**AGENDA ITEM TITLE:**

**Execution of Bond pursuant to W.S. § 21-17-203**, Brown/Theobald/Jewell/Evans

CHECK THE APPROPRIATE BOX(ES):

[ ]  Work Session

[ ]  Education Session

[ ]  Information Item

[x]  Other Specify: Committee of the Whole (Items for Approval)

BACKGROUND AND POLICY CONTEXT OF ISSUE:

Wyoming Statute § 21-17-203 requires that the Treasurer of the Board of Trustees execute a bond “with approved sureties in double the sum likely to come into his hands, for the faithful discharge of his duties.” Because the Treasurer of the Board does not have access to any of the University’s bank accounts, and therefore does not have access to any University funds, it is not necessary to execute a bond to remain in compliance with the statute.

W.S. § 21-17-203 also states that “the board may from time to time appoint and authorize a person to examine and approve for payment all legal claims against the corporation. The person shall give bond with surety approved by the board, payable to the state of Wyoming in such sum as the board may fix, conditioned for the faithful performance of his duties.”

Per Section 6-2 of the Bylaws of the Trustees, the “Deputy Treasurer shall be nominated by the President of the University for appointment by the Trustees, shall be an officer of the University of Wyoming whose duties include responsibility for the receipt, custody, and expenditure of all funds of the University of Wyoming not held by the State Treasurer, and shall exercise the same responsibility with respect to any funds or monies of the Trustees of the University of Wyoming.”

Per UW Regulation 1-1, the Board has appointed the Vice President for Finance and Administration as the Deputy Treasurer: “In accordance with the Bylaws, the Vice President for [Finance and] Administration shall serve as the Deputy Treasurer of the Trustees of the University of Wyoming, and shall exercise all duties and responsibilities incident to this position, including the receipt, custody and recording of all monies or funds payable to the Trustees, the Treasurer, the University, or any of its colleges, divisions, or departments and the disbursement or investment of such funds and monies as authorized by the Trustees.”

Additionally, Presidential Directive 3-1993-1 (Receipt and Handling of University Funds) includes the following policy regarding electronic payments from a University bank account:

Automated Clearing House (ACH) payments may only be initiated by the University’s Accounting Manager or Assistant Manager, Accounting using the bank’s customer portal, which enhances the security of the transaction by the layered security features offered by these interfaces. Authorized signors will not initiate ACH payments in person at any bank branch except in limited cases. In those limited cases that an ACH would need to be initiated in-person at a bank branch, two of the following three personnel shall be present for the transaction: Associate Vice President of Fiscal Administration, Accounting Manager, and/or the Assistant Accounting Manager.

Wire transactions will only be initiated by the Accounting Manager or Assistant Manager, Accounting by delivery of a letter which shall include wire details to the bank. Once in receipt of this letter, the bank will confirm the wire and amount with either the Accounting Manager or Assistant Manager, Accounting prior to processing.

Wire transactions for investing purposes will only be initiated by the Manager, Financial Services; Director of Tax Compliance; or the Coordinator, Financial Services on the bank’s customer portal to take advantage of the layered security features offered in these interfaces. In the case that UW’s operating bank is not accessible due to technical difficulties, the steps required to initiate a wire transaction for operating purposes listed in the previous paragraph will be followed.

The overnight cash institution is only authorized to wire funds to UW’s operating bank account. Wires out of the overnight cash institution are deposited directly into the general fund bank account. In the case the online customer portal for overnight cash is not accessible due to technical difficulties, the Manager, Financial Services; Director of Tax Compliance; or the Coordinator, Financial Services may call the overnight cash institution to initiate the wire transaction into the general fund bank account.

With these controls in place, the University recommends to continue to have the Vice President for Finance and Administration and the Associate Vice President for Financial Affairs execute bonds in the amount of one million dollars ($1,000,000.00) in accordance with W.S. § 21-17-203.

PRIOR RELATED BOARD DISCUSSIONS/ACTIONS:

The Board of Trustees annual approves the execution of bonds.

WHY THIS ITEM IS BEFORE THE BOARD:

W.S. § 21-17-203 requires the Deputy Treasurer “shall give bond with surety approved by the board, payable to the state of Wyoming in such sum as the board may fix, conditioned for the faithful performance of his duties.”

ACTION REQUIRED AT THIS BOARD MEETING:

Board approval for the Vice President for Finance and Administration and the Associate Vice President for Financial Affairs to execute $1,000,000.00 bonds.

PROPOSED MOTION

I move to approve the Vice President for Finance and Administration and the Associate Vice President for Financial Affairs to execute $1,000,000.00 bonds to fulfill the requirement of Wyoming Statute 21-17-203.