

UW Board of Trustees Fiscal and Legal Affairs Committee  
Agenda  
September 24, 2025

**Closed Session:** If necessary, a separate agenda and materials for the Closed Session.

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**FISCAL AND LEGAL AFFAIRS COMMITTEE**  
**COMMITTEE MEETING MATERIALS**

**AGENDA ITEM TITLE:** Status of Internal Audit Plan

- ☒ OPEN SESSION  
☐ CLOSED SESSION

**PREVIOUSLY DISCUSSED BY COMMITTEE:**

- ☒ Yes  
☐ No

**FOR FULL BOARD CONSIDERATION:**

- ☐ Yes *[Note: If yes, materials will also be included in the full UW Board of Trustee report.]*  
☒ No  
☐ *Attachments/materials are provided in advance of the meeting.*

**EXECUTIVE SUMMARY:** The annual Internal Audit Plan was approved by the Fiscal and Legal Affairs Committee (FLAC) of the Board of Trustees in May 2025. The attached chart shows the status of the Audit Plan.

**PRIOR RELATED COMMITTEE DISCUSSIONS/ACTIONS:** None

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

**ACTION REQUIRED AT THIS COMMITTEE MEETING:** No.

**PROPOSED MOTION:** None

**Background:**

The Fiscal Year 2026 Internal Audit Plan was approved by the Full Board of Trustees in May 2025. The implementation of the plan is currently underway, with audit of HR Payroll processes set to kick off in October 2025. The audit of Budget and Financial Affairs Internal Billing (both Operations and Service Centers) will be started in mid-November 2025, but some planning is underway. These timelines have been determined after meeting and reaching consensus with heads of respective process.

The Audit Plan is presented below, noting the status of various projects.

## 2025-2026 Internal Audit Plan

FY 2026 AUDIT PLAN			Planned Hours	(%)	Hours Incurred	Status
<b>GROSS HOURS</b>	<b>Total Hours Available (3 FTE)</b>		<b>6,240</b>			
<b>Holiday</b>	Hours UW is closed		360	-6%	48	
<b>Annual Leave</b>	Vacation		240	-4%	168	
<b>Annual Leave</b>	Sick leave		288	-5%	17	
<b>NET HOURS</b>	<b>AVAILABLE PROJECT HOURS</b>		<b>5,352</b>	<b>86%</b>		
<b>Required Initiatives</b>			<b>1,697</b>	<b>31.7%</b>	<b>(233)</b>	<b>-</b>
<b>Training</b>	Hours assigned for UW required training and continuing education credits for certifications.	Required for Certifications	380	7%	2	
<b>Quality Assessment</b>	Quality Improvement Plan, prepare for independent verification of self-assessment of internal audit function	Per IIA Standards	80	1%	92	In progress
<b>Administration</b>	Staff meetings, FLAC, policy review, research/development, web-site update, strategic planning, recruiting, etc.		517	10%	127	
<b>Advising</b>	Consultative and special projects, (i.e., collaboration with Procurement, Foundation, Risk, etc.)		240	4%		
<b>Follow-Ups</b>	Follow-Up monitoring, verifications & reporting	As Required	160	3%	72	
<b>Investigations</b>	Fraud, Waste, and Abuse (FWA) Investigations	As Needed	320	6%	56	
	<b>Annual/Rotating Projects</b>	<b>Recurring</b>	<b>790</b>	<b>14.8%</b>		
	Athletics/NCAA Topics	Ongoing Rotation	160	3%		
	Agricultural Extension Programs	Ongoing Rotation	200	4%	57	
	Continuous Monitoring Progress	Annual	80	1%		
	Risk Assessment (Annual)	Annual	150	3%	11	
	Results and Reporting (Annual)	Annual	80	1%		
	Cashiers & Vault Count	Biannual	120	2%		
	<b>Carried Forward From Prior Year</b>	<b>Carryforwards</b>	<b>420</b>	<b>7.8%</b>		
	HR/Payroll Incremental Review - Hiring and Recruiting	PY Risk Assessment	150	3%		Planning
	HR - Leave policies /Usage	PY Risk Assessment	150	3%		Planning
	EHS - assess review and implementation of consultant recommendations in late 2025, 2026	Recommended by Predecessors	120	2%		
	ADA - New regs in effect in 2026. Consider audit in 2027.	Recommended by Predecessors	-	0%		
	Student Counseling Services (Discussion)	Risk Assessment	-	0%		
	<b>Change in Leadership Audits</b>	<b>Leadership Changes</b>	<b>1,050</b>	<b>19.6%</b>		
	College of Law	Leadership Change	-	0%	34	Complete
	College of Education	Leadership Change	-	0%	365	In progress
	University Libraries	Leadership Change	-	0%	22	Complete
	College of Health Sciences	Leadership Change	150	3%		
	College of Agriculture	Leadership Change	150	3%		
	VP/CIO Enterprise Technology	Leadership Change	150	3%		
	TBD (Provost)	Leadership Change	150	3%		
	TBD (VP Student Affairs)	Leadership Change	150	3%		
	TBD (College of Engineering)	Leadership Change	150	3%		
	TBD (School of Computing)	Leadership Change	150	3%		
	<b>Risk-Based Audits/Projects</b>	<b>Risk Assessment</b>	<b>1,650</b>	<b>30.8%</b>		
	Internal Billing (Operations Departments)	Risk Assessment (LH)	150	3%	13	Planning
	Internal Billing (Service Centers)	Risk Assessment (LH)	150	3%	50	Planning
	University Housing (Safety, Operations, Billing)	Risk Assessment (LH)	150	3%		
	Special facilities, Animal Molecular Science, Vivarium	Risk Assessment (LH)	150	3%		
	Labor Laws (Plus payroll, Legal compliance, FLSA classification)	Risk Assessment (LH)	150	3%		
	Remote locations and Remote workers (including out of state)	Risk Assessment (HL)	150	3%		
	Payroll Approval Process	Risk Assessment (HL)	150	3%		Planning
	Procurement Efficiency	Risk Assessment (HL)	150	3%		
	P-Cards	Risk Assessment (HL)	150	3%		
	Clery Act Reporting	Risk Assessment (HL)	150	3%		Planning
	Student Accounts Billing & Receivables	Risk Assessment (HL)	150	3%		
	<b>Total Hours Assigned</b>		<b>5,607</b>	<b>104.8%</b>		
	<b>Total Remaining Hours</b>		<b>(255.4)</b>	<b>-5%</b>		

### Summary:

Three audits targeted for completion in Fiscal Year 2025 have been carried into the current fiscal year. Two of the three have been completed, and the other is in the early reporting phase.

### Discussion:

Additional details will be provided during the Audit Directors Report to the Committee.



## **Office of Internal Audit**

# **Change in Leadership Audit: University of Wyoming Libraries**

**July 31, 2025**

Auditors:

Whit Madère, MBA, MEd, CPA, CFE, CCEP

John Odhiambo, CPA

Kevin Chancellor, PMP



UNIVERSITY OF WYOMING

July 31, 2025

**University of Wyoming Board of Trustees:**

Internal Audit has completed a Change in Leadership review of the University of Wyoming Libraries. Dr. Cassandra Kvenild was appointed Dean in March 2024.

A Change of Leadership audit is an independent assessment providing feedback to management regarding the design and operational effectiveness of past leadership, as well as the current state of internal controls. This evaluation presents opportunities for improvement by identifying any risks to UW Libraries or the University related to internal control weaknesses.

The objectives of this audit were to assess activity during the fiscal year ended June 30, 2025, as well as the current state of UW Library operations. Audit methodologies included inquiries, observation of current processes, scanning departmental records, examination of historical documents, recalculations of certain outcomes, and various analytical procedures.

Any concerns and weaknesses identified have been discussed with the current leadership, and any management action plans arising as a result of the audit may be subject to follow-up activities to ensure that risks have been appropriately mitigated.

All follow-up activities will be reported to the Fiscal and Legal Affairs Committee of the Board of Trustees until satisfactorily completed.

We would like to thank Dr. Cassandra Kvenild, Dean of the University of Wyoming Libraries, Cody Trask, Business Director, and the many other staff for the assistance we received on this audit.

Sincerely,

Whit Madère, MBA, MEd, CPA, CFE, CCEP  
Director of Internal Audit

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## EXECUTIVE SUMMARY

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The Office of Internal Audit completed a Change in Leadership audit of the University of Wyoming Libraries as part of the fiscal year 2025 audit plan.

The audit team performed fieldwork and testing in the areas of:

- Financial Analysis and Management Reporting
- Physical facilities, including access controls and asset management
- Payroll and Benefits management, including payment of honoraria, supplemental pay and reimbursements
- Library strategic plan alignment with university strategic objectives
- Contract management and compliance
- Budgeting utilization
- Inventory control

Based on the results of our audit, the UW library leadership team and staff have operated in an exemplary manner, and the Library staff performs most internal activities within the prescribed policies, procedures and recommended practices of the University of Wyoming; however, the UW Library should improve the control environment related to some items including:

- Inventory management
  - The library has not conducted any inventory count for the last ten (10) years, to be able to depict the true and fair value of its inventory holdings; however, the library is in the process of implementing a Radio Frequency Identification (RFID) project, which enables tracking and safeguarding of books, movies, music and any media available for check out. This project is expected to be completed by the end of September 2025.
- Subscription renewals
  - The auditors discovered that a person no longer employed by the University Library was still on the subscription list for paid software subscriptions. The evaluation of subscription payments for software should be a continuous exercise and should be reviewed regularly for inactive employees or any necessary software reassignments.
- McMurtry Reading Room controls
  - The library does not currently maintain an inventory list of the books located in the McMurtry reading room. The items are not available for check out, but as the Audit team toured the space, it became evident that there is risk of unintentional loss of inventory due to the opportunity for theft by patrons using the space. There is no security in the room and the books are not secured with devices that would set off the alarm should they be stolen.

Specific audit findings and recommendations are described in the **Observations, Findings, and Recommendations** section of this report. Specific recommendations have been discussed with the Dean of Libraries and respective members of the leadership team. In some cases, corrective action has already been implemented or is underway.

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## BACKGROUND

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William Robertson Coe Library (UW Libraries) opened in 1957 as the main library for the University of Wyoming. It has subsequently had two major additions/renovations, in 1978 and 2009 making it two and a half times the size of the original building and the largest library in the state.

UW Libraries is the largest library system in Wyoming, serving the entire University of Wyoming community and residents of the state. It is committed to fostering student success, investing in excellence in research, and providing access to distinctive print and electronic collections. The library boasts over two million items in circulation, has over 1.5 million web site visits annually, and over 1,000 daily visits in person.

### **Mission Statement**

University Libraries' mission is to provide information resources and services to meet the instructional, research, and outreach needs of UW students, faculty and staff regardless of location. UW Libraries are also open and available within the constraints of available resources to the citizens of Wyoming.

UW Libraries are physical as well as virtual places focused on learning in support of the educational, research, and outreach needs of current and future UW students, faculty, and staff. To contribute to learning, UW Libraries shall:

- Create environments that foster reading, inquiry, critical thinking, and collaboration.
- Collect and organize print, media, and online resources.
- Create, store, and disseminate new information.
- Integrate information literacy skills in the broader educational mission of the university.
- Assist in locating specific information.
- House collections in environments conducive to their use and preservation.
- Collect and provide access to the University of Wyoming and Wyoming State publications.
- Establish and maintain cooperative agreements for interlibrary loans, shared purchasing, and services to our constituency.
- Employ current information technology for access and delivery of resources and services.
- Make their resources and expertise available to the state, the nation, and the world.

### **Vision Statement**

University of Wyoming Libraries supports the University's vision and mission by fostering the open and unrestricted pursuit of inquiry, discovery and knowledge, and by enhancing teaching, learning and research experiences through collections, services, and study and learning spaces.



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## BACKGROUND

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### Values Statement

The fundamental values of UW Libraries are:

- **Exploration and Discovery:** assuring equitable access to information and library services; upholding individual rights to privacy in seeking and using information; promoting open access to information and learning resources; delivering best practices in space utilization and library services for users, borrowing materials, studying and receiving instruction.
- **Innovation and Application:** promoting student success, critical thinking, and lifelong learning; offering spaces and resources for using and creating knowledge.
- **Disciplinary and Interdisciplinary:** providing space for collaboration and partnerships; developing and preserving collections that support research and learning across the broad spectrum of knowledge; advancing scholarly communication through use of print and digital sources.
- **Integrity and Responsibility:** understanding and practicing stewardship of library resources and sustainability; deepening and broadening the learning, teaching, research and discovery experiences of students and faculty; upholding integrity of scholarship and the principles of copyright and intellectual property.
- **Diversity and Internationalization:** upholding respect for diverse perspectives and representing these in our physical and digital collections; preparing students and faculty to engage in an evolving global information economy.
- **Engagement and Communication:** showing the human face of education through care and attention offered to library users; promoting professional development of UW Libraries employees; developing and expanding state, regional, national and international library collaborations, and upholding professional standards that advance library resources and services for the University of Wyoming and beyond.

### Services

Coe Library offers numerous services for students, faculty, staff, and the community including over 135 lab computers with associated printers and scanners, classrooms, exhibit spaces, and other learning spaces, as well as reservable spaces for meetings, lectures, seminars, and conferences sponsored by campus departments or outside groups.

The Library Help Desk, located near the main entrance, checks out library materials, study rooms, laptops and iPads, as well as answers research questions. Librarians provide support to students, faculty, staff, and the community in understanding and utilizing information and digital literacies. Research or instruction support is available through appointments, research guides, workshops, and more.

The Library Help Desk may be used to borrow items through Interlibrary loan and Prospector, a library service that allows users to borrow items from over 50 academic, public, and special libraries in Colorado and Wyoming. Through these services, users have access to materials located in Wyoming, Colorado, and around the world.

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## BACKGROUND

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### **Coe Library Collections**

Coe Library is the physical home of numerous collections, including book and journal collections for all subjects, an extensive media collection, Popular Reading Collection, and the Emmett Chisum Special Collections

### **Digital Scholarship Center**

The Digital Scholarship Center offers consultations, training, and workshops to the UW community with a focus on new media and digital technologies.

### **McMurry Reading Room**

The Alma Doke McMurry Reading Room is in Coe Library, Room 268. The room was funded through an endowment created by Carol McMurry and Pat Spieles, both of whom are Wyoming Natives and UW graduates. The room is named in honor of McMurry's grandmother, Alma Doke McMurry.

### **Studio Coe**

Studio Coe is a staffed multimedia lab with Adobe programs (Photoshop, Illustrator, Animate), game development and virtual reality software (Visual Studio Code, Unity, Blender), as well as video and audio editing programs (iMovie, Audition, Premiere) for free.

### **Study Spaces**

Coe Library has approximately 1,500 study spaces for group and individual work. Some of these options include quiet study, group study, collaborative pods, computers, and study rooms:

### **Building Partners**

Coe Library has building partners which reside in the building but are not managed by the library, and include:

- LeaRN Program
- STEP Tutor Center
- Writing Center
- Ellbogen Center for Teaching and Learning
- Coe Student Innovation Center: University of Wyoming Innovation Network (UWIN)
- Book & Bean Café

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## AUDIT SCOPE, PROCEDURES AND OUTCOMES

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The following steps represent the extent of work needed to achieve the audit objectives and are summarized below.

### Scope

Period covered: The scope of this audit focused on transactions, records and activities from July 2024 through May 2025. In some instances, older transactions were reviewed to discern trends and norms.

Topical areas covered:

- Financial Analysis and Management Reporting
- Physical facilities, including access controls and asset management
- Payroll and Benefits management, including payment of honoraria, supplemental pay and reimbursements
- Library strategic plan alignment with university strategic objectives
- Contract management and compliance
- Budgeting utilization
- Inventory control

### Procedures

Audit procedures were conducted based on generally accepted auditing standards and practices.

Procedures used during this audit included:

- Inquiries of management, staff and faculty members
- Scanning of transactions from general ledger or sub-ledgers
- Observations of assets and activities
- Recalculations of selected results to validate accurate outcomes
- Examination of source documents and records
- Analytical procedures such as comparative analysis and trend analysis

### Outcomes

The results of our audit are characterized by four different categories.

- Reportable conditions.** This is the highest level of reporting, and may include violations of policies, procedures, laws, rules, or regulations. Reportable conditions are included in this report and have been discussed with management prior to publication. For each reportable condition, management has provided a response referred to as a Management Action Plan (MAP). All MAPs will be monitored to ensure that the risks identified are adequately mitigated. As required by our professional standards, Internal Audit will monitor and communicate the status of open MAPs to the Fiscal and Legal Affairs Committee of the University of Wyoming Board or Trustees.
- Written management recommendations.** These include observations by auditors based on proven best or good business practices, industry norms or standards or other auditor

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## AUDIT SCOPE, PROCEDURES AND OUTCOMES

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experiences, but do not represent a violation of policies, procedures, or other laws, rules or regulations. Management recommendations are provided to leaders or staff members for consideration in order to improve processes, gain efficiencies, or avoid potential unintended consequences. Management is strongly encouraged to thoughtfully consider these recommendations although no written management action plan is required and auditors will generally not track the implementation of planned changes. While these recommendations do not rise to the level of a reportable condition, if the condition persists without corrective action, it could rise to the level of a reportable condition in future audits.

- C. **Orally communicated observations** or considerations are the lowest level of information shared with leadership or management and may not be included in writing in this report. Oral observations and recommendations are shared with management throughout the audit process and/or in the audit closing conference. Oral observations may include opportunities for improved efficiency, comments regarding employees' performance or training needs, or other general suggestions for improvement.

The table below provides a summary of the outcomes discussed in this report:

Audit Area	Type of Observation	Summary of Finding
<b>Lack of Periodic Inventory Counts</b>	Reportable Condition requiring follow up – <b>Observation #1</b>	No regularly planned or taken inventories for circulation materials in the past 10 years.
<b>Subscription Renewals/IT Librarian Information Updates</b>	Written management recommendation – <b>Observation #2</b> (No follow up required)	Named purchaser of software still on documentation since leaving UW.
<b>Inventory Controls for McMurry Reading Room</b>	Written management recommendation – <b>Observation #3</b> (No follow up required)	No Inventory controls in place for publicly accessible McMurry Reading Room.

The **Observations, Recommendations and Responses** section of this report includes detailed discussions of the reportable conditions along with their respective Management Action Plan.

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## OBSERVATIONS, RECOMMENDATIONS, AND FINDINGS

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### Observation #1: Lack of periodic Inventory Counts

**Background** – One of the largest tasks within the University Libraires is to maintain and manage physical materials for circulation. This can be a difficult task, given that there are over two million titles housed within the UW Libraries. Library management disclosed that a physical inventory count has not been undertaken in “at least a decade” and that no ongoing physical inventory observation process is in place currently.

The UW Library is currently installing a Radio Frequency Identification (RFID) system for tracking inventory that will be implemented at the beginning of Academic Year 2025-26. The UW Libraries have hired a third-party organization to install RFID reflectors on all circulation materials designated for check-out to patrons. They have been working on tagging books since Spring 2025, and plan to continue tagging items until August 2025. The Internal Audit team observed the process of installing RFID tags, which appears to be very efficient and well-planned. The Internal Audit Team will return in Fall 2025 for a follow-up physical inventory observation using the new RFID tags.

#### **Criteria** (control framework or policy that establishes the standard)

The University of Wyoming does not currently have a specific regulation mandating inventory counts for library materials. In fact, circulation assets are specifically excluded from the requirements to be capitalized and tracked. However, because circulation assets are essential to the success of academic libraries, it is a best practice to perform periodic inventory observations (counts) to maintain control over these assets

The Association of College and Research Libraries (ACRL) standards emphasize systematic collection, organization, and analysis of data for decision-making. Regular inventory practices support key performance indicators related to collection development, space utilization, and service improvement.

The Committee of Sponsoring Organizations (COSO) framework, used by the University of Wyoming’s internal audit and financial offices, identifies control activities, including physical inventory observations, as essential for asset protection and risk mitigation.

While UW SAP 7-9.6 does not directly require inventory on non-capital assets, it establishes accountability over contractual and asset-related decisions in support of institutional expectations for responsible stewardship of university property, including library collections.

#### **Condition** (the current state based on testing)

The management of University of Wyoming Libraries disclosed that they have not conducted a comprehensive inventory count of library materials in at least 10 years. While there is no documented inventory schedule or policy requiring routine physical verification of library holdings, the new Dean of Libraries and the leadership team recognized the importance of sound

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## OBSERVATIONS, RECOMMENDATIONS, AND FINDINGS

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inventory control over circulation assets and began the RFID tagging process prior to the beginning of this audit.

### **Consequences** (the impact to the unit or the University)

Failure to perform regular inventory counts significantly increases the risk of asset mismanagement, undetected loss or theft, inaccurate catalog data, and potential noncompliance with grant requirements or best practices. This also impacts service delivery to students and faculty, as outdated or missing materials may remain undetected.

### **Cause** (likely reasons for the deficiency)

A potential cause of the lack of proper inventory in the past decade or more may be due to the lack of written or known policies related to management of circulation inventory and inventory counts. An inventory observation project to count over two million densely stored items would be extremely time consuming and labor intensive, and there has been no “cycle count” process (rolling inventory counts) under prior leadership. Further, assistive technology such as the RFID system was unavailable and very expensive until recent years.

### **Corrective Action** (action plans that address the condition, recommendations)

The University of Wyoming Libraries should create a policy and a written plan for when and how inventory observations will be conducted. Utilizing the new RFID technology, conduct a full physical inventory observation in Fall 2025 and adjust The Libraries’ catalogues and inventory listings accordingly.

Upon completion of the physical inventory observation process, management should develop and implement a documented “cycle count” or rolling inventory policy to ensure that all Library assets, including circulation assets are counted at least once every two years.

Assign responsibility to specific library staff, and ensure that results are reconciled, reported, and used to improve catalog accuracy and collection management.

