



BOARD OF TRUSTEES

Fiscal and Legal Affairs Committee (FLAC)

Members: Trustee Macey Moore, Chair; Trustee Brad Bonner;
Trustee David Fall, Trustee Elizabeth Greenwood

AGENDA

Salon C, Marion H Rochelle Gateway Center
Wednesday, May 10, 2023
11:00 am -1:00 pm

Call to Order – Trustee Moore

Items for Discussion:

General Counsel

UW Regulation 7-7: Modifications to UW Regulation 7-7
(Investment and Management of University Funds) Page 2-14

Finance

Quarterly Market and Investment Update-March 2023 Page 15-41

Internal Audit Activity

Operations Page 43-60

State Match/Footnote Review Page 61-73

Additional Reports:

Internal Audit Plan Page 74-75

Internal Audit Charter Page 76-84

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Informational

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Risk Management

Enterprise Risk Management '22-'23 Risk Focus Areas Update Page 91-103

Summary of Presidential Goals 2023-2026 Page 104-108

AGENDA ITEM TITLE: Modifications to UW Regulation 7-7 (Investment and Management of University Funds), Moore/Evans

SESSION TYPE:

- Work Session
- Information Session
- Other
- [Committee of the Whole – Items for Approval]

APPLIES TO STRATEGIC GOALS:

- Yes (select below):
 - Institutional Excellence
 - Student Success
 - Service to the State
 - Financial Growth and Stability
- No [Regular Business]

Attachments are provided with the narrative.

EXECUTIVE SUMMARY:

UW Regulation 7-7 (Investment and Management of University Funds) outlines the general guidelines and procedures for the investment of University funds. The Division of Budget and Finance is proposing the following edits:

1. Personnel title changes reflecting reorganization within the Division of Budget and Finance.
2. Section VI.C Advanced Payment of Higher Education Costs Program has expired and concluded. Propose deleting.
3. The Government Finance Officers Association (GFOA) recommends including the approach to investment diversification within the investment policy. See proposed additional language in section VII.B.1. The addition of this section serves to make the University's diversification approach more comprehensive.

Per the routing process for UW Regulations, the proposed modifications were provided to the President's Cabinet, Deans and Directors, Faculty Senate, Staff Senate, ASUW, and the Internal Auditor.

PRIOR RELATED BOARD DISCUSSIONS/ACTIONS:

The Board is regularly presented with proposed modifications to UW Regulations.

WHY THIS ITEM IS BEFORE THE BOARD:

UW Regulation 1-101 requires that the Board approve modifications to UW Regulations.

ACTION REQUIRED AT THIS BOARD MEETING:

Board approval or disapproval of the proposed modifications.

PROPOSED MOTION:

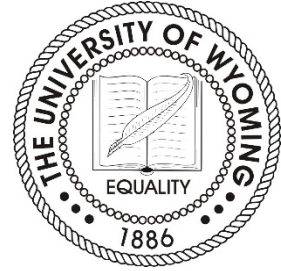
I move to approve modifications to UW Regulation 7-7 as presented to the Board.

PRESIDENT'S RECOMMENDATION:

UNIVERSITY OF WYOMING REGULATIONS

Subject: Investment and Management of University Funds

Number: UW Regulation 7-7



I. PURPOSE

This Regulation establishes the general guidelines and procedures for the investment of University funds and is established by the University of Wyoming Board of Trustees (Board) to guide the Board, its Fiscal and Legal Affairs Committee (Committee), and the University administration in the process of fund investment. The Board retains the right to make decisions contrary to this policy, when such decisions are deemed to be in the best interests of the University. The Board also retains the right to accept and administer donated funds or property with donor restrictions contrary to this policy.

It is not the purpose of this document to specify the details of every situation, nor to set forth specific short-term goals. The policy governs the investment management of University operation funds and long-term investment practices, and is supplemented annually with discussion of market conditions and short-term goals, including return targets.

II. SCOPE OF FUNDS

- A. The scope of funds governed by this policy will be managed as a pool of resources available for investment. The level of funds invested is based on required payroll, the tuition and fee collection cycle, timing of draw down and receipt of state appropriations, and timing of capital projects and purchases, which may be outlined in the University's Capital Plan.

Where managed and invested as a single pool ("Pool"), the Pool is composed of the following sources:

1. Cash flow generated from state appropriations, tuition, fees and other unrestricted sources. These sources are invested due to timing of receipt and payment obligations within a fiscal year.
2. Unrestricted investment income earned by the investment Pool.
3. All unrestricted funds at the division/college level.

4. Official University reserve accounts (Operating, Capital Construction, Passenger Plane, Risk Pool/Litigation, Residence Hall, Recruitment and Retention, and Special Projects Reserve Accounts)
5. Current year funds added to reserves per the university's carryforward policy.
6. All other funds allowable or suitable for investment.

III. STANDARDS OF CARE

A. Prudence

All University officers and employees involved in the investment process shall act responsibly as custodians of the public trust. The standard of prudence to be applied is the "prudent investor" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

B. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions, broker/dealers, or security issuers with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the University.

IV. SAFEGUARDS AND CONTROLS

A. Third-party or Bank Safekeeping

Securities may be held by an independent third-party safekeeping institution selected by the University or be held in bank safekeeping. The ~~Associate Vice President for Budget and Finance~~ Financial Affairs and the ~~Director of Treasury and Financial Reporting~~ Associate Vice President, Finance will monitor the portfolio held in bank safekeeping. All securities will be evidenced by safekeeping receipts in the University's name.

B. Sales Prior to Maturity

The University's intent is to hold to maturity; however, securities may be sold prior to maturity for reasons that include but are not limited to the following:

1. To meet liquidity needs,
2. To reduce risk or minimize loss of principal,
3. As part of a security swap that seeks to improve the quality, yield, or expected return of the portfolio, or to reduce risk,
4. To adjust or rebalance the portfolio to:
 - a. Be in compliance with policy guidelines,
 - b. Better match expected cash flows,
 - c. Adjust the portfolio duration to better match the target,
 - d. Better align with current and expected market conditions, or
 - e. Better match a designated performance benchmark.

V. USE OF MANAGER AND ADVISORS

- A. It is the policy of the Board to invest in funds through a combination of the University's ~~Director, Treasury and Financial Reporting~~ Associate Vice President, Finance and externally contracted, professional registered investment advisor(s). The University shall obtain requests for qualifications, requests for proposals, bids or quotes or competitively bid the services of any externally contracted, professional registered investment advisor(s) at least every five (5) years. The University shall recommend to the Board of Trustees the successful external investment advisor(s). The Board of Trustees may review the recommendation and consider taking appropriate action.
- B. Portfolios managed by the ~~Director, Treasury and Financial Reporting~~ Associate Vice President, Finance (internal) include those outlined in W.S. 9-4-831 and by the State of Wyoming Loan and Investment Board Master Investment Policy and Sub-Policies, Section 21, Local Government Investing.
- C. Portfolios managed by contracted managers (external) include instruments appropriate to the style of each manager, limited to security types in W.S. 9-4-831

and by the State of Wyoming Loan and Investment Board Master Investment Policy and Sub-Policies, Section 21, Local Government Investing.

- D. It is also the policy of the Board, or the Board's designee, to determine the need to contract with an independent investment advisor or performance evaluation service. The Board, or the Board's designee, determines, and periodically reviews, the level of services desired.

VI. INVESTED FUNDS

A. Endowment Type Funds

Endowment funds are invested by the University of Wyoming Foundation, as outlined in the Memorandum of Agreement dated May 10, 1989 and Addendum to the Memorandum dated November 10, 2003, and Addendum No. 2 dated April 14, 2006. See Section XIV, Funds Managed by the Foundation like an Endowment.

B. Operating Funds (including University Reserves)

The ~~Director, Treasury and Financial Reporting~~ Associate Vice President, Finance invests the Pool in a combination of securities listed at W.S. 9-4-831.

C. ~~Advanced Payment of Higher Education Costs Program (APHEC)~~

~~The University administration invests funds held for the APHEC program in accordance with Wyoming law and the regulations of the APHEC governing board.~~

VII. INVESTMENT OBJECTIVES

- A. The University of Wyoming Foundation's annual investment objective will be determined by the Foundation Investment Committee, with approval of the Foundation Board of Directors, from time to time based upon medium and long term modeling and asset class assumptions (with significant input from the Committee's investment consultant), payout policy, inflation rates, fees and expenses and such other considerations as the Committee deems advisable. In accordance with W.S. 17-7-303 (a) and (b), in managing and investing endowment funds, the Foundation will consider the intent of the donor, the charitable purposes of the Foundation and the purposes of the endowment funds and will manage and invest the funds in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.
- B. Investment goals for operating funds are designed to achieve the following primary objectives. These goals dictate a policy that utilizes relatively low-risk, investment-grade, fixed-income investments:

1. **Safety** – Safety of principal is the foremost objective of the investment program. Investments of the University shall be undertaken in a manner that seeks to ensure preservation of capital in the overall portfolio. To attain this objective, diversification is required.
2. **Liquidity** – The University’s investment portfolio must remain sufficiently liquid to enable the University to meet all operating requirements which might be reasonably anticipated. To attain this objective, the portfolio should be structured so that securities mature concurrent with anticipated cash needs.
3. **Yield/Return on Investment** – The University’s investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the University’s investment risk constraints and the cash flow characteristics of the portfolio.

VIII. ASSET ALLOCATIONS

A. Endowment type funds

These funds will be invested in allowed investments under the University of Wyoming Foundation investment policy and follow their asset allocation guidelines.

B. Operating Funds

The University will invest in those types of securities allowed by W.S. 9-4-831 for public entities and by the State of Wyoming Loan and Investment Board Master Investment Policy and Sub-Policies, Section 21, Local Government Investing.

IX. AUTHORIZED AND SUITABLE INVESTMENTS

A. Security Type Limits

Investments shall be diversified, subject to the following maximum allocations per security type:

Security Type	Maximum Allocation
<ul style="list-style-type: none"> • U.S. Treasuries and securities guaranteed by the U.S. Government 	No limit
<ul style="list-style-type: none"> • U.S. federal government agency or instrumentality 	No limit

Security Type	Maximum Allocation
• Repurchase agreements (must be collateralized by U.S. government or U.S. federal government agencies/mortgage backed securities)	No limit
• U.S. agency/instrumentality mortgage-backed securities	30%
• U.S. government agencies callable securities	30%
• Collateralized time and demand deposits (must be collateralized by U.S. government or U.S. federal government agencies/mortgage backed securities)	No limit
• Commercial paper and bankers' acceptances combined	50%
• Money Market Mutual Funds/LGIPS	50%
• Investment grade Corporate Bonds	50%

B. Issuer Limit

No more than 5% of the total market value of the portfolio may be invested in any one non-government issuer. Investments in bankers' acceptances and commercial paper will be combined to determine aggregate exposure.

C. Collateralization

1. To provide an adequate level of security, all deposited funds shall be collateralized at a minimum of 102% with a daily mark to market. For certificates of deposit, the market value of collateral must be at least 102% or greater of the amount of certificates of deposits plus demand deposits with the depository, less the amount, if any, which is insured by the Federal Deposit Insurance Corporation or the National Credit Unions Share Insurance Fund.
2. The collateral will be adequate to secure both principal and accrued interest of the deposits.
3. Authorized instruments for collateralization are those found in W.S. 9-4-821.
4. In addition to the collateralization requirements found in W.S. 9-4-821, collateralization will also be required on the following types of investments:
 - a. Time deposits
 - b. Repurchase agreements

D. Portfolio Maturities

Maturities of securities will be managed in coordination with the cash flow needs of the University.

1. Funds needed to satisfy operating cash flows of the University will be invested in securities and funds that mature in less than one year. In general, the index used to judge the performance will be the three-month U.S. Treasury Bill.

The portfolio's weighted average maturity shall not exceed 90 days. All securities shall have a maximum maturity of 365 days.

2. Funds not needed to satisfy operating cash flows, or core funds, of the University can be invested in a portfolio where the maximum maturity of any one security may not exceed one hundred twenty (120) months. At any given time, the proportion of the portfolio invested in securities with a maturity greater than sixty (60) months shall not exceed 10% of the total portfolio. The effective duration of the account can be no greater than the duration of the Bloomberg Barclays U.S. Aggregate Bond Index by more than 0.5 years.

All investments must fall within the State of Wyoming Loan and Investment Board Master Investment Policy and Sub-Policies, Section 21, Local Government Investing.

E. DIVERSIFICATION

Diversification of investments reduces overall portfolio risks while attaining market average rates of return. It is the intent of the University to diversify the investments within its portfolio to avoid incurring unreasonable risks inherent in excessive investing in specific instruments, individual financial institutions or maturities. The asset allocation in the portfolio should be flexible depending on the outlook for the economy, the securities market, and the University anticipated cash flow needs. Prior to purchasing securities for the University's portfolio, the credit rating of the security and the credit rating of the senior debt of the issuer, if applicable, shall be verified to assure compliance with investment policy guidelines. Securities that have been downgraded to below the minimum ratings will be sold or held at the investment manager's discretion. The investment manager is responsible for bringing the portfolio back into compliance as soon as practicable.

X. INCOME DISTRIBUTION

A. Return Allocations

Operating funds are in various pools dependent on type of funds. The principal may change daily and the earnings are distributed on a prorated basis at the end of each month.

XI. PERFORMANCE EVALUATION AND REPORTING

A. Reporting

1. Performance reports are supplied to the Board following the end of each quarter.
2. Management reports and related discussions are prepared and conducted quarterly, generally within sixty (60) days after the end of a quarter.

B. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a full market cycle, generally a period of 3-5 years or more. A market benchmark may be established against which portfolio performance shall be compared.

C. Marking to Market

The market value of the portfolio shall be calculated monthly and a statement of the market value of the portfolio shall be issued at least quarterly to the Board.

D. Credit Downgrades

Credit ratings should be monitored on a regular basis. The University or its investment advisor shall review any downgrades below the minimum ratings guidelines and recommend an appropriate course of action.

E. Policy Considerations

The policy shall be reviewed annually by the Fiscal and Legal Affairs Committee and recommended changes will be presented to the Board for consideration.

XII. AUTHORITY AND RESPONSIBILITIES

A. Board of Trustees

The Board is responsible for prudent investment of funds and distribution of earnings to applicable programs.

B. Fiscal and Legal Affairs Committee

The Committee provides oversight of investment performance and makes recommendations to the Board regarding policy and investment management. The Committee has the authority to approve short-term deviations from the stated policy, when urgent situations threaten the safety of invested funds.

C. ~~Vice President for Finance and Administration~~ Vice President for Budget and Finance (Deputy Treasurer)

The Vice President is responsible for administration of Board policy and recommendations to the Fiscal and Legal Affairs Committee. The Vice President has authority to deviate from the policy in an urgent situation, after consultation with members of the Committee.

D. ~~Associate~~ Vice President for Budget and Financial Affairs

The ~~Associate~~ Vice President for Budget and Financial Affairs is responsible for maintenance of all endowment files, preparation, compilation, and review of reports, and coordination with the Foundation and the ~~Director, Treasury and Financial Reporting~~ Associate Vice President, Finance.

E. ~~Director, Treasury and Financial Reporting~~ Associate Vice President, Finance

The University ~~Director, Treasury and Financial Reporting~~ Associate Vice President, Finance is responsible for daily decisions regarding internal investments and periodic reports on the internally invested portfolio. The Associate Vice President, Finance ~~Director~~ has authority to make short-term investment decisions in accordance with Board-approved policy and established process. The ~~Director~~ Associate Vice President, Finance, in consultation with the ~~Associate~~ Vice President for Budget and Financial Affairs, has the authority to make long term investment decisions in accordance with Board-approved policy and established process. Any investment in securities with maturity dates exceeding sixty (60) months requires consultation with the Fiscal and Legal Affairs Committee of the Board of Trustees.

F. External Managers

Contracted managers are responsible for management of external portfolios and quarterly and annual reports. Managers have the authority to select investment

instruments and make trade decisions, in accordance with the objectives and policies of the University, as agent for the Board.

XIII. AUTHORIZATION FOR STOCK TRANSFERS

The President of the University and Treasurer of the Board are authorized to:

- A.** Sell, assign, and transfer stocks, bonds, evidences of interest, evidences of indebtedness and/or other obligation, and all other securities, corporate or otherwise, now or hereafter held by this corporation in its own right or in any fiduciary capacity, and to execute any and all instruments necessary, proper or desirable for the purpose, and to ratify any past actions;
- B.** Act as agents of UW and to sign agreements, resolutions and any other documentation required to establish, maintain, and terminate security cash accounts with security dealers and brokers for the purpose of taking ownership and possession of cash, bonds, stocks and other securities held by such dealers and brokers which have been directed to the University by gift, bequest or any other act of transfer; and as agents they are fully authorized to sell, assign and transfer stocks, bonds, evidence of interest, etc. and all other securities, corporate or otherwise, now or hereafter held by the corporation its own right or in any fiduciary capacity pursuant to this authorization and to execute any and all instruments necessary, proper or desirable for the purpose.

XIV. FUNDS MANAGED BY THE UW FOUNDATION LIKE AN ENDOWMENT

The University of Wyoming Foundation Investment Policy enables the University to transfer funds, with approval of the President or the Board of Trustees as outlined below, to the Foundation that are neither institutional funds (W.S. 17-7-302 (a)(v)) nor endowment funds (W.S. 17-7-302 (a)(ii)) with a request that the Foundation manage such funds like an endowment in accordance with its Investment Policy.

Funds transferred to the Foundation to be managed like an endowment may be added to an existing fund or may establish a new fund. The minimum amount required to establish a new fund is \$100,000.

The Board of Trustees and the President of the University may request that the Foundation manage University funds like an endowment in their discretion.

College Deans and University Officers may, with the approval of the Vice-President to whom they report, submit a request to the ~~Vice President for Finance and Administration~~ Vice President for Budget and Finance to transfer funds to the Foundation to be managed like an endowment.

The Vice President for Budget and Finance ~~and Administration~~, with the consent of the President of the University, may approve such requests for amounts of \$250,000 or less. For amounts exceeding \$250,000, approval of the Board of Trustees is also required.

The Foundation Investment Policy allows the University, in its discretion, to withdraw funds that are being managed like an endowment in any amount, in whole or in part, provided, however, that, depending upon the amount requested and the cash flows from the endowment pool, it may take as long as 12 months for the Foundation to fully transfer the requested funds. The Foundation will use its best efforts to transfer the funds as soon after receiving the approved request for withdrawal as possible.

The Board of Trustees and the President of the University may request withdrawal of funds managed by the Foundation like an endowment, in whole or in part, in their discretion.

College Deans and University Officers may, with the approval of the Vice President to whom they report, submit a request to the Vice President for Budget and Finance ~~and Administration~~ to withdraw funds from the Foundation that are being managed like an endowment.

The Vice President for Budget and Finance ~~and Administration~~, with the consent of the President of the University, may approve requests for withdrawal of amounts of \$250,000 or less. For requests for withdrawal of amounts exceeding \$250,000, approval of the Board of Trustees is also required.

