

UW Board of Trustees Fiscal and Legal Affairs Committee
Agenda
November 19, 2025

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

Agenda #	Description	Page #
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4.	Finance- Fiscal Year 2025 Audit Reports and Financial Statements - Forvis Mazars *Note: Draft reports have been provided to the committee. A final draft will be forwarded before the Wednesday, November 19 th meeting. Narrative-Annual Audited Financial Reports and Agreed upon Procedures Reports	37
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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. With 1/3 of the year hours incurred through October 2025, the projects are not 1/3 complete.

So far, three projects carried over from last year are complete, and six projects are underway in the planning or fieldwork phase. Additionally, the first-ever Internal Quality Assurance and Improvement plan has completed the initial assessment and is still underway pending improvements followed by an independent validation.

The audit of Budget and Financial Affairs Internal Billing (both Operations and Service Centers) will be started in mid-November. Timelines have been determined after meeting and reaching consensus with heads of respective processes, with several projects recommended for a late-year or summer 2026 timeline.

- College of Health Sciences
- Labor Laws
- Remote locations and Remote workers
- Clery Act Reporting

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
GROSS HOURS	Total Hours Available (3 FTE)		6,240		2,136	
Holiday	Hours UW is closed		(360)	6%	(48)	
Annual Leave	Vacation		(240)	4%	(210)	
Annual Leave	Sick leave		(288)	5%	(38)	
NET HOURS	AVAILABLE PROJECT HOURS		5,352	86%	1,840	
Required Initiatives			1,697	31.7%	820	-
Training	Hours assigned for UW required training and continuing education credits for certifications.	Required for Certifications	380	7%	156	
Quality Assessment	Quality Improvement Plan, prepare for independent verification of self-assessment of internal audit function	Per IIA Standards	80	1%	92	In progress
Administration	Staff meetings, FLAC, policy review, research/development, web-site update, strategic planning, recruiting, etc.		517	10%	493	
Advising	Consultative and special projects, (i.e., collaboration with Procurement, Foundation, Risk, etc.)		240	4%	28	
Follow-Ups	Follow-Up monitoring, verifications & reporting	As Required	160	3%	40	
Investigations	Fraud, Waste, and Abuse (FWA) Investigations	As Needed	320	6%	103	
	Annual/Rotating Projects	Recurring	790	14.8%	136	
	Athletics/NCAA Topics	Ongoing Rotation	160	3%		
	Agricultural Extension Programs	Ongoing Rotation	200	4%	104	Planning
	Continuous Monitoring Progress	Annual	80	1%		
	Risk Assessment (Annual)	Annual	150	3%	32	In progress
	Results and Reporting (Annual)	Annual	80	1%		
	Cashiers & Vault Count	Biannual	120	2%		
	Carried Forward From Prior Year	Carryforwards	420	7.8%	2	
	HR/Payroll Incremental Review - Hiring and Recuriting	PY Risk Assessment	150	3%	1	Planning
	HR - Leave policies /Usage	PY Risk Assessment	150	3%	1	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%		
	Change in Leadership Audits	Leadership Changes	1,050	19.6%	428	
	College of Law	Leadership Change	-	0%	39	Complete
	College of Education	Leadership Change	-	0%	365	Complete
	University Libraries	Leadership Change	-	0%	62	Complete
	College of Health Sciences	Leadership Change	150	3%		Postponed
	College of Agriculture	Leadership Change	150	3%		Planning
	VP/CIO Enterprise Technology	Leadership Change	150	3%	1	
	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%		
	Risk-Based Audits/Projects	Risk Assessment	1,650	30.8%	339	
	Internal Billing (Operations Departments)	Risk Assessment (LH)	150	3%	21	Planning
	Internal Billing (Service Centers)	Risk Assessment (LH)	150	3%	74	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%	1	Postponed
	Remote locations and Remote workers (including out of state)	Risk Assessment (HL)	150	3%	1	Postponed
	Payroll Approval Process	Risk Assessment (HL)	150	3%	239	95%
	Procurement Efficiency	Risk Assessment (HL)	150	3%	1	
	P-Cards	Risk Assessment (HL)	150	3%		
	Clery Act Reporting	Risk Assessment (HL)	150	3%	2	Postponed
	Student Accounts Billing & Receivables	Risk Assessment (HL)	150	3%		
	Total Hours Assigned		5,607	104.8%		
	Total Remaining Hours		(255.4)	-5%		

Summary:

Three audits targeted for completion in Fiscal Year 2025 have been carried into the current fiscal year and incurred an additional 466 hours from this year's audit plan.

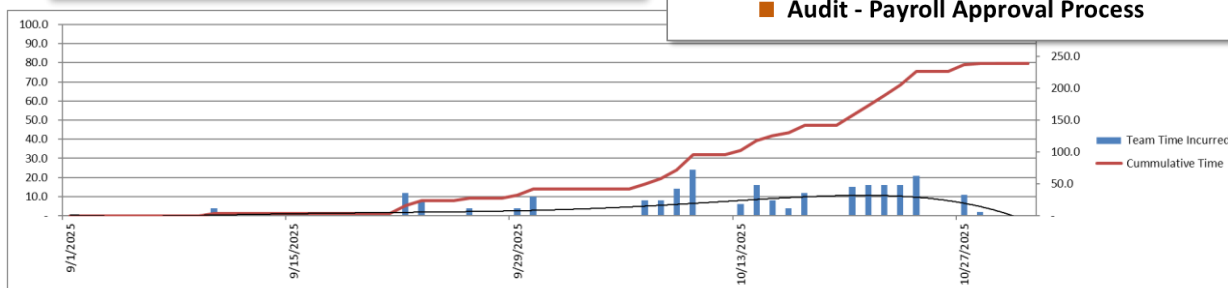
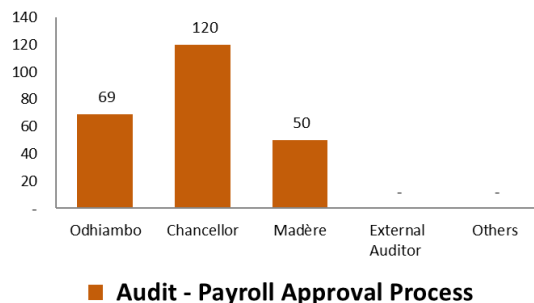
Discussion:

Most projects completed have incurred more than the estimated standard of 150 hours/project. For example, the Payroll Approval Process audit has incurred 239 hours and is about 95% complete, suggesting a revised estimate of 251 hours.

The time tracker tool is now operational, and it gives us insight into project time including:

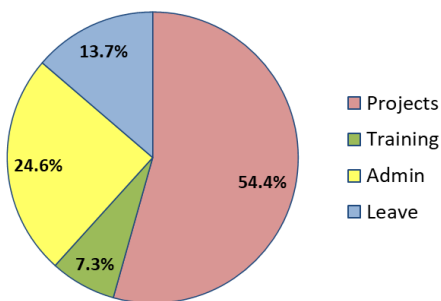
- Elapsed time
- Total time
- Team member activity distribution
- Project phases

Charged Time For This Project

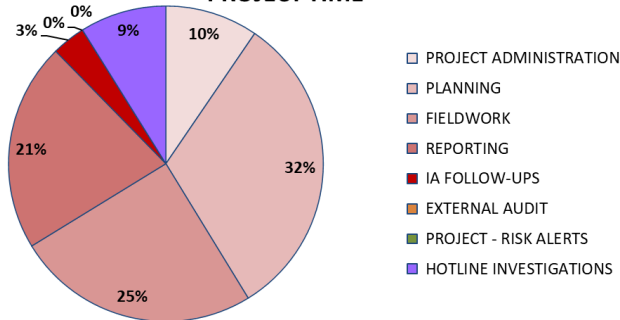


The tool provides data by project and also helps us to track and understand department-wide trends and patterns necessary for making accurate projections.

Internal Audit Team

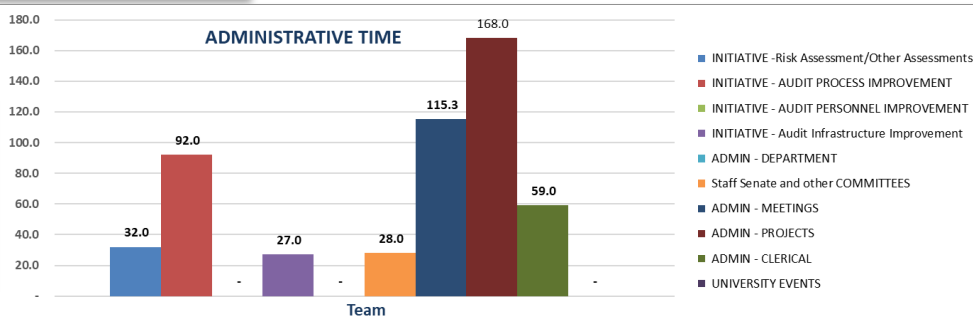


PROJECT TIME



Drill-downs are available for every project at every level.

ADMINISTRATIVE TIME



Takeaway:

Additional details will be provided during the Audit Directors Report to the Committee, and a recommendation for prioritization of projects in the second half of the fiscal year will be made presented at the January FLAC meeting.



Office of Internal Audit

Internal Audit of College of Education

October 23, 2025

Auditors:

Whit Madère, MBA, MEd, CPA, CFE, CCEP

John Odhiambo, CPA

Kevin Chancellor, PMP

October 23, 2025

University of Wyoming Board of Trustees:

Internal Audit has completed an audit of the University of Wyoming College of Education. This audit was part of the FY 2024-2025 approved internal audit plan.