**Management Response:** *As noted in the audit report, UW Libraries is currently installing a Radio Frequency Identification (RFID) system that will greatly improve inventory controls. We anticipate this large-scale tagging project of the entire library collection to be completed in fall 2025. Equipment to support inventory control has already been ordered as part of the RFID project.*

*We are developing an inventory policy and procedure to establish workflows for an ongoing rolling inventory. Once the RFID tagging project is complete, we will implement the new policy and begin inventory processes. As part of the inventory policy development, an intern is working closely with our associate dean to identify best practices at peer institutions and other libraries using RFID technology. We will align our new inventory workflow to national best practices.*

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## OBSERVATIONS, RECOMMENDATIONS, AND FINDINGS

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*At present, UW Libraries has a low level of theft and loss of physical library materials. Patrons are deterred from taking items without checking them out due to our magnetic gates and “tattletape” technology. The RFID technology will improve the effectiveness of the gates and the ability to find lost items, so we anticipate even lower levels of lost and/or missing items.*

**Responsible Party:** Associate Dean Paula Martin

**Target Completion Date:** Project will be completed in fall 2025, with Internal Audit validation by the end of the Fall Semester.

### Observation #2: Subscription Renewals/IT Librarian Information Updates

**Background** – The University of Wyoming Libraries has many software subscriptions in place for use by both its patrons and staff. The audit team was provided with a subscription/license inventory list by both the library and the Information Technology Department which showed currently paid subscriptions assigned to a staff member no longer working for the University. When researching this finding, the subscriptions in question are owned by the department, not the user, and were assigned to a machine, not a named user. Still, the records on file in both Information Technology, as well as The Library software tracker list the terminated individual as the person responsible for the licenses/subscriptions.

#### **Criteria** (control framework or policy that establishes the standard)

UW Standard Administrative Policy and Procedure SAP 7-2.1 requires contracts and subscriptions to be appropriately authorized and reviewed. UW IT Security Guidelines (per Regulation 8-1) require that access to university systems and assets be removed promptly upon employee separation. Additionally, COSO Internal Control Framework Principle 10 recommends proper assignment and timely deactivation of user access rights to prevent unauthorized or invalid transactions.

#### **Condition** (the current state based on testing)

During the review of software and database subscription renewals, auditors noted that Adobe Pro license was renewed and paid on 5/8/2025 under the name and user credentials of a former employee who was terminated on 11/24/24. The subscriptions in question are assigned to the department and installed on a single machine unassociated with the purchaser. While these subscriptions are assigned to the department and to a device, not a named user, the person noted as responsible for the subscription has not been reviewed, updated, or removed from the current software inventory list.

#### **Corrective Action** (action plans that address the condition, recommendations)

The UW Libraries should immediately review and update the information in its software subscription tracker and provide information to IT for updating their records. It should implement or reinforce a deprovisioning workflow that ensures all user access and license records are updated within 48 hours of employee separation. It should also conduct a



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## OBSERVATIONS, RECOMMENDATIONS, AND FINDINGS

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comprehensive review of all library-associated software licenses to ensure current users are valid and active. Lastly, we recommend establishing an annual update/recertification process for software license owners, purchasers, and subscription contacts.

No management response is required. This is a recommendation, and it is not required to have a Management Action Plan, and Internal Audit will not follow up on this issue.

### Observation #3: Inventory Controls for McMurry Reading Room

**Background:** – The McMurry Reading Room was established with and is continually funded by the McMurry Spieles Endowment for Library Excellence. Currently, the reading room is a separate space from the rest of the library, and houses books specifically purposed to be read in the room. The books are not allowed to leave the room, nor are they available for circulation.

#### **Criteria** (control framework or policy that establishes the standard)

There are no specific rules or policies within the criteria of the McMurry Spieles foundation account that deal with how to manage the reading room inventory. Also, the University of Wyoming does not currently have a specific regulation mandating inventory counts for library materials. It is, however, a best practice to perform periodic inventory observations (counts) to maintain control over these assets

#### **Condition** (the current state based on testing)

The library does not currently maintain an inventory list of the books located in the McMurry reading room. The items are not available for check out, but as the Audit team toured the space, it became evident that there is risk of unintentional loss of inventory due to the opportunity for theft by patrons using the space. There is no security in the room and the books are not secured with devices that would set off the alarm should they be stolen.

#### **Corrective Action** (action plans that address the condition, recommendations)

The University of Wyoming Libraries should take steps to inventory and maintain inventory controls over the reading material in the McMurry Reading Room. It may be possible to use RFID technology to provide better control over the McMurry Reading Room assets by setting off the alarm if there is an attempt to remove them from the library. This finding does not require a Management Action Plan, as there is really no policy being violated, but we do recommend some action based on best practices.

No management response is required. This is a recommendation, and it is not required to have a Management Action Plan, and Internal Audit will not follow up on this issue.



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## CONCLUSION

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As noted above, based on our audit, the UW Libraries performs most internal activities within the prescribed policies, procedures and recommended practices of the University of Wyoming.

We would like to express our gratitude to thank Dr. Cassandra Kvenild, Dean of the University of Wyoming Libraries, Cody Trask, Business Director, and the many other staff members for the assistance we received during this audit.

We anticipate that this audit report will be included as a discussion item in the Fiscal and Legal Affairs Committee in September 2025.

### **Distribution List**

Edward Seidel, President of the University of Wyoming

Cass Kvenild, Dean University Libraries

Fiscal and Legal Affairs Committee of the University of Wyoming Board of Trustees



## **Office of Internal Audit**

# **Change in Leadership: College of Law**

September 8, 2025

Auditors:

Whit Madère, MBA, MEd, CPA, CFE, CCEP

John Odhiambo, CPA

Kevin Chancellor, PMP



September 8, 2025

**University of Wyoming Board of Trustees:**

Internal Audit has completed a Change in Leadership audit of the College of Law. Julie Andersen Hill was appointed Dean on June 28, 2024.

A change in leadership audit is an independent assessment providing feedback to incoming leaders regarding the design and operational effectiveness of past leadership. These audits are performed as a courtesy to the new leaders, as they may identify opportunities for improvement by identifying risks, historical challenges, and any deviations from University policies which may present internal control weaknesses.

The objectives of this audit were to assess activity during the fiscal year ended June 30, 2024. Audit methodologies included inquiries, observation of current processes, scanning departmental records, examination of historical documents, recalculations of certain outcomes, and various analytical procedures.

Any concerns and weaknesses identified have been discussed with the current leadership, and any management action plans arising as a result of the audit may be subject to follow-up activities to ensure that risks have been appropriately mitigated.

All follow-up activities will be reported to the Fiscal and Legal Affairs Committee of the Board of Trustees until satisfactorily completed.

We would like to thank Dean Hill and many other staff and faculty members for their assistance throughout the course of this audit.

Sincerely,

Whit Madère, MBA, MEd, CPA, CFE, CCEP  
Director of Internal Audit

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## EXECUTIVE SUMMARY

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The Office of Internal Audit completed a Change in Leadership audit of the University of Wyoming College of Law as part of the Fiscal 2025 audit plan. The audit was conducted as a courtesy to the new Dean due to the change in leadership of the College of Law. Dean Julie Andersen Hill became dean of the College of Law on June 28, 2024.

The audit performed fieldwork and testing in the areas of:

- Capital Assets and Inventory Control
- Cash and cash controls
- Conflicts of Interest
- Contract management and compliance
- Credit Card Machine (used by the Book Store)
- Departmental expenditures, reconciliations and account analysis
- George W. Hopper Law Library
- Payments to faculty, staff and students, including payroll, supplemental pay and reimbursements
- P-Cards and Travel
- Physical Facilities Access Controls
- Scholarship Management
- Student Organizations

Based on the results of our audit, the College of Law performs most internal activities within the prescribed policies, procedures and recommended practices of the University of Wyoming; however, the College should improve the control environment related to several items including:

- Management of scholarships
- Supplemental (summer) pay
- Capital assets
- Management of student organizations
- Other topics addressed on page 14 of the report

Specific audit findings and recommendations are described in the **Observations, Findings and Recommendations** section of this report. Specific recommendations have been discussed with the Dean and respective members of the leadership team. In some cases, corrective action has already been implemented or is underway.

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## BACKGROUND

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### **Mission of the College of Law**

The primary mission of the College of Law is to provide a high-quality legal education to its students. We also work to serve the legal profession and the public, and to enhance our own professional competence and development, through the production of high-quality legal scholarship. We also provide law-related educational and other services to the Bar, the University community and the general public.

### **Founding Date and Building Renovations**

The University of Wyoming College of Law was founded in 1920 and graduated its first class in 1923. It was initially housed in Science Hall, then moved to the third floor of the Aven Nelson Library. It was moved to another facility in 1953, and then given its own building, the site of the current location, to the west of the Arena Auditorium, in 1977. There have been several renovations since 1977. In 1993, significant additions were made to the building, including library expansion. In 2009 a major renovation took place which added two technologically advanced moot(debate) courtrooms. The most recent renovation was completed in August 2024, which included adding a 19,300 square foot two-story expansion, as well as a renovation of the existing 25,000 square foot space. The expansion added the Alan K. Simpson Center for Clinical and Experiential Learning. This space allowed the College of Law to relocate clinical programs that had previously been housed separately from the College of Law into the law building. The renovation improves hand-on learning for students while providing access to justice to clients of limited means.

### **Academic Programs and Accreditation**

The University of Wyoming College of Law's Juris Doctor degree provides class offerings in energy, natural resources, business, tax, legal writing, family law, criminal law, international law, and many other areas. The College of Law also offers joint degree programs that allow the students to pursue their J.D. in conjunction with one of the following three degrees: Master of Business Administration, Master of Public Administration, or Master of Environmental and Natural Resources.

### **History of Leadership in the College of Law**

Julie Andersen Hill is the 16<sup>th</sup> Dean of the College of Law, succeeding Klint Alexander, who served as Dean from 2015 to 2024. Professor Alexander continues to serve as a member of the College of Law faculty.

Source: Alexander, Klint W. (2021) "The University of Wyoming College of Law at 100: A Brief History," *Wyoming Law Review*: Vol. 21: No. 2, Article 1.  
Available at: <https://scholarship.law.uwyo.edu/wlrvol21/iss2/1>

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## AUDIT SCOPE, PROCEDURES, AND OUTCOMES

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The following steps represent the extent of work needed to achieve the audit objectives and are summarized below.

### Scope

Period covered: The scope of this audit focused on transactions, records and activities from July 2023 through January 2025.

Topical areas covered:

- Capital Assets and Inventory Control
- Cash and cash controls
- Conflicts of Interest
- Contract Management and Compliance
- Credit Card Machine (used by the Book Store)
- Departmental expenditures, reconciliations and account analysis
- Law School Library
- Payments to faculty, staff and students, including payroll, supplemental pay and reimbursements
- PCards and Travel
- Physical facilities access controls
- Scholarship Management
- Student Organizations

### Procedures

Audit procedures were conducted based on generally accepted auditing standards and practices.

Procedures used during this audit included:

- Inquiries of management, staff and faculty members
- Scanning of transactions from general ledger or sub-ledgers
- Observations of assets and activities
- Recalculations of selected results to validate accurate outcomes
- Examination of source documents and records
- Analytical procedures such as comparative analysis and trend analysis

### Outcomes

The results of our audit are characterized in four different categories.

- Reportable conditions.** This is the highest level of reporting, and may include violations of policies, procedures, laws, rules, or regulations. Reportable conditions are included in this report and have been discussed with management prior to publication. For each reportable condition, management has provided a response referred to as a Management Action Plan (MAP). All MAPs will be monitored to ensure that the risks identified are adequately mitigated. As required by our professional standards, Internal Audit will

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## AUDIT SCOPE, PROCEDURES, AND OUTCOMES

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monitor and communicate the status of open MAPs to the Fiscal and Legal Affairs Committee of the University of Wyoming Board or Trustees.

- B. **Written management recommendations.** These include observations by auditors based on proven best or good business practices, industry norms or standards or other auditor experiences, but do not represent a violation of proscribed policies or procedures or other laws, rules or regulations. Management recommendations are provided to leaders or staff members for consideration in order to improve processes, gain efficiencies, or avoid potential unintended consequences. Management is strongly encouraged to thoughtfully consider these recommendations, although no written management action plan is required, and auditors will generally not track implementation of planned changes. While these recommendations do not rise to the level of a reportable condition, if the condition persists without corrective action, they could rise to the level of a reportable condition in future years.
- C. **Orally communicated observations** or considerations are the lowest level of information shared with leadership or management and may not be included in writing in this report. Oral observations and recommendations are shared with management throughout the audit process and/or in the audit closing conference. Oral observations may include opportunities for improved efficiency, comments regarding employees' performance or training needs, or other general suggestions for improvement.

The table below provides a summary of the outcomes discussed in this report:

Audit Area	Type of Observation	Summary of Finding
Scholarship Management	Reportable Condition requiring follow up – <b>Observation #1</b>	Clarification of policy, improved tracking and communication
Supplemental Pay	Reportable Condition requiring follow up – <b>Observation #2</b>	Payments not always aligned with policy, missing documentation
Student Organizations (PLC Bookstore)	Written management recommendation – <b>Observation #3</b> (No action plan required)	Lack of financial and operational controls
Departmental expenditures, reconciliations and account analysis	Orally communicated	Suggestions for improving departmental communication and transparency
Notes Regarding Other Areas Considered	Orally communicated	Various suggestions and comments

The **Observations, Recommendations and Responses** section of this report includes detailed discussions of the reportable conditions along with their respective Management Action Plans.



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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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### Observation #1: Management of Scholarships and Awards

#### Background

Like all law schools accredited by the American Bar Association (ABA), applicants to the University of Wyoming College of Law (UW Law) complete the Law School Admissions Test (LSAT) which is administered by the Law School Admissions Council (LSAC). LSAT scores are widely recognized as an established indicator of a prospective student's success in law schools and on the bar examination.

In addition to administering the LSAT, LSAC provides a credential assembly service that streamlines prospective students' applications to law schools and provides law schools an online portal for viewing and managing applications. Among the other information that LSAC collects as part of the credential assembly service, is undergraduate grade point (UGPA) average. Like a prospective student's LSAT score, a prospective student's undergraduate UGPA is also predictive of law school success. LSAC provides law schools with an index score comprised of the student's LSAT score and UGPA.

Based on discussions with the Director of Law Admissions, UW Law uses the LSAC index score to help guide the awarding of scholarships, and higher index scores suggest a higher potential scholarship offer. The College of Law seeks to recruit students with strong LSAT scores and UGPA because, in general, they have higher rates of success in law school and are better able to pass the bar examination required to practice as attorneys. To do that, the College of Law uses scholarships to encourage strong applicants to matriculate.

The UW Law Scholarship Policy states that, in addition to, first-year student scholarships, continuing students "may be considered for a scholarship award during the second and third years of law school based on performance, availability of funds, and other contributions to the University of Wyoming College of Law." The scholarships restricted to second-year and third-year students include the Judge Clarence A. Brimmer Scholarship, the Salt Creek Energy Excellence Scholarship, the Alfred A. Pence Scholarship, and the Bob C. Sigler Country Lawyer Scholarship.

#### Criteria (control framework or policy that establishes the standard)

- The University of Wyoming College of Law (UW Law) has a policy which was last updated on April 25, 2016.
- The current UW LAW Scholarship Policy and Procedures document lists multiple tasks to be performed by the Scholarship Committee, including:
  - Determining and clearly communicating award criteria,
  - Determining the amount of each scholarship based on available funds,
  - Obtaining a list of endowed funds and award criteria and meeting to assign scholarships to incoming and/or continuing law students.
- The Policy further states that, "unless otherwise determined by the Committee, the LSAC index score will determine the amount of each awarded merit scholarship."

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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### Condition (the current state based on testing)

- The duties of the Scholarship Committee, including the items listed above, are performed by staff members due to the absence of a Committee.
  - One employee determines the amount of merit scholarship award amounts and sometimes is instructed by faculty members or others to increase or change various award amounts.
  - Another employee applies the scholarships in consideration of donor requirements or restrictions.
- While the policy states that, “unless otherwise determined by the Committee, the LSAC index score will determine the amount of each awarded merit scholarship,” it is difficult to tie the award amount to the index scores by applicant. Recalculation and examination of the LSAC index scores indicates that the index scores do not clearly correlate to the award amounts given and appear to be somewhat subjectively decided. For example, a sample of scholarship awards noted students with below median LSAT scores and lower index scores that received scholarship awards identical to students with higher index scores and above median LSAT scores. Several instances were noted, out of the population examined, in which resident students with below median LSAT scores were awarded up to 250% more than students with above median LSAT scores. Similar discrepancies were noted in the analysis of awards to non-resident students.
- Clear correspondence has not always been retained in student files. In some instances, scholarship awards were communicated orally to students without supporting written documentation. This has led to disputes and misunderstandings between students and UW Law staff regarding what was promised. In addition, insufficient documentation has been maintained to support scholarship decisions.
- Several anecdotes were provided in which highly qualified students with sufficient benefits to cover the costs of attendance were awarded additional scholarships in excess of their estimated need. The awards may have represented intentional efforts to recruit highly qualified candidates; however, it is possible that the available funds could have been used more efficiently to support other candidates, with no impact on the recruitment of the highly qualified candidates.
- In some instances, students were given “scholarships” in exchange for unpaid work instead of being hired as employees. The University of Wyoming is evaluating this practice campus-wide and is considering campus-wide policies to address this issue.
- In the past, some faculty members have requested additional scholarships on behalf of students and have orally promised additional awards to students outside of the formal scholarship awarding process. As a result, some students have come to believe that simply asking for additional awards may result in new or increased scholarships.

### Consequence (the impact to the unit or the University)

- As students share scholarship award information, some may perceive unfairness because other students with comparable scores receive awards that may be thousands of dollars higher.

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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- The lack of a Scholarship Committee is a violation of College of Law policy, and it fails to take advantage of good practices such as fairness, transparency, and decision-maker checks and balances.
- While we did not note evidence of unfairness or bias in the scholarship award process, without a committee structure or team of individuals to assist in decision-making, the sole employee has limited means to validate their work.
- A lack of clear, written documentation of all correspondence regarding scholarship awards to students can lead to misinterpretations, disputes and misunderstandings between students and UW Law staff regarding scholarship award amounts, timing, renewals, and other details. This has resulted in at least one formal complaint by a student. Additionally, it leads to loss of audit trail in case investigations or follow up is required.

### **Corrective Action** (action plans that address the condition, recommendations)

- A. The College of Law should develop a Scholarship Plan containing presumptive ranges of scholarships for certain scholarship criteria (including LSAT and UGPA). The Plan should also include process for approval by more than one person when scholarships are awarded outside of the presumptive range.
- B. Update the policy to include:  
Clarification of UW Law Scholarship Plan and purpose, including awards based on merit, need, special circumstances, or other relevant considerations,
  - Make up of Scholarship Committee/employees, to establish dual control or oversight rather than reliance on a single individual to determine awards,
  - Formalization of the scholarship award process including scholarships for first-year students as well as continuing students. Faculty members and staff should be cautioned against informally providing oral communication of awards until the formal process is complete, and even then, only with accompanying written documentation to follow.
  - Communication protocols, including maintaining copies of all correspondence in student files,
  - Consideration and impact of other forms of payments including student directors of the law clinics and all other paid positions,
  - Clear statements regarding criteria for tuition waivers to out-of-state students, changes in waiver status, and impacts on other scholarship eligibility,
  - The College of Law should also consider a policy that evaluates whether College of Law scholarship money will displace other funding that the student is already receiving. For example, care should be taken to ensure that students use veterans' benefits or Hathaway Scholarship that they have already been awarded rather than having those funding sources replaced by College of Law scholarships.
- C. Maintain documentation, including all award criteria used in determining award amounts, any changes to awards for any reason, and copies of all correspondence with awardees.

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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### **Management's Response** (management's proposed action plans and timelines)

The College of Law appreciates the clear direction for improving its scholarship policies and practices. In recognition of scholarship-related deficiencies, the College of Law has already hired Mario Rampulla, an attorney holding an LL.M. in taxation, to improve and oversee the College of Law's scholarship program. (In addition to these permanent administrative duties, Professor Rampulla will also be teaching classes related to estate planning.)

The College of Law administration will review and revise its Scholarship Policy. The Revised Scholarship Policy will ensure that more than one College of Law employee is responsible for determining scholarship awards.

The College of Law administration will develop an annual Scholarship Plan that sets presumptive scholarship ranges for incoming students based on LSAT and undergraduate GPA and the College of Law's budget. Each deviation from the scholarship plan will be justified by the student's achievements, considered by more than one person, and clearly documented. Adjustments to the Plan will be made during the admissions cycle if necessary to recruit a full class of students or stay within budgetary constraints.

The College of Law will ensure that scholarships for second- and third-year students are publicized on the College's website to all students and awarded in accordance with the endowments creating the scholarship (typically by an objective criterion (highest grade) or a selection process involving more than one person).

The College of Law will revise its scholarship practices to ensure that they are consistent with the above recommendations. Among other things, the College of Law will ensure that accurate records of scholarship awards are kept. The College of Law will also work to ensure that College of Law funds do not simply displace scholarship dollars that the student would have received from other sources.

### **Responsible Individual(s):**

Dean Julie Hill, Professor Mario Rampulla, Admissions Director Lisa Nunley, Senior Business Manager Laurie Kempert

### **Target Completion Date(s):**

The College of Law expects that most policy changes and the Scholarship Plan will be completed by October 15, 2025, before it begins awarding scholarships for the class matriculating in 2026-2027.

The College of Law expects that there will be some adjustments to the scholarship process throughout the 2025-2026 academic year as we identify practices that are fair, transparent, and efficient.

It is the College of Law's understanding that the University is considering campus-wide policy or direction distinguishing scholarships from paid work. The College of Law intends to wait for this direction before making any additional changes related to the payment of student clinic directors.