Responsible Division/Unit: Division of Administration

Source: None

Links: <http://www.uwyo.edu/regs-policies>

Associated Regulations, Policies, and Forms: None

History:

UW Regulation 1-102(I)(G) adopted Minutes of the Trustees, July 25, 1998

Moved to UW Regulation 7-7 on 11/15/2018 Board of Trustees meeting

UW Regulation 1-102, Attachment B; adopted 6/15/2015 Board of Trustees meeting

Revisions adopted and moved to UW Regulation 7-7 on 11/15/2018 Board of Trustees meeting



University of Wyoming

Investment Performance Review For the Quarter Ended March 31, 2023

Client Management Team

Brian Quinn, Managing Director
Joan Evans, Director
Amber Cannegieter, Key Account Manager

PFM Asset Management LLC

1720 Carey Avenue Suite 520
Cheyenne, WY 82001
(734) 994-9700

213 Market Street
Harrisburg, PA 17101-2141
717-232-2723

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Agenda

- Market Update
- Account Summary
- Portfolio Review

Market Update

Current Market Themes



- ▶ The U.S. economy is characterized by:
 - ▶ Lingering inflation that remains well above the Fed's long-term inflation target
 - ▶ A labor market showing the first signs of moderation
 - ▶ Greater economic uncertainty following the surprise failure of Silicon Valley Bank and Signature Bank



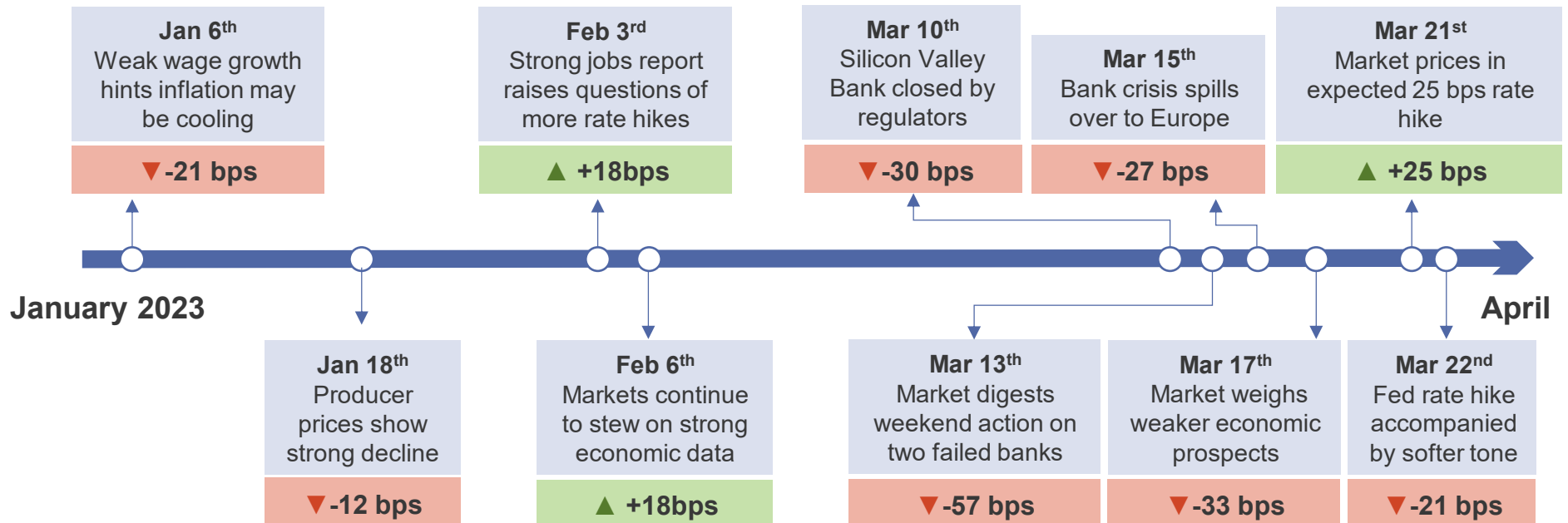
- ▶ Fed policy tightening may be nearly complete
 - ▶ The most recent FOMC statement noted that “some additional policy firming may be appropriate,” but the need for more rate hikes has become less clear
 - ▶ Although the Fed acknowledged the impact of the recent bank failures, their March updated Summary of Economic Projections were little changed from December
 - ▶ The Fed has maintained that they will keep rates elevated for some time, but the market is pricing in rate cuts beginning mid-year



- ▶ Bond markets saw unprecedented volatility in March
 - ▶ In a classic “flight to quality,” Treasury yields fell sharply, with the 2-year Treasury yield falling from 5.07% on March 8 to under 4.00% on March 17
 - ▶ The curve inversion from 3 months to 10 years reached the deepest levels in over 40 years
 - ▶ Credit yield spreads widened, especially those on banks, but not nearly to levels seen during the global financial crisis

Market Events Drive Large Yield Moves

Major Economic and Market Events and the Daily Change in the 2-Year U.S. Treasury Yield

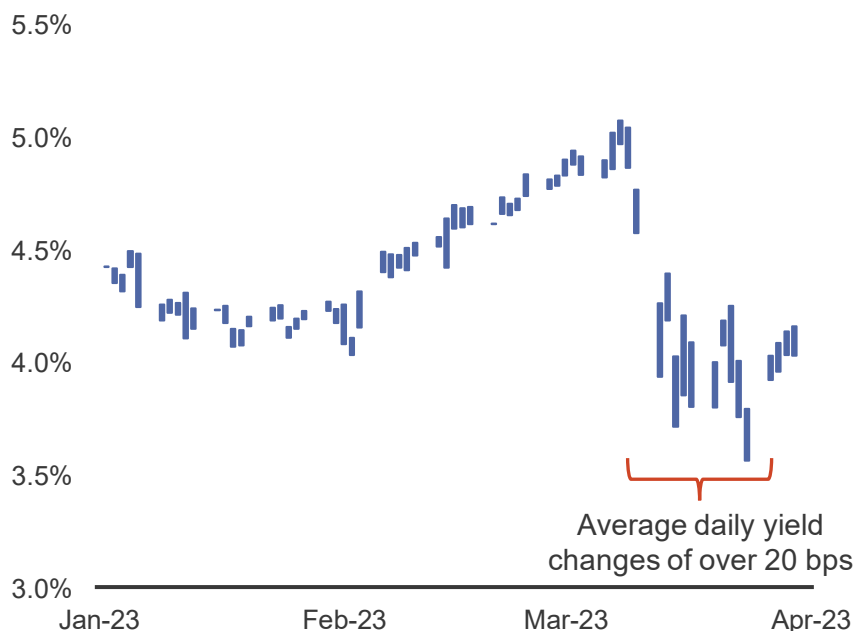


▼/▲ Changes in 2-Year Treasury

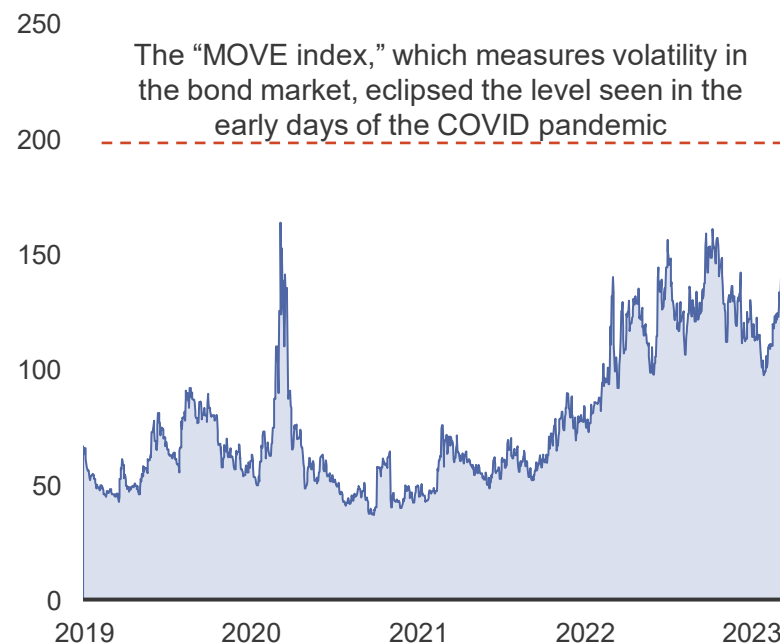
Bond Markets Saw Unprecedented Volatility in March

The surprise failure of two large U.S. banks caused volatility in the markets. In a classic “flight to quality”, Treasury yields fell sharply, with the 2-year Treasury yield falling from 5.07% on March 8 to 4.03% on March 31.

2-Year Treasury
Daily High and Low Yield



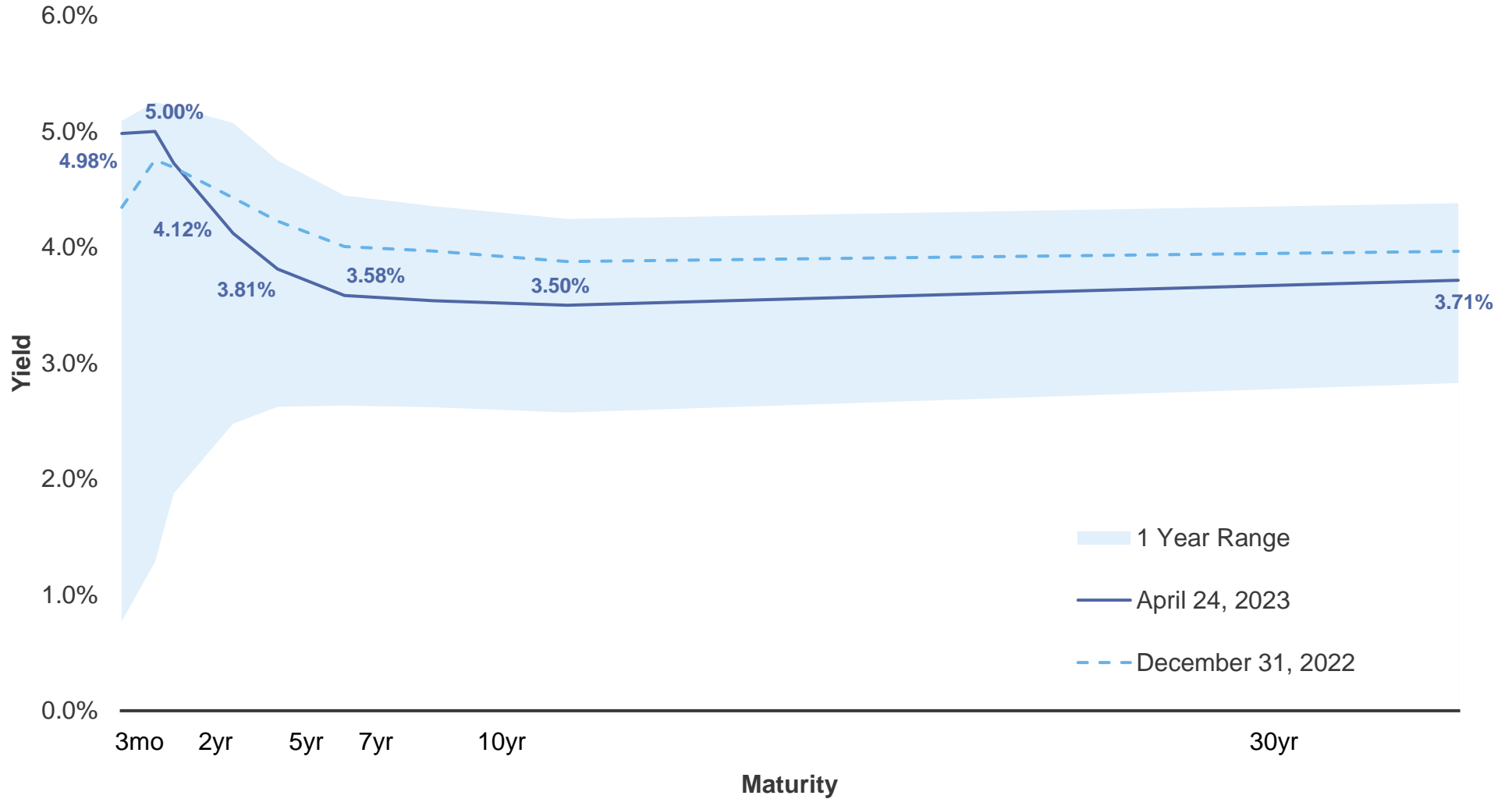
Fixed Income Market Volatility
ICE BofA MOVE Index



Source: Bloomberg, ICE BofA Indices. As of 03/31/2023.

As Economic Uncertainty Increased, Longer-Term Interest Rates Fell

U.S. Treasury Yield Curve



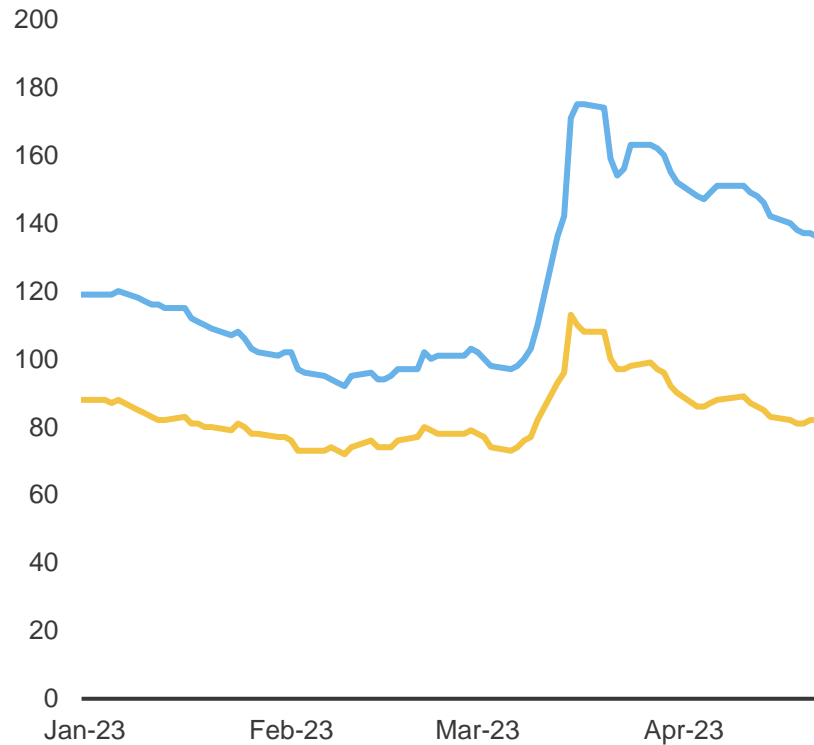
Source: Bloomberg, as of 04/24/2023.

Corporate Yield Spreads Modestly Wider, Led By Financials

Investment Grade Corporate Spreads

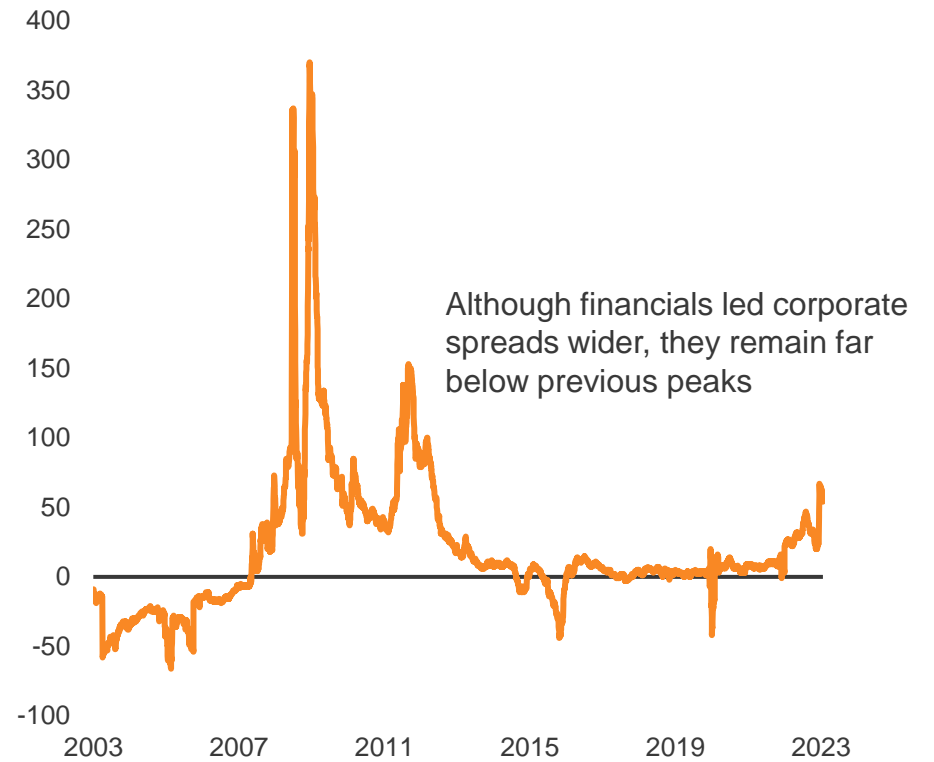
1-5 Year U.S. Corporate Index

— Financials — Industrials



Difference Between Financial and Industrial Corporate Yield Spreads

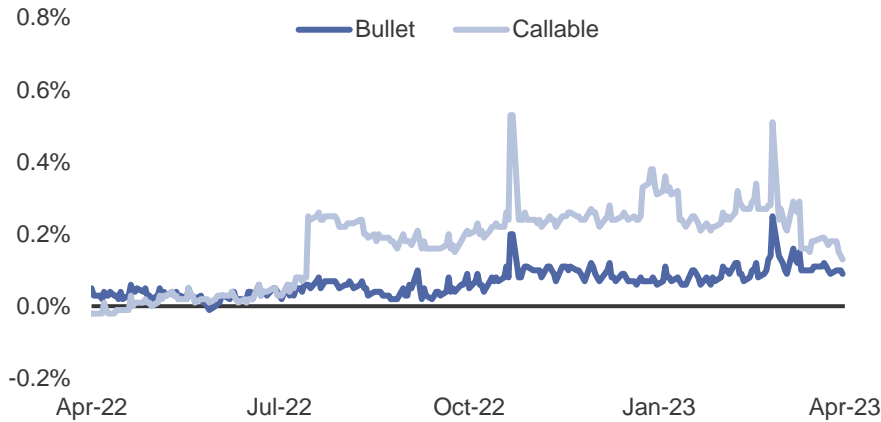
1-5 Year U.S. Corporate Index



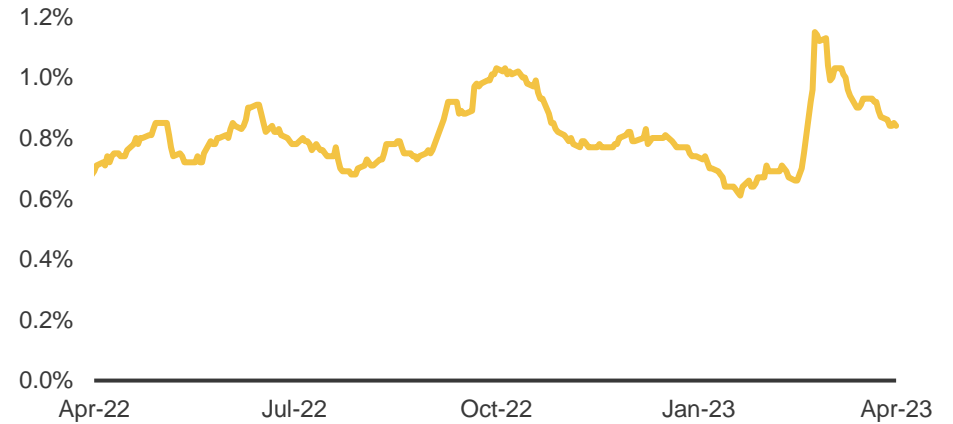
Source: Bloomberg, ICE BofA Indices as of 04/21/2023.

Sector Yield Spreads

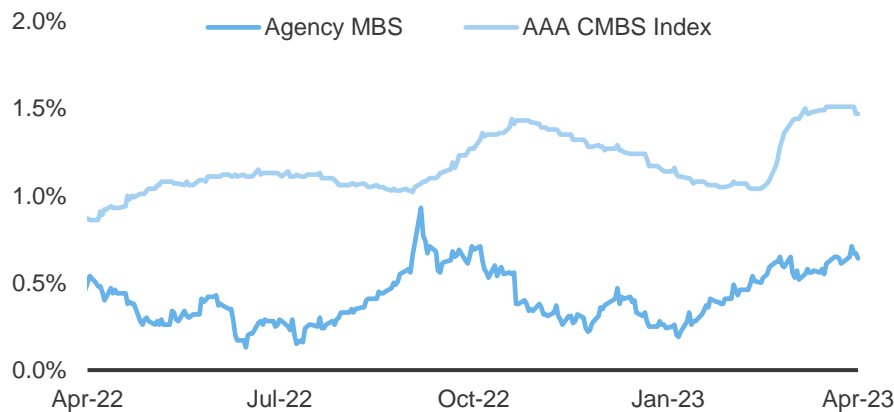
Federal Agency Yield Spreads



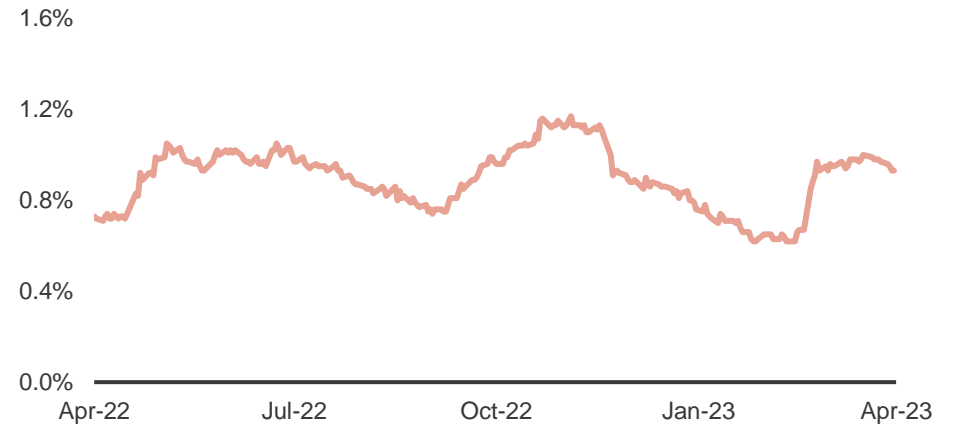
Corporate Notes A-AAA Yield Spreads



Mortgage-Backed Securities Yield Spreads



Asset-Backed Securities AAA Yield Spreads



Source: ICE BofAML 1-5 year Indices via Bloomberg, MarketAxess and PFMAM as of 04/21/2023. Spreads on ABS and MBS are option-adjusted spreads of 0-5 year indices based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries. CMBS is Commercial Mortgage-Backed Securities.

