Fiscal and Legal Affairs Committee, Open Session

University of Wyoming
Salon C, Marian H. Rochelle Gateway Center
2026-11-18 10:30 - 12:30 MST

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I. 10:30 a.m. Call to Order [The committee may enter closed session at the discretion of the chairman.]

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VII. 12:30 p.m. Adjourn

FISCAL AND LEGAL AFFAIRS COMMITTEE
COMMITTEE MEETING MATERIALS

AGENDA ITEM TITLE: Status of Internal Audit Plan

☒ OPEN SESSION
☐ CLOSED SESSION

PREVIOUSLY DISCUSSED BY COMMITTEE:
☒ Yes
☐ No
FOR FULL BOARD CONSIDERATION:
☐ Yes *[Note: If yes, materials will also be included in the full UW Board of Trustee report.]*
☒ No
☐ *Attachments/materials are provided in advance of the meeting.*

EXECUTIVE SUMMARY: The Internal Audit Plan was approved by the Fiscal and Legal Affairs Committee (FLAC) of the Board of Trustees in May 2026. The status of the Audit Plan is attached below, and priorities for the remainder of the fiscal year are highlighted.

PRIOR RELATED COMMITTEE DISCUSSIONS/ACTIONS: None

WHY THIS ITEM IS BEFORE THE COMMITTEE: Regular reporting to the Committee regarding the status of progress made on completion of the Internal Audit Plan.

ACTION REQUIRED AT THIS COMMITTEE MEETING: No.

PROPOSED MOTION: N/A

Background:
The Fiscal Year 2027 Internal Audit Plan was approved by the Full Board of Trustees in May 2026. The latest version of the plan will be presented in order to highlight the priorities for the remainder of the fiscal year, and to explain the transition to the plan for the next fiscal year.

In most years, audits or projects are in progress when the new fiscal year begins and the new Audit Plan becomes effective. Several “carry forward” projects from Fiscal 2026 carried into Fiscal 2027.

2026-2027 Internal Audit Plan – Update as of November 2026

FY 2027 AUDIT PLAN	As of End of October 2026		Planned Hours	Status
GROSS HOURS	**Total Hours Available (3 FTE)**		**6,240**	**at Risk**
Holiday	Hours UW is closed		**(360)**	
Annual Leave	Vacation		**(528)**	
Annual Leave	Sick leave		**(324)**	
NET HOURS	**AVAILABLE PROJECT HOURS**		**5,028**	**3,872**
Required Initiatives			**2,249**	
Training	Hours assigned for UW required training and continuining education credits for certifications.	Required for Certifications	**380**	
Quality Assessment	Quality Improvement Plan, prepare for independent verification of self-assessment of internal audit function	Per IIA Standards	**80**	
Administration	Staff meetings, FLAC, policy review, research/development, web-site update, strategic planning, recruiting, etc.		**1,089**	
Advising	Consultative and special projects, (i.e., collaboration with Procurement, Foundation, Risk, etc.)		**200**	
Follow-Ups	Follow-Up monitoring, verifications & reporting	As Required	**180**	
Investigations	Fraud, Waste, and Abuse (FWA) Investigations	As Needed	**320**	
	Annual/Rotating Projects	**Recurring**	**700**	
	Athletics/NCAA Topics	Ongoing Rotation	**180**	
	Agricultural Extension Programs (Reduce to one per year)	Ongoing Rotation	**200**	
	~~**Continuous Monitoring Progress**~~	~~**Annual**~~ **See PCard**	**-**	
	Risk Assessment (Required)	Annual	**200**	
	Results and Reporting (Required)	Annual	**80**	
	Cashiers & Vault Count **(changed to rotating surprise counts)**	~~**Biannual**~~ **Random**	**40**	
	Carried Forward From Prior Year	**Carryforwards**	**600**	
	Projected: College of Health Sciences Administration		**250**	**Fieldwork**
	Projected: Special facilities, Animal Molecular Science, Vivarium		**150**	**Reporting**
	EHS - assess implementation of 3rd party recommendations. Confer with management and SMEs regarding Internal Audit support.	On multiple years' Risk Assessment	**200**	
	ADA - New regs delayed until 2027. Consider audit in 2028.	Recommended	**-**	
	Change in Leadership Audits	**Leadership Changes**	**220**	
	Changes in Leadership (24 hrs/each + "Bucket" of hours)	Leadership Change	**220**	
	TBD (College of Agriculture)	Leadership Change	**-**	
	TBD (VP/CIO Enterprise Technology)	Leadership Change	**-**	
	TBD (Provost)	Leadership Change	**-**	
	TBD (VP Student Affairs)	Leadership Change	**-**	
	TBD (College of Engineering)	Leadership Change	**-**	
	Risk-Based Audits/Projects	**Risk Assessment**	**1,520**	
	PRWORA Research Compliance	Compliance	**200**	
	HR - Leave policies /Usage	PY Risk Assessment	**150**	**Planning**
	Labor Laws (Plus payroll, Legal compliance, FLSA classification)	Risk Assessment (LH)	**180**	
	Remote locations and Remote workers (including out of state)	Risk Assessment (HL)	**180**	
	Procurement (spending patterns, trends, outliers, red flags)	Risk Assessment (HL)	**300**	**Reporting**
	P-Cards Continuous Monitoring	Risk Assessment (HL)	**150**	**Reporting**
	Contracts Management	Risk Assessment (HL)	**180**	**Fieldwork**
	Clery Act Reporting	Risk Assessment (HL)	**180**	
	Total Hours Assigned		**5,289**	
	Total Remaining Hours		**(261)**	
	Total Available for Projects		**5,028**	

Summary:

- No audit reports are scheduled for discussion at the November FLAC meeting.
- Items in **green** highlights are in the reporting phase, items in **blue** are in fieldwork and **orange** is in planning.
- Planned hours for the year (**5,028**) are at risk due to departure of one auditor.

Below is a summary of status of audit engagements in FY 2027, as of the end of October:

College of Health Sciences

This audit is at the last stages of the fieldwork phase, and reporting will begin shortly after certain issues have been clarified with the auditee. The lead auditor on this project has left the University, so some additional interviews may be required.

Special Facilities (Animal Research Facilities)

This audit is part of a larger multi-year rotational audit program in which the Office of Internal Audit will audit certain special facilities including the Bio-Safety Level Three (BSL 3) Wyoming Vet Lab, the High Bay Research Facility, chemical storage facilities and labs, units that handle radioactive materials, and animal research labs and vivariums in multiple locations.

The report draft has been distributed and is awaiting management responses. Because the responses need to be coordinated between Research, Facilities Operations, Academic, and Safety personnel, the management responses may take longer than usual.

P-Card and Procurement Efficiency

These two audits were merged into a single audit engagement. The audit has substantially completed the fieldwork phase and is pending additional examination into the exception resolution processes with the auditee. The initial draft of the audit report is prepared and most of the fieldwork is concluded.

Leave, Policies and Usage audit.

The audit is at the final planning phase. Information intended for the audit exercise was requested from Human Resources via through a “Provided by Client List,” and we are awaiting their responses. Once the information is received, the audit will progress to the fieldwork phase.

Contracts management

This audit does not look at the contract approval process; rather, it focuses on contracts that are active and considers whether the contract terms are managed appropriately. Because there are over 8,000 contracts which are being managed by various individuals across the University, we are using sampling techniques and anticipate that this audit will result in rather widely disseminated cross-functional reporting. The audit has entered the fieldwork phase, although some planning elements continue.

FISCAL AND LEGAL AFFAIRS COMMITTEE
COMMITTEE MEETING MATERIALS

AGENDA ITEM TITLE: Status of Follow-up Activity

☒ OPEN SESSION
☐ CLOSED SESSION

PREVIOUSLY DISCUSSED BY COMMITTEE:
- ☐ Yes
- ☒ No

FOR FULL BOARD CONSIDERATION:
- ☐ Yes *[Note: If yes, materials will also be included in the full UW Board of Trustee report.]*
- ☒ No

☒ *Attachments/materials are provided in advance of the meeting.*

EXECUTIVE SUMMARY: According to the Institute of Internal Auditors Global Internal Audit Standards, internal auditors must establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the residual risks associated with maintaining the status quo and not taking further corrective action.

PRIOR RELATED COMMITTEE DISCUSSIONS/ACTIONS: None

WHY THIS ITEM IS BEFORE THE COMMITTEE: Regular report to the Committee regarding status of Internal Audit's follow up activities on management action plans.

ACTION REQUIRED AT THIS COMMITTEE MEETING: None

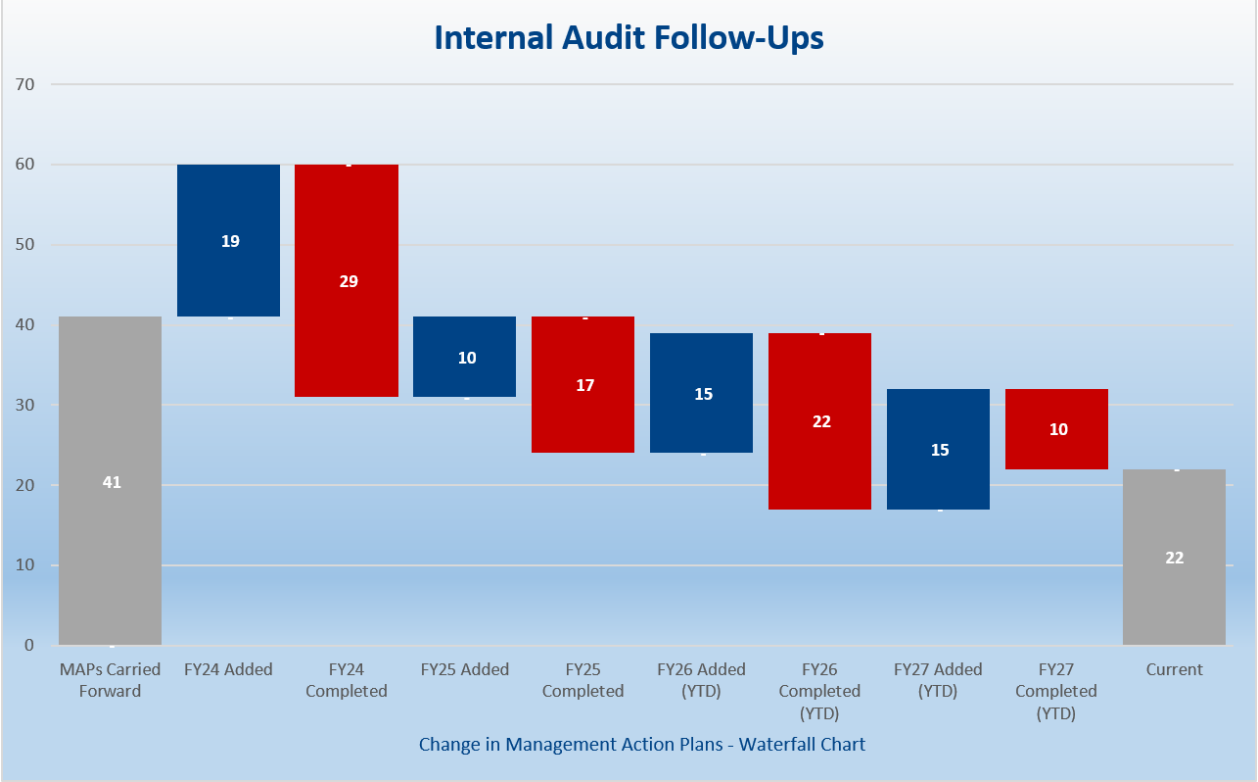
PROPOSED MOTION: None

Status of Follow-up Activity

Background:

The Institute of Internal Auditors' Standards states that the chief audit executive must establish and maintain a system to monitor the disposition of results previously communicated to management and 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 the recommended action(s).