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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### Observation #2: Supplemental Pay

#### Background

UW Law regularly distributes supplemental pay to faculty members, primarily over the summer. The supplemental pay can be for work with various clinics, study abroad programs, summer classes, conducting research, or various other additional duties. Discussions with faculty members revealed that it is common for other law schools to offer supplement pay to tenure and tenure-track law faculty for research conducted during the summer.

#### Criteria (control framework or policy that establishes the standard)

The most comprehensive and authoritative source of information regarding the policies governing supplemental pay is the University of Wyoming Employee Handbook (“Handbook”). The Handbook specifically states in Section I.D.26. that “*Full-time employees during their regular terms of service, shall not have their salaries supplemented from University grants, contracts, or other University sources...*” and provides six exceptions summarized as follow:

- i. continuing education activities through distance, digital, and online formats
- ii. occasional employment at University-sponsored events
- iii. overtime payments when required by contract or by state or federal law
- iv. employment as part-time lecturer or professional employees
- v. Employment on grants, contracts and similar University-funded activities where the work is in addition to the individual's regularly assigned duties under limited conditions and for a limited period of time
- vi. for duties carried out during... the period from Spring commencement to Fall semester reporting date, provided these duties are not included in the standard academic year workload.

#### Condition (the current state based on testing)

For the fiscal year ending June 30, 2024, UW Law expended nearly \$3 million in faculty salaries and an additional estimated \$235,000 (about 8% of base salaries) in supplemental pay for summer research. The documentation provided for justification of the supplemental pay lists items such as:

- supplemental pay for teaching summer courses,
- supplemental pay for teaching clinic classes, or performing or overseeing significant work related to legal clinics,
- extraordinary merit award bonus for co-chairing a site visit committee, and
- “Supplemental pay per original offer letter for research conducted by faculty member over the summer pay”

When asked to see the original offer letters to confirm the promise of summer pay justified as “*supplemental pay per original offer letter for research conducted by faculty member over the summer pay,*” none of the faculty members interviewed were able to produce the letters cited in the explanation for the additional pay. Summer research money is typically paid for by the College of Law at the beginning of the summer.

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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Recent faculty offer letters produced by the College of Law state:

As a university employee on an academic year appointment, you may earn additional supplement pay for duties carried out during the winter term (J-term) or the period from Spring commencement to Fall semester reporting date, providing these duties are not included in the standard academic year workload. A maximum of an additional 3/9ths of the base faculty salary may be earned in supplemental pay.

It is not clear whether other earlier employment letters may have promised summer research money in a specific amount or without any corresponding work.

When awarding summer research grants, the College of Law currently has no policy or practice of requiring research proposals or evaluating whether research or scholarship was produced during the summer (in addition to the research that would normally be done during the academic year as part of the faculty member's normal faculty duties).

Based on the interviews with a sample of faculty members, it was clear that some had produced or published significant research, but it is not clear that all who have received research awards had produced scholarship during the summer. Dean Hill disclosed that in one instance, a faculty member collected summer research pay and shortly thereafter resigned her position at the University. Almost all faculty members interviewed believed that supplemental pay for summer research is, and should be, available to all academic year tenured and tenure-track faculty. Some may believe that summer research money should be paid regardless of whether any research is produced.

### **Consequence** (the impact to the unit or the University)

Non-compliance with University policies can perpetuate unintended consequences such as employees who do not fulfil research obligations, discontent between and among employees within the College, and resentment from faculty members outside of the College. Furthermore, payment for work not performed can curtail budget availability for more desirable initiatives.

Acknowledging that recruiting and retention could be impacted by a change in current practices, UW LAW should consider the consequences of making changes versus not making changes, considering the most salient factors for both short-term and long-term results.

### **Corrective Action** (action plans that address the condition, recommendations)

Evaluate all existing faculty contracts to determine whether any faculty were awarded summer money as part of their standard faculty contract without any additional research requirement.

If supplemental pay for summer research is available to some or all faculty members, a college-specific policy should be established to enumerate terms and conditions such as the quality, quantity or applicability of research or other factors including approval by the Dean. College of Law faculty members should not be paid summer research stipends if they are not performing

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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additional work during the summer. College of Law. Additional work should be verified and documented.

Additionally, to prevent the situation in which faculty are paid for work that is not completed, the College of Law should consider altering its pay practices. Possible approaches include, but are not limited to, paying some or all of the money after completion of the work, requiring repayment of awards if employment is terminated or not satisfactorily completed, and/or making faculty who do not complete summer scholarship ineligible for future summer research awards.

### **Management's Response** (management's proposed action plans and timelines)

The College of Law appreciates the audit's direction on summer research grants.

College of Law administration will review faculty contracts to determine whether any faculty are entitled to summer stipends without additional work.

For faculty that are not entitled to grants without additional work, the College of Law administration will adopt a policy that requires that faculty apply for summer research grants and submit written work product for review at the end of the summer. For other summer grants, the College of Law will ensure that the faculty member is teaching. In all cases, the College of Law will ensure that a faculty member is not double compensated for work performed.

### **Responsible Individual(s):**

Dean Julie Hill  
Senior Associate Dean Alan Romero  
Executive Business Manager Laurie Kempert

### **Target Completion Date(s):**

The College of Law will review faculty employment contracts and prepare a policy for the awarding of summer research grants by January 1, 2026. The College of Law expects that summer research grants for summer 2026 will be awarded in accordance with the new policy.



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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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### Observation #3: Management of Student Organizations

#### Background

The College of Law website lists 19 student organizations. According to the College of Law webpage the John Burman Student Bar Association (JBSBA) “coordinates the activities of the other student organizations.” The JBSBA was originally formed in 1921 as the Potter Law Club. Sometime thereafter it became known as the John Burman Student Government. During this audit, the organization re-branded itself as the John Burman Student Bar Association (JBSBA).

For many years, the Potter Law Club and its successor organizations operated the Potter Law Club Bookstore. At some point, however, the John Burman Student Government ceased providing significant oversight of the PLC bookstore. The bookstore retained the Potter Law Club Bookstore name, while the Potter Law Club has rebranded to the John Burman Student Government and more recently to the John Burman Student Bar Association. The JBSBA continued to report bookstore receipts on its 990 tax forms, which are still filed under the name of the Potter Law Club.

Currently, the Potter Law Club sells textbooks and class materials to students. It is managed by law students, and while it is not listed on the College of Law’s web page as a separate student organization, the Potter Law Club Bookstore has a separate webpage hosted on the College of Law’s web page.

#### Criteria (control framework or policy that establishes the standard)

The University of Wyoming President’s Directive 2-1992-1 establishes standards and procedures for the general use of University buildings, grounds, and services by recognized student organizations (RSOs).

Additionally, **UW Regulation 11-4 – Student Organizations**, last revised in June 2020, states that *“Except as specifically identified in this regulation or expressly written in any sponsorship agreement, the University does not control or accept responsibility for the activities nor endorse the programs of Student Organizations.”* As such, the University of Wyoming treats RSOs as independent third parties, and all transactions between the University and the RSOs are considered arms-length transactions.

#### Condition (the current state based on testing)

The leadership of UW Law had self-identified concerns regarding the structure and operations of PLC Bookstore prior to the beginning of the audit. Upon investigation, the audit discovered several areas of concern, including:

- A. Cash payments to students (with no tax withholding or 1099 filings)
- B. Sales tax collection and remittance previously not considered
- C. Incomplete or inaccurate form 990 Federal Return filings
- D. Selection and appointment of student managers without faculty advisor input
- E. Controls over cash and bank accounts weak or lacking



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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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- F. Outdated or incorrect policies posted online (such as, IOUs must be paid in order to receive a diploma, references to an Assistant Dean who is no longer here, etc.)
- G. Use of University resources (business manager and occupied space)
- H. Violation of exclusivity agreement between the University and the University Bookstore

### Consequences (the impact to the unit or the University)

The PLC Bookstore has a web page under the University of Wyoming (uwyo.edu) umbrella, and it appears to present itself as a part of the University's College of Law. While any improprieties, such as failure to file 1099s for income taxes payable by student workers, would legally be the responsibility of the PLC Bookstore and the individuals paid, there could be reputational harm to the University and the College of Law.

### Corrective Action (action plans that address the condition, recommendations)

The UW Law leadership team has engaged the Interim Executive Director of Student Life, UW General Counsel, the Office of the Provost, and Internal Audit to conduct working sessions with the JBSBA officers regarding appropriate oversight of the PLC Bookstore. A faculty advisor has been assigned to the JBSBA, and the College should clarify to what extent that faculty advisor should oversee or provide guidance specifically to the PLC Bookstore. Additionally, an external accountant who has historically provided 990 tax filing services has been engaged by the student group to prepare 1099s for students receiving payments for services.

Because the University of Wyoming's official position maintains the RSOs are separate legal entities with separate bank accounts and policies and procedures, UW Law should continue to provide guidance and support to student organizations but is not ultimately responsible for the activities of those organizations.

Management should be commended for identifying the concerns related to student organizations, particularly the PLC Bookstore, and for taking appropriate action. No management action plan is required, and Internal Audit will not perform follow-up activities regarding this issue.

### Management's Response (optional)

The College of Law will revise its web page so that the PLC Bookstore is clearly listed as a student organization.

The College of Law continues to have concerns about law students running a significant commercial enterprise that may be perceived as being operated by the College of Law or the University. While we believe that our law students are exceptional, the students running the bookstore do not generally have previous experience operating their own businesses. They are doing this work on top of their legal studies. There is turnover in the students every year. We think these constraints could lead to inadvertent compliance lapses that might be attributed to the College of Law or the University. We think it is tricky for a faculty advisor to oversee this without significant time commitment and entanglement in the running of the bookstore. Given this risk, the law faculty members with business experience have declined to serve as advisor.

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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We understand that the main reason that students want to continue the bookstore is that the University Bookstore is unable to sell hardcopy law books at prices comparable to that of the PLC Bookstore. We think it would be worthwhile for the University to consider whether it could provide law books in a way that works for the students and teaching methods at the College of Law.

### Notes Regarding Other Areas Considered During the Audit

#### Departmental expenditures, reconciliations and account analysis

The Executive Business Manager's procedures for validating and reconciling accounts include hand-keying into an Excel spreadsheet, and the University's Account Analysis tool is not typically used. Nonetheless, the auditors noted initially that a few specific line items appeared to be over budget, but ultimately, the Executive Business Manager did resolve the potential discrepancies and does compare month-end balances to the Account Analysis reports she receives through email and notes that they agree.

The Dean does not review the budget-to-actual reports/reconciliations except on an ad hoc, or as needed basis because a traditional easily understandable format is not provided.

Oral recommendations for improving departmental communication were provided at the audit closing meeting.

UW Law added **capital assets** totaling \$47,958 as a part of a \$38 million renovation and construction project which was still underway throughout most of the audit process. UW Law is subject to the Standard Administrative Policy and Procedure (SAPP) titled *University Capital Equipment and Depreciation of Capital Assets Policy*, which requires assets valued over \$5,000 to be capitalized and tagged individually.

The SAPP states that Construction-In-Progress equipment is capitalized to its appropriate capital asset categories upon the earlier occurrence of a) when the equipment is placed into service; or b) upon substantial completion of the contract. Upon completion of the project, UW Operations personnel confirmed that they tagged four of the five new assets. The one remaining asset is a piece of furniture which is damaged and will be replaced.

**Contracts** and sole sourcing policies and procedures are in place relating to contracts, and follow the policies set forth in the University Procurement Services Manual.

The **credit card machine** used by the PLC Bookstore was located in a locked office and is associated with a single computer terminal. At the recommendation of the auditors, the machine is now locked behind a second lock in a secure location in the office.

**Access controls** (building security controls within the College of Law) were set up but were not fully operational at the time of the audit. We do recommend that UW Law management maintain a list of individuals who should have access to the building outside of the Law School for faculty

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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and students. Additionally, we recommend access listings to be continuously updated and periodically checked when changes occur.

Auditors noted that third year law students' access gets removed after the summer of their graduation to enable them to use the building study areas and Library while preparing for the Bar Exam. When faculty are hired or terminated, a request is sent to the WyoOne ID Office to request access at the time of hiring. Access is gathered by the Dean and provided to the WyoOne ID Office, who then assigns access based on the W-number assigned to the individual(s).

No notable undisclosed **Conflicts of Interest** were noted by the Director of Research Security and Conflicts of Interest, nor by the Internal Audit team.

**Reimbursement** procedures for faculty and staff are subject to rigorous review and approval, and **P-Card** transactions are subject to the continuous monitoring process provided by UW Procurement. The process appears to function as intended, as several offenders and repeat offenders have been reported to the Dean for further action by the Procurement team.

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## CONCLUSION

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Except as noted above, based on our audit, the College of Law performs most internal activities within the prescribed policies, procedures and recommended practices of the University of Wyoming.

We would like to express our gratitude to Dean Hill and her staff, particularly Laurie Kempert, Executive Business Manager, for their cooperation, support, and patience with us throughout a very long audit process. They were very gracious with their time and provided constructive collaboration with an audit team that comprised of changing personnel, including personnel provided by an external auditing firm.

### **Distribution list**

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UNIVERSITY  
OF WYOMING

**Office of Internal Audit**

## **Laramie County 4-H**

**September 8, 2025**

Auditors:

Whit Madère, MBA, MEd, CPA, CFE, CCEP

John Odhiambo, CPA

Kevin Chancellor, PMP



September 8, 2025

**University of Wyoming Board of Trustees:**

Internal Audit has completed an audit of the University of Wyoming Extension Laramie County 4-H program. This audit was part of the FY 2024-2025 approved annual internal audit work plan.

The objectives of this audit were to assess the adequacy and effectiveness of internal controls surrounding key processes that include Accounts Receivable, Financial Analysis and Management Reporting, Purchasing and Accounts Payable processes, Cash and Bank Processes, Inventory Management, Reimbursements and P-Card usage and compliance. The audit further sought to identify measures to mitigate control deficiencies identified in the assessment of these processes through proposed audit recommendations and management action plans.

Audit methodologies included inquiries, observation of current processes, scanning departmental records, examination of historical documents, recalculation of certain outcomes, and various analytical procedures.

Any concerns and weaknesses identified have been discussed with current leadership, and any management action plans arising from the audit may be subject to follow-up activities to ensure that risks have been appropriately mitigated.

All follow-up activities will be reported to the Fiscal and Legal Affairs Committee of the Board of Trustees until satisfactorily completed.

We would like to thank Kristi Nagy, County Coordinator and Youth Development Educator, as well as the other dedicated staff members for their assistance throughout the course of this audit.

Sincerely,

Whit Madère, MBA, MEd, CPA, CFE, CCEP  
Director of Internal Audit

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## EXECUTIVE SUMMARY

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The Office of Internal Audit completed an audit of the Laramie County 4-H program, as part of the FY2025 (academic year 2024-2025) audit plan.

The auditors performed fieldwork and testing in the areas of:

- Cash and Bank Processes,
- Accounts receivable,
- Inventory Management,
- Purchasing and Accounts Payable processes,
- P-Card usage and compliance,
- Financial Analysis and Management Reporting
- Operation of Square Account
- Conflicts of Interest
- Payments to staff, volunteers and participants including events payments and reimbursements

Based on the results of our audit, Laramie County 4-H performs most internal activities within the prescribed policies, procedures and recommended practices of the University of Wyoming and Wyoming State 4-H Policies; however, it should improve the control environment related to several items including:

- Volunteer background checks
- Independent review of cash and bank reconciliations
- Accounting Software and Recordkeeping Processes
- Animal (livestock) purchases
- Management of nepotism and possible conflicts of interest

Specific audit findings and recommendations are described in the **Observations, Findings, and Recommendations** section of this report. Specific recommendations have been discussed with the members of the leadership team and leadership of the College of Agriculture and UW Extension. In some cases, corrective action has already been implemented or is underway.



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## BACKGROUND

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The 4-H program was originally founded in Ohio in 1902, by A.B. Graham, school superintendent. By 1913, the University of Wyoming Department of Agriculture had 125 enrolled members, with the initial objective of influencing the farm and home practices of the children's parents. Over the years, the club expanded, both in enrollment and program/project focus.

By the 1930's, more than 3,000 of Wyoming's youth were involved in 4-H, learning skills through individual projects and developing leadership and civic responsibility through community improvement projects.

In 1953, 4-H was reorganized to include a broader audience. Projects were offered in rural electricity, tractor maintenance, entomology, and home economics. Projects were no longer required to show an economic return. 4-H clubs were sometimes used to extend research.

In the 1960's, U.S. congress appropriated funds for programs in low-income and urban areas, which helped to grow the nationwide enrollment to over 50,000 by the late 1960's.

In the 1970's and 80's, expansion was focused on opportunities for women, the disabled, and ethnic minorities.

Today and into the future, 4-H is attempting to serve a more diverse audience. Personnel are continually examining and redesigning programs and projects to meet the needs of an ever-changing society.



The 4-H logo is a green 4 leaf clover, with an H in each of the 4 leaves of the clover. The "H's" represent: **Head** (problem solving), **Heart** (Emotional development), **Hands** (Skills development), and **Health** (Physical development); they symbolize the aim and desired results of effective learning for everyone.

### Mission

"4-H Empowers youth to reach their full potential, working and learning in partnership with caring adults."

### Vision

"A world in which youth and adults learn, grow and work together as catalysts for positive change."

### 4-H Core Concepts

4-H is an informal educational program facilitated by adult volunteer leaders and encompasses many different activities and project areas. Education is delivered with an emphasis on achieving each of the essential elements of youth development –belonging, mastery, independence, and generosity. The organization of the 4-H program creates opportunities to achieve this goal.

*Information sourced from Laramie County 4H website:*

<https://www.wyoming4h.org/laramiecounty4h/>

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## AUDIT SCOPE, PROCEDURES AND OUTCOMES

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The following steps represent the extent of work needed to achieve the audit objectives and are summarized below.

### Scope

Period covered: The scope of this audit focused on transactions, records and activities from April 2024 through January 2025. In some instances, older transactions were reviewed to discern trends and norms.

Topical areas covered:

- Cash and Bank Processes
- Accounts receivable
- Inventory Management
- Purchasing and Accounts Payable processes
- P-Card usage and compliance
- Financial Analysis and Management Reporting
- Operation of Square Account
- Conflicts of Interest
- Payments to staff, volunteers and participants including events payments and reimbursements

### Procedures

Audit procedures were conducted based on generally accepted auditing standards and practices. Procedures used during this audit included:

- Inquiries of management, staff and faculty members
- Scanning of transactions from general ledger and sub-ledgers
- Observations of assets and activities
- Recalculations of selected results to validate accurate outcomes
- Examination of source documents and records
- Analytical procedures such as comparative analysis and trend analysis

### Outcomes

The results of our audit are characterized in three different categories:

- Reportable conditions.** This is the highest level of reporting, and may include violations of policies, procedures, laws, rules or regulations. Reportable conditions are included in this report and have been discussed with management prior to publication. For each reportable condition, management has provided a response referred to as a Management Action Plan (MAP). All MAPs will be monitored to ensure that the risks identified are adequately mitigated. As required by our professional standards, Internal Audit will monitor and communicate the status of open MAPs to the Fiscal and Legal Affairs Committee of the University of Wyoming Board or Trustees.

- B. **Written management recommendations.** These include observations by auditors based on proven best or good business practices, industry norms, standards, or other auditor experiences, but do not represent a violation of prescribed policies, procedures, or other laws, rules or regulations. Management recommendations are provided to leaders or staff members for consideration in order to improve processes, gain efficiencies, or avoid potential unintended consequences. Management is strongly encouraged to thoughtfully consider these recommendations, although auditors will generally not track implementation of planned changes, and no written management action plan is required. While these recommendations do not rise to the level of a reportable condition, if the condition persists without corrective action, they could rise to that level in future years.
- C. **Orally communicated observations** or considerations are the lowest level of information shared with leadership or management and may not be included in writing in this report. Oral observations and recommendations are shared with management throughout the audit process and/or during the audit closing conference. Oral observations may include opportunities for improved efficiency, comments regarding employees' performance or training needs, or other general suggestions for improvement

The table below provides a summary of outcomes discussed in this report:

<b>Audit Area</b>	<b>Type of Observation</b>	<b>Summary of Finding</b>
Volunteers background checks	Reportable Condition requiring follow up – <b>Observation #1</b>	Some active volunteers have not been cleared from background checks
Independent Review of Reconciliations	Reportable Condition requiring follow up – <b>Observation #2</b>	Reconciliation done by one person who originates transactions
Accounting Software and Recordkeeping Processes	Reportable Condition requiring follow up – <b>Observation #3</b>	No robust accounting software is in place
Animal Purchases	Reportable Condition requiring follow up – <b>Observation #4</b>	A clear policy is needed regarding animal purchases
Conflicts of Interest and Nepotism	Reportable Condition requiring follow up – <b>Observation #5</b>	A policy is lacking on award of travel scholarships and other transactions with minor children of educators

The **Observations, Recommendations and Responses** section of this report includes detailed discussions of the reportable conditions along with their respective Management Action Plans.

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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### Observation #1: Volunteers with lapsed background checks

#### Background

Historically, 4-H programs have relied heavily on volunteers, including parents of participants as well as other members of the community. Because volunteers frequently work with minors and the management of program assets, it is important to perform background checks on all volunteers at the time of installation and periodically thereafter. The Laramie County 4-H program uses the software platform Z-Suite for tracking completion of background checks.

#### Criteria (control framework or policy that establishes the standard)

Wyoming 4-H Policies for Volunteer Participation section 1.a.i.ii. require that volunteers agree to the “Wyoming 4-H Volunteer Code of Conduct, Training and Screening Understanding, Statement of Assumed Risk, Publicity Release, and Transportation Release.” The volunteers must also complete and successfully pass the UW background check every five years to maintain volunteer status. Further, section j.i.3:5 outlines that a volunteer can be suspended or terminated for violation of the Wyoming 4-H Code of Conduct, violation of UW policies or state or federal laws, and failure to complete required training.

