THE UNIVERSITY OF WYOMING
MINUTES OF THE TRUSTEES

December 13, 1985

For the confidential information
of the Board of Trustee
# THE UNIVERSITY OF WYOMING

Minutes of the Trustees
December 13, 1985

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THE UNIVERSITY OF WYOMING

Minutes of the Trustees
December 13, 1985

A regular meeting of the Trustees of the University of Wyoming was called to order by President Chapin at 12:15 p.m. on December 13, 1985 in the Board Room of Old Main.

ROLL CALL

The following Trustees were in attendance: Bussart, Chapin, Gillaspie, McCue, Mickelson, Miracle, Sawyer, Schuster, Smith, Updike, and ex officio members Simons, and Kerr. Trustee Hinckley attended all the committee meetings, but he was not present for the business meeting. Trustee member Rochelle and ex officio members Herschler and Veal were absent.

ANNOUNCEMENTS

Acting President Wadlow reported that next Trustee meeting was scheduled for February 13-14, 1986.

APPROVAL OF MINUTES

President Chapin asked if there were any corrections or additions to the minutes of the meeting of November 9, 1985. There were no corrections or additions and Mr. McCue moved that the minutes of November 9, 1985, be approved as circulated. The motion was seconded by Mr. Mickelson, and it carried.
RATIFICATION OF EXECUTIVE COMMITTEE ACTION

President Chapin reported on the conference telephone meeting of the Executive Committee of the Trustees which was held on November 12, 1985, with committee members Chapin, Bussart, Gillaspie, Hinckley, and McCue present. Also participating in the meeting were Trustees Schuster, Miracle, Rochelle, Smith, Updike, and University staff Todd, Cunningham, and Young.

For purposes of background Vice President Todd briefed the Executive Committee on meetings held with Alan Kincaid, John Scott, Donald L. Veal, William G. Solomon, Gary Cunningham, and Edgar Young. He indicated that the University is negotiating with Mr. Kincaid regarding the termination of his contract.

The Executive Committee confirmed the action of President Donald L. Veal terminating Alan P. Kincaid as Head Football Coach and Lecturer in Intercollegiate Athletics effective January 31, 1986. In accordance with Trustee Bylaws, Mr. Bussart moved that the foregoing action of the Executive Committee be ratified. The motion was seconded by Mr. Updike, and it carried.

As a matter of information only, Dr. Cunningham advised the Executive Committee that a national search was being conducted for a new Head Football Coach. He also noted that two of the University's Assistant Coaches were interested in the position, as well as various other individuals. Dr. Cunningham hopes to have his interviewing completed and a new coach selected by Thanksgiving.

Trustees noted that they were being contacted about possible candidates for the position. Dr. Cunningham suggested that all
such calls be transferred to the Athletic Department.

This concluded the report on the Executive Committee meeting.

DEVELOPMENT COMMITTEE

President Chapin called on Chairman Updike for a report of the Development Committee meeting held on December 13, 1985. Committee members Updike, Miracle, Schuster, and ex officio member Chapin attended the committee meeting along with other Trustees and University staff. Committee member Rochelle was absent. Based on the Development Committee meeting, the following action was taken by the full Board.

AMENDMENT TO TRUSTEE BYLAWS, SECTION 7-5. DEVELOPMENT COMMITTEE

At the November 10, 1984 meeting of the Trustees, the organizational staff of the University of Wyoming Foundation was transferred to the University, re-establishing the Office of Development within the University administration. This action was taken in response to a recommendation from John Grenzebach and Associates, Inc., who had recently completed a comprehensive development program review for the University.

The consultants had also recommended a strengthening of cooperation between the Trustees and the Foundation Board of Directors through the creation of a Joint Development Committee consisting of representatives from both boards, which would formulate and present policy recommendations to the Trustees for the establishment of priorities for fund-raising emphasis and expenditure of funds transferred to the University by the Foundation. This concept was also endorsed by the Trustees at the
November, 1984 meeting, and the composition of the eight-member committee (four Trustees and four Foundation Directors) was confirmed.

In the December 12-13, 1985 Trustee Report, it was recommended that the members of the existing Trustee Development Committee be designated as the Trustee representatives to the University/Foundation Joint Development Committee; and that Article VII, Section 7-5 of the Trustee Bylaws be amended by deleting the stricken words and adding the capitalized words, as follows:

* * *

Section 7-5. DEVELOPMENT COMMITTEE

The Development Committee shall consist of not less than four members of the Trustees who shall be appointed by the President of the Trustees at the annual meeting. The Committee shall consider and develop sources of support for the University which would supplement legislative appropriations; it shall be continuously advised, through the President of the University, of development activities within the University administration; it shall make such contacts with persons who could financially, educationally, or politically make contributions to the University; and it shall recommend to the Trustees such actions pertaining thereto as may be needed or advisable. IN ADDITION, THE MEMBERS OF THE TRUSTEE DEVELOPMENT COMMITTEE SHALL SERVE WITH FOUR MEMBERS OF THE UNIVERSITY OF WYOMING FOUNDATION BOARD OF DIRECTORS ON A JOINT DEVELOPMENT COMMITTEE, WHICH SHALL

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FORMULATE AND PRESENT POLICY RECOMMENDATIONS TO THE TRUSTEES, THROUGH THE PRESIDENT OF THE UNIVERSITY, FOR THE ESTABLISHMENT OF PRIORITIES FOR FUND-RAISING EMPHASIS AND EXPENDITURE OF FUNDS TRANSFERRED TO THE UNIVERSITY BY THE FOUNDATION.

* * *

In the Development Committee meeting, upon a motion by Mr. Schuster, seconded by Mr. Miracle, it carried that the above proposed amendment to the Bylaws be further amended as follows:

a) The Committee shall consist of five members of the University of Wyoming Board of Trustees;
b) three members of the Foundation Board; and
c) the Chairman of the Committee shall be a member of the University of Wyoming Board of Trustees.

After incorporating the new changes proposed and adopted by the Development Committee by deleting the stricken words and by adding the capitalized words, Article VII, Section 7-5 of the Bylaws of the Trustees would read as follows:

* * *

Section 7-5. DEVELOPMENT COMMITTEE

The Development Committee shall consist of not less than four FIVE members of the Trustees who shall be appointed by the President of the Trustees at the annual meeting. The Committee shall consider and develop sources of support for the University which would supplement legislative appropriations; it shall be continuously advised, through the President of the University, of development activities within
the University administration; it shall make such contacts with persons who could financially, educationally, or politically make contributions to the University; and it shall recommend to the Trustees such actions pertaining thereto as may be needed or advisable. IN ADDITION, THE MEMBERS OF THE TRUSTEE DEVELOPMENT COMMITTEE SHALL SERVE WITH FOUR THREE MEMBERS OF THE UNIVERSITY OF WYOMING FOUNDATION BOARD OF DIRECTORS ON A JOINT DEVELOPMENT COMMITTEE, WHICH SHALL FORMULATE AND PRESENT POLICY RECOMMENDATIONS TO THE TRUSTEES, THROUGH THE PRESIDENT OF THE UNIVERSITY, FOR THE ESTABLISHMENT OF PRIORITIES FOR FUND-RAISING EMPHASIS AND EXPENDITURE OF FUNDS TRANSFERRED TO THE UNIVERSITY BY THE FOUNDATION. THE CHAIRMAN OF THE COMMITTEE SHALL BE A MEMBER OF THE UNIVERSITY OF WYOMING BOARD OF TRUSTEES.

* * *

In order to comply with the Trustee Bylaw requirement which states that advance notice to amend the Bylaws shall be in writing and shall include the exact wording of the legislation proposed, Mr. Updike moved that action be deferred on the above amendment, as changed by the Development Committee, until the next meeting. The motion was seconded by Mr. Smith, and it carried.

Mr. Young reported that at the next meeting, the Trustees could adopt the amendment proposed by the Development Committee, or the one published in the December 12-13 Trustee Report, as the Bylaw requirement for written notice has been satisfied.

This concluded the report from the Development Committee.
President Chapin called on Trustee Miracle for a report from the Academic Issues Committee meeting held on December 12, 1985. Committee members Hinckley, McCue, Mickelson, Miracle, Schuster, Simons, and ex officio member Chapin attended the committee meeting along with other Trustees and University staff. Based on the Academic Issues Committee meeting, the following action was taken by the full Board.

**TRUSTEES' SECURITY CLEARANCE**

The Academic Issues Committee discussed the proposed classified research and security clearance regulations. Upon the motion by Mr. Miracle, seconded by Mr. Schuster, it carried to add a new Section 8. to Chapter VII. of the Regulations of the Trustees with such Section to read as follows:

* * *

**CHAPTER VII. EMPLOYMENT PROVISIONS APPLICABLE TO ALL PERSONNEL**

Section 8. CLASSIFIED RESEARCH AND SECURITY CLEARANCE

The University of Wyoming does not prejudge the appropriateness of participating in classified research. Rather, it reserves the right to examine each proposed project in the context of scientific merit as well as contributions the research may make to the general welfare of the state, the nation and the whole of humankind. As the governing body for the University, the Trustees have authority to accept or reject all research grants, contracts and gifts. In order to make special
judgments about research projects, the Trustees must have access to research protocols, including classified research to be conducted at the University of Wyoming.

a. The Trustees shall be fully apprised of the character of all proposed classified research to be conducted at the University of Wyoming. The University, its faculty and staff, shall enter into contracts for classified research only with the express approval of the Trustees.

b. A Security Management Team (SMT) shall be designated for each classified research project to be conducted at the University of Wyoming. All members of the SMT shall be subject to security clearance investigation by the Defense Investigation Service and must be awarded clearance at the appropriate level in order to function as a member of the team.

The SMT will consist of the President of the University, the Vice President for Research and Graduate Studies, the Assistant Vice President for Research (as Security Officer), two representatives from the membership of the Trustees, the faculty involved in the research and others as may be required by the grantor or contractor.

* * *

This concluded the report and recommendations from the Academic Issues Committee.
BUDGET COMMITTEE

President Chapin called on Chairman Mickelson for a report from the Budget Committee meeting held on December 12, 1985. Committee members Mickelson, Bussart, McCue, Miracle, Sawyer, Smith, and ex officio member Chapin attended the committee meeting along with other Trustees and University staff. Committee member Rochelle was absent. Based on the Budget Committee meeting, the following action was taken by the full Board.

AUTHORIZATION FOR STOCK TRANSFERS

Upon the motion by Mr. Mickelson, seconded by Mr. Bussart, it carried to adopt the following resolution:

RESOLVED that the Treasurer of the Board of Trustees and the President of the University of Wyoming, representing the Trustees of the University of Wyoming, a body corporate, are hereby authorized to 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; further that any past action in accordance herewith is hereby ratified and confirmed; and further, that any officer of this corporation is hereby authorized to certify this Resolution to whom it may concern.

MARRIED STUDENT HOUSING

Dr. Todd reported to the Budget Committee that President Reagan's tax reform legislation and a proposal from the Ways and Means Committee of the House of Representatives are currently under consideration in the U.S. House of Representatives. Both proposals contain provisions that would place limitations on the refunding of tax exempt bonds. In order to preserve the Trustees' authority to issue refunding bonds as
part of a plan to replace the concrete block married student
housing, it was recommended that the Trustees authorize the
refunding of the 1984A refunding bond issue and the 1984B
facilities issue, and approve a $15,000,000 new issue for the
construction of replacement student housing, subject to
authorization from the Legislature for construction of the
replacement facilities, and allocate $50,000 from the Bond Reserve
Fund (0-75004) for bond counsel services associated with the
proposed bond refunding issue. The financial feasibility of
issuing $15,000,000 in new debt is dependent upon the refunding of
the 1984A refunding issue and the 1984B facilities issue. Since
the Ways and Means limitation on advance refunding would have a
negative impact on the ability to issue new debt, it is
recommended that Trustees take action at this time to keep the
refunding option open for the Trustees.

Members of the Budget Committee requested clarification on
what actions would occur if the Trustees adopted the proposal as
recommended by the President. Dr. Todd indicated that the only
action that would be implemented would be to transfer $50,000 from
the Bond Reserve Fund (0-75004) to an account for bond counsel.
Before any action is taken on expenditure of the $50,000, the
Trustees would be required to select bond counsel. Furthermore,
Dr. Todd indicated that no further action will be taken on either
refunding or a new issue until such time as the Trustees have
acted formally on bond resolutions for refunding or a new facili-
ties bond. Moreover, he advised that legislative authorization is
required for the construction of the new facilities. In summary,
no further action would be taken without direct authorization from the Trustees. Without adoption of the recommendation before the Committee, the Trustees would, with the adoption of the tax reform proposals before Congress, be effectively prevented at a future point in time to be determined by the Trustees from refunding the 1984A and 1984B issues.

Based on the Committee recommendation, Mr. Mickelson moved the approval of the refunding of the 1984A refunding bond issue and the 1984B facilities issue; the approval of a $15,000,000 facilities bond issue, contingent upon authorization of the Wyoming Legislature for the construction of replacement student housing; and the transfer of $50,000 from account 0-75004 for bond counsel services associated with the refunding of the 1984A and 1984B issues. The motion was seconded by Mr. Sawyer. Then Mr. Miracle moved that the above motion be amended to include that no further action be taken without direct authorization from the Trustees. The motion was seconded by Mr. Gillaspie. The motion, as amended, passed.

ACCEPTANCE OF CONTRACTS, GRANTS, GIFTS, AND SCHOLARSHIPS

Mr. Mickelson moved acceptance of contracts and grants in the amount of $894,492.00 for the period October 19 through November 22, 1985; and acceptance of gifts and scholarships in the amount of $215,794.57 for the period October 1 through November 1, 1985. The motion was seconded by Mr. Gillaspie, and it carried.

BOND AUDIT REPORT

The audit report prepared by Alexander Grant and
Company as required by the January 15, 1974, June 1, 1978, May 15, 1984 and July 15, 1984 bond resolutions for the fiscal year ending June 30, 1985 was reviewed with the Budget Committee. Mr. Larry Lang of Alexander Grant and Company responded to questions about the report.

**FY1987-88 BUDGET, GOVERNOR'S RECOMMENDATIONS**

The Governor's budget recommendations for the biennium beginning July 1, 1986 were presented for Trustee information. Vice President Todd commented on the recommendations and responded to questions.

This concluded the report and recommendations from the Budget Committee.

**PERSONNEL COMMITTEE**

President Chapin called on Chairman Miracle for a report from the Personnel Committee meeting held on December 12, 1985. Committee members Miracle, Bussart, Gillaspie, Schuster, Updike, Smith, and ex officio member Chapin attended the committee meeting, along with other Trustees and University staff. Based on discussions and recommendations from the Personnel Committee, Mr. Miracle moved approval of the appointments, adjunct appointments, administrative appointments, continuation of probationary appointments, reappointments, change in assignment, changes in title, leave of absence, retirements, and extension of probationary period. The motion was seconded by Mr. Gillaspie, and it carried.
The following appointments were approved.

In the College of Agriculture

1. Jan R. Busboom as Assistant Professor of Animal Science for the 1985-86 fiscal year effective December 16, 1985 at an annual (11-month) salary. This is a tenure track appointment to fill a vacancy.

