental outcomes for children, and connect families to community-based services as needed.

Major Issues and Accomplishments:

in FY26, 7,845 children received intensive ongoing home visiting services. FY27, the department awarded 8,293 home visiting slots statewide. The division exceeded its target in FY26 for Medicaid funded home visiting services. In FY26, 42 percent of women were enrolled in home visiting by 28 weeks of pregnancy, up 12 points from the FY26 target.

More than 16,000 children received Family Infant Toddler Services (FIT) in FY26. The FIT program successfully implemented a rate increase for FY26. New Mexico is number one in the country for finding children that are eligible for early intervention services.

The FY27 budget for FSEI is $113,914,000.0 and the Division has 61 FTEs.

Overview of Request:

The FY28 request reflects a commitment to universal home visiting with a focus on implementation of the Family Connects New Mexico (FCNM) universal light touch model and increased access to more intensive models for children and families statewide. More than 16,000 children are projected to be served in FY28 – 7,064 through FCNM and 9,088 with intensive ongoing home visiting services. ECECD uses the home visiting cost model to set rates, which vary based on model. The department's goal is to reach 80 percent of the Medicaid eligible population birth to age 1 in FY28.

The department is requesting an expansion to home visiting and FIT services.

Programmatic Changes:

FSEI is actively progressing towards statewide implementation of FCNM. Formal partnerships with additional birthing hospitals will be executed in early FY27 to support client recruitment and home visiting services beyond the previous catchment of Bernalillo, Sandoval, Cibola, McKinley, Torrance and Valencia counties. The department will begin billing Medicaid for FCNM in FY27.

FIT successfully completed the Family Guided Routines Based Intervention (FGRBI) Practice Cohort in FY26 and has begun Cohort 1 of intensive FGRBI training for a small group of interventionists in FY27.

Base Budget Justification:

$14 million in General Fund to reach 795 more children in intensive ongoing home visiting. $7 million is also requested in General Fund to increase rates and serve children more intensely in FIT.