#### Condition (the current state based on testing)

We observed that Z-Suite accurately notes volunteer background check statuses for all volunteers. If a background check has not been completed for a new volunteer, or a background check is over five years old and has lapsed, the volunteer status will be listed as “pending.” The audit team noticed a currently active volunteer who manages and has access to firearms inventory for shooting sports who had a “pending” background status due to a lapsed background check.

#### Consequences (the impact to the unit or the University)

The absence of a current volunteer background check increases the risk of:

- Safety of children involved in 4-H
- Safety of sensitive inventory including firearms
- Legal compliance issues

#### Cause (likely reasons for the deficiency)

The 4-H Laramie County program has policies in place to ensure that volunteers are aware of the expectations and requirements necessary for volunteering for the program. There is a gap in the Z-Suite reporting software and the management of volunteers in which lapses in background checks may occur and go unnoticed.

#### Corrective Action (action plans that address the condition, recommendations)

Update policies to include a regular check system that provides management and volunteers with notices in advance of the five-year background check. The policy should emphasize that these

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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background checks cannot lapse, or the individual with the lapsed background check should refrain from volunteering, having access to sensitive inventory, or contact with minors and other participants until passing or updating the background check.

- Establish a “no lapse” policy. The policy could then be added to the Training and Screening Understanding portion of the Code of Conduct form.
- Actively manage or modify Z-Suite to give earlier prompts on upcoming background check expirations.
- Establish communications and follow-up communication protocols regarding completing these background checks before they lapse.

### **Management Response:** (Management’s planned corrective actions)

At the beginning of the 4-H program year on October 1, all volunteers are listed as inactive until they re-enroll. Volunteers who have had their background checks expire (following the 5-year period it is valid) are notified that their background checks are expired and that they cannot re-enroll as volunteers without undergoing a new background check.

Additionally, there may be individuals listed as inactive in Z-Suite who are not active volunteers and not involved in any 4-H activities. Some of these individuals may have lapsed background checks depending on how long they have been inactive. 4-H educators will need to clear these inactive volunteers from their system in Z-Suite.

Z-Suite does not have the capacity to send notices to educators regarding lapses in background checks. However, county educators are expected to review their list of county volunteers in Z suite to identify volunteers who will have an upcoming lapse in background check validation.

In response to these findings, a “no lapse” policy will be added to the Volunteer Code of Conduct form so that volunteers are better aware of the 5-year renewal policy and that they cannot participate as volunteers without undergoing a new background check. 4-H administration will also update the 4-H Employee Manual to outline a formal policy requiring monthly review of Z-Suite to identify any volunteers with upcoming background check expirations.

This policy will be incorporated into the existing 4-H policy manual. Training on the need for this policy and the implementation of the policy will be provided at a statewide 4-H meeting to occur at the state extension conference in early November.

**Responsible Parties:** Matthew Helie, Associate Director of UW Extension, Samantha Krieger, Wyoming State 4-H Program Leader, and Tiera C. Bevilacqua, 4-H Volunteer Development Specialist

**Target Completion Date:** December 1, 2025

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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### Observation #2: Lack of Independent Review over Cash and Bank Reconciliations

#### Background

The Laramie County 4-H Program office is small. Direct, hands-on oversight from County or University personnel has historically been limited.

#### Criteria (control framework or policy that establishes the standard)

Effective internal controls require that cash and bank reconciliations be reviewed and approved by an individual independent of the preparer, to ensure accuracy, detect errors or irregularities, and safeguard assets. This aligns with UW Financial Policies, Generally Accepted Accounting Principles (GAAP), and COSO internal control framework.

#### Condition (the current state based on testing)

The County Coordinator disclosed that in the past, reconciliations were not done timely, but we noted that recent monthly reconciliations were up to date. While the monthly bank reconciliations were prepared by administrative staff, they were not subject to any formal, documented review or approval by a supervisor or independent peer reviewer.

#### Consequences (the impact to the unit or the University)

The absence of an independent review increases the risk of:

- Errors in recording or reconciling cash transactions going undetected
- Potential fraud or misappropriation of funds
- Inaccurate financial reporting
- Non-compliance with University financial policies and audit requirements

#### Cause (likely reasons for the deficiency)

The 4-H program office has a small team, and most employees have multiple areas of responsibility. The program currently lacks a defined process or assigned reviewer responsible for overseeing the reconciliation process. Limited oversight from County or University personnel and the lack of formal procedures for reconciliation may be contributing factors.

#### Corrective Action (action plans that address the condition, recommendations)

Implement a formal review and approval process for all monthly cash and bank reconciliations. This process should include:

- Assignment of a reviewer independent of the preparer such as a peer review by a different county extension educator or University or county personnel
- Documentation of review including signature, date and any comments or errors noted.
- Timely completion of the review, ideally within 15 days after completion of the reconciliation.

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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### **Management Response:** (Management's planned corrective actions)

Monthly reconciliations for the Laramie County 4-H program account are prepared by administrative staff and are currently up to date. In accordance with Wyoming 4-H Policies, Section C. i–ii: Receiving Cash, all cash received is counted by a minimum of two people, with each person initialing the receipt. These receipts are kept on file and cross-referenced with account deposits. However, there has not been a documented process for independent review of reconciliations once prepared.

Additionally, according to Wyoming 4-H Policies, each UW 4-H county account is required to have at least two authorized signers, with accounts reviewed annually by the county 4-H committee and formally audited every three years by the University of Wyoming, a consistent month-to-month review and approval process has not been implemented. This creates a gap between the daily practice of dual verification of cash receipts and the longer-term committee and University reviews.

In response to these findings, the reconciliation process will be expanded to include independent review by account signers. Each UW 4-H county account is required by policy to have at least two authorized signers, and those individuals will serve as the reviewers for reconciliations. All monthly reconciliations prepared by staff will be reviewed by one of the authorized signers, who will sign and date the reconciliation and note any comments or corrections. Reviews will be completed within 15 days of the reconciliation being prepared to ensure timeliness.

This review requirement will be incorporated into the Wyoming 4-H policy framework alongside the existing requirements in Section C. i–ii and other 4-H policies. Implementation of this process will begin with the December 2025 reconciliation cycle. Training and instructions on the updated process will be provided to county staff and account signers to ensure consistent and accurate application moving forward.

**Responsible Parties:** Matthew Helie, Associate Director of UW Extension, Samantha Krieger, Wyoming State 4-H Program Leader

**Target Completion Date:** December 1, 2025



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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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### Observation #3: Lack of Robust Accounting Software and Recordkeeping Processes

#### Background

The Laramie County 4-H Program uses a “home grown” Excel spreadsheet to facilitate data capture and tracking of monthly accounting transactions, including bank reconciliations. The County Coordinator asserted that in the past, efforts were made to acquire QuickBooks accounting software to help facilitate accounting functions; however, due to her limited knowledge on the use of the software, the plan was aborted.

#### Criteria (control framework or policy that establishes the standard)

Per University of Wyoming existing Regulation 7-1, SAP 7-9.6, and the broader SAP 7-9 financial series collectively mandate accurate, systematic recording and control of financial transactions and assets – objectives best achievable through properly configured software and record-keeping systems.

#### Condition (the current state based on testing)

The current Excel spreadsheet maintained by the 4-H program records payments and receipts taken from its bank accounts. The same spreadsheet is used in reconciliation of back statements on a running balance basis. This sheet is not maintained in a centralized storage location, such as a shared drive folder, that would facilitate recovery or review by a different person, other than the county coordinator who prepares and maintains it on her computer.

Examples of sub-optimal processes and software include:

- A former employee’s purchases of livestock without adequate tracking and monitoring mechanisms or processes in place (see Observation #5 below).
- Limited or no oversight, reconciliations, or pre-approvals of reimbursements to employees, volunteers, and participants.
  - A participant who was a minor at the time, and the daughter of an employee, submitted reimbursement receipts for animal feed and supplies which should have been rejected without prior authorization.
  - Additionally, the request for reimbursement included money for cash awards to contest winners. Such cash awards were not well accounted for, and the 4-H staff could not validate that the cash awards were given to the appropriate individuals. No cash awards should ever have been “reimbursed” to a minor, who has also been a participant in some competitions, except in rare and exceptional circumstances and with pre-approval and adequate documentation. Any cash awards should have been disbursed directly by 4-H office personnel or other officials rather than by the daughter of an employee.
  - In the efforts to track livestock purchases, a great deal of effort was expended in requesting bank records and attempting to piece together the timelines of purchases and dispositions of animals. A more robust accounting system (both the software and



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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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processes) should have been able to readily provide information from acquisition to disposition of all assets, including asset tags or other tracking mechanisms for all property, including animals.

### Consequences (the impact to the unit or the University)

Lack of a robust accounting system, including software and processes, increases the risk of:

- Misappropriation or loss of funds
- Unrecorded or under-reported revenue
- Inaccurate financial reporting
- Non-compliance with University financial control policies
- Reputational risk due to lack of transparency and controls over public funds

### Cause (likely reasons for the deficiency)

The Program personnel lack formal training in the use of accounting software that would facilitate prudent recording and reporting of daily financial transactions, and monthly account reconciliations.

### Corrective Action (action plans that address the condition, recommendations)

- Consider additional training for current personnel or hiring additional personnel with some accounting or bookkeeping experience to manage and maintain the accounting and finance processes of the Program.
- Consider options such as regional or University level accounting support on a more routine basis.
- Consider acquiring robust accounting software, such as QuickBooks, to streamline the accounting transactions and record keeping functions.

### Management Response: (Management's planned corrective actions)

Although some county 4-H programs already have access to QuickBooks, the cost of accounting software has been a roadblock to using the software statewide. This software would be purchased with county funds, imposing additional expenses on county budgets which are already stretched.

In response to these audit findings, UW 4-H will identify robust accounting software such as QuickBooks and require its use by each county 4-H program. This policy will be incorporated into existing 4-H financial policies. The state 4-H office will also hold online training courses on best practices in accounting and use of the software in partnership with the UW Extension Accountant.

**Responsible Parties:** Matthew Helie, Associate Director of UW Extension, Samantha Krieger, Wyoming State 4-H Program Leader, Sam Perkins, UW Extension Accountant

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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**Target Completion Date:** January 1, 2026

### Observation #4: Animal Purchases

#### Background

The Laramie County 4-H Program supports youth participation in livestock-related events, including training participants to judge livestock and county fairs and statewide shows. Based on information from some 4-H officials, it is extremely unusual or completely unheard of that 4-H programs purchase livestock for training purposes. For most training purposes, including judging, the participants bring their own animals.

#### Criteria (control framework or policy that establishes the standard)

The Wyoming 4-H Policies from UW Extension are silent regarding the purchase of livestock, and the only mention of livestock sales is in the context of fundraisers and livestock auctions which *“must be implemented under advisement and direction from the State 4-H Office in conjunction with UW legal services.”*

Additional considerations include:

- UW Extension Program Accountability Guidelines require uniform and transparent procedures in financial decision-making and fiduciary responsibility.
- UW Regulation 7-9 (Financial Controls and Transactions) mandates proper stewardship of university-affiliated funds and resources.
- 4H Program Integrity Guidance (USDA/NIFA) emphasizes transparency, equitable access, and documentation in program administration, including transactions that involve public funds or member-related assets.

#### Condition (the current state based on testing)

Records at the 4-H program office indicated that several livestock purchases were made as far back as May 2023 by a Laramie County 4-H employee from a well-known breeder in Utah. Similar purchases continued into the summer of 2024, and the Laramie County 4-H program paid for the animals, which included at least thirty-one animals – fourteen lambs, seven goats and ten hogs. Notes indicated that the purchased animals were used for judging contests.

The invoices for some of the animals purchased included tag numbers, while another invoice for twelve animals showed no tag numbers. Further, the invoice with no tag numbers included a “Thank you for your business!” footer with the name, address and phone number of a different organization. The organization named is used by two entities – a cattle breeder in Maryland and an individual from Colorado who has done work with the Larmie County 4-H program. Both entities denied ever making any sales to Laramie County 4-H, so the accuracy of the invoice cannot be validated.

Records also indicate that at least some of the animals were kept at the purchasing employee’s ranch, and the employee’s daughter (a minor) was reimbursed for feed for the same animals.

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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Another record indicated that the 4-H program reimbursed the same daughter of the employee in the amount of \$1,650 for the purchase of six hogs for a judging contest in May 2024.

The Internal Audit team worked with one of the current 4-H youth educators to ascertain the whereabouts of or the sale of the purchased animals but could not track all animals to sales. Records show the sales of at least seventeen animals to Centennial Livestock Auction of Fort Collins, Colorado, and records indicate that at least one hog was to be used for a fund-raising event at Eastern Wyoming College. No proceeds from that fundraiser could be found.

For the records of animal sales through Centennial Livestock Auction, records on hand were insufficient to match the weights and descriptions to the animals purchased, and no tag numbers were listed. Further, the Laramie County 4-H office did not have any tracking information such as tag numbers, brand inspection records, or transportation papers.

### Consequences (the impact to the unit or the University)

Because there is no formal policy prohibiting the purchase of livestock for animal judging or other purposes, purchase transactions could present considerable risks for the 4-H program and for the University of Wyoming. The nature of the purchases could lead to questions about financial mismanagement, favoritism (no bid process), realization of fair market value, and reputational risk.

Additionally, liability concerns may arise due to 4-H owned livestock at a participant's and/or employee's private property, and without proper asset tracking such as tagging, livestock could be lost or comingled with other private stock.

Even when an employee has the best intentions for youth education at heart, unorthodox transactions and practices should be approved in advance by UW Extension leadership or other experts with knowledge of internal controls, risks and potential legal consequences of such actions.

### Cause (likely reasons for the deficiency)

Autonomy of employees acting without adequate oversight could be a leading cause of this observation.

The primary causes may also include:

- Lack of a formalized policy or Extension guidance specific to livestock purchase/sale procedures within Laramie County's 4-H program.
- Informal or ad hoc decision-making practices that evolved without documented oversight or controls.

### Corrective Action (action plans that address the condition, recommendations)

The UW Extension leadership should consider developing and implementing a formal policy regarding the purchase and/or sale of livestock for all county offices in Wyoming.

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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If the purchase/sale of livestock for judging contests or other purposes is allowed, the policy should include, at a minimum:

- Purchase approval workflow
- Vendor selection and bidding or sourcing requirements
- Method for determining fair market value (e.g., market pricing, appraisals)
- Sale procedures, including how animals are valued and selected for resale
- Maintenance of complete records for all transactions, including justification for pricing, receipts, agreements, and correspondence.
- Implementation of inventory tracking processes including tags, asset locations, and periodic validation of livestock inventory held or owned.
- Training requirements for county staff and volunteers involved in livestock management, purchasing, and sale activities to ensure consistent implementation.
- Requirement of periodic review by UW Extension to ensure policies are followed and updated as needed.

### **Management Response:** (Management's planned corrective actions)

In response to these findings, UW Extension leadership will develop a formal statewide policy addressing the purchase and sale of livestock for all county 4-H programs. While the purchase of livestock for judging purposes is not standard practice, the policy will recognize that there are limited circumstances where county purchase of animals may be necessary, such as Catch and Show programs in which animals are purchased and then assigned to youth participants. In these cases, a comprehensive purchase approval form will be required and must be signed by both the Associate Director of UW Extension and the State 4-H Program Leader before any purchase occurs.

The new policy will also include requirements for vendor selection, documentation, fair market value determination, and sale procedures. Livestock purchased through an approved process will be tagged and tracked, with proper records maintained to ensure accountability and transparency.

Until the new policy is finalized and approved, county 4-H programs will not purchase livestock for program use. Any exceptions must receive prior written approval from the Associate Director of UW Extension and the State 4-H Program Leader.

Once developed, the policy will be incorporated into the Wyoming 4-H Policy Manual, aligned with UW financial policies and Extension Program Accountability Guidelines. Training will be provided to county staff on the implementation of the new policy, and periodic reviews will be conducted to ensure compliance across all counties.

**Responsible Parties:** Matthew Helie, Associate Director, and Sam Krieger, Wyoming State 4-H Program Leader

**Target Completion Date:** December 1, 2025

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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### Observation #5: Potential Conflicts of Interest and Nepotism

#### Background

The University of Wyoming Extension's Laramie County 4-H Program provides travel scholarships to support youth participation in statewide and national 4-H events. These scholarships are intended to enhance access, reduce financial barriers, and promote equitable participation. While discretionary authority exists at the county level, the award process is expected to be transparent, consistent, and free from conflicts of interest.

#### Criteria (control framework or policy that establishes the standard)

- UW Regulation 1-1 (Ethical Conduct Policy) requires employees to avoid conflicts of interest and ensure that all university decisions are made fairly and objectively.
- 4-H Program Management Best Practices (as referenced in USDA/NIFA guidelines and UW Extension guidance) emphasize equitable distribution of resources and consistent program administration.
- Financial stewardship expectations under UW Regulation 7-2 require transparency and documentation for disbursement of university or program-related funds.

#### Condition (the current state based on testing)

The internal audit found that a Laramie County 4-H employee approved travel scholarships for her own children without requiring them to submit applications, while other 4-H participants were required to complete a formal request process. Additionally, no standardized criteria or dollar amount was used to determine scholarship awards, and documentation supporting the basis or approval of such awards was inconsistent or absent.

#### Consequences (the impact to the unit or the University)

Lack of a robust accounting system, including software and processes, increases the risk of:

- Misappropriation or loss of funds
- Unrecorded or under-reported revenue
- Inaccurate financial reporting
- Non-compliance with University financial control policies
- Reputational risk due to lack of transparency and controls over public funds

#### Cause (likely reasons for the deficiency)

- The Absence of a standardized county-level policy governing the award, approval, and documentation of travel scholarships.
- Inadequate internal oversight and conflict-of-interest controls regarding awards made to the children of program staff.

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## OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

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### **Corrective Action** (action plans that address the condition, recommendations)

- A. Develop and implement a formal policy for awarding 4-H travel scholarships, including:
- Clear application procedures
  - Defined evaluation criteria
  - Standardized award ranges
  - Documentation requirements
- B. The 4-H program should also prohibit direct involvement of staff members in award decisions for immediate family members to prevent actual or perceived conflicts of interest. A process should be implemented that requires the county coordinator or 4-H professionals to recuse themselves from approval decisions affecting their own children or relatives, while transferring oversight to another designated individual.
- C. Conduct training for county 4-H personnel on ethical conduct, impartiality, and documentation of program funds disbursement.

### **Management Response:** (Management's planned corrective actions)

In response to these findings, counties will be required to use a 4-H advisory board, 4-H council, or scholarship/awards committee to review and approve all youth award opportunities, including travel scholarships. This ensures that decisions are made collectively, transparently, and equitably, and that no individual staff member is solely responsible for awarding funds.

County educators or coordinators with immediate family members applying for awards will be required to recuse themselves from the discussion and decision-making process. Documentation of award decisions will be maintained by the reviewing body to provide accountability.

This expectation will be incorporated into the Wyoming 4-H policy framework and communicated to counties. Training will be provided to staff and volunteer leadership on the updated process to ensure consistent application across all counties.

**Responsible Parties:** Matthew Helie, Associate Director, and Sam Krieger, Wyoming State 4-H Program Leader

**Target Completion Date:** December 1, 2025

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## CONCLUSION

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The Office of Internal Audit would like to express sincere appreciation to the staff, volunteers, and leadership of the University of Wyoming Extension Laramie County 4-H Program for their cooperation and assistance throughout the course of this audit.

We recognize the commitment and dedication demonstrated by the 4-H team in supporting youth development, program integrity, and responsible financial stewardship. Your timely responses, transparency, and willingness to provide detailed information were instrumental in facilitating an efficient and productive audit process.

In particular, we appreciate the engagement of the County 4-H Educators, and support personnel whose support ensured access to key documentation, operational insights, and historical context that helped to inform our conclusions.

The continued efforts of the UW Extension leadership team and personnel in promoting accountability, educational outreach, and alignment with University policies is vital to the long-term success of the 4-H program in Laramie County and other programs throughout Wyoming.

We look forward to continuing collaboration as part of the University's commitment to excellence, compliance, and service to the community.

This audit report will be presented at the Fiscal and Legal Affairs Committee (FLAC) of the Board of Trustees meeting, scheduled for September 24-26, 2025, and any follow-up action plans will be monitored to ensure completion, with all incremental progress and results periodically reported to the FLAC.

### **Distribution List**

Edward Seidel, President of the University of Wyoming

Anne Alexander, Interim Provost

Kelly Crane, Dean, College of Agriculture, Life Sciences, and Natural Resources

Mandy Marney, Director, University of Wyoming Extension

Matthew Helie, Associate Director, University of Wyoming Extension

Kristi Nagy, Laramie County 4-H Youth Development Educator/ County Coordinator

Fiscal and Legal Affairs Committee of the University of Wyoming Board of Trustees

**FISCAL AND LEGAL AFFAIRS COMMITTEE**  
**COMMITTEE MEETING MATERIALS**

**AGENDA ITEM TITLE:** Status of Follow-up Activity

- ☒ OPEN SESSION  
☐ CLOSED SESSION

**PREVIOUSLY DISCUSSED BY COMMITTEE:**

- ☐ Yes  
☒ No

**FOR FULL BOARD CONSIDERATION:**

- ☐ Yes *[Note: If yes, materials will also be included in the full UW Board of Trustee report.]*  
☒ No  
☒ *Attachments/materials are provided in advance of the meeting.*

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

**PRIOR RELATED COMMITTEE DISCUSSIONS/ACTIONS:** None

**WHY THIS ITEM IS BEFORE THE COMMITTEE:** Regular report to the Committee regarding status of Internal Audit activities.

**ACTION REQUIRED AT THIS COMMITTEE MEETING:** None

**PROPOSED MOTION:** None



## Background:

The Institute of Internal Auditors' Standards states that the chief audit executive must establish and maintain a system to monitor the disposition of results previously communicated to management and must establish a follow-up process to monitor and ensure that management actions have been effectively implemented or that senior management has accepted the risk of not taking the recommended action(s).