The objectives of this audit were to assess the adequacy and effectiveness of internal controls and related key processes that include Accounts Receivable, Financial Analysis and Management Reporting, Scholarships Review, Foundation Accounts, Purchasing and Accounts Payable processes including P-Card Expenses and Employee Reimbursement, Payroll and Benefits including Supplemental Pay, Access Controls, and Inventory Management. 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 or 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 Dr. Jenna Min Shim, Dean of the College of Education, Kimberly Montez, Business Director, and the other dedicated staff members of the College of Education for their hospitality and assistance throughout the course of this audit.

Sincerely,



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

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The Office of Internal Audit completed an audit review of the University of Wyoming College of Education as part of the Fiscal Year 2026 (academic year 2025-2026) audit plan. The audit was conducted as a normal review into the College processes and operations, both academic and administrative, and their overall alignment with University of Wyoming objectives and policies.

The auditors performed fieldwork and testing in the areas of:

- Accounts Receivable
- Financial Analysis and Management Reporting
- Scholarships Review
- Foundation Accounts
- Purchasing and Accounts Payable processes including P-Card Expenses, Travel, and Employee Reimbursement
- Payroll and Benefits including Supplemental Pay
- Access Controls
- Inventory Management

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

- Supplemental (summer) pay
- Procurement card policy compliance
- Overnight travel reimbursements
- Scholarships
- Large contract management and oversight
- College spending

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 Education. In some cases, corrective action has already been implemented or is underway.

UW College of Education Mission Statement

The University of Wyoming College of Education serves a critical mission to the State of Wyoming: to prepare, support, and sustain a high-quality educator workforce that advances educational opportunity, strengthens communities, and supports the state’s workforce and economic priorities. As Wyoming’s only public university and its land-grant institution, the University is uniquely positioned to lead this work. The College of Education fulfills this responsibility through close partnerships with school districts, community colleges, state agencies, and local communities across all regions of the state.

Founding Date and Building Renovations

The University of Wyoming College of Education traces back to teacher training carried out in the State Normal School in Old Main starting in 1887. It was formally established as a College in September 1914, originally composed of Departments of Elementary and Secondary Education. The College expanded over decades, including the construction of its modern Education Building in 1951, and currently comprises several specialized schools and service centers.

Academic Programs and Accreditation

The University of Wyoming College of Education comprises two schools – the School of Teacher Education and the School of Counseling, Leadership, Advocacy and Design – offering a wide array of undergraduate and graduate programs in teacher education, counseling, literacy, educational leadership, and curriculum studies.

As of 2025, the College has earned Association of Advancing Quality in Educator Preparation (AAQEP) accreditation for its educator preparation programs. Many of these programs also meet specialized accreditation or recognition standards through Council for Accreditation of Counseling and Related Educational Programs (CACREP) and Wyoming Professional Teaching Standards Board (PTSB), thus reinforcing the College’s adherence to national standards.

At the institutional level, UW is accredited by the Higher Learning Commission, ensuring the College’s academic integrity, governance structure, and administrative effectiveness. Program-level oversight includes continuous self-study, peer review, and annual reporting to ensure compliance and quality improvement in educator preparation.

History of Leadership in the College of Education

In May 2023, the University of Wyoming appointed Dr. Jenna Min Shim as Interim Dean of the College of Education following the departure of Dean Scott Thomas

After ten months of interim leadership, the UW Board of Trustees officially named Dr. Shim the John P. “Jack” Ellbogen Dean in March 2024, affirming institutional confidence in her strategic vision and continuity leadership during a period of transition.

Audit Scope, Procedures, and Outcomes

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 January 2025.

Topical areas covered:

- Capital Assets and Inventory Control
- Cash and cash controls
- Conflicts of Interest
- Contract management and compliance
- Departmental expenditure, reconciliations and account analysis
- Payments to faculty, staff and students, including payroll, supplemental pay and reimbursements
- Procurement Cards (PCards) and Travel
- Physical facilities and Information Technology access controls
- Scholarship Management

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.

- A. **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 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 to improve processes, gain efficiency, 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 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 at 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
Payroll – Supplemental Pay	26-1.1 - Reportable Condition requiring follow up	Supplemental Pay in Excess of 3/9 of Salary
Procurement Card Compliance	26-1.2 – Reportable Condition requiring follow up. No further action needed.	P-Card Transaction Split to Circumvent Single Transaction Limit
Overnight Travel Expenses	26-1.3 – Overnight Travel reimbursed within 45 miles of Laramie. No further action needed.	Travel reimbursement within 45 miles of Laramie

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

Observation #26-1.1: Supplemental Pay/Summer Salary Concerns

Background

When approved by the appropriate University authorities, full-time academic personnel on academic year appointments may earn supplemental pay, for duties carried out during the winter term (J-term) or the period from Spring commencement to Fall semester reporting date, provided these duties are not included in the standard academic year workload. Supplemental pay will be prorated accordingly. During interviews with the College of Education Business Director, Associate/Assistant Deans typically receive 2/9 salary as supplemental pay for their summer duties.

Criteria:

- **Employee Handbook, Section 26-VI:** “A maximum of an additional 3/9 of the base faculty salary may be earned in supplemental pay. Pay earned for carrying out academic administrative duties, including administrative stipends, are excluded from this calculation. Any exceptions to this limitation require prior approval of the Provost & Senior Vice President of Academic Affairs, in consultation with the President, and may require prior approval by other offices and federal agencies as well.”
- **UW Regulation 2-3, III-B:** Further outlines and reinforces the 3/9 rule, stating “When approved by the appropriate University authorities, full time academic personnel on academic year appointments may earn supplemental pay for additional duties, providing these duties are not included in the standard academic year workload. Supplemental pay will be prorated accordingly.”

Condition:

During the audit of payroll compensation records for Fiscal Year 2024, testing revealed that an Associate Dean received supplemental pay totaling \$39,114. This amount exceeds the allowable limit of 3/9 of regular academic year salary, as stipulated in the Employee Handbook, Section 26-VI, and University of Wyoming Regulation 2-3. Documentation of prior approval for exceeding the 3/9 limit has not been provided.

Additionally, records indicate the 3/9 limit infraction was due to mistakenly overpaying summer supplemental salary for a director assignment. Review of the HCM funding form of the payment in question, the form outlines that the payment was intended to cover 2/9 salary (to be distributed over 2 months), instead of 1/9 salary as outlined in the employee’s job offer letter. A third supplemental salary payment was made when employee took another role beginning Aug. 1, 2023, which outlined payment of summer salary in the amount of 2/9 salary. The job offer letter does not describe when these summer salary payments are to be issued, nor does it describe the exact period of time the payment covers but does imply it is for the entire summer’s work.

Consequence:

- The employee received compensation in excess of institutional policy, resulting in a disallowed salary disbursement.
- This may create precedent risk if not addressed, leading to noncompliance with University compensation regulations.
- There is also potential for reputational or audit risk if such payments are not corrected or justified.

Cause:

The overpay may have resulted from a gap in oversight in applying the 3/9 limitations on supplemental payments, or lack of review at the department level before initiating payments for Payroll processing. As stated in the policy, prior approval would need to be received prior to work being done involving the supplemental payment that would push the faculty member over the 3/9 limitation. It is department management's responsibility to track supplemental payments issued, to know and track the time period the payment covers, and ensure proper payments are made within policy guidelines.

The overpayment of Summer Salary may be due to lack of specificity and guidelines in the offer letters. The offer letter for the Director role mentions payment of 1/9 salary for summer duties.

Corrective Action:

1. Review and reconcile all supplemental payments made to Associate Dean in question for Fiscal Year 2024 to determine the precise overage and determine whether corrections may be necessary.
2. Recover disallowed compensation, if applicable, in accordance with University procedures.
3. Consider using a supplemental payment tracker for more accurate tracking of payments. Provide training to those submitting supplemental payments on how a tracking system should be used, as well as ensuring instruction of related policies involving payments.

Management Response:

This was due to the timing of the Associate Dean's transition from School Director to Associate Dean, as well as the completion of an MECP drop that required the Associate Dean's specific expertise. The College will maintain a log to track supplemental pay to ensure that we remain within the allowable limits for all employees.

Responsible Individual(s): *Kimberly Montez*

Target Completion Date(s): *Summer 2026*

Observation #26-1.2: P-Card Transaction Split to Circumvent Single Transaction Limit

Background

Procurement cards (P-Cards) are needed and necessary for the day-to-day support as well as continual improvements in the College of Education. While these are important purchases which have justified business purposes, there are still policies and guidelines that must be followed when procuring goods with the P-Card. These policies are in place to ensure University representatives are procuring the right goods, at the right price, at the right time, and in accordance with established policies.

Criteria:

According to the University of Wyoming Procurement Card Policies and Procedures, the following rules apply:

- The single transaction limit for P-Card purchases is \$4,999.
- Purchases exceeding this amount must be processed using a requisition or purchase order.
- In practice, trying to process a payment of \$5,168.97 would have been denied due to “over the limit.” Splitting the purchases to bypass the transaction limit (using two transactions) is a violation of P-Card policy.
- Page six of the Procurement Card Policies and Procedures states that the “*maximum value of one transaction: \$4,999 including shipping, handling, and special charges... If you find your purchase will exceed this limit placed on your card, a requisition/purchase order should be used for that purchase.*”
- Page nine of the same policy reiterates that “*transactions over \$4,999 need to be completed through the requisition/purchase order process*” and then goes on to explain that exceptions can be granted if the proper processes are followed. Further, page 15 of the documents again lists as an example of card misuse and violations “*splitting a transaction to circumvent the transaction limit authorized for the cardholder's card.*”

Condition

During the review of P-Card transactions for June 2025, the audit testing identified two transactions conducted within a span of two minutes. Both transactions were made using the same P-Card and were associated with the same vendor and procurement purpose. The combined value of the transactions was \$5,168.67.

