

**AGENDA ITEM TITLE: Approval of FY 2011 Budget, Vinzant**

CHECK THE APPROPRIATE BOX(ES):

- Work Session  
 Education Session  
 Information Item  
 Other      Specify: BUSINESS MEETING

**BACKGROUND AND POLICY CONTEXT OF ISSUE:**

The Trustees of the University of Wyoming, a constitutional body, are responsible for the “management of the university” (Wyoming Constitution, Article 7, 17).

**2010-2011 Biennium, FY2011 Budget Authority Approval**

Section I:

- 1) Agency 067: University of Wyoming (Block Grant), including Brucellosis, and
- 2) Agency 167: UW-Medical Education

This section contains the general operating budget of the University supported by appropriated funds, including state general funds, federal formulas funds for the support of the College of Agriculture, and other University funds (UW Income Fund, Sales and Services Fund, Clinic Income, Agricultural Land Income, University Land Income, and Federal Mineral Royalties), and unrestricted income from the University of Wyoming Foundation.

Section II:

This section contains the self-sustaining budgets of the University that are supported by sponsored funding for research and other activities (primary source is federal funds), income from University auxiliary operations (e.g., housing, dormitories, student union, parking, duplicating, concessions, etc.), gifts and contributions, student fees, and federal mineral royalties.

The proposed operating budget for FY2011 has been prepared on the basis of the state general fund appropriation to the University for the 2011-2012 biennium, other state revenue sources such as UW Land Income Funds, and University funds, such as tuition and fees, that comprise the total operating budget to be approved by the Trustees. The FY2011 operating budget also includes \$5.2 million of American Recovery and Reinvestment Act SFSF allocation. The University’s allocation of \$27 million for major maintenance through ARRA SFSF allocation is excluded from this operating budget.

The revenues and expenditures supporting the proposed FY 2011 operating budget are shown in Tables 1 (Revenues/Sources) and 2 (Expenditures/Uses) below. The proposed FY2011 Section I and II operating budget amounts displayed in these tables present a comprehensive, agency level summary of revenues and expenditures for FY 2011 for Agency 067, University of Wyoming, along with Agency 167, UW-Medical Education. For preliminary planning purposes, amounts for FY 2012 and biennium totals are also displayed in the tables.

**TABLE 1**  
**Total Revenue / Sources**

	<b>FY 11 Proposed</b>	<b>FY 12 Preliminary</b>	<b>Biennium Total</b>
<b>General Fund</b>	193,629,444	194,629,445	388,258,889
<b>UW Income Fund</b>	44,382,152	55,182,152	99,564,304
<b>Athletics (Augmenting Revenue)</b>	2,379,045	2,379,045	4,758,090
<b>Sales &amp; Services</b>	3,484,378	2,484,378	5,968,756
<b>Federal Mineral Royalties (Sec. I and II)</b>	13,365,000	13,365,000	26,730,000
<b>Fed. Funds--Ag. Coll. Research</b>	1,350,000	1,350,000	2,700,000
<b>Fed. Funds--Ag. Coll. Extension</b>	1,107,809	1,107,809	2,215,618
<b>Land Income Fund---University</b>	682,000	682,000	1,364,000
<b>Land Income Fund---Ag. College</b>	460,000	460,000	920,000
<b>Foundation</b>	26,786,482	29,242,540	56,029,022
<b>Clinic Income</b>	2,652,720	2,652,720	5,305,440
<b>Grants and Contracts --Fed. Funds AML through DEQ</b>	52,185,000	51,200,000	103,385,000
<b>Grants and Contracts -- Other Federal Funds</b>	79,178,873	76,777,378	155,956,251
<b>Grants and Contracts --State Funds</b>	8,050,000	8,050,000	16,100,000
<b>Grants and Contracts --Other Funds</b>	4,260,000	4,260,000	8,520,000
<b>Auxiliary, Enterprise and Other University Funds</b>	62,267,145	64,181,331	126,448,476
<b>Other Government Agency Funds</b>	9,992,307	9,992,307	19,984,614
<b>Total</b>	<b>506,212,355</b>	<b>517,996,104</b>	<b>1,024,208,459</b>