The Internal Audit team presents all management action plans for which a follow-up may be required, even if the planned implementation date is well into the future. The status of the open Management Action Plans is presented below.

## Management Action Plans that Internal Audit is currently monitoring:

Index	Audit Period	Issued	Entity Name	# of Action Plans	Completed	Remaining	Nature of Management Action Plan	Completion Status and Due Date	Past Due?
21-3	2020-2021	9/14/2022	Academic Affairs (COM)	2	1	1	1a. Reassessment of Central Position Mgmt. 1b. Policies and procedures documentation	1a. Complete 2b. Expected 2028	- No
22-3	2021-2022	9/8/2022	Student Health Services	2	1	1	1a. Updated and regularly scheduled training 1b. Schedule and monitor completion of required training annually. 2a. Quality controls for accreditation 2b. Procedural Documents update and review 2c. Quality Control Assessments and Activities	1a. Complete 1b. Complete 2a. 9/30/2027 2b. Complete 2c. 10/1/2025	- - No - -
22-6	2021-2022	7/17/2023	Capital Construction Projects	1	0	1	Revisions to documentation	4/17/2024	Yes
23-1	2022-2023	3/2/2023	General Facility and Deferred Maintenance	1	0	1	Revisions to documentation	9/1/2023	Yes
23-2	2022-2023	7/18/2023	College of Health Sciences (COM)	3	2	1	1. The Student Pharmacy does not have documented fund handling procedures and staffing fluctuations compromise internal controls. 2. Documented operational, financial, and personnel guidelines have not been fully developed to ensure effective and efficient progress toward shared strategic objectives between the college and EHCW. 3. Procedures for independent verification of access have not been established.	1. Complete 2. 11/20/2025 3. Complete	- No -
24-3	2023-2024	10/17/2023	ASUW	7	4	3	1a. Evaluate Unrestricted Reserve acct. 1b. Timely presentation of financial data 1c. Present fees to Central Fee Committee 2a. Clarify uses of Student Fees in Fee Book 2b. Formalize ASUW documentation 2c. Alignment of Strategic Plans 2d. Working group to review/revise documentation	1a. Complete 1b. Complete 1c. 1/31/2026 2a. Complete 2b. 1/31/2026 2c. Complete 2d. 1/31/2026	- - No - No - No
24-4	2023-2024	12/14/2023	Alumni Association	6	6	0	1a. Presentation of financial information 1b. Review & amend MOA 2a. Update Policies & Procedures 2b. Procedural documentation 3a. Management of financial activities 3b. Training for financial responsibilities	1a. Complete 1b. Complete 2a. Complete 2b. Complete 3a. Complete 3b. Complete	- - - - - -
24-5	2023-2024	6/3/2024	Foundation Sister Accounts	1	0	1	1. Develop criteria and training regarding allowable expenditures.	1. Complete	-

The table above summarizes all management action plans outstanding, showing:

- 26 management action plans are being monitored
- 3 more have been completed since the last meeting
- 9 remain open. Of the 9, 2 are past due or partially past due



Note that several Management Action Plans contained multiple actions, some of which may have been completed. Those actions have been split to reflect the number of outstanding items and will be tracked until all action plans have been closed.

## M.A.P. Discussion and Progress Updates:

### 21-3 Academic Affairs Change in Leadership (Provost)

- Audit Report Date: September 14, 2022
- Original Follow-Up Due: February 22, 2023
- The report contained one observation with two parts as follows:
  - **Observation #1a:** It is recommended that the Central Position Management (CPM) process be reviewed to ensure effectiveness and efficiency, that the benefits exceed the costs. If maintained, the process requires functional re-engineering to document procedures and incorporate an element of reconciliation in the university's financial system to regularly validate calculations that drive management decisions. **(Complete)**
  - **Observation #1b:** It is recommended the Office of the Provost continue to fulfill its compliance with Regulation 1-1 by orchestrating a review of procedures with constituents as necessary to ensure accuracy, applicability, and alignment with strategic objectives.

### Status as of September 2025 –

Only one item remains open, and most sections within it have been completed. The one open area includes the areas highlighted in **red** below:

- **Observation #1b:** Review and revisions have been underway considering:
  - **Course overloads**
  - **Release time**
  - Completion date, 2028.

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

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

- Audit Report Date: August 30, 2022
- Original Follow-Up Due: June 8, 2023
- The report contained two observations as follows:
  - **Observation #1a:** Require relevant training as a part of new employee orientation. **(Complete)**
  - **Observation #1b:** Schedule and monitor completion of required training annually. **(Complete)**
  - **Observation #2a: Accreditation:** Accreditation lapsed in 2021.
  - **Observation #2b: Procedural Documents:** The department maintains complex procedural documentation and safety training as required by accreditation, but there is no regular review/update to documentation. **(Complete)**
  - **Observation #2c: Quality Control Assessments and Activities:** Other quality control measures have not been occurring as per past accreditation and/or procedure documentation.
    - Peer Reviews
    - Quality Improvement Committee
    - Risk Management Committee
    - Patient Satisfaction Survey

## Status as of September 2025 –

- **Observation #2a and #2b:**
  - Student Health Services has established an Accreditation Committee designed to review AAAHC standards and UW policies and procedures to prepare for the re-accreditation process every 3 years. The committee ensures that Student Health Services provide excellent, quality health care every day throughout the accreditation cycle, by monitoring quality, risk management, and addressing opportunities for improvement. The meetings are held bi-weekly on Thursday at 9:00 a.m.
  - As of September 2025, 2b. is **Complete**, and 2a will remain open pending accreditation, September 2027.
- **Observation #2c:**
  - Student Health Services has created a quality improvement plan geared towards assessing and improving quality through a variety of data collection tools. The following sources are mentioned:
    - Occurrence reports
    - Student Surveys
    - Internal and Employee Surveys
    - Peer Review
    - Quality Assurance and Quality Improvement Studies/Audits.
  - Follow up in October for proof of occurrence of meetings and plan implementation materials.

**Target completion date for all open items: 2a. – 9/30/2027; 2c. – 10/1/2025**

## 22-6 & 23-1 Capital Construction Process and General Facility and Deferred Maintenance

- Audit Report Date: July 17, 2023/March 2, 2023
- Original Follow-Up Due: April 17, 2024/December 2, 2023
- Both reports contained two observations, one from each remains open as follows:
  - **Capital Construction Observation #1:** 22-6 - With changes in leadership, institutional administration reorganizations, and updated strategic planning, the Facilities Council as originally outlined is not currently active.
    - Assess the need to update UniReg [1-1](#), [6-1](#), [6-4](#), [6-9](#), Trustee Bylaws, and other directive documentation to ensure congruency with state statute, nomenclature, and expectations.
    - Ensure that compliance elements of W.S. § 9-2-3006 are delineated in procurement procedures for Capital Construction Projects.
  - **General Facilities Observation #1:** 23-1 - Oversight of bid processing – to ensure a proper understanding of authority and expectations, it is recommended that the division works with General Counsel to review to assess the need to update UniReg [6-1](#), [6-4](#), and [6-9](#), and other guidance to ensure congruency with division nomenclature and current titles.

#### Status as of September 2025 –

- **Index 22-6 & 23-1**
  - **22-6 & 23-1** For concerns dealing with regulation review and amendment, based on discussions with Vice President of Operations, Bill Mai, the regulations have been reviewed with General Counsel and will go through the regulation modification process in General Counsel's office for approval.
  - **22-6** – The second portion of 22-6 is ensuring capital construction compliance with W.S. § 9-2-3006. It has been confirmed that W.S. § 9-2-3006 does align with UniReg 6-9. This portion of the observation is complete.

#### 23-2 College of Health Sciences (COM)

- Audit Report Date: July 18, 2023
- Original Follow-Up Due: April 18, 2024
- The original report contained three observations summarized as follows:
  - **Observation #1:** The Student Pharmacy does not have documented fund handling procedures and staffing fluctuations compromise internal controls. **(Completed)**
  - **Observation #2:** Documented operational, financial, and personnel guidelines have not been fully developed to ensure effective and efficient progress toward shared strategic objectives between the college and EHCW
  - **Observation #3:** Procedures for independent verification of access have not been established. **(Completed)**

#### Status as of September 2025 –

- **Observation #2:** - The College of Health Sciences has hired Jefferson Wells to conduct a comprehensive audit of EHCW operations. This audit will specifically address financial controls, organizational processes, and alignment with strategic objectives.
  - A full report will be shared with the appropriate parties (e.g. Internal Audit, BOT) upon completion, which Health Sciences anticipates will be in September or October 2025, depending on the duration of the fieldwork and analysis. This report will serve as a foundational resource for resolving Observation #2 and strengthening internal documentation and controls moving forward.

#### 24-3 Associated Students of the University of Wyoming (ASUW)

- Audit Report Date: October 17, 2023
- Original Follow-Up Due: July 17, 2024
- The original report contained two observations comprising eight components, some of which were further broken down into multiple tasks. The corrective actions and management action plans have been broken down into seven items which are summarized as follows:
  - **Observation #1a:** Evaluate the continued use of a legacy Unrestricted Reserve account. **(Completed)**
  - **Observation #1b:** In cooperation with administrative oversight provided by Vice President of Student Affairs, develop a documented plan to present financial data that is timely and useful to guide decision making. **(Completed)**

- **Observation #1c:** Include use of mandatory fees, carry forward and reserve balances, in the presentation to the Central Fee Committee.
- **Observation #2a:** General use of student fees be clarified in formalized documentation, including the Fee Book. **(Completed)**
- **Observation #2b:** Formally document ASUW guidelines, training requirements, regular/periodic review of ASUW By-Laws, Strategic Plan, and Governance/Oversight.
- **Observation #2c:** Align the ASUW Strategic Plan with the University of Wyoming Strategic Plan. **(Completed)**
- **Observation #2d:** Develop a process to formalize documentation and ensure ongoing/periodic updates to documentation to ensure financial, compliance, strategic, reputational, and operational risks are mitigated.

**Status as of September 2025** – Management relayed a need for each of the remaining observation resolutions to go through an approval process at an ASUW meeting. As such, management has requested an extension to January 31, 2026. The Internal Audit team will review these observations for completion again in February 2026.

- **Observation #1c:** Completion date revised to **January 31, 2026.**
- **Observation #2b:** Completion date revised to **January 31, 2026.**
- **Observation #2d:** Completion date revised to **January 31, 2026.**

#### 24-4 Alumni Association – Fund management, Documentation, WyoCloud

- Audit Report Date: December 14, 2023
- Original Follow-Up Due: September 30, 2024
- The original report contained three observations comprising a total of six actions. The corrective actions and management action plans have been summarized as follows:
  - **Observation #1a:** Devise a process to include the presentation of full financial information (internal and external) to stakeholders. **(Completed)**
  - **Observation #1b:** Collaborate with Administration and Finance as well as General Counsel to review the MOA considering current practices and discuss options to ensure clarity regarding the expectations of compliance in the management of UWAA funds.
  - **Observation #2a:** Update UWAA Policies and Procedures to include references to University documents. **(Completed)**
  - **Observation #2b:** Create or update procedural documentation regarding critical activities. **(Completed)**
  - **Observation #3a:** Collaborate with the VP of Student Affairs to define roles and responsibilities as follows in the management of the lifecycle of WyoCloud financial activities. **(Completed)**
  - **Observation #3b:** Individuals in positions assigned as fulfilling the Responsible or Accountable role should complete the following University of Wyoming offered training:
    - Fund Balance
    - Cost Center Approver **(Completed)**

**Status as of September 2025** –

- **Observation #1b:** The new MOA has been created and signed by both parties. The MOA outlines and mandates that any expenditure made with university funds will follow all applicable University regulations, policies, and procedures. With Association funding, if choosing to not adhere to UW policies and regulations, the Association must use its own

policies and regulations. It is further noted that the Association shall maintain internal controls that are compliant with state and federal regulations. This MOA satisfies the objective of Observation #1b. The completion of the objectives of this final observation means the Alumni Association Management Action Plan is fully complete and will no longer be tracked by Internal Audit.

#### **24-5 UW Foundation Sister Accounts**

- Audit Report Date: June 3, 2024
- Original Follow-Up Due: September 30, 2024
- The original report contained an observation which stated that: Similar expenditure types were expended through UW and Foundation purchasing mechanisms and unallowable expenditures were observed using university funds and UW purchasing mechanisms rather than the appropriate Foundation purchasing mechanisms
  - **Observation #1:** Budget and Financial Affairs should further develop criteria and training regarding allowable expenditures and appropriate accompanying business purposes through UW purchasing mechanisms.
    - It is also recommended that this clarification reinforces what expenditures are not allowed on UW funds regardless of purchasing mechanism with specific language to include Foundation sister accounts. (Completed)

**Status as of September 2025** – UW SAP 7-9.15: Allowable Expenses went through the formal review and approval process and has been fully approved. Training to go over the SAPP with University Staff were held on two separate dates, one in-person and one over Zoom. This satisfies the requirements of the observation. As such this Management Action Plan is now complete and will no longer be tracked by Internal Audit in Future Follow-up reports.

**FISCAL AND LEGAL AFFAIRS COMMITTEE**  
**COMMITTEE MEETING MATERIALS**

**AGENDA ITEM TITLE:** Annual External Audit Pre-Audit Letter and Timeline

☒ OPEN SESSION

☐ CLOSED SESSION

**PREVIOUSLY DISCUSSED BY COMMITTEE:**

☒ Yes

☐ No

**FOR FULL BOARD CONSIDERATION:**

☐ Yes *[Note: If yes, materials will also be included in the full UW Board of Trustee report.]*

☒ No

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

**EXECUTIVE SUMMARY:** UW's external audit firm, Forvis Mazars, will lead a discussion on their annual pre-audit communication to the Board of Trustees, Fiscal and Legal Affairs Committee and Management for fiscal year 2025. Forvis Mazar's has been engaged to perform audits or agreed upon procedures engagements for the University of Wyoming Independent Auditor's Report and Financial Statements, Single Audit Report and Schedule of Expenditures of Federal Awards, Wyoming Public Media's Independent Audit Report and Financial Statements and the Agreed-Upon procedure engagements for Intercollegiate Athletics and Cowboy Joe Club.

Discussion regarding the external audit timeline will also occur.

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

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

**ACTION REQUIRED AT THIS COMMITTEE MEETING:** None

**PROPOSED MOTION:** None

# Forvis Mazars Planning Communication to the Board of Trustees, the Fiscal and Legal Affairs Committee, and Management

University of Wyoming

June 30, 2025

## Thank You for Selecting Forvis Mazars

We are grateful for the opportunity to serve the University of Wyoming (the University) and gain insight into your operations. This communication provides useful information relevant to your role as those charged with governance of the University, including summarized information required by professional standards, such as the planned scope and timing of the audit.

Our goal is to establish a foundation for effective two-way communication throughout the audit. We are available at your convenience to discuss this information and answer questions as we begin our audit.

## Contacts During the Engagement

We understand the appropriate person in the governance structure with whom to communicate is:

- Mr. Brad Bonner, Chairman of the Fiscal and Legal Affairs Committee

Your audit leader for any questions or communications is:

- Christopher Telli | [chris.telli@us.forvismazars.com](mailto:chris.telli@us.forvismazars.com) | 303.861.4545 office

## Overview & Responsibilities

Matter	Description of Audit Area
Scope of Our Audit	<p>We have been engaged to audit the financial statements and compliance with Federal awards of the University of Wyoming and Wyoming Public Media for the year ended June 30, 2025.</p> <p>Please refer to our contract dated May 14, 2025, for additional information and the terms of our engagement.</p>





Matter	Description of Audit Area
<b>Audit Standards &amp; Materiality</b>	<p>We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS), the standards applicable to financial statement audits contained in Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States, and Title 2 U.S. <i>Code of Federal Regulations</i> (CFR) Part 200, <i>Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards</i> (Uniform Guidance).</p> <p>Those standards require that we plan and perform the audit of the financial statements to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether caused by error or fraud; and the audit of compliance with the types of compliance requirements described in the U.S. Office of Management and Budget, Compliance Supplement that are applicable to each major federal award program to obtain reasonable rather than absolute assurance about whether noncompliance having a direct and material effect on a major federal award program occurred.</p> <p>We will conduct our audit of Wyoming Public Media in accordance with auditing standards generally accepted in the United States of America (GAAS). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.</p> <p>References to items that are material refer to misstatements, including omissions, that could, in our professional judgment, reasonably be expected to influence the economic decisions of users made on the basis of the financial statements.</p>
<b>Our Responsibilities</b>	<p>We are responsible for forming and expressing an opinion about whether the financial statements that have been prepared by management, with your oversight, are prepared, in all material respects, in accordance with the applicable financial reporting framework.</p>
<b>Your Responsibilities</b>	<p>Our audit of the financial statements does not relieve you or management of your responsibilities.</p>
<b>Distribution Restriction</b>	<p>This communication is intended solely for the information and use of the Board of Trustees and Fiscal and Legal Affairs Committee and, if appropriate, management of the University and is not intended to be, and should not be, used by anyone other than these specified parties.</p>

## Planned Timing of the Engagement

We succeed in our engagements by collaborating with management through frequent communication. We require the assistance of management and staff to prepare supporting documents, schedules, and analysis and depend on those items to be ready no later than the dates that we mutually agree will meet your deadlines.

We expect to begin our audit on approximately September 8, 2025. We anticipate that our team will be performing activities, both on site and remotely during these dates. We anticipate being on site the weeks of September 15, 2025 through October 3, 2025.

Draft financial statements are expected to be ready October 31, 2025, and we will issue our report on approximately November 21, 2025.

## Planned Audit Scope

We welcome any input you may have regarding the information discussed below. We also welcome any insight you have related to any other risk areas or other significant risk areas you believe warrant particular attention.

## Extent of Testing

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

## Establishing Our Understanding

An audit also includes obtaining an understanding of the University and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures, but not for the purpose of expressing an opinion on the effectiveness of the University's internal control over financial reporting. Accordingly, we will express no such opinion.

## Communicating Deficiencies or Significant Matters

An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate internal control-related matters that are required to be communicated under professional standards.

We will also communicate significant matters arising during the audit of the financial statements that are relevant to you in overseeing the financial reporting process as required by professional standards.

## Significant Risks of Material Misstatement

We have preliminarily identified the following areas of significant risks of material misstatement due to error or fraud and of material noncompliance and propose to address these areas as described:

<b>Risk Area(s)</b>	<b>Audit Approach</b>
Risk of management override of controls	Review accounting estimates for bias, review of journal entries, evaluate business rationale for unusual transactions
Revenue recognition	Review revenue for proper cut-off and compliance with requirements determining recognition for significant revenue streams including state appropriations, tuition and fees, and grants revenue. Perform test of details and analytic procedures and inquire of unexpected variances.
Grants revenue and receivable (University)	Perform various tests/analysis on balances to assess reasonableness of amounts recorded.

## Other Procedures to Be Performed

We will also perform certain procedures over the Wyoming Public Media to ensure compliance with the Corporation of Public Broadcasting guidelines and required reporting under those guidelines

We may also request written representations from the University's attorneys as part of the engagement, and they may bill the University for responding to this inquiry.

At the conclusion of our audit, we will require certain written representations from management about the financial statements and related matters.

We may identify additional significant risks as we complete our procedures.

## Use of Resources

- We plan to use the following in our audit:
  - Harvest Investments will be used to test the valuation of the investments held by the University
  - Forvis Mazars Information Technology Risk Services (ITRS) review of the IT systems

## Work Performed on Components of the University

The University of Wyoming Foundation (the Foundation), the discretely presented component unit of the University, is audited by other auditors. We will place reliance on the audit of the financial statements of the Foundation as of June 30, 2025, and for the year then ended. The audit of the Foundation is not audited in accordance with *Government Auditing Standards*.

## Adoption of New Accounting Standards

The entity must adopt Governmental Accounting Standards Board Statement No. 101 (GASB 101), *Compensated Absences*, as of July 1, 2024. Implementation of this standard includes developing a new methodology of estimating the liability related to compensated absences that conforms with the new standard and recording any increase in the compensated absence liability. Changes to footnote disclosures are also required.

## Consideration of Error or Fraud

One of the most common questions we receive from governing bodies is, “How do you address fraud in a financial statement audit?” Our responsibility, as it relates to fraud, in an audit of financial statements is addressed in auditing standards generally accepted in the United States of America.