BU	PCode	Department
61100	P622	000000

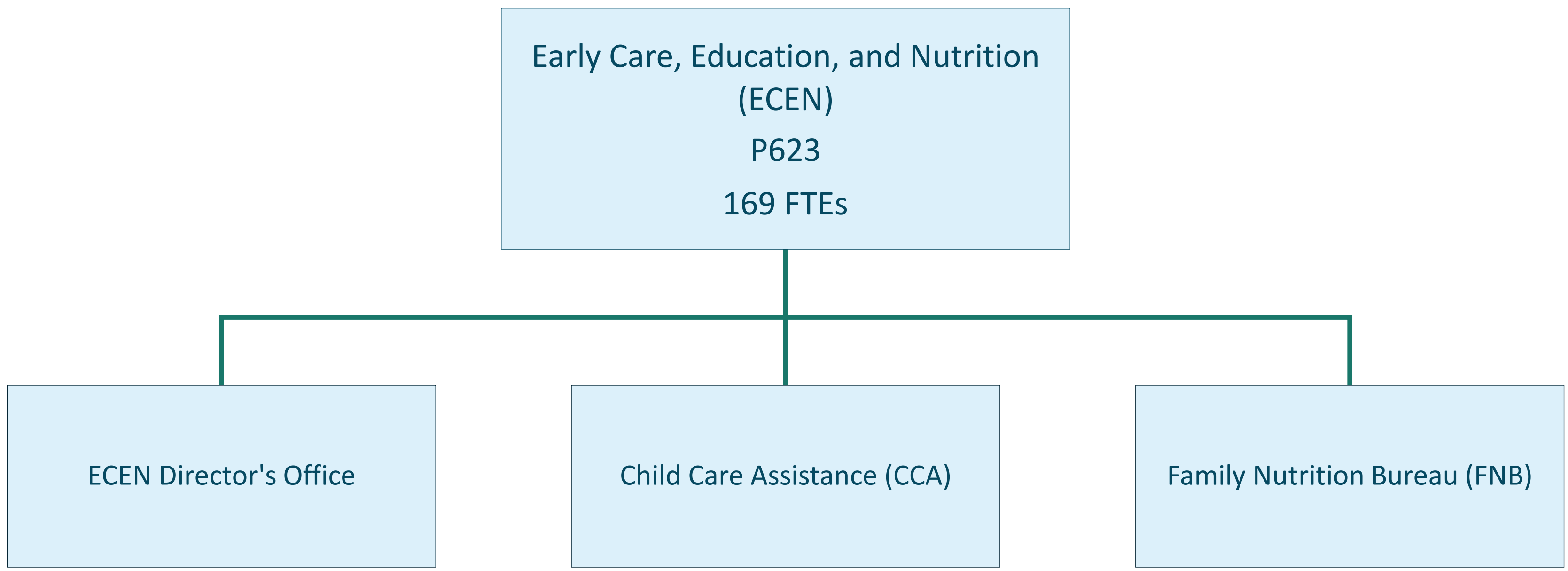
State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE								
111	General Fund Transfers	62,681.7	62,681.7	71,026.5	0.0	92,048.3	0.0	92,048.3
112	Other Transfers	33,643.1	33,954.0	33,530.1	0.0	33,530.1	0.0	33,530.1
120	Federal Revenues	8,370.2	5,272.8	8,153.6	0.0	8,153.6	0.0	8,153.6
130	Other Revenues	2,517.1	2,757.9	1,204.7	0.0	1,204.7	0.0	1,204.7
REVENUE, TRANSFERS		**107,212.1**	**104,666.4**	**113,914.9**	**0.0**	**134,936.7**	**0.0**	**134,936.7**
REVENUE		**107,212.1**	**104,666.4**	**113,914.9**	**0.0**	**134,936.7**	**0.0**	**134,936.7**
EXPENSE								
200	Personal services and employee benefits	6,434.7	6,806.4	8,369.0	8,164.6	8,349.0	0.0	8,349.0
300	Contractual services	51,228.5	50,559.4	54,673.5	0.0	54,673.5	0.0	54,673.5
400	Other	33,647.3	27,974.3	33,970.8	0.0	55,012.6	0.0	55,012.6
EXPENDITURES		**91,310.5**	**85,340.1**	**97,013.3**	**8,164.56**	**118,035.1**	**0.0**	**118,035.1**
500	Other financing uses	15,901.6	15,901.6	16,901.6	0.0	16,901.6	0.0	16,901.6
OTHER FINANCING USES		**15,901.6**	**15,901.6**	**16,901.6**	**0**	**16,901.6**	**0.0**	**16,901.6**
EXPENSE		**107,212.1**	**101,241.7**	**113,914.9**	**8,164.56**	**134,936.7**	**0.0**	**134,936.7**
FTE POSITIONS								
810	Permanent	17.00	55.75	17.00	63.75	0.00	0.00	0.00
820	Term	44.00	0.00	44.00	0.00	0.00	0.00	0.00
FTEs		**61.00**	**55.75**	**61.00**	**63.75**	**0.00**	**0.00**	**0.00**
FTE POSITIONS		**61.00**	**55.75**	**61.00**	**63.75**	**0.00**	**0.00**	**0.00**

FY28 APPROPRIATION REQUEST
ORGANIZATION CHART
FORM S-2



Program Description:

The Early Care, Education and Nutrition (ECEN) Division's goal is to ensure New Mexicans have access to high-quality, healthy, safe and supportive early childhood education environments for children and their families, as well as access to healthy meals. The program also conducts internal audits to ensure program integrity for the child care assistance program, as well as facilitate the Universal Child Care program.

Major Issues and Accomplishments:

At the close of FY26, 47,000 children were served through the child care assistance program through 1,153 licensed facilities and 951 registered homes. Sixty-two percent of newly enrolled families had incomes below the previous eligibility cap, underscoring how universal child care improves access for families at all income levels. ECECD anticipates growth of 10,000 more children in FY28, bringing the total children served to more than 57,000.

The division experienced significant expansion in the number of licensed centers and homes in FY26 and in the number of children served through the child care assistance program. Staff development remains a significant accomplishment, with 12 of 43 regulatory staff earning the National Association for Regulatory Administration (NARA) Credential in early FY27 and remaining staff actively progressing towards certification to meet national regulatory standards.

Overview of Request:

The FY28 request reflects a continued commitment to Universal Child Care, as codified by the New Mexico Legislature in the 2026 Legislative Session. Child care assistance continues to be offered to all families engaged in an allowable activity regardless of income.