While there may have been no ill intent or intentional wrongdoing by the card holder, and while all items purchased may have been appropriate, it is the responsibility of the card holder to know the card limits and the transaction limit policies.

Consequences:

Failure to adhere to the P-Card policy introduces several risks:

- Non-compliance with procurement policies can result in audit findings and potential reputational damage.
- Lack of proper approval processes increases the risk of inappropriate or unauthorized spending.
- Per the P-Card May result in disciplinary action for the cardholder and/or revocation of P-Card privileges.

Cause:

The cause may have been a decision by the card holder to bypass the transaction limit, possibly due to urgency or convenience, without following proper requisition procedures. While multiple items were included in the purchase, the more prudent course of action would have been to limit the aggregate amount of the items purchased to the transaction limit for the card.

We fully understand that at times it might seem impractical to leave some items behind and return another day for other items, but it is important for cardholders to abide by the policy restrictions for the good of the University and to reinforce the importance of ethical conduct in the use of P-Cards.

Corrective Action:

1. The cardholder should be advised of the violation and potentially required to complete refresher training on P-Card policies and procedures.
2. Annual refresher training/reminders given by business managers at department retreats might be an effective way to remind P-Card users of limitations.
3. Additionally, while out of the responsibility of the College of Education, the Procurement Office should consider implementing stronger controls to monitor alerts that flag potential split transactions for review.
4. Because this may have been a one-time outlier rather than a trend, no formal management action plan from the College of Education is required here except for reinforcing the rules with the cardholder. Internal Audit will be working with the Procurement Office in future projects that might help to address this concern.

Management Response:

Our office has consistently understood the rule as preventing a vendor from dividing the cost of one high-value item into multiple charges. In this case, the items were distinct tools, each individually below the threshold.

The purchases in question were for tools, classified as equipment, required by the CTE/Ag Education Program. The purchases reflected program needs and were made with the good faith understanding that the transaction limit applied to the cost of a single item.

We acknowledge the importance of clear policy guidance, and we will ensure our team incorporates any additional clarification provided by Procurement or Internal Audit. We remain

committed to aligning our purchasing practices with both compliance expectations and the University's mission of serving Wyoming's students and schools.

Since the completion of audit fieldwork, College of Education management has already taken action to address this observation, and has issued an email to all faculty and staff adopting the more conservative interpretation of the policy and clarifying the policy by stating:

Purchases exceeding this amount must go through a requisition or purchase order, and splitting transactions to avoid the limit is strictly prohibited. Exceptions may be granted only through the proper approval process.

This observation is considered closed, and no additional action plan is required. No follow-up activities will be performed.

Observation #26-1.3: Overnight Travel reimbursed within 45 miles of Laramie

Background

Several key initiatives in the College of Education require collaboration with educators and other professionals around the state. At times, participants in these initiatives gather to exchange information and develop plans for ongoing activities. Among these initiatives, two have hosted events in Centennial, Wyoming, which is just over 30 miles from Laramie. These events have been attended by University employees who were reimbursed for overnight travel. One of the initiatives, the Academic Writing Fellows, has hosted events in Centennial on an annual basis.

Criteria

Per UW SAPP titled: *University Travel and Reimbursement Policy* – Section XV.-J.:

- Reimbursement for overnight travel shall not be authorized within a forty-five (45) mile radius of the traveler's work location except in unusual circumstances, which will be approved by the traveler's appointing authority.

Condition

In review of travel expenses during Fiscal Year 2025, it was observed that there were two overnight events held within 45 miles (Centennial, WY) of Laramie in which employees who live in Laramie stayed overnight.

- One of the events was made up of mostly out-of-town guests, but one employee based out of Laramie was on the hosting list and stayed at the accommodation overnight without prior approval of the traveler's appointing authority. This is a violation of policy.
- Another event was held in the same area as the previous event but was made up of Academic Writing Fellows Retreat members, of whom all reside in Laramie. This event was deemed approved by proper approval authority, and as such is not a policy violation, but an item of concern given the number of people who attended, all of which live within 45 miles of Laramie. The policy outlines the need for *unusual circumstances to be present* to allow reimbursement.

Consequences

- **Policy Violation:** Repeated expenditures inconsistent with UW SAPP *University Travel and Reimbursement Policy* – Section XV.-J may be deemed non-compliant in current or future audits.
- **Budgetary Impact:** Funds used inappropriately reduce the budget available for other mission-critical academic programs and services, or other operational priorities.
- **Potential Sanctions:** Disciplinary action, and/or additional expanded policy training for involved employees may occur if misuse is substantiated.
- **Missed Opportunities for Efficiency:** Failure to evaluate economic alternatives (e.g., virtual meetings, retreats held on campus, use of fleet vehicles) results in avoidable costs.

Cause

Some potential Causes include:

- **Lack of Oversight:** There is insufficient management review or governance of overnight travel policies withing college.
- **Inadequate Training:** Employees may lack awareness of the overnight travel requirements and policy.
- **Cultural Normalization of Practices:** A pattern has emerged in which high-cost, high-frequency retreat events are treated as routine.

Corrective Action

1. **Policy Clarification and Training**
 - Conduct policy training for personnel to reiterate the overnight travel policy requirements.
2. **Pre-Approval Requirements**
 - Require advance approval for overnight travel for employees to allow management time to reconcile intended travel to policies.

Management Response:

Since the completion of audit fieldwork, College of Education management has already taken action to address this observation, and has issued an email to all faculty and staff clarifying the policy and stating:

In alignment with this policy, lodging expenses within a traveler's work location will not be reimbursed or covered, except in unusual circumstances that have been pre-approved by the appointing authority. Such exceptions are intended to address rare, one-time situations rather than ongoing or recurring arrangements.

This observation is considered closed, and no additional action plan is required. No follow-up activities will be performed.

Notes Regarding Other Areas Considered During the Audit

Scholarships

The University of Wyoming College of Education offers a range of scholarships to undergraduate and graduate students, funded by donors, state support, and institutional grants. Scholarship Review Committees (SRCs) are tasked with selecting recipients based on merit, financial need, and alignment with donor criteria. The 'Education Scholarship Review and Distribution Policy' guides this process but provides SRCs broad discretion in implementation. UW Financial Affairs Mission Statement to ensure fiscal transparency and promote equitable access to financial aid. Additionally, UW Regulation 7-11 reinforces these principles by requiring that all student financial charges and aid-related information be published and accessible, promoting institutional transparency and accountability.

At the commencement of the audit, standardized evaluation rubrics such as scoring sheets, weights for evaluation criteria and considerations when evaluating any subjective materials such as personal statements or leadership descriptions were absent from the scholarship policy, and the College confirmed that they do not maintain documentation regarding scoring, rankings, or reviewer justifications for award decisions.

While the audit was still in progress, the department updated its scholarship policy to include rubrics including decision criteria, their relative weights, a scoring scale and appropriate evidential matter for decision making by SRC members. No further action plan is required.

Large Contract Management and Oversight

A partnership between a for-profit entity and the University of Wyoming has been in effect for over three years, and over that period has been amended five times, increasing the contract value from \$625,000 to potentially \$5,753,900, an increase of \$5,128,900 or 820%.

While we noted no violations of University policy or state or federal laws, the outcomes of the contract stated in numerous statements of work list quantifiable goals, but no quality measurements. We recommend that if the contract is renewed, it should also include qualitative metrics or rubrics for discerning the quality of deliverables by the other party.

College Spending

The College of Education embraces and supports multiple high priority initiatives. Except as noted above, we found no significant violations of University policy or state or federal laws, but we did note that there may be opportunities to improve efficiencies going forward, and those recommendations were shared with management in a separate communication.

Conclusion

Except as noted above, based on our audit, the College of Education 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 Shim and her staff 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 the audit team.