The Internal Audit team presents all management action plans for which a follow-up may be required, even if the planned implementation date is well into the future.
Since tracking the status of all Management Action Plans (MAPs), including all known action plans monitored by predecessor auditors, 41 MAPs were carried forward from predecessors, 59 MAPs have been added to the tracker, and 78 MAPs have been completed, leaving 22 open. Since the September FLAC meeting, 15 MAPs have been added and three have been completed.



Of the 22 MAPs that remain open, zero are past due.

The table below summarizes all management action plans outstanding.

Index	Audit Period	Issued	Entity Name	Remaining	Nature of Management Action Plan	Completion Status and Due Date	Past Due?
21-3	2020-2021	9/14/2022	Academic Affairs (COM)	1	1b. Policies and procedures documentation	Expected 2028	No
22-3	2021-2022	9/8/2022	Student Health Services	1	2a. Quality controls for accreditation	9/30/2027	No
23-2	2022-2023	7/18/2023	College of Health Sciences (COM)	1	2. Documented operational, financial, and personnel guidelines have not been fully developed to ensure effective and efficient progress toward shared strategic objectives between the college and EHCW.	**TBD (Audit in Progress)**	No
25-1	2024-2025	9/8/2025	College of Law	0	1b. Build and maintain documentation for awards given and any changes made to scholarships	**Complete**	No
25-2	2024-2025	9/8/2025	Laramie County 4-H - UW Agriculture Extension	4	2. Implement formal review and approval process for monthly reconciliations	1/1/2027	No
					3. Identify and require county implementation of new accounting software for recordkeeping. Provide training for implemented software.	1/1/2027	No
					4. Create and implement a policy establishing rules regarding the purchase/sale of livestock	1/1/2027	No
					5. Creation of policy dictating rules for scholarship awarding to 4-H participants via a scholarship committee or similar.	1/1/2027	No
26-3	2025-2026	3/4/2026	Internal Billing	2	1. Financial Affairs will be working with UW Administration to go through the process of revising SAP 7-9.13 to give the correct intent of Student Financial Services handling delinquencies.	12/31/2026	No
					2. Establish and formalize a comprehensive policy and procedure framework for the service centers, including formalized activity reporting requirements, monthly reconciling controls, and defined accounting support structure.	11/30/2026	No
I.I. - #1	2025-2026	3/4/2026	UW Operations	3	1. Cultivate/improve the working relationship between Operations and Procurement team members.	2/28/2027	No
					2. Ensure everyone involved in the process has "adequate training" (which probably first needs to be defined)	2/28/2027	No
					3. Consider whether the process for smaller projects can/should be enhanced (considering cost/benefit of any proposed changes)	2/28/2027	No
26-4	2025-2026	6/30/2026	Carbon County 4-H - UW Agriculture Extension	4	1. Segregation of Duties and Independent Review of Expenditures	7/1/2027	No
					2. Strengthen Procedures and Controls over Bank Reconciliations	7/1/2027	No
					3. Lack of Budget-to-Actual Monitoring of Expenditures	7/1/2027	No
					4. Improve Inventory Management Techniques	7/1/2027	No
26-5	2025-2026	6/30/2026	Crook County 4-H - UW Agriculture Extension	5	1. Segregation of Duties and Independent Review of Expenditures	7/1/2027	No
					2. Strengthen Procedures and Controls over Bank Reconciliations	7/1/2027	No
					3. Lack of Financial Reporting and Financial Statement Preparation	7/1/2027	No
					4. Improve Inventory Management Techniques	7/1/2027	No
					5. Lack of Budget Statement Preparation	7/1/2027	No
26-8	2025-2026	7/9/2026	Athletics Recruiting and Eligibility Compliance	0	1. Potential Violations Auto-Flagged by Centralized System Remain Unresolved	**Completed**	No
					2. Incomplete Recruiting and Eligibility Documentation Uploaded to Designated Centralized System	**Completed**	No
26-2	2025-2026	9/1/2026	Human Resources Talent Acquisition	1	1. Background Check Practices	12/31/2026	No
			Total MAPs open and being monitored:	**22**			

M.A.P. Discussion and Progress Updates:

21-3 Academic Affairs Change in Leadership (Provost)

- Audit Report Date: September 14, 2022
- Original Follow-Up Due Date: February 22, 2023
- The report contained one observation with two parts; one remains open as follows:
  - **Observation #1b:** It is recommended the Office of the Provost continue to fulfill its compliance with Regulation 1-1 by orchestrating a review of procedures with constituents as necessary to ensure accuracy, applicability, and alignment with strategic objectives.

Status as of November 2026 –

- Only one item remains open, and most sections within it have been completed. The one open area includes the areas highlighted in red below:
  - **Observation #1b:** Review and revisions have been underway considering:
    - Course overloads
    - Release time
    - Completion date, 2028.

The topics of Release Time and Course Overloads have been combined and included in General Counsel's project to update all SAP/DAP documents and target completion date is 2028. The intent is to also include the topic of course overloads with release time.

22-3 Student Health Services - Organization training and quality controls for accreditation

- Audit Report Date: August 30, 2022
- Original Follow-Up Due Date: June 8, 2023
- The report contained two observations; one remains open as follows:
  - **Observation #2a: Accreditation:** Accreditation lapsed in 2021.

Status as of November 2026 –

- **Observation #2a:**
  - Student Health Services has established an Accreditation Committee designed to review AAAHC standards and UW policies and procedures to prepare for the re-accreditation process every 3 years. The committee ensures that Student Health Services provide excellent, quality health care every day throughout the accreditation cycle, by monitoring quality, risk management, and addressing opportunities for improvement. The meetings are held bi-weekly on Thursday at 9:00 a.m.
  - The expectation of Student Health Services is 1-2 years for accreditation approval. Target completion date for 2a is 9/30/2027.

23-2 College of Health Sciences (COM)

- Audit Report Date: July 18, 2023
- Original Follow-Up Due Date: April 18, 2024
- One observation remains open and is summarized as follows:
    - **Observation #2:** Documented operational, financial, and personnel guidelines have not been fully developed to ensure effective and efficient progress toward shared strategic objectives between the college and Educational Health Center of Wyoming.

Status as of November 2026 –

- **Observation #2:** - The College of Health Sciences has hired Jefferson Wells to conduct a comprehensive audit of Educational Health Center of Wyoming operations. The report is complete and has been provided to The College of Health Sciences. The Dean has shared the report with Internal Audit, and it is believed that the external audit should help to improve the relationship between the college and EHCW.
- Due date for this Observation had been changed to TBD to allow for a more realistic due date to be scheduled for this action plan.

25-1 College of Law

- Audit Report Date: September 8, 2025
- Original Follow-Up Due Dates: 1a. - 10/15/2025, 1b. - 6/1/2026, 2. - 1/1/2026
- The audit report contained two observations comprising of three total components One component remains open as follows.
    - **Observation #1b:** Maintain documentation, including all award criteria used in determining award amounts, any changes to awards for any reason, and copies of all correspondence with awardees.

Status as of November 2026 – The final MAP for the College of Law is overdue but in the review phase. The College of Law has submitted all policies and procedures, as well as documentation of awarded scholarships and metrics used for the 26-27 academic year. Internal Audit has reviewed the policies and procedures. The policies and procedures create a scholarship awarding process that is equitable, actionable, and abides by Foundation donor criteria requirements. Internal Audit considers this Management Action Plan **Complete**.

25-2 Laramie County 4-H – UW Agriculture Extension

- Audit Report Date: September 8, 2025
- Original Follow-Up Due Dates: 1. - 12/1/2025, 2. - 12/1/2025, 3. - 1/1/2026, 4. – 12/1/2025, 5. – 12/1/2025
- The audit report contained five observations, four remain open as follows.
    - **Observation #2 -** Implement formal review and approval process for monthly reconciliations and incorporate the process into the Wyoming 4-H policy framework.
    - **Observation #3** - Identify and require county implementation of new accounting software for recordkeeping. Provide training for implemented software.

- **Observation #4** - develop and implement a formal policy regarding the purchase and/or sale of livestock for all county offices in Wyoming.
- **Observation #5** - Develop and implement a formal policy for awarding 4-H travel scholarships. Policy should include clear application procedures, defined evaluation criteria, standardized award ranges, documentation requirements

Status as of November 2026 –

- There has been turnover of management within the Agricultural Extension office. All action plans have been extended to January to allow for new leadership to implement changes.
- **Observations 4 & 5** have been completed and approved by Internal Audit but not yet included in the policy manual or on the website.

26-3 Internal Billing

- Audit Report Date: March 4, 2026
- Original Follow-Up Due Dates: 1a. – 12/31/2026, 2. – 4/30/2026, 3. – 3/31/2026
- The audit report contained one observation which remains open as follows:
  - **Observation #1 -** Financial Affairs will be working with UW Administration to go through the process of revising SAP 7-9.13 to give the correct intent of Student Financial Services handling delinquencies.
  - **Observation #2 -** Establish and formalize a comprehensive policy and procedure framework for the service centers, including formalized activity reporting requirements, monthly reconciling controls, and defined accounting support structure.

Status as of November 2026 – No MAPs are overdue.

Internal Investigation #1

- Audit Report Date: February 10, 2026
- Original Follow-Up Due Dates: TBD
- The investigation report contained three observations which remain open as follows:
  - **Observation #1** - Cultivate/improve the working relationship between Operations and Procurement team members.
  - **Observation #2** - Ensure everyone involved in the process has “adequate training” (which probably first needs to be defined)
  - **Observation #3** - Consider whether the process for smaller projects can/should be enhanced (considering cost/benefit of any proposed changes)

Status as of November 2026 – None of the observations involved in the investigation have a MAP due date that is overdue or outstanding currently.

26-4 Carbon County 4-H - UW Agriculture Extension

- Audit Report Date: June 30, 2026
- Original Follow-Up Due Date: July 1, 2027
- The audit report contained four observations as follows:
  - **Observation #1** - Segregation of Duties and Independent Review of Expenditures
  - **Observation #2** - Strengthen Procedures and Controls over Bank Reconciliations
  - **Observation #3** - Lack of Budget-to-Actual Monitoring of Expenditures
  - **Observation #4** - Improve Inventory Management Techniques

Status as of November 2026 – None of the management action plans are overdue. Management is implementing the action plans at all 4-H programs statewide.