ECECD has a goal to achieve universal access to quality child care for families with a focus on infant and toddler care. The FY28 request was derived using projected uptake rates for universal access through FY28. More than 16,000 infants and toddlers are projected to be served by the end of FY28.

To improve consistency and turnaround time, the division is prioritizing the establishment of a dedicated investigative team. ECEN continues to address increasing workload demands identified through business mapping processes, which highlighted operational inefficiencies, duplicate systems, and a high volume of investigative activity that strains existing capacity.

Programmatic Changes:

ECEN is advancing key initiatives to strengthen early childhood access and modernize the department’s regulatory infrastructure. The Infant Toddler Contracted Slots Program was rolled out in FY26, serving 441 children under 2 years of age across 13 approved providers, offering stable funding to support educator pay parity, lower ratio and group sizes, and essential supplies at no cost to families. In addition, the Professional Development Information System and Provider Compliance Portal have launched, supporting streamlined compliance, improved provider communication, and alignment with statewide modernization goals.

Base Budget Justification:

ECEN requests $6.5 million in General Fund support for FY28, an increase of approximately $1.4 million, or 26.7 percent, above the FY27 HB2 General Fund appropriation. The proposed increase is focused on primarily increasing staffing support in compliance efforts. This increase supports the following positions for the current compliance bureau: Compliance Manager (1); Compliance Supervisor (1); Senior Business Operations Specialist (2); Lead Compliance (8).

Additionally, the program is requesting an increase to serve expanded child care services statewide, and is requesting an additional funding in early childhood trust fund dollars to support the anticipated expansion of child care services; as well as additional funding to support the continued growth started in FY27 and assumed coverages for those services leading into FY28.