2. John S. Cordingley as Assistant Professor of Microbiology and Biochemistry for the 1985-86 fiscal year effective November 1, 1985 at an annual (11-month) salary. This is a tenure track appointment to fill a vacancy.

3. Michael Liebman as Associate Professor of Home Economics for the 1985-86 fiscal year effective December 1, 1985 at an annual (11-month) salary. This is a tenure track appointment to fill a vacancy.

4. Sonya S. Meyer as Assistant Professor of Home Economics (contingent upon completion of the Ph.D. degree by January 2, 1986, if not the rank will be that of Instructor) and Extension Specialist for the 1986 spring semester effective January 2, 1986 at an annual (11-month) salary. This is a tenure track appointment to fill a vacancy.

In Intercollegiate Athletics

5. Dennis B. Erickson as Head Football Coach and Lecturer in Intercollegiate Athletics for the period December 1, 1985 through January 31, 1990 at an annual (11-month) salary of $60,000. This is a non-tenure track appointment.
An adjunct appointment carries no tenure rights or salary. The following adjunct appointments were approved under the conditions cited.

In the College of Agriculture
1. David L. Sturges as Adjunct Associate Professor of Range Management for the period November 1, 1985 through June 30, 1986.

In the College of Arts and Sciences
2. Robert D. Gehrz as Adjunct Professor of Physics and Astronomy for the period October 1, 1985 through September 30, 1988.

In the College of Education
3. James M. Shaeffer as Adjunct Assistant Professor of Educational Foundations and Instructional Technology for the period October 4, 1985 through June 30, 1986.

The following administrative appointments were approved as indicated.

In the College of Arts and Sciences
1. Klaus D. Hanson, Associate Professor of Modern and Classical Languages, as Acting Chair of the Department of Modern and Classical Languages for the period October 31, 1985 through May 18, 1986.
2. Walter B. Jaehnig, Associate Professor of Journalism and Telecommunication, as Acting Associate Dean of the College of Arts and Sciences for the period January 20, 1986 through August 28, 1986.

In Wyoming Water Research Center

3. Donald Brosz, Professor of Agriculture Engineering/Extension, as Associate Director of the Wyoming Water Research Center for Education and Extension effective July 1, 1985.

4. Victor J. Hasfurther, Professor of Civil Engineering, as Acting Director of the Wyoming Water Research Center effective January 1, 1986 and continuing until a Director is named.

CONTINUATION ON PROBATIONARY APPOINTMENTS

The following faculty members were approved for continuation on probationary appointment for the year 1986-87.

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<tr>
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<th>Academic Rank</th>
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<tr>
<td>Becerra, Victor M.</td>
<td>Veterinary Sciences</td>
<td>Assistant Professor</td>
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<td>Judkins, Mark B.</td>
<td>Agricultural Extension</td>
<td>Assistant Professor</td>
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<td>Krall, James M.</td>
<td>Plant Science</td>
<td>Assistant Professor</td>
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<td>Medeiros, Denis</td>
<td>Home Economics</td>
<td>Assistant Professor</td>
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<td>Miller, Stephen</td>
<td>Plant Science</td>
<td>Assistant Professor</td>
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<tr>
<td>Petersen, Nancy</td>
<td>Microbiology/Biochemistry</td>
<td>Assistant Professor</td>
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<td>COLLEGE OF ARTS AND SCIENCES</td>
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<td>Alberts, Kelly T.</td>
<td>Philosophy</td>
<td>Assistant Professor</td>
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<td>Angevine, Charles</td>
<td>Geology</td>
<td>Assistant Professor</td>
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<tr>
<td>Buskirk, Steven W.</td>
<td>Zoology and Physiology</td>
<td>Assistant Professor</td>
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</table>
Davis, Sandy  Political Science  Assistant Professor
Dickman, Susan  English  Assistant Professor
Djomehri, M.D.  Mathematics  Assistant Professor
Dorst, John D.  English  Assistant Professor
Knight, Marsha F.  Theatre and Dance  Assistant Professor
Mizell, Steve A.  Geology  Assistant Professor
Snoke, Arthur W.  Geology  Professor
Steele, Dennis R.  Computer Science  Assistant Professor
Vogelmann, Thomas  Botany  Assistant Professor

COLLEGE OF EDUCATION
Baldwin, Cynthia  Counselor Education  Assistant Professor
Gerleman, Sherry L.  Curriculum and Instruction  Assistant Professor
Hopkins, Dee  Educational Foundations and Instructional Technology  Assistant Professor
Mielke, Danny R.  University School and Physical & Health Education  Assistant Professor
Nardi, Margaret B.  Curriculum and Instruction  Assistant Professor

COLLEGE OF ENGINEERING
Englert, Thaddeus  Electrical Engineering  Assistant Professor
Iverson, William P.  Petroleum Engineering  Assistant Professor
Kelly, Robert D.  Atmospheric Science  Assistant Professor
Trzynadlowski, A.  Electrical Engineering  Assistant Professor

COLLEGE OF HEALTH SCIENCES
Baweja, Raman  Pharmacy  Assistant Professor
Clement, Kathi D.  Family Practice/Cheyenne  Assistant Professor
Deiss, Frederick  Family Practice/Casper  Associate Professor
Fraher, Janice C.  Nursing  Assistant Professor
Griffey, David C.  Physical & Health Education  Assistant Professor
Johnson, Julie E.  Nursing  Assistant Professor
were approved for the 1985-86 academic year.

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<tr>
<th>Name</th>
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<th>Academic Rank</th>
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<tr>
<td>Lockwood, John S.</td>
<td>Curriculum &amp; Instruction</td>
<td>Assistant Professor</td>
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<tr>
<td>Rush, Timothy</td>
<td>Curriculum &amp; Instruction</td>
<td>Assistant Professor</td>
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<tr>
<td>(7/1/85-6/30/86)</td>
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<tr>
<td>Moore, Sylvia</td>
<td>Family Practice/Cheyenne</td>
<td>Lecturer</td>
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<td>(7/1/85-6/30/86)</td>
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CHANGE IN ASSIGNMENT

The following change in assignment was approved.

Lowell Bangerter, Professor of Modern and Classical Languages and Head of the Department of Modern and Classical Languages in the College of Arts and Sciences, was reassigned as Professor of Modern and Classical Languages effective October 31, 1985.
CHANGES IN TITLE

The following changes in title were approved under the conditions cited.

1. **John J. Corbett**, Associate Professor of Family Practice and Associate Dean for the School of Human Medicine, was changed to Associate Professor of Family Practice and Associate Dean of the College of Health Sciences for the Office of Rural and Community Health effective December 13, 1985.

2. **David A. Driggers**, Associate Professor of Family practice/Casper and Acting Program Director, was changed to Associate Professor of Family Practice/Casper and Associate Dean of the College of Health Sciences for the Casper Family Practice Residency Center, effective December 13, 1985.

3. **Arnold N. Krause**, Associate Professor of Family Practice/Cheyenne and Program Director, was changed to Associate Professor of Family Practice/Cheyenne and Associate Dean of the College of Health Sciences for the Cheyenne Family Practice Residency Center, effective December 13, 1985.

LEAVE OF ABSENCE

**Susan Dickman**, Assistant Professor of English, was granted a leave of absence without pay for the 1986 spring semester.

RETIREMENTS

The following retirements were approved under the conditions cited.
Name
Haskell, Robert
Routson, Jack E.
Tucker, Maimo

Position
Assistant Chief of Police
Professor of Business Administration
Library Technician III

Date of Retirement
1/1/86 with designation as Retired
1/7/86 with designation as Emeritus
1/10/86 with designation as Retired

EXTENSION OF PROBATIONARY PERIOD

A request was made by Associate Professor David Fountain to extend his period of probationary employment as described in CHAPTER V., Section 4. of the Regulations of the Trustees for one additional year. His request was supported by the department head and the dean of the college. Professor Fountain was first appointed to the University of Wyoming on August 26, 1982 at the rank of Associate Professor. Section 4.c. specifies that associate professors "may be appointed annually for a period of four years; during the fourth year the tenure decision will be made." This current academic year, 1985-86, is the third year of Professor Fountain's appointment. The Trustees approved Professor Fountain's request that the tenure decision for him be made during the fourth year of his appointment, or during the 1986-87 academic year.
PART-TIME APPOINTMENTS

As a matter of information, the part-time appointments were reported to the Trustees.

RESIGNATIONS

The following resignations were acknowledged.

1. Steven M. Borin, Assistant Professor of Family Practice and Pharmacy/Cheyenne, November 1, 1985.
2. Robert W. Brocksen, Professor of Zoology and Physiology and Director of the Wyoming Water Research Center, January 1, 1986.

This concluded the report and recommendations from the Personnel Committee.

ATHLETIC COMMITTEE

President Chapin called on Chairman Smith for a report from the Athletic Committee meeting held on December 13, 1985. Those present at the meeting were committee members Smith, McCue, Mickelson, Sawyer, Updike, and ex officio member Chapin, along with other Trustees and University staff. Committee member Rochelle was absent. The following report was given on the Athletic Committee meeting.
Dr. Gary Cunningham introduced Dennis Erickson, the new University of Wyoming Head Football Coach to the Athletic Committee. Mr. Erickson reported that he was in the process of selecting his staff. Assistant Coaches selected so far include John Smith, Tom Everson, Craig Bray, Gregg Smith, Larry Korpitz, Bob Bratkowski, and Del Wight. Further, he said his staff was presently recruiting at junior colleges and that next week his staff would be visiting high schools in Wyoming.

Dr. Cunningham reported to the Athletic Committee on the Australia Bowl game held in Melbourne, Australia on December 7, 1985. He noted that the students had an outstanding experience culturally and that the University and the State of Wyoming received tremendous publicity in Australia. There were many outstanding comments by people in attendance at the game, as well as from others who watched it on television. After the game people went onto the field and visited with the players for over an hour.

Dr. Cunningham said that two days prior to the game, Front Lines Communications declared bankruptcy and the University incurred some problems. However, the business community of Melbourne and Randall Upton, Manager of the American Chamber of Commerce in Melbourne, worked together to make the game a reality.

Trustee Bussart applauded the hard work by Dr. Cunningham, his staff, and Dr. Veal in order to make the Australia Bowl a success. This sentiment was concurred in by Trustees Updike, McCue, Mickelson, and Sawyer.

This concluded the report from the Athletic Committee.
President Chapin called on Trustee Mickelson for a report from the Physical Plant and Equipment Committee meeting held on December 12, 1985. Committee members Mickelson, Bussart, Gillaspie, Smith, Updike, and ex officio member Chapin attended the committee meeting, along with other Trustees and University staff. Committee member Rochelle was absent. Based on the physical Plant and Equipment Committee meeting, the following action was taken by the full Board.

DESIGN COMPETITION JURY FOR THE NATIONAL DESIGN COMPETITION

Upon the motion by Mr. Mickelson, seconded by Mr. Schuster, it carried to approve the membership of the Design Competition Jury for the national design competition for the selection of architects for the American Heritage Center/Art Museum as follows:

Curtis Rochelle, Member, Trustees of the University of Wyoming, Chair
Donald E. Chapin, Member, Trustees of the University of Wyoming
David Kahler, FAIA, Milwaukee
Barton Myers, AIA, FRAIC, Toronto
Jaquelin T. Robertson, FAIA, New York City
Walter F. Eggers, Chair, Planning Committee for the American Heritage Center and Art Museum
Paul E. Lowham, Member, Board of Directors, University of Wyoming Foundation

Ex-officio without vote:
Joan K. Wadlow, Vice President for Academic Affairs
Peter K. Simpson, Vice President for Development
James E. Todd, Vice President for Finance

PROGRESS REPORT ON COMMERCE AND INDUSTRY BUILDING

Vice President Todd reported to the Committee that program planning for the Commerce and Industry Building Project has been completed. Programming calls for the
construction of an addition of approximately 50,000 gross square feet on the east side of the existing C & I Building and for limited remodeling of the existing building to bring it up to code and to make more effective use of existing space. The University has authorized the project architect, Malone/Baker & Associates, to commence schematic design at this time so that a design and firm cost estimates will be available by the fall of 1986 as the University prepares request materials for submission to the Governor, Capitol Building Commission and State Legislature. The schematic designs for the addition to the Commerce and Industry Building will be presented for consideration by the Physical Plant and Equipment Committee.

PROGRESS REPORT ON THE EAST CAMPUS DRAINAGE PROJECT

Dr. Todd reported to the Committee that the East Campus Drainage agreement between the City of Laramie and the University to jointly undertake the improvements was executed on November 6, 1985. Meetings were subsequently held with representatives of Banner and Associates who have submitted a proposed agreement for engineering services to the City and University. A time schedule for the six projects which comprise the East Campus Drainage agreement is nearing completion. Preliminary indications by Banner representatives are that the four projects for which the University has primary responsibility under the agreement are basically earth-work and can be engineered in a relatively short time; they expect that bids can be received in February and the successful bidder could commence work when the
ground thaws in the spring. The two projects for which the City has primary responsibility under the agreement are underground piping in City streets and will take longer to engineer. Preliminary indications are that these two projects could be bid in the spring and work accomplished next summer.

**PROGRESS REPORTS**

As a matter of information only, Dr. Todd reviewed with the Committee the progress reports and change orders on the various construction projects. The Trustees asked that Ray Hunkins, Trustee counsel on the Arena-Auditorium litigation, be asked to join the Trustees for discussion on the final resolution of the construction of the Arena-Auditorium. Vice Presidents DeVries and Wadlow were asked to report on the Infrared Observatory at the next meeting. Also a status report on the disposition of the Cooper property was requested.

This concluded the report from the Physical Plant and Equipment Committee.

**AD HOC TRUSTEE COMMITTEE ON THE SCHOOL OF HUMAN MEDICINE**

President Chapin called on Chairman Miracle for a report on the meeting of the Ad Hoc Trustee Committee on the School of Human Medicine which was held on December 12, 1985. Committee members Miracle, Bussart, Schuster, and ex officio member Chapin attended the committee meeting, along with other Trustees and University staff.

Discussion was held in the committee meeting regarding the Ad Hoc Committee's report on the School of Human Medicine. Based
on the Committee's recommendation, Mr. Miracle moved the adoption and recommendation of the ad hoc committee's report as attached as enclosure 1. The motion was seconded by Mr. Bussart, and it carried. Mr. Sawyer is recorded as voting no on the motion.

This concluded the report and recommendations from the Ad Hoc Trustee Committee on the School of Human Medicine.

W.R. COE/CHARLES CHACEY KUEHN ESTATE COMMITTEE

President Chapin called on Chairman Mickelson for a report on the W.R. Coe/Charles Chacey Kuehn Estate Committee meeting held on December 13, 1985. Committee members Mickelson, McCue, Smith, and ex officio member Chapin attended the Committee meeting, along with other Trustees and University staff.

MASTER STATEMENT ON INVESTMENT POLICY

John Vann, Trustees' Investment Manager for the W.R. Coe School of American Studies, the W.R. Coe Estate Teaching Program and the Charles Chacey Kuehn Estate funds, presented to the Committee a proposed revision to the Master Statement of Investment Policies and Objectives for these funds which was adopted by the Trustee W.R. Coe Trust Fund Committee on September 14, 1984. Based on the Committee's recommendation, Mr. Mickelson moved the approval of the Master Statement of Investment Policies and Objectives dated December 13, 1985, as outlined in Enclosure 2. The motion was seconded by Mr. Miracle, and it carried.

