

University of Wyoming
Operations Reserve and Capital Facilities Reserve Policy

Pursuant to the Reserve Account Resolution passed by the Board of Trustees on January 21, 2016, this document establishes the goals and funding policy for the Reserve Accounts. The establishing Resolution sets forth the Board of Trustees' policy statement, requirements for expenditures, and reporting requirements for these Reserve Accounts.

Operations Reserve Account Guidelines

The University of Wyoming Operations Reserve Account should contain, at a minimum, an amount equal to ten percent (10.0%) of the University's annual operating budget as approved by the Board of Trustees ("Minimum Operations Reserve Account Amount"). Any transaction which would reduce this account below the Minimum Operations Reserve Account Amount and during all times the balance of the Operations Reserve Account is below the Minimum Operations Reserve Account Amount, funds in the account shall be expended only with the approval of the Board of Trustees, upon recommendation of the Budget Committee. All reports and accountings of this Operations Reserve Account to the Board of Trustees shall include balances in at least the following categories:

- General operations
- Employer paid benefits
- Academic Affairs
- Information Technology
- Voluntary separation program

The Operations Reserve Account shall be initially funded with not less than \$50,000,000 by January 31, 2017.

Capital Facilities Reserve Account Guidelines

The Capital Facilities Reserve Account is established to provide the funding necessary to the University to acquire, develop, repair, supplement construction, and/or renovate University facilities. It is the goal of the University to work toward establishing a capital facilities reserve at the following level:

Capital Facilities Reserve Account goal: An overall goal of \$40,000,000 with an initial funding amount totaling \$20,000,000. Within this reserve account will be initial earmarks for specific purposes as follows:

- | | |
|--------------------------------------|--------------|
| • General construction reserve | \$5,000,000 |
| • Residence Life and Dining Services | \$10,000,000 |
| • Distributed power project | \$5,000,000 |

The Capital Facilities Reserve Account shall be initially funded with not less than \$20,000,000 by January 31, 2017.

Procedures

The initial funds for these Reserve Accounts shall be provided by moving funds from existing accounts at the University to these official Reserve Accounts. Any spending out of the Operations Reserve or Capital Facilities Reserve Accounts must be accompanied by a plan to replenish the respective reserve account.