State of New Mexico

S-8 Financial Summary

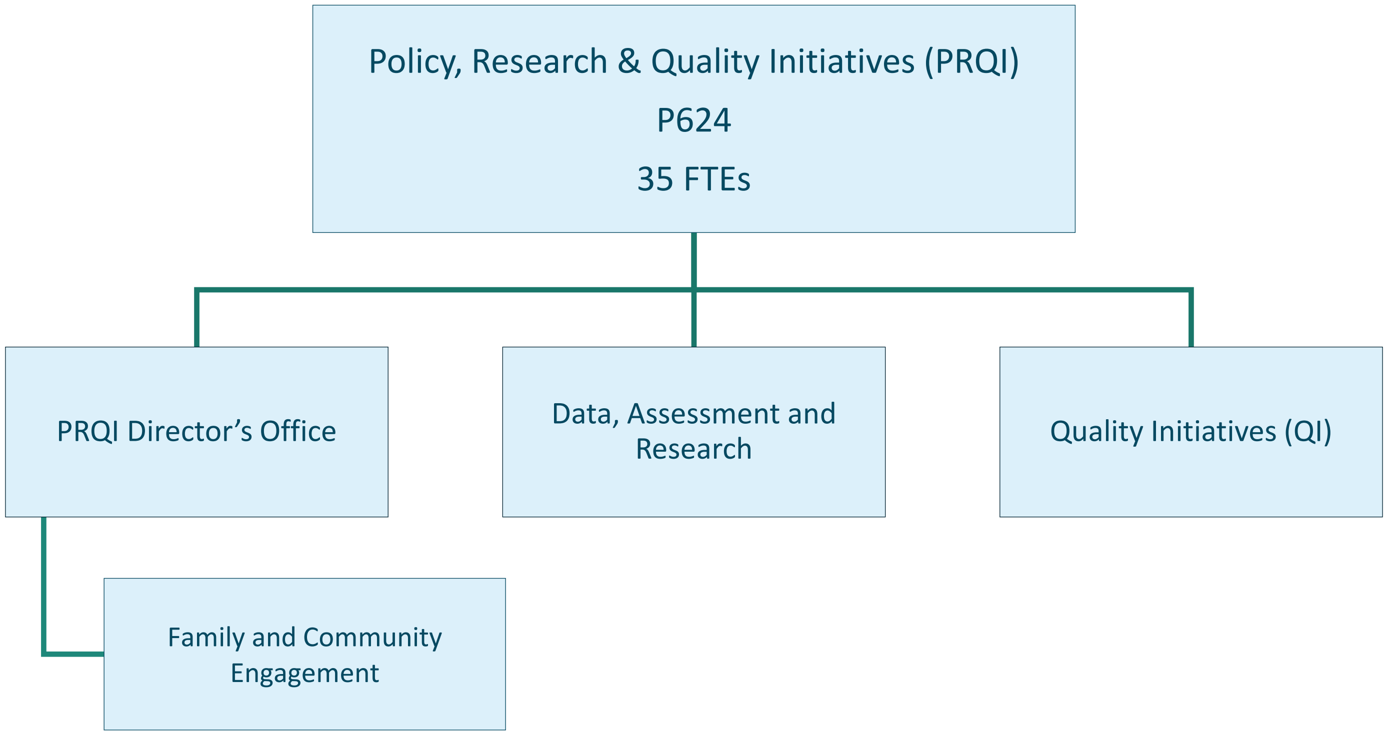
(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE								
111	General Fund Transfers	5,073.8	4,773.8	5,130.0	0.0	6,500.8	0.0	6,500.8
112	Other Transfers	358,814.5	357,893.9	521,209.6	0.0	681,209.6	0.0	681,209.6
120	Federal Revenues	125,273.3	174,810.1	136,350.3	0.0	136,350.3	0.0	136,350.3
130	Other Revenues	1,100.0	922.8	1,100.0	0.0	850.0	0.0	850.0
REVENUE, TRANSFERS		**490,261.6**	**538,400.6**	**663,789.9**	**0.0**	**824,910.7**	**0.0**	**824,910.7**
REVENUE		**490,261.6**	**538,400.6**	**663,789.9**	**0.0**	**824,910.7**	**0.0**	**824,910.7**
EXPENSE								
200	Personal services and employee benefits	13,067.5	14,417.4	14,714.1	16,934.0	15,920.4	0.0	15,920.4
300	Contractual services	3,599.4	5,666.4	3,599.4	0.0	3,599.4	0.0	3,599.4
400	Other	473,594.7	514,935.0	645,476.4	0.0	805,390.9	0.0	805,390.9
EXPENDITURES		**490,261.6**	**535,018.8**	**663,789.9**	**16,934**	**824,910.7**	**0.0**	**824,910.7**
EXPENSE		**490,261.6**	**535,018.8**	**663,789.9**	**16,934**	**824,910.7**	**0.0**	**824,910.7**
FTE POSITIONS								
810	Permanent	89.00	163.00	89.00	172.00	101.00	0.00	101.00
820	Term	68.00	0.00	68.00	0.00	0.00	0.00	0.00
FTEs		**157.00**	**163.00**	**157.00**	**172.00**	**101.00**	**0.00**	**101.00**
FTE POSITIONS		**157.00**	**163.00**	**157.00**	**172.00**	**101.00**	**0.00**	**101.00**

Agency Name: Early Childhood Education and Care Department
Program Name: Policy, Research & Quality Initiatives (PRQI)

Business Unit: 61100
Program Code: P624

FY28 APPROPRIATION REQUEST
ORGANIZATION CHART
FORM S-2



Program Description:

The purpose of the Policy, Research, and Quality Initiatives (PRQI) division is to oversee the early childhood education and care department's quality initiatives, including workforce development, coaching and consultation, infant early childhood mental health consultation and data analysis and reporting and performance. The program also provides policy development and analysis and oversees the department's family and community outreach efforts, including monitoring and supporting the work of the local early childhood coalitions. The beneficiaries include child care providers engaged in the state's quality rating and improvement system, early childhood professionals involved in workforce development and child care providers seeking support with mental health consultation.

Major Issues and Accomplishments:

The division leads ECECD’s workforce development programs and initiatives, which have recently included the convening and facilitation of an implementation working group focused on the wage scale and career ladder for early childhood professionals. The division has also led the multi-year redesign of the FOCUS quality rating and improvement system for child care providers, drawing on feedback from the field and emerging research on the most impactful elements of care quality. PRQI also launched the child care revolving loan fund in FY26, successfully partnering with the New Mexico Finance Authority to issue low-income loans to child care programs seeking to expand access and capacity in their communities.