This concluded the report from the W.R. Coe/Charles Chacey Kuehn Estate Committee.
COMMITTEE OF THE WHOLE

President Chapin reported on the meeting of the Committee of the Whole which was held on December 13, 1985 with Trustees Chapin, Bussart, Gillaspie, McCue, Mickelson, Miracle, Sawyer, Smith, Updike, Schuster, Simons, and Kerr in attendance.

TRUSTEE COMMITTEE ON ECONOMIC DEVELOPMENT AND DIVERSIFICATION

At the November 9, 1985 meeting, the Trustees approved a motion to establish a special ad hoc blue-ribbon committee chaired by Trustee Bussart to study Wyoming's economic development and diversification with a special view toward the University's role. The motion called for the committee "to analyze the situation, and to report back the findings to the Trustees." Pursuant to this Trustee President Chapin has appointed the following committee with Mr. Bussart as chair: Trustees Updike, Mickelson and Sawyer; Vice Presidents Wadlow and DeVries; Dr. Robert Jenkins, Dean Donald Parker, Associate Dean Colin Kaltenbach, and Dr. Robert Houston.

Dean Parker stated the need for economic development focused toward the University of Wyoming. He stressed the need to help identify alternatives that the state might want to consider.

Trustee Bussart will meet with the committee after the first of the year.

UNIVERSITY INVESTMENT POLICY

Recent changes within Wyoming's financial community have prompted the presentation of information on the
University's investment and banking practices for discussion by the Trustees' Committee of the Whole.

Currently, University investments and checking accounts are managed by the Deputy Treasurer under authority delegated by the Trustees to the Deputy Treasurer. Such investments are subject to Wyoming's State Depository Law.

President Chapin suggested that a proposed policy be brought before the Trustees at the February 13-14, 1986 meeting.

CENTENNIAL PLANS AND COMMENCEMENT

Vice President Simpson briefly reported on the University's celebration. He stated that Ms. Kathleen Avery, Assistant to the Vice President for Academic Affairs, will chair the centennial celebration committee.

This concluded the report from the Committee of the Whole.

STRUCTURE OF TRUSTEE MEETINGS

Trustee Simons inquired as to the agenda item to discuss the structure and organization of Trustee meetings. She noted that the present committee structure was cumbersome and inefficient. President Chapin advised that the structure of Trustee meetings would be an agenda item for the February meeting.

NEW BUSINESS

Mr. Schuster asked that a meeting be arranged whereby one-half day is devoted to learning about the budgetary process. Further, he discussed the possibility of having a retreat to discuss general topics of interest and to examine issues that
affect the University. He asked that a date be set for this type of informal meeting. President Chapin suggested that Trustee Schuster and President Veal visit with him about the possibilities and arrangements for such a meeting.

AD HOC COMMITTEE TO STUDY FACULTY ISSUES

Mr. Schuster moved that an ad hoc committee of Trustees be appointed by President Chapin for the purpose of studying the faculty of the University, analyzing needs of that faculty, and developing recommendations to further improve the quality of that faculty. The committee could deal with issues such as salaries, tenure, policies toward part-time and temporary faculty, development of minority faculty members, and proper approaches to graduate assistants. After the Trustee ad hoc committee has finished the study, the committee will report back to the Trustees. The motion was seconded by Mr. Bussart, and it carried. Trustee Smith is hereby recorded as voting no on the motion.

POLICY ON TELEPHONE EXECUTIVE COMMITTEE CONFERENCE MEETINGS

It was asked if it was a Trustee policy to tape telephone conference calls of the Executive Committee. It was pointed out that taping Executive Committee telephone conference calls is not a University practice.

FISCAL GROWTH OF UNIVERSITY BUDGET

Dr. Todd reported to the Trustees on the fiscal growth of the University Section I budget from the 1979-80 biennium and the 1983-84 biennium. He pointed out that from
To 1983-84 the University's Section I budget increased just over 100 percent, but the increase is due to several programs having been added to the institution (the School of Human Medicine and the Wyoming Research Center), as well as to an accounting shift which now includes federal funds in the University's operating budget. The actual program expansion at the University from the 1979-80 biennium to the 1983-84 biennium is 4.80 percent. During the period from 1979-80 to 1983-84, the overall University Section I budget increased by 80.30 percent while the total state appropriations for operations excluding the University, increased by 95.86 percent.

FACULTY SENATE REPORT

Dr. Gene Murdock, Chairman of the Faculty Senate, requested permission to speak to the Trustees. A copy of Dr. Murdock's speech is attached as Enclosure 3.

ADJOURNMENT AND DATE OF NEXT MEETING

There being no further business to come before the Trustees, the meeting was adjourned at 2:00 p.m. The next meeting of the Trustees is scheduled for February 13-14, 1986.

Respectfully submitted,

Karleen B. Anderson Deputy Secretary
REPORT ON THE SCHOOL OF HUMAN MEDICINE
UNIVERSITY OF WYOMING

Ad Hoc Committee, Board of Trustees
Brian F. Miracle
Ford T. Bussart
Robert P. Schuster
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INTRODUCTION

The School of Human Medicine was directed by the 1984 Wyoming State Legislature to "study alternative and supplemental funding sources for the Family Practice Residency Program." The School's findings and recommendations are to be reported to the legislature no later than January 1, 1986. In furtherance of that directive, the School of Human Medicine conducted its study, and concluded that at the present time there are no alternative or supplemental funding sources for the Family Practice Residency Program. As a consequence of this report, President Chapin appointed an ad hoc committee to review the School's findings, and to prepare a recommendation that the Board of Trustees could consider in formulating the University's response to the legislative directive.

The ad hoc committee was chaired by Dr. Miracle, and included Mr. Bussart and Mr. Schuster. Trustee Updike also joined the committee in some of its meetings. This report is based upon the committee's review of the following:

1. Meetings with Dr. Corbett, Dr. Huff, Dr. Driggers, and Dr. Krause of the School of Human Medicine;

2. Meetings with Dean Leddy of the College of Health Sciences;

3. Meetings with President Veal, and other members of the administration, including Dr. Wadlow, Dr. Jenkins, Dr. Todd, and Mr. Janny;

4. Meetings with Governor Herschler;
5. Discussion with approximately 75 undergraduate students who are pursuing pre-med studies;
6. A tour of Family Practice Residency Centers in Casper and Cheyenne; and
7. A review of a considerable number of documents, including the Report of the Review Committee of the School of Human Medicine and the Self-Study prepared by the School of Human Medicine.

This report summarizes the results of our review. In addition to responding to the specific legislative mandate concerning alternative and supplemental funding sources, the committee examined general issues concerning the School of Human Medicine. The report is divided into four sections:

1. School of Human Medicine: History and Evaluation;
2. Family Practice Residency Programs: Alternative and Supplemental Funding Sources;
3. The School of Human Medicine: An Integral Part of the University of Wyoming;
I. School of Human Medicine: History and Evaluation

The School of Human Medicine has evolved from the state's efforts to create a medical education system that is appropriate to the particular needs of Wyoming. The School is not fashioned on models that exist at other universities. Rather, the programs and activities that comprise the School have developed in response to issues identified and decisions reached during the course of vigorous public discussion that reaches back over four decades. An understanding of the School of Human Medicine requires, therefore, an understanding of the way in which the public discussion shaped and influenced the different programs of the School.

There are five different components that are either a part of the School of Human Medicine or have become associated with the School. They are as follows:

1. The Family Practice Residency Centers;
2. The WICHE/Contracts program;
3. The Office of Rural and Community Health;
4. Undergraduate medical education and advisement; and
5. Continuing Medical Education programs.

We turn, then, to a discussion of the development of each program.

A. Family Practice Residency Centers: The residency centers developed from decades of discussion concerning the appropriateness of establishing a state medical school. In 1950,
Mr. Rudolph Anselmi, State Senator from Sweetwater County, introduced legislation authorizing the University of Wyoming to develop its own medical school. The bill passed and was enacted as §21-347, Wyoming Statutes as amended. For a number of years thereafter, little was done following enactment of the authorizing legislation. Then, in 1962, President George "Duke" Humphrey appointed a study committee headed by Dr. Floyd Clarke, which recommended the creation of a two-year school. This proposal was deferred, however, after WICHE published in 1964 the results of its two-year investigation of medical possibilities in the Rocky Mountain area. This study, conducted by the former Dean of Boston University Medical School and known as the Faulkner report, concluded that Wyoming's population base at that time was too small to build and support a medical school. Over the next fifteen years, further efforts were made to explore the feasibility of a medical school:

-- In 1969 the Wyoming State Medical Society hired the Academy for Educational Development, which produced a report in 1972 entitled, "Medical Education in Wyoming: Imperative for Improved Health Care." It recommended the immediate development of a medical school program, either a four-year school in Wyoming, or a four-year, bi-state collaborative medical school where a portion of the four-year program would be spent in Wyoming, and the balance would be spent at the cooperating school. The AED report also recommended the development of residency programs and continuing medical education programs.
In 1973 the legislature appropriated $100,000 to hire a Director of Medical Education Planning within the University of Wyoming. Steven C. Joseph, M.D., was selected, and in January of 1974, he submitted his report entitled, "Medical Education for Community Health Care: A Plan for Wyoming"; he also prepared a supplemental report in June of 1974. Dr. Joseph recommended that the "Wyoming legislature commit itself as soon as possible to the development of a comprehensive system of medical education." His recommendations were based on a number of concerns identified in the report:

-- He found a "mal-distribution of personnel and facilities for the delivery of health services."

-- He cited "a concentration of physicians in larger communities and a shortage of them in more rural areas."

-- He pointed out that the number of "specialists is increasing and the number of doctors principally concerned with primary care and family practice is declining."

-- He also cited a very low ratio for physicians to population, and "estimated that the state needed 30% more physicians to bring it up to the national average."
Dr. Joseph made the following recommendations to deal with the concerns expressed in his reports:

-- That UW offer an M.D. Degree.
-- That students be trained in Wyoming, and that part of their clinical training be conducted at an out-of-state university medical school to provide the students with a medical center experience.
-- That Wyoming not build a university hospital and medical center.
-- That family practice residency training be provided "at university-affiliated community hospitals in Wyoming."
-- That continuing medical education programs be emphasized.

In 1974 Governor Hathaway appointed a Medical Education Steering Committee to serve as an advisory group. Additionally, Thomas G. Nicholas, M.D., was selected as Special Assistant to the President of the University of Wyoming in the Office of Medical Education Development. The Advisory Committee presented a legislative package to the 1975 Wyoming legislature which included appropriation requests for the establishment of two family practice residency programs, and for the planning and development of a
four-year medical school at the University of Wyoming. The proposals were designed to respond to the recommendations made in the Joseph reports.

As an initial step toward the possible development of a four-year medical school, the 1976 legislature appropriated monies to create the College of Human Medicine at the University of Wyoming. Through this College, a staff could be hired to deal with administrative needs while the legislature was considering the four-year medical school proposal. Robert M. Daugherty, Jr., M.D., Ph.D. was appointed Dean of the College and Assistant to the President for Medical Affairs.

In 1978 the legislature voted against the establishment of a four-year medical school at the University of Wyoming. The idea had been actively discussed for almost thirty years. But the decision was made: the four-year medical school was rejected, and the state opted instead to pursue family practice residency centers.

After the legislative vote, Dr. Daugherty resigned as Dean. Subsequently, the legislature authorized the restructuring of the health-related disciplines at the University. Hence, there is now the College of Health Sciences, which includes the Schools of Human Medicine, Nursing, Pharmacy, Physical and Health Education, and Health and Human Services.
The Wyoming legislature ultimately, then, decided against a four-year medical school in Wyoming. But, that decision did not foreclose other aspects of the medical education system that had been the subject of reports and legislative deliberation for years. Thus, while rejecting a four-year medical school, the legislature did authorize the creation of two family practice residency centers. In 1976, the legislature approved funding for both centers. The Casper Center was established in 1976, received provisional accreditation in 1977, graduated its first resident in 1979, and received full accreditation in 1981. The Cheyenne Center received provisional accreditation in 1979, accepted its first residents in 1980, and received full accreditation in 1982.

The legislature had responded to the concerns expressed in the Joseph reports, and the other studies that had been prepared over the years: providing opportunities for medical education for Wyoming residents; attempting to attract a greater number of physicians to the state; encouraging physicians to locate in rural, underserved areas; and encouraging physicians with a family practice background to practice in Wyoming. But, the decision was made that the four-year medical school was not the appropriate method to address the concerns that had been expressed over the years. Rather, the legislature chose to adopt the Family Practice Residency Centers and other programs that will be discussed later, including the contracts program,
and the Office of Rural and Community Health. These decisions resulted in the creation of a medical education system that is unique to Wyoming.

It is the conclusion of the ad hoc committee that the Family Practice Residency Centers are excellent programs of medical education that provide important services and benefits to the people of the state. Although the patient-service benefits are concentrated in the cities where the Centers are located (Cheyenne and Casper), the residency programs provide valuable services and benefits on a state-wide basis. A brief description of each Center follows:

a. University of Wyoming Family Practice Center at Casper:

The Center in Casper is located at 1522 East "A" Street. It is a 29,265 square foot building that was first occupied in October of 1977. The main floor includes 16 exam rooms, two treatment and casting rooms, x-ray unit, x-ray viewing room, clinical laboratory, dispensing pharmacy, multiphasic testing area, waiting room, conference room, business office, offices for residents and staff, 100-seat capacity auditorium, two dividable classrooms, and a medical library and learning resource center. The second floor contains the faculty and administrative staff offices, secretarial area, conference room, mail and
duplicating room, lounge, locker room and kitchen. The basement houses the computer room, the audio/visual department and storage areas.

The Center at Casper had a FY 85 standard budget of $1,974,381. There are nine faculty (eight full-time and one part-time). Four specialize in family practice, one in pediatrics, one in psychiatry, one in pharmacy, one is a physician's assistant, and one holds joint specialties in pediatrics and family practice. The nursing staff consists of a chief nurse who is an R.N., another R.N., two L.P.N.’s, two part-time R.N.’s that "float" during clinic hours depending upon needs and emergencies, a nurse's aid who performs jobs such as stocking examining rooms and sterilizing instruments, and a nurse practitioner who assists with patient counseling. The practice center employs a librarian, and two audio-visual specialists who also work with other entities such as the Agricultural Extension Office. The center has a pharmacist, an x-ray technician, and one full-time and two part-time lab technologists. Also, there is an administrative staff to provide general administrative support, as well as maintaining patients' medical records and handling billings, insurance, and collections. The administrative requirements resulting from the 21,605 annual patient visits are sub-
stantial. Moreover, the business aspects of the Center add to these requirements: in FY 1985 the Casper Family Practice Center billed patients $930,138.15 for their clinic visits and for services provided by the Center at the hospital; the collection rate was 71 percent.

The residency program is a three-year instructional program. The Casper program has been designed to have 8 residents in each class, due to the specific coverage needs at the hospital in Casper. It is, then, authorized as an 8/8/8 program, whereas the Cheyenne program is 6/6/6, due to the different coverage requirements at the Cheyenne hospitals. The practice center is open from 8:00 a.m. to 5:00 p.m., Monday through Friday. The residents divide their time between the Center, Natrona County Memorial Hospital, and the private offices of physicians in Casper where they learn practical office procedures. First-year residents are required to be on duty to see patients for two one-half day clinics per week at the residency center; second-year residents have three or four one-half day clinics per week; third-year residents have five or more clinics per week.