Our audit approach includes such procedures as:

- Engagement team brainstorming
- Inquiries of management and others
- Reviewing accounting estimates for bias

## **FY 25 Audit Overview and Timeline**

### **University of Wyoming FORVIS Audit Timeline:**

- Main Audit Fieldwork - September 9th to October 31<sup>st</sup>
- Wyoming Public Media – September 29th -October 10th
- Single Audit – October 6th to October 17th
- Cowboy Joe Club Agreed Upon Procedures – September 29th to October 10th
- NCAA Agreed Upon Procedures – September 22nd to October 18th
- Draft Financial Statements - November 6th
- Review meeting of Draft Financial Statements – Possible dates for this ad-hoc FLAC meeting are proposed below for committee discussion:
  - Wednesday, November 12, 2025
  - Thursday, November 13, 2025
  - Friday, November 14, 2025
- Final Financial Statements – November 19<sup>th</sup> FLAC Meeting

**FISCAL AND LEGAL AFFAIRS COMMITTEE**  
**COMMITTEE MEETING MATERIALS**

**AGENDA ITEM TITLE:** Market Update and Quarterly Investment Performance Report

☒ OPEN SESSION

☐ CLOSED SESSION

PREVIOUSLY DISCUSSED BY COMMITTEE:

☒ Yes

☐ No

FOR FULL BOARD CONSIDERATION:

☐ Yes *[Note: If yes, materials will also be included in the full UW Board of Trustee report.]*

☒ No

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

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

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

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

ACTION REQUIRED AT THIS COMMITTEE MEETING: None

PROPOSED MOTION: None

# University of Wyoming

**September 5, 2025**

Gray Lepley, Senior Director

Joan Evans, Director

*A Division of U.S. Bancorp Asset Management, Inc.*

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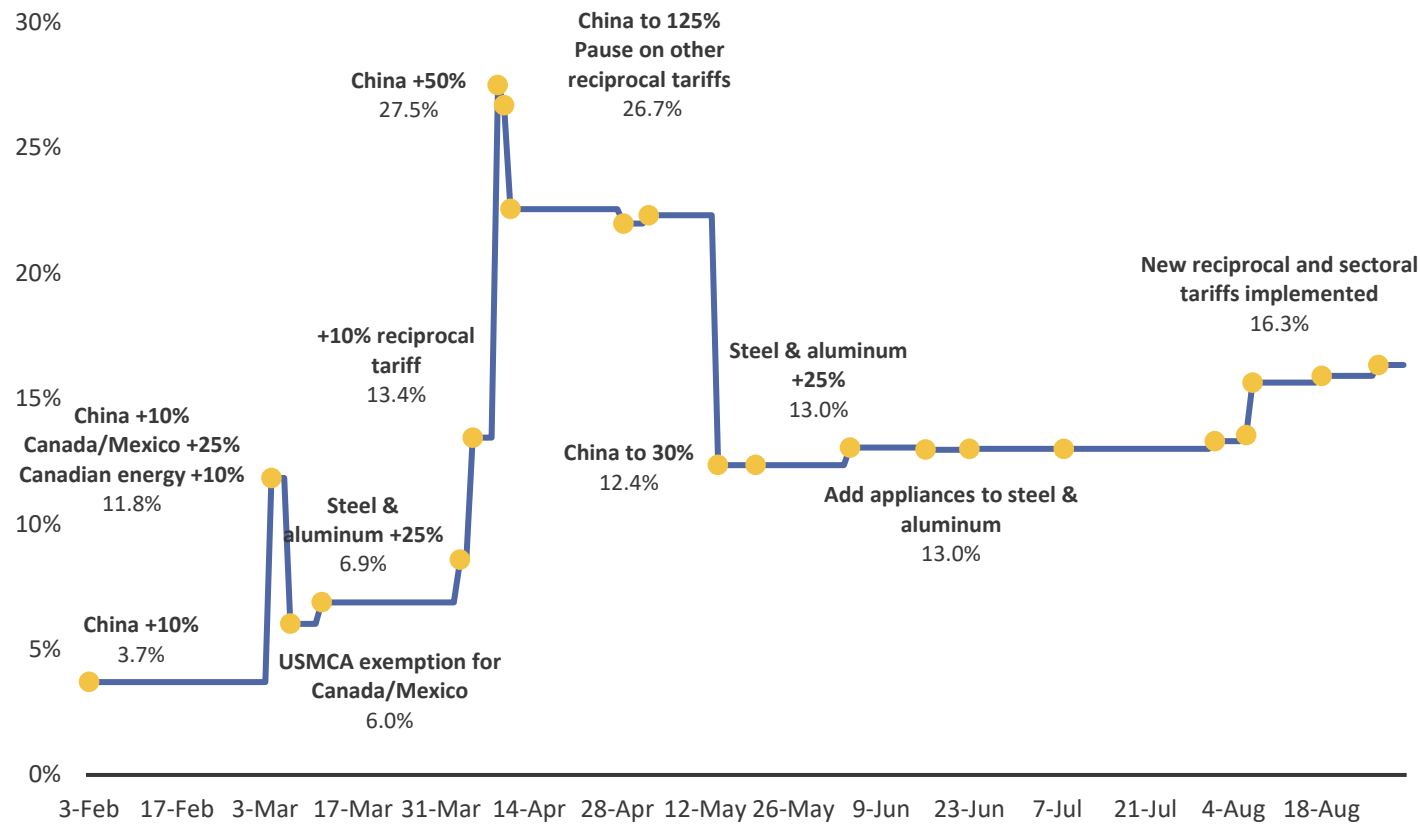
# Market Update



# Uncertainty Remains Exceptionally High

## Effective Tariff Rate

Select Activity from February 3, 2025 to August 31, 2025



## Fiscal Policy Adds to Uncertainty



Budget/Spending



Tax Reform



Funding Freezes



Debt Ceiling

Source: Bloomberg Finance L.P. as of August 31, 2025. Yellow dots represent activity impacting effective tariff rate.



# Impacts of Reconciliation Bill

## Congressional Budget Office (CBO)

Select Sectors FY 2025 - FY 2034



### TCJA & Tax Cuts

Increase deficit by **\$4.6 trillion**



### Armed Services

Increase deficit by **\$149 billion**



### Homeland Security

Increase deficit by **\$129 billion**



### Medicare & Medicaid

Decrease deficit by **\$1.1 trillion**



### Agriculture, Nutrition, and Forestry

Decrease deficit by **\$120 billion**

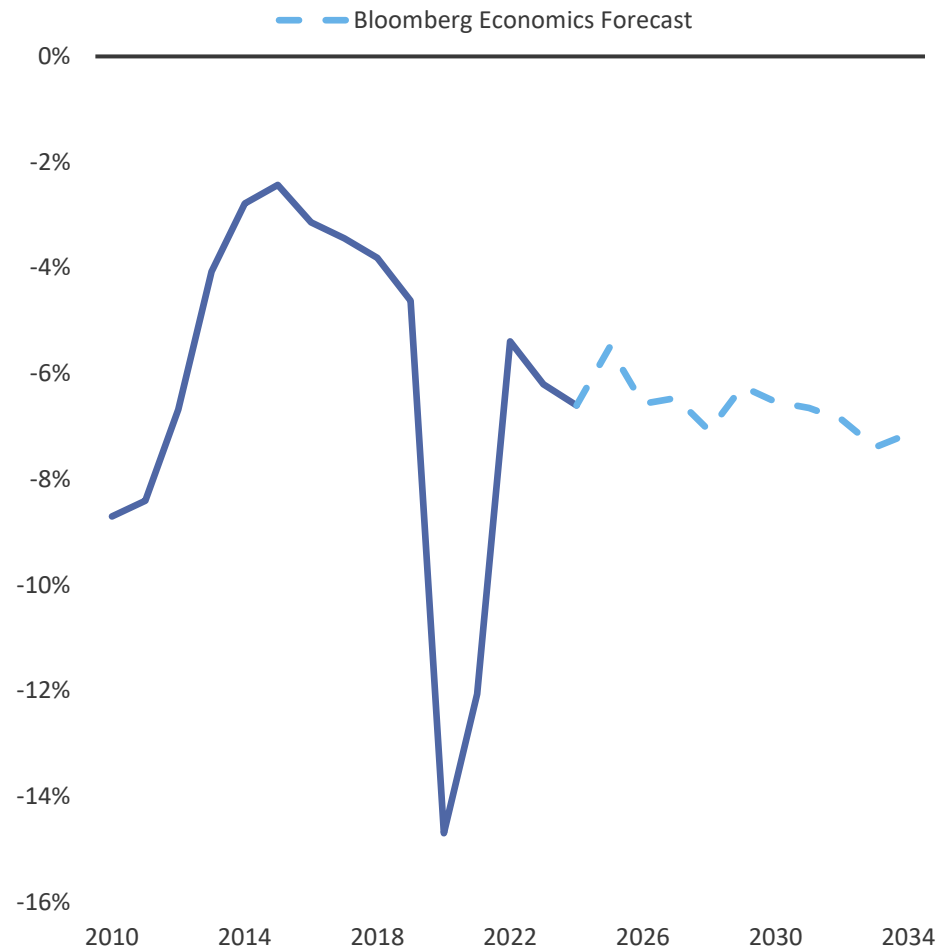


### Other Spending Cuts

Decrease deficit by **\$371 billion**

**Total Deficit Impact: \$3.4 Trillion Increase**

## U.S. Deficit to GDP



# Moody's Downgrades United States to Aa1

## ► Rationale for downgrade

- Large fiscal deficits which have led to increases in government debt and interest payment ratios to levels significantly above those of Aaa-rated peers
- High deficit-to-GDP and debt-to-GDP ratios that are expected to rise further due to increased interest payments on debt, rising entitlement spending, and relatively low new revenue generation

## ► Rationale for stable outlook

- Exceptional credit strengths such as the size, resilience and dynamism of its economy and the role of the US dollar as the global reserve currency

## ► The downgrade is generally expected to have a minimal impact on markets

- S&P and Fitch previously downgraded the United States in 2011 and 2023, respectively
- United States has been on credit watch negative by Moody's since November of 2023
- The dollar remains the world's reserve currency and Treasuries remain highly liquid
- Moody's also downgraded the U.S. government sponsored enterprises, and several banks and insurance companies whose rating was tied to the US government



# Economic Momentum Slows Amid Uncertainty

*Fed Chair Powell : “Despite elevated uncertainty, the economy is in a solid position. The unemployment rate remains low, and the labor market is at or near maximum employment. Inflation has come down a great deal but has been running somewhat above our 2 percent longer-run objective.”*

	2023												2024												2025							
CPI YoY	6.4	6.0	5.0	4.9	4.0	3.0	3.2	3.7	3.7	3.2	3.1	3.4	3.1	3.2	3.5	3.4	3.3	3.0	2.9	2.5	2.4	2.6	2.7	2.9	3.0	2.8	2.4	2.3	2.4	2.7	2.7	-
Unemployment Rate	3.5	3.6	3.5	3.4	3.6	3.6	3.5	3.7	3.8	3.9	3.7	3.8	3.7	3.9	3.9	3.9	4.0	4.1	4.2	4.2	4.1	4.1	4.2	4.1	4.0	4.1	4.2	4.2	4.2	4.1	4.2	4.3
U.S. Real GDP QoQ	2.8		2.4		4.4		3.2		1.6		3.0		3.1		2.4		-0.5		3.3		-											
Consumption QoQ	4.9		1.0		2.5		3.5		1.9		2.8		3.7		4.0		0.5		1.6		-											

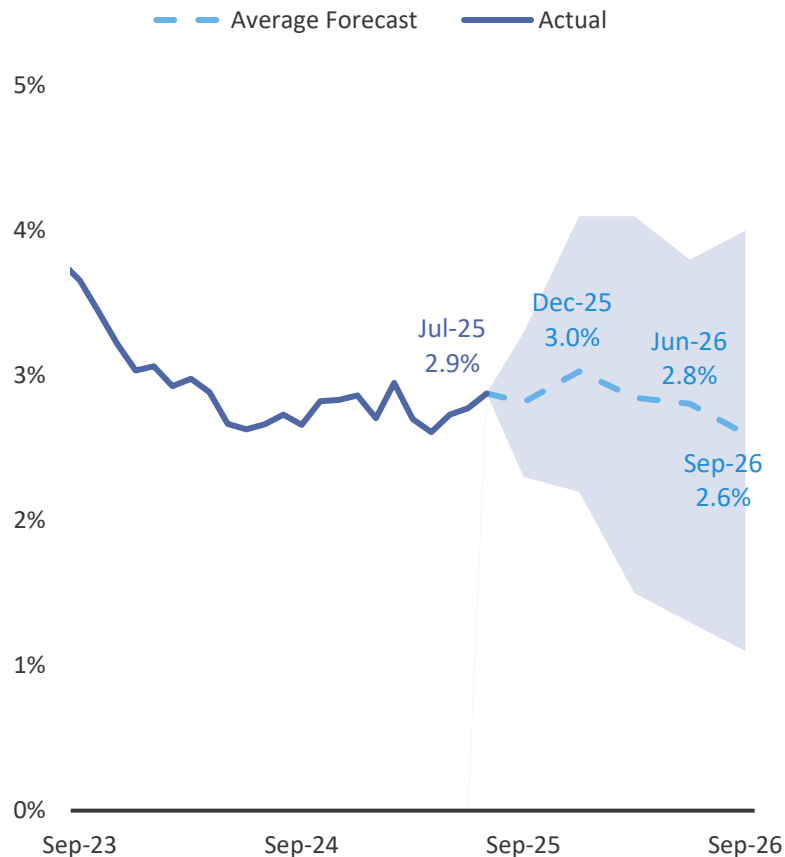


Source: FOMC Chair Jerome Powell Press Conference, June 18, 2025. Bloomberg Finance L.P., Bureau of Labor Statistics CPI as of July 2025 and unemployment rate as of August 2025. Bureau of Economic Analysis as of August 2025. The shading represents the deciles of each data point using 30 years of historical data.

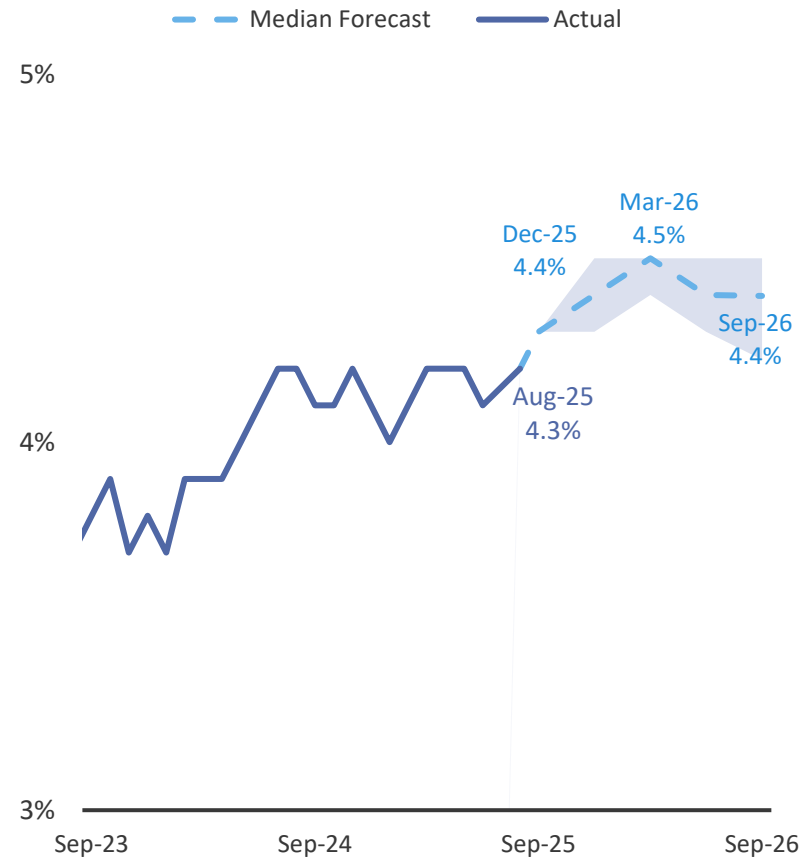
# The Fed's Dual Mandate Gets More Complicated

*Fed Chair Powell : "We may find ourselves in the challenging scenario in which our dual mandate goals are in tension. If that were to occur, we would consider how far the economy is from each goal and the potentially different time horizons over which those respective gaps would be anticipated to close."*

## Core PCE Inflation (YoY)



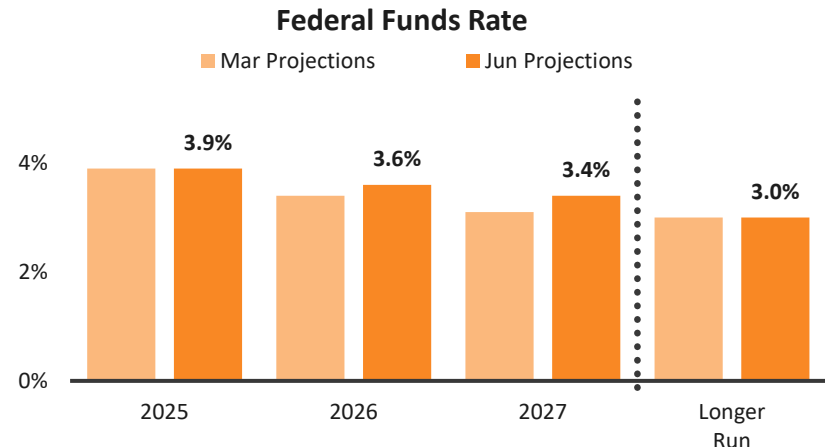
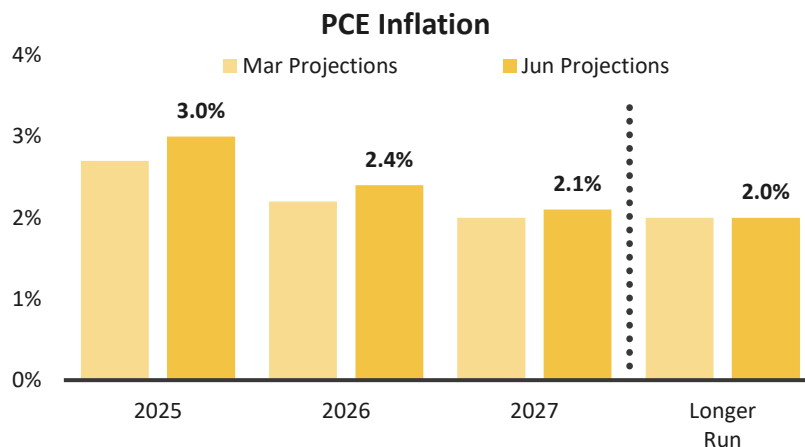
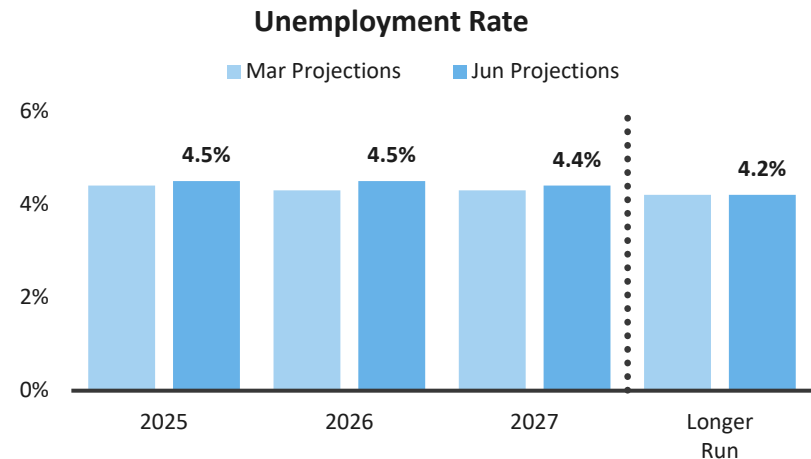
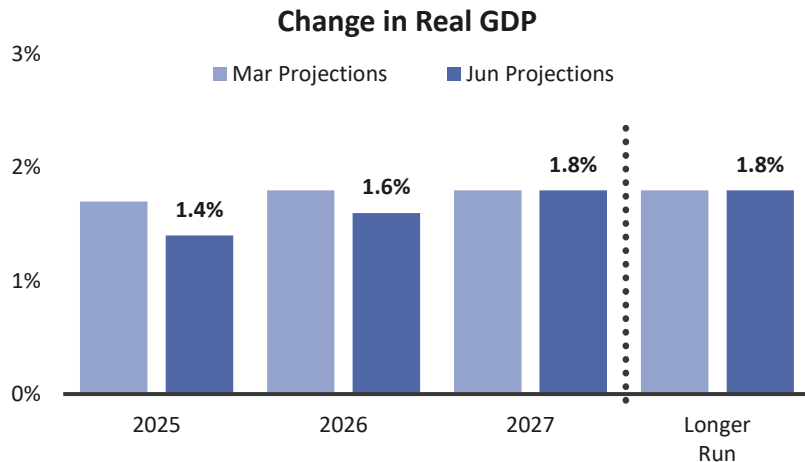
## Unemployment Rate



Source: FOMC Chair Jerome Powell Press Conference, June 18, 2025. Bureau of Economic Analysis, and Bloomberg Finance L.P., as of July 2025 (left). Bureau of Labor Statistics, and Bloomberg Finance L.P., as of August 2025 (right). Data is seasonally adjusted. Survey responses after August 29, 2025, included in median and forecast range. Forecast range shown is the 75th and 25th percentile of responses.

# Fed's Updated Summary of Economic Projections

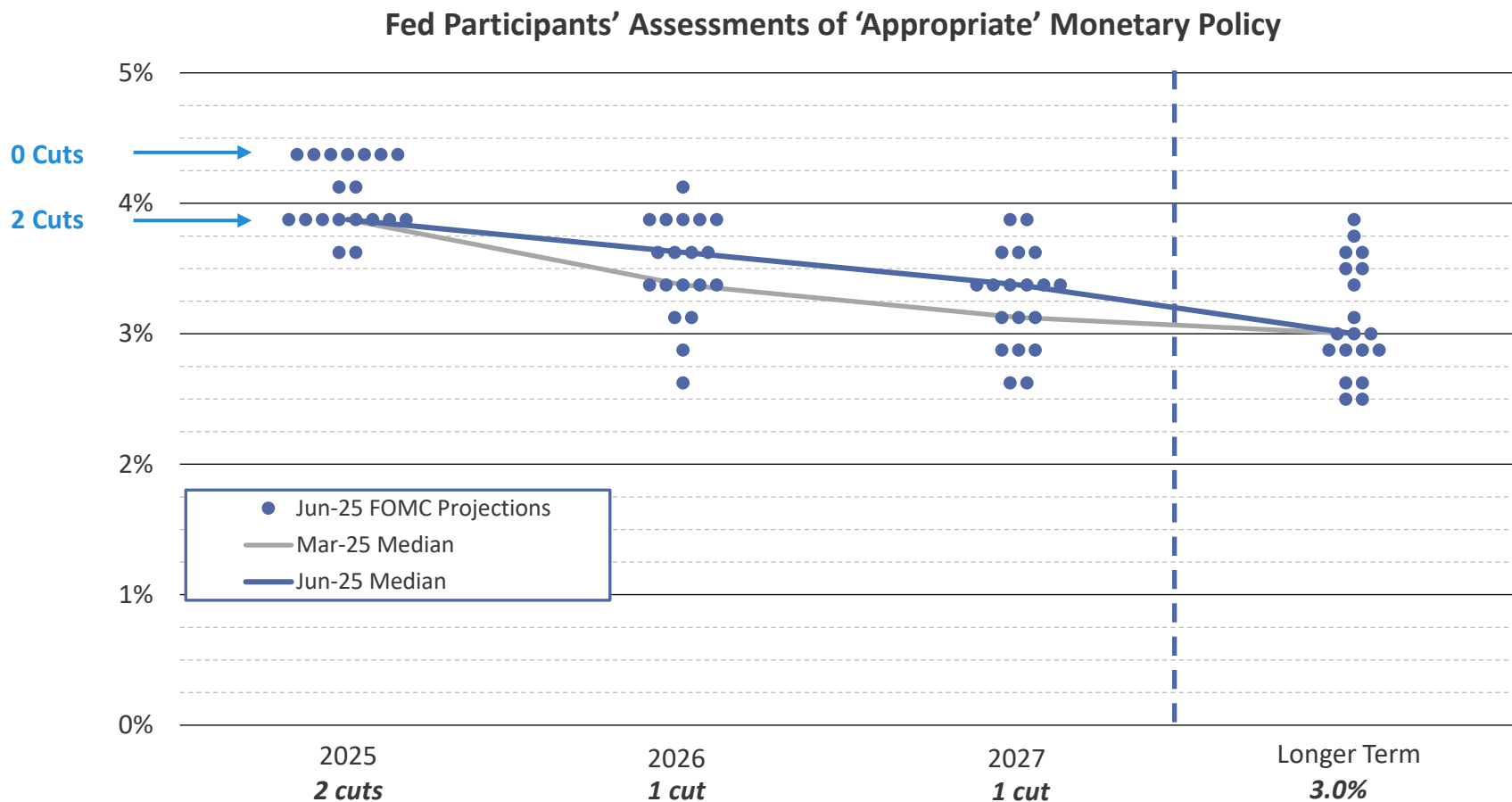
*Fed Chair Powell: "[T]hink of it as the least unlikely path in a situation like this where uncertainty is very high."*



Source: Federal Reserve, latest median economic projections as of June 2025.