The division budget in FY27 is $40,916,900 and there are 35 FTEs

Overview of Request:

The program is requesting $5 million for continuation of GRO funding associated with the infant toddler pay parity pilot project. Preliminary findings from the Center for the Study of Child Care Employment’s September 2026 evaluation show a smaller wage gap between early educators and kindergarten teachers, along with reduced turnover among lead teachers in longer-participating programs.

Programmatic Changes:

PRQI is working to refine and adopt stakeholder recommendations for implementing the wage scale and career ladder for early childhood professionals. This will be a major focus in FY27, using GRO funds appropriated for this purpose. As the FOCUS redesign process is completed, child care programs will be evaluated using streamlined criteria to measure quality and will be observed using the CLASS – a validated tool that rates the quality of interactions between young children and their teachers. The division is also in the process of rolling out new early learning guidelines, a new set of competencies for early childhood professionals, and new requirements and supports related to the use of the Professional Development Information System to collect workforce data.

Base Budget Justification:

The program is requesting $5mil for continuation of GRO funding associated with the provider pay parity pilot project. This is a direct GF increase from FY27 19,698.3 to $24,703.0.

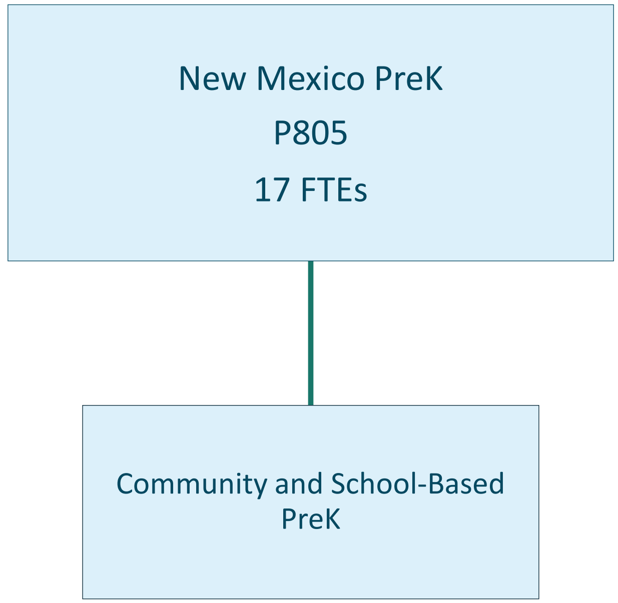
State of New Mexico

S-8 Financial Summary

(Dollars in Thousands)

		2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE								
111	General Fund Transfers	19,626.8	19,526.8	19,698.3	0.0	24,703.0	0.0	24,703.0
112	Other Transfers	20,048.0	20,286.1	20,477.7	0.0	20,477.7	0.0	20,477.7
120	Federal Revenues	12,514.0	12,569.1	490.9	0.0	2,427.9	0.0	2,427.9
130	Other Revenues	0.0	46.3	250.0	0.0	0.0	0.0	0.0
REVENUE, TRANSFERS		**52,188.8**	**52,428.3**	**40,916.9**	**0.0**	**47,608.6**	**0.0**	**47,608.6**
REVENUE		**52,188.8**	**52,428.3**	**40,916.9**	**0.0**	**47,608.6**	**0.0**	**47,608.6**
EXPENSE								
200	Personal services and employee benefits	2,823.7	3,775.3	4,867.3	4,229.3	5,302.5	0.0	5,302.5
300	Contractual services	48,201.2	42,799.2	35,549.4	0.0	36,464.3	0.0	36,464.3
400	Other	1,163.9	719.4	500.2	0.0	5,841.8	0.0	5,841.8
EXPENDITURES		**52,188.8**	**47,294.0**	**40,916.9**	**4,229.33**	**47,608.6**	**0.0**	**47,608.6**
EXPENSE		**52,188.8**	**47,294.0**	**40,916.9**	**4,229.33**	**47,608.6**	**0.0**	**47,608.6**
FTE POSITIONS								
810	Permanent	23.00	29.25	23.00	31.25	0.00	0.00	0.00
820	Term	12.00	0.00	12.00	0.00	0.00	0.00	0.00
FTEs		**35.00**	**29.25**	**35.00**	**31.25**	**0.00**	**0.00**	**0.00**
FTE POSITIONS		**35.00**	**29.25**	**35.00**	**31.25**	**0.00**	**0.00**	**0.00**

FY28 APPROPRIATION REQUEST
ORGANIZATION CHART
FORM S-2



Program Description:

The purpose of the NM PreK program is to ensure New Mexicans have access to a high-quality mixed-delivery early childhood education system. The program oversees the administration, monitoring, quality supports and technical assistance for prekindergarten in traditional public schools, charter schools and community-based organizations.