Distribution list

Edward Seidel, President of the University of Wyoming

Anne Alexander, Provost of the University of Wyoming

Jenna Min Shim, Dean of the College of Education

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

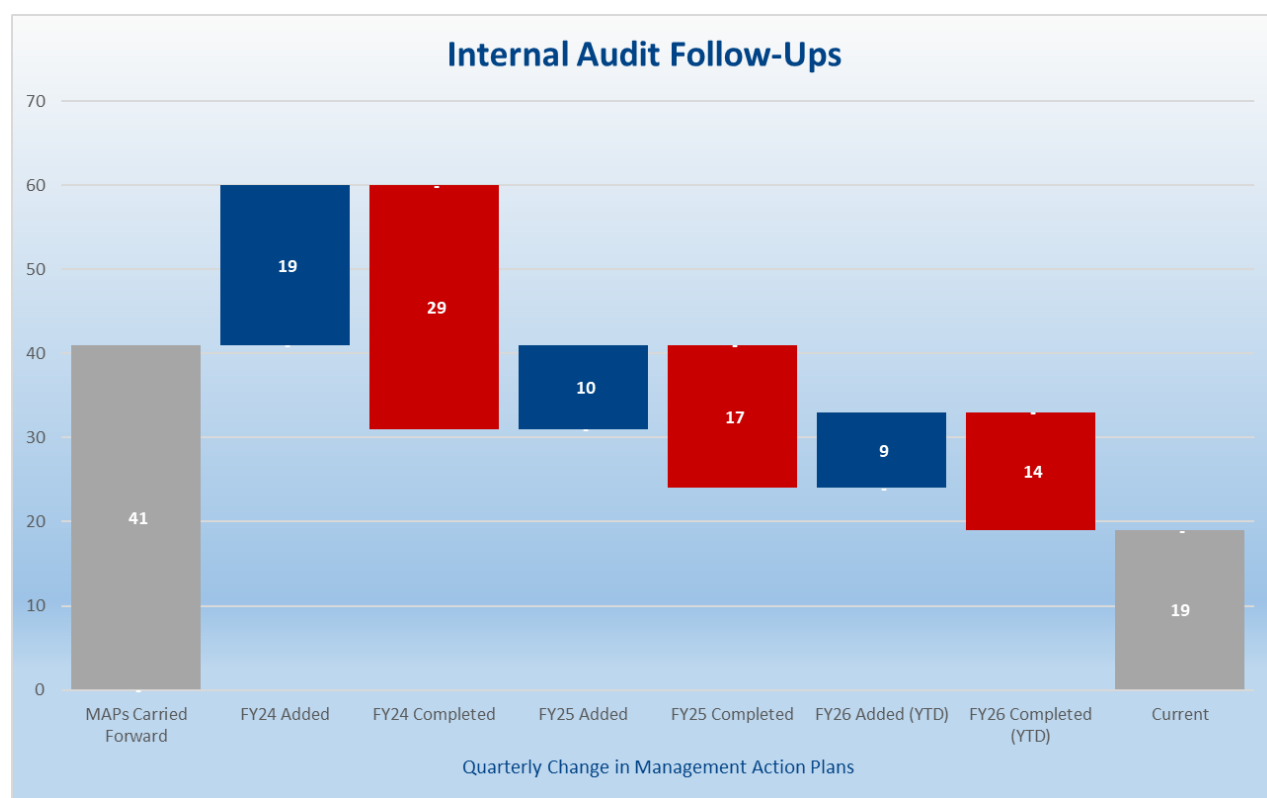
PROPOSED MOTION: None

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.

Since tracking the status of all Management Action Plans (MAPs), including all known action plans monitored by predecessor auditors, 38 MAPs have been added to the tracker, and 60 MAPs have been completed, leaving a total of currently being monitored.



Of the 19 MAPs that remain open:

- 1 has been completed since the last meeting.
- Of the 19, 2 are past due or partially past due. ■
- One has a due date October 15, 2025, but has not yet been validated by Internal Audit.
- The oldest open MAPs date back to audit reports issued in Fiscal 2023.

The table below summarizes all management action plans outstanding.

Index	Audit Period	Issued	Entity Name	Remaining	Nature of Management Action Plan	Completion Status and Due Date	Past Due?
21-3	2020-2021	9/14/2022	Academic Affairs (COM)	1	1b. Policies and procedures documentation	Expected 2028	No
22-3	2021-2022	9/8/2022	Student Health Services	1	2a. Quality controls for accreditation	9/30/2027	No
22-6	2021-2022	7/17/2023	Capital Construction	1	Revisions to documentation	January 2026	Yes
23-1	2022-2023	3/2/2023	General Facility and Deferred Maintenance	1	Revisions to documentation	January 2026	Yes
23-2	2022-2023	7/18/2023	College of Health Sciences (COM)	1	2. Documented operational, financial, and personnel guidelines have not been fully developed to ensure effective and efficient progress toward shared strategic objectives between the college and EHCW.	1/1/2026	No
24-3	2023-2024	10/17/2023	ASUW	3	1c. Present fees to Central Fee Committee	1/31/2026	No
					2b. Formalize ASUW documentation	1/31/2026	No
					2d. Working group to review/revise documentation	1/31/2026	No
25-1	2024-2025	9/8/2025	College of Law	3	1. Scholarship and Award Management		
					1a. Develop Scholarship Plan detailing processes/policies for awarding and approvals.	10/15/2025	Not Validated
					1b. Build and maintain documentation for awards given and any changes made to scholarships	6/1/2026	No
					2. Supplemental Pay - Evaluate faculty employment contracts for details regarding summer supplemental pay, and expected deliverables associated with supplemental summer pay. Develop system or tracker for assessing completion of deliverables by summer research faculty.	1/1/2026	No
25-2	2024-2025	9/8/2025	Laramie County 4-H - UW Agriculture Extension	5	1. Update of new "No lapse" volunteer background check policy and training of county 4-H employees regarding new policy at state wide meeting.	12/1/2025	No
					2. Implement formal review and approval process for monthly reconciliations	12/1/2025	No
					3. Identify and require county implementation of new accounting software for recordkeeping. Provide training for implemented software.	1/1/2026	No
					4. Create and implement a policy establishing rules regarding the purchase/sale of livestock	12/1/2025	No
					5. Creation of policy dictating rules for scholarship awarding to 4-H participants via a scholarship committee or similar.	12/1/2025	No
25-3	2024-2025	9/8/2025	UW Libraires	2	1a. Create written plan outlining inventory taking processes for the Libraires.	1/1/2026	No
					1b. Internal Audit team will return to Libraires to review new RFID system being placed into service Fall 2025.	1/1/2026	No
26-1	2025-2026	10/23/2025	College of Education	1	1a. Create and implement Supplemental payment tracker for all faculty receiving supplemental payments. Compare assigned summer supplemental payments for additional summer responsibilities to job offer letter to ensure payments are accurate and due to employee as described on job offer letter. 1b. Review and reconcile all supplemental payments made to Associate Dean in question for Fiscal Year 2024 to determine the precise overage and determine whether corrections may be necessary.	6/1/2026	No

M.A.P. Discussion and Progress Updates:

21-3 Academic Affairs Change in Leadership (Provost)

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

Status as of November 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 target completion date is 2028. The intent is to also include the topic of course overloads with release time.

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

- Audit Report Date: August 30, 2022
- Original Follow-Up Due Date: June 8, 2023
- The report contained two observations as follows:
 - **Observation #2a: Accreditation:** Accreditation lapsed in 2021.
 - **Observation #2c: Quality Control Assessments and Activities:** Other quality control measures have not been occurring as per past accreditation and/or procedure documentation. **(Complete)**
 - Peer Reviews
 - Quality Improvement Committee
 - Risk Management Committee
 - Patient Satisfaction Survey

Status as of November 2025 –

- **Observation #2a:**
 - Student Health Services has established an Accreditation Committee designed to review AAAHC standards and UW policies and procedures to prepare for the re-accreditation process every 3 years. The committee ensures that Student Health Services provide excellent, quality health care every day throughout the accreditation cycle, by monitoring quality, risk management, and addressing opportunities for improvement. The meetings are held bi-weekly on Thursday at 9:00 a.m.
 - The expectation of Student Health Services is 1-2 years for accreditation approval. Target completion date for 2a is 9/30/2027.
- **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.
 - As of November 2025, 2c. is **Complete** and will no longer be tracked.

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 Date: 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 November 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 Date: April 18, 2024
- One observation remains incomplete and is summarized as follows:
 - **Observation #2:** Documented operational, financial, and personnel guidelines have not been fully developed to ensure effective and efficient progress toward shared strategic objectives between the college and EHCW.

Status as of November 2025 –

- **Observation #2:** - The College of Health Sciences has hired Jefferson Wells to conduct a comprehensive audit of EHCW operations.
- A full report will be shared with the appropriate parties (e.g. Internal Audit, BOT) upon completion. This report will serve as a foundational resource for resolving Observation #2 and

strengthening internal documentation and controls moving forward. This audit should be completed by now. As of this report, the external audit is nearly finished, with preliminary audit reports expected November 13, 2025. Due date for this Observation is extended to January 1, 2026.

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 #1c:** Include use of mandatory fees, carry forward and reserve balances, in the presentation to the Central Fee Committee.
- **Observation #2b:** Formally document ASUW guidelines, training requirements, regular/periodic review of ASUW By-Laws, Strategic Plan, and Governance/Oversight.
- **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 November 2025 –

- No changes since September 2025 report. Management relayed the 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.**

25-1 College of Law

- Audit Report Date: September 8, 2025
- Original Follow-Up Due Dates: 1a. - 10/15/2025, 1b. - 6/1/2026, 2. - 1/1/2026
- The audit report contained two observations comprising of three total components.
 - **Observation #1a:** 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. The plan should include:
 - 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.
- **Observation #1b:** Maintain documentation, including all award criteria used in determining award amounts, any changes to awards for any reason, and copies of all correspondence with awardees.
 - **Observation #2:** Evaluate faculty employment contracts for details regarding summer supplemental pay, and expected deliverables associated with supplemental summer pay. Develop system or tracker for assessing completion of deliverables by summer research faculty.

Status as of November 2025 – One management action plan was due October 15, 2025. While this item (update to Scholarship Plan – Observation #1a) may be completed, as of the submission of these materials, Internal Audit had not verified completion of the action plan. An update will be provided orally to the FLAC at the November meeting. No other management action plans are overdue or off track for completion as of November 2025.

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

- Audit Report Date: September 8, 2025
- Original Follow-Up Due Dates: 1. - 12/1/2025, 2. - 12/1/2025, 3. - 1/1/2026, 4. – 12/1/2025, 5. – 12/1/2025
- The audit report contained five observations.
 - **Observation #1** - Update of volunteer background check policy to include new "No lapse" policy and training of county 4-H employees regarding new policy at statewide meeting.
 - **Observation #2** - Implement formal review and approval process for monthly reconciliations and incorporate the process into the Wyoming 4-H policy framework.
 - **Observation #3** - Identify and require county implementation of new accounting software for recordkeeping. Provide training for implemented software.