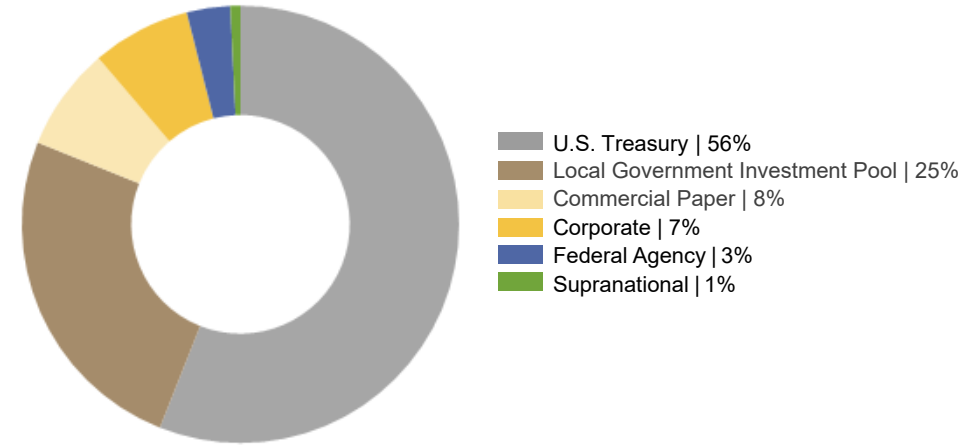
Account Summary

Consolidated Summary

Account Summary

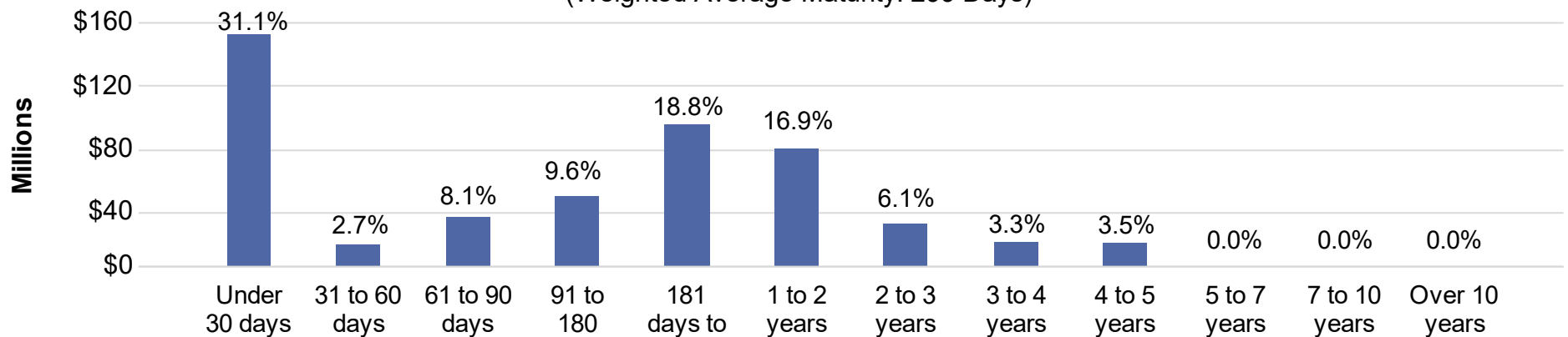
WGIF	\$120,436,113
WGIF Managed Account	\$359,579,766
Total Program	\$480,015,879

Sector Allocation



Maturity Distribution

(Weighted Average Maturity: 299 Days)



1. Account summary and sector allocation include market values, accrued interest, and overnight balances. Maturity distribution includes market values and excludes accrued interest and overnight balances

Certificate of Compliance

During the reporting period for the quarter ended March 31, 2023, the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management LLC*

Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Asset and Investment Management ("AIM").

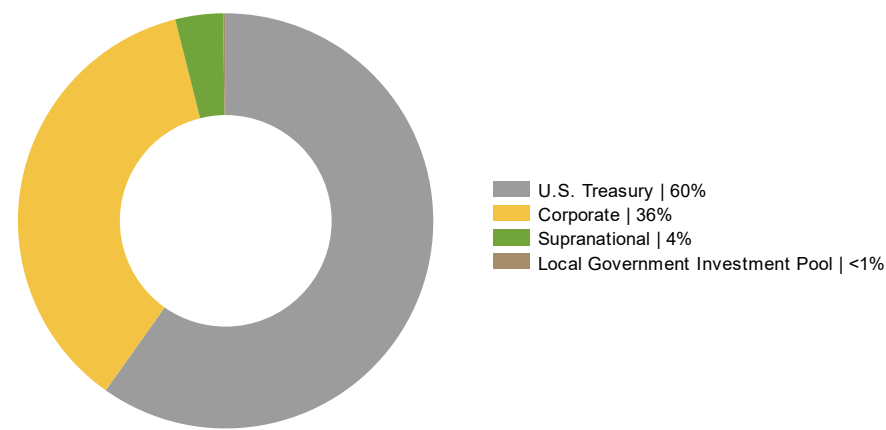
Portfolio Review: WGIF-UNIVERSITY OF WYOMING CORE

Portfolio Snapshot - WGIF-UNIVERSITY OF WYOMING CORE¹

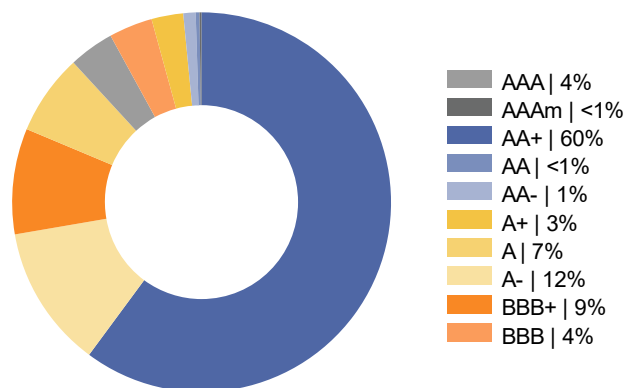
Portfolio Statistics

Total Market Value	\$96,256,604.88
Managed Account Sub-Total	\$95,650,308.00
Accrued Interest	\$450,694.22
Pool	\$155,602.66
Portfolio Effective Duration	2.36 years
Benchmark Effective Duration	2.50 years
Yield At Cost	1.90%
Yield At Market	4.28%
Portfolio Credit Quality	AA

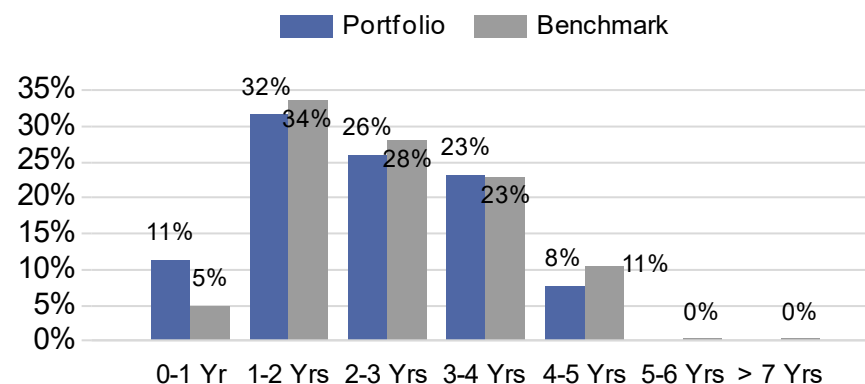
Sector Allocation



Credit Quality - S&P



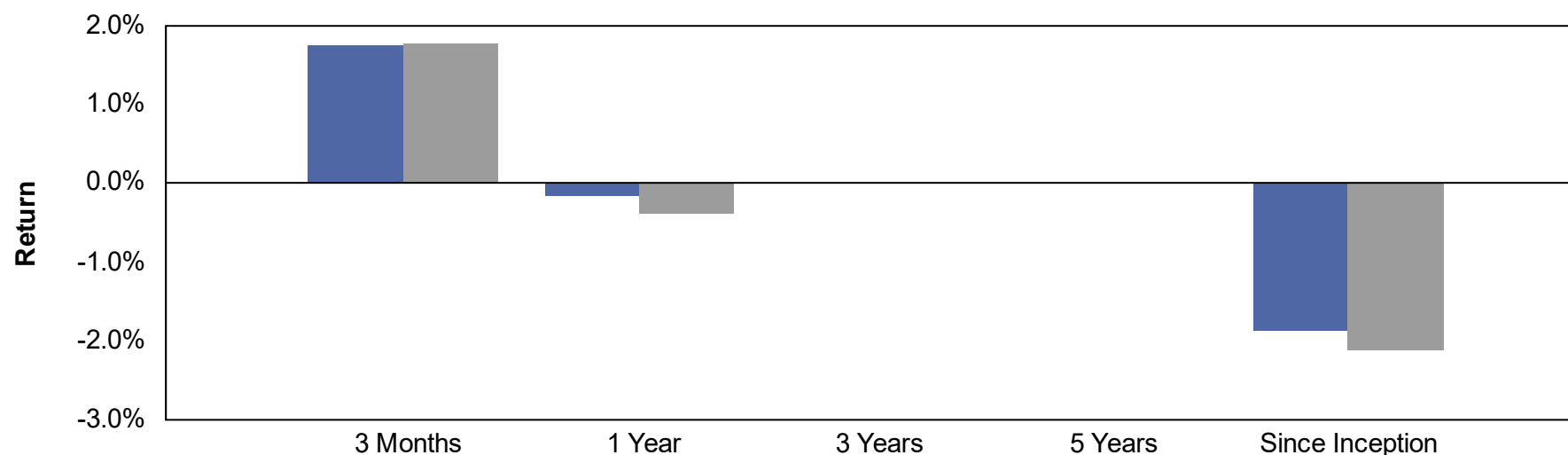
Duration Distribution



1. Total market value includes accrued interest and balances invested in WGIF, as of March 31, 2023. Yield and duration calculations exclude balances invested in WGIF. The portfolio's benchmark is the ICE BofAML 1-5 Year U.S. Government/Corp Index. Source: Bloomberg. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

Portfolio Performance

■ Portfolio ■ Benchmark



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception ¹
Interest Earned ²	\$451,455	\$1,508,657	-	-	\$2,342,773
Change in Market Value	\$1,199,820	(\$1,658,526)	-	-	(\$5,710,957)
Total Dollar Return	\$1,651,275	(\$149,869)	-	-	(\$3,368,184)
Total Return³					
Portfolio	1.75%	-0.16%	-	-	-1.88%
Benchmark ⁴	1.78%	-0.38%	-	-	-2.12%
Difference	-0.04%	0.22%	-	-	0.24%

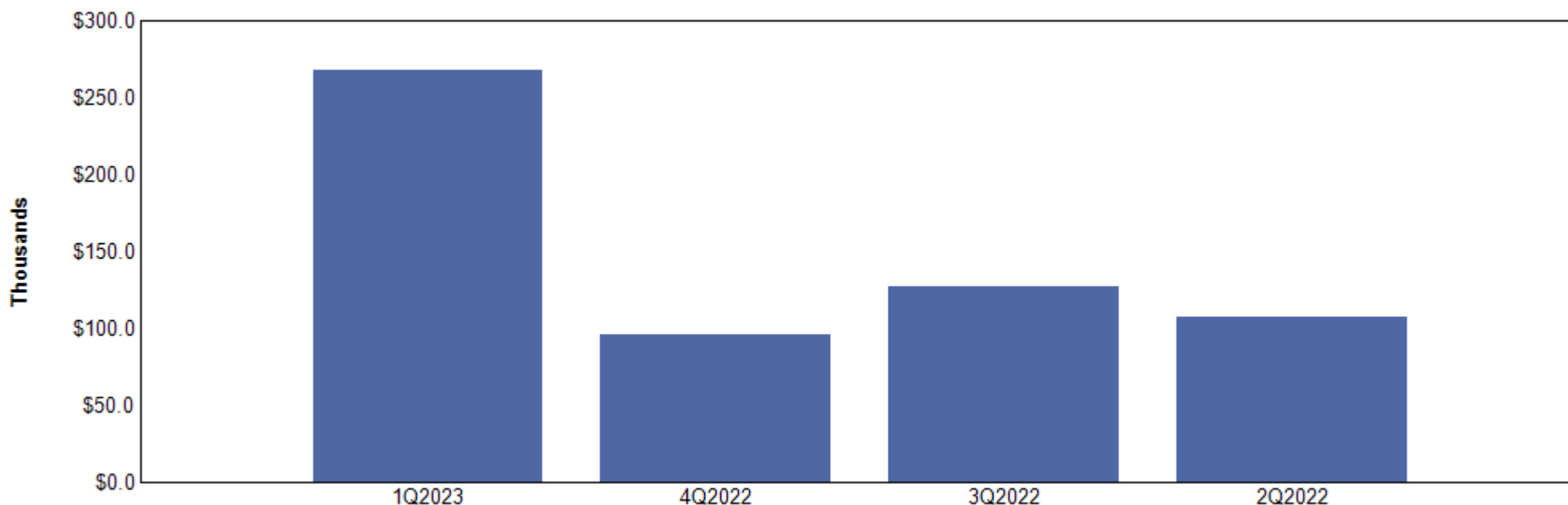
1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is March 31, 2021.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

4. The portfolio's benchmark is the ICE BofAML 1-5 Year U.S. Government/Corp Index. Source: Bloomberg.

Accrual Basis Earnings - WGIF-UNIVERSITY OF WYOMING CORE



Accrual Basis Earnings	1Q2023	4Q2022	3Q2022	2Q2022
Interest Earned ¹	\$451,455	\$396,786	\$357,951	\$302,466
Realized Gains / (Losses) ²	(\$168,691)	(\$272,928)	(\$180,010)	(\$109,690)
Change in Amortized Cost	(\$14,719)	(\$28,300)	(\$51,128)	(\$85,639)
Total Earnings	\$268,045	\$95,557	\$126,813	\$107,137

1. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

2. Realized gains / (losses) are shown on an amortized cost basis.

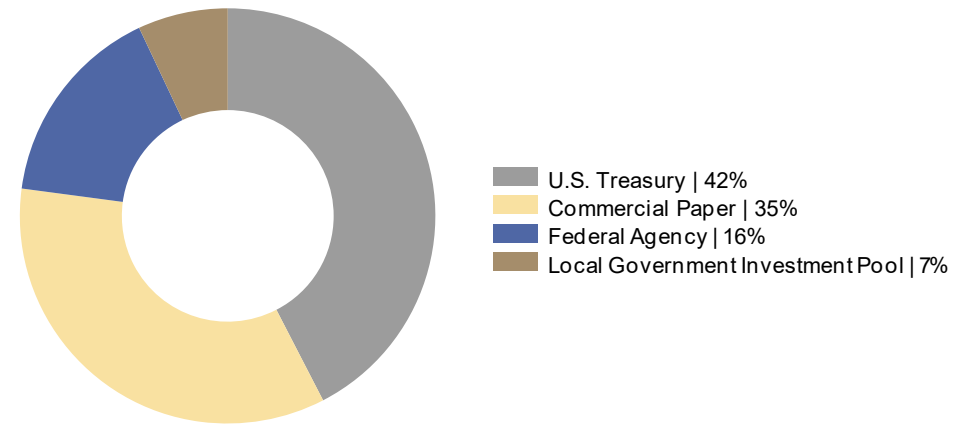
Portfolio Review:
WGIF-UNIVERSITY OF WYOMING SHORT TERM

Portfolio Snapshot - WGIF-UNIVERSITY OF WYOMING SHORT TERM¹

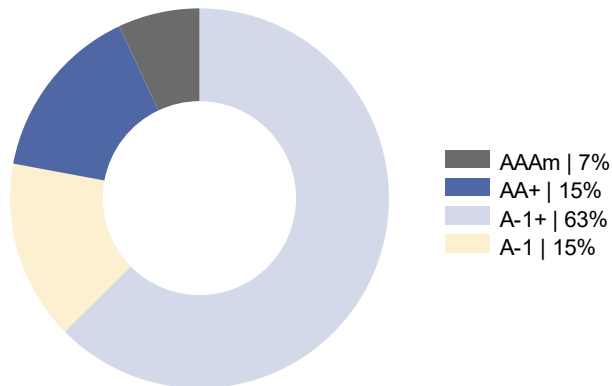
Portfolio Statistics

Total Market Value	\$97,453,603.75
Managed Account Sub-Total	\$90,656,800.75
Accrued Interest	\$7,864.02
Pool	\$6,788,938.98
Portfolio Effective Duration	0.27 years
Benchmark Effective Duration	0.39 years
Yield At Cost	4.38%
Yield At Market	4.74%
Portfolio Credit Quality	AA

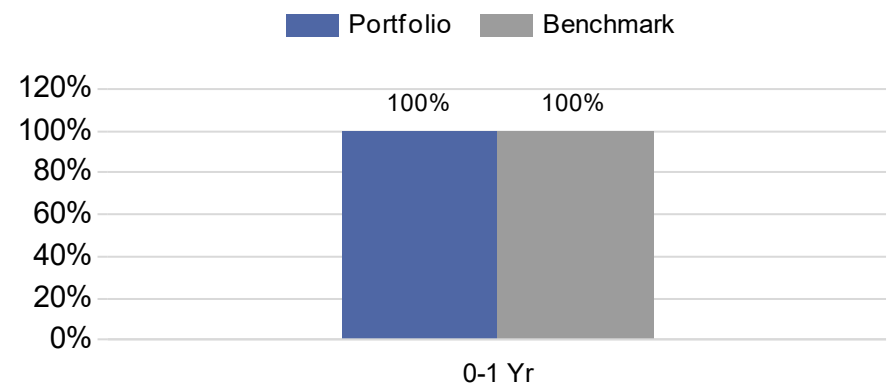
Sector Allocation



Credit Quality - S&P



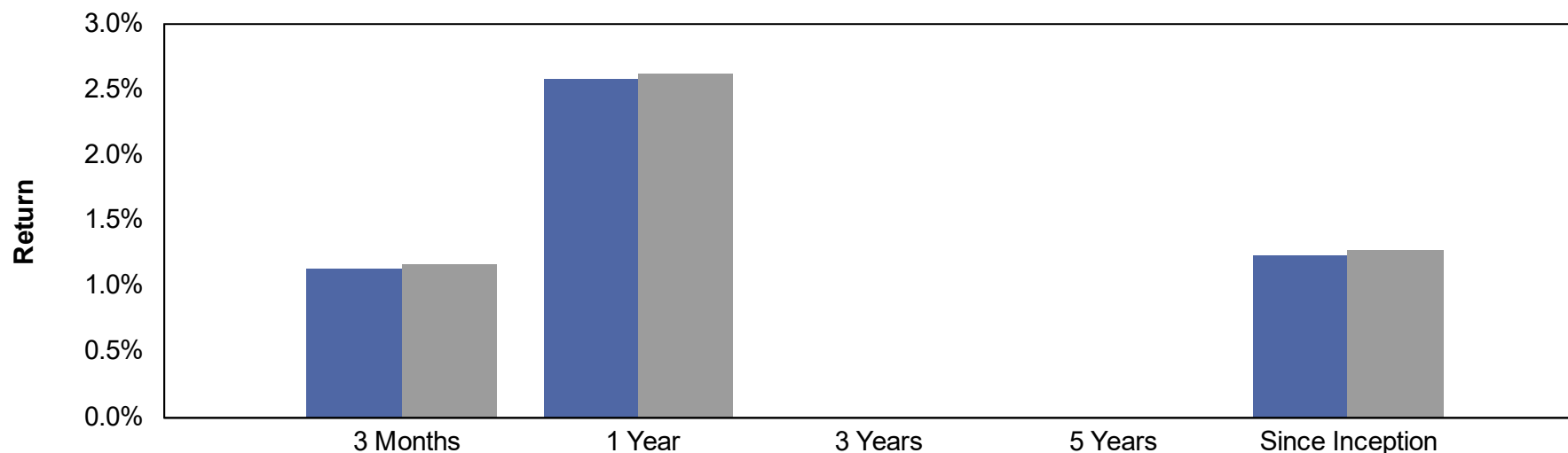
Duration Distribution



1. Total market value includes accrued interest and balances invested in WGIF, as of March 31, 2023. Yield and duration calculations exclude balances invested in WGIF. The portfolio's benchmark is the ICE BofAML 6 Month U.S. Treasury Bills Index. Source: Bloomberg. An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

Portfolio Performance

Portfolio Benchmark



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception ¹
Interest Earned ²	\$115,581	\$349,460	-	-	\$531,830
Change in Market Value	\$1,001,109	\$2,354,704	-	-	\$2,036,014
Total Dollar Return	\$1,116,690	\$2,704,164	-	-	\$2,567,844
Total Return³					
Portfolio	1.14%	2.58%	-	-	1.24%
Benchmark ⁴	1.17%	2.61%	-	-	1.27%
Difference	-0.02%	-0.04%	-	-	-0.03%

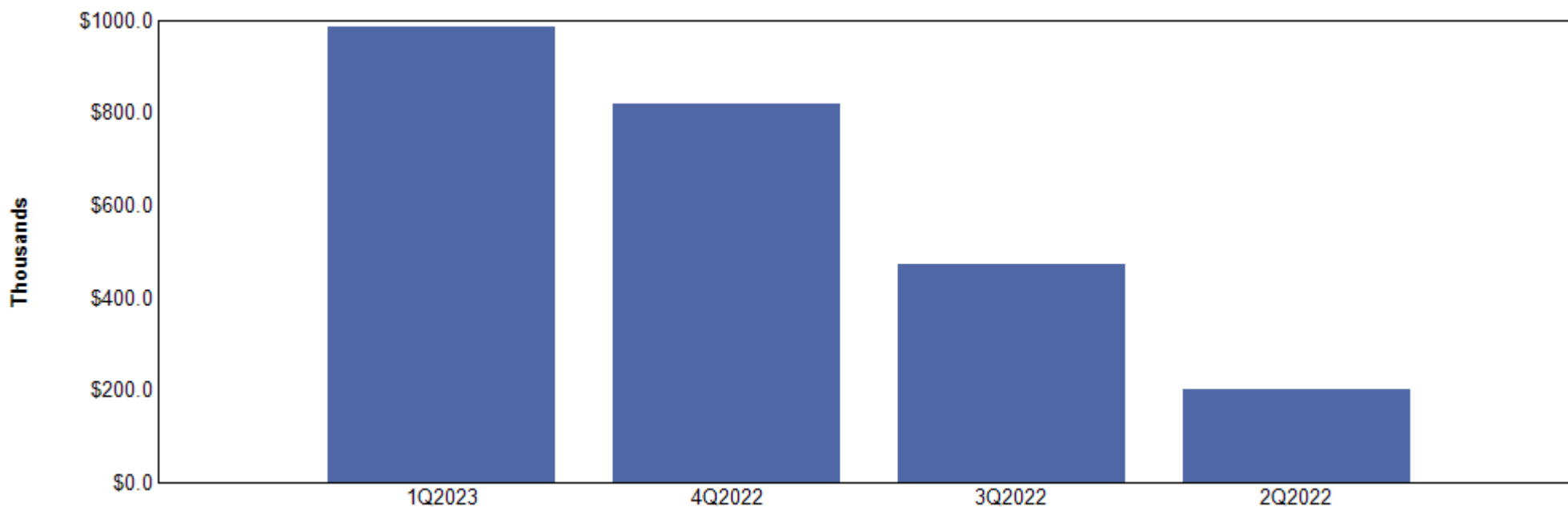
1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is March 31, 2021.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