In collaboration with the public education department, the program administers prekindergarten funding and ensures all prekindergarten children with special education needs receive the services and support they need. NM PreK offers part-time, extended day (1080 hours of instruction) and extended day plus (1380 hours of instruction). All program options must provide 90 hours of parent engagement. In FY27, the department awarded 20,163 funded PreK slots.

Major Issues and Accomplishments:

Significant growth in PreK continues. 77 percent of 5-year-olds who had full participation in an ECECD-funded New Mexico PreK program during the 2024–2025 school year achieved First Step for Kindergarten or higher (41st percentile) on the 2025–2026 i-Station Kindergarten assessment. In FY26, NM PreK children demonstrated growth of 5 percentage points from Fall to Spring on the Minnesota Executive Function Scale (MEFS). The MEFS assessment is a valuable tool that helps educators and families gain insight into a child's cognitive flexibility, working memory, and self-regulation — skills that are foundational for school readiness and long-term academic success.

The FY27 budget is $289,894,300 and there are 17 FTEs.

Overview of Request:

The department has a goal to achieve universal access for 3-year-olds and 4-year-olds. The FY28 budget request reflects a commitment to serve 1,240 more children in NM PreK.

Programmatic Changes:

NM PreK will issue an RFP in Fall 2026 for a developmental assessment to replace the current Early Childhood Observation Tool (ECOT). The selected tool will support ECECD, early childhood providers, educators, families, and children throughout New Mexico. Professional development will take place in Spring 2027 with full implementation of the new tool in the 2027-2028 program year.

NM PreK also implemented a pilot with LENA, a professional development program that helps educators increase conversational turns with children in their classrooms. Over 100 educators participated in 68 classrooms to support oral language development for over 700 children. 91 percent of educators saw positive changes in children's language development.

Base Budget Justification:

$14 million to expand access for 1,240 more children in NM PreK. The requested increase will allow the department to reach 75 percent of 3-year-olds with NM PreK and 88 percent of 4-year-olds.

The FY27 GF transfers are currently $217,061.4, and with the requested expansion, FY28 request is $232,061.4.

S-8 Financial Summary

(Dollars in Thousands)

BU	PCode	Department
61100	P805	000000

	2025-26 Opbud	2025-26 Actuals	2026-27 Opbud	2027-28 PCF Proj	-------- FY 2028 Agency Request -------- Base	Expansion	Total
REVENUE							
111 General Fund Transfers	202,487.1	202,469.5	217,061.4	0.0	232,061.4	0.0	232,061.4
112 Other Transfers	70,704.1	70,822.8	72,832.9	0.0	72,832.9	0.0	72,832.9
130 Other Revenues	0.0	39.4	0.0	0.0	0.0	0.0	0.0
REVENUE, TRANSFERS	**273,191.2**	**273,331.7**	**289,894.3**	**0.0**	**304,894.3**	**0.0**	**304,894.3**
REVENUE	**273,191.2**	**273,331.7**	**289,894.3**	**0.0**	**304,894.3**	**0.0**	**304,894.3**
EXPENSE							
200 Personal services and employee benefits	2,008.1	2,007.5	2,636.6	2,318.4	2,636.6	0.0	2,636.6
300 Contractual services	2,600.0	6,397.5	8,310.1	0.0	8,310.1	0.0	8,310.1
400 Other	268,583.1	253,095.3	278,947.6	0.0	293,947.6	0.0	293,947.6
EXPENDITURES	**273,191.2**	**261,500.3**	**289,894.3**	**2,318.38**	**304,894.3**	**0.0**	**304,894.3**
EXPENSE	**273,191.2**	**261,500.3**	**289,894.3**	**2,318.38**	**304,894.3**	**0.0**	**304,894.3**
FTE POSITIONS							
810 Permanent	16.00	16.00	16.00	17.00	0.00	0.00	0.00
820 Term	1.00	0.00	1.00	0.00	0.00	0.00	0.00
FTEs	**17.00**	**16.00**	**17.00**	**17.00**	**0.00**	**0.00**	**0.00**
FTE POSITIONS	**17.00**	**16.00**	**17.00**	**17.00**	**0.00**	**0.00**	**0.00**