In addition to clinic responsibilities, the residents have other duties: they provide rotating coverage at the hospital on evenings and weekends; they
attend instructional lectures at their noon conference; at the conclusion of each clinic (both morning and afternoon) there is a chart review among all of the residents who were at that clinic to discuss performance and to highlight areas of the charts that are instructional; once or twice a month they participate in skills labs which are 2 to 2 1/2 hour sessions where they learn techniques such as casting, or equipment use; during the year there are occasional one or two day special seminars that focus on a specific area of medicine such as fetal heart monitoring, arthritis reviews, neonatal resuscitation, and advanced cardiac life support.

The residents also take part in rotation systems that give them specialized instruction in areas that are more appropriately taught at major medical centers or teaching hospitals. Thus, the first-year residents take a six-week pediatric rotation in Denver, either at Children's Hospital or Denver General. In their second year, residents have a one-month obstetrics rotation at Baylor University in Houston, Texas, and a one-month general surgery rotation at Mercy Hospital in Denver.

To emphasize the needs of a rural practice and to introduce residents to different communities in Wyoming, the practice center has instituted a program
of rural rotations. Both in their second and third years, each resident spends a month of each year practicing in a rural community somewhere within the state. Of the residents who have graduated from the Casper program, approximately 30 percent have remained in Wyoming. They have established practices in Riverton, Casper, Cheyenne, Laramie, Glenrock, Sheridan and Sundance.

b. **University of Wyoming Family Practice Center at Cheyenne:**

The Center in Cheyenne is located at 821 East 18th Street. It is affiliated with both DePaul Hospital and Memorial Hospital of Laramie County. It is housed in a 31,000 square foot building that was first occupied in May of 1980. The upper level includes 24 examining rooms, two treatment rooms, an x-ray unit, a laboratory, a waiting room, a business office, conference room, staff lounge, and offices for the full-time faculty, residents and other health professionals. The lower level contains administrative offices, three classrooms, a 200-seat auditorium, a general purpose research area, a large medical library and learning resource center, and an audiovisual production studio.
The Center at Cheyenne had a FY 1985 standard budget of $1,739,376. There are seven full-time faculty members, including 5 specializing in family practice, 1 pharmacist, and 1 nutritionist; one of the 5 positions in family practice is currently unfilled, and the Center is in the process of selecting a new person to fill that position. There is also a half-time faculty member who is a psychiatrist. The nursing staff consists of a chief nurse who is an R.N., and four L.P.N.'s. There is also a physician's assistant who works in the clinic. The Center employs a librarian, an audio-visual specialist (who also spends approximately 30 percent of his time with the computer system), an x-ray technician, a full-time medical technologist and a half-time medical technologist. As with the Casper Center, the Family Practice Center in Cheyenne has significant business demands. The Center had 13,958 patient visits in FY 1985, and it billed patients for their clinic visits and also their associated hospital visits in the amount of $564,109.85 ($441,159.25 for the clinic and $122,950.60 for services provided in the hospital). The collection rate was 76.6 percent. Accordingly, the Center requires an administrative staff, including business office supervisor, receptionists, medical transcriptionists to transcribe medical charts,
secretaries, and individuals to process third-party billings, collections, and medical records. Also, the Center employs a building superintendent, part-time cleaning personnel, and a part-time security person.

The residency program is a three-year instructional program. Because the Cheyenne Center has different coverage responsibilities at the Cheyenne hospitals, it has been able to develop residency classes of six per class, for a 6/6/6 program, as distinguished from the 8/8/8 Casper program. The Family Practice Center is open from 8:00 a.m. to 5:00 p.m., Monday through Friday. Residents divide their time between the Center, DePaul Hospital, Memorial Hospital, and the private offices of physicians in Cheyenne. Residents are required to be on duty at the practice centers for one-half day "tours" or clinics where they see patients in a standard clinic setting: first-year residents are required to have one half-day clinic per week (this will probably be raised to two sessions); second-year residents have three half-day clinics per week (this will probably be raised to four sessions); third-year residents have four clinics per week, and this will probably be raised to five.
Residents have responsibilities outside their formal clinic duties. The resident staff as a whole provides coverage at DePaul and Memorial: DePaul has a Family Practice Service in the hospital and two residents are assigned to that service during the day, and one remains at the hospital throughout the night; at Memorial, three residents are assigned to the medicine service during the day (one remains throughout the night) and two residents are assigned to the obstetrics service during the day (one remaining in the evening). The residents attend noon conferences; prior to commencement of their surgical rotation, they attend a preparatory series of seminars that are held for 2-3 hours per week for four weeks; every Friday the residents conduct grand rounds which serves as a case and patient review. The residents work in a team structure, with the residency staff being divided into three teams. The teams meet twice a month to review developments and cases. The residents as a group have joint meetings once a month, and they meet with the faculty as a group once per month. Also, there is a journal meeting once per month where the residents discuss the latest studies and articles in medical journals.

As with the residents in Casper, the Cheyenne residents participate in rotation systems which give
them specialized instruction in areas that are more appropriately taught at major medical centers or teaching hospitals. Thus, first year residents attend an in-patient pediatric rotation for 8 weeks at Children's Hospital in Denver; second year residents participate in an 8-week outpatient pediatric rotation at F. E. Warren AFB Hospital, a one month surgical rotation at F. E. Warren, and a one month emergency room rotation at Rock Springs; in the third year, the residents have a one month obstetrics rotation at Jefferson Davis Hospital in Houston, and a one month dermatology rotation in Greeley (this rotation is 3 days per week for one month).

The Cheyenne residents also have a rural rotation. In the second year and in the third year, each resident takes a rotation in a Wyoming community for one month. This rotation system benefits the different communities throughout the state, and it also allows the residents to learn more about Wyoming and the opportunities for practicing medicine in the state upon the completion of their residency training. Of the residents who have graduated from the Cheyenne program, approximately 33% have remained in Wyoming. They have established practices in Cheyenne and Kemmerer.
The family practice residency programs have achieved significant accomplishments, and they have provided important services to the state. These accomplishments and services include the following:

-- Both programs have received full accreditation by the Residency Review Committee of the Accreditation Council for Graduate Medical Education.

-- The quality of medical education at the Center is significant. Not only have the centers been accredited, but the graduates have scored well on the tests they have taken for their certifying boards. The ad hoc committee reviewed the curricula vitae of the faculty as well as the evaluations of the faculty members that were prepared by residents. We found the faculty to be very well qualified and dedicated. We also found that the residents were quite complementary of the skills and qualifications of the faculty.

-- The quality of educational experience is important, in part, because a central goal of the University of Wyoming is to achieve a high level of quality in all of its programs. When that goal is reached, it is significant, and it is an accomplishment that should be recognized, commended, and encouraged. But the quality of the educational experience at the centers is doubly important because a portion of the gradu-
ates of the residency centers establish practices in Wyoming. The quality of their training, therefore, has a direct impact on the health and welfare of Wyoming citizens.

The centers have received professional recognition from a number of sources. Faculty members have successfully published articles in major medical journals. The focus of their research efforts are grounded in the practical, clinical aspects of medicine. As evidence of the quality of these research efforts, the American Academy of Family Physicians in 1983 determined that a research paper presented by the faculty was the most outstanding paper prepared from an academic institution during that year.

The centers treat a large number of patients every year, and many of these patients would be unable to receive medical care from private doctors. Thus, the focus is on those individuals who are medically underserved. In Casper, for instance, there were 21,605 annual patient clinic visits. When hospital visits are included, this figure increases to 37,311. The services are not provided for free, as evidenced by the fact that both residency centers billed $1,494,248 in FY 85, and collected approximately 70-75% of those sums. But, the focus is on a patient population that is medically underserved so
that the Centers will not be viewed as competitors of private physicians.

About one-third of the graduates from the centers stay in Wyoming. This addition to our physician population is helpful because there is a need for physicians in the state. A certain number of physicians retire each year, and there is a need for more doctors so that we can keep up with general population demands. The Wyoming Occupational Supply and Demand Report indicates average annual openings for physicians in the amount of 34 per year. Not only is there a need for a certain number of doctors in Wyoming, but there remains a specific need for family physicians given their generalized skills, and there remains a need for family physicians in specific communities that are simply without medical assistance at all. The ad hoc committee believes that the residency centers have been a valuable source of additional physicians, and the committee further believes that continued efforts should be made to increase the number of physicians who establish Wyoming practices after graduating from the residency programs.

The residents rotate throughout the state in their second and third years, which provides service to rural communities. These rotations have occurred in such diverse communities as Afton, Baggs, Basin, Buf-
The centers have been able to provide needed assistance to specific towns. For instance, two years ago Kemmerer suffered a severe shortage of physicians. The Residency program was contacted, and they assembled a group of 8 residents and faculty members who were able to provide coverage to the town for approximately a year. In 1984 a graduate of the residency program located her practice in Kemmerer which greatly eased the shortage. Several weeks ago, however, two physicians (not including the graduate of the practice center) announced they were leaving Kemmerer. The residency program has again been requested to help; a new team is being assembled.

The residency centers have provided a source of continuing medical education seminars and updates that benefit the state's medical community. This takes the form of seminars and workshops, but it also includes computer networks and inter-library loans that permit the physicians to be informed of the latest developments in the medical literature.
Residents conduct specific courses on medicine in different parts of the state. These have included advanced cardiac life support and advanced trauma life support. The advanced cardiac course, for instance, has been held in Casper, Buffalo, Gillette, Sundance, Upton, Douglas, Cheyenne, Newcastle, Torrington, Lusk, and Riverton. For the advanced trauma life support course, 64 physicians throughout the state have participated.

The advanced trauma life support course was conducted between 1983 and 1985 in Kemmerer, Afton, Riverton, Thermopolis, Worland, Sheridan, Buffalo, Hulett, Sundance, Upton, Newcastle, Midwest, Casper, Douglas, Torrington, Wheatland, Laramie and Cheyenne.

The practice centers have taught the Nursing Pathology Course in Casper and Rock Springs, and Dr. Corbett has taught undergraduate courses in Laramie—Human Anatomy, topics in medicine and health care, and Research Anatomy.

Since 1982 there have been over 40 special CME programs held in various communities throughout Wyoming.

The practice centers have given extensive assistance to communities that have requested help in planning and establishing Health Care Centers. The assisted communities include Baggs, Midwest, Guernsey, and Medicine Bow.
The residents and faculty of the Family Practice Programs have been actively providing health care services in rural communities since 1979. During this time, they have provided medical coverage in 28 different communities for periods of up to two weeks. This assistance has enabled rural physicians to obtain continuing medical education, recuperate from illnesses, cope with personal emergencies, and obtain vacations.

The breadth of this service deserves emphasis. The Centers have provided this assistance in Baggs, Basin, Buffalo, Douglas, Dubois, Evanston, Gillette, Glenrock, Greybull, Green River, Hulett, Kemmerer, Lander, Lusk, Medicine Bow, Moorcroft, Newcastle, Pathfinder Mines, Rawlins, Riverton, Sundance, Thermopolis, Torrington, Upton, Wind River Indian Reservation, Worland, Wright, and the Yellowstone Clinic.

Seminars and workshop topics have included courses on the maximum exercise stress test in Rawlins, a presentation on hypothermia at the State Medical Society Meeting, an altitude illness course, a seminar on geriatric care in Casper, a toxic shock seminar in Casper, child abuse program in Casper, patient assessment programs in Casper and Torrington, hemorrhagic shock presentation in Rock River, flexible sigmoidoscopy program in Cody (as well as Newcastle,
Cheyenne, and Rock Springs), and a shock presentation in Midwest.

The Centers themselves become a hub of activity. Conferences are presented at the different Centers multiple times each week throughout the year. These sessions cover the gamut of medicine and provide information that is of great value to the medical community. In the month of September, 1985, there were 13 such presentations at the Casper Center; in August there were 16; in July there were 14.

Residents have been extensively involved in emergency medical service training. Those training sessions have been conducted throughout the state, including Yellowstone, Jackson, Cody, Dubois, Lander, Riverton, Thermopolis, Greybull, Arvada, Buffalo, Hulett, Gillette, Moorcroft, Sundance, Upton, Newcastle, Midwest, Casper, Glenrock, Douglas, Torrington, Medicine Bow, Rawlins, Rock River, Laramie, Cheyenne, and Baggs.

In addition, the Centers are used by community groups multiple times each week for meetings and other purposes such as Lamaze classes.

The Family Practice Residency Centers have developed into institutions of significant quality that provide important benefits to the people of this state. The ad hoc committee has
made an extensive review of these programs, and it is the conclusion of the committee that the Family Practice Residency Centers in Casper and Cheyenne should be supported vigorously.

B. The WICHE/Contracts Program: The historical forces that led to the development of the WICHE and contracts programs are the same as those that shaped the development of the practice centers. Two years before Senator Anselmi introduced his bill to authorize the development of a medical school in Wyoming, Dr. Ward Darley, Dean of the University of Colorado Medical School, proposed in 1948 that a liaison be established between Colorado and Wyoming to assure places for Wyoming students at the University of Colorado's Medical School. The next year—1949—Wyoming students were enrolled at the medical school.

From those beginnings, the program expanded. The liaison between Colorado and Wyoming was enlarged in 1952 to create the Western Interstate Commission for Higher Education (WICHE) which currently includes thirteen western states. Additionally, the liaison concept has expanded to embrace disciplines other than medicine alone. The underlying purpose of WICHE is to provide a "compact" system whereby students from a state that does not provide a certain area of instruction can receive education within one of the compact states that does provide that area of instruction.
The basic agreement was that students from the "sending" state would pay in-state tuition if they were accepted in a medical school in one of the "receiving" states. Their applications would be considered on the same basis as an application from an in-state resident of the "receiving" state. Each of the sending states would subsidize students from their states in an amount determined by the WICHE Commissioners; the Commission would act as the clearinghouse and repository of funds appropriated by the sending states to subsidize medical education for these students. The subsidizing state, then, would turn around and obtain a repayment agreement with the "sent" student so that the state would be reimbursed for the subsidized amount at a future time. Subsequently, the repayment provision was challenged in court, and the repayment requirement was voided. Thus, at the present time, there is no requirement for students who attend medical school under a WICHE agreement to repay the state in either dollars or time.

By the early 1970's--after two decades of experience with WICHE--it was apparent that it was not meeting the needs identified in the Joseph reports and the other studies. In that period, Wyoming was only sending about five students per year through the WICHE program, and very few of them were returning to Wyoming to practice. Efforts to discover a more effective program became a part of the overall discussion which was seeking to define an appropriate medical education system for Wyoming.
The WICHE discussion raised two areas of concern. First, a reason for the establishment of the WICHE program was to fulfill a perceived obligation to provide educational opportunities for Wyoming residents. If the state did not have a medical school, and if students wanted to become doctors, then the state had a legitimate interest to facilitate a student's effort to obtain that medical education. Second, there was a self-interested consideration, given the state's need to attract doctors to practice in Wyoming.