**TABLE 2**  
**Total Expenditures / Uses**

	<b>FY 11 Proposed</b>	<b>FY 12 Preliminary</b>	<b>Biennium Total</b>
<b>Full-time Personal Services (1000)</b>	195,536,930	197,372,375	392,909,304
<b>Part-time Personal Services (1200)</b>	13,051,779	13,196,087	26,247,866
<b>Graduate Assistant (1400)</b>	5,764,539	5,767,826	11,532,365
<b>Employer Paid Benefits (1900)</b>	87,415,969	88,433,634	175,849,603
<b>Support Services (2000)</b>	143,748,787	146,688,893	290,437,681
<b>Grant &amp; Aid Payment (6000)</b>	45,387,270	50,375,970	95,763,240
<b>Non-op. Expenditure (8000)</b>	13,200,236	13,497,889	26,698,125
<b>Total</b>	<b>504,105,510</b>	<b>515,332,674</b>	<b>1,019,438,184</b>

Approval of the University's FY 2011 budget incorporates the budget authority for ASUW, Student Media (formerly Student Publications) and the Wyoming Union. Note that the University of Wyoming serves as fiscal agent for Enhanced Oil Recovery Commission, Western Interstate Commission on Higher Education (WICHE), and the Center for Distance Learning and Education; however, these funds are not included in the materials authorized by the Board of Trustees. The 2010 legislature also authorized \$14 million of abandoned mine lands funds through the Wyoming

Department of Environmental Quality to the School of Energy Resources for clean coal technology research as recommended by the Clean Coal Research Task Force. This funding is excluded from these tables as the Clean Coal Technology Task Force is a separate entity.

It is important to note these tables include a significant increase in research funding for expenditures that are typically considered non-recurring, particularly for the High Plains Gasification and carbon sequestration projects.

Within the overall University budget, units have the flexibility to transfer funds between expenditure categories, with the exception of grants and aid payments (B6000), as long as the transfers are consistent with the underlying requirements of the original revenue source. Over the course of the biennium, budget units have broadly defined authority to request budget transfers between expenditure categories and units.

Revised final operating budget documents with actual FY 2010 revenue collections as well as the state general fund appropriation allocation associated with the 1.44 retirement contribution for Section I employees will be presented to the Board at a future date. State general fund appropriations to address the employer-share of the retirement contribution increase will be allocated to the university after the new fiscal year (FY 2011) begins.

#### PRIOR RELATED BOARD DISCUSSIONS/ACTIONS:

The Trustees have had numerous discussions regarding the Section I and II operating budgets, including budget authority adjustments, the budget requests submitted to the state budget office for review and approval by the Governor and the Legislature, tuition and fees, the *Fee Book*, and other pertinent topics.

#### WHY THIS ITEM IS BEFORE THE BOARD:

The Board's approval of the operating budget is required by Trustee Regulations and University budget procedures.

#### ARGUMENTS IN SUPPORT:

The Section I operating budget has been prepared based on legislative appropriations and estimated University resources. The Section II operating budget has been prepared based on operating budget proposals submitted by auxiliary enterprise units, ASUW, Student Media, the Wyoming Union, the Athletic department, sponsored research, Agricultural Experiment Station, Cooperative Extension Service and other university units operating under Section II funding. It has been reviewed by the President and other university officers as well as other interested parties, all of whom support the recommendation for approval.

#### ARGUMENTS AGAINST:

None.

#### ACTION REQUIRED AT THIS MEETING:

Approval of planned revenues, expenditures, non-General Fund carryforward amounts from FY 2010, and transfers contained in the operating budget of the University of Wyoming for the fiscal period beginning July 1, 2010 and concluding June 30, 2011.

**PRESIDENT'S RECOMMENDATION:**

The President recommends Board approval of the FY 2011 Operating Budget for the University of Wyoming (Agency 067) and UW-Medical Education (Agency 167), as described in this item.

It is important to note these tables include a significant increase in research funding for expenditures that are typically considered non-recurring, particularly for the High Plains Carbonation and carbon sequestration projects.

Within the overall University budget, units have the flexibility to transfer funds between expenditure categories, with the exception of grants and aid payments (\$5000), as long as the transfers are consistent with the underlying requirements of the original revenue source. Over the course of the biennium, budget units have broadly defined authority to request budget transfers between expenditure categories and units.