26-5 Crook County 4-H - UW Agriculture Extension

- Audit Report Date: June 30, 2026
- Original Follow-Up Due Date: July 1, 2027
- The audit report contained four observations as follows:
  - **Observation #1** - Segregation of Duties and Independent Review of Expenditures
  - **Observation #2** - Strengthen Procedures and Controls over Bank Reconciliations
  - **Observation #3** - Lack of Financial Reporting and Financial Statement Preparation
  - **Observation #4** - Improve Inventory Management Techniques
  - **Observation #5** - Lack of Budget Statement Preparation

Status as of November 2026 – None of the management action plans are overdue. Management is implementing the action plans at all 4-H programs statewide.

26-8 Athletics Recruiting and Eligibility Compliance

- Audit Report Date: July 9, 2026
- Original Follow-Up Due Date: October 1, 2026
- The audit report contained four observations as follows:
  - **Observation #1** - Potential Violations Auto-Flagged by Centralized System Remain Unresolved
  - **Observation #2** - Incomplete Recruiting and Eligibility Documentation Uploaded to Designated Centralized System

Status as of November 2026 – All management action plans have been **completed** and shared with the FLAC at the September 23, 2026, meeting. The MAPs will no longer be tracked.

26-2 Athletics Recruiting and Eligibility Compliance

- Audit Report Date: September 1, 2026
- Original Follow-Up Due Date: December 31, 2026
- The audit report contained four observations as follows:
  - **Observation #1** - Background Check Practices for Graduate Teaching Assistants

Status as of November 2026 – The MAP is in progress and is not overdue.

FISCAL AND LEGAL AFFAIRS COMMITTEE
COMMITTEE MEETING MATERIALS

AGENDA ITEM TITLE: Annual Audited Financial Reports and Agreed Upon Procedures

☒ OPEN SESSION
☐ CLOSED SESSION

PREVIOUSLY DISCUSSED BY COMMITTEE:
- ☒ Yes
- ☐ No

FOR FULL BOARD CONSIDERATION:
- ☒ Yes *[Note: If yes, materials will also be included in the full UW Board of Trustee report.]*
- ☐ No

☒ *Attachments/materials are provided in advance of the meeting.*

EXECUTIVE SUMMARY: UW's external audit firm will lead a discussion on the annual audited financial statements for fiscal year 2026 for the University of Wyoming Independent Auditor's Report and Financial Statements, Single Audit Report and Schedule of Expenditures of Federal Awards, Wyoming Public Media's and Financial Statements and the Agreed- Upon procedure engagements for Wyoming Public Media, Intercollegiate Athletics, and Cowboy Joe Club.

PRIOR RELATED COMMITTEE DISCUSSIONS/ACTIONS: Previous routine annual pre-audit discussions with the external auditors.

WHY THIS ITEM IS BEFORE THE COMMITTEE: The Board of Trustees is responsible for assuring that the University's organizational culture, capabilities, systems, and processes are appropriate to protect the financial health and the reputation of the University in audit-related areas. The presentation of annual audited financial reports is intended to inform the Board about significant matters related to the results of the annual audit so that they can appropriately discharge their oversight responsibility.

ACTION REQUIRED AT THIS COMMITTEE MEETING: Subject to recommendation by the Fiscal and Legal Affairs Committee Chair, it is recommended that the Board of Trustees of the University of Wyoming accept and approve the University of Wyoming Independent Auditor's Report and Financial Statements and the Agreed-Upon procedure reports for NCAA, Cowboy Joe Club, Wyoming Public Media, and High Bay for the fiscal year ended June 30, 2026.

PROPOSED MOTION: I move to recommend to the full board to approve the University of Wyoming Independent Auditor's Report and Financial Statements, and the Agreed-Upon procedure reports for NCAA, Cowboy Joe Club, Wyoming Public Media, and High Bay the fiscal year ended June 30, 2026.

Background

Accountability is the paramount objective of institutional financial reporting. It is the University's duty to be accountable to the public and to provide information that responds to the needs of three groups of primary users of general-purpose financial reports: the citizenry; the governing board, the legislature and oversight bodies; and investors and creditors.

Meaningful financial reports and accompanying notes provide information useful for assessing financial condition and results of operations, assisting in determining compliance with finance-related laws, rules, and regulations, and assisting in evaluating the efficiency and effectiveness of operations. Preparation of these statements and reports are the responsibility of University management; however, it is the audit function that provides an external examination of these financial statements and reports.

The purpose and deadlines for submission to regulatory agencies are:

- Financial Audit – In accordance with required reporting standards, the Financial Report has three components: 1) management's discussion and analysis 2) institution-wide financial statements; and 3) notes to the basic financial statements. Required supplementary information is included in addition to the basic financial statements. The auditors express an opinion about whether the financial statements present fairly, in all material respects, the financial position of the University of Wyoming as of the fiscal year-end, and the changes in its net assets and cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America. The University of Wyoming is a component unit of the State of Wyoming. As such, the University's Financial Report is part of the Annual Comprehensive Financial Report (ACFR) prepared by the State Auditor's Office in accordance with W.S. 9-1-403 (a)(v). The final ACFR must be issued by the State Auditor on or before December 31st.

As part of obtaining reasonable assurance about whether the University's financial statements are free of material misstatement, the auditors consider the University's internal controls over financial reporting and perform tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance of which could have a direct and material effect on the determination of financial statement amounts. The auditors do not express an opinion on the effectiveness of the University's controls or on the compliance with those provisions, instead they report whether the results of their tests disclose any deficiencies in internal control or instances of noncompliance that are required to be reported under Government Auditing Standards.

- *Discussion: This is delayed due to the delayed release of the Compliance Supplement. Single Audit Report- As part of obtaining reasonable assurance about whether the University complied with Federal statutes, regulations, and the terms and conditions of its Federal awards applicable to its Federal programs, the auditors perform tests of compliance with the applicable compliance requirements. The auditors express an opinion that the University has complied, in all material respects, with the applicable compliance requirements that have a direct and material effect on each of its major programs, which would include reporting instances of noncompliance, if any, that are required to be reported under the Uniform Grant Guidance. Similar to the above report, the auditors also consider the University's internal controls over compliance. The auditors do not express an opinion on the effectiveness of the University's controls, instead they report whether the results of their tests disclose any deficiencies in internal control that are required to be reported under the Uniform Grant Guidance.

The Single Audit reporting package is required to be submitted to the Federal Audit Clearinghouse within the earlier of 30 days after receipt of the auditor's report, or nine months after the end of the audit period.

- NCAA Report – This report constitutes an agreed-upon procedures engagement; its scope is less than that of an audit. The procedures include but are not limited to the examination of cash receipts and disbursements and identification of unique internal control aspects and various inquiries related to compliance issues. The external auditors evaluate whether the Schedule of Cash Receipts and Disbursements is in compliance with the National Collegiate Athletic Association (NCAA) Constitution. The sufficiency of these procedures is solely the responsibility of university management. Consequently, the auditors make no representation regarding the sufficiency of the procedures.

- Cowboy Joe Club Report- This report constitutes an agreed-upon procedures engagement; its scope is less than that of an audit. The procedures include but are not limited to the examination of cash receipts and disbursements and identification of unique internal control aspects and various inquiries related to compliance issues. The sufficiency of these procedures is solely the responsibility of Cowboy Joe Club management. Consequently, the auditors make no representation regarding the sufficiency of the procedures.

- Wyoming Public Media Report – This report constitutes an agreed-upon procedures engagement; its scope is less than that of an audit. The procedures include but are not limited to the examination of cash receipts and disbursements and identification of unique internal control aspects and various inquiries related to compliance issues. The sufficiency of these procedures is solely the responsibility of WPM management. Consequently, the auditors make no representation regarding the sufficiency of the procedures.

- High Bay – This report constitutes an agreed-upon procedures engagement; its scope is less than that of an audit. The procedures include but are not limited to the examination of cash receipts and disbursements and identification of unique internal control aspects and various inquiries related to compliance issues. The sufficiency of these procedures is solely the responsibility of High Bay management. Consequently, the auditors make no representation regarding the sufficiency of the procedures.

Pursuant to the Bylaws of the Trustees, Article VII. Section 7-2:
The Fiscal and Legal Affairs Committee is responsible for assuring that the University's organizational culture, capabilities, systems and processes are appropriate to protect the financial health and the reputation of the University in all audit-related areas enumerated below. Specifically, the Fiscal and Legal Affairs Committee will review the financial reporting processes, the system of internal controls, the audit process, and the process for monitoring and ensuring compliance with financial laws and regulations. It will monitor the University's internal and external auditor's findings.

In discharging their duties hereunder, the members of the Committee are entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by: officers or employees of the University whom the Committee

members reasonably believe to be reliable and competent in the matters presented; and legal counsel, public accountants or other persons as to matters the Committee members reasonably believe are within the person's professional or expert competence.

The Fiscal and Legal Affairs Committee meets with the external audit firm's partner on the audit engagement and University management to review the annual financial reports in advance of presentation to the Board of Trustees. The Committee Chair will make a recommendation to the Board with respect to acceptance and approval of the reports.

Annual financial reports serve various functions and have numerous audiences. They not only serve to inform the campus community of the institution's financial condition and results of operations, but they are also required by various governmental, regulatory, and rating agencies; holders of the institution's bonds; and accrediting agencies. The Board of Trustees is held to a high standard of full financial disclosure, transparency, and accountability: public acceptance and approval of the financial reports completes the audit cycle, helps tell the University of Wyoming's financial story, and assists the Board in exercising their fiduciary responsibilities.

FISCAL AND LEGAL AFFAIRS COMMITTEE
COMMITTEE MEETING MATERIALS

AGENDA ITEM TITLE: Market Update and Quarterly Investment Performance Report

☒ OPEN SESSION
☐ CLOSED SESSION

PREVIOUSLY DISCUSSED BY COMMITTEE:
- ☒ Yes
- ☐ No

FOR FULL BOARD CONSIDERATION:
- ☐ Yes *[Note: If yes, materials will also be included in the full UW Board of Trustee report.]*
- ☒ No

☒ *Attachments/materials are provided in advance of the meeting.*

EXECUTIVE SUMMARY: Quarterly investment performance review of funds managed by UW under UW Regulation 7-7: Investment and Management of University Funds.

PRIOR RELATED COMMITTEE DISCUSSIONS/ACTIONS: Previous quarterly performance reports.

WHY THIS ITEM IS BEFORE THE COMMITTEE: UW Regulation 7-7: Investment and Management of University funds IX.A.1 outlines that "Performance reports are supplied to the Board following the end of each quarter."