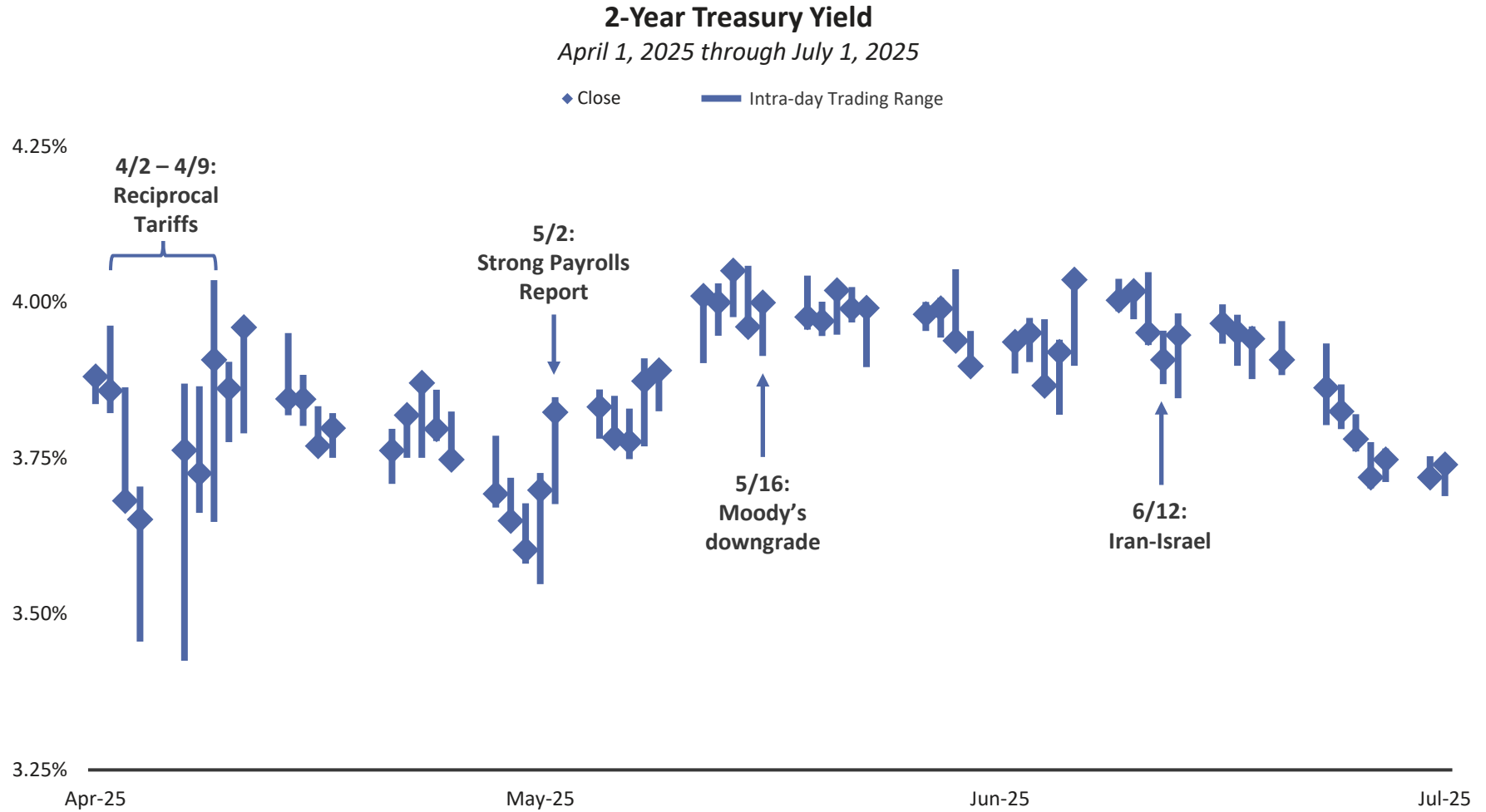
# Fed's Latest "Dot Plot" Shows Divergent Views

*Fed Chair Powell : "[W]ith uncertainty as elevated as it is, no one holds these rate paths with a lot of conviction."*



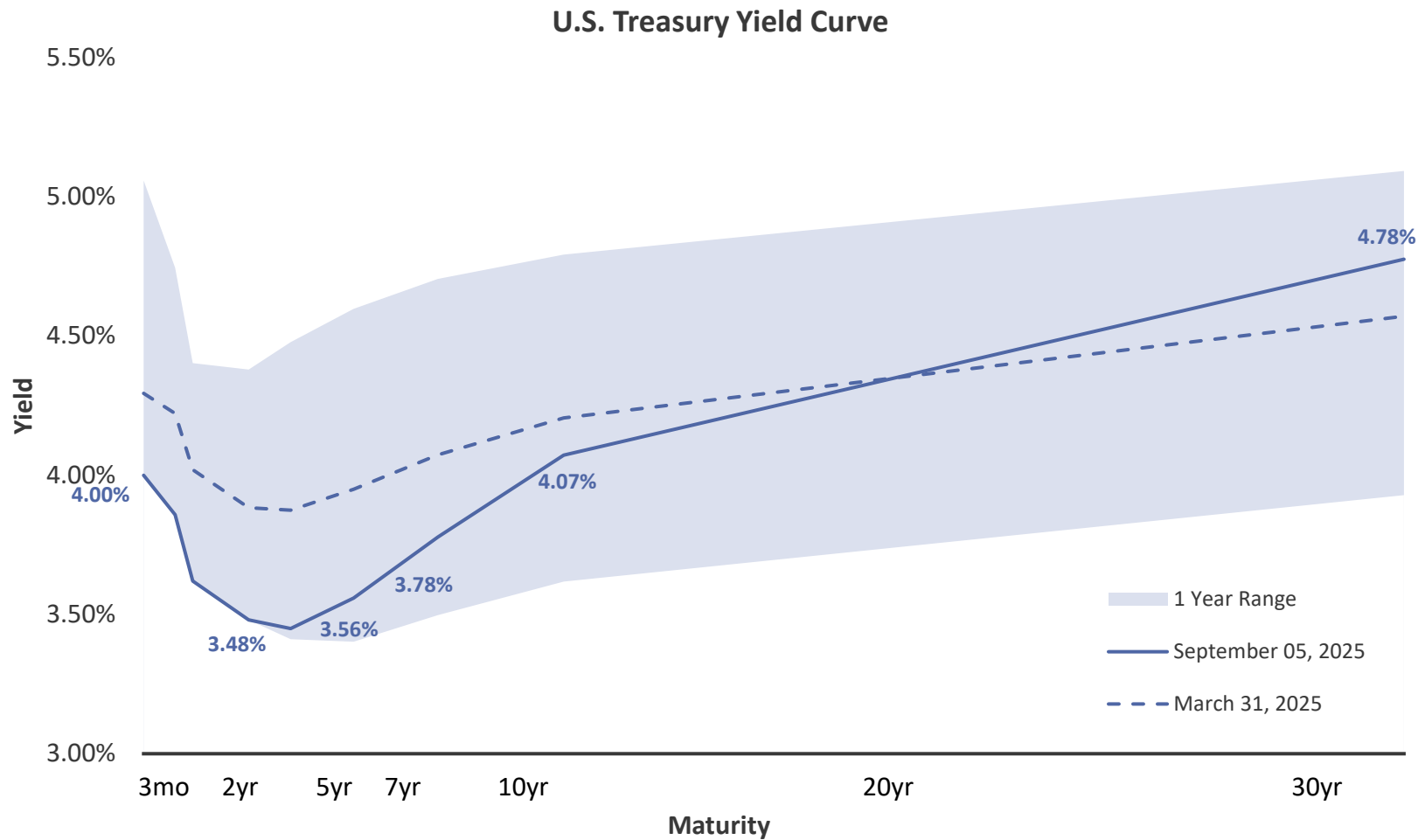
Source: Federal Reserve; Bloomberg Finance L.P. Individual dots represent each Fed members' judgement of the midpoint of the appropriate target range for the federal funds rate at each year-end. As of June 2025.

# Treasury Volatility Wanes



Source: Bloomberg Finance L.P., as of July 1, 2025.

# U.S. Treasury Yield Curve Steepens



Source: Bloomberg Finance L.P., as of September 5, 2025.



# Disclosures

*The views expressed within this material constitute the perspective and judgment of U.S. Bancorp Asset Management, Inc. at the time of distribution and are subject to change. Any forecast, projection, or prediction of the market, the economy, economic trends, and equity or fixed-income markets are based upon current opinion as of the date of issue and are also subject to change. Opinions and data presented are not necessarily indicative of future events or expected performance. Information contained herein is based on data obtained from recognized statistical services, issuer reports or communications, or other sources, believed to be reliable. No representation is made as to its accuracy or completeness.*

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**NOT FDIC INSURED : NO BANK GUARANTEE : MAY LOSE VALUE**



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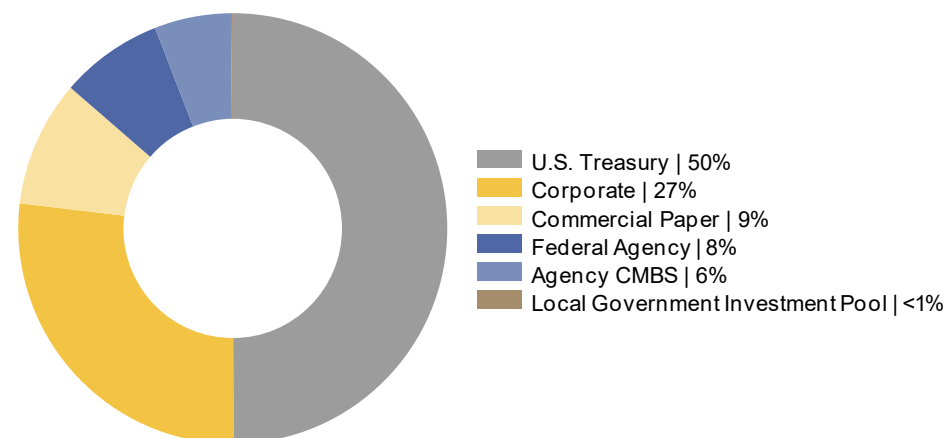
## Account Summary

## Consolidated Summary

### Account Summary

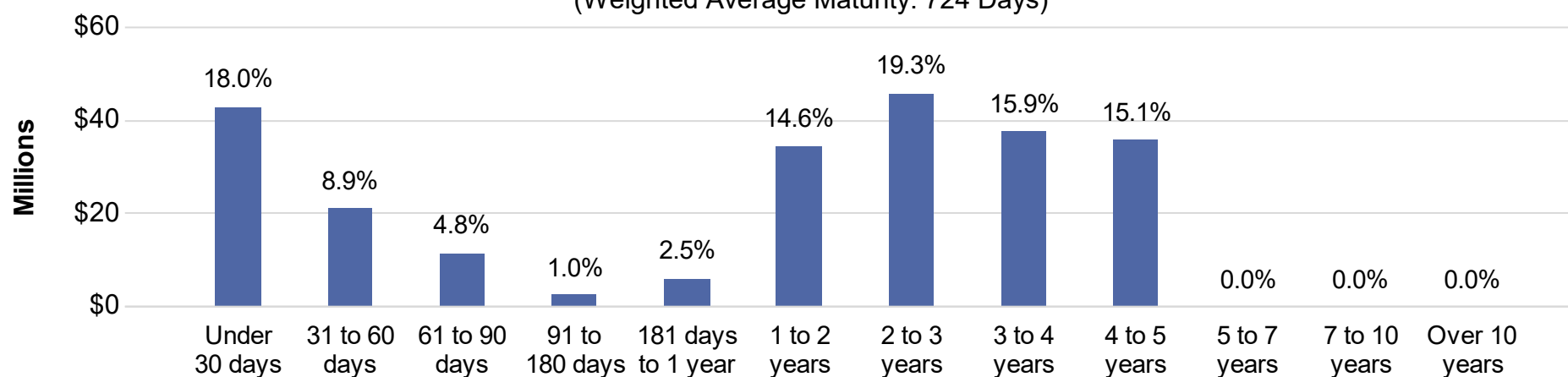
<b>WGIF</b>	\$76,489,193
<b>WGIF Managed Account</b>	\$236,958,790
<b>Total Program</b>	<b>\$313,447,983</b>

### Sector Allocation



### Maturity Distribution

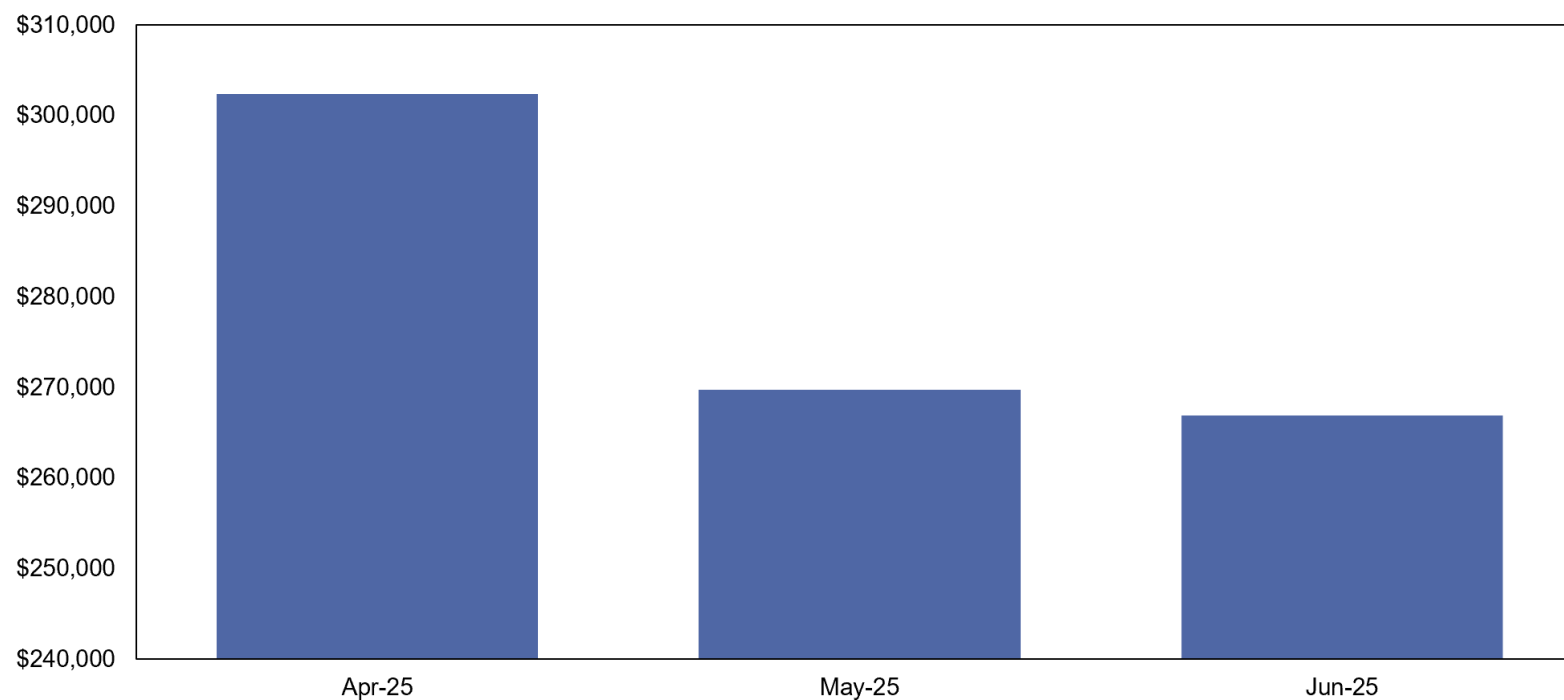
(Weighted Average Maturity: 724 Days)



1. Account summary and sector allocation include market values, accrued interest, and overnight balances. Maturity distribution includes market values and excludes accrued interest and overnight balances

2. Sector allocation and maturity distribution only include Core and Short Term portfolios

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



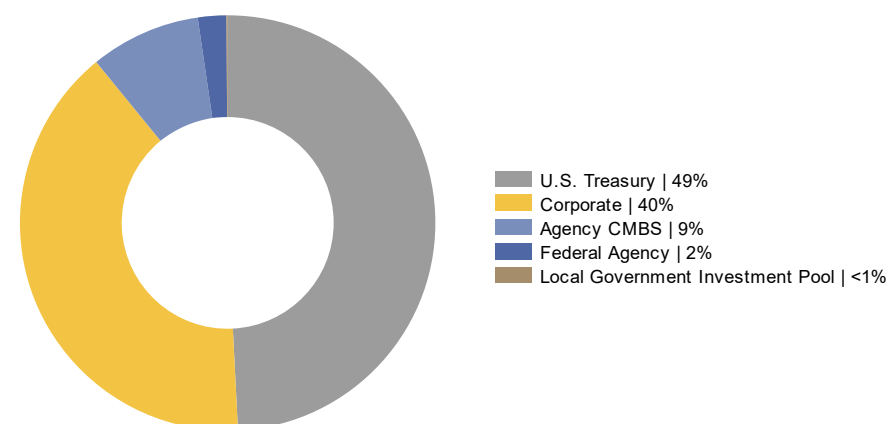
	April 2025	May 2025	June 2025
UW General Fund UW	\$274,979	\$241,792	\$240,317
University Deposit	\$27,421	\$27,914	\$26,535
2021 Construction Fund	\$18	\$18	\$18
<b>Total Accrual Income</b>	<b>\$302,418</b>	<b>\$269,724</b>	<b>\$266,870</b>

## Portfolio Snapshot - WGIF-UNIVERSITY OF WYOMING CORE<sup>1</sup>

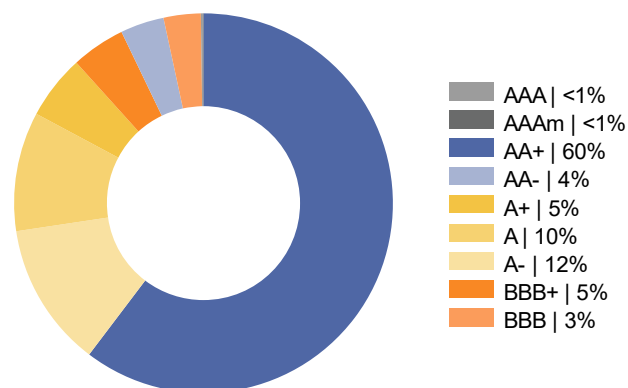
### Portfolio Statistics

<b>Total Market Value</b>	\$159,743,660.86
<i>Managed Account Sub-Total</i>	<i>\$158,096,832.82</i>
<i>Accrued Interest</i>	<i>\$1,517,283.94</i>
<i>Pool</i>	<i>\$129,544.10</i>
<b>Portfolio Effective Duration</b>	2.53 years
<b>Benchmark Effective Duration</b>	2.51 years
<b>Yield At Cost</b>	4.20%
<b>Yield At Market</b>	4.07%
<b>Portfolio Credit Quality</b>	AA

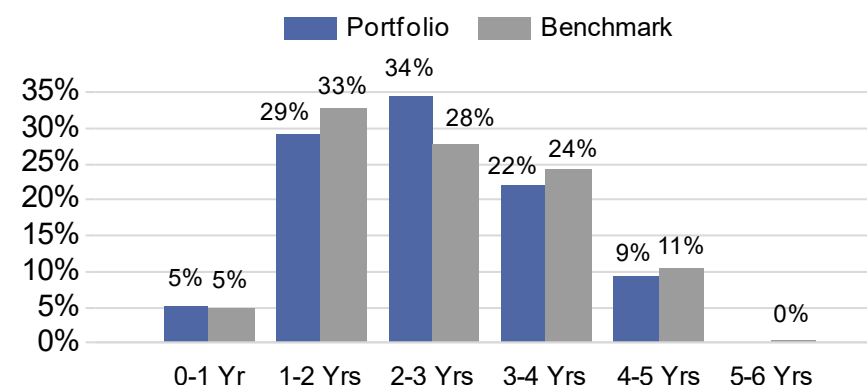
### Sector Allocation



### Credit Quality - S&P



### Duration Distribution



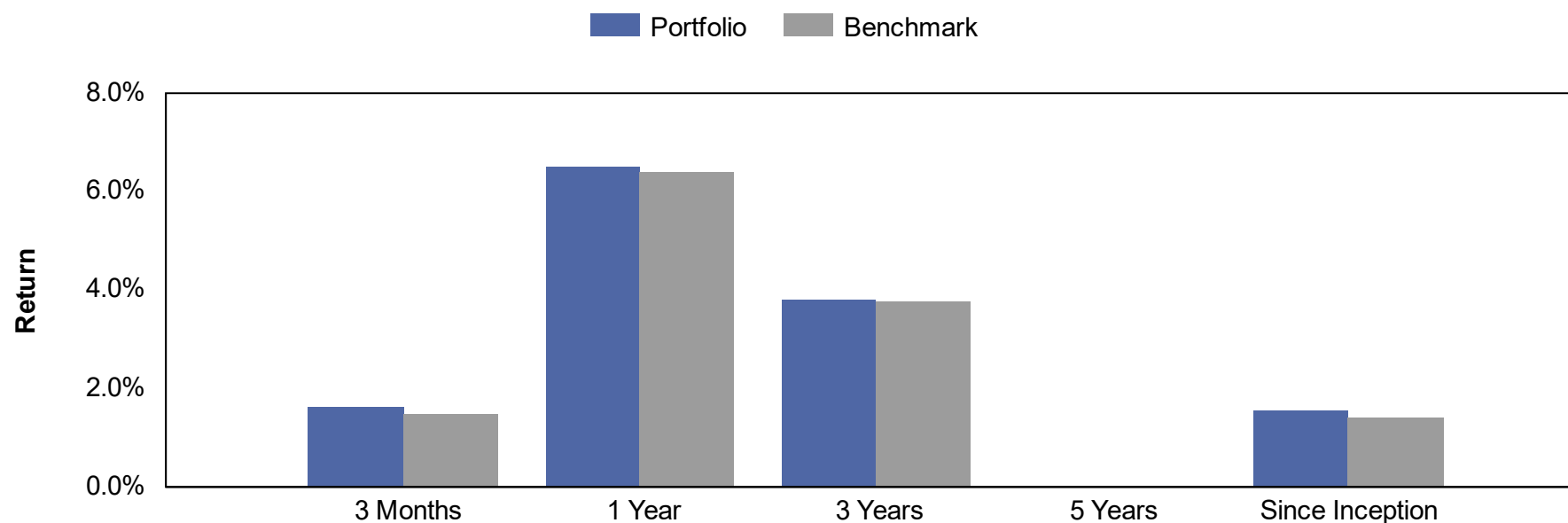
1. Total market value includes accrued interest and balances invested in WGIF, as of June 30, 2025.