4. The portfolio's benchmark is the ICE BofAML 6 Month U.S. Treasury Bills Index. Source: Bloomberg.

Accrual Basis Earnings - WGIF-UNIVERSITY OF WYOMING SHORT TERM



Accrual Basis Earnings	1Q2023	4Q2022	3Q2022	2Q2022
Interest Earned ¹	\$115,581	\$131,544	\$56,540	\$45,795
Realized Gains / (Losses) ²	-	\$100	-	-
Change in Amortized Cost	\$870,784	\$689,779	\$415,921	\$155,980
Total Earnings	\$986,365	\$821,423	\$472,462	\$201,775

1. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

2. Realized gains / (losses) are shown on an amortized cost basis.

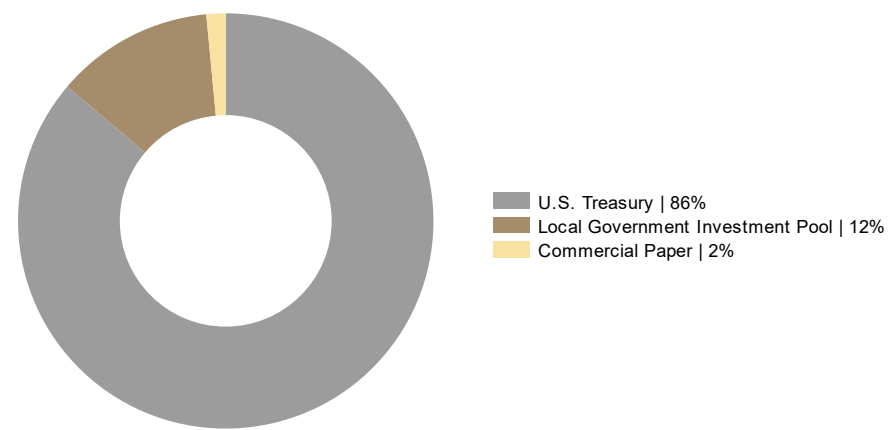
Portfolio Review: WGIF-UOW 2021 CONSTRUCTION FUND

Portfolio Snapshot - WGIF-UOW 2021 CONSTRUCTION FUND¹

Portfolio Statistics

Total Market Value	\$196,828,066.88
Managed Account Sub-Total	\$172,094,240.90
Accrued Interest	\$719,858.53
Pool	\$24,013,967.45
Portfolio Effective Duration	0.72 years
Yield At Cost	0.92%
Yield At Market	4.59%
Portfolio Credit Quality	AA

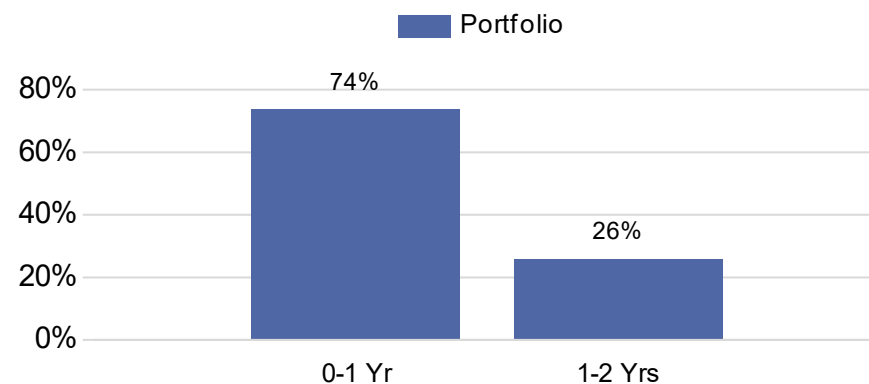
Sector Allocation



Credit Quality - S&P

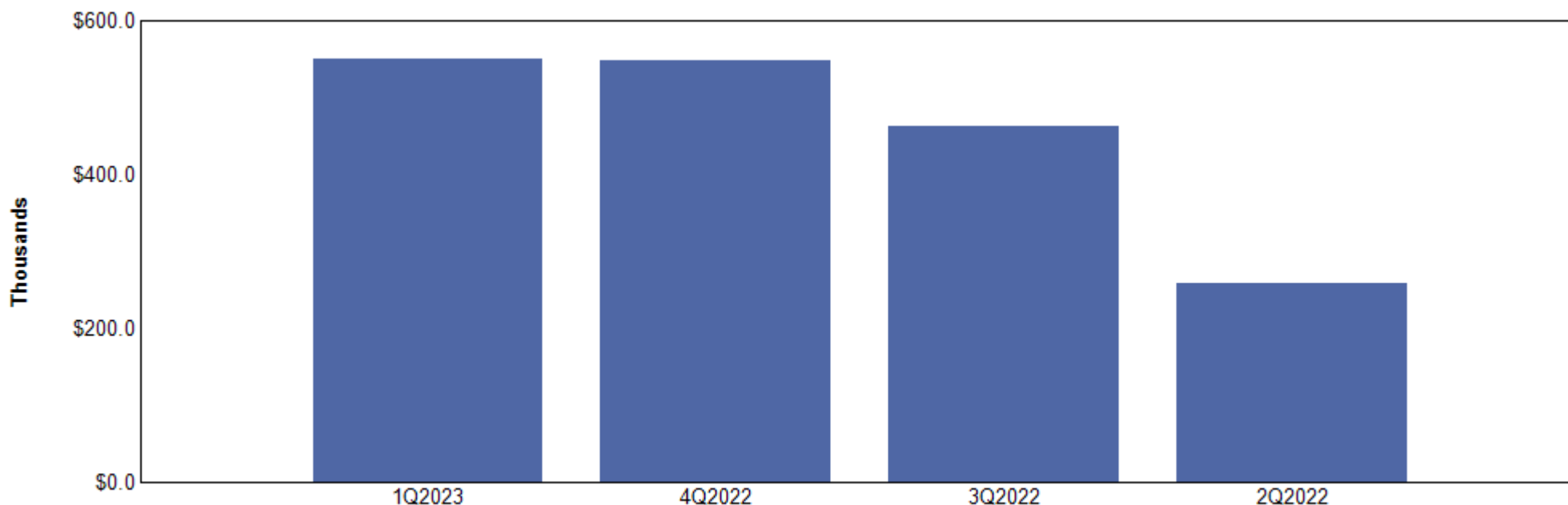


Duration Distribution



1. Total market value includes accrued interest and balances invested in WGIF, as of March 31, 2023.
 Yield and duration calculations exclude balances invested in WGIF.
 An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

Accrual Basis Earnings - WGIF-UOW 2021 CONSTRUCTION FUND



Accrual Basis Earnings	1Q2023	4Q2022	3Q2022	2Q2022
Interest Earned ¹	\$972,762	\$924,836	\$871,405	\$769,589
Realized Gains / (Losses) ²	-	-	-	-
Change in Amortized Cost	(\$423,595)	(\$376,526)	(\$408,337)	(\$511,200)
Total Earnings	\$549,167	\$548,309	\$463,069	\$258,389

1. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

2. Realized gains / (losses) are shown on an amortized cost basis.

Important Disclosures

This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation, as it was prepared without regard to any specific objectives or financial circumstances.

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It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

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- Market values that include accrued interest are derived from closing bid prices as of the last business day of the month as supplied by Refinitiv, Bloomberg, or Telerate. Where prices are not available from generally recognized sources, the securities are priced using a yield-based matrix system to arrive at an estimated market value.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. Past performance is not indicative of future returns.
- Bank of America/Merrill Lynch Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

Glossary

- **Accrued Interest:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **Agencies:** Federal agency securities and/or Government-sponsored enterprises.
- **Amortized Cost:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **Asset-Backed Security:** A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- **Bankers' Acceptance:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **Commercial Paper:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **Contribution to Total Return:** The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- **Effective Duration:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **Effective Yield:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **Interest Rate:** Interest per year divided by principal amount and expressed as a percentage.
- **Market Value:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.
- **Negotiable Certificates of Deposit:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **Par Value:** The nominal dollar face amount of a security.
- **Pass-through Security:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

Glossary

- **Repurchase Agreements:** A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- **Settle Date:** The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- **Supranational:** A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- **Trade Date:** The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- **Unsettled Trade:** A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- **U.S. Treasury:** The department of the U.S. government that issues Treasury securities.
- **Yield:** The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- **YTM at Cost:** The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- **YTM at Market:** The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

Internal Audit Activity Report

May 2023

INTERNAL AUDIT ACTIVITY CONDUCTED IN ACCORDANCE
WITH THE AUDIT PLAN FOR THE PERIOD
September 2022 – August 2023

AUDITS:

- Operations
- State Match/Footnote Review

ADDITIONAL REPORTS:

- Internal Audit Plan
- Internal Audit Charter

FOLLOW-UP REPORTS:

- Arts and Sciences
- IMPACT 307

INFORMATIONAL

- Internal Audit Schedule Review

AUDITS IN PROGRESS:

- Capital Construction
- Change of Management Audit – College of Health Sciences



UNIVERSITY OF WYOMING

Internal Audit

Operations

March 2, 2023

Auditors:

Danika Salmans MBA, CIA, CRMA

Rebecca Garcia, MBA, CIA

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March 2, 2023

University of Wyoming Board of Trustees:

Internal Audit has completed a review of Operations. This area was chosen for review during the annual risk assessment. The objectives of this audit were to assess activity during FY2021 through current to acquire an understanding of operational components and complete an assessment of internal controls to mitigate operational, financial, compliance, and strategic risks.

Any concerns and weaknesses that were identified have been discussed with management and may be subject to follow-up. If the department is not in compliance with criteria, policies, procedures, or best-practice, this situation is described in a formal observation so that the department can develop an action plan to mitigate the risks. The following observations have been made:

- **Observation #1:** Authority and accountability in managing obligations of funds in facility projects lacks clarity
- **Observation #2:** Increased transparency would lend to campus understanding and could mitigate rationalizations to circumvent policy

A follow-up will be performed in nine (9) months to assess progress related to the audit recommendations. The audit will remain open until the completion of the follow-up review at which time a closing report will be provided.

We would like to thank Bill Mai – Vice President for Campus Operations, Forrest Selmer – Associate Vice President for Campus Operations, Darcy Bryant – Deputy Director of Business Services for Campus Operations, Jennifer Coast – Deputy Directory of Capital Construction and Safety for Facilities Construction Management of Campus Operations, and the many other staff for the assistance we received on this audit.

Sincerely,



Danika Salmans MBA, CIA, CRMA
Director of Internal Audit

Sincerely,



Becky Garcia MBA, CIA
Senior Internal Auditor

Background

Mission, Function, and Responsibilities

We are committed to providing students, staff, faculty and visitors with a clean, attractive, safe, and functional environment, which supports the University of Wyoming's mission of teaching, research and public service.

Our function is to provide repair, maintenance, and renovation services for campus facilities and grounds that meet the customer's needs, satisfy our stewardship responsibilities, and comply with UW Regulation 6-4¹.

V. ALTERATIONS OR IMPROVEMENTS

Internal and external users are expressly prohibited from making any alterations or improvements or performing maintenance to University buildings or grounds. All construction, alterations, improvements or maintenance to University buildings or grounds shall be performed exclusively by, or through, UW Operations. All alterations or improvements or maintenance shall be requested through UW Operations in the process set forth on the UW Operations website. University departments, employees or offices authorizing or permitting any alterations or improvements to University facilities in violation of this directive shall be responsible for all subsequent costs resulting from such unauthorized alterations or improvements

Our responsibilities are to remain cognizant of cost, response time, and value received.

Description of the Work Force

UW Operations is comprised of nine major functional areas, employing approximately 254 FTE.

Business Services

Business Services provides operational support including Accounting, Human Resources, Computing, Warehouse Management, and Material Services (Shipping and Receiving, Surplus Property, Moving Services, and Recycling).

Facilities Construction

Facilities Construction provides comprehensive project management for capital construction projects including planning, design, and construction.

Facilities Engineering

Facilities Engineering provides a complete construction service consisting of design, estimates, contract management, scheduling, and construction.

¹ http://www.uwyo.edu/regs-policies/files/docs/regulations-2021/uw_reg_6-4_approved_6-16-21.pdf

Facilities Management

Facilities Management provides the resources and expertise to maintain University facilities and grounds. The unit responds to repair calls from departments on campus, as well as perform routine scheduled maintenance services on an ongoing basis and works together to provide a clean, inviting campus environment for students, employees, and visitors.

Jacoby Golf Course

Jacoby Golf Course is an 18-hole golf course open to the public and operated by the University of Wyoming.

Real Estate Operations & Space Allocation

Real Estate Operations collects, analyzes, distributes, and maintains all University real estate data and related information, and maintains space allocation inventories. They coordinate, negotiate, and administer deeds, easements, and leases; manage oil, gas, mineral, and water rights; and ensures prudent and appropriate stewardship of University real estate resources. Space Allocation manages the physical space assignment on campus. They maintain a physical inventory and classification of space, and periodically verify space assignments and usage with administrators.

University Postal Services

UW Postal Services provides the University of Wyoming community with friendly, efficient mail services. This office processes outgoing, incoming, and on-campus mailings. Our services also include the management of the faculty/staff mailing lists as well as spraying on of addresses.

Utilities Management

Utilities Management provides management, engineering and planning for campus wide utilities and building controls systems, including steam, water, irrigation water, chilled water, compressed air, and storm and sanitary sewers. Technical Services is part of this area.

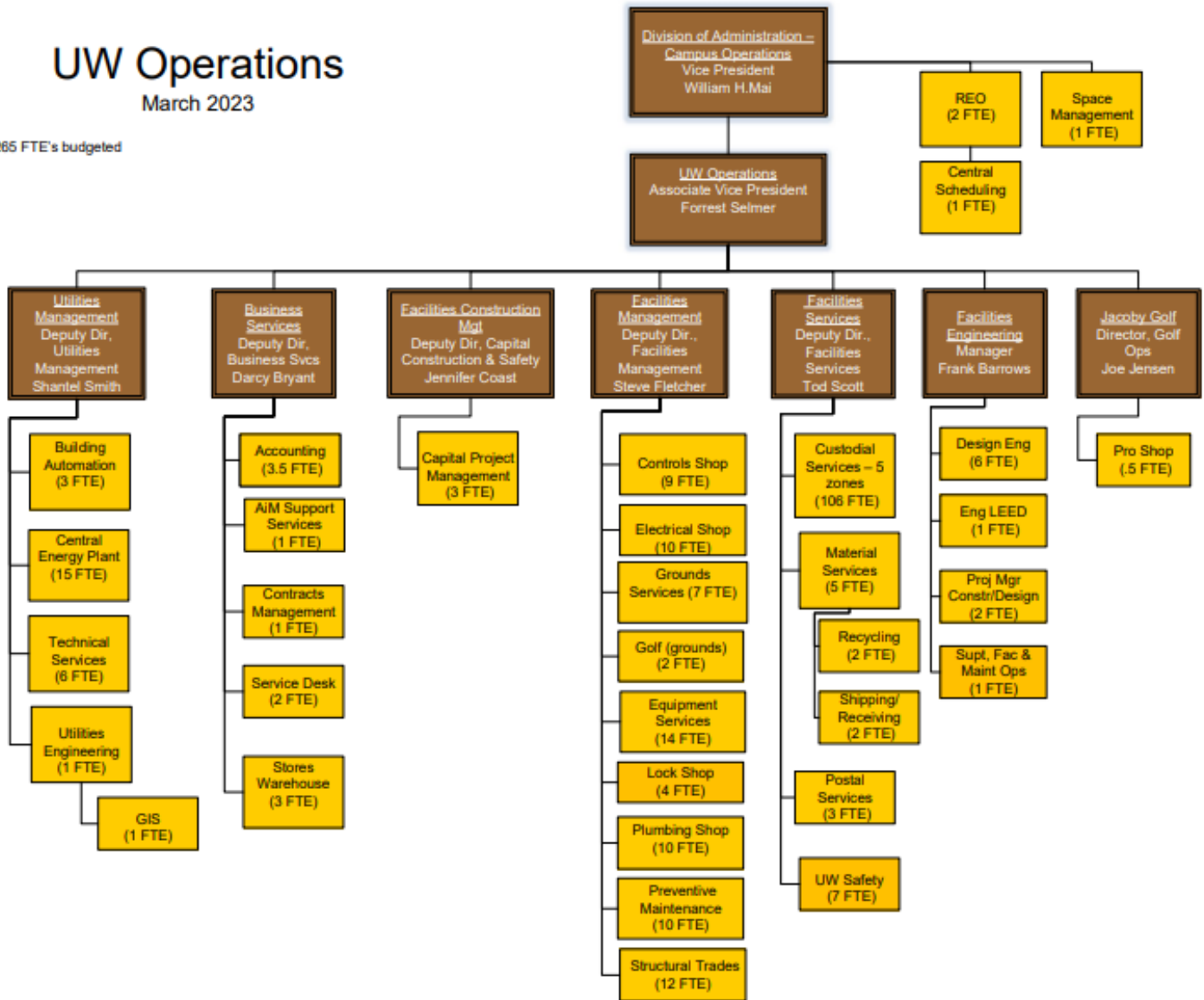
UW Safety Office

UW Safety Office provides oversight and guidance of chemical, occupational health & safety, and regulated materials management. They perform lab inspections, assist with accident & injury reporting, hazardous material disposal, and provide various other safety related support to campus.

UW Operations

March 2023

FY23: 265 FTE's budgeted



Audit Scope, Procedures, and Outcomes

The following steps represent the extent of work needed to achieve the audit objectives and are summarized below. The scope of this audit focused on FY2021 through current. The status includes an evaluation of risk to the achievement of objectives.

- **Commendation** – The department is operating in an exemplary manner toward satisfying a criterion, policy, or procedure.
- **Satisfactory** – The department currently satisfies a criterion, policy, or procedure.
- **Improvements Recommended** – The department should strengthen areas of compliance with criterion, policy, or procedure to ensure that the quality of the program will not be compromised. These areas are discussed formally with management and may not be subject to formal observation and recommendation.
- **Action Required** – The department is not in compliance with the criterion, policy, or procedures. A formal observation is made, and recommendation is issued that will require the department to develop an action plan to mitigate the risks.

Control Audited	Function	Status	Sample Size	Summary of Findings/Recommendations
Operational and Strategic Controls	Division Procedures and Processes	Commendation	NA	In all areas requested, Operations was able to provide long-standing and detailed documentation for complex division processes and procedures. Segregation of duties and reconciliation processes were found in areas expected and areas of added risk. As practices evolve, guides will need proactively updated to facilitate succession planning.
	Strategic Objectives	Improvements Recommended	NA	Operations has consistently tracked data sets to report key performance indicators to management on a regular basis. This information is traditionally used to better understand the performance and health of an entity. All metrics available for review indicated area specific improvements over time (i.e., custodial training/safety). Key performance metrics: opportunities for improvements such as square footage indicators, customer satisfaction, ratios of preventative versus reactive maintenance, and change order statistics as best-practice indicators for facilities management were discussed with management.