ACTION REQUIRED AT THIS COMMITTEE MEETING: None

PROPOSED MOTION: None

pfm asset management

University of Wyoming

Investment Performance Review
For the Quarter Ended September 30, 2026

Client Management Team

Joan Evans, Director
Gray Lepley, Senior Director
Amber Cannegieter, Key Account Manager

PFM Asset Management
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Agenda

- Market Update
- Account Summary
- Portfolio Review

Market Update

Current Market Themes



- U.S. growth remains resilient, supported by consumer spending and AI investment
  - Core inflation remains sticky while elevated oil prices and rising input costs leave risks skewed to the upside
  - Labor-market conditions remain balanced, although hiring momentum continues to slow
  - AI-related investment continues to support domestic demand and potential productivity growth, although its long-term impact on employment and inflation remains uncertain



- Federal Reserve (Fed) hikes rates by 25 basis points
  - September dot plot shows 16 of 18 officials projecting one or more hikes this year
  - Economy viewed as strong enough to absorb the hike, allowing the Fed to continue to focus on inflation side of its mandate
  - Hike characterized as removing accommodation as opposed to tightening conditions



- Inflation, resilient growth, and a hawkish Fed lift yields to multi-year highs
  - All-in yields remain attractive, particularly on short end where market pricing reflects a more aggressive tightening path than our base case
  - Expanding fiscal deficits, heavy Treasury and corporate issuance, strong growth, and rising term premia pressure long-end yields
  - Credit spreads widen off historically tight levels amid a surge in rate volatility

Source: Details on market themes and economic indicators provided throughout the body of the presentation. Bloomberg Finance L.P., as of September 30, 2026.

September Hike Reinforces a Higher-for-Longer Policy Path

Hawkish Decision and Projections

- Economic resilience allowed Fed to remain focused on inflation
- The "dot plot" showed 16 of 18 participants expect one or more hikes in 2026

Hawkish Press Conference

- Inflation has not moved toward the 2% target "clearly and at sufficient speed"
- The hike removes "a dose of accommodation" but is not yet restrictive
- Fed remains data-dependent

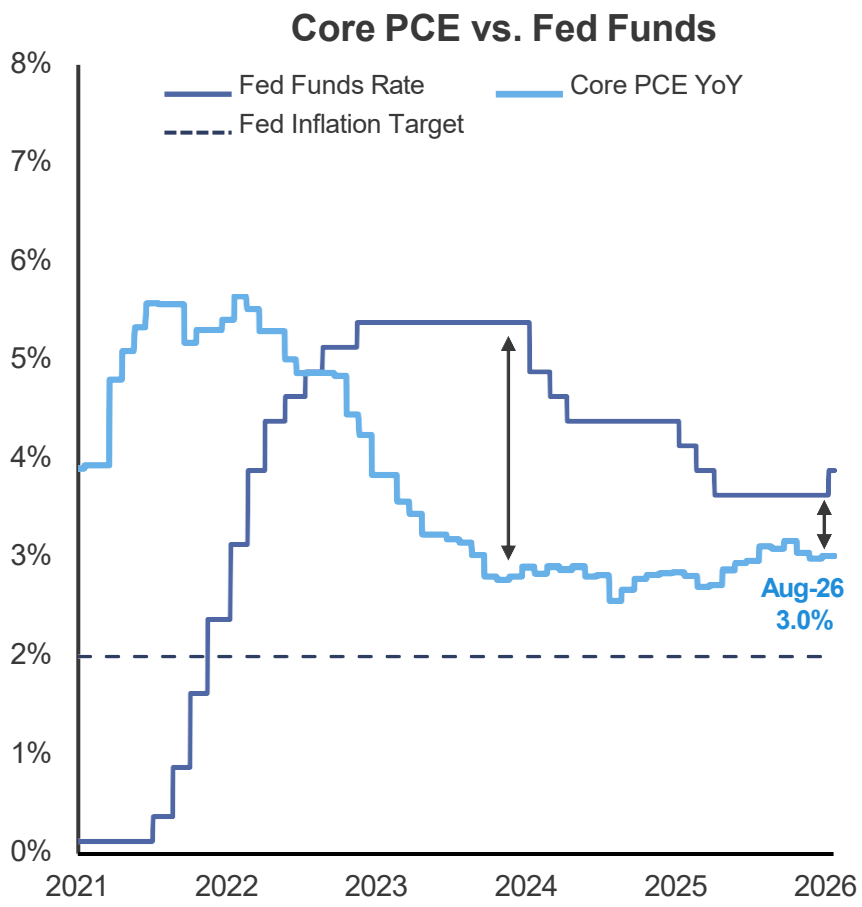
Potential Paths for Fed Policy

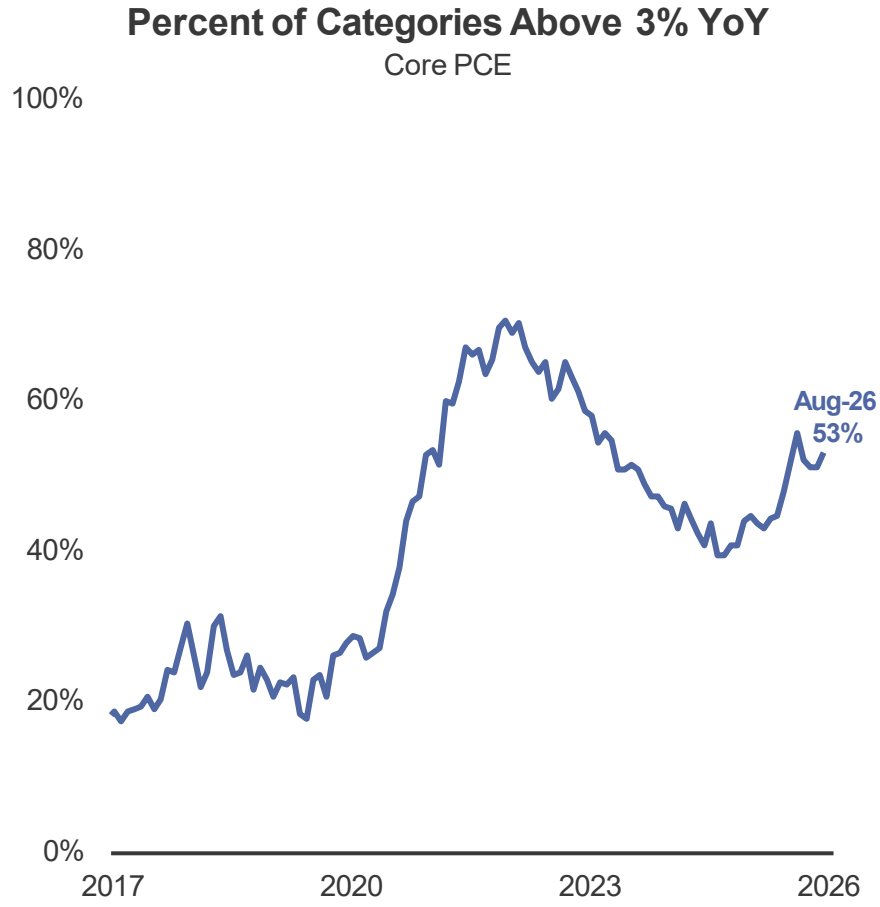
Category	No Additional Hikes	One Additional Hike	Two or More Hikes
Inflation	*Cooling Convincingly*	*Sticky, Moderating*	*Reaccelerating, Broadening*
Labor Market	*Cooling*	*Solid, Resilient*	*Tightening*
Consumer Spending	*Weakening*	*Resilient*	*Strong*
Growth	*Softening*	*Solid, Above-trend*	*Accelerating*

Source: Bloomberg Finance L.P., Federal Reserve, and Kevin Warsh. As of September 30, 2026.

Price Pressures Persist and Focus On Broadening

Fed Chair Warsh: "We cannot affect… oil prices... [or] foodstuffs… But what we can do… is ensure that any change in relative prices don't broaden out, don't have second- and third-order effects in the economy."



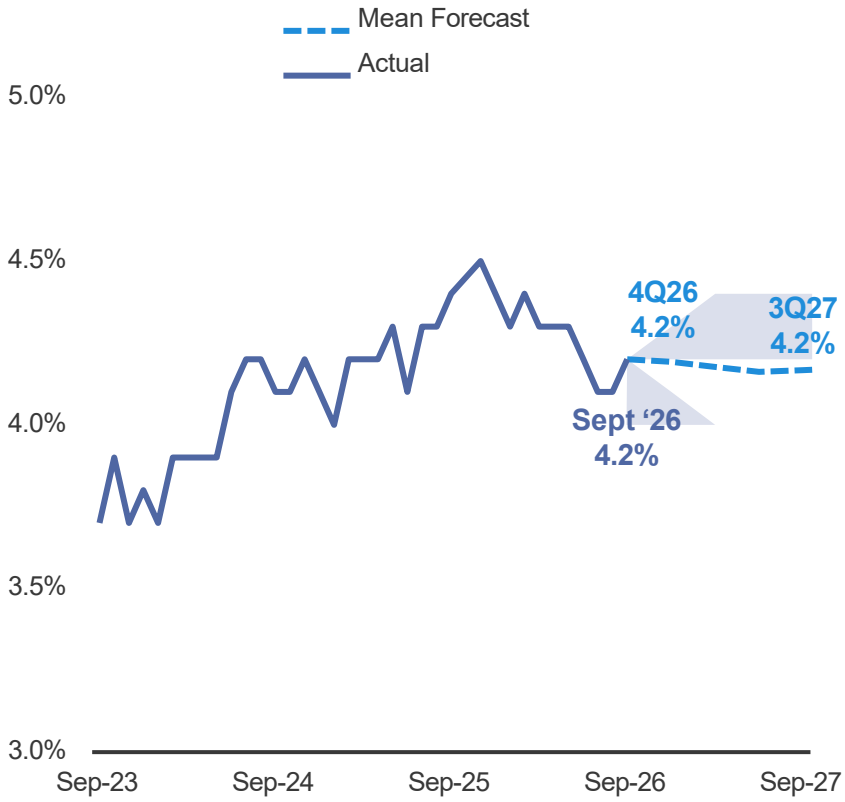


Source: FOMC Chair Kevin Warsh Press Conference, September 16, 2026. Bureau of Economic Analysis as of August 2026. Bloomberg Finance L.P. as of September 30, 2026.