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

Status as of November 2025 – No management action plans are overdue or offtrack for completion at due date as of November 2025.

25-3 University of Wyoming Libraires

- Audit Report Date: July 31, 2025
- Original Follow-Up Due Dates: 1a. - 1/1/2026, 1b. - 1/1/2026
- The audit report contained one observation with two parts.
 - **Observation #1a** - Create a policy and a written plan for when and how inventory observations will be conducted. A full inventory should be taken after RFID is in place, and a plan for continuously cycle counting inventory in future periods should be outlined.
 - **Observation #1b** – Contact Internal Audit to schedule a walkthrough/observation of UW Libraires RFID devices in use when fully implemented

Status as of November 2025 – No management action plans are overdue or offtrack for completion at due date as of November 2025.

26-1 College of Education

- Audit Report Date: October 23, 2025
- Original Follow-Up Due Dates: 1a. - 1/1/2026, 1b. - 1/1/2026
- The audit report contained one observation with two parts.
 - **Observation #1a** - Create and implement supplemental payment tracker for all faculty receiving supplemental payments. Compare assigned summer supplemental payments for additional summer responsibilities to job offer letters to ensure payments are accurate and owed to employee as described on job offer letter.
 - **Observation #1b** - Review and reconcile all supplemental payments made to Associate Dean in question for Fiscal Year 2024 to determine the precise overage and determine whether corrections may be necessary.

Status as of November 2025 – No management action plans are overdue or offtrack for completion at due date as of November 2025.

FISCAL & LEGAL AFFAIR COMMITTEE
COMMITTEE MEETING MATERIALS

AGENDA ITEM TITLE:

- ☒ 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 University successfully completed the 2025–2026 insurance renewal under difficult market conditions marked by inflation, capacity constraints, and rising loss costs. Despite these pressures, the University achieved an overall premium decrease of nearly 10% while maintaining existing coverage levels and securing targeted enhancements. These results reflect strong collaboration between campus units, proactive risk mitigation efforts, and effective negotiations. Looking forward, the University must prepare to meet growing underwriting demands for detailed data and increased engagement with carriers throughout the policy period. UW will also bid for new broker partner(s) to begin in early 2026. A summary of the renewal and future considerations is attached for the Committee’s information and the University’s Risk Manager will present the information and be available for Committee questions during the meeting.

PRIOR RELATED COMMITTEE DISCUSSIONS/ACTIONS: None

WHY THIS ITEM IS BEFORE THE COMMITTEE: Informational

ACTION REQUIRED AT THIS COMMITTEE MEETING: None

PROPOSED MOTION: No



Office of Risk Management
Dept. 4300 • 1000 E. University Ave., Laramie, WY 82071
(307) 766-6787 • email: risk@uwyo.edu

MEMORANDUM

TO: UW Board of Trustees Fiscal & Legal Affairs Committee
FROM: Laura Betzold, Chief Risk Officer & Senior Associate General Counsel
DATE: November 4, 2025
RE: 2025-26 Insurance Renewal Summary

Overview of Renewal

The University has successfully completed the 2025-2026 insurance renewal cycle, maintaining strong coverage and achieving meaningful cost savings despite a challenging insurance market. Most policies are effective July 1, 2025, aligning with the University's fiscal year.

This renewal occurred amid inflationary pressures, increasing construction costs, and capacity or underwriting constraints across several coverage lines. Through proactive risk mitigation efforts across campus, targeted marketing of select policies, and strategic negotiations with brokers and underwriters, the University achieved an **overall premium decrease of almost 10%**. This result significantly outperformed projections that were included in the budget of an overall 5 to 7% increase. Those projections were based on market analysis provided by UW's brokers derived from their market intelligence and specifically on market analyses of institutions of higher education with similar risk profiles.

Coverage limits were maintained and in several areas, policy terms and conditions were enhanced with only minimal unfavorable revisions. These results reflect effective collaboration across departments and continued commitment to strong institutional risk management practices.

Insurance Market Environment

Leading into the University's 2025-2026 insurance renewal, the higher education insurance market remained "hard," characterized by limited underwriting capacity, selective risk appetite, and/or sustained premium increases for several key coverages including the following:

- **Liability:** The market for general liability, educators' legal liability, and excess liability continues to be firm, with significant premium increases. The Council of Insurance Agents & Brokers reported increased premiums for thirty-one consecutive quarters in the second quarter of 2025. The University's liability carrier, United Educators (a member-owned captive insuring solely educational entities), reports concerns about increased "nuclear verdicts" (verdicts over \$10 million), and increased claim frequency/severity, increased third-party litigation financing, cost of member claims, and greater uncertainty for the education sector (for example, social and political changes, financial pressures, demographic trends, and complexity of the legal/regulatory structure), as driving the need for premium increases. (See attached Liability Market Insights: Factors Increasing the Cost of Insurance, United Educators, March 17, 2025)
- **Property:** Catastrophic weather events, changing hazard exposure zones, and elevated construction and repair costs have increased scrutiny of institutional risk profiles and contributed to higher rates industry-wide.
- **Cyber Liability:** The frequency and severity of cyber incidents, including an unexpected and significant resurgence of ransomware attacks, continue to drive both rate pressure and tighter underwriting standards. As organizations become increasingly technology dependent the severity of expected losses from a cyber event also increases. Carriers are focused on controls related to data governance, supply chain risk, war, AI related exposures and systemic loss potential.
- **International:** Post-pandemic global instability, including conflicts in Eastern Europe and the Middle East, combined with ongoing stress on the international medical and logistical systems, has led to more conservative underwriting and reduced flexibility, particularly for high-risk destinations. As a result, underwriters are implementing requirements to provide significantly more exposure data.

Renewal Results Summary

Overall, the University's 2025-2026 insurance renewal was successful both financially and operationally. Cost reductions were achieved in several major lines, while coverage levels were retained or improved. The table on the following page summarizes the renewal results for individual lines of coverage over \$50,000 in annual premium or with significant changes:

2025-2026 Key Renewal Results (Policies > \$50,000 Annual Premium or Significant Changes)

Line of Coverage	Prior Premium	Renewed Premium	Change (%)	Key Changes/Comments
Property	\$3.8M	\$3.2M	-16%	Eliminated % wind/hail deductible (replaced with flat deductible); removed 120% margin clause. Additional premium expected (not included) for the residential facility in January.
Liability	\$450K	\$548K	+22%	Added PFAS and antitrust exclusions, implemented \$5M sublimit and \$1M SIR for antitrust claims. Includes 6% risk management program credit.
Athletic/Cheer Injury	\$455K	\$476K	+5%	No material coverage changes.
Cyber	\$337K	\$296K	-12%	Reduced deductible/SIR from \$500k to \$250k; inclusion of social engineering limits within layered program; increased underwriting data requirements.
Aviation	\$99K	\$105K	+6%	Premium increase reflects higher research aircraft value and pilot training requirements.
Foreign & Travel Accident	\$61K	\$36K	-31%	10-month policy term to align with July 1 renewal; delayed implementation of travel tracking platform; new exclusions for data privacy, access, or disclosure of confidential or personal data, and other cyber-related incidents.
Resident Professional Medical Liability	\$60K	\$63K	+5%	No change in coverage, increase reflects carrier minimum premium adjustment.
Drone	\$14K	\$32K	+128%	Increase reflects change in policy from decentralized to centralized insurance of UW owned drones and increasing inventory.
All Other Policies Combined	\$93K	\$81K	-14%	Includes Camp and 4-H Accident, Cargo, Crime, Health Science Student Professional Liability, Law Clinic Liability, Out-of-State Workers' Compensation, Public Official Bond. Out-of-State Work Comp carrier changed due to marketing efforts.

The University's renewal outcome represents continued progress toward stabilizing insurance costs and improving terms despite unfavorable market conditions for higher education institutions nationwide.

Looking Ahead

Emerging market expectations and carrier practices will require continued coordination across the University to maintain favorable results in future renewals.

Key Areas of Focus:

- **Data and Exposure Reporting:** Carriers are increasingly requiring detailed exposure data with short response timelines, placing additional demands on UW Operations, IT, Risk Management, and Student and Academic Affairs.
- **Carrier Engagement:** UW must be responsive to carrier demands for campus engagement and response throughout the policy periods. Examples include:
 - United Educators now mandates early reporting of certain specific categories of incidents occurring on campus or involving faculty, staff, and students, even absent a formal claim, to preserve coverage eligibility.
 - Property carriers are increasing the frequency and scope of on-site inspections by loss control engineers and underwriters and are expanding their findings beyond regulatory and jurisdictional compliance to best practices. These visits and resulting corrective actions require additional staff time for coordination and response.
- **Broker Services:** UW maintains relationships with two brokers, one for property coverage (including fine arts and business interruption), and another for all other policies. Both contracts expire in Spring 2026 and have no remaining renewal options. An RFP for broker services will be released by year-end to secure strategic partner(s) capable of navigating the ongoing challenges of the insurance marketplace.

Conclusion

The 2025–2026 insurance renewal achieved meaningful cost savings, maintained strong coverage, and produced favorable results in a difficult market. Continued coordination among departments will be necessary to meet carrier data and reporting expectations, manage ongoing and upcoming property inspections, and prepare for the 2026 broker RFP. These efforts will help ensure the University remains well-positioned to control costs and sustain comprehensive insurance protection.

Liability Market Insights: Factors Increasing the Cost of Insurance

(As of Mar. 17, 2025)

With the challenging litigation environment, uncertainty in the sector and increasing cost of claims, United Educators (UE) members can expect premium increases for the 2025 policy year.