	Safety/ Training	Improvements Recommended	NA	<p>Operations approaches division and employee safety compliance from multiple angles, to include introduction to university expectations in orientation, regularly offered training, and the quarterly reporting of safety relative metrics. Current protocol indicates decentralization of management for shop safety expectation/training and assigns this responsibility to the respective shop supervisors which presents the risk of negligence. Standardized expectations regarding annual training required of shop supervisors as well as shop safety protocol elements that must be present in each shop are recommended.</p> <p>Operations assumed management of Environmental Health and Safety in 2018 and continues to develop controls and protocol.</p>
	Asset Management	Improvements Recommended	NA	<p>Operations organizations are assigned over 400 capitalized assets, to include property/buildings. In addition, each shop/organization is the “owner,” of a significant amount of smaller dollar tools which may accumulate significant loss if lost or stolen. Capitalized assets are regularly physically verified as per Asset Management scheduling. In addition, this division began to track smaller purchases of tools/equipment per shop as of 7/1/21 in AiM. Current activities serve as good controls and are encouraged to be further developed and maintained.</p>
	Deferred/ Preventative Maintenance	Satisfactory	NA	<p>Deferred maintenance metrics were specifically reviewed by assessing major maintenance backlog data. This area presents heightened risk; as backlog grows, the risk of system failure with unexpected and immediate consequences increases. Operations backlog was compared to a report regarding the State of Facilities in Higher Education Comparison indicates effective use of limited resources.</p> <p>Preventative maintenance of facilities/equipment is an integrated component of daily operations managed through standing and assigned work orders. Facilities are broken into zones and subject to staff walk-throughs on a daily/weekly basis. Work orders are created and added to this queue. Formal inspections are conducted quarterly.</p>

	Access	Satisfactory	NA	The campus-wide physical management of traditional key access continues to be a responsibility owned and managed by Operations. Critically important to the safety of facilities and people is the adequate maintenance of this control to ensure and verify only those authenticated and authorized make changes or are allowed entry. Operations manages this control through the requirement of departmental authority review and signature prior to change or issuance. Minor edits to procedures were discussed with management.
	Culture and Governance	NA	NA	An assessment of governance and culture was performed by surveying staff. The results have been provided to management to be used to understand concerns and address risks to strategic progress.
	Financial Reporting and Monitoring	Commendation	100%	<p>Accounts were reviewed for solvency, budget authority, and expenditures within limits and criteria. Multiple financial reports were also reviewed to assess the ongoing management of finances. Over time scope of audit, division level budget (~ \$30M with expected \$6M in revenues) versus expenditures were well within expected variance ranges, underbudget. Minor concerns with foundation account balances were discussed with management.</p> <p>Budget and expenditures are managed at the shop level to ensure the shops understand their fiscal responsibility and limits.</p> <p>The Deputy Director of Business Operations regularly reviews WyoCloud reports to identify anomalies, review trends, and match revenues with expenditures.</p> <p>Aggregated data is presented to and discussed with management regularly for time-critical decision making. This information was validated as a reasonable representation of WyoCloud.</p>
	Expenditures	Action Required	NA	<p>Expenditure controls include applicable guidance/policy/procedure/statute/etc. and are established to mitigate financial risks. These controls ensure expenditures are reasonable, allocable, and allowable. And provide a front-line internal control in guiding activities toward the achievement of objectives.</p> <p>Operations was found to have internally centralized contract coordination. Duties of this</p>

Financial Controls				<p>position include solicitation of bids for constructions projects.</p> <p>The process is guided by internally developed procedural documentation and is used to flowchart compliance with statutory requirements. However, university regulations and policy/procedure documentation does not authorize the decentralization of this authority. A decentralized approach in this circumstance provides efficiency but comes with risks. (Observation #1)</p>
	Payroll and Benefits	Satisfactory	All	<p>Internal controls related to payroll processes were reviewed. As this area includes risk in the areas of overtime and compensatory time, the full population of data available was reviewed for compliance. Policies and procedures were available guiding employees in appropriateness and approval of overtime. No deviations with expectations were observed.</p> <p>Due to complexities in tracking true costs of labor time associated with completing work orders are manually entered by Business staff daily. A feed file of entries is then provided to Payroll for upload in HCM. Employees of this division are then required to also submit leave in HCM. This may be cumbersome and potentially frustrating for employees; however, facility information needs, and system limitations are obstacles to simplification. This process also requires the Deputy Director of Business Services to reconcile leave records and addresses anomalies on a regular basis.</p>
Accounts Receivable	Campus Guidance	Action Required	NA	<p>Available posted guidance related to fees for services and billing practices was reviewed for all close peer institutions to serve as a benchmark regarding university clarity and transparency in this area. No issues regarding the fee structure were noted.</p> <p>Fee rates are reviewed annually and calculated to support institutional salary costs for these areas and are published on the Operations website. Additional information regarding all potential rates that may be charged, as well as what qualifies as a reimbursable/maintenance/pass-thru charge would lend to campus understanding and ability to reconcile billing from a customer viewpoint. (Observation #2)</p>

	Internal Procedures and Processes	Commendation	NA	<p>Account Receivable processes related to billing campus and external entities (with a university relationship) for services provided were reviewed.</p> <p>Operations maintains a facilities work management system, "AiM," that incorporates property, space, and asset data ultimately used to request services, track maintenance needs, coordinate projects, etc. Operations also provides discretionary facility upgrades that requires accurate accounts receivable, and this necessitated the addition of Great Plains in tracking this function which manages ~\$400k in receivables through the lifecycle of the process per cycle. The coordination of AiM data, into Great Plains, through WyoCloud necessitates pervasive translation and reconciliation processes.</p> <p>Processes were noted as automated where possible, adequate segregation of duties were present where functionality allows and validated to be in place, functioning, and effective.</p>
	Testing	Satisfactory	13	<p>A sample of work order billing (projects included) was reviewed for compliance with posted fee and markup rates. No labor rate exceptions observed though additional rates were reported plausible for managers and overtime. Noted include charges designated as "pass-thru," absent the 5% markup. (Observation #2)</p>

Observations, Recommendations, and Responses

Observation #1

Authority and accountability in managing obligation of funds in facility projects lacks clarity

Criteria (control framework or policy that establishes the standard)

As per the UW Division of Budget and Finance, Financial Affairs, Procurement Services Manual²

- The Procurement Services Manager is responsible for all purchasing from funds under the control of the university, whether federal, state, or university.
- The function of Procurement Services is to organize and administer a purchasing service in accordance with sound business practices and federal, state, and university regulations, policies, and procedures. The department seeks to realize for the university the maximum value for every dollar expended. To achieve this goal, Procurement Services has been charged with the responsibility for the following
 1. Processing all properly approved purchase orders for the purchase of supplies, food, materials, equipment and services for all divisions and departments of the university
 2. Securing competitive bids when possible to obtain maximum value from the expenditure of university funds.
 3. Coordinating the procurement of goods and services for the academic, administrative and research departments of the university.
 4. Maintaining liaison with the vendors who service the university.
 5. Developing sources of supply to assure that the university departments have an adequate number of vendors from which to obtain supplies, equipment and services.
 6. Assisting in the preparation of contracts for goods, services, leases, maintenance agreements, and consulting.
 7. Approving certain contracts, MOU's and agreements as delegated by the VP for Administration.
- For purchases of services totaling \$10,000-\$99,999.99, departments are required to attach two (2) separate supplier quotes to the requisition.
- For purchases of services totaling \$100,000 or more, departments must work with the Procurement and Payment Services Office to obtain bids. A bid for a service is considered to be a full Request for a Proposal (RFP).

² https://www.uwyo.edu/budget-finance/financial-affairs/_faffles/docs/policies/procurement-services-manual.pdf

As per the UW Division of Budget and Finance, Financial Affairs, Procurement and Payment Services Quote and Bid Threshold Policy³

- Policy for Agreements involving University Buildings and Grounds Per UW Regulation 6-4 (V) (Use of University Buildings, Grounds and Services), all construction, alterations, improvements or maintenance to University buildings or grounds shall be performed through University of Wyoming Operations. Agreements involving these types of services, including for design and construction relating to University facilities, will additionally follow other applicable University Regulations and policies, including but not limited to UW Regulations 6-1 and 6-9, and state and federal statutes.

As per UW Regulation 6-1⁴ (Design, Construction and Naming of Buildings)

- The selection and employment of architects for the design of all buildings of the University, the adoption of plans, specifications, and details for the construction of such buildings, and the receiving of bids and awarding of contracts for design and construction of buildings shall be a function of the Board of Trustees upon recommendation of the Vice President for Finance and Administration or designee consistent with all applicable statutory requirements.

As per UW Regulation 6-4⁵ (Use of University Buildings, Grounds and Services)

- All construction, alterations, improvements or maintenance to University buildings or grounds shall be performed exclusively by, or through, UW Operations. All alterations or improvements or maintenance shall be requested through UW Operations in the process set forth on the UW Operations website.

As per UW Regulation 6-9⁶ (Project Development Policy and Procedure for UW Capital Construction Projects)

- The solicitation and performance of Capital Construction Projects ... shall be done in compliance with all applicable laws, University Regulations, and University processes and procedures which shall be administered by the Senior Vice President for Finance and Administration or designee. The procurement of Capital Construction Projects at the University shall be in compliance with W.S. § 9-2-3006.

Condition (the current state based on testing)

University policies and procedures establish Procurement as the centralized oversight authority of the processes necessary to obligate university funds, to include bid processing. This requirement serves as a critical internal control in maintaining financial integrity by those with the skillset and ongoing training necessary to assume this mission and ensures competitive processes through appropriate segregation of duties preventing any one person/entity from controlling all key stages of the procure-to-pay process.

University Regulations establish Operations as the oversight authority of the processes necessary to maintain, make alterations, improve or engage in any construction related activities regarding university facilities. This requirement serves as a critical internal control in maintaining institutional facility standards by those with the skillset and ongoing training necessary to assume

³ http://www.uwyo.edu/regs-policies/_files/docs/policies/quotebidthreshold_sap_11-23-20.pdf

⁴ http://www.uwyo.edu/regs-policies/_files/docs/regulations-2020/uw_reg_6-1_approved_10-14-20.pdf

⁵ http://www.uwyo.edu/regs-policies/_files/docs/regulations-2021/uw_reg_6-4_approved_6-16-21.pdf

⁶ http://www.uwyo.edu/regs-policies/_files/docs/regulations-2021/uw_reg_6-9_approved_7-16-21.pdf

this mission. The Facilities Contracting Committee as well as the full Board of Trustees are involved in the completion of capital construction projects as defined by UniReg 6-9. Agreements involving modifications to university facilities, are required to follow other applicable University Regulations and policies which includes the expectation that “a competitive process...is used to select the firm(s)...”

Operations employs an in-house Contract Coordinator whose duties are to facilitate the requests for proposal/bid processes for construction, professional services, and facility maintenance agreements. The intent of this position was to stream-line division wide construction contract activities into a single liaison for the various involved constituents.

In addition, the regulations delegate responsibility to the “Vice President of Administration and Finance” which is a position that does not exist in the current organizational structure.

Consequence (the impact to the unit or the University)

The lack of official delegation may result in confusion, ineffectiveness, inefficiencies, inconsistencies, gaps in training, gaps in internal controls, and waste.

Corrective Action (action plans that address the condition, recommendations)

It is recommended that the owners of the conflicting processes collaborate so that the appropriate entity with authority and accountability for the obligation of funds in construction, professional services and facility maintenance agreements related to university facilities is clearly established.

To be considered include:

- competitive advantages and skillsets/training of all parties;
- effectiveness and efficiencies;
- nuances and inherent risks of rural contractor relationships;
- potential urgent facility needs;
- internal controls present in the standardized/centralized/segregated Procurement processes developed to ensure pricing and services are in the best interests of the institution;
- the need for consolidated data; and
- effective communication through the full lifecycle of the contract process amongst all involved in contract compliance activities.

In consideration of capacity and resources, the evaluation of a suitable solution could include the addition of Procurement personnel dedicated to/for Operations procure-to-pay functions. This arrangement could resolve confusion, ineffectiveness, inefficiencies, inconsistencies, gaps in training, gaps in internal controls, and potential waste.

As a part of this process, to ensure a proper understanding of authority and expectations, it is recommended that the division works with General Counsel to review to assess the need to update UniReg 6-1, 6-4, and 6-9, and other guidance to ensure congruency with division nomenclature and current titles.

Response:

We agree / Our action plan to implement the audit recommendations is to:

A: UW Operations has established processes and procedures for contracts management following UW and state regulations. In March 2016, VP Mai implemented the reorganization of Facilities Planning to UW Operations. In an effort to streamline the

contracting process for facility projects and to ensure the proper contract templates and statutory requirements were met, UW Operations created the contracts coordinator position. The contracts coordinator position has worked closely with General Counsel and Risk Management to establish contract templates that meet UW requirements and include the appropriate Wyoming state statute language. UW Operations utilizes Public Purchase as the mechanism for bidding all projects per recommendation from the State Construction Department. Capital construction contracts \$500,000 or higher are presented to and approved by the UW Board of Trustees. Executed contracts are then processed in the UW financial system to generate a purchase order or financial obligation. UW Operations will continue to work with Procurement to submit each contract and/or requisition with the supporting documentation from the public bidding process for their review in the WyoCloud contract approval process.

B: UW Operations has begun reviewing UniReg 6-1, 6-4 and 6-9. In collaboration with the Vice President of Budget and Finance, the review will include consideration of items stated in this observation regarding clarity of authority. Revisions to the UniRegs will be brought to the Board of Trustees for final review and approval.

The anticipated implementation date for these objectives is September 2023.

Observation #2

Increased transparency would lend to campus understanding and may mitigate rationalizations to circumvent policy

Criteria (control framework or policy that establishes the standard)

Critically important to the process of establishing transfer pricing is the consideration and representation of institutional goal congruence through transparency. Transparency also serves as an important internal control mechanism to ensure costs are competitive and a reasonable representation of the work that is being committed.

As per University Regulation 6-4⁷

Internal and external users are expressly prohibited from making any alterations or improvements or performing maintenance to University buildings or grounds. All construction, alterations, improvements, or maintenance to University buildings or grounds shall be performed exclusively by, or through, UW Operations. All alterations or improvements or maintenance shall be requested through UW Operations in the process set forth on the UW Operations website. University departments, employees or offices authorizing or permitting any alterations or improvements to University facilities in violation of this directive shall be responsible for all subsequent costs resulting from such unauthorized alterations or improvements.

The practices of peer institutions serve as a benchmark for the institution in developing ambitious yet attainable goals.

⁷ [UW Regulation 6-4 Use of University Buildings, Grounds and Services \(uwyo.edu\)](#)

Condition (the current state based on testing)

The University Operations website was reviewed for clarity and transparency in transfer rate pricing and policies as compared to all close peer institutions. The following pricing elements were not present on UW's Operations website:

- what qualifies as maintenance versus reimbursable work;
- FAQs regarding what qualifies as “alterations/improvements/maintenance,” of facilities; and
- full rate and fee disclosures, including potential charges for overtime or managerial required work.

The documentation historically provided to units requesting an estimate for operations services (RFE) was also reviewed for adequate transparency. The estimate did not include full disclosure of the Engineering Facilities rate fee, contingency fee, or detail regarding contracted work.

Consequence (the impact to the unit or the University)

According to the Fraud Triangle developed by Donald R. Cressey, the three key elements surrounding fraud are opportunity, pressure, and rationalization. The lack of transparency regarding rates and fees may contribute to the misunderstanding observed in historical risk assessment responses that Operations pricing is unfairly advantageous for one entity while lowering the net results of another.

If these costs are not disclosed and reasonably itemized, departments may rationalize that they are unreasonable resulting in attempts to circumvent UniReg 6-4 that serve as critical internal control, or creates hesitancy to proceed with necessary updates, causing further deterioration to campus buildings/assets.

Corrective Action (action plans that address the condition, recommendations)

It is recommended that the Operations increase transparency regarding fees and rates in the following ways:

- The website be updated to include:
 - definitions regarding what qualifies as maintenance versus reimbursable work;
 - definitions regarding what qualifies as a reimbursable work designated building;
 - FAQ's to lend in campus understanding of what qualifies as “alterations/improvement/maintenance,” of facilities;
 - full rate disclosures, including potential charges for overtime or managerial required work;
 - detail regarding the request for estimate process and related industry best practice of estimating project management labor through a percentage of total costs (i.e. costs charged will be based on actuals with cost savings to benefit the customer); and
 - detail regarding contingency funds and their ownership at the end of a project.
- Presentation of information related the requests for estimates should include:
 - full disclosure of fees;
 - detail regarding contractor bids/quotes.

Response:

We agree. Our action plan to implement the audit recommendations is to:

A: UW Operations will be updating its website after the implementation of the new CMS. The plan is to update a majority of our website and will include updated content as well as a redesign. As part of this update, we will expand the rate information and will provide a guide on type of reimbursable (billable) work vs. maintenance (non-billable) work and specialized equipment to provide more clarity to our customers.

B: UW Operations Deputy Director, Business Services will work with Facilities Engineering and others to update the Request for Estimate (RFE) and memo process to ensure transparency in estimates. The current estimating template uses the term “fee” incorrectly as there are no engineering or contingency fees charged to the customer. UW Operations will make the necessary updates to bring more clarity to the estimates for projects and the reality that customers are only charged for the actual costs incurred to complete the project.

The anticipated implementation date for these objectives is September 1, 2023.

Distribution List

Edward Seidel, President of the University of Wyoming

Alex Kean, Vice President for Budget and Finance

William Mai, Vice President of Campus Operations

Forrest Selmer, Associate Vice President for University Operations

Jennifer Coast, Deputy Director for Capital Construction & Safety

Darcy Bryant, Deputy Director of Business Services



UNIVERSITY OF WYOMING

Internal Audit

Review of State Match and Footnote Requirements – FY23

April 24, 2023

Auditors:

Danika Salmans MBA, CIA, CRMA

Rebecca Garcia, MBA, CIA

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April 24, 2023

University of Wyoming Board of Trustees:

Internal Audit has completed a review of the state match and footnote components of the current UW legislative appropriation. This audit is an engagement in the 21-22 Internal Audit Plan as approved by the Fiscal and Legal Affairs Committee of the Board.

The objective of this audit was to determine funding allocations subject to match requirements, and to ascertain the effectiveness of operational and financial controls related to management of these funds as well as to ensure compliance with legislation.

Internal Audit began this engagement by reviewing enrolled appropriation legislation from the 2022 Budget Session of the State of Wyoming Legislature as apply to the fiscal biennium commencing July 1, 2022 and ending June 30, 2024 (FY23 & FY24).

As UW receives approximately 50% of its full operating budget from the state, it is necessary to mitigate risks to future funding by assuring that current expectations are met. For this reason, consideration should be made for future audit plans to review state match and footnotes as a standing annual engagement.

Sincerely,



Danika Salmans MBA, CIA, CRMA
Director of Internal Audit

Sincerely,



Becky Garcia MBA, CIA
Internal Auditor

Background

Scope Defined

The State of Wyoming operates on a biennial budget for all executive, legislative and judicial branch agencies, including the University of Wyoming. Budgets are drafted for two fiscal years of operations by agency personnel in conjunction with the State Budget Department. Requests are reviewed by the Governor for further recommendations and are ultimately provided to the Wyoming Legislature for consideration. During a Budget Session, a bill ultimately representing action from both house and senate becomes law. Supplemental budget requests and appropriation actions are considered during the General Session.

The following chart summarizes updates since last review (October 2021) to any match or footnote relevant state appropriations reported pending at that time.

Source	General HB0001 Footnote 6	Session Section 2021 067	General HB0001	Session Section 2021 340
\$	\$3M		\$4M	
Details	State match for research grants/contracts related to flow through porous media		State match from the strategic investments and projects account to operate and maintain nodes and staking pools for 3+ publicly tradeable cryptocurrencies	
Conditions	\$1 appropriated match to \$1 received from a non-state entity upon approval of UW Energy Resources Council; may not be used for any other purposes; subject to reversion		\$1 appropriated match to \$2 from unobligated reserves or any private entity donating funds or cryptocurrency for this purpose; may not be expended for any other purpose and expenditure of funds contingent upon a final approved plan by the cryptocurrency advisory council; additional legislatively required expectations; subject to reversion	
Status	The Energy Resources Council has approved the release of the full \$3,00,000 of matching funds for ongoing research projects.		Matching funds were not identified. The appropriation was reverted in accordance with the section 340 language.	

During the 2022 Budget Session held in March 2022, \$369,379,188 in General Funds was appropriated to UW with \$304,213,013 allocated as State Aid and \$2,500,000 as Endowments and Matching for FY21 & FY22. Further endowments and matching funding of \$25,000,000 were appropriated from other funds¹ for a total appropriation of \$394,379,188.

Footnoted conditions and match requirements in the most updated legislation are as follows:

- Of the State Aid General Fund appropriation, footnotes dictate:
 - \$10M is for the purpose of providing a state match for funds received by the university from athletics booster organizations or individuals donating funds to be used solely for athletic programs.
 - Funds may be expended on for: recruitment; participation in intercollegiate athletics; athletic training equipment.
 - Funds may not be used for salaries or capital construction projects.
 - Funds are to be matched on a quarterly basis by the State Treasurer for each cash or cash equivalent contribution received by the UW for the purposes specified.
 - This appropriation shall not be transferred or expended for any purposes not specified and shall revert on 6/30/2024.
 - \$200,000 shall be expended to support the rodeo team.
 - \$250,000 shall only be effective if the shop Wyoming marketplace program (or equivalent) is made available to Wyoming companies for the sale of firearms and/or firearm related products.
- Of the WWAMI Medical Education appropriation, a footnote dictates \$1,579,948 shall be expended for unfunded increases to student tuition and fees.
 - This appropriation shall not be transferred or expended for any purposes.
- Of the School of Energy Resources appropriation, footnotes with funds not to be expended for any other purposes dictate:
 - \$2M is appropriated for a nuclear energy collaboration and training program.
 - \$2M is appropriated for energy policy development – including a hydrogen center of excellence.
 - \$300,000 is appropriated for a feasibility study on using carbon dioxide in public works projects...and shall also include the feasibility of establishing a potential carbon dioxide storage hub in Wyoming.
- Of the Endowments and Matching appropriation, footnotes with funds not to be expended for any other purposes dictate:
 - \$2.5M is appropriated for the purpose of providing a state match (1:1) for funds received by UW for support for excellence in research, education and extension in ranch and rangeland management. Unobligated funds shall not revert until 6/30/28.
 - \$25M is appropriated to match (1:1) research grant and contracts related to flow through porous media.
 - This appropriation shall not be transferred or expended for any purposes.
 - Computational and practical research conducted in Wyoming to the extent reasonable with UW students.
 - Research to be performed on geologic formations and energy extraction opportunities that may be found within Wyoming.
 - Developing any feasibility studies, small-scale experiments or large-scale projects associated with research funded by this funding within the state of Wyoming using UW students to the extent possible.

¹ <https://wyoleg.gov/2022/Veto/Ch51.pdf>

The following table summarizes the State Match components that were considered in this review.