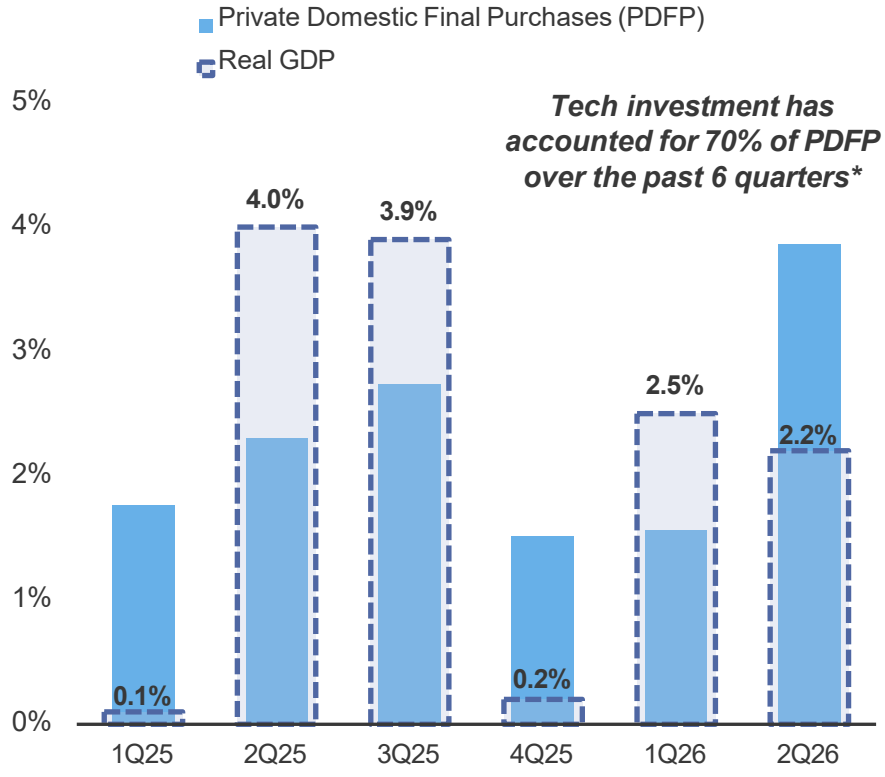
Fed Hikes Amid Labor Market Stability and Strong Private Demand

Fed Chair Warsh: "There's been a pretty wide ranging set of data, including in the labor markets, that the economy has strengthened"

Unemployment Rate



Private Demand Drives Economic Resilience



*Sources: FOMC Chair Kevin Warsh Press Conference, September 16, 2026. Bloomberg Finance L.P., Bureau of Labor Statistics as of September 2026, and Bureau of Economic Analysis as of June 2026. Survey responses after September 25, 2026, included in mean and forecast range. Shading represents the central 80% of the forecasts. PDFP include contributions to Real GDP from personal consumption and private fixed investment. *Tech investment contains contributions to GDP from computers and peripheral equipment, information processing equipment, and software.*

Factors Shaping Our Economic Outlook

Negative

- Persistent inflation which may require additional tightening
- Fiscal deficits and higher rates
- Geopolitical uncertainty and supply chain disruptions

Neutral

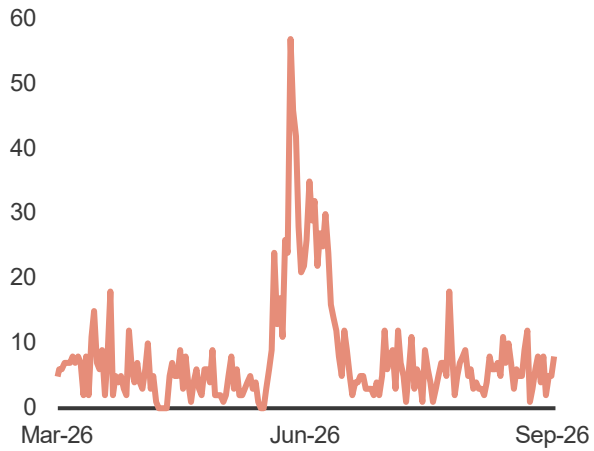
- Core inflation passthrough from energy shock modest thus far
- U.S. growth near trend with support from the consumer and AI investment

Positive

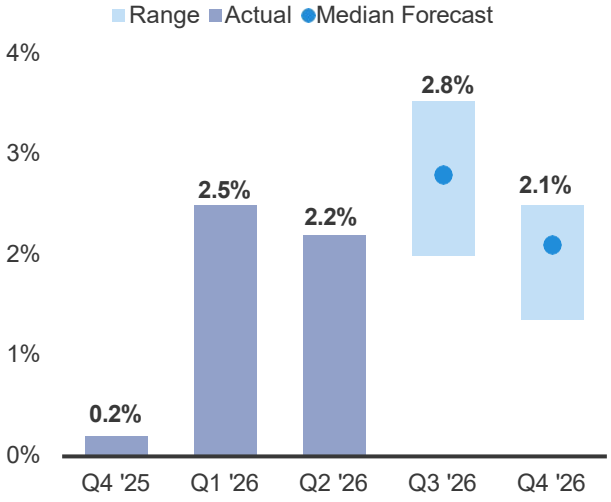
- Resilient domestic demand
- Low-hire, low-fire labor market
- Strong corporate fundamentals
- Supportive fiscal policy

Hormuz Ship Traffic

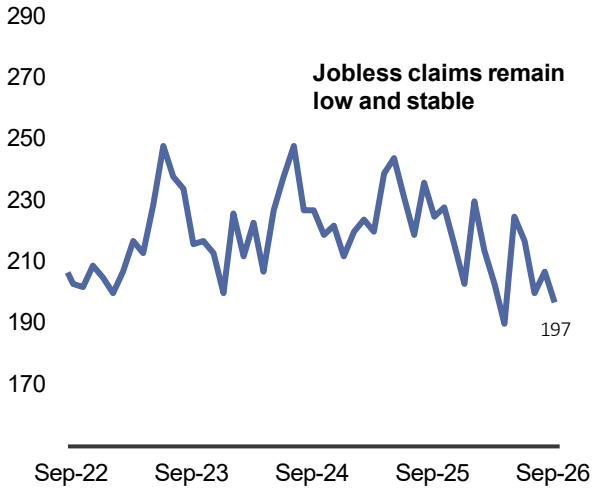
Daily Volume



U.S. GDP Forecasts



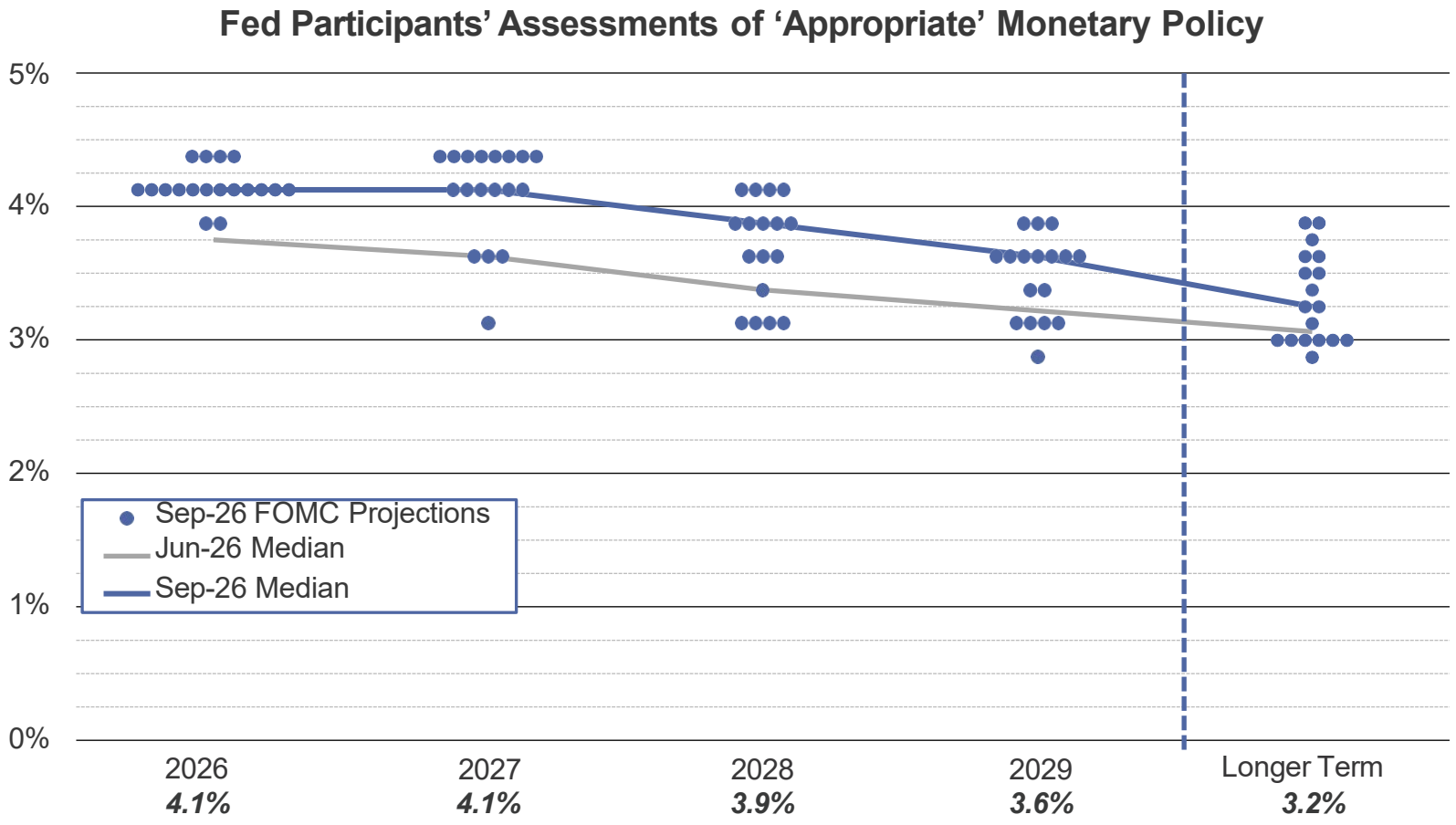
Initial Jobless Claims



Sources: Bloomberg Finance L.P. as of September 30, 2026, Bureau of Economic Analysis as of June 30, 2026, and Department of Labor as of September 26, 2026. Survey responses after September 25, 2026, included in median and forecast range. Shading represents the central 80% of the forecasts.

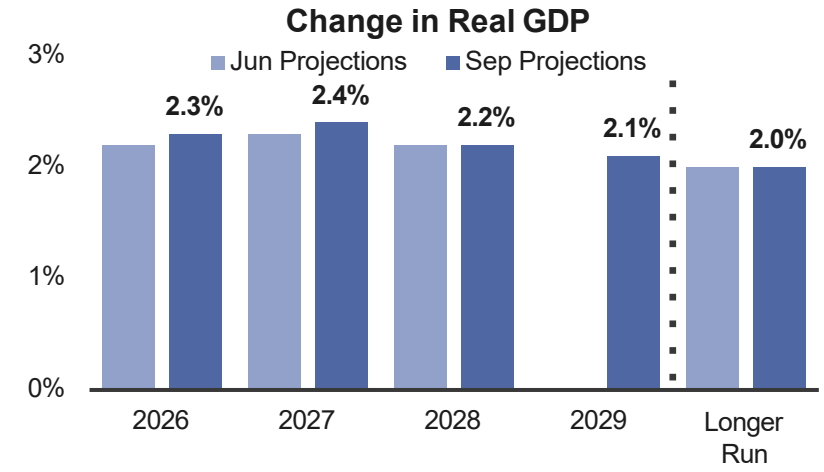
The Latest Fed "Dot Plot"

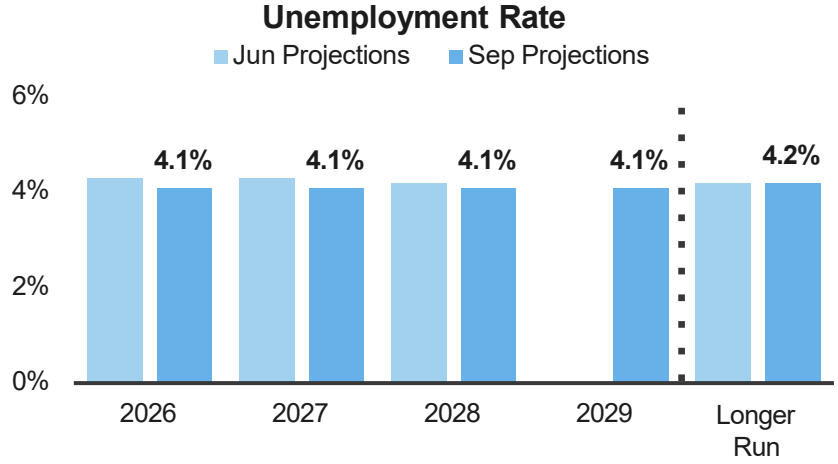
Fed Chair Warsh: "Today's action starts to show we are serious about this." Warsh also mentioned the rate hike "removed a dose of accommodation."