*We are **education's own insurance company**, with nearly 40 years focusing solely on supporting educational institutions. We partner with members to mitigate risks including through expert claims resolution. As a reciprocal risk retention group we do not generate profit for shareholders but instead operate at cost and set premiums no greater than necessary to keep pace with the cost of claims.*

Challenging Litigation Environment: Factors Increasing Costs Above General Inflation

A recent [SwissRe analysis](#) expects the United States to remain the epicenter of **social inflation** due to unique societal, economic and legal factors.

International Comparison of Future Social Inflation Drivers

The US is expected to remain the epicentre of social inflation due to unique societal, economic and legal factors. However, other countries, such as Australia, Canada, the UK, and parts of continental Europe, show signs of potential liability claims growth driven by factors such as third-party litigation funding and expanded collective redress. Social inflation remains a concern globally for individuals, businesses and insurers alike.

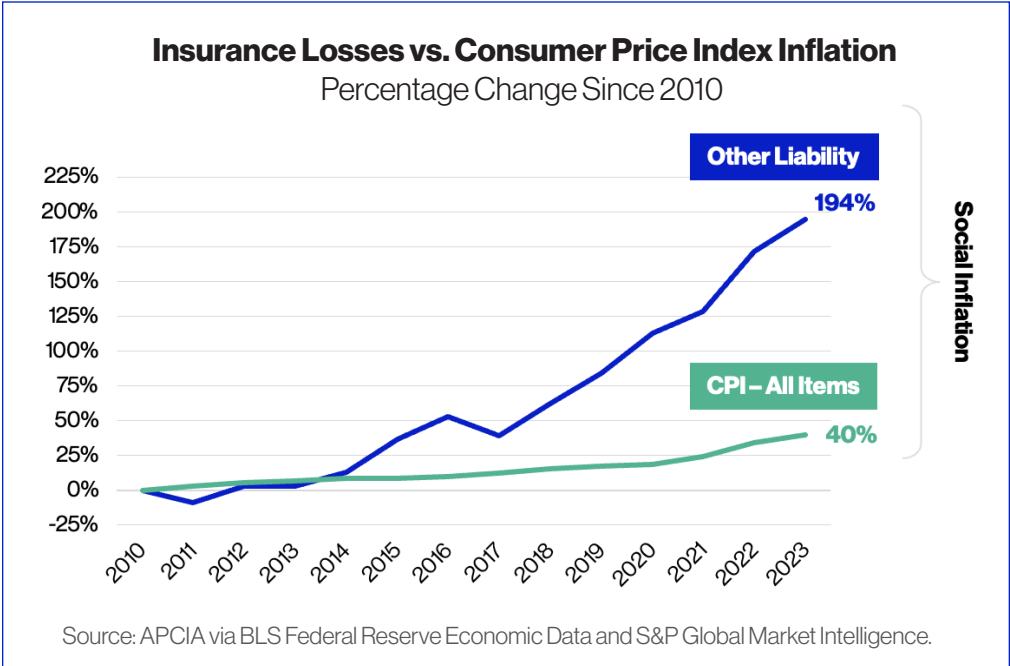
	US	Australia	UK	Canada	Netherlands	Germany	Japan
Claims penetration	H	M	H	M	L	M	L
Income inequality	H	M	M	M	L	M	M
Third-party litigation funding	H	H	H	M	H	M	L
Contingency fees	H	M	M	H	L	L	L
Collective redress	H	H	H	H	H	M	L
Case law	H	H	H	H	L	L	L
Jury based	H	L	L	L	L	L	L

Source: Swiss Re Institute, *sigma* 4/2024

High risk Medium risk Low risk

Increased litigation, broader contract interpretations, plaintiff-friendly legal decisions, and escalating jury awards and settlements continue to drive rapidly increasing claims costs across the liability sector for education.

Another way to look at this is the Compound Annual Growth Rate. While CPI and Other Liabilities were aligned in the early 2010s, the annual growth rates started diverging in 2015.



ANNUAL GROWTH RATE

Years	CPI	Other Liabilities*
2010-2014	1.7%	2.4%
2015-2023	2.8%	8.9%

**The National Association of Insurance Commissioners (NAIC) defines “other liabilities” as coverage against legal liability resulting from negligence, carelessness, or a failure to act resulting in property damage or personal injury to others.*

Median top U.S. verdicts nearly tripled in the last 10 years.

Court closures in 2020-21 held up the largest, most complex trials, but the impact of social inflation persists for the largest verdicts.

Elevated losses are fueled in part by what one Zurich executive calls a “**broken legal environment**,” where plaintiffs are recruited through **advertising** and Wall Street and foreign investors are betting, through **third-party litigation financing (TPLF)**, on higher settlements to provide profitable returns.

TPLF is an arrangement where investors who are not party to a lawsuit agree to provide funding to a plaintiff or law firm in exchange for an interest in the potential recovery in the suit.

APCIA reports litigation financing is accelerating loss cost trends, class actions and potential for nuclear verdicts.



Financers admit they
**“make it harder and more
expensive to settle cases.”**



Financers have invested
\$15.2 billion in the U.S. including
billions in Mass Tort Claims.



There is a lack of
transparency about the
investors funding litigation.

Risk and Insurance describes TPLF as “a highly **unregulated industry**, with many of its operations conducted covertly. And it’s growing exponentially.”

Another factor is **litigation advertising**. Trial lawyers spend large sums of money on **advertising to recruit new clients for class action lawsuits**. In 2024, **\$2.5 billion** was spent on more than 26.9 million local legal services television, radio, print ads, or billboards soliciting legal claims across the U.S., according to the American Tort Reform Association.

In addition, there are **increased legislative risks** including changes in state laws reopening or extending statutes of limitations.

Greater Uncertainty for the Education Sector

Disruptions contribute to **less predictability for education’s risks**, making the sector more challenging to insure.

- Social and political changes stressing education’s business model
- Financial pressures
- Demographic trends
- Complex and evolving areas of law, such as athletics and Title IX

Growing institutional mistrust also contributes to a challenging liability landscape.

- **Edelman reports** that a widespread sense of grievance is eroding trust across society.
- Americans’ confidence in higher education has continued to fall, from 57% in 2015 to 36% in 2023, according to **Gallup polling**.

Rising Costs of UE Member Claims

UE member K-12 schools, colleges and universities face **rising jury awards** across all liability lines.

Defense costs contribute significantly to increasing claims costs along with larger jury awards and settlements.

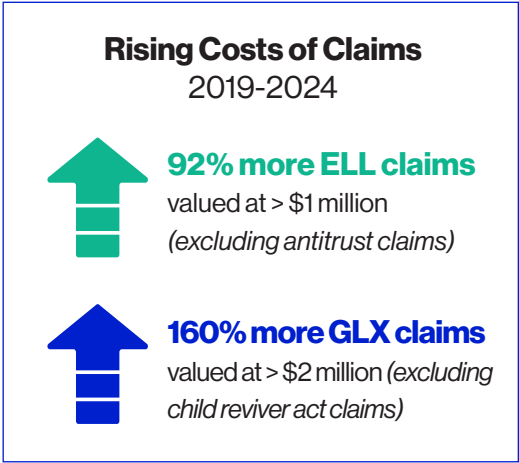
The **volatility in high-cost claims** is driving up the cost of excess capacity.

In the case of **antitrust**, loss severity and frequency are drivers.

Loss severity is driving up the cost for CGL and more acutely for GLX.

Both higher education institutions and K-12 schools continue to experience **losses related to sexual misconduct**, accounting for roughly **30% of all claims costs** over the past few years.

Other top causes of loss for UE member claims include discrimination and wrongful termination; slips, trips, and falls; accidents causing injury or damage; and vehicle claims for general liability.



Partnering with Members to Address Rising Claims Costs

Our **proactive claims management** (through early claims evaluation, budgeting and regular communication) helps our individual members, claimants, and the communities they serve while also mitigating claims inflation.

We work closely with members and outside defense counsel to reach the best possible conclusion for each matter reported to us.

We collaborate to mitigate claims costs by taking a thoughtful approach to achieve fair, equitable, efficient, and effective claims resolution.

We draw upon nearly 40 years of education-specific **claims data**.

We select attorneys who are the **right fit**, with relevant trial experience and efficient claims management.

We balance the costs and benefits of a settlement vs. litigation.

About UE's Financials

UE operates efficiently to meet the cost of claims and manage the volatility of long-tail liabilities.

We target a 95% combined ratio. We do not seek excess profit to satisfy external stakeholders. We return any excess premiums to policyholders via their Subscriber Savings Account.

We focus on fiscal stability in a volatile liability landscape. While claims developments drove 2024's combined ratio to 101.1%, we maintained an efficient expense ratio below 20% and well below commercial insurance carriers.

Our reserves are strong, our reinsurance panel is stable, and we have a solid capital position.

How UE Determines Premium

We offer **market-leading capacity** with up to \$30 million in limits. Member **pricing is individualized** and incorporates risk profile, litigation environment, fiscal strength, loss history, and limits purchased.

We prioritize sustainability, with premium pricing tied to claims trends and the anticipated future costs of member claims. The new mix of claim types including class actions and antitrust are increasing exposure for education.

Reinsurance, which factors in our pricing, is also experiencing **increasing costs** due to:

- Increasing volatility of insurance industry results
- UE's own large losses
- Continuing impact of social inflation and defense costs rising
- Significant increase in the number and size of nuclear verdicts in recent years



Please contact your broker for more information about your 2025 renewal.