Source	\$	Details	Conditions	Status
Budget Session 2022 SF0001 Section 067 Footnote 1	\$10M	State match for funds received by the university from athletics booster organizations or individuals donating funds to be used solely for athletics programs	Recruitment, intercollegiate athletics participation, athletic training equipment; cannot be used for salaries or capital construction; matched on a quarterly basis and subject to reversion	Athletics reports the full FY23 drawdown of \$5M will be received by year end; qualifying expenditures tracking to fully expend this sum by year end
Budget Session 2022 SF0001 Section 067 Footnote 2	\$200k	Support the UW rodeo team	NA	FY23 drawdown of \$100k has been received/allocated; support has been fully expended
Budget Session 2022 SF0001 Section 067 Footnote 3	\$1,579,948	WWAMI – unfunded increases to student tuition	Not to be transferred or expended for any other purpose	WWAMI funds are requested from the state quarterly throughout the biennium; funding to support unfunded increases in tuition is fully budgeted in the professional services natural account coding; support has been fully expended
Budget Session 2022 SF0001 Section 067 Footnote 4	\$2M	Nuclear energy collaboration and training program	Available federal funds must first be exhausted; not to be transferred or expended for any other purpose	\$1.75M requested from the state to as of report date; \$160k spent to date, funds expected to be fully utilized in satisfying footnote conditions

Budget Session 2022 SF0001 Section 067 Footnote 5	\$2M	Energy policy development at UW including a hydrogen center of excellence	Not to be transferred or expended for any other purpose	\$750K requested from the state as of report date; \$135k spent to date, funds expected to be fully utilized in satisfying footnote conditions
Budget Session 2022 SF0001 Section 067 Footnote 6	\$300k	Feasibility study on using carbon dioxide in public works projects	Not to be transferred or expended for any other purpose	Funds have been entirely requested from the state and reporting conditions were met; \$228k spent to date; initial report provided to legislative committee as per footnote in October 2022; expenditures and research regarding added feasibility context continues
Budget Session 2022 SF0001 Section 067 Footnote 7	\$2.5M	1:1 match for excellence in research, education, and extension in ranch and rangeland management	Not to be transferred or expended for any other purpose and subject to reversion 6/30/28	Foundation actively in progress to secure match funds to satisfy conditions of this footnote
Budget Session 2022 SF0001 Section 067 Footnote 8	\$25M	1:1 match for research related to flow through porous media	Research, experiments, and projects to be conducting in Wyoming to the extent possible on geologic formations and energy extraction opportunities that may be found within Wyoming; not to be transferred or expended for any other purpose	RFP process in progress; significant interest reported
Budget Session 2022 SF0001 Section 067 Footnote 9	NA	General education reporting requirement	Due by 6/1/22	Met with report provided to legislative committee in May 2022
Budget Session 2022 SF0001 Section 067 Footnote 10	\$250k	Funding effective	Shop Wyoming marketplace or equivalent is made available to Wyoming companies for the sale of firearms and or firearm related products	Conditions satisfied, funds are available and drawn quarterly with other State Aid allocated funding

Audit Scope, Procedures, and Outcomes

The following steps represent the extent of work needed to achieve the audit’s objectives. The scope of this audit focused on expenditures related to match and footnote requirements per FY23/24 legislation from the 2022 Budget Session. The status includes the risk to the achievement of objectives.

- **Commendation** – The department is operating in an exemplary manner toward satisfying a criterion, policy, or procedure.
- **Satisfactory** – The department currently satisfies a criterion, policy, or procedure.
- **Improvements Recommended** – The department should strengthen areas of compliance with criterion, policy, or procedure to ensure that the quality of the program will not be compromised. These areas are discussed formally with management and may not be subject to formal observation and recommendation.
- **Action Required** – The department is not in compliance with the criterion, policy, or procedures. A formal observation is made, and recommendation is issued that will require the department to develop an action plan to mitigate the risks.

The audit steps included:

Test Work Performed	Areas Audited	Status	Sample Size	Summary of Findings/Recommendations
Validate operational and strategic controls.	Institutional Policies, Procedures, and Practices	Commendation	NA	<p>A well-developed reconciliation spreadsheet was observed at the institutional level to ensure appropriated funds are received in WyoCloud and footnoted components are tracked. Institutional financial records are validated with state records on a regular basis.</p> <p>State match and footnoted funds are largely managed in a decentralized manner. Areas with assumed responsibility were reviewed for internal controls such as preventative policies and detective processes. Various minor improvements were discussed as needed.</p> <p>A full lifecycle policy/procedures document with designated areas of responsibility and best practice management expectations would aid in institutional understanding and standardization.</p>

<p>Validate match funds have been received by the university.</p>	<p>Athletics</p>	<p>Satisfactory</p>	<p>100%</p>	<p>The UW fulfills the match requirements of legislation through realization of the donations made to the Cowboy Joe Club booster club whose primary purpose per bylaws is to provide financial support for the benefit of student-athletes of the university as well as support other programs directly related to UW athletics. FY23 donations were validated to be recorded in WyoCloud financials in full. Financial reporting indicates incoming funds exceed match requirements. No concerns noted.</p>
<p>Validate state funds have been received from the state per legislation requirements and allocated using WyoCloud chart field coding so that revenues and expenditures are both distinguishable and utilize the matching principle to aid in demonstrating compliance.</p>	<p>Athletics</p>	<p>Satisfactory</p>	<p>100%</p>	<p>Appropriation is managed by the division in unrestricted funding using a program code to aid in tracking and reconciliation. Quarter 3 and quarter 4 submissions project to fully realize the \$5M state match. No concerns noted.</p>
	<p>Rodeo</p>	<p>Satisfactory</p>	<p>100%</p>	<p>FY23 appropriations have been received and allocated to Rodeo's unrestricted funding for direct support of team expenditures. No concerns were noted.</p>
	<p>WWAMI</p>	<p>Satisfactory</p>	<p>100%</p>	<p>WWAMI funds are drawn quarterly throughout the biennium; funding to support unfunded increases in tuition is fully budgeted in the professional services natural account coding in the WWAMI org to aid in tracking and reconciliation. Projections indicate full FY23 appropriations will be realized by year end.</p>

	SER	Satisfactory	100%	SER footnoted appropriations tend to be drawn quarterly throughout the biennium as per standard institutional practice with some exceptions due to effective immediate legislation. All funds with footnoted requirements are deposited in designated funding and utilize program account coding to aid in tracking and reconciliation. Projections indicate full FY23 appropriations will be realized by year end.
Verify budgets have been established so that spending does not exceed appropriation.	Athletics	Satisfactory	100%	Budgets were reviewed for FY23. Appropriations are budgeted and expended using defined accounting mechanisms and produce fully transparent WyoCloud reports to validate compliance. Management further minimizes the risk of overspending as the greater Athletics budgets are also maintained at the division level.
	Rodeo	Satisfactory	100%	Budgets were reviewed for FY23. Appropriations are budgeted using defined accounting mechanisms and produce fully transparent WyoCloud reports to validate compliance. Management further minimizes the risk of overspending as the greater Athletics budgets are also maintained at the division level.
	WWAMI	Satisfactory	100%	Budgets were reviewed for FY23. Appropriations are budgeted using defined accounting mechanisms in the WWAMI organization unrestricted funding under the professional services natural account coding. A deficit balance in this account was noted and discussed with management. Resolution is expected at the close of this fiscal year.
	SER	Satisfactory	100%	Budgets were reviewed for FY23. SER footnoted funding is managed per the expectation that revenues will fully match expenditures and the institutional result will zero.

Verify expenditures are compliant with requirements as per legislation and institutional policy and procedures.	Athletics	Commendation	100%	FY23 accounting mechanisms (program code tracking) allow for review utilizing system generated records. Detailed WyoCloud records were reviewed line by line specifically for business purpose compliance. This is a notable improvement from external tracking spreadsheets reviewed in previous audit year.
	Rodeo	Satisfactory	100%	Detailed WyoCloud records were reviewed line by line specifically for business purpose compliance. Areas for improvement in business purpose expectations and immaterial questionable expenditures were discussed with management.
	WWAMI	Improvements Recommended	100%	No federal funds available were identified. Detailed WyoCloud records were reviewed line by line specifically for business purpose compliance. In addition to org and natural account code, expenditures are further tracked at the activity level. Areas of improvement and questionable expenditures were discussed with management. Corrections are in
	SER	Satisfactory	100%	Detailed WyoCloud records were reviewed line by line specifically for business purpose compliance. No concerns were noted.

Conclusion

Managing state appropriations expectations as footnoted takes specialized attention to ensure that legislative requirements are met. Since UW benefits substantially from state funding, gaining assurance on utilization and compliance of these funds mitigates financial, compliance, and reputational risks.

This review provided an assessment of current accounting mechanisms and internal controls that have been applied to ensure that these legislative requirements will be met. This review also provided the opportunity for areas to be considered for improvement to be discussed as needed with management throughout the areas of responsibility.

Internal Audit is interested in continuing this review on an annual basis to provide management with information to course correct in a timely manner if needed. This would also allow Internal Audit the opportunity to provide assurance to the board that state match appropriations are being managed in accordance with legislative expectations.

Response:

The University has greatly benefited from state matching funds over the past 20 plus years. Wyocloud provides the opportunity to track the use of these funds at a very detailed level and to produce timely and accurate reports. It is therefore reasonable and appropriate to review that the conditions on state match funds have been met on an annual basis.

Distribution List

Edward Seidel, President of the University of Wyoming

Alex Kean, Vice President, Budget and Finance

Ashlie Reese, Associate Vice President, Finance

2023-2024 Internal Audit Plan

Hour Type			3,392
Training	Hours assigned to one ACUA training conference, and one IDEA training conference, UW required training, and required continuing education credits for CIA, CRMA certifications		224
Administration	Hours assigned to FLAC, policy review, research/development, web-site update, strategic planning, etc.		320
Advising	Special projects, (i.e., meeting with procurement, Foundation, etc.)		240
Audit Area	Reason/Risk	Hours	
NCAA (Annual)	Annual		160
NCAA Football Ticket Verification (Annual) Fall 2023	Annual		80
Continuous Monitoring Progress (Annual)	Annual		160
Risk Assessment Survey (Annual)	Planning		80
Results and Reporting (Annual)	Planning		80
Audit Schedule Development (Annual)	Planning		40
State Match / Footnote compliance (Annual)	Annual		80
Fraud, Waste, and Abuse (FWA) Investigations	As needed		188
Follow-Up Reports	Required		120
Quality Improvement Plan	Ensure IA is in compliance with all Standards		80
HR/Payroll Incremental Review - Hiring / Onboarding	Risk Assessment -Hiring, Recruitment and		160
Compliance: ADA Compliance	Risk Assessment - Safety, security and access		160
Student Mental Health Resources	Risk Assessment - mental health		200
Major Maintenance	Risk Assessment - safety, security, funding, and operational concerns		160
Athletics Ticket Office	Requested		160
Retention, Tenure, and Promotion - Policies/Procedures, Best Practices	Risk Assessment - Hiring, recruitment and retention		160
Alumni - internal control assessment	Risk Assessment - change of management		60
EHS - Safety / research compliance	Risk Assessment - safety, security		160
ASUW	Requested		160
Contingency - Change of Management / Departmental / Audits from previous year	As needed		160
	Total Hours		3,392

Background:

The annual Internal Audit Plan is reviewed and approved by the Fiscal, and Legal Affairs Committee (FLAC) of the Board of Trustees. This plan begins on September 1, 2023 and runs through August 31, 2024.

Section 2010 – Planning – 2010.A1 of the International Standards issued by the International Professional Practices Framework (IPPF) states: The internal audit activity's plan of engagements must be based on a documented risk assessment, undertaken at least annually. The input of senior management and the board must be considered in this process.

This standard:

- Makes the best use of limited resources
- Improves ability to impact the organization
- Generates buy-in from management
- Assists with maintaining value

Methodology:

The methodology used in preparing this plan consisted of the following steps.

1. The 2023 Annual Risk Assessment was performed and results were reviewed. Input from senior management and the board was included in the assessment. Auditable elements were assessed and added to the Internal Audit Plan.
2. Risks were assessed and added to the Internal Audit Plan.
3. Annual audit mandates were added to the Internal Audit Plan.
 - a. Follow-up activity required by the Institute of Internal Auditors (IIA) Standards
 - b. Rules-Compliance audits required/advised by the National Collegiate Athletic Association (NCAA)
 - c. Other audits deemed necessary to audit annually due to risk to the University (UW)
4. Input from members of the President's Cabinet and other UW Leaders was considered and auditable areas were added to the Internal Audit Plan.

Internal Audit Resources:***Audit Resources***

The Office of Internal Audit is staffed with two (2) Full Time Equivalent (FTE) auditors. Additional resources are being sought through an possible utilization of FAST team members.



Internal Audit Charter Annual Review


For internal audit to operate at the highest levels, it must have clearly defined and articulated marching orders from the board and management. This is most easily achieved with a well-designed internal audit charter.

According to the Institute of Internal Auditors Standard 1000, the charter is a formal document approved by the governing body and/or audit committee and agreed to by management. It must define, at minimum:

- Internal audit's purpose within the organization.
- Internal audit's authority.
- Internal audit's responsibility.
- Internal audit's position within the organization.

The internal audit charter should be discussed annually with senior management and the board to confirm that it accurately describes the agreed-upon role and expectations or to identify desired changes. It also serves to confirm the organizational independence of the Internal Audit department.

Once accepted and approved by the Board, the Director of Internal Audit will obtain agreement from the University President.



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Internal Audit Charter

Purpose and Mission

The purpose of the University of Wyoming's Internal Audit department is to provide independent, objective assurance and consulting services designed to add value and improve university operations.

The mission of Internal Audit is to enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight. The Internal Audit department helps the University of Wyoming accomplish its strategic objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of governance, risk management, and control processes.

Internal Audit will serve as one point of contact for the receipt of reports regarding suspected violations of laws, misuse of university resources, fraud, waste, abuse, etc., and cooperate with other units to coordinate a review of those concerns as deemed appropriate.

Standards for the Professional Practice of Internal Auditing

The Internal Audit department will govern itself by adherence to the mandatory elements of The Institute of Internal Auditors' (IIA) International Professional Practices Framework (IPPF), which includes the **Core Principles for the Professional Practice of Internal Auditing**, the **Code of Ethics**, the **International Standards for the Professional Practice of Internal Auditing (the Standards)**, and the **Definition of Internal Auditing**.

The Director of Internal Audit will report periodically to senior management and the Fiscal and Legal Affairs Committee regarding the Internal Audit department's conformance to the Code of Ethics and The Standards.

Authority

The Director of Internal Audit will report functionally and administratively to the Fiscal and Legal Affairs Committee of the Board of Trustees. Administrative tasks (i.e., approval of leave, and expenditures) will be provided by the Office of the President.

To establish, maintain, and assure that the University of Wyoming's Internal Audit department has sufficient authority to fulfill its duties, the Fiscal and Legal Affairs Committee will:

- Approve the Internal Audit department's charter.
- Approve the risk-based Internal Audit plan.
- Approve the Internal Audit department's budget and resource plan.
- Receive communications from the Director of Internal Audit on the Internal Audit department's performance relative to its plan and other matters.
- Approve decisions regarding the appointment and removal of the Director of Internal Audit.
- Approve the remuneration of the Director of Internal Audit.



- Make appropriate inquiries of management and the Director of Internal Audit to determine whether there is inappropriate scope or resource limitations.

The Director of Internal Audit will have unrestricted access to, and communicate and interact directly with, the Fiscal and Legal Affairs Committee, including in private meetings without management present.

The Fiscal and Legal Affairs Committee authorizes the Internal Audit department to:

- Have full, free, and unrestricted access to all functions, records, property, and personnel pertinent to carrying out any engagement, subject to accountability for confidentiality and safeguarding of records and information.
- The Internal Audit coverage may extend to all areas of the University of Wyoming, including all separately appropriated budgets and related blended component units.
- Allocate resources, set frequencies, select subjects, determine scopes of work, apply techniques required to accomplish audit objectives, and issue reports.
- Obtain assistance from the necessary personnel of the University of Wyoming, as well as other specialized services from within or outside the University of Wyoming, in order to complete the engagement.

Independence and Objectivity

The Director of Internal Audit will ensure that the Internal Audit department remains free from all conditions that threaten the ability of Internal Auditors to carry out their responsibilities in an unbiased manner, including matters of audit selection, scope, procedures, frequency, timing, and report content. If the Director of Internal Audit determines that independence or objectivity may be impaired in fact or appearance, the details of impairment will be disclosed to appropriate parties.

Internal Auditors will maintain an unbiased mental attitude that allows them to perform engagements objectively and in such a manner that they believe in their work product, that no quality compromises are made, and that they do not subordinate their judgment on audit matters to others.

Internal Auditors will have no direct operational responsibility or authority over any of the activities audited. Accordingly, Internal Auditors will not implement internal controls, develop procedures, install systems, prepare records, or engage in any other activity that may impair their judgment, including:

- Assessing specific operations for which they had responsibility within the previous year.
- Performing any operational duties for the University of Wyoming or its affiliates.
- Initiating or approving transactions external to the Internal Audit department.
- Directing the activities of any University of Wyoming employee not employed by the Internal Audit department, except to the extent that such employees have been appropriately assigned to auditing teams or to otherwise assist Internal Auditors.



Where the Director of Internal Audit has or is expected to have roles and/or responsibilities that fall outside of Internal Auditing, safeguards will be established to limit impairments to independence or objectivity.

Internal Auditors will:

- Disclose any impairment of independence or objectivity, in fact or appearance, to appropriate parties.
- Exhibit professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined.
- Make balanced assessments of all available and relevant facts and circumstances.
- Take necessary precautions to avoid being unduly influenced by their own interests or by others in forming judgments.

The Director of Internal Audit will confirm to the Fiscal and Legal Affairs Committee, at least annually, the organizational independence of the Internal Audit department.

The Director of Internal Audit will disclose to the Fiscal and Legal Affairs Committee any interference and related implications in determining the scope of Internal Auditing, performing work, and/or communicating results.

Scope of Internal Audit Activities

The scope of Internal Audit activities encompasses, but is not limited to, objective examinations of evidence for the purpose of providing independent assessments to the Fiscal and Legal Affairs Committee, management, and outside parties (as requested and approved by General Counsel) on the adequacy and effectiveness of governance, risk management, and control processes for the University of Wyoming. Internal Audit assessments include evaluating whether:

- Risks relating to the achievement of the University of Wyoming's strategic objectives are appropriately identified and managed.
- The actions of the University of Wyoming's officers, directors, employees, and contractors are in compliance with the University of Wyoming's policies, procedures, and applicable laws, regulations, and governance standards.
- The results of operations or programs are consistent with established goals and objectives.
- Operations or programs are being carried out effectively and efficiently.
- Established processes and systems enable compliance with the policies, procedures, laws, and regulations that could significantly impact the University of Wyoming.
- Information and the means used to identify, measure, analyze, classify, and report such information are reliable and have integrity.
- Resources and assets are acquired economically, used efficiently, and protected adequately.



The Director of Internal Audit will report periodically to senior management and the Fiscal and Legal Affairs Committee regarding:

- The Internal Audit department's purpose, authority, and responsibility.
- The Internal Audit department's plan and performance relative to its plan.
- The Internal Audit department's conformance with The IIA's Code of Ethics and Standards, and action plans to address any significant conformance issues.
- Significant risk exposures and control issues, including fraud risks, governance issues, and other matters requiring the attention of, or requested by, the Fiscal and Legal Affairs Committee.
- Results of audit engagements or other activities.
- Resource requirements.
- Any response to risk by management that may be unacceptable to the University of Wyoming.

The Director of Internal Audit also coordinates activities, where possible, and considers relying upon the work of other internal and external assurance and consulting service providers as needed.

Internal Audit will serve as one point of contact for the receipt of reports regarding suspected violations of laws, misuse of university resources, fraud, waste, abuse, etc., and cooperate with other units to coordinate a review of those concerns as deemed appropriate.

The Internal Audit department may perform advisory and related client service activities, the nature and scope of which will be agreed with the client, provided that the FLAC is aware of the allocation of resources, and the Internal Audit department does not assume management responsibility. Opportunities for improving the efficiency of governance, risk management, and control processes may be identified during engagements. These opportunities will be communicated to the appropriate level of management.

Responsibility

The Director of Internal Audit has the responsibility to:

- Submit, at least annually, to senior management and the Fiscal and Legal Affairs Committee a risk-based Internal Audit plan for review and approval.
- Communicate to senior management and the Fiscal and Legal Affairs Committee the impact of resource limitations on the Internal Audit plan.
- Review and adjust the Internal Audit plan, as necessary, in response to changes in the University of Wyoming's business, risks, anonymous reports, operations, programs, systems, and controls.
- Communicate to senior management and the Fiscal and Legal Affairs Committee any significant interim changes to the Internal Audit plan.
- Ensure each engagement of the Internal Audit plan is executed, including the establishment of objectives and scope, the assignment of appropriate and adequately supervised resources, the documentation of work programs and testing results, and the communication of engagement results with applicable conclusions and recommendations to appropriate parties.



Mission of Internal Audit

The Mission of Internal Audit articulates what Internal Audit aspires to accomplish within an organization. Its place in the IPPF is deliberate, demonstrating how practitioners should leverage the entire framework to facilitate their ability to achieve the Mission

“To enhance and protect organizational value by providing risk-based and objective assurance, advice, and insight.”

Core Principles for the Professional Practice of Internal Auditing

The Core Principles, taken as a whole, articulate Internal Audit effectiveness. For an Internal Audit function to be considered effective, all Principles should be present and operating effectively. How an Internal Auditor, as well as an Internal Audit activity, demonstrates achievement of the Core Principles may be quite different from organization to organization, but failure to achieve any of the Principles would imply that an Internal Audit activity was not as effective as it could be in achieving Internal Audit’s mission.

- Demonstrates integrity.
- Demonstrates competence and due professional care.
- Is objective and free from undue influence (independent).
- Aligns with the strategies, objectives, and risks of the organization.
- Is appropriately positioned and adequately resourced.
- Demonstrates quality and continuous improvement.
- Communicates effectively.
- Provides risk-based assurance.
- Is insightful, proactive, and future-focused.
- Promotes organizational improvement.