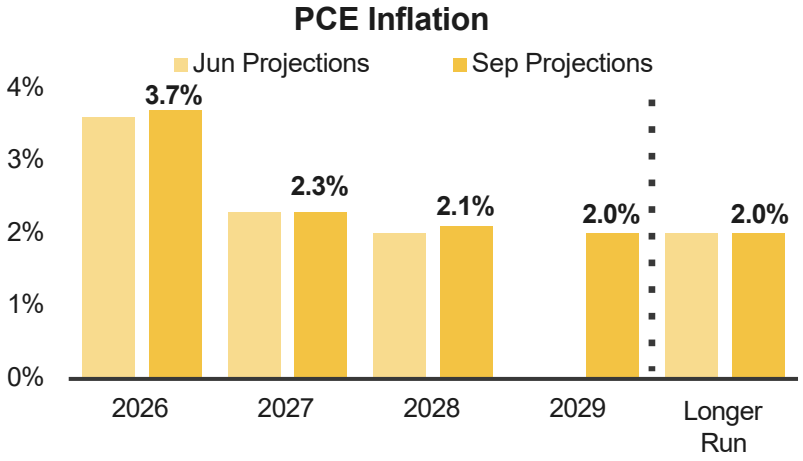


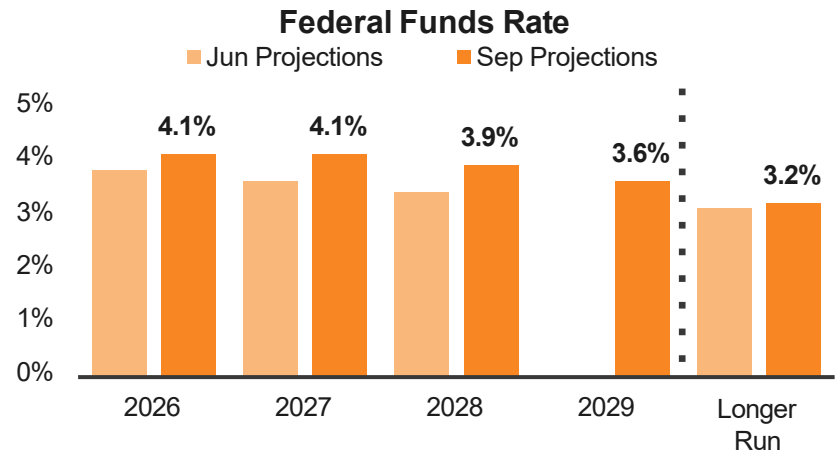
Source: Federal Reserve; Bloomberg Finance L.P. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. As of September 2026.

Fed's Updated Summary of Economic Projections



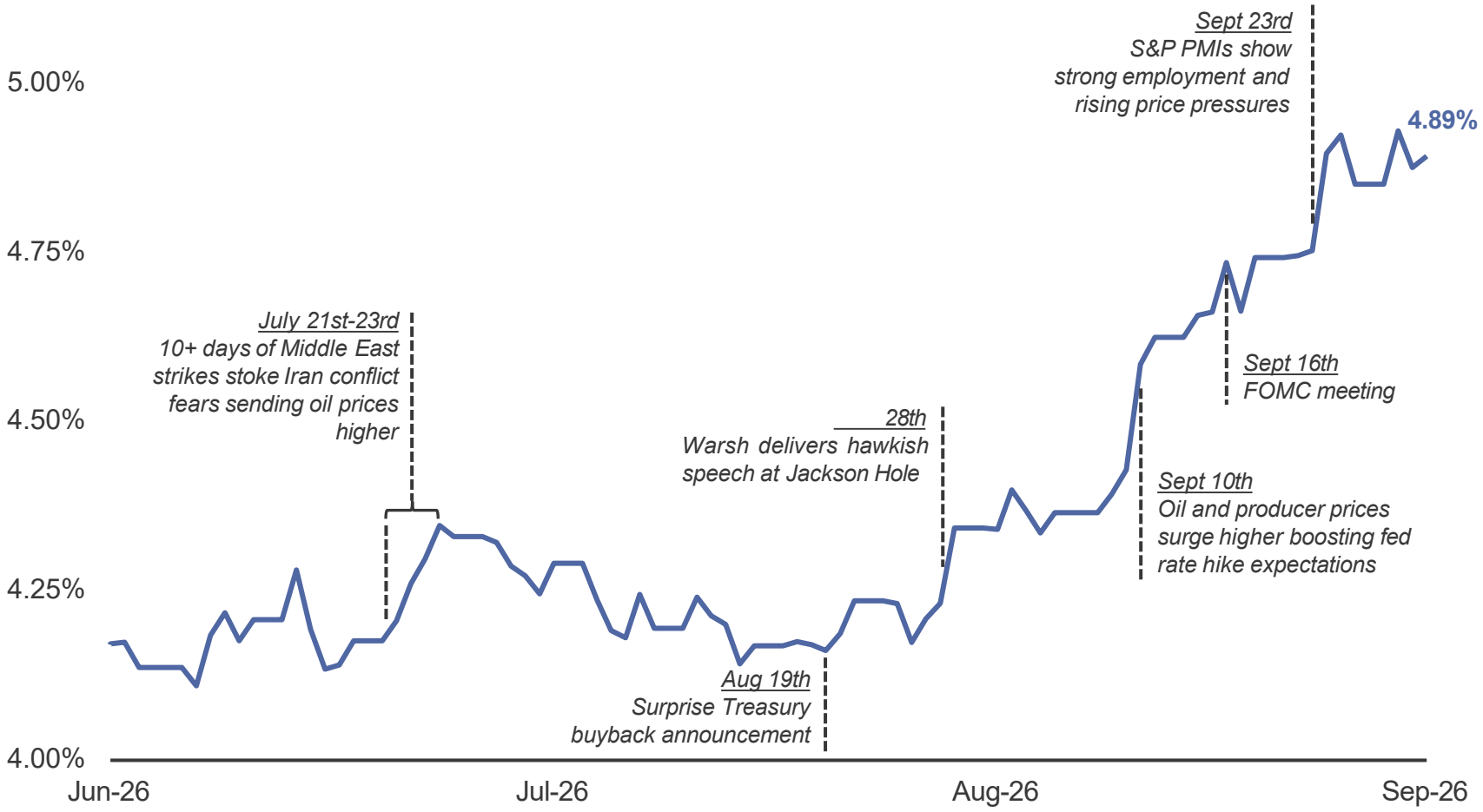






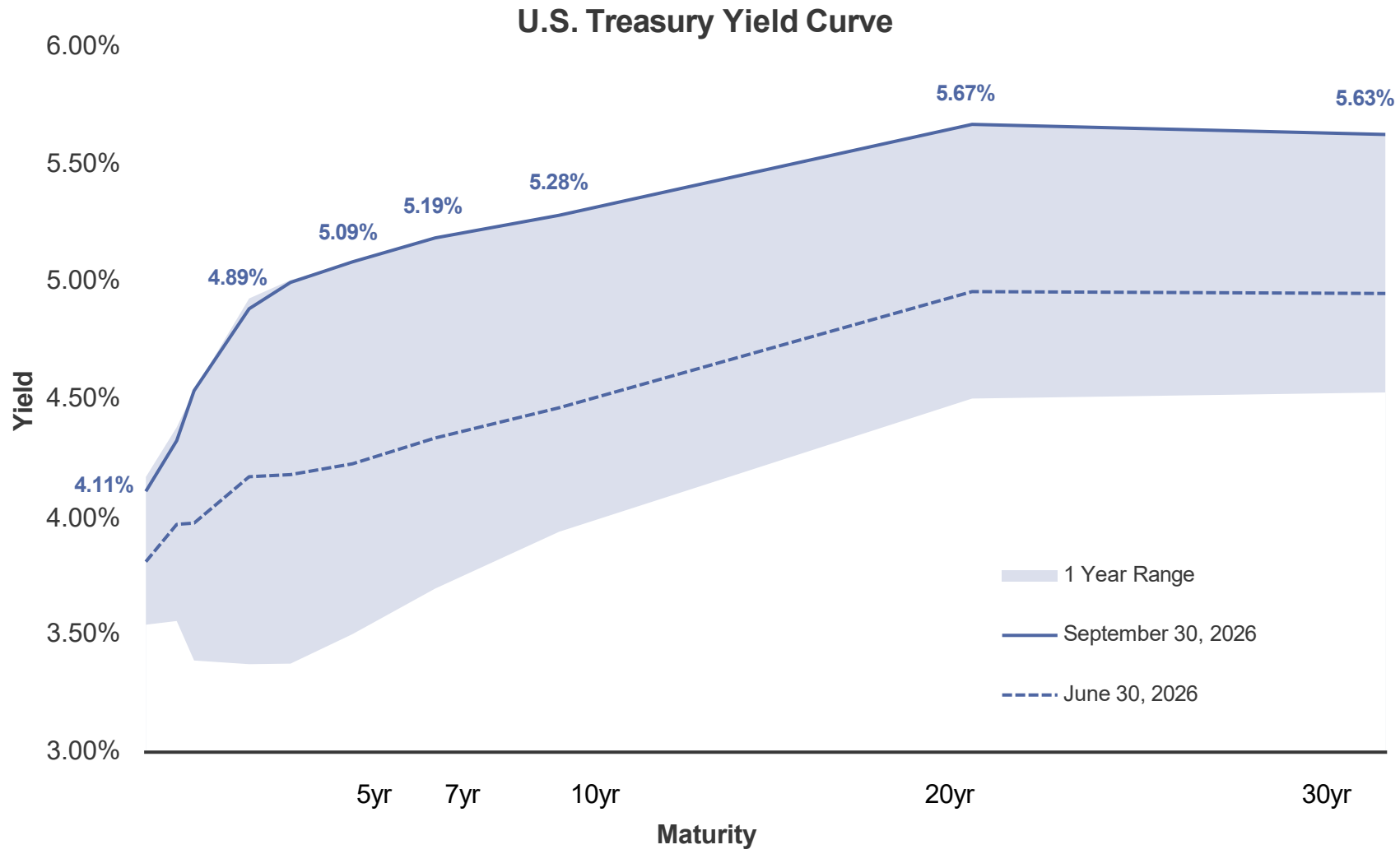
Source: Federal Reserve, latest median economic projections as of September 2026.

2-Year Treasury Yield Surges Higher



Source: Bloomberg Finance L.P., as of September 30, 2026.

Treasury Yields Rise Across the Curve



Source: Bloomberg Finance L.P., as of September 30, 2026.