Other states developed different solutions to these two problems. When WICHE was formed in 1952, only five of the 13 WICHE states had medical schools—Colorado, Oregon, Washington, Utah, and California. In the next decade, four more of them built medical schools—New Mexico (1961), Arizona (1962), Hawaii (1967), and Nevada (1969). That left four states of the WICHE 13 without medical schools—Montana, Idaho, Alaska, and Wyoming. Those four states still do not have medical schools, but they have approached their medical needs from different perspectives. Montana, Idaho, and Alaska joined with the University of Washington School of Medicine and formed a supplemental compact that is known as WAMI. Students in Montana, Idaho, and Alaska attend the first year of "medical school" at the university within their "sending" state. Their second and third years are spent at the University of Washington School of Medicine. The fourth year is spent either at the student's home "sending" state, or at one of the other two sending states.
Wyoming developed its own program. As discussed earlier, the Legislature did not choose to build a four-year medical school. The Legislature had foresight. The 85th Annual Report on Medical Education in the United States: 1984-1985 has been prepared by the American Medical Association, and it states that the median expenditure to operate a four-year medical school is $59,803,000; this figure was up some four and a half million dollars from the prior year.

In addition to choosing not to build a four-year medical school, Wyoming chose not to enter a WAMI type compact. Instead, we developed a medical education system that is unique. As discussed earlier, the family practice centers were built to train residents in the field of family practice—a specialty that was of particular importance to this state. The opportunities for attending medical school were addressed by two approaches—WICHE, and a contractual program with specific medical schools.

The origin of the contracts program can be traced to a recommendation made in the Faulkner Report of 1964. In that report, it was recommended that Wyoming not develop a medical school, but, instead, that consideration be given to establishing contracts with existing medical schools for placement of Wyoming students. This recommendation was then reaffirmed in the Joseph reports in 1974, but Dr. Joseph recommended that they be utilized merely as a transition measure while a medical school was being established in Wyoming. Once the medical
school was formed, Dr. Joseph then recommended that the contract program be abolished. The proponents of the medical school were projecting construction of the medical school facilities would begin in 1978, and that the contract program would be "phased out" by 1983.

In deciding against the medical school, the Legislature had acknowledged the significance of the contract program as one part of the medical education system that was fashioned for the state. In 1976, funds were appropriated to establish contracts for the placement of Wyoming students at Creighton School of Medicine in Omaha and the University of Utah School of Medicine in Salt Lake City. This program was in addition to the WICHE program, and it provided for a total of 20 positions at Creighton and 10 at Utah.

The contract program addresses the twofold concerns that originally led to the development of WICHE. First, it provides educational opportunities for Wyoming students. The contract positions at each school—while not being guaranteed seats for whomever may apply—do permit the student to compete on the same basis as the in-state residents of Nebraska or Utah. There is, however, an incentive on the part of the contracting medical school to accept a Wyoming student because, for every student they accept, the payment made to the school is not simply tuition, but rather represents a pro-rata assessment for the cost of medical education at that school. Currently, while the tuition at the University of Utah for in-state residents is
$3,330, the assessment for each contract student is $29,942. The additional sum is justified on the basis that Utah taxpayers pay substantial sums of money to build and operate a medical school, and the tuition payments do not begin to cover the full bill. Accordingly, they add up the cost of the medical school, divide it by the number of students, and charge an assessment that has some relationship to that pro-rata formulation. By the same token, Creighton's charge for regular tuition is $10,839; it calculates its cost per student to be $31,576, and Wyoming contract students are assessed a charge of $26,342.

From the standpoint of providing medical education opportunities for Wyoming students, the contracts program has been a success. In our conversations with pre-med students at the University of Wyoming, the contracts program was cited as a real benefit to the students. Moreover, the acceptance figures demonstrate that the contracts program truly provides educational opportunities for Wyoming students. While all 30 positions do not get filled (there being an understanding with the receiving school that they have no obligation to fill all of the "Wyoming slots"), a significant percentage of applicants get accepted: for the current 1985-86 year, 40 students applied through the contracts and WICHE programs; 24 were accepted into the contracts program and 5 into WICHE.

The contracts program also addresses the second area of concern that originally prompted the creation of WICHE, namely
the need to attract doctors to practice in Wyoming. In part to assist the fulfillment of this objective, the contracts were written so that students could repay the monies spent by the state in one of three ways:

1. Repay the state. When a student is accepted into the contracts program, he or she pays $1,000 per year during the four-year program and the State pays the balance of the contract assessment to the receiving medical school. If the student chooses to repay the state with money rather than service, the repayment schedule is on quite favorable terms: payments commence one year after completion of the student's residency program, and then the debt is repaid over an eight-year period at no interest.

2. The student can return to Wyoming and practice for three years and thereby extinguish any repayment obligation.

3. The student can complete a residency in family practice within Wyoming, and likewise extinguish any repayment obligation.

Since the commencement of the contracts program, 162 students have completed medical school under its auspices. This is significantly greater than the number of students who completed medical school under WICHE during that same period. Moreover, the return rate has been considerably better under the contracts program than with WICHE. While the return rate
under WICHE is very low (since 1975, 44 students have entered the WICHE program and only 3 have returned to the state), approximately 58% of the doctors who graduated from medical school under the contracts program and who are now in practice (as distinguished from those who are currently in residencies and internships) have established their practices in Wyoming. The contracts program, as well as WICHE, continue to be an integral component of the medical education system we have developed in Wyoming, and the contracts program in particular has proven to be very effective.

C. Office of Rural and Community Health: The Office of Rural and Community Health was established as a part of the University of Wyoming by the Wyoming Legislature in 1981. See §21-17-112, W.S. 1977 as amended. It was created as a direct response to the state's need to attract physicians to certain underserved areas, and also to provide medical assistance and information to Wyoming communities that were medically underserved. These goals were in part addressed by other components of the medical education system, but the Office of Rural Health was designed to directly confront those issues.

The purpose of the Office was explained by the Legislature in the enabling legislation. The principal functions of the Office were to be:

-- To serve as a source of health information for hospitals and communities.

-- To provide technical assistance and consultation services to communities and rural areas.
To assist communities in recruiting and retaining physicians and other health care professionals.

To support cooperative efforts by state agencies, health organizations and professional groups in a continuing effort to improve health care services for the people of Wyoming.

Within the School of Human Medicine there exist resources by which the Office of Rural and Community Health can be a vital component of the medical education system: physicians within the School are intimately familiar with the medical needs of the state; the practice centers have libraries and computer networks that permit access to the latest medical literature; the practice centers have audio-visual capabilities that can be used to transmit information to communities throughout the state; the School of Human Medicine and other sectors of the University comprise an invaluable resource base that can be used to advance the quality of health care in Wyoming.

Since the Office of Rural Health was created in 1981, the state has benefitted considerably from the activities of the School of Human Medicine generally. Those activities have been in furtherance of the goals established for the Office of Rural and Community Health. They have included sponsoring workshops and seminars, responding to specific requests for assistance from communities, rotation of residents throughout the state, making available residents and faculty members for short term assignments when doctors in certain communities were ill or
temporarily absent, or when doctors have left a town permanently, thereby abandoning an existing patient population. Health Care Centers have been established in several communities. Some specific examples of these accomplishments are as follows:

-- The School of Human Medicine assisted the town of Baggs in developing a Health Center and staffing it with a Physician's Assistant.

-- The School helped Rock River obtain an ambulance and an ambulance crew.

-- The School helped the town of Wright to equip and staff a Health Center in the Latigo Hills area.

-- The School joined with the town of Newcastle in recruiting an additional physician and in planning for the construction of a new hospital to be built in the near future.

-- As with Wright and Baggs, the School assisted the Town of Midwest in developing a community health center. Moreover, with the assistance of the School, Midwest was able to attract a physician and the physician is now being paid by the federal government.

-- A Steering Committee was formed in Guernsey for a Medical Health Care Center, and the town is now being served by physicians from Torrington on a rotating basis.
The School provided assistance to the hospital in Lander, helping it in its effort to determine methods by which the hospital could provide the types of services needed by residents in the surrounding counties.

The School contributed to the study being made by the hospital in Rawlins to learn the attitudes of the people in Carbon County about the services provided by the hospital and the future direction it should take.

The residents in Bridger Valley are now forming a non-profit group through which they will soon attempt to hire an additional physician, and it is their future hope that they will be able to build a new and bigger health center.

The town of Superior was aided by the School in its efforts to staff an ambulance crew.

Technical advice has been provided by the Hospital in Kemmerer.

The School has consulted with residents in Shoshoni concerning the health care needs in that area.

These activities have been significant. But, in large measure, these accomplishments have emanated from the School generally, rather than the Office of Rural and Community Health specifically. In part, the Office has been an entity in name only, lacking the staff that was necessary to make it a viable
office of its own. The function and purpose identified by the legislature have been carried out, but they have been accomplished collaboratively within the School rather than specifically by the Office.

It is the conclusion of the ad hoc committee that the Office of Rural and Community Health is of critical importance to the success of the overall medical educational system that we have constructed over the years. Other components of the system deal indirectly with the issues for which the Office was established to deal with directly. It is time, in our judgment, to provide the Office with the expertise, the recognition and the support that is needed to permit it to accomplish the goals set forth by the legislature. Moreover, because this Office has received insufficient support in past years, the task of making it a vital component of the School of Human Medicine will require a significant demonstration of commitment to the importance of the Office.

D. Undergraduate Medical Education and Advisement: Our future physicians can be found on the campus of the University of Wyoming. We can devote endless energy to studying medical needs in the state, and we can devise elaborate programs to respond to those needs. However, if we neglect the undergradu-
ates, we doom our most elaborate plans and programs to a very uncertain, bleak future.

The University of Wyoming provides a curriculum for undergraduates who desire to apply to medical school. Currently there are 172 pre-med students at the University of Wyoming. The courses that comprise a typical pre-med curriculum include: general biology (with lab), general chemistry (with lab), organic chemistry (with lab), general physics (with lab), mathematics, and certain liberal arts courses depending upon the school to which the student may apply.

In addition to the curriculum requirements, undergraduates face a maze of tests, deadlines, prerequisites, and other land mines that must be successfully negotiated in the event they choose to pursue a medical career. The pre-med student, then, is forced to contend with significant burdens: the pre-med curriculum is difficult; additional requirements are intricate and arcane; the competition to get into medical school is vigorous, which places greater stress on the pre-med student. Under these circumstances, it is appropriate and important for the University to assist pre-med students by providing an active, effective advisement program. Our failure to maintain such a program is to jeopardize the well-spring from which our future physician population will flow.
E. Continuing Medical Education Programs: Continuing Medical Education (CME) is another important component of the Medical Education system that has been developed in Wyoming. This program is important for two reasons. First, medical knowledge and medical technology advance at such a rapid rate that it is critical for the practicing physician to be involved with a viable, effective process of continuing education. Second, this general need is enhanced in a rural state such as Wyoming.

The School of Human Medicine's important resources can be utilized in developing a vibrant continuing medical education program. These resources include the following: the faculty of the School of Human Medicine has developed an appreciation for the educational needs of their colleagues through their various interactions; the faculty of the Practice Centers conduct clinical research that is specifically applicable to the type of practice that most physicians in Wyoming have established; the Family Practice Centers have excellent libraries and computer networks; the Family Practice Centers have impressive audio-video facilities that allow information to be transmitted to hospitals and physicians around the state. It is the conclusion of the ad hoc committee that all of these resources should be utilized to assist in the development of an active and interesting system of continuing medical education that will attract physicians and that will benefit them in their practice. We believe that this can best be accomplished through cooperative efforts.
Thus, Wyoming has fashioned a medical education system that has been shaped by public discussion over a period of four decades. It represents a unique response by the people of this state to their particular medical needs. The School of Human Medicine has been entrusted with the principal components of that system. It is the ultimate conclusion of the ad hoc committee that the School of Human Medicine has accomplished its goals and purpose with distinction. The aspirations that formed the foundation for the series of reports and legislation originating from Senator Anselmi's proposal in 1950 have been achieved successfully by the School of Human Medicine. The result of this success has been a marked benefit to the people of Wyoming.

II. Family Practice Residency Programs: Alternative and Supplemental Funding Sources

The 1984 Wyoming State Legislature directed the School of Human Medicine to "study alternative and supplemental funding sources for the Family Practice Residency Program." The School conducted its study, and concluded that at the present time there are no alternative or supplemental funding sources for the Family Practice Residency Program.
Efforts made by the School of Human Medicine to identify such alternative or supplemental funding sources should be emphasized, because these issues were examined in depth:

A. Practice-Generated Income -- A significant source of income is derived from patient-generated billings. The patients who are seen at the clinic by the residents or the faculty, as well as the clinic patients who are seen at the hospitals by the residents or faculty, are charged for the services. The Centers do not attempt to attract the patient population serviced by the private physicians in the communities in which the centers are located. Rather, the Centers try to focus on that patient population that is underserved. Nevertheless, charges for services are made to the patients, because to do otherwise would be to create too great an incentive for patients who can afford private medical care to gravitate to the Practice Centers.

Patient-generated income is a significant addition to offset the overall cost of the Family Practice Centers. In FY 1985 alone, the Practice Centers billed $1,494,248,000 and collected approximately 70-75% of those sums. The amount of those billings underscores the need to understand the business aspects of the Family Practice Residency Centers. They attempt to operate in an efficient busi-
nesslike fashion and, accordingly, sound business and administrative practices are required. Hence, part of the solution to finding "alternative and supplemental funding sources" includes being attentive to the efficient operation of the Centers themselves. To the extent that the faculty and residents maintain a high standard of professional skill, and to the extent that they provide quality medical care to the patients, their specialized patient population base should continue, and this important source of funding will then be maintained.

B. Service Grants and Contracts -- The Centers have developed contracts and grants with various governmental agencies to provide medical service. Some of these service agreements simply involve a movement of monies from one state funded entity to another state funded entity; but the net effect of such agreements is to save monies from the State General Fund. Examples of these arrangements include agreements with the Wyoming National Guard, the Department of Environmental Quality, and the Game and Fish Commission (currently under discussion) to provide services to employees including periodic examinations, new hire examinations, and certain educational programs. Some of the service agreements involve governmental agencies that are not funded from the State General
Fund. Examples of these types of arrangements include $14,627.70 to the Cheyenne program for services provided to prisoners. The Human Services Commission in Casper has given a grant to the Family Practice Residency Center in Casper in the amount of $21,000.00 for medical services for underprivileged patients. The Casper Center has also received a $45,000.00 grant from NOWCAP.

C. Internal Efforts to Raise Money -- The Centers try to be attentive to services that they can provide that will generate money to their programs. For instance, the Casper Residency Center obtains approximately $12,000.00 for services that it provides to the group of doctors who have the contract for Emergency Room services at Natrona County Memorial Hospital. One of the faculty members in Casper serves as a nursing home director, and this generates $6,000.00 for the program. The pharmacy at the Casper Residency Center generates approximately $25,000.00 per year. The Center is also charging for audio-visual services such as preparation of slides and video tapes for local doctors.

D. Educational Grants -- The Centers apply for research and educational grants. For instance, the Casper Residency Center has applied to the National Institutes of Health for a $300,000.00 grant to establish
a preventative health curriculum at the Family Practice Center. While these efforts are important and commendable, they typically do not result in a net savings to the state. Research and education grants usually stipulate that if the funds are granted, they cannot replace other funds. Thus, research and education grants must not be considered as alternative or supplemental funding sources because—in fact—they are not. They are methods by which the quality of a program can be greatly enhanced, and it saves the state from having to expend those additional sums to undertake the study that would then be funded by the grant.