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UE 2024 Year-End Financial Results

95.5%

Premium
retention rate

<20%

Expense
ratio

\$422M

Gross Written
Premium

101.1%

Combined
ratio

26
straight
years

"A" (excellent)
rating from
AM Best



On Ward's 50® list
of top performing
insurance
companies for 2024

More Resources

- [Building an Effective Defense Against Nuclear Verdicts: Key Strategies for 2025: Risk & Insurance](#)
- [What You Need to Know About Third-Party Litigation Funding](#)
- [Steps to Mitigate Social Inflation](#)
- [Social Inflation: What It Is and Why It Matters](#)
- [Protecting and Defending Against the Reptile Theory Trial Strategy and the Increasing Cost of Lawsuits](#)
- [Prepare for Claims Brought Under State Reviver Statutes](#)
- [Large Loss Report 2025](#)

FISCAL AND LEGAL AFFAIRS COMMITTEE

COMMITTEE MEETING MATERIALS

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

☒ OPEN SESSION

☐ CLOSED SESSION

PREVIOUSLY DISCUSSED BY COMMITTEE:

☒ Yes

☐ No

FOR FULL BOARD CONSIDERATION:

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

☐ No

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

EXECUTIVE SUMMARY: UW's external audit firm will lead a discussion on the annual audited financial statements for fiscal year 2025 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.

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

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

ACTION REQUIRED AT THIS COMMITTEE MEETING: Subject to recommendation by the Fiscal and Legal Affairs Committee Chair, it is recommended that the Board of Trustees of the University of Wyoming accept and approve the University of Wyoming Independent Auditor's Report and Financial Statements, Wyoming Public Media's Independent Audit Report and Financial Statements, and the Agreed-Upon procedure reports for Intercollegiate Athletics and Cowboy Joe Club for the fiscal year ended June 30, 2025.

PROPOSED MOTION: I move to recommend to the full board to approve the University of Wyoming Independent Auditor's Report and Financial Statements, Wyoming Public Media's Independent Audit Report and Financial Statements, and the Agreed-Upon procedure reports for Intercollegiate Athletics and Cowboy Joe Club for the fiscal year ended June 30, 2025.

Background

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

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

The purpose and deadlines for submission to regulatory agencies are:

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

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

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

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

- Wyoming Public Media Financial Report – These financial statements present only the operations of Wyoming Public Media (WPM). The auditors express an opinion on the fair presentation of WPM's financial position and results of operations. WPM's financial information will be submitted to the Corporation for Public Broadcasting before December 31st.

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

- Cowboy Joe Club Report- This report constitutes an agreed-upon procedures engagement; its scope is less than that of an audit. The sufficiency of these procedures is solely the responsibility of Cowboy Joe Club management. Consequently, the auditors make no representation regarding the sufficiency of the procedures.

Pursuant to the Bylaws of the Trustees, Article VII. Section 7-2:

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

In discharging their duties hereunder, the members of the Committee are entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, if prepared or presented by: officers or employees of the University whom the Committee members reasonably believe to be reliable and competent in the matters presented; and legal counsel, public accountants or other persons as to matters the Committee members reasonably believe are within the person's professional or expert competence.

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

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

FISCAL AND LEGAL AFFAIRS COMMITTEE
COMMITTEE MEETING MATERIALS

AGENDA ITEM TITLE: Market Update and Quarterly Investment Performance Report

- ☒ OPEN SESSION
☐ CLOSED SESSION

PREVIOUSLY DISCUSSED BY COMMITTEE:

- ☒ Yes
☐ No

FOR FULL BOARD CONSIDERATION:

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

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

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

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

ACTION REQUIRED AT THIS COMMITTEE MEETING: None

PROPOSED MOTION: None



University of Wyoming

Investment Performance Review For the Quarter Ended September 30, 2025

Client Management Team

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

PFM Asset Management A division of U.S. Bancorp Asset Management, Inc

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Cheyenne, WY 82001
307-287-1514

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Harrisburg, PA 17101-2141
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Agenda

- Market Update
- Account Summary
- Portfolio Review

Market Update

Current Market Themes



- ▶ U.S. economy has been resilient but a cooling labor market presents risk
 - ▶ Net new job creation neared zero as employers follow a “no hire, no fire” approach
 - ▶ Inflation accelerated but Fed expects further price pressures to be short-lived
 - ▶ Uncertainty eased as tariff and fiscal announcements were digested



- ▶ Fed cut rates for the first time in 2025
 - ▶ Fed Chair Powell acknowledged the difficulty in balancing the risks affecting labor markets and inflation, but noted risks to the labor market were the Fed's focus
 - ▶ The Fed's September “dot plot” signals 50 bps in additional cuts for 2025, though views remain split, with 7 members favoring no additional cuts in 2025



- ▶ Treasury yields moved lower across the curve in Q3
 - ▶ Front end Treasury yields moved lower on Fed rate cut expectations
 - ▶ Yields settled into a narrow trading range as market volatility eased
 - ▶ Credit spreads continued to tighten and neared historically narrow levels

Source: Details on market themes and economic indicators provided throughout the body of the presentation. Bloomberg Finance L.P., as of September 30, 2025.

Economic Growth Rebounds Amid Sticky Inflation

Fed Chair Powell: "While the unemployment rate remains low, it has edged up, job gains have slowed, and downside risks to employment have risen. At the same time, inflation has risen recently and remains somewhat elevated. Recent indicators suggest that growth of economic activity has moderated."

	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	2.9
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	2.9		2.5		4.7		3.4		0.8		3.6		3.3		1.9		-0.6		3.8		1.7% Est.*											
Consumption QoQ	4.5		1.5		3.1		3.0		1.7		3.9		4.0		3.9		0.6		2.5		1.5% Est*											

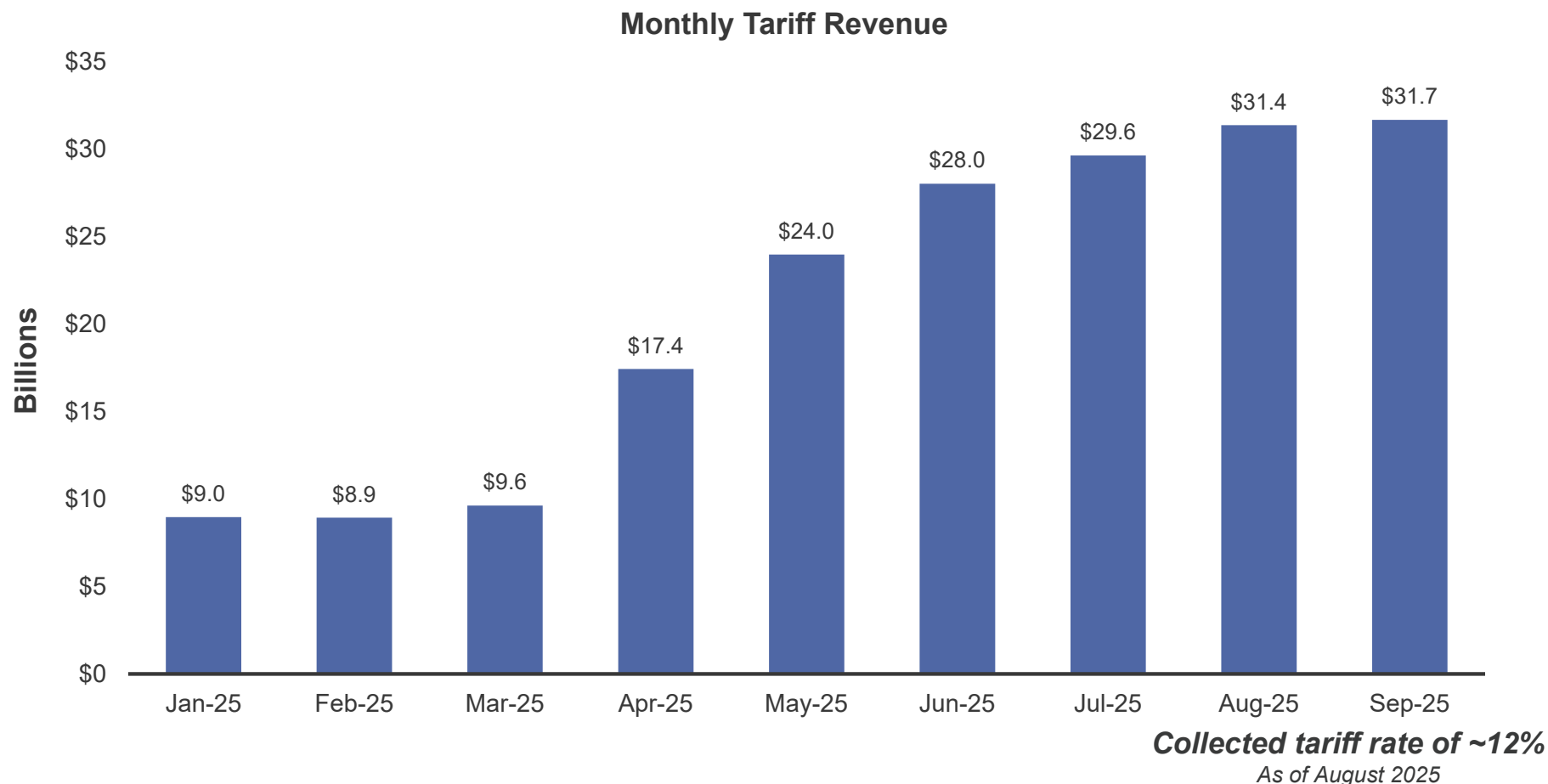
Worse	Neutral	Better
-------	---------	--------

Source: FOMC Chair Jerome Powell Press Conference, September 17, 2025. Bloomberg Finance L.P., Bureau of Labor Statistics and Bureau of Economic Analysis as of August 2025. The shading represents the deciles of each data point using 30 years of historical data.