Fixed-Income Sector Commentary – 3Q 2026

- **U.S. Treasury** yields moved sharply higher during the quarter. The 2-year reached its highest level since 2024 as the market aggressively repriced Fed policy expectations. Yields on 10- and 30-year securities reached levels last seen in the mid-2000s as large fiscal deficits, elevated Treasury issuance, and expanding term premium continues to put upward pressure on longer-term yields.
- **Federal Agency & Supranational** issuance remained limited, supporting historically tight spreads. Relative value remains limited and excess returns muted. Market concerns around privatization have abated for the time being.
- **Investment-grade (IG) corporates** continue to benefit from healthy fundamentals and strong demand from elevated all-in yields. However, broader market volatility, rising yields, and spread widening more than offset carry, resulting in negative excess returns.
- **Asset-Backed Securities** continue to benefit from resilient consumer fundamentals and strong investor demand. While spreads narrowed modestly, the sector continues to offer better relative value than corporates. Auto loan collateral outperformed credit card receivables in both excess and total returns over the quarter.
- **Agency MBS** generated negative excess returns as elevated rate volatility and wider spreads weighted on performance, with longer-duration structures underperforming shorter cohorts. **Agency-backed commercial MBS (CMBS)** also generated negative excess returns but proved more resilient than residentials.
- **Short-term credit** (commercial paper and negotiable bank CDs) spreads tightened as markets repriced Fed policy expectations. Floating-rate structures remained attractive given elevated all-in yields and increased volatility.

The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (9/30/2026) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management cannot guarantee its accuracy, completeness, or suitability.

Fixed-Income Sector Outlook – 4Q 2026

- We continue to find value in the front-end of the **U.S. Treasury** curve given the market's aggressive pricing of additional Fed tightening. For shorter-duration strategies we prefer a modestly long duration stance, while longer-duration strategies remain neutral to benchmarks given elevated Treasury issuance, fiscal uncertainty, and rising term premia.
- **Federal Agency & Supranational** spreads are expected to remain historically tight as limited issuance continues to support valuations. Government-only accounts may find occasional value on an issue-by-issue basis, though broad sector value remains limited.
- **Taxable Municipals** continue to present limited opportunity due to an ongoing lack of supply and strong demand which is keeping yields low. We do not expect this to change in the near term.
- **Investment-Grade (IG) Corporate** bonds are supported by technicals and stable fundamentals. The sector continues to benefit from supportive technicals and generally stable fundamentals. While all-in yields remain attractive, valuations remain near the richer end of historical ranges. We favor a selective approach focused on security selection and new-issue opportunities.
- **Asset-Backed Securities** fundamentals remain largely within expectations and credit enhancements remain robust. While valuations have become increasingly tight, the sector continues to offer attractive relative value. We remain selective in new purchases while allowing allocations to drift lower through paydowns.
- Historically rich valuations in **Mortgage-Backed Securities** and elevated rate volatility continue to limit value in the sector. While recent spread widening has modestly improved valuations, we remain defensive and add allocations when properly compensated for higher volatility and extension risk.
- **Short-term credit** (commercial paper and negotiable bank CDs) spreads are expected to be primarily driven by Fed policy decisions. We expect volatility and monetary policy repricing to provide value in the sector.

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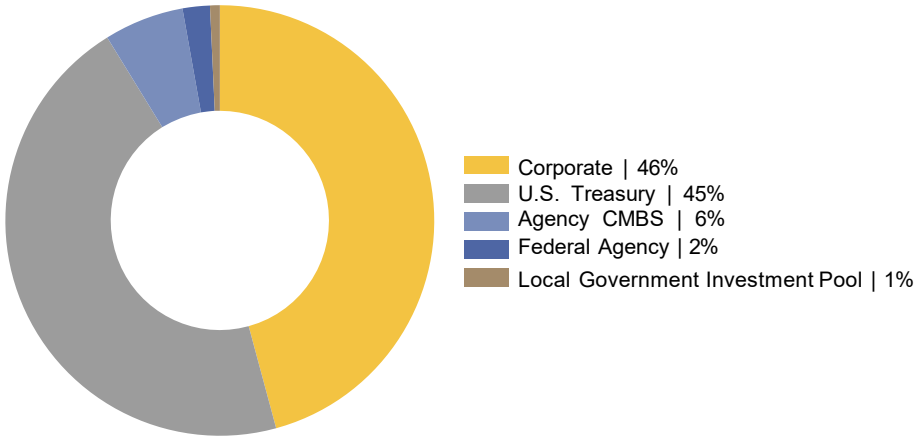
Account Summary

Consolidated Summary

Account Summary

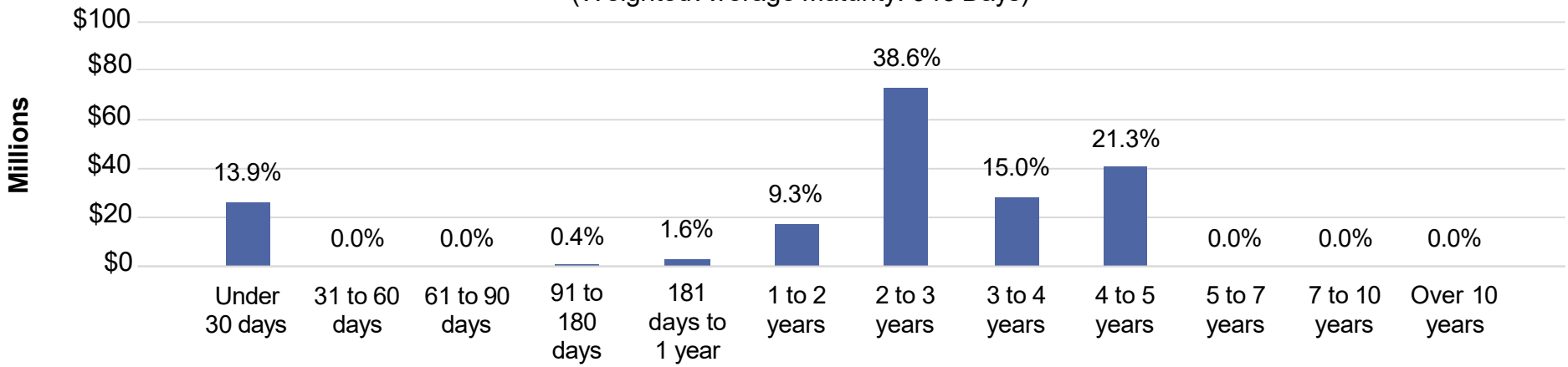
WGIF	$74,383,311
WGIF Managed Account	$163,425,365
Total Program	**$237,808,676**

Sector Allocation



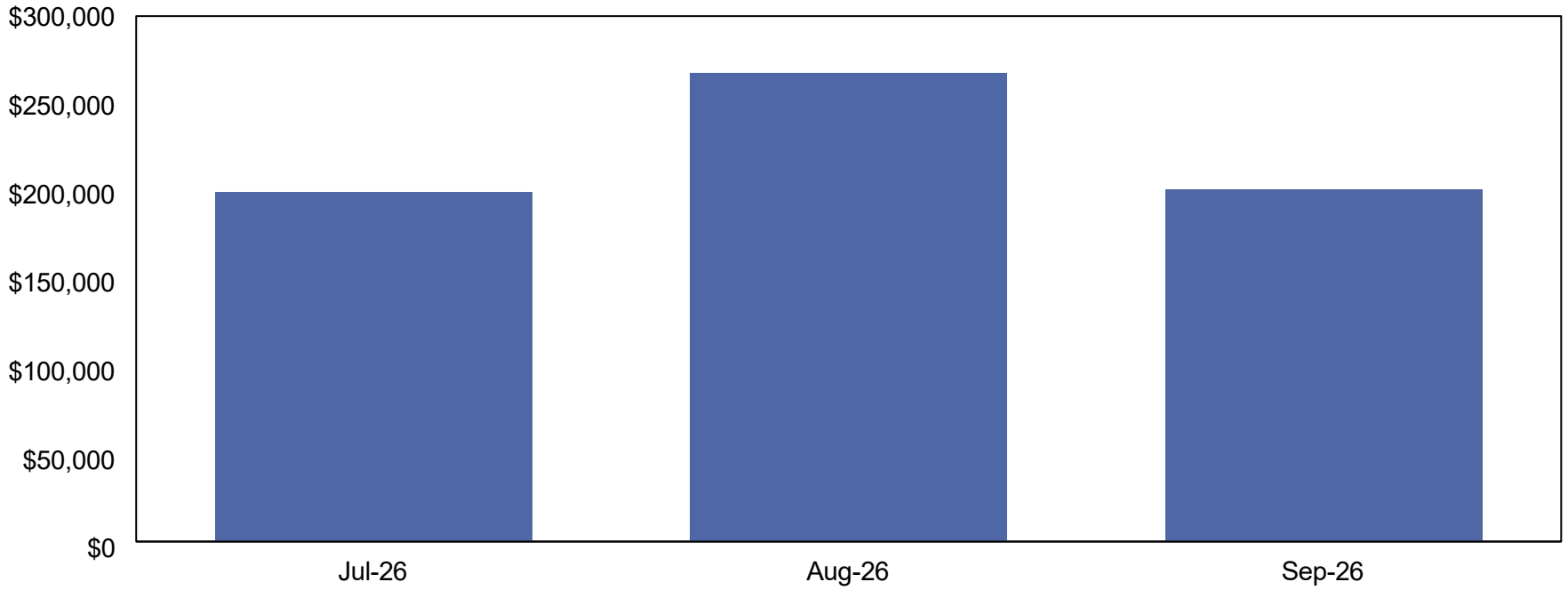
Maturity Distribution

(Weighted Average Maturity: 943 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
2. Sector allocation and maturity distribution only include Core and Short Term portfolios

Accrual Income Dividend Reinvestment
UW General Fund, UW University Deposit, & 2021 Construction Fund



	July 2026	August 2026	September 2026
UW General Fund UW	$175,434	$243,074	$176,867
University Deposit	$24,287	$24,607	$24,412
2021 Construction Fund	$0	$0	$0
Total Accrual Income	**$199,721**	**$267,681**	**$201,279**

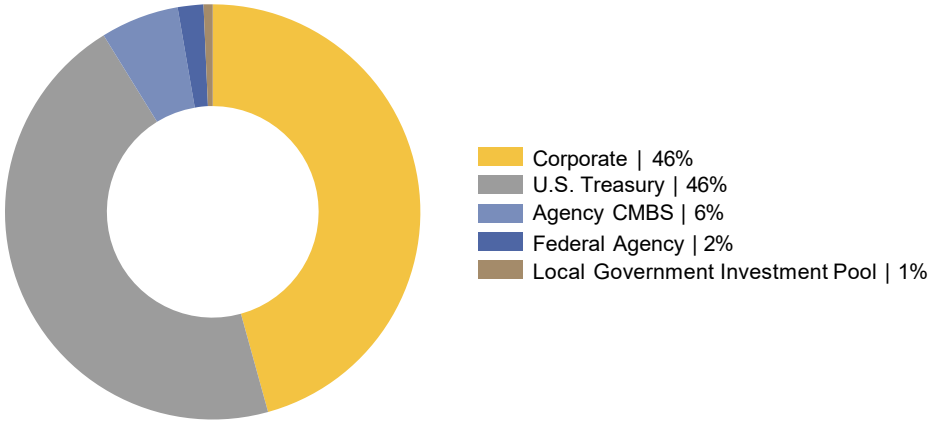
Portfolio Review

Portfolio Snapshot - WGIF-UNIVERSITY OF WYOMING CORE[1]