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**ARGUMENTS AGAINST:**

None.

**ACTION REQUIRED AT THIS MEETING:**

Approval of planned revenue, expenditure, non-General Fund carryforward amounts from FY 2010, and transfers contained in the operating budget of the University of Wyoming for the fiscal period beginning July 1, 2010 and concluding June 30, 2011.

*Revised 5-5-10*

The University of Wyoming  
Board of Trustees' Report  
May 5-7, 2010

**AGENDA ITEM TITLE: Construction Contracts, Vinzant**

- a. GMP for Visual Arts**
- b. SAREC Design Build Contract**
- c. GMP for Tennis Facility**

CHECK THE APPROPRIATE BOX(ES):

- Work Session
- Education Session
- Information Item
- Other      Specify: Committee of the Whole (Consent Agenda)

**a. GMP for Visual Arts**

BACKGROUND AND POLICY CONTEXT OF ISSUE:

The 2009 Legislature appropriated funding for the completion of the design and the construction documents for the Fine Arts Facility first phase, Visual Arts Facility. The 2010 Legislature approved the issuance of a \$33 million bond for the remainder of the total project budget for the Visual Arts Facility. The Construction Manager-at-Risk (CMAR), GE Johnson Construction, is completing a final guaranteed-maximum-price to initiate the construction for the facility. The CMAR intends to bid the structural steel and the long lead mechanical items prior to actual on-site construction to protect the price in the market since those material prices are increasing.

As authorized by the Board of Trustees, the Facilities Planning Office, the Visual Arts planning team, the architect and the CMAR have proceeded with the Level III construction documents to permit the on-site construction to begin in July 2010. The architect will provide the necessary early bid packages to permit bidding of the subcontracts related to the structural steel and mechanical items.

The guaranteed maximum price (GMP) is \$26,673,930 which is within the anticipated construction budget for the GMP of \$26.9 million. The project scope is being contained within that budget. The preliminary GMP issued in January by the CMAR was within that construction budget. The recent experience with capital project bidding has been favorable.

PRIOR RELATED BOARD DISCUSSIONS/ACTIONS:

- November 19-21, 2008: Trustee approval of the Visual Arts site
- January 24 -26, 2009: Trustee approval of the Visual Arts design team
- July 16, 2009: Trustee approval of capital request for Visual Arts
- August 2009: Trustee approval of Construction Manager-at-Risk

**WHY THIS ITEM IS BEFORE THE BOARD:**

This item is presented to secure approval of the GMP by the Board of Trustees to initiate the construction phase of the Visual Arts Facility.

**ARGUMENTS IN SUPPORT:**

The funding has been approved and will be available upon BOT approval of the bond issue (which is scheduled to take place at the May 2010 BOT meeting) to start immediately with construction phase and subcontractor bidding.

**ARGUMENTS AGAINST:**

None

**ACTION REQUIRED AT THIS BOARD MEETING:**

Approval of the GMP by the University of Wyoming Board of Trustees to proceed with the construction of the Visual Arts Facility.

**PRESIDENT'S RECOMMENDATION:**

The President recommends that the Board of Trustees of the University of Wyoming approve the GMP to permit the construction of the Visual Arts Facility.

**b. SAREC Design Build Contract**

**BACKGROUND AND POLICY CONTEXT OF ISSUE:**

The SAREC Machine Shed will be located on the Sustainable Agriculture Research and Extension Center (SAREC) which is located 2 miles west of Lingle. The project is funded by the College of Agriculture.

The projected budget for the construction of the Machine Shed is approximately \$184,000. The project proposals include the design and construction of a 60'x120' pre-engineered metal building.

Eight responses from Design Builders were received to the request-for-proposals (RFP) for the machine shed. The project was advertised on the Facilities Planning web site and in Wyoming newspapers. The proposal summaries were then opened and read publicly.

The proposals have been evaluated by the Facilities Planning Office and the director of SAREC. The team considered several attributes including experience with the project scope, construction schedule and process, proposal and references.