*Median forecasts sourced from Bloomberg Finance L.P. as of October 2, 2025.

Tariff Revenue Nears \$200 Billion Year-to-Date

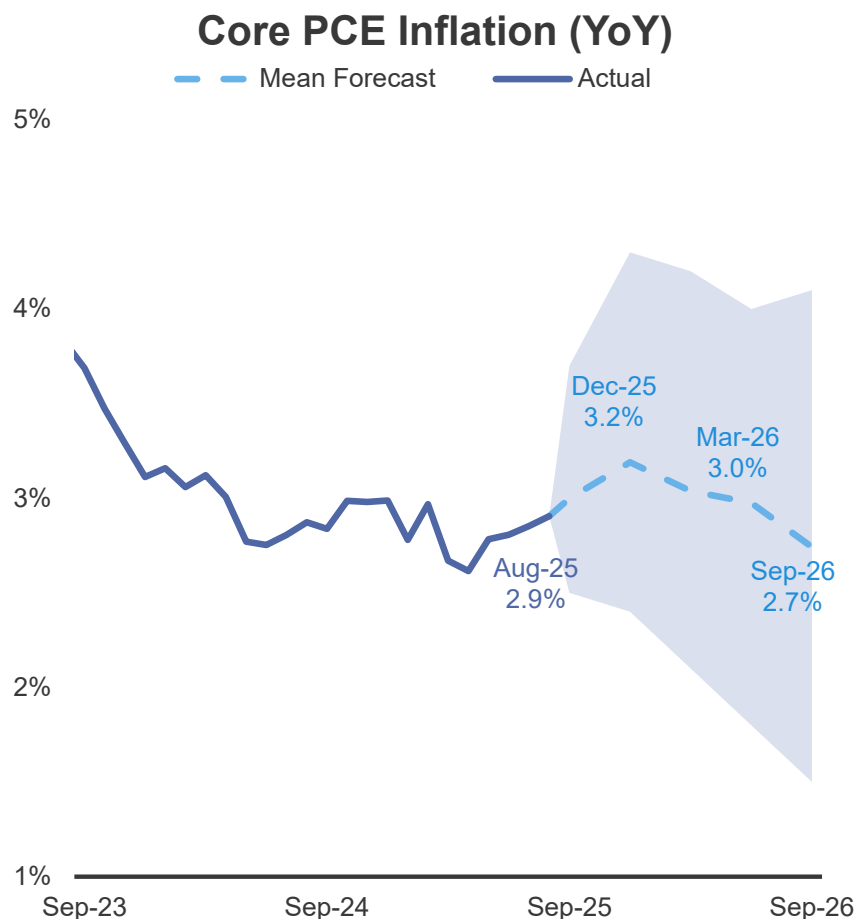
Fed Chair Powell: “Retailers and importers are not passing along the impact of the tariffs to consumers that much. So the actual effects on inflation have been quite modest ... It’s retailers and importers absorbing most of the cost.”



Source: Fed Chair Jerome Powell speech to Greater Providence Chamber of Commerce, September 23, 2025. Bloomberg Finance L.P. and U.S. Treasury as of September 30, 2025. U.S. Census Bureau as of August 2025.

The Fed's Dual Mandate Remains Complicated

Fed Chair Powell: "[T]he increase in goods prices accounts for most ... or perhaps all of the increase in inflation over the course of this year."



Factors Influencing Slower Than Expected Pass-Through of Goods Inflation



Inventory Drawdown



Margin Compression



Exceptions & Exclusions



Shifting Trade Patterns



Contractual Pricing

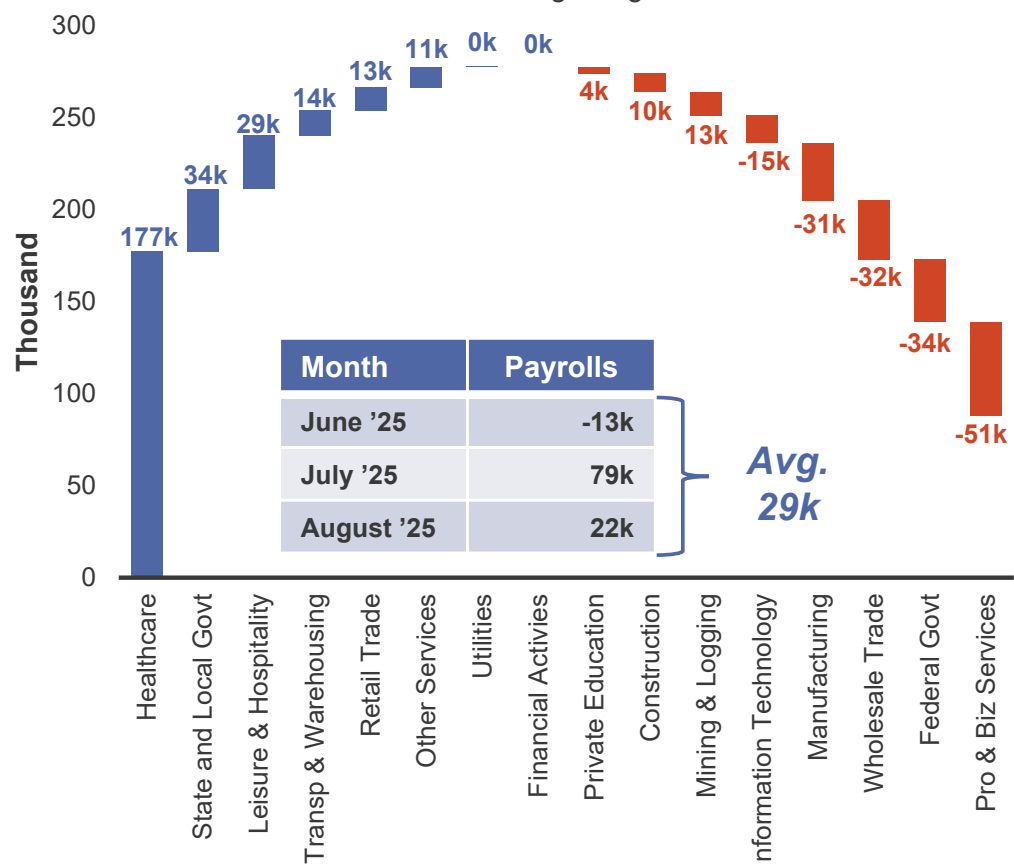
Source: FOMC Chair Jerome Powell Press Conference, September 17, 2025. Bureau of Economic Analysis, and Bloomberg Finance L.P., as of August 2025 (left). Survey responses after September 26, 2025, included in mean and forecast range.

The Fed's Dual Mandate Remains Complicated

Fed Chair Powell: "Labor demand has softened, and the recent pace of job creation appears to be running below the break-even rate needed to hold the unemployment rate constant."

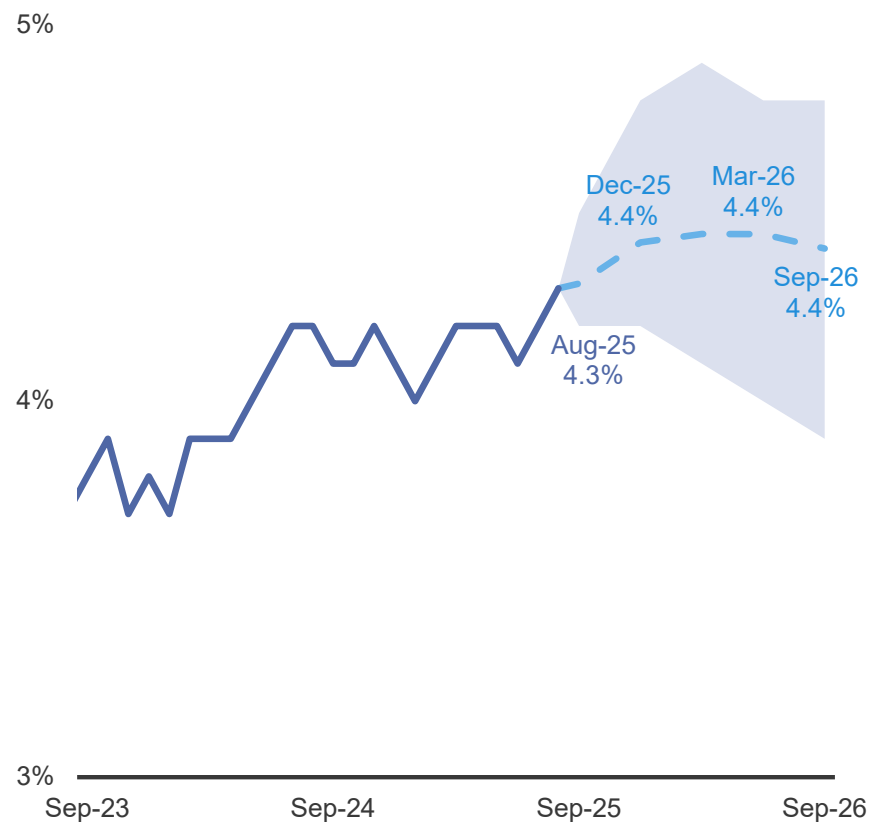
Cumulative Job Growth

Jun-25 through Aug-25



Unemployment Rate

— Mean Forecast — Actual