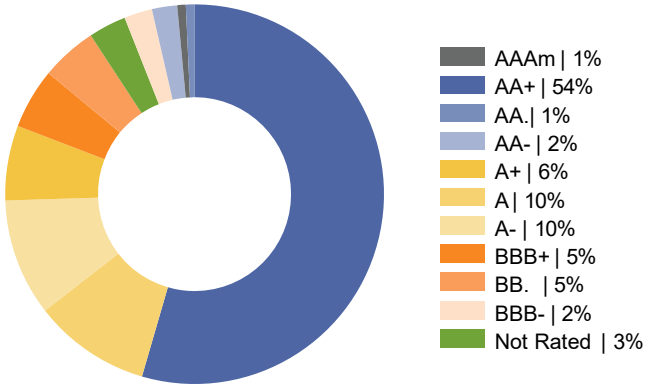
Portfolio Statistics

Total Market Value	$164,637,262.42
Managed Account Sub-Total	*$161,825,566.94*
Accrued Interest	*$1,599,798.07*
Pool	*$1,211,897.41*
Portfolio Effective Duration	2.60 years
Benchmark Effective Duration	2.50 years
Yield At Cost	4.29%
Yield At Market	5.23%
Portfolio Credit Quality	A

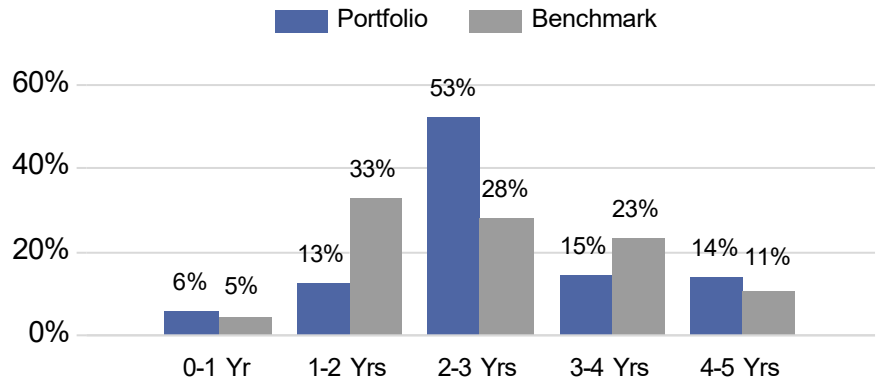
Sector Allocation



Credit Quality - S&P

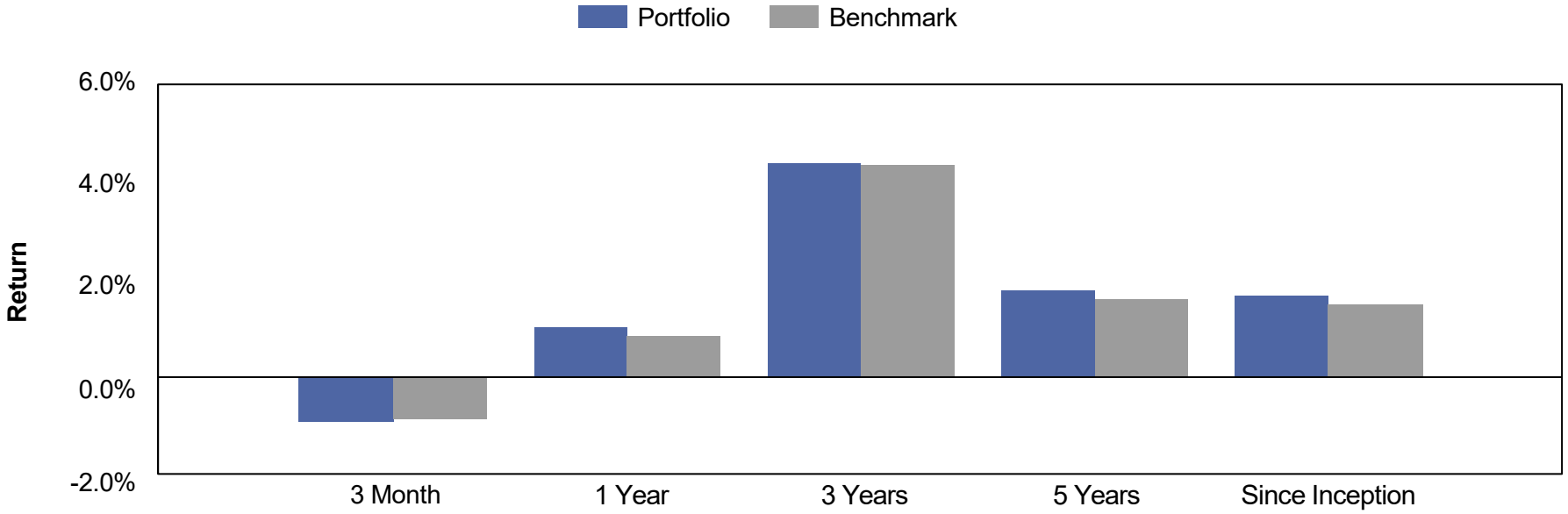


Duration Distribution



1. *Total market value includes accrued interest and balances invested in WGIF, as of September 30, 2026.*
   Yield and duration calculations exclude balances invested in WGIF.
   The portfolio's benchmark is the ICE BofA 1-5 Year U.S. Government/Corp Index. Source: Bloomberg Financial LP.
   An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

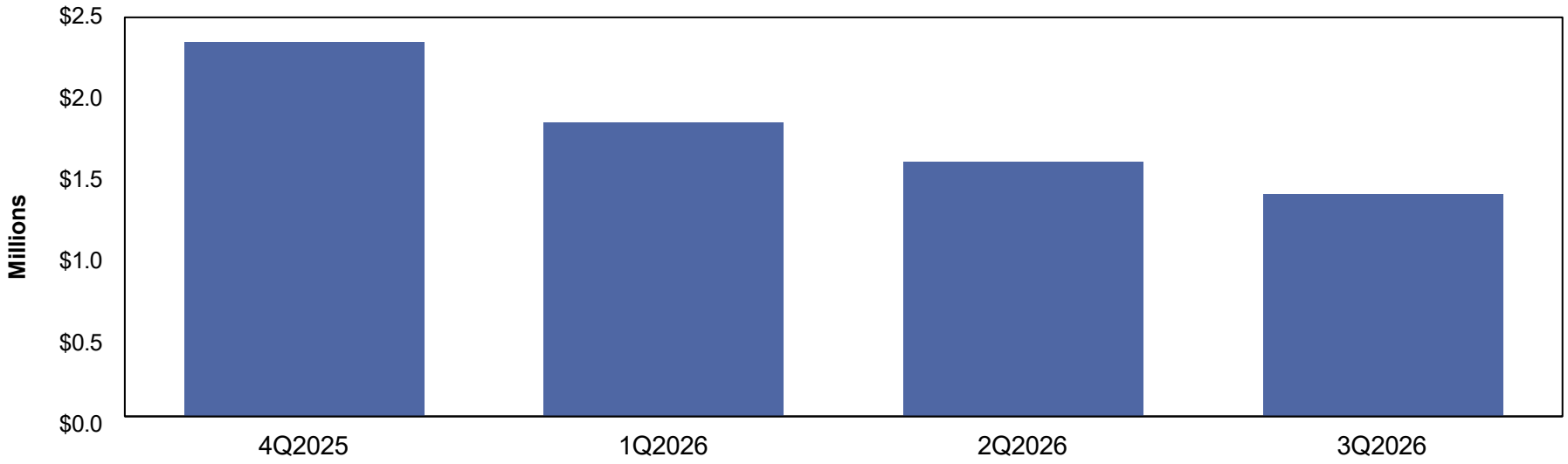
Portfolio Performance



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception[1]
Interest Earned[2]	$1,744,819	$6,777,851	$16,186,779	$19,263,289	$19,640,944
Change in Market Value	($3,259,317)	($5,213,193)	$1,136,550	($5,634,229)	($5,821,434)
Total Dollar Return	**($1,514,498)**	**$1,564,658**	**$17,323,329**	**$13,629,060**	**$13,819,510**
Total Return[3]					
Portfolio	-0.92%	1.02%	4.39%	1.75%	1.64%
Benchmark[4]	-0.89%	0.84%	4.33%	1.57%	1.49%
Difference	-0.02%	0.18%	0.06%	0.18%	0.15%

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 BofA 1-5 Year U.S. Government/Corp Index. Source: Bloomberg Financial LP.*

Accrual Basis Earnings - WGIF-UNIVERSITY OF WYOMING CORE



Accrual Basis Earnings	4Q2025	1Q2026	2Q2026	3Q2026
Interest Earned[1]	$1,672,731	$1,657,452	$1,702,849	$1,744,819
Realized Gains / (Losses)[2]	$633,807	$183,301	($97,870)	($338,572)
Change in Amortized Cost	$40,475	$331	($7,912)	($11,078)
Total Earnings	**$2,347,014**	**$1,841,084**	**$1,597,067**	**$1,395,169**

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.

The views expressed within this material constitute the perspective and judgment of PFMAM at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon certain assumptions and current opinion as of the date of issue and are also subject to change. Some, but not all assumptions are noted in the report. Assumptions may or may not be proven correct as actual events occur, and results may depend on events outside of your or our control. Changes in assumptions may have a material effect on results. Opinions and data presented are not necessarily indicative of future events or expected performance.

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- This information is for institutional investor use only and not for further distribution to retail investors and does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security. Investors should consider the Wyoming Government Investment Fund's ("WGIF") investment objectives, risks, charges and expenses before investing in the WGIF. This and other information about WGIF is available in the WGIF's current Information Statement, which should be read carefully before investing. A copy of the WGIF's current Information Statement may be obtained by calling 1-866-249-9443; and is available on the WGIF website (www.wgif.org). While the WGIF Liquid Asset Series seeks to maintain a stable net asset value of $1.00 per share and each WGIF Fixed Term Series seeks to achieve a net asset value of $1.00 per share at its stated maturity, it is possible to lose money investing in WGIF. An investment in WGIF is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency Shares of WGIF are distributed by U.S. Bancorp Investments, Inc., member FINRA (www.finra.org) and SIPC (www.sipc.org). PFM Asset Management is a division of U.S. Bancorp Asset Management, Inc., which serves as administrator and investment adviser to WGIF. U.S. Bancorp Asset Management, Inc. is a direct subsidiary of U.S. Bank N.A. and an indirect subsidiary of U.S. Bancorp. U.S. Bancorp Investments, Inc. is a subsidiary of U.S. Bancorp and affiliate of U.S. Bank N.A.

- Generally, PFMAM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services. There may be differences in the values shown for investments due to accrued but uncollected income and the use of differing valuation sources and methods. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFMAM believes the prices to be reliable, the values of the securities may not represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for a registered investment company or local government investment program is contained in the appropriate fund offering documentation or information statement.

- 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.**

- ICE Bank of America 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 or 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.