Yield and duration calculations exclude balances invested in WGIF.

The portfolio's benchmark is the ICE BofA 1-5 Year U.S. Government/Corp Index. Source: Bloomberg Financial LP.

An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.

## Portfolio Performance



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception <sup>1</sup>
Interest Earned <sup>2</sup>	\$1,521,316	\$5,680,269	\$10,089,772	-	\$11,226,353
Change in Market Value	\$1,020,681	\$3,774,074	\$4,167,728	-	(\$1,099,075)
<b>Total Dollar Return</b>	<b>\$2,541,997</b>	<b>\$9,454,343</b>	<b>\$14,257,500</b>	<b>-</b>	<b>\$10,127,278</b>
<b>Total Return<sup>3</sup></b>					
Portfolio	1.63%	6.52%	3.80%	-	1.56%
Benchmark <sup>4</sup>	1.49%	6.42%	3.75%	-	1.43%
<b>Difference</b>	<b>0.14%</b>	<b>0.10%</b>	<b>0.04%</b>	<b>-</b>	<b>0.14%</b>

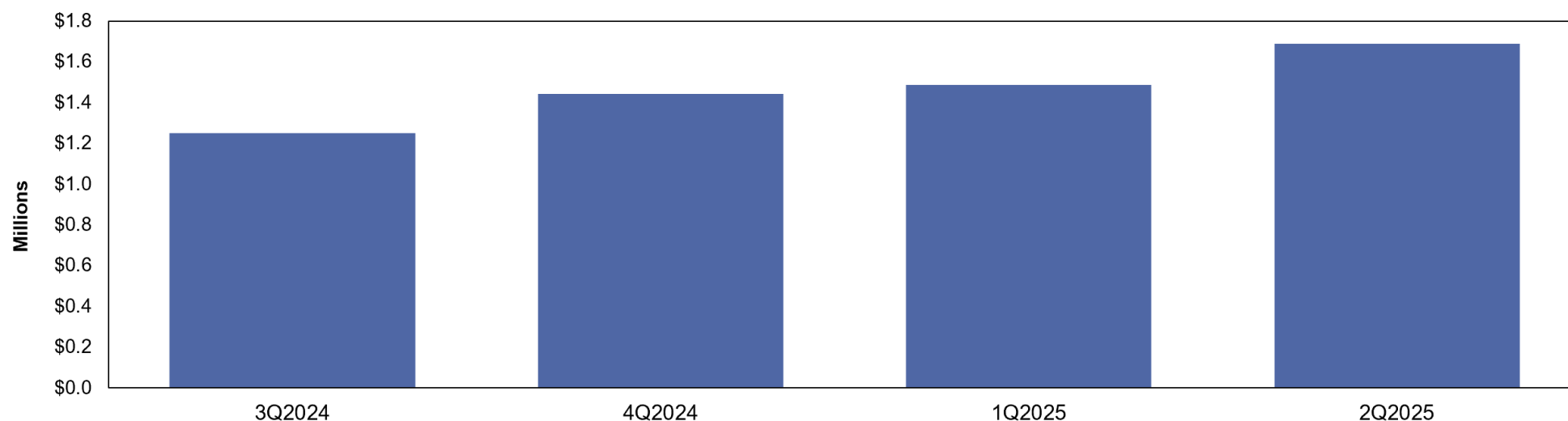
1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is March 31, 2021.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

4. The portfolio's benchmark is the ICE BofA 1-5 Year U.S. Government/Corp Index. Source: Bloomberg Financial LP.

## Accrual Basis Earnings - WGIF-UNIVERSITY OF WYOMING CORE



Accrual Basis Earnings	3Q2024	4Q2024	1Q2025	2Q2025
Interest Earned <sup>1</sup>	\$1,301,715	\$1,416,519	\$1,440,720	\$1,521,316
Realized Gains / (Losses) <sup>2</sup>	(\$163,869)	(\$79,820)	(\$70,180)	\$77,172
Change in Amortized Cost	\$111,439	\$107,354	\$115,345	\$91,578
<b>Total Earnings</b>	<b>\$1,249,284</b>	<b>\$1,444,053</b>	<b>\$1,485,885</b>	<b>\$1,690,066</b>

1. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

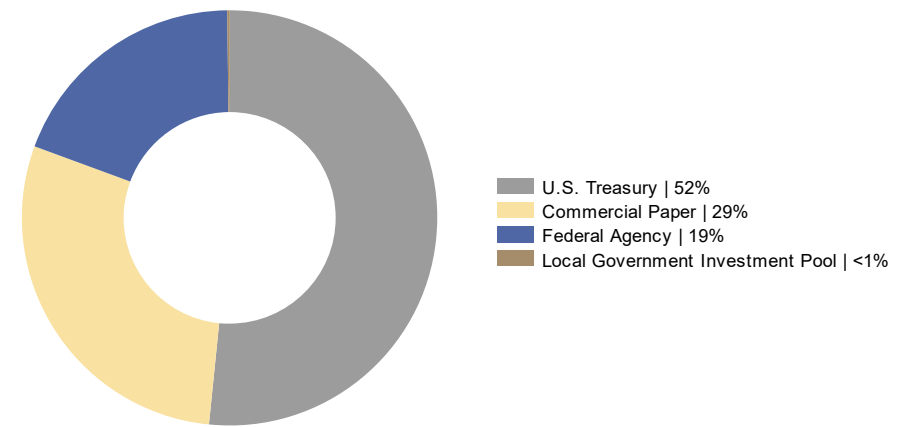
2. Realized gains / (losses) are shown on an amortized cost basis.

## Portfolio Snapshot - WGIF-UNIVERSITY OF WYOMING SHORT TERM<sup>1</sup>

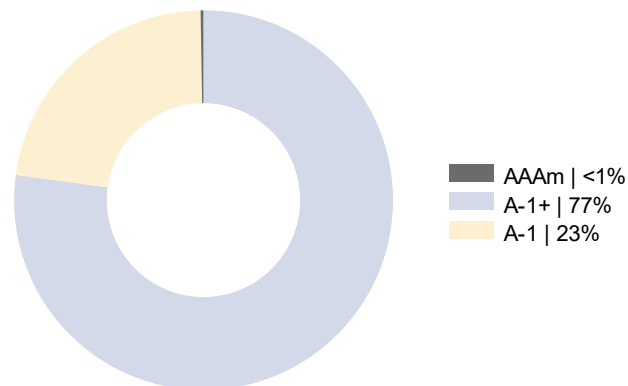
### Portfolio Statistics

<b>Total Market Value</b>	\$77,527,175.19
Managed Account Sub-Total	\$77,344,672.95
Accrued Interest	\$0.00
Pool	\$182,502.24
<b>Portfolio Effective Duration</b>	0.09 years
<b>Benchmark Effective Duration</b>	0.40 years
<b>Yield At Cost</b>	4.20%
<b>Yield At Market</b>	4.31%
<b>Portfolio Credit Quality</b>	AA

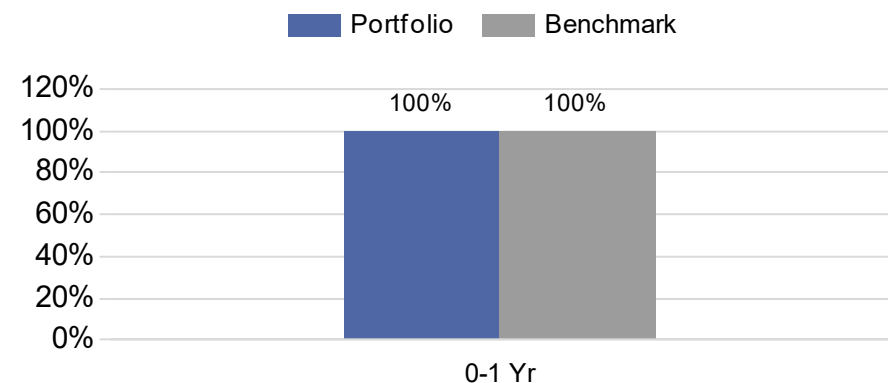
### Sector Allocation



### Credit Quality - S&P



### Duration Distribution



1. Total market value includes accrued interest and balances invested in WGIF, as of June 30, 2025.

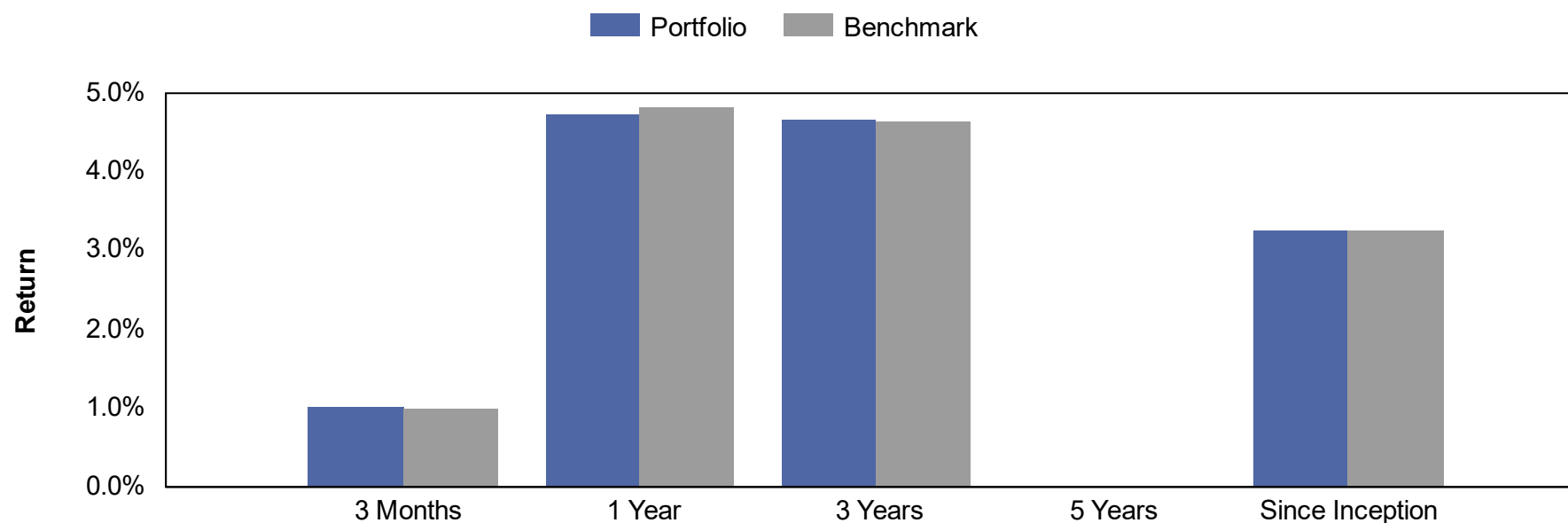
Yield and duration calculations exclude balances invested in WGIF.

The portfolio's benchmark is the ICE BofA 6 Month U.S. Treasury Bills Index. Source: Bloomberg Financial LP.

An average of each security's credit rating was assigned a numeric value and adjusted for its relative weighting in the portfolio.



## Portfolio Performance



Market Value Basis Earnings	3 Months	1 Year	3 Years	5 Years	Since Inception <sup>1</sup>
Interest Earned <sup>2</sup>	\$169,510	\$306,091	\$1,684,652	-	\$1,912,817
Change in Market Value	\$656,366	\$3,184,790	\$11,001,587	-	\$10,729,646
<b>Total Dollar Return</b>	<b>\$825,876</b>	<b>\$3,490,881</b>	<b>\$12,686,239</b>	<b>-</b>	<b>\$12,642,463</b>
<b>Total Return<sup>3</sup></b>					
Portfolio	1.03%	4.72%	4.66%	-	3.26%
Benchmark <sup>4</sup>	1.00%	4.82%	4.63%	-	3.25%
<b>Difference</b>	<b>0.02%</b>	<b>-0.09%</b>	<b>0.03%</b>	<b>-</b>	<b>0.01%</b>

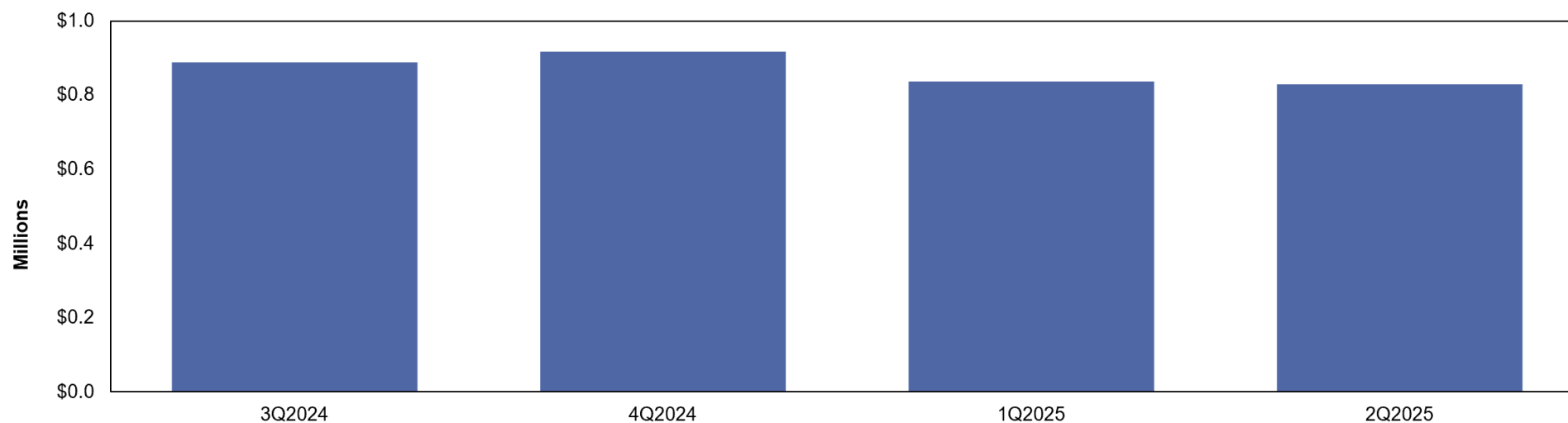
1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is March 31, 2021.

2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

3. Returns for periods one year or less are presented on a periodic basis. Returns for periods greater than one year are presented on an annualized basis.

4. The portfolio's benchmark is the ICE BofA 6 Month U.S. Treasury Bills Index. Source: Bloomberg Financial LP.

## Accrual Basis Earnings - WGIF-UNIVERSITY OF WYOMING SHORT TERM



Accrual Basis Earnings	3Q2024	4Q2024	1Q2025	2Q2025
Interest Earned <sup>1</sup>	\$48,981	\$7,457	\$80,143	\$169,510
Realized Gains / (Losses) <sup>2</sup>	-	-	\$1,437	-
Change in Amortized Cost	\$839,975	\$909,363	\$754,944	\$660,151
<b>Total Earnings</b>	<b>\$888,956</b>	<b>\$916,820</b>	<b>\$836,524</b>	<b>\$829,662</b>

1. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

2. Realized gains / (losses) are shown on an amortized cost basis.

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It is not possible to invest directly in an index. The index returns shown throughout this material do not represent the results of actual trading of investor assets. Third-party providers maintain the indices shown and calculate the index levels and performance shown or discussed. Index returns do not reflect payment of any sales charges or fees an investor would pay to purchase the securities they represent. The imposition of these fees and charges would cause investment performance to be lower than the performance shown.

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- Generally, PFMAM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services. There may be differences in the values shown for investments due to accrued but uncollected income and the use of differing valuation sources and methods. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFMAM believes the prices to be reliable, the values of the securities may not represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for a registered investment company or local government investment program is contained in the appropriate fund offering documentation or information statement.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. **Past performance is not indicative of future returns.**
- ICE Bank of America Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

## Glossary

- **Accrued Interest:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **Agencies:** Federal agency securities and/or Government-sponsored enterprises.
- **Amortized Cost:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **Asset-Backed Security:** A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- **Bankers' Acceptance:** A draft or bill of exchange accepted by a bank or trust company. The accepting institution guarantees payment of the bill as well as the insurer.
- **Commercial Paper:** An unsecured obligation issued by a corporation or bank to finance its short-term credit needs, such as accounts receivable and inventory.
- **Contribution to Total Return:** The weight of each individual security multiplied by its return, then summed for each sector to determine how much each sector added or subtracted from the overall portfolio performance.
- **Effective Duration:** A measure of the sensitivity of a security's price to a change in interest rates, stated in years.
- **Effective Yield:** The total yield an investor receives in relation to the nominal yield or coupon of a bond. Effective yield takes into account the power of compounding on investment returns, while nominal yield does not.
- **FDIC:** Federal Deposit Insurance Corporation. A federal agency that insures bank deposits to a specified amount.
- **Interest Rate:** Interest per year divided by principal amount and expressed as a percentage.
- **Market Value:** The value that would be received or paid for an investment in an orderly transaction between market participants at the measurement date.
- **Maturity:** The date upon which the principal or stated value of an investment becomes due and payable.
- **Negotiable Certificates of Deposit:** A CD with a very large denomination, usually \$1 million or more, that can be traded in secondary markets.
- **Par Value:** The nominal dollar face amount of a security.
- **Pass-through Security:** A security representing pooled debt obligations that passes income from debtors to its shareholders. The most common type is the mortgage-backed security.

## Glossary

- Repurchase Agreements: A holder of securities sells these securities to an investor with an agreement to repurchase them at a fixed price on a fixed date.
- Settle Date: The date on which the transaction is settled and monies/securities are exchanged. If the settle date of the transaction (i.e., coupon payments and maturity proceeds) occurs on a non-business day, the funds are exchanged on the next business day.
- Supranational: A multinational union or association in which member countries cede authority and sovereignty on at least some internal matters to the group, whose decisions are binding on its members.
- Trade Date: The date on which the transaction occurred; however, the final consummation of the security transaction and payment has not yet taken place.
- Unsettled Trade: A trade which has been executed; however, the final consummation of the security transaction and payment has not yet taken place.
- U.S. Treasury: The department of the U.S. government that issues Treasury securities.
- Yield: The rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.
- YTM at Cost: The yield to maturity at cost is the expected rate of return based on the original cost, the annual interest receipts, maturity value, and the time period from purchase date to maturity, stated as a percentage on an annualized basis.
- YTM at Market: The yield to maturity at market is the rate of return based on the current market value, the annual interest receipts, maturity value, and the time period remaining until maturity, stated as a percentage on an annualized basis.

## 2021C Bond Proceeds

Remaining Bond Proceeds at 6/30/2025:	Total
WGIF	\$ 17
Demand Deposit SLGS	<u>5,905,541</u>
Total	\$ 5,905,558

- \$46,300,000 was invested in Demand Deposit SLGS (State and Local Government Series) in early September 2024.
- \$40,394,442 has been withdrawn to reimburse the University for eligible expenditures on the Housing and Dining Project.

# Total UW Portfolio

Account	Total as of June 30, 2025
WGIF	\$76,489,193
Short Term	77,344,673
Core	159,614,117
Construction Funds-WGIF	17
Construction Funds-Demand Deposit SLGS	<u>5,905,541</u>
<b>Total UW Portfolio</b>	<b>\$319,353,541</b>