REV EXP COMPARISON

(Dollars in Thousands)

61100 - Early Childhood Education and Care Department

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES	**375,648.6**	**2,054.7**	**860,723.9**	**151,148.1**	**1,389,575.3**
Personal services and employee benefits	21,290.6	0.0	9,518.6	14,907.5	45,716.7
Contractual services	62,711.6	0.0	39,843.7	15,821.2	118,376.5
Other	279,744.8	2,054.7	766,361.6	120,419.4	1,168,580.5
Other financing uses	11,901.6	0.0	45,000.0	0.0	56,901.6
USES Total:	**375,648.6**	**2,054.7**	**860,723.9**	**151,148.1**	**1,389,575.3**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

REV EXP COMPARISON

(Dollars in Thousands)

61100 - Early Childhood Education and Care Department

P621 - Program Support

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	**20,335.1**	**0.0**	**52,673.6**	**4,216.3**	**77,225.0**
Personal services and employee benefits	8,847.7	0.0	2,608.9	2,051.6	13,508.2
Contractual services	4,999.8	0.0	8,164.7	2,164.7	15,329.2
Other	6,487.6	0.0	1,900.0	0.0	8,387.6
Other financing uses	0.0	0.0	40,000.0	0.0	40,000
USES Total:	**20,335.1**	**0.0**	**52,673.6**	**4,216.3**	**77,225.0**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

REV EXP COMPARISON

(Dollars in Thousands)

61100 - Early Childhood Education and Care Department

P622 - Family Support and Early Intervention

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	**92,048.3**	**1,204.7**	**33,530.1**	**8,153.6**	**134,936.7**
Personal services and employee benefits	2,870.1	0.0	5,478.9	0.0	8,349
Contractual services	34,468.5	0.0	12,051.4	8,153.6	54,673.5
Other	42,808.1	1,204.7	10,999.8	0.0	55,012.6
Other financing uses	11,901.6	0.0	5,000.0	0.0	16,901.6
USES Total:	**92,048.3**	**1,204.7**	**33,530.1**	**8,153.6**	**134,936.7**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

REV EXP COMPARISON

(Dollars in Thousands)

61100 - Early Childhood Education and Care Department

P623 - Early Care and Education

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	**6,500.8**	**850.0**	**681,209.6**	**136,350.3**	**824,910.7**
Personal services and employee benefits	3,064.5	0.0	0.0	12,855.9	15,920.4
Contractual services	524.4	0.0	0.0	3,075.0	3,599.4
Other	2,911.9	850.0	681,209.6	120,419.4	805,390.9
USES Total:	**6,500.8**	**850.0**	**681,209.6**	**136,350.3**	**824,910.7**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

REV EXP COMPARISON

(Dollars in Thousands)

61100 - Early Childhood Education and Care Department

P624 - Policy, Research and Quality Initiatives Program

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	**24,703.0**	**0.0**	**20,477.7**	**2,427.9**	**47,608.6**
Personal services and employee benefits	4,180.1	0.0	1,122.4	0.0	5,302.5
Contractual services	15,168.8	0.0	18,867.6	2,427.9	36,464.3
Other	5,354.1	0.0	487.7	0.0	5,841.8
USES Total:	**24,703.0**	**0.0**	**20,477.7**	**2,427.9**	**47,608.6**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**

REV EXP COMPARISON

(Dollars in Thousands)

61100 - Early Childhood Education and Care Department

P805 - Prekindergarten

	General Fund	Other Funds	Other Transfers	Federal Funds	Total
SOURCES Totals	**232,061.4**	**0.0**	**72,832.9**	**0.0**	**304,894.3**
Personal services and employee benefits	2,328.2	0.0	308.4	0.0	2,636.6
Contractual services	7,550.1	0.0	760.0	0.0	8,310.1
Other	222,183.1	0.0	71,764.5	0.0	293,947.6
USES Total:	**232,061.4**	**0.0**	**72,832.9**	**0.0**	**304,894.3**
Net:	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**