The recommendations of the team for three firms in priority order are:

1. Hi Plains Construction, Torrington, WY, with a base proposal of \$152,000 for design and construction of the shed and 98 calendar days for construction completion.
2. Norb Olind Construction, Wheatland, WY, with a base proposal of \$174,900 for design and construction of the shed and 47 calendar days for construction completion.
3. Majors Equipment, Riverton, WY, with a base proposal of \$173,419 for design and construction of the shed and 107 calendar days for construction completion.

Hi Plains Construction successfully completed a previous Design-Build project on the SAREC site.

It is the recommendation of the Facilities Planning Office that Hi Plains Construction, Torrington, WY, be awarded the Design-Build contract for the SAREC Machine Shed. If negotiations are not successful with the first ranked firm then negotiations will be terminated with the first ranked firm and opened with the second ranked firm.

**PRIOR RELATED BOARD DISCUSSIONS/ACTIONS:**

- September 2001: Trustees introduced to SAREC
- July 2002: Trustees approve property purchase
- September 2003: Trustee approval of Gillespie Property Purchase
- January 2005: Trustee approval of Design-Build Agreement for Office/Laboratory, Animal Handling and Shop Buildings
- May 2007: Trustee approval of Architect for Congregate Residence and Lab Addition
- May 2008: Trustee approval of construction contractor for Congregate Residence and Lab Addition
- March 2010: Trustee approval of Machine Shed Site

**WHY THIS ITEM IS BEFORE THE BOARD:**

This request is for the Board of Trustees to approve the Design-Builder and the guaranteed maximum price for the placement of a permanent machine shed structure on the approved site.

**ARGUMENTS IN SUPPORT:**

The funding is available through the College of Agriculture and Natural Resources. The design and construction will commence immediately with the Board of Trustees' approval.

**ARGUMENTS AGAINST:**

None

**ACTION REQUIRED AT THIS BOARD MEETING:**

Approval by the University of Wyoming Board of Trustees of the Machine Shed Design-Builder, Hi Plains Construction of Torrington, WY, and the guaranteed maximum price of \$152,000 for the design and construction of the SAREC Machine Shed.

**PRESIDENT'S RECOMMENDATION:**

The President recommends that the Board of Trustees of the University of Wyoming approve Hi Plains Construction of Torrington, WY and the guaranteed maximum price of \$152,000 for the design and construction of the SAREC Machine Shed.

**c. GMP for Tennis Facility**

**BACKGROUND AND POLICY CONTEXT OF ISSUE:**

The Indoor Tennis facility addition will be located adjacent to the existing indoor court building located north of Willett Drive near the UW Baseball Stadium. The facility will take the place of the outdoor tennis courts immediately north of the existing indoor facility.

As directed by the Board of Trustees, the Facilities Planning Office and the Indoor Tennis planning team have proceeded with the Level II and III planning and design. Malone Belton Abel Architects of Sheridan, Wyoming, have provided the design and construction documents to date to achieve the information necessary for Sampson Construction, Construction Manager-at-Risk, to provide a guaranteed maximum price. Both the architect and construction manager-at-risk have been working diligently to achieve the guaranteed maximum price with the goal of completing the project for a February 2011 tennis competition.

The guaranteed maximum price (GMP) of \$2,692,535 is within the construction budget for the GMP of \$2.75 million. The project scope will include two new courts (in addition to the two existing ones) with room for addition of two more courts within the facility if additional funds become available. Support facilities such as locker rooms, restrooms and storage will be provided initially with the ability to expand within the facility in the future as well.

**PRIOR RELATED BOARD DISCUSSIONS/ACTIONS:**

- November 2001: Trustees approval of Level I planning
- March 2010: Completion of Level I and proceeding to Levels II and III

**WHY THIS ITEM IS BEFORE THE BOARD:**

This item is for approval of the GMP by the Board of Trustees to initiate the construction phase of the Indoor Tennis Court Addition.

**ARGUMENTS IN SUPPORT:**

The funding is available to start immediately with construction.

**ARGUMENTS AGAINST:**

None

**ACTION REQUIRED AT THIS BOARD MEETING:**

Approval of the GMP by the University of Wyoming Board of Trustees to proceed with the construction of the Indoor Tennis Facility.

**PRESIDENT'S RECOMMENDATION:**

The President recommends that the Board of Trustees of the University of Wyoming approve the GMP to permit the construction of the Indoor Tennis Court facility.