Definition of Internal Auditing

Internal Auditing is an independent, objective assurance and consulting activity designed to add value and improve an organization’s operations. It helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes.



Code of Ethics

The Code of Ethics states the principles and expectations governing behavior of individuals and organizations in the conduct of Internal Auditing. It describes the minimum requirements for conduct, and behavioral expectations rather than specific activities.

Introduction to the Code of Ethics

The purpose of The Institute's Code of Ethics is to promote an ethical culture in the profession of Internal Auditing. A code of ethics is necessary and appropriate for the profession of Internal Auditing, founded as it is on the trust placed in its objective assurance about governance, risk management, and control. The Institute's Code of Ethics extends beyond the ***Definition of Internal Auditing*** to include two essential components:

- **Principles** that are relevant to the profession and practice of Internal Auditing.
- **Rules of Conduct** that describe behavior norms expected of Internal Auditors.

These rules are an aid to interpreting the *Principles* into practical applications and are intended to guide the ethical conduct of Internal Auditors

Applicability and Enforcement of the Code of Ethics

This Code of Ethics applies to both entities and individuals that perform Internal Audit services. For IIA members and recipients of or candidates for IIA professional certifications, breaches of the Code of Ethics will be evaluated and administered according to The Institute's Bylaws and Administrative Directives. The fact that a particular conduct is not mentioned in the Rules of Conduct does not prevent it from being unacceptable or discreditable, and therefore, the member, certification holder, or candidate can be liable for disciplinary action.

Principles

Internal Auditors are expected to apply and uphold the following principles:

- 1. Integrity** The integrity of Internal Auditors establishes trust and thus provides the basis for reliance on their judgment.
- 2. Objectivity** Internal Auditors exhibit the highest level of professional objectivity in gathering, evaluating, and communicating information about the activity or process being examined. Internal Auditors make a balanced assessment of all the relevant circumstances and are not unduly influenced by their own interests or by others in forming judgments.
- 3. Confidentiality** Internal Auditors respect the value and ownership of information they receive and do not disclose information without appropriate authority unless there is a legal or professional obligation to do so.
- 4. Competency** Internal Auditors apply the knowledge, skills, and experience needed in the performance of Internal Audit services.



Rules of Conduct

1. Integrity

Internal Auditors:

- 1.1- Shall perform their work with honesty, diligence, and responsibility.
- 1.2- Shall observe the law and make disclosures expected by the law and the profession.
- 1.3- Shall not knowingly be a party to any illegal activity or engage in acts that are discreditable to the profession of Internal Auditing or to the organization.
- 1.4- Shall respect and contribute to the legitimate and ethical objectives of the organization.

2. Objectivity

Internal Auditors:

- 2.1- Shall not participate in any activity or relationship that may impair, or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may be in conflict with the interests of the organization.
- 2.2- Shall not accept anything that may impair, or be presumed to impair their professional judgment.
- 2.3- Shall disclose all material facts known to them that, if not disclosed, may distort the reporting of activities under review.

3. Confidentiality

Internal Auditors:

- 3.1- Shall be prudent in the use and protection of information acquired in the course of their duties.
- 3.2- Shall not use information for any personal gain or in any manner that would be contrary to the law or detrimental to the legitimate and ethical objectives of the organization.

4. Competency

Internal Auditors:

- 4.1- Shall engage only in those services for which they have the necessary knowledge, skills, and experience.
- 4.2- Shall perform Internal Audit services in accordance with the International Standards for the Professional Practice of Internal Auditing.
- 4.3- Shall continually improve their proficiency and the effectiveness and quality of their service.



UNIVERSITY OF WYOMING

Internal Audit

Follow-up Report

April 26, 2023

Auditor:

Danika Salmans MBA, CIA, CRMA

Rebecca Garcia MBA, CIA



April 26, 2023

University of Wyoming Board of Trustees:

According to International Internal Audit Standards 2500, Internal Audit must establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking action.

Internal Audit has completed the follow-up review of the following areas:

- Change of Management Audit for Arts and Sciences – Audit Date: April 26, 2022
 - **Observation:** Internal controls applied to expenditures were not sufficient to maintain complice
 - **Resolution:** The department has completed required expenditure corrections and are ensuring that all procurement and contract policies are being followed.
- IMPACT 307 – Audit Date: March 1, 2022
 - **Observation:** The Wyoming Technology Business Center (WTBC) maintains a 501-c-3 nonprofit corporation designation that is separate from the University of Wyoming
 - **Resolution:** IMPACT 307 is mobilizing the 501 c(3) to be consistent with its active status at the Wyoming Secretary of State and IRS Status. The objective is to fully activate the entity for REDD to determine whether to utilize the 501 c(3) or dissolve it completely.
 - **Observation:** The current process related to the collection and tracking of payments related to services and fee-based space has inconsistencies and increases financial risks
 - **Resolution:** UW Real Estate is looking to consolidate and manage all leases/rental agreements across campus. UW Real Estate has the manpower, back-end support, and capability to manage these lease arrangements. Using this system will integrate with UW succinctly and allow IMPACT 307 to focus its efforts on its programmatic mission. IMPACT 307 is hoping to achieve consistency across the State of Wyoming, and actively use the strengths of the University of Wyoming to provide office/lab/incubator/etc. space for companies and clients; managed by IMPACT 307. IMPACT 307 fees have been posted in the UW Fee Book for 2023-2024 for the first time ever.
 - **Observation:** Current financial management processes does not allow for financial differentiation and tracking of distinct IMPACT locations.
 - **Resolution:** IMPACT 307 has addressed this finding by having one staff person (John Glassburn) manage all expenditures and to ensure IMPACT 307's process is consistent with REDD Staff; breaking out budgets and expenditures by each location. Having one single point of oversight helps mitigate issues or can help resolve discrepancies. Moving forward by implementing additional tools/resources
 - **Observation:** Operational documents are not comprehensive and are not consistently enforced
 - **Resolution:** IMPACT 307 is hopeful to have a “WTBC Lease Agreement” supported by UW Real Estate Office in order to assist in the terms and structure



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- of those agreements; for example, a three year maximum lease term, flexibility on lease rate over the 3-year duration, pricing escalators, etc.
- **Observation:** Strategic planning needs to include consideration of sustainability to mitigate financial, operational, and reputational risks.
 - **Resolution:** On October 24-25, 2022, IMPACT 307 Leadership began Strategic Planning efforts that incorporate strategy and financial opportunities to achieve consistent program delivery across the State of Wyoming. IMPACT 307 will initiate a strategic planning process in Summer 2023, to include IMPACT 307 team members, to share programmatic planning, implementation, delivery methodology, and milestones. This will ensure that all elements of the BRN are uniform to further the economic development support initiatives of the state.

In the assessment of the actions made toward the observations, substantial progress has been made towards the implementation of objectives as indicated in responses to the original report.

As all material concerns have been addressed, these audits are considered closed.

Sincerely,

Danika Salmans MBA, CIA, CRMA
Director of Internal Audit

Sincerely,

Becky Garcia MBA, CIA
Senior Internal Auditor



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Internal Audit Plan Review

According to the International Professional Practices Framework adopted by the Institute of Internal Auditors, Performance Standard 2010 states that the Director of Internal Audit must establish a risk-based plan that is consistent with the University's goals.

Progress against the Audit Plan should be evaluated regularly to ensure that risks are being addressed. In any given year, there will be changes that might impact the audit plan due to the University's dynamic nature. As a result, it is important review the audit plan, manage the plan throughout its life cycle, and be flexible to University changes so that resources stay focused on evolving risk areas and concerns.

This section provides an overview of audits that were approved by the FLAC committee and progress against that approved plan.

Audit Schedule for September 2021- August 2022	Audit Year	Presented
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Alumni (Annual) FY 21	2021-2022	11/17/2021
NCAA (Annual)	2021-2022	1/12/2022
4-H Foundation (Annual) FY21	2021-2022	1/12/2022
Main Cashier (Annual)	2021-2022	3/23/2022
NCAA Football Ticket Verification (Annual)	2021-2022	Canceled - not required
P-Card Initiative and Continuous Monitoring Progress (Annual)	2021-2022	3/23/2022
Risk Assessment Survey (Annual)	2021-2022	3/23/2022
Results and Reporting (Annual)	2021-2022	5/11/2022
Audit Schedule Development (Annual)	2021-2022	5/11/2022
Capital Construction Projects	2021-2022	in progress
HR/Payroll Review - scope to be defined	2021-2022	1/25/2023
Cash Advance Process Review	2021-2022	9/14/2022
Student Course/Program Fees	2021-2022	10/31/2022
Student Health Services	2021-2022	11/16/2022
Alternative (see list below): State Vet Lab	2021-2022	9/14/2022
Consultation - Special Projects (COVID)	2021-2022	NA
Fraud, Waste, and Abuse (FWA) Investigations		
*FWA - questionable use of equipment	2021-2022	11/17/2021
Follow-Up Reports / Unfinished audits from prev	2021-2022	8/31/2022
Change of Management Audit: Admin, Budget, Fin		
FLAC	Additional	1/25/2023
IMPACT 307	Additional	3/23/2022
Alternatives:		
Operations		
State Vet Lab		
Crypto Currency/internal controls - College of Business		
Student Media		
OSP Invoicing		
Student Travel		

20 scheduled
19 completed
= 95%

Audit Schedule for September 2022- August 2023	Audit Year	Presented
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NCAA (Annual) 2021-2022	2022-2023	1/25/2023
Main Cashier (Annual)	2022-2023	3/22/2023
NCAA Football Ticket Verification (Annual) Fall 2022 Season	2022-2023	Canceled per NCAA
P-Card Initiative and Continuous Monitoring Progress (Annual)		3/22/2023
Risk Assessment Survey (Annual)		3/22/2023
Results and Reporting (Annual)		3/22/2023
Audit Schedule Development (Annual)		5/10/2023
State Match / Footnote compliance		5/10/2023
Foundation Accounts/UW Sister Accounts internal controls		
HR/Payroll Incremental Review - scope to be defined		Canceled / 21-22 audit plan
Operations - General Facility and Deferred Maintenance		5/10/2023
Alternative (see list below)		
*Student/Athletics Travel	2022-2023	1/25/2023
Fraud, Waste, and Abuse (FWA) Investigations		
*Investigation related to mis-use of UW equipment	2022-2023	10/31/2022
*Investigation of free services	2022-2023	10/31/2022
*Investigation Conflict of Interest	2022-2023	3/22/2023
Follow-Up Reports	2022-2023	in progress
Change of Management audits (and unfinished audits from previous year)		
* College of Business	2022-2023	
* College of Health Sciences	2022-2023	in progress
* Office of Research and Economic Development	2022-2023	
* Diversity Equity and Inclusion	2022-2023	Canceled / NA
Alternatives:		
Campus security - S2 internal controls		
Student Media		
OSP Invoicing and Receivables		
Student Travel - Athletics Travel		Done
Union operations (financial operations, etc.)		
IDT process and internal control assessment		

20 scheduled
17 completed

= 85%

Enterprise Risk Management '22-'23 Risk Focus Areas Update to the University of Wyoming Fiscal and Legal Affairs Committee

May 10, 2023

*From the Enterprise Risk Management Advisory Committee
Point of Contact: Tim Wiseman, Chief Risk Officer, and ERMAC Chair*

Background

UW's enterprise risk management program completed its Year 1 activities in June of 2022 and provided a report to the Board of Trustees FLAC in May. The Year 1 activities summary included a report on projects and areas of focus. Some of the risk areas were significant enough to merit carrying forward into Year 2 (AY '22-'23). UW's ERMAC deliberations and subsequent communication with President Seidel and the cabinet yielded the following risk projects/risk issues for focus during '22-'23. FLAC members received an update on these risk projects during their September 2022 meeting. Under each numbered risk issue or areas are brief comments highlighting some developments related to each. At the end of the paper, two emerging risk areas are mentioned recommended for further evaluation along with concluding comments.

Goals and Areas of Focus '22-'23:

1. **Fiscal Situation and Budget** (Strategic/Financial) – Actively Monitor
 - a. Include review with UW Financial Services of relevant '20 Budget Reduction Working Group materials/recommendations
 - b. Consider effects of current inflation and economic turbulence
 - c. Work with Provost's Office on other mitigation strategies already in progress

ERM Working Group:

Risk Process Owners: VP Alex Kean, VP Kevin Carman

WG Members: Cameron Wright (David Bagley-Alt), Eric Webb, Sam Brodie, Frosty Selmer, Ashlie Reese, Tim Wiseman

Presidential Goals Connection: Strategic Direction # 5 Budget Priorities

Fiscal outlook:

- Although still concerning, the overall fiscal condition for UW has improved from 18-24 months ago primarily due to increased state support for specific objectives and improved overall enrollment trends. The longer-term fiscal health is dependent on continuing to diversify revenue streams, maintaining or potentially growing enrollment, and research initiatives (re-enforced in strategic plan).

- In March 2023, the Wyoming Legislature passed a supplemental budget bill appropriating over \$60 million in additional funding for UW targeting funding for key initiatives including Tier 1 Engineering and ongoing programmatic funding for the Science Initiative.
- In addition, the State Funded Capital Construction Bill passed by legislature included \$132.3 million in additional funding to finish the student housing project, War Memorial stadium project, Science Initiative Building and replacement or expansion of the Corbett pool.
- State revenues collections appear to be very strong and continue to exceed state appropriations resulting in significant transfers into various state savings accounts. Record high natural gas prices for Wyoming producers and strong oil prices have resulted in robust year-over-year growth in severance taxes. In addition, sales and use tax collections also set a new record high in FY2022.
- The University prioritized requesting additional funding for compensation increases the past two legislative sessions. As a result, the University has secured a little over \$20 million per year for compensation increases when compared to FY2022.
- Looking forward, University administration will initiate a rebuilding of the budget allocation methodology with the key design intention of incentivizing revenue growth and diversification while aligning with the university mission. In addition, the effectiveness of Central Position Management (CPM) for tenure track positions will be evaluated.

Developments/Opportunities:

- Continued execution of academic reorganization efforts will begin to have some potentially positive budgetary effects commensurate with re-alignment.
- Implementation of a block tuition-pricing model for undergraduate students and most graduate programs (approved by Board at September 2022 meeting).
- Continued review and implementation of differential tuition and fee pricing (market pricing) for professional and entrepreneurial graduate programs.
- Execution of a contract with Shorelight will bring additional international student enrollment, resulting in an anticipated new source of revenue over time.
- Execution of a contract for new retail dining based on campus feedback.
- Implementation of efficiencies and expanded business model at UW Copy and Print Center including relocation to Washakie Center from the Union.
- Establishment of an Academic Program Effectiveness and Efficiencies Working Group that will:
 - Evaluate the health of the University’s academic programs to ensure they are organized and resourced appropriately to meet the challenge and opportunities of today and tomorrow.
 - Make recommendations on how to enhance effectiveness and efficiency of academic programs.

- Performance of a gap analysis and development of a departmental report card by the UW Presidential Fellow that will:
 - Allow the institution to identify the minimum needs for the healthy functioning of a department/unit, as well as what would be needed for aspirational growth to a typical R1 designation. Based on that data, the University will develop a plan that assumes a period of triage (1-2 years) and then a period of rebuilding excellence (2-6 years). This would help in identifying areas of academic priority as well as growth and where the University might want to focus resources.
 - Identify information that the University would collect every year to give a snapshot of the health of departments. This will be used in curriculum decisions at the program level and CPM decisions at the administrative level and could inform decisions about academic priority.

2. **Employee Recruiting, Hiring and Retention** (Strategic / Operational) – Actively Monitor
 - a. Consider workplace “new normal” hybrid work (and learning) models, including managing expectations and employee morale – remote/non-remote (to include employees living outside of WY).
 - b. Include review of salaries, especially non-competitive salaries.

ERM Working Group:

Risk Process Owners: VP Kevin Carman and Bob Link

WG Members: Isa Helfgott, Jason Thompson, Carolyn Brandt, Paula Martin, Bob Link, Chris Maki, Kem Krueger, Tim Wiseman

Presidential Goals Connection: Strategic Direction #2 Personnel Investment and Engagement

Developments/Works in Progress:

Continue talent management initiatives in UW Human Resources that will:

Recruiting

- Optimize WyoCloud Tracking System. Leverage additional creative sourcing resources and platforms available – LinkedIn, Skill Survey Source, HCM Global Community, Handshake, Local and Regional Job Fairs.
- Leverage job posting services to expand and diversify candidate markets for faculty and administrator positions.
- Move to R1 research category to attract researchers and lead to better salaries.
- Strategically source multiple employment services suppliers to assist with seasonal and temporary employment.

- Evaluate employee referral program.
- Utilize Human Resource Staffing & Employment Partners in a more strategic manner.

Hiring

- Optimize WyoCloud Onboarding / Journeys Module.

Retention

- Implement Provost Term Professorships (retention of high-performing faculty).
- Coordinate wellness resources.
- Develop career ladders.
- Leverage Oracle's Learning Cloud and LinkedIn Learning to continue campus learning and training.
- Use the Talent Management module within HCM to its full capacity, and identification of areas for improvement garnered from exit interviews.

Opportunities:

- Complete Staff Organizational Structure Review and Classification and Compensation Study, which will provide valuable insight into this sub-component area and will include both Staff Organization & Structure Review and Job Classification & Compensation Study phases. Initial surveys on customer (services) satisfaction and activities analysis have been completed or are underway with open and frequent communication during the review and study phases.
- Perform gap analysis of departments to better showcase acute personnel shortages and impacts (accreditation, R1 designation, etc.) (see above).
- Collaborate with Office of Diversity, Equity, and Inclusion initiatives to create an "at home here" retention climate.
- Convene a CPM Review Committee that will review college proposals for the allocation of new faculty positions for AY 24-25/FY25 and provide recommendations to the Provost on the strategic prioritization of these positions. The committee will examine a number of sources of information to inform their recommendations, including but not limited to 5-year trends in primary and secondary majors, faculty-to-student ratios, N of full-time instructional faculty by college and department; Department credit hour production; and 5-year average of credit hours to faculty ratio.
- Review Reappointment, Tenure and Promotion processes and UW Regulation 2-7.
- Enhance and refine how the University recruits employees through collaboration with the Marketing and Communication Working Group.

3. **Recruitment, Enrollment and Retention of Students** (Strategic / Operational)

ERM Working Group:

Risk Process Owners: Anne Alexander, Nycole Courtney

WG Members: VP Kim Chestnut-Steich, Shelley Dodd, Shelley Jewell, Kem Krueger, Tim Wiseman, Kyle Moore

Presidential Goals Connection: Strategic Direction #1 Student Excellence

Recruiting and Enrollment:

Identified Risks:

- Demographic cliff and decreasing number of Wyoming high school graduates
- Economic and cost of attendance barriers for prospective students and families

Developments/Works in Progress:

- Recruited the fall 2022 class through 3.5 million points of contact. Approach was to build brand awareness through extensive travel; a communication plan to include mailings, emails, texts, and calls; campus visits; and on campus events.
- Actively recruited in 30 states with primary recruitment territories in Wyoming, Colorado, Nebraska, South Dakota, Minnesota, Illinois, California, Arizona, and Texas. Staff attended 348 college fairs and made 266 high school visits.
- Hosted 11 on campus events. Total on campus visitors, including students and guests, was 11,487.
- Conducted 2022 Marketing Campaign Student Survey, with completed report published on January 23, 2023. The survey gauged the awareness, perceptions, and effectiveness of current marketing campaign strategies. Insights and findings from the report will aid in adjusting marketing efforts going forward. The open-ended question responses also provide a very good glimpse into what themes resonate with students.

Opportunities:

- Benefits from special emphasis placed on enrollment management and student success in the recently approved UW strategic plan.
- Increased recruitment and service to non-Wyoming colleges enabled by a shift in resource allocation.
- Enhanced New Student Days – Five NSDs in Spring 2023.
- Positive effect of reorganized Admissions recruitment structure creating an Assistant Director of Transfer Recruitment.
- Shorelight partnership enhancement for international student recruitment (see above).

Retention

Identified Risks:

- Improvement in retention, persistence, and graduation rates
- Student-identified risks to success including economic and cost of attendance burdens, mental health and wellness, capacity of faculty/instructors, and sense of belonging

Developments/Works in Progress:

- Established Student Success Institutional Transformation Taskforce (SSITT). SSITT is focused upon identifying and eliminating institutional barriers to student success.
- Facilitated Student Success and Graduation Hub facilitation for UW students' parents to help build vision and mission for Spring 2023.
- Explored a Completion Grant pilot program and financial wellness programming.
- Developed annual student success metrics (dashboard) to allow common data definitions and use of data to make informed decisions.
- Drafted a strategic plan for new residence halls.
- Hired dedicated personnel in Institutional Marketing for retention.
- Continued to provide academic support services (Supplemental Instructors, Tutoring Center, Math/Writing, Navigate - Study Buddies).
- Continued to provide co-Curricular support (Living Learning Communities, First Generation Scholars, Veterans Services, UW Food Security Taskforce).
- Approved the UW strategic plan, which puts special emphasis on enrollment management and student success.
- Established Parent and Family Program Council.
- Established Student Success and Graduation Hub (one-stop-shop).
- Coordinated the Student Success Coalition work with APLU.
- Continued maturation of Graduate School, including Graduate Faculty guidelines.
- Continued work to update University Studies Program.
- Continued use of Curricular Analytics platform.
- Assessed the Saddle-Up First-Year Intensive assessed and adjusted in response to feedback. Continue to track impacts on first-year students entering Fall 2022, including Fall-Spring retention and other success markers.
- Implemented Peer-to-Peer mentoring (Cowboy Coaching).
- Expanded EAB Navigate use (Fall 2022 data show 3,100 students are active users). Continue to increase not only units joining the coordinated care network within Navigate, but expand use of the powerful functionality of Navigate, including predictive analytics, Raise-Hand functions, and development of a coordinated intervention calendar across care units.