E. Contributions From Local Hospitals -- The local hospitals have not yet agreed to contribute to the Family Practice Residency Centers located in their communities. It is important, however, to continue exploring this possibility inasmuch as those contributions would permit the Centers to qualify for federal reimbursement. For example, in Casper, federal programs would permit the payment of approximately $100,000 for indirect medical education expenses (whether actual or attributed), and approximately $300,000 for direct medical education expenses. A key element in that program, however, is that the hospitals must in fact incur expenses. It is a "cart
before the horse" situation. If the hospitals would contribute to the Practice Centers and thereby incur expense, that "expense horse" would pull the "reimbursement cart" of federal monies.

The most significant source of supplemental funding for the Practice Centers has been their practice-generated income. Other potential sources of revenue should continue to be explored, but that process of exploration should not distract the Practice Centers, and thereby jeopardize the most viable source of additional funding that currently exists, i.e., the practice generated income. Most importantly, however, it is critical to the mission of the Practice Centers (and to their continued accreditation) that they not be viewed as businesses. While they need to employ sound business practices, they should not be evaluated as money making businesses. The Centers will only succeed if there is a commitment to them as significant institutions of graduate medical education.

III. The School of Human Medicine: An Integral Part of the University of Wyoming

The School of Human Medicine is a unique school within the University of Wyoming in that it did not arise from a natural,
internal university growth process. Rather, the School of Human Medicine originated in response to the public discussion that has been mentioned in other parts of this report. Concepts were originated and developed, and they then became a part of the University. Accordingly, some aspects of the school of Human Medicine have had a separateness from the University as a whole that should be resolved.

It is the conclusion of the ad hoc committee that the school of Human Medicine should be fully embraced and that the School and its components should be an integrally incorporated into the University of Wyoming--academically, operationally, and financially. It is believed that continued independence is not beneficial for the long term goals of the School. One of the "costs" of that independence has been a sense of isolation and an absent sense of joint purpose and common endeavor. The School of Human Medicine cannot realistically thrive as an isolated appendage, weakly connected to the academic, the administrative, and budgetary processes of the University.

The School's integration into the University will be an evolving process. One of the first matters that requires attention is budgetary integration. In the past, the School has been carried as a separate budget program activity within Section 1 of the budget. It is recommended by the ad hoc committee that the budget of the School of Human Medicine become incorporated into the overall budget of the University of Wyoming and administered by the University as such. The process of ac-
completing that task has been detailed by Vice President Todd in his memorandum dated October 24, 1985. A copy of that Memorandum is attached to this report, and its recommendations are affirmed by this committee.

IV. Additional Recommendations

The integration of the School of Human Medicine into the University of Wyoming presents mutual challenges. On the one hand, the School of Human Medicine will benefit from that relationship: it will gain stability; it will obtain the benefits of shared purpose; it will be able to participate in the rich interdisciplinary community that is enjoyed in a University setting. This relationship should make it easier for the School of Human Medicine, and at the same time should involve it with individuals, programs, and disciplines that can be a source of ideas, assistance, and accomplishment. On the other hand, it is important to recognize that the University of Wyoming will also benefit from this relationship. The School of Human Medicine has developed programs of fine quality that provide significant benefits to the people of Wyoming. The achievements of the School should be a source of pride for the individuals who have been responsible for these achievements and, likewise, those accomplishments need to be recognized and acknowledged by the University of Wyoming. The School of Human Medicine is—and will continue to be—a source of pride for the University.
In furtherance of this mutual challenge, the ad hoc committee makes these additional recommendations:

A. **Associate Dean - Office of Rural and Community Health.** The Office of Rural and Community Health has critical responsibilities in terms of addressing the health care needs of the people of this state. While accomplishments of the School of Human Medicine generally have been in furtherance of the purposes for which the Legislature established the Office of Rural and Community Health, the Office itself has received insufficient support; it is important that the University of Wyoming demonstrate a significant commitment to that Office. Accordingly, we recommend that the Office be reorganized, and that an associate dean within the School of Human Medicine be the director of that Office. That associate dean should be permitted to devote full time to the directorship of the Office. To demonstrate the University's commitment to the Office and to affirm the critical role that the Office plays in accomplishing the overall goals of the School of Human Medicine, it is recommended that the associate dean be a person of significant stature within the medical community and a person who is intimately familiar with the medical needs of the state.
B. Associate Deans - Practice Centers. The Family Practice Residency Centers located in Casper and Cheyenne have developed into fully accredited and nationally respected centers of graduate medical education. Although located in the same state, and although they complement one another, they are distinct programs. The distinctions between the programs include differences in size of program, differences in programmatic areas, and differences in terms of relationships with hospitals and local medical communities. We believe that the Residency Centers have reached a level of importance within the School of Human Medicine that requires administrative reorganization. We recommend that the directors of each Practice Center have the position of Associate Dean. Thus, the School of Human Medicine would be comprised of three Associate Deans: one being responsible for the Office of Rural and Community Health, one being responsible for the Casper Residency Center, and one being responsible for the Cheyenne Residency Center. This arrangement more clearly reflects the importance that each such component has to the School of Human Medicine.

C. Undergraduate Advisement - We recommend that the Dean of the College of Health Sciences appoint an individual who can serve as an advisor for pre-med students. The person must be knowledgeable about the
steps that undergraduates must take in order to properly qualify for medical school; the person must be familiar with the different requirements of and opportunities provided by different medical schools; the person must have the time to meet and counsel the pre-med students. In addition, we recommend:

1. The office of pre-med advisement be located in Laramie so that it can be accessible to students.

2. That the office be "advertised" in the Undergraduate bulletin, and in the registration information provided to freshmen. Moreover, during orientation, efforts should be made to assure that incoming students are aware of the existence of the advisement office.

3. That the Associate Deans of the School of Human Medicine be appointed to the Premedical Advisory Committee.

4. That the Premedical Advisory Committee serve in an advisory capacity to the advisement office. While the undergraduates will benefit from the interdisciplinary opportunities provided by the Premedical Advisory Committee, it is important that there be a single identifiable person who occupies the advisement office. In that way,
the students will be able to obtain the specific information they need for negotiating the maze of deadlines, test and applications from the advisors, and they will obtain the interdisciplinary benefit of the Advisory Committee.

5. That the office of premedical advisement be responsible for administering the contracts program and that the office serve as the WICHE certifying officer. In this regard, it is necessary that this person be knowledgeable about both programs, and that the person "track" the performance of students within both programs so that the programs can be continually assessed.

6. Letters of recommendation should be written by the members of the Premedical Advisory Committee in the discipline of the student's major, in addition to other possible letters of recommendation.

D. **Family Practice Centers** - We recommend the following in regard to the practice centers:

1. That they continue to explore sources of alternative funding without jeopardizing their dedication to their mission of being quality centers of medical education.
2. That the audio-visual facilities in Cheyenne and Casper be combined. Cheyenne has the facilities; Casper has the equipment. They should be combined--in Cheyenne--and the Centers should explore ways to obtain better utilization of these resources. The opportunities for networking, teleconferencing, and for other media techniques can be of immense benefit to medical education, and it can also benefit other forms of education. These opportunities should be explored. This does not suggest the elimination of those support capabilities necessary for the mission of the Residency Centers and the Office of Rural and Community Health.

3. The computer system at the practice centers should be compatible with the University systems, and the computers that are utilized should not be redundant models or models that are becoming obsolete.

4. In order to comply with the recommendations of the accrediting review committee, the Practice Center in Cheyenne should consider recruiting a pediatrician to fill the position that is currently unfilled.

5. The Practice Centers should review the clinical faculty to ascertain that membership within that
faculty is active, and that the faculty has real involvement with the Practice Centers. The clinical faculty for the Centers is very important in that it expands the reach of the Centers, and it gives the Centers the benefits of the practical experience of an array of physicians. That faculty should be a vital part of the Centers, and membership within the faculty should require actual and meaningful involvement with the educational mission of the Centers.

6. The Practice Centers should work in concert with the Office of Rural and Community Health to attempt to increase the retention rate of graduates from the Practice Centers. Those who have graduated should be interviewed to determine reasons for their decisions to locate in Wyoming or elsewhere.

7. The Practice Centers and the University Administration should finalize a practice plan for submission to the Trustees.

8. The Practice Centers and other departments within the University should explore methods by which they can achieve interdisciplinary benefits. These efforts would include teaching courses, clerkships or undergraduate student "rotations", and the general sharing of ideas and concepts.
9. The Casper Practice Center should be operated on an 8/8/8 program, as it has in the past, due to its special coverage needs and patient load. This should be formalized so that the Casper program can plan for its residents, and the 8/8/8 program should be implemented.

E. Contracts Program - We recommend that the contracts program be continued at their present levels. We also support the efforts to explore the opportunities to have contractual relationships with schools in addition to Creighton and Utah. However, if additional schools are added, we feel the number of additional schools should be limited. A major reason for the success of the contracts program has to do with the excellent working relationship that we have with Creighton and Utah. These schools should remain our anchors for the contracts program. Finally, we recommend that consideration be given to eliminating the third repayment option for contracts students, i.e., repayment by attendance at the Practice Centers. Currently, there are two other repayment options -- practicing in the state for three years, and repayment in cash over eight years without interest. Those two options are sufficient.

F. Office of Rural and Community Health - We recommend the following for this Office:
1. That this Office direct and manage medical student clerkships and preceptorships.
2. That efforts be made to increase the number of sites for the National Health Services physician designated areas. This will assist the efforts to place physicians in rural areas in Wyoming.
3. Develop a stronger relationship with other related governmental agencies, including the State Health Planning and Development Agency in the Department of Health and Human Services, and the Region VIII office in Denver of the Department of Health and Human Services (including the National Health Services Corps and the Bureau of Health Care Delivery and Assistance.)
4. Develop an active program that fulfills the legislative statement of purpose that was incorporated into the Office's enabling act.

G. Continuing Medical Education - We recommend that continuing medical education programs be planned in collaboration with the Dean of the College of Health Sciences, and the Associate Deans of the School of Human Medicine.

******
TO: Brian Miracle, Chair, Trustee Ad Hoc Committee on Human Medicine
Ford T. Bussart, Member, Trustee Ad Hoc Committee on Human Medicine
Robert P. Schuster, Member, Trustee Ad Hoc Committee on Human Medicine

FROM: James E. Todd, Vice President for Finance

At the October 11, 1985 meeting of the Trustees Ad Hoc Committee on Human Medicine, directions were given by the Committee to develop a proposed budget for Human Medicine reflecting the Committee's intent to integrate Human Medicine into the University.

Since the October 11 meeting of the Committee, two meetings were held to revise the FY 1987-88 Human Medicine budget. In attendance at the meetings on October 16, 1985 and October 22, 1985 were Roland Barden, Associate Vice President for Academic Affairs; Susan Ledy, Dean of the College of Health Sciences; John Corbett, Associate Dean for the School of Human Medicine; Bob Cox, Acting Director of the Office of Financial Planning; Dan Baccari, Director of Fiscal Operations and myself. Also present at the October 16 meeting was Charles W. Huff, Director, Office of Rural and Community Health; Bruce C. Hooper, Manager, Student Loans, participated in a portion of the October 22 meeting.

The group participating in the October 16 and 22 meetings focused on two major subjects. First, with the integration of the School of Human Medicine into the University, attention was given to the redistribution of the FY 1987-88 Human Medicine budget approved by the Trustees on September 14, 1985 into
appropriate program budgets of the University. Second, the group discussed the
revenues and expenditures associated with the Medical School Student Loan
Program, the Family Practice Student Loan Program and the Medical School
Contracts Program.

REDISTRIBUTION OF FY 1987-88 HUMAN MEDICINE PROGRAM

The Human Medicine Program currently constitutes one of the eight Section I
program budgets of the University. The Human Medicine budget, as in the case of
the other seven University program budgets, is a "self-contained" budget, i.e.,
expenditure authorization exists only in the program and cannot cross program
lines to another budget program. Only the Legislature has statutory authority
to change the program budget for Human Medicine, or for any of the other seven
Section I program budgets. The 1985 Legislature did change the program budgets
of the University by consolidating two programs (General Services and General
Administration) into one program budget called General Services; the con-
solidation was also accompanied by other "housekeeping" changes to permit the
University to more properly align specific functions with the appropriate
generic program.

The FY 1987-88 Human Medicine budget approved by the Trustees on September
14, 1985 and submitted to the Department of Administration and Fiscal Control
provided for a Standard expenditure budget of $17,459,296 to be funded by
general fund appropriations of $15,209,296 and Family Practice income of
$2,250,000. The Exception Budget request is $131,514; the only item contained
in the Exception Budget is the funding necessary to bring the salary increase to
5.0% for the first fiscal year of the biennium. The Expanded Budget request of
$12,078 is for the restoration of the previous biennial expenditure base for
equipment. The funding for both the Exception and Expanded budgets is state
general fund.
In allocating the FY 1987-88 Human Medicine budget into other appropriate program budgets of the University, it was necessary to look at actual expenditures by discrete expenditure classifications, since the budget differs from the manner in which funds are expended. For example, the budget for real property repair and maintenance includes the funding for part-time custodial and maintenance personnel at the Family Practice Centers. Funds are appropriated to Human Medicine for such purposes, but the appropriation assumes that Human Medicine would continue to contract for such services. In actual fact, Human Medicine discontinued the use of contract custodial services last year and the services are now provided by part-time employees of the University. The Human Medicine budget does not provide sufficient expenditure authority in Personal services, so funds and expenditure authority are moved, after the budget is appropriated by the Legislature and approved by the Trustees, by Human Medicine from support services to personal services. Similar internal adjustments are made within the budget—as distinguished from actual operating expenditures—during the year. To the extent possible, the group meeting on October 16 and 22 attempted to realign budget with actual operating experience, although it was not possible to realign the entire budget because of legislative constraints.

The activities within the current Human Medicine budget and those contained in the budget approved by the Trustees on September 14, 1985 can realistically be divided into four categories: 1) those associated with activities in the Section I Instruction and Research Program; 2) the custodial, maintenance, repair and utilities activities associated with the Section I Maintenance, Operation and Repair of Plant Program; 3) the insurance (medical liability) item associated with the Section I General Services Program; and 4) the Medical Contracts (Creighton and Utah) associated with the Section I Student Services and Student Aids Program.
To accomplish the intent of the Ad Hoc Committee's direction to integrate Human Medicine into the University, academically, financially and operationally, it is proposed to allocate the Human Medicine Standard expenditure budget approved by the Trustees on September 14, 1985 as follows:

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<tr>
<th></th>
<th>Instruction and Research</th>
<th>Maintenance, Operation and Repair of Plant</th>
<th>General Services</th>
<th>Student Services &amp; Student Aids</th>
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<td>Educational Assistance</td>
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<td>Special Projects and</td>
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<td></td>
<td></td>
<td>6,357,424</td>
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<td>Services</td>
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<tr>
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<td>354,118</td>
<td>538,230</td>
<td>6,357,424</td>
</tr>
</tbody>
</table>

A detailed distribution of the FY 1987-88 Standard Budget is attached as Exhibit A.