Opportunities:

- Explore enhanced tenure and promotion processes to recognize and reward excellence in teaching and learning in practice and in scholarship.
- Explore better academic program matching with employer demands and future job markets.
- Explore budget impacts and student success impacts stemming from Academic Affairs degree review cycle refresh and assessment of low-enrollment/low-degree awarding programs.

4. **Inclusiveness** (Reputational/Strategic) – Actively Monitor

- a. Include considerations in risk management treatments and discussions
- b. Consider emerging issues related to environmental, social and governance (ESG) areas
- c. Be cognizant of increasing cultural divide between some elements of the campus community and the people UW serves in the State along with generally increased political polarization

ERM Working Group:

Risk Process Owner: VP Zebadiah Hall

Working Group Members: Tim Wiseman, Paula Whaley, Jason Thompson

Presidential Goals Connection: Strategic Direction #1 Student Excellence & Strategic Direction #2 Personnel Investment and Engagement

Developments/Works in Progress:

- Collected data on the campus climate to identify areas of priority and to better focus DEI efforts.
- Partnered with HR to expand the Employee Networks (Affinity Groups) to improve employee satisfaction, retention and success.
- Hired an Ombudsperson at the request of Staff Senate as a resource for student, staff, and faculty to help them understand and engage with UW's policies and procedures.

Compliance Initiatives

Continue to improve and enhance UW's policies and procedures related to the Americans with Disabilities Act (ADA) by resourcing the federally-required ADA Coordinator position and transitioning UW's Accessibility Committee to the Office of Diversity, Equity and Inclusion.

- Implement a Limited English Proficiency Plan (LEP), which is required by Title VI.

Academic Initiatives

- Participate in UW's Higher Learning Commission (HLC) committee to assist with UW fulfilling the diversity, equity and inclusion criteria for accreditation requirements.
- Work with the College of Law to assist with UW meeting the American Bar Association (ABA) DEI standards for accreditation requirements.
- Partner with Academic Affairs and Human Resources (HR) to rebuild the Search Equity Advisor process for equitable and diverse hiring practices.
- Engage deans, department chairs and faculty in creating equitable faculty workloads.
- Participate in the Freedom of Expression, Intellectual Freedom and Constructive Dialogue committee.

Community Initiatives

- Coordinate with the Laramie Police Department on DEI training.
- Increase community partnerships and relationships through the Black 14 Social Justice Summer Institute and the Shepard Symposium on Social Justice.
- Support UW's collaboration with the Eastern Shoshone and Northern Arapaho tribes.

Athletics

- Partner with athletics on the NCAA diversity, equity, and inclusion review.

Opportunities:

- Articulate what diversity, equity and inclusion means at UW.
- Create a DEI strategic plan that is woven into UW's overall strategic plan.
- Infuse DEI within President Seidel's presidential goals.
- Consult with colleges and units to support their DEI committees and efforts.
- Work with the Foundation to engage new streams of revenue for DEI efforts.
- Build a relationship with state constituents and become a resource for the state around DEI.
- Ensure people know they belong and matter at UW by understanding the environmental, social and governance (ESG) areas of opportunities to improve as a welcoming community.
- Improve upon existing DEI training opportunities and expand DEI-based education across campus and within the community.

5. Item Omitted – See Executive Session materials

6. **Emergency Response Plan Update (Phase II) (Operational / Safety)**
 - a. Coordinate updates of building emergency action plans and continuity plans
 - b. Update pandemic annex as/if needed based on further review of post-pandemic action assessments

ERM Working Group:

Risk Process Owners: Michael Samp, Tim Wiseman

WG Members: Tyson Drew, Curtis Cannell, Chad Baldwin, Isa Helfgott, Kelsey Kyne, Carolyn Brandt, Paula Whaley

Presidential Goals Connection: Strategic Directive #1 Student Excellence, Strategic Directive #2 Personnel Investment and Engagement & Strategic Directive #5 Budget Priorities

Developments/Works in Progress:

- Created a project team to help coordinate:
 - an assessment of the current state of business emergency action/evacuation plans.
 - development of a phased approach to assisting department/business unit building coordinators in updating their respective plans.
 - consideration of the need for a software or service platform to assist in plan development/updating.
 - review of those plans for standard templating and adequacy.
 - revival of UW's process for the regular review of the plans and their periodic exercise to enhance campus safety and emergency preparedness.
- The project management team includes UWPD (designated/detailed police officer), Campus Operations/Safety delegate and UW Risk Management. The charter for this effort was finalized and sent on 3/2/2023. Additionally, the ERM Advisory Committee acknowledges President Seidel's recent message to the campus community that "Physical safety on campus is both a collective and individual responsibility." And his stated intention to re-convene the Campus Safety Committee, with representation from faculty, staff and students to address both immediate and long-term issues related to safety on campus.
- Post-pandemic survey results are under further review. A small working group will be established in Fall 2023 to include internal UW members and community (county/state public health) members to further improve the pandemic annex to UW's Emergency Response Plan taking into consideration COVID-19 experiences and lessons learned.

Other – Emerging Risks:

1. *Artificial Intelligence (AI)* Opportunities and Threats

Extract from UW AI Working Group report: The increasing public access to artificial intelligence, including large language models such as those developed by OpenAI, deserves the close attention of higher education institutions. These forms of artificial intelligence will have substantial impacts on traditional learning environments as well as on the civic, disciplinary, and professional possibilities to students after their graduation.

As we understand them, artificial intelligence technologies such as ChatGPT pose problems for educational and research settings in part because they can produce novel outputs that fall somewhere between “source” and “creator,” thereby disrupting traditional notions of intellectual property and academic integrity. Additionally, current AI text generators lack reliability, and current (as of February 2023) versions of ChatGPT distort and even fabricate information.

Simultaneously, however, current versions of ChatGPT can produce extensive stretches of text and code very quickly, thus promising efficiency in the hands of knowledgeable and critical users. Additionally, their natural language capabilities allow users to produce increasingly refined text in response to user inputs. And, as AI technologies learn and their capabilities expand, many of their limitations will diminish or disappear.

2. *Environmental, Social and Governance (ESG)* Considerations as Relate to Higher Education

Evaluation is underway to better understand which conventional and emerging risk areas of the University fall within this relatively new risk category. ESG includes, but is not limited to, the following areas of concern:

Environmental:

- Climate Change and Emissions
- Natural Resources
- Pollution and Waste
- Energy
- Circular Economy
- Biodiversity

Social:

- Human Rights & Stakeholders
- Supply Chain
- Human Capital & Workforce
- Product Responsibility

- Data Privacy & Protection
- Diversity, Equity & Inclusion

Governance:

- Business Ethics & Leadership
- Risk & Internal Controls
- Anti-Corruption & Compliance
- Board Structure & Compensation
- Management Structure & Pay
- Transparency & Reporting

Conclusion: Progress in addressing most of the '22-'23 risk focus areas is evident, though some will continue to be actively monitored. The 2023 Internal Audit risk survey will provide updated risk concerns input for analysis, risk prioritization and synthesis into a refreshed ERM "Watch List" for '23-'24 and for discussions regarding the adequacy of resources apportioned to the areas identified. Lastly, with the recent approval of the updated strategic plan, it will be important to make sure implementation plans deliberately and formally include risk and opportunity assessments with the execution strategies considered. This will ensure that controls and risk treatments are put in place in concert with the initiatives and supporting tasks from the onset and not as an afterthought.

General (Non-UW Specific) Higher Education Risk Areas Recap

(Source: 2022 Top Risks Report: Insights for Higher Education, United Educators)

1. **Enrollment** – Risks affecting new student admission and retention of current students
2. **Data Security** – Information technology risks such as data breaches, phishing, accidental disclosure of personal data, ransomware, and hacking
3. **Recruitment and Hiring** – Risks related to maintaining a talented staff and faculty workforce
4. **Operational Pressures** – Risks created by constraints on institutional processes and the institution’s business model
5. **Student Mental Health** – Risks related to students’ mental and emotional well-being, including mental illnesses and suicide
6. **External Pressures** – Risks related to societal forces beyond an institution’s control, including economic, political, and cultural influences
7. **Regulatory and Legal Compliance (Non-VAWA/Title IX)** – Risks involving noncompliance with federal, state, and local regulations and other elective accountability authorities
8. **Facilities and Deferred Maintenance**- Risks concerning outdated facilities and new construction, including inadequate facilities to achieve the institution’s mission
9. **Public Safety** – Risks related to crime and safety for the institution community and guests, including active assailants
10. **Title IX** – Risks related to sex discrimination

ERM Projects Action Path

- Working Group Member Review Legacy Materials (MS Teams) – **Dec 2022**
- Appoint a Team Leader for each working group (volunteers appreciated) – **Dec 2022**
- Circulate working draft of risk management plan / summary paper and associated slides; schedule subsequent meetings to discuss/finalize; meet regularly as needed – **Dec 2022 – Jan 2023**
- Present final working draft to ERMAC and Risk Process Owners for respective risk project areas – **March 2023**
- Packet of all risk management plans and slides to UW Cabinet for review/comment – **March/April 2023**
- Final versions prepared, submitted for Board of Trustee (FLAC) presentation – **April 2023 for May BOT**
- ERMAC reviews feedback from UW Cabinet and FLAC – **May/June 2023**
- ERMAC reviews updated *23 Risk Survey results*, prepares proposed focus areas/goals '23-'24 – **July 2023**
- Proposed ERM projects/goals submitted to UW Cabinet and FLAC – **July/Aug 2023**
- Rinse and repeat

President Ed Seidel - Summary of Presidential Goals 2023-2026**Strategic Direction 1: Student Excellence**

Aligns to Strategic Plan Objectives 1, 4, 5

Key Goals

- Enhance academic, distance education, and advising programs to *support student success and increased student enrollment with particular focus on recruitment, retention, and graduation rates*
- Expand access to experiential learning with an emphasis on interdisciplinary approaches

Strategic Direction 2: Personnel Investment and Engagement

Aligns to Strategic Plan Objectives 2, 3, 4, 5

Key Goals

- *Strengthen the University's foundations and business processes* through a ground-up, multi-year plan that includes all divisional units and addresses key support areas such as human resources, operations, research services, sponsored programs, technology transfer, academic services, compliance, and financial resources
- Enhance and implement programs that better support and celebrate faculty and staff excellence
- Foster a climate of freedom of expression and civil discourse across campus

Strategic Direction 3: External Relationships

Aligns to Strategic Plan Objectives 2, 4, 5

Key Goals

- *Develop and foster relationships with statewide stakeholders to support and advance UW's mission*
- Grow relationships with national funding agencies and private foundations to enhance support for student education and faculty research
- Increase support for local economic development and cultivate corporate partnerships across the State and region
- Enhance engagement with community colleges, individually and through the Wyoming Innovation Partnership, to enhance the State's overall educational and research capacity and attainment

Strategic Direction 4: Long-Range and Strategic Planning

Aligns to Strategic Plan Objectives 1, 2, 4, 5

Key Goals

- Prioritize and foster excellence in core areas of *academics and research that are responsive to the needs of students, employers, and the State*
- Drive student success and enrollment growth through coordinated, cross-campus initiatives
- Enhance research and development and external funding opportunities including those related to the Science Initiative, Tier 1 Engineering, agriculture, veterinary science, energy, natural resources, and the arts and humanities

Strategic Direction 5: Budget Priorities

Aligns to Strategic Plan Objectives 1, 2, 4, 5

Key Goals

- *Develop and implement a transparent budget allocation model* that enhances incentives for growth in key areas and aligns funding with the university mission
- Grow and diversify revenue streams from national funding agencies and philanthropy to provide predictable funding

Edward Seidel Presidential Goals 2023-2026

Duties and responsibilities include fostering student excellence; investing in personnel; cultivating external relationships; engaging in long- range and strategic planning; and determining budget priorities. This document details specific actions to be taken to achieve these goals and how they align with the Strategic Plan (SP). The President has two major objectives: (1) *strengthening the foundations of UW that need enhanced support* after a decade of leadership changes and eroding budgets, and (2) *advancing UW towards the future* in a profoundly changing landscape of higher education, where the University's financial model will need to be reconsidered as the institution adapts.

The President's efforts will focus on the following:

- Execution and accountability: Achieve goals set out in the SP.
- Listen, collaborate and inspire: Help unify the University community, work more with external stakeholders, and grow the University's support base.
- Look to the future: Strategic planning efforts are essential for a healthy institution. Keep an eye to the future as the institution executes on today's goals. Carry out fundraising and build a revised business allocation model supporting growth of the student body, faculty, and staff. Make the case for increased financial investment from State, corporate, government and private agency sources.
- Create a sense of managerial and administrative sustainability: Ensure enough flex and reserve in the team to handle unexpected issues. Practice adaptive leadership.

Focused on future efforts, this plan also builds on the [President's Performance Goals 2022](#), many of which have been achieved, laying a foundation for the President's 2023-2026 goals.

Strategic Direction 1: Student Excellence

Foster student excellence through the University's mission of teaching, research, and service to the State of Wyoming. Strive to deliver high-quality diverse learning opportunities and experiences, and align resources to deliver exceptional academic programs, support services, and learning opportunities.

Specific Presidential Goals and Objectives in Student Excellence

1. Enhance academic, distance education, and advising programs to *support student success and increased student enrollment with particular focus on recruitment, retention, and graduation rates* as laid on out in the SP. This objective applies to all students, but will require special attention to minority groups that typically have lower success rates (e.g., low income, first time, tribal students). Aligns with SP 1.1, 1.3, 5.1
2. Expand programs in experiential learning (e.g, community engagement, research, internships, entrepreneurship) and in the digital world as it applies to disciplines, including interdisciplinary approaches that help students prepare to enter the workforce or continue their studies when they graduate. Aligns with SP 1.1, 1.5, 2.4, 4.4, 5.1, 5.4
3. Maximize use of and grow support for scholarships. Aligns with SP 1.1, 5.3, 5.5
4. Grow research funding by expanding graduate level programs in areas critical to the State. Aligns with SP 1.1, 1.2, 4.4, 5.1, 5.3

Strategic Direction 2: Personnel Investment and Engagement

Lead institutional, faculty, and educational management, including recruitment, appointment, promotion, discipline, and dismissal of faculty and staff members. Aim to attract, retain and develop high-quality, diverse faculty and staff. Recognize, reward, and celebrate faculty and staff for their contributions to student success, and embrace a culture of shared responsibility.

Specific Presidential Goals and Objectives in Personnel Investment and Engagement

1. Strengthen the University's foundations and business processes through a ground-up, multi-year plan that includes all divisional units and addresses key support areas such as human resources, operations, research services, sponsored programs, technology transfer, academic services, compliance, and financial resources. Aligns with SP 2.2, 3.8
2. Partner with faculty, staff, and students to identify and recommend institutional priorities. Develop an enhanced, multi-channel, multi-media communications plan for both campus and external stakeholders. Host in-person events in smaller groups for more direct two-way communication. Aligns with SP 2.2, 2.4, 3.4
3. Support and strengthen the University's current academic and research units by assessing personnel and resource needs to sustain and improve current level of teaching, research, and service.
4. Grow the University's capacity to apply for and receive additional grant, philanthropic, and corporate partnership funding in all academic and research disciplines with the goal of achieving Carnegie R1 status. Aligns with SP 2.1, 2.2, 2.4, 4.4, 5.3, 5.4, 5.5
5. Support community well-being, morale, and advancement through promotion of career paths and mental health resources. Continue to support the President's Excellence Initiative. Aligns with SP 2.1, 2.2, 3.1, 3.2, 3.3, 3.4, 4.2, 5.3
6. Foster a climate of civil discourse and freedom of expression. Aligns with SP 2.3, 2.4, 3.4

Strategic Direction 3: External Relationships

Foster positive external relationships with federal, state and local governments. Cultivate fundraising, development, and public and alumni relations. Prioritize travel throughout the State of Wyoming to engage with constituents, including elected officials, local and state government officials, legislators, community members, citizens, educational, business, and industry partners, and other stakeholders. Expand outreach and engagement in the community, maximizing UW's educational impact and visibility. Strengthen collaborative partnerships involved with academic programs, research and other scholarly activities.

Specific Presidential Goals and Objectives in External Relationships

1. Identify and emphasize academic and research areas critical to the State through enhanced government relations, community engagement, corporate partnerships, and alumni relations. Aligns with SP 2.4, 4.5, 5.4
2. Enhance engagement with community colleges on an individual basis and collectively through the Wyoming Innovation Partnership to enhance the state's overall educational and research capacity and attainment. Aligns with SP 2.4, 4.3, 4.4, 4.6
3. Grow relationships with national funding agencies and organizations, including the National Science Foundation, the National Institutes for Health, the National Endowment for the Humanities, the Departments of Energy and Commerce, the United States Department of Agriculture, and through private foundations such as Mellon and Sloane. Aligns with SP 2.1, 2.4, 5.3
4. Increase the University's capacity to support economic development and cultivate corporate partnerships in areas critical to the State, including agriculture, energy, tourism and hospitality, and the arts and humanities. Key partnerships will include the Governor's Office, the State legislature, the Wyoming Business Council, the NCAR-Wyoming Supercomputing Center, the Mountains and Plains University Innovation Alliance, and the Council on Competitiveness. Aligns with SP 2.4, 4.4, 5.4

Strategic Direction 4: Long Range and Strategic Planning

Advance the University's land grant mission through long range and strategic planning. Build programs of distinction critical to Wyoming. Enhance reputation for educational excellence. With the new SP just being launched, focus on further developing and executing that plan. Longer-term goals to be developed with state and campus priorities in mind. Pace and process new initiatives, aware and informed of financial and personnel resources available. Be strategically opportunistic as new ideas and programs emerge.

Specific Presidential Goals for Long Range and Strategic Planning

1. Drive student success and enrollment growth through enhanced financial support, well-being, diversity, equity and inclusion, living-learning communities, and marketing. Aligns with SP 1.1, 1.2, 1.3, 1.5, 3.3, 3.4, 4.2, 5.1, 5.7, 5.9
2. Strengthen research and development capacity, academic programs, and external funding. Aligns with SP 2.1, 2.2, 2.4, 4.1, 4.2, 5.3, 5.4
 - a. Enhance STEM programs by bolstering support for Tier 1 Engineering and the Science Initiative, enabling the University to be more competitive for CHIPS and Science Act funding.
 - b. Advance agriculture, life sciences, and natural resources. Explore “Ranch of the Future” and “Controlled Environment Agriculture” initiatives. Enhance the University’s presence throughout the State by strengthening and marketing the University’s extension offices, agricultural research stations, and the AMK Ranch.
 - c. Continue to grow energy, extraction, and oil and gas programs. Work with the School of Energy Resources, the College of Engineering and Physical Sciences, the Center of Innovation for Flow through Porous Media, the Department of Energy, TerraPower, and other University units and companies to enhance programs in enhanced oil recovery, nuclear energy, and carbon capture and sequestration.
 - d. Through the Wyoming Innovation Partnership, and in collaboration with community colleges, grow the University’s economic impact by exploration of a nascent research park, enhanced entrepreneurship/incubators, investment in venture capital, and establishment of corporate partnerships.
 - e. Strengthen the arts, humanities, and social sciences by promoting the College as a centerpiece of the University, finalizing plans for the Neltje Center, and refocusing efforts to strengthen programs and catalyze funding from extramural sources. Aligns with SP objectives 2.1, 2.2, 2.4
 - f. Expand programs in health sciences, with strong rural health and pharmacy research.
3. Plan for strategic growth in all Colleges and Schools, particularly in academic and research areas critical to the State, including the Wyoming Outdoor Recreation, Tourism, and Hospitality Initiative, teacher preparation and Career and Technical Education (CTE), and entrepreneurship programs. Aligns with SP 2.1, 2.2, 4.4, 4.6, 5.1

Strategic Direction 5: Budget Priorities

Recommend budget priorities by assessing the financial and personnel resources needed to sustain and advance the University’s land grant mission, growing and diversifying revenue, and continually monitoring and assessing the University’s long-term financial stability.

Specific Presidential Goals and Objectives for Budget Priorities

1. Develop and implement a transparent budget allocation model that enhances incentives for sustainable growth in key areas and aligns funding with the University mission. This model will reward units for excellence, growth in enrollment, growth in external funding opportunities, and addressing state needs. Aligns with SP 2.1, 2.2, 5.2, 5.7
2. Advocate for increased state funding for people, programs, and capital construction necessary to grow responsibly and stay at the forefront in student accommodations, teaching and learning, athletics, research and development, and other areas important to the State. Aligns with SP 1.1, 2.4, 4.4, 5.1
3. Achieve and sustain higher levels of philanthropic giving and increase presidential time and effort spent working with the UW Foundation. Explore a capital campaign and state matching program to enhance efforts, building on 2022 Board of Trustees and UW Foundation Board of Directors actions. Aligns with SP 5.3, 5.4, 5.6
4. Increase funding for research and scholarship, including personnel needed to appropriately staff research services in all areas of scholarship, from humanities to science. Work to grow external funding, enhancing ability to support faculty and students and reducing dependence on State funds. Aligns with SP 2.1, 2.2, 5.3
5. Grow corporate support. Create a new office for Corporate Relations. With the advent of the Center for Entrepreneurship and Innovation, the University will be in a better position to acquire stronger corporate

partnerships, which will provide more opportunities for students and faculty and funding to support them. Aligns with SP 5.3, 5.4