By major expenditure category, the Standard Budget proposed for distribution is as follows:

**Full-Time Salaries.** All current full-time positions in Human Medicine with the exception of the Building Superintendent (Position 2868) at the Cheyenne Residency Center are proposed for transfer to the Instruction and Research Program. The Building Superintendent position would be transferred to the Maintenance, Operation and Repair of Plant Program.

**Part-Time Salaries.** The FY 1987-88 budget request for Human Medicine approved by the Trustees on September 14, 1985 includes $183,624 and it is proposed to transfer the total amount to Instruction and...
Research. However, to accurately reflect part-time salary obligations for custodial and maintenance services, it is proposed to seek authority to convert $63,630 in support services expenditures into part-time salary appropriations. The $60,600 in part-time salary authorization would be included in the Maintenance, Operation and Repair of Plant Program.

Employer Paid Benefits. The Employer Paid Benefits associated with the full-time salaries and part-time salaries transferred to Instruction and Research would also be transferred to Instruction and Research. Likewise, the Employer Paid Benefits on the full-time salary of the Building Superintendent transferred to the Maintenance, Operation and Repair of Plant would also be transferred to the Physical Plant program. The Employer Paid Benefits on the part-time salaries ($63,630) converted from support services to part-time salaries in the Physical Plant would be likewise have to come from support services transferred to the Maintenance, Operation and Repair of Plant Program.

Support Services. The large share of the support services budget ($1,092,167) would be transferred from Human Medicine to the Instruction and Research Budget. In addition, $216,402 would be transferred to Maintenance, Operation and Repair of Plant for utilities ($135,303) and for real property repair and maintenance ($81,099). It should also be noted that the Human Medicine support services budget for FY 1987-88 would be reduced by $78,901 in order to fund the part-time salaries in the Physical Plant Budget. Finally, $538,230 would be transferred from the Human Medicine support services to the General Services Program for insurance.

Travel. The total of $255,530 for travel in the Human Medicine budget
would be transferred to Instruction and Research.

Scholarships and Educational Assistance. The total of $6,357,424 for the Medical Contracts at Creighton and Utah would be transferred from Human Medicine to Student Services and Student Aids.

Special Projects and Services. The total of $731,300 for professional fees, consulting services and special projects and services would be transferred from Human Medicine to Instruction and Research.

The transfers proposed above would accomplish the intent of the Ad Hoc Committee in integrating the finances and operations of Human Medicine into the University. In proposing these transfers, it would further be understood that:

1. The Human Medicine budget transferred into Instruction and Research would retain an identity and would be subject to regular and continuous planning and budgeting practices of the University.

2. The Human Medicine custodial, maintenance and repair budget transferred into the Maintenance, Operation and Repair of Plant budget would be maintained as a separate entity similar to that of Athletic Facilities. The Human Medicine utility budget transferred to the Physical Plant would be commingled with the University utility line item; unexpended balances in this line item revert to the state at the end of a biennium and anticipated deficits are typically funded in a supplemental appropriation by the Legislature.

3. The Human Medicine budget for insurance transferred to General Services would be commingled with the University general insurance allocation. As recommended by the insurance consultant, the Medical Professional Liability insurance would be combined with other University coverages.

4. The budget for the Medical Contracts program at Creighton and Utah would retain an identity in the Student Services and Student Aids
Program, and unexpended balances would be reverted to the state at the end of each biennium.

The transfers from the Human Medicine Exception and Expanded budgets are relatively simple. The Exception budget request includes the recommended 1.68% salary increase above the Governor's recommendation for the first year of the biennium. All of the funds requested, except those associated with the Building Superintendent position, would be transferred to Instruction and Research. The appropriate funds for the requested 1.68% salary increase for the Building Superintendent would be transferred to the Physical Plant program. The $12,078 for restoration of the FY 1985-86 equipment base contained in the Expanded Budget would be transferred to Instruction and Research.

Finally, in terms of the transfer, it is recommended to transfer the Family Practice Income, estimated at $2,250,000 for FY 1987-88, to Instruction and Research. The fund, including the cash balances, would retain a separate identity. Therefore, the proposed funding of the activities in the Standard, Exception and Expanded budgets transferred from Human Medicine is as follows:

<table>
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<tr>
<th></th>
<th>Instruction and Research</th>
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<th>Student Services &amp; Student Aids</th>
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<td>General Fund</td>
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<td>Family Practice Income</td>
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<td><strong>Total</strong></td>
<td>10,209,524</td>
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<td>6,357,424</td>
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<td><strong>Exception Budget</strong></td>
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<tr>
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<td><strong>Total</strong></td>
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<tr>
<td><strong>Expanded Budget</strong></td>
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STUDENT LOAN PROGRAMS
AND
MEDICAL CONTRACTS PROGRAMS

The group meeting on October 22, 1985 reviewed the expenditures and revenues for the Medical School Student Loan Program, the Family Practice Student Loan Program and the Medical Contracts Program.

The Medical School Student Loan Program is available to any student participating in the Medical School Student Contract Program. The student must have first applied for financial aid at the medical school he or she is attending. The student may then apply for assistance from the Medical School Student Loan Program for up to the amount of unmet need as determined through the financial aid application process. A loan committee reviews applications and determines amounts to be loaned. The loan agreement requires no payment to be made until one year after the completion of a three year (maximum) residence program.

The revenues available to support the Medical School Student Loan Program are authorized by W.S. 21-17-106, which provides that the $500 per semester in lieu of tuition payments paid to the University by Medical Contracts students prior to July 1, 1980 "shall be deposited into a special fund designated the medical school student loan fund, maintained and separately accounted for by the University of Wyoming, which fund may be added to by specific contributions from other sources." The monies in the fund which totals $288,100, "may be invested ... for the production of income" which "may be expended by the University of Wyoming for assistance and scholarships to medical students." The statute provides that "the principal of the fund established shall remain unimpaired and
only the income derived therefrom may be collected and expended from year to year."

As of June 30, 1985, 65 students had received loans through the Medical school Student Loan Program, and the outstanding principal was $135,778.98. On April 12, 1985, the Trustees approved a 6.0% interest on such loan funds.

The Family Practice Residency Loan Program is available to any resident participating in the residency programs at the Casper or Cheyenne Family practice Centers. Application is made to the Practice Center Director for approval and it is then forwarded to the Associate Dean of the School of Human Medicine for approval. The loan agreement requires no payments until one year after completion of residency at the Family Practice Center.

The funding source for the Family Practice Residency Loan Program is the state appropriation to the Human Medicine Program for Scholarships and Educational Assistance.

As of June 30, 1985, 9 students had received loans through the Family Practice Residence Loan Program, and the outstanding principal was $17,154.00. The interest rate charged on the loans is two percent above prime.

In the discussion of the Medical School Student Loan Program, reference was made to the statutory basis for the loan fund. In addition, however, in lieu of tuition payments have been made by students after July 1, 1980 and the June 30, 1985 balance in that account was $663,606. This fund has no designated purpose and the balance is continually invested. In the current fiscal year, it is estimated that the balance in this fund will increase to $812,694.

The status of the cash balance in the Section I Family Practice Income account should also be brought to the attention of the Ad Hoc Committee. On July 1, 1985 the cash balance, in excess of funding obligation, was $787,697 and it is expected that the unobligated cash balance will increase to $888,905 on
June 30, 1986. For the next biennium, the funding requirements from Family Practice Income will increase from the FY 1985-86 biennial obligation of $1,800,000 to $2,250,000. Funds in the Family Practice Income account may not be expended for purposes other than Section I Human Medicine activities. Because of the required increase in income for the next biennium, a cash balance of $450,000 would not be unreasonable.

One other piece of information should be provided to members of the Ad Hoc Committee. Payments from graduates under the Medical Contracts Program who do not qualify for the repayment exemption are deposited in an account titled Contract Repayment. As of June 30, 1985, the account had a balance of $7,434, and it is expected to increase to $56,656 in the coming fiscal year. As repayments accelerate, it is conceivable that the account balance, by the end of the next biennium, would be $155,556. In the FY 1989–90 biennium, the account balance could increase to $537,556.

Reviewing the loan needs of students in the Medical Contracts and residency programs, and the resources available, it is proposed that the Ad Hoc Committee consider the following recommendations:

1. Eliminate the use of appropriations to the Medical Contracts Program as the source of funding for the Family Practice Residency Loan Program. Earlier, it was recommended to transfer the funds for the Medical Contract Program from Human Medicine to the Student Services and Student Aids Program.

2. Authorize the Family Practice Residence Loan Program to be funded as described below, but require the loan committee for the Medical School Student Loan Program to administer the program; moreover, the interest rates charged on the loans should be consistent with Trustee actions on student loan interest rates.
3. As a source of funding for the combined Medical School Student Loan and Family Practice Residence Loan Programs, utilize the resources in the Medical School Student Loan Fund, repayments on the two programs, and $300,000 from the July 1, 1986 cash balance of the Family Practice Income in Section I (Projected July 1, 1986 Balance: $888,905); neither the principal of the Medical School Student Loan Fund nor the $300,000 transferred from the excess cash balance in the Family practice Income should be expended, and only the interest off the funds should be authorized for loans; the income from loan repayments from either of the two funds could be expended, however.

The anticipated loan requirements and available resources to meet these requirements are identified in Exhibit B. Authorization would be required from the legislature to transfer the $300,000 in excess family practice income to the Medical School Student Loan Fund. However, the proposal would provide the necessary resources to support the two loan programs and would meet student needs.

A second proposal would reduce the demands on the state general fund for support of the Medical School Contract Program. Essentially, the proposal is as follows:

1. Request authority through the budgeting and appropriations process to deposit into the Sales and Services Fund in Student Services and Student Aids interest income from the account for in-lieu of tuition payments after July 1, 1980. Statutory authorization is not required, according to legal counsel; the establishment of a Sales and Services Fund for Student Services for the purpose of expending interest income from the in-lieu of tuition account would be intent. To maximize future interest income, a principal might be considered to prohibit the
expenditure of the principal, including future in-lieu tuition payments.

2. Seek authorization, again through the budgeting and appropriations process, to expend the income in the Student Services and Student Aids program from the repayment of Medical Contracts at Creighton and Utah.

In the FY 1987-88 biennium, it is anticipated that the interest income from the in-lieu tuition account would be $137,632 (8.0% per annum) and the income from repayment of Medical Contracts would be $155,556. The general fund requirement would be reduced as a result by $293,188, and would represent an effort to effectively utilize resources. It is estimated that the use of these two sources could reduce the FY 1989-90 general fund requirement by approximately $550,000. The impact of the proposal is identified in Exhibit C.
### College of Human Medicine Reclassification

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<th>DIS</th>
<th>Description</th>
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<th>Shift to Repair of Plant</th>
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### Medical School Student Loan Program

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### Family Practice Residency Loan Program

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**Transfer of $300,000 of June 30, 1986 Cash Balance of Family Practice Income (Projected June 30, 1986 Cash Balance: $888,905) to Medical School Student Loan Fund and Family Practice Residency Loan Fund.**

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and
FAMILY PRACTICE RESIDENCY LOAN PROGRAM

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<td><strong>Expenditures</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Medical School Student Loans</td>
<td>$31,000</td>
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<td>$50,000</td>
<td>$92,500</td>
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<td>Family Practice Residency Loans</td>
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<td>8,000</td>
<td>10,000</td>
<td>18,000</td>
<td>10,500</td>
<td>10,500</td>
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<td><strong>Total</strong></td>
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<td>$50,500</td>
<td>$60,000</td>
<td>$110,500</td>
<td>$63,000</td>
<td>$63,000</td>
<td>$126,000</td>
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<tr>
<td><strong>Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Interest on In-Lieu of Tuition Payments Fund (Pre July 1, 1986) - Interest Income (Cash Balance, June 30, 1985: $39,300)</td>
<td>$36,071</td>
<td>$26,192</td>
<td>$26,192</td>
<td>$52,384</td>
<td>$26,192</td>
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<td>Loan Repayments</td>
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<td>1,950</td>
<td>4,320</td>
<td>6,270</td>
<td>8,639</td>
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<td>Family Practice Residency Loans</td>
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<td>2,709</td>
<td>4,629</td>
<td>7,338</td>
<td>6,249</td>
<td>7,869</td>
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<td><strong>Sub-Total</strong></td>
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<td>$30,851</td>
<td>$35,141</td>
<td>$65,992</td>
<td>$41,080</td>
<td>$47,545</td>
<td>$88,625</td>
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<td>Transfer of $300,000 of June 30, 1987 Cash Balance of Family Practice Income (Projected June 30, 1986 Cash Balance: $888,905) to Medical School Student Loan Fund and Family Practice Residency Loan Fund.</td>
<td>24,000</td>
<td>24,000</td>
<td>24,000</td>
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<td>24,000</td>
<td>24,000</td>
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<td><strong>Total</strong></td>
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<td>$59,141</td>
<td>$113,992</td>
<td>$65,080</td>
<td>$71,545</td>
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## Expenditures and Revenues
### MEDICAL CONTRACTS PROGRAM

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<td><strong>Expenditures</strong></td>
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<td></td>
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<td>Medical Contracts, Creighton and Utah</td>
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<td>3,178,712</td>
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<td>Interest on In-Lieu of Tuition Payments Fund (Post July 1, 1980)</td>
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<td>July 1, 1985</td>
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<td>65,016</td>
<td>72,616</td>
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<td>July 1, 1989</td>
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<td>July 1, 1990</td>
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<td>Repayments on Contracts</td>
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<td>56,656</td>
<td>98,900</td>
<td>155,556</td>
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<tr>
<td>Total</td>
<td>3,027,345</td>
<td>3,178,712</td>
<td>3,178,712</td>
<td>6,357,424</td>
<td>3,496,583</td>
<td>3,496,583</td>
<td>6,993,166</td>
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</table>
RESTATED
MASTER STATEMENT OF
INVESTMENT POLICIES AND OBJECTIVES
OF
UNIVERSITY OF WYOMING ENDOWMENT FUNDS

Coe Estate Trust Fund
Coe School Trust Fund
Kuehn Estate Trust Fund

December 1985
MASTER STATEMENT OF INVESTMENT POLICIES AND OBJECTIVES OF UNIVERSITY OF WYOMING ENDOVENTM FUNDS

Coe Estate Trust Fund
Coe School Trust Fund
Kuehn Estate Trust Fund

Introduction

The purpose of this statement is to establish a clear understanding between the University of Wyoming Coe Estate, Coe School, and Kuehn Estate Trust Funds Committee [hereinafter referred to as the Committee(s)] and its Investment Manager(s) (hereinafter referred to as the Investment Manager) on investment policies and objectives of the funds in the Endowments. It is the policy and authority of the Committee to hire Investment Management Organizations. This Statement of Investment Policies and Objectives is set forth to state the view of the Committee for the purpose of assisting Investment Management Organizations for the management of the funds. It is the further intent of this Statement to establish an attitude and philosophy which will guide the Investment Management Organizations toward desired investments and performance.

Recent market appreciation causes this Statement to be revised. The major changes are a change in income requirements, a change in asset allocation, and notice of pending withdrawal in the Kuehn Estate.

The value of the combined Endowments is approximately $7,000,000. This total is an aggregate of the Kuehn Estate balance of $3,031,000, the Coe Estate Trust balance of $1,817,696, and the Coe School Trust balance of $2,079,197.

The Investment Manager should be guided by an investment philosophy and discipline which combine well-researched selection and equity, fixed income and/or cash equivalent investment according to changing economic and stock market conditions.

Investment Return Expectations of the Managed Account(s)

Cash flow from portfolio dividend and interest payments will be used to provide the annual operating budget of each account. There are minimum dividend and interest expectations as follows:

1) Kuehn Estate Trust Fund minimum dividend/interest income cash flow is 6.5% per annum. The revised 1985-86 budget is $185,000.

2) Coe Estate Trust Fund minimum dividend/interest income or cash flow is 8.0% per annum. The revised 1985-86 budget is $142,000.

3) Coe School Trust Fund minimum dividend/interest payment cash flow is 8% per annum. The revised 1985-86 budget is $163,000.

Approximately January 1, 1987, there will be a withdrawal of $1.2 million from the Kuehn Estate to provide for a Building Fund commitment. The budget will not decrease at that time. The Investment Manager is being advised of this action well in advance of this withdrawal.
The Committee desires to contribute 15% of total interest/dividend earnings back to each account to build principal. That amount is not included in the yields desired above.

Investment Managers should consider all cash flow expectations in effect until notified by the Committee through revision of this document. There are minimum expectations for total account performance, some of which may be more appropriate at different times and economic environments. The maximum expectations are to achieve returns that annually will equal or exceed the highest of one of the following three measurements. Recognizing that an annual measurement may be too short of a time frame, these returns are expected to be exceeded over successive three year time periods.

For the Total Account

1) Meet the income requirements set forth.
2) Provide principal growth exceeding the Consumer Price Index by 4%.
3) Provide a minimum total Rate of Return of 11% per year.
4) Maximize the growth of the account where and when appropriate.
5) The Investment Manager should be cognizant of the potential for inflation and the adverse impact it may have and manage the portfolio accordingly.

For the Equity Portion

1) Exceed the return of the S & P 500 plus an additional 15% per annum.
2) Provide minimum dividend income of 4%.
3) Exceed the return of the Consumer Price Index plus 6% annum and/or,
4) Maintain first quartile relative performance as compared to investment managers, banks, and insurance company equity funds.

For the Fixed-Income Portion

1) Exceed the return of the Soloman Brothers Bond Index or Moody's Index by 10% (whichever is greater).
2) Meet the income requirements on an annual basis.
3) Avoid investments that incur a principal risk more than 5%.

Investment Policy

The Investment Managers will be responsible for management of the Endowments' assets in various securities at this time. The assets may be allocated to equities, fixed income, real estate, mortgages, CD's and/or cash equivalents.

Asset Allocation as it Pertains to the Total Fund
The asset allocation which follows contains maximum percentages of total assets to be invested in certain asset classes. The Committee understands that actual asset allocations will be dictated by current and anticipated market conditions.

A. Asset Allocation

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Maximum Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Income</td>
<td>Up to 100% of Total Endowment Assets</td>
</tr>
<tr>
<td>Equities</td>
<td>Up to 60% of Total Endowment Assets of the Coe School and Estate and up to 70% of the Total Endowment Assets of the Kuehn Estate</td>
</tr>
</tbody>
</table>

**Investment Guidelines for Investment Managers**

1. **General Investment Guidelines for the Managed Account**

The investment manager(s) may purchase equity investment, depending upon economic and market conditions, up to a total portfolio commitment of 60 percent of the total assets of the Coe School and Estate and 70 percent of the total assets of the Kuehn Estate. The general characteristics of equity selection will be for growth, income, liquidity, and safety of principal. Fixed income (bonds) investments generally should not exceed 90 percent of the total assets of the managed account(s), nor shall they be rated less than -A- by Moody’s or Standard and Poors. The General characteristics of fixed income (bonds) investments shall be stability of income and stability of market value. Constant management of fixed income securities is essential to optimize total return. The percentage of the total assets of the managed account(s) invested in cash equivalents should vary considerably, depending on the prevailing economic and stock market conditions.

2. **Investment Philosophy for the Managed Account(s)**

The Investment Manager(s) have supplied a copy of their written investment philosophy for review by the Committee. Interim major deviations from the established investment philosophy may be made by the Investment Manager(s) depending upon rapid changes in economic and investment market conditions; however, these major deviations shall be communicated in writing within 30 days to the Committee and will be discussed at the next scheduled meeting of the Committee.

3. **Investment Decisions of the Managed Account**

The Investment Manager(s) will be responsible for the making and the implementation of all investment decisions regarding the assets of the managed account(s). It is the opinion of the Committee that guidelines contained herein will not prevent the investment manager from attaining the stated objectives.

4. **Preservation of Principal**

The following guidelines must be integrated into each investment manager’s philosophy.
a) At the time when a security falls to a market value of 5% below the cost value, the situation should be carefully scrutinized.

b) At the time when a security falls to a market value of 15% below the cost, the continued holding of that security should be justified to the Committee in a manner and with criteria similar to an acquisition.

c) The Investment Manager must incorporate a contingency plan for the resurgence of inflation and adjust the portfolio accordingly.

5. **Selling Procedure & Discipline**

The Investment Management Organizations should implement selling action, when in their opinion liquidation of securities must be made because of new events or changes in the investment attractiveness or marketability of any investments. The Investment Management Organizations must follow their stated selling discipline as presented to the Committee.

**Quarterly Review of the Investment Manager(s)**

The Investment Manager(s) will send a quarterly account review within a reasonable period of time following each calendar quarter, to the Committee and the consultant. Annually, the Investment Manager(s) will meet in person with the Committee to review the following:

1. Review the book value, and market value of the investments in the managed account(s) and investment performance in relation to the stated indices and stated objectives during the most recent quarter, and three-year period (or such shorter period as the Investment Manager has been engaged).

2. Review the investment philosophy pertaining to the managed account(s) and any suggested changes as well as any changes in discipline relating thereto. Also, review any deviations in philosophy or discipline which may have occurred during the preceding period and the effect thereof.

3. Review past, present, and prospective economic and stock market conditions, the possible impact on investments in the managed account(s) and prospective sales and purchases of investments for the managed account(s).

4. Review any significant changes in management, research, personnel or ownership at the Investment Management Organization(s).

5. Review and discuss any other conditions or situations which might affect or improve the performance of the investments in the managed account(s).

Adopted by the Coe/Kuehn Committee December 12, 1985.
Thank you Trustee. I appreciate this opportunity to address the Trustees prior to the legislative session. I have limited myself to addressing two concerns today: Faculty participation in the governance of the University of Wyoming and the need for faculty salary improvements.

What does it take to provide higher education to the State of Wyoming? Do athletic teams, buildings, administrators, staff, landscaping or legislators provide education to students? Each of these entities, and others, provide valuable and much appreciated support to the educational process; but, the essentials of any educational experience are the same: someone with the desire and ability to learn and someone with the desire and ability to teach. Students and faculty are the essence of higher education.

There has been impressive progress made in recent years in recognizing the importance of students. There is a Coalition for Academic Success, Robin Kerr is an ex-officio member of the Trustees, the trustees initiated an informal meeting with students today, and student input is an important factor in the many decisions made by the administrators of University of Wyoming. The faculty welcomes and supports this emphasis on students because they are our reason for existence.

However, I have not seen an equal amount of progress in recognizing the importance of faculty. There is no Coalition for Faculty Success, my inquiry on becoming an ex-officio member of the Trustees remains unanswered, a formal request for the Education
Committee of the Trustees to participate in the upcoming Faculty/Staff Development Day received a lukewarm reception at best, I am speaking to you at my request rather than your invitation, and only the Faculty Senate has undertaken a survey of the faculty to determine their concerns and needs. The survey revealed that many of the faculty feel the decisions made at the University don't reflect faculty input.

It is this last point, use of faculty input or the shared governance of the University, that needs your attention. Exit interviews are not the time to address faculty concerns; they must be addressed prior to the resignations. In the Trustee's meetings I have too seldom heard the questions, "What do the faculty think?" or "How do the faculty feel about this issue?" If you do nothing else for the faculty, please honor this one request. Before acting on matters brought before you or making decisions that affect the faculty, obtain the faculty's input. The Faculty Senate is the only legitimate organ representing the entire faculty. Given the opportunity and lead time, the Faculty Senate will always provide you with requested input.

While much is right with the University of Wyoming and while its administrators have done a fine job in many areas, shared governance continues to be a problem. Let me illustrate this problem with some recent examples. Much of the work that comes before you is the result of faculty spending long hours in addition to their normal workload and at non-administrative salaries. Faculty respond to requests for information, serve on committees, and provide input because they want to share in the governance of their institution. Three recent examples of work to which faculty along with staff and administrators
devoted substantial time and effort are the Micro-Computer Initiative, the Instructional Telecommunications Proposal, and the Early Retirement Proposal. While the results of these ad hoc committees' efforts may be excellent, three standing committees of the Faculty Senate were bypassed. The members of the Faculty Senate Computer Committee, the Faculty Senate Joint Faculty/Staff Retirement and Insurance Committee, and the Faculty Senate Instructional Telecommunications Committee were all left wondering who represents the faculty, how the ad hoc committees were formed, and what role they play in providing faculty input on these important issues. The concept of shared governance was clearly undercut because the existing committees formed by the faculty were bypassed. Faculty neither expect nor want to be included in all decisions, but the process of shared governance must be protected. Specific suggestions that will help protect this process include:

1. Using existing committees and the existing structures, especially Faculty Senate, to provide faculty input whenever possible.

2. Soliciting input prior to the decision and with adequate time to formulate sound input.

3. Using the input, even if it results in a less than optimal decision from the administration's viewpoint. No one decision is as important as the process itself.

Please consider faculty input in your decisions and help preserve the process of shared governance by making certain that, where appropriate, the Faculty Senate and its standing committees are recognized as the legitimate mechanism for input.
My second concern, salaries, relates directly to shared governance. The faculty, through Faculty Senate, did not have the opportunity to participate in the development of the administration's 5% salary increase request. Thus, the Faculty Senate Salary Committee has taken the results of a recent faculty salary survey and formulated the faculty's feelings into two resolutions that will be considered at the December 16, 1985, Faculty Senate meeting. Even though the University's budget request has already been formulated, I felt that these resolutions and the faculty input behind them should be presented to the Trustees. I want to emphasize that neither resolution has been debated or passed by Faculty Senate.

The first resolution being proposed calls for an average salary increase of 10.9%. The logic for 10.9% is based on three fundamentals. First, according to the salary survey, the average faculty member feels their salary needs to be increased by 11% to make it "equitable and adequate". Second, the minimal salary increases of the last three years must be considered in this biennium. Third, faculty are in a national rather than a local market. The 10.9% is an increase of just 2.5% for merit added to the cost of living (national CPI) for each of the previous three years. The logic is virtually the same as that enacted into law by the legislature last year, which adds 2.5% to Wyoming's cost of living and which forms the basis of the Governor's request. The previous years cannot be ignored. If you go back further than three (3) years, there were larger raises but there was also double digit inflation.
The second resolution being proposed concerns the division of monies between cost of living and merit increases. The resolution calls for a division based on assumed raises of 5%, less than 5%, and more than 5%. It is proposed that salary increases of 5% or less than 5% be divided 60% to cost-of-living and 40% to merit. An overall pay increase of more than 5% is proposed to be split 50/50. No position is proposed on market adjustments. These proposals are based on the faculty survey results and use 5% as an anchor at President Veal's request.

Ignore the facts and figures - statistics can be and are twisted to show whatever a person wants them to show. I'm not really talking about percentages, comparator institutions, or CPI indexes - I'm talking people, their lives, their families, their chosen homes. Facts and figures are fine, but here is the personal aspect that I can't ignore and you shouldn't ignore.

First, the faculty are not greedy, overpaid, underworked, ivory tower snobs - they are exactly like you. Hard working, dedicated people doing the best damn job they know how. Most faculty have been patient, quietly accepting the fact that Wyoming's economy is depressed and the necessity of the meager raises of the past few years. However, I know that their pocketbooks tell them inflation isn't .8% or even 1.7% and that they expect a meaningful, reasonable pay raise.

Rather than uprooting their families, leaving a place they love and a university they have helped to build into a highly respected institution, they have taken the bad with the good. Now, their morale is low - the impact on students and the impact on the previous
progress is emotional, not factual. People have been hurt by the hard economic decisions the legislature has made. The older professor who has devoted his or her life to the University of Wyoming, but who's star doesn't shine as brightly as it once did is hurt. The raises of the past three (3) years and a merit pay system have created intolerable and inequitable salary inversion situations. The money has been spent trying (rather unsuccessfully) to keep current stars not past stars. These are people who see their dedication to Wyoming and their many past accomplishments washed away with the hiring of a young assistant professor, still working on the PhD, at salaries thousands above their own. But, because they are "locked in" they are treated like facts and figures, not people. When raise monies are inadequate, people suffer.

The young assistant professors are people, too - they are disillusioned though. If they were hired three years ago, they came to the University of Wyoming based on a history of substantial salary increases. Their expectations, as I think all of ours were, were that the bubble wouldn't burst. Recruiting is an expensive, time consuming process from both the new hire's and the university's standpoints. The mobility of the new hires hides the emotional stresses caused by unconfirmed expectations and ignores the negative word of mouth generated by the faculty who leave. There is a heavy cost, tangible and intangible, to inconsistent, dramatic changes in salary support.

The faculty at the University of Wyoming recognize the weaknesses of the State's economy and problems that face many industries and agriculture. Yet, it is difficult to see the logic in the "some are suffering so all should suffer" philosophy. Why should students (who
are ultimately the most affected and the most important factor as well as the greatest resource in the educational process) be made to suffer a lower quality education because the spot market price of oil drops? We have no control over that kind of market driven environment. Concessions have been made and will continue to be made by the faculty in recognition of Wyoming's economic difficulties. However, the impact of continuing concessions will certainly adversely impact directly on the careers of the students who "happened" to attend during hard economic time.

As observed in the recent Stanford Research Institute Report and reinforced in the recent Wyoming Futures Project held in Casper, much of the state's hope for economic development hinges on the University and its faculty. Thus we should treat the University and its faculty as an investment, not as an expense. Basic faculty research makes vital contributions to regional economic development. California's Silicon Valley would be inconceivable without the research contributions of the Stanford University faculty. The same can be said of the relationship of Colorado's state colleges and Universities to the high tech corridor stretching from Fort Collins to Colorado Springs. Wyoming needs to learn from and emulate that pattern if it wishes to move forward into a more economically secure twenty-first century.

The University of Wyoming must have consistent support in good times and bad, whether the football team is winning or losing, and whether we have a democratic governor or a republican governor. The consistency of support is as important as the amount. We must create the type of environment that encourages good faculty to stay regardless of their opportunities elsewhere.
The University of Wyoming is very well off in a relative sense. Compared to many other institutions we have excellent physical facilities, administrators, staff, students, and salaries. But it is frustrating to look at where we are compared to where we could be. The Trustees, perhaps more than any other body, have the ability to bring the people of the state, the faculty, the staff, and the students together toward the goal of excellence for the University of Wyoming. Think about where the University of Wyoming could be in the absence of politics and with the leadership to unite diverse interests toward common goals. Improving the process of shared governance and improving salaries are keys to the faculty's support of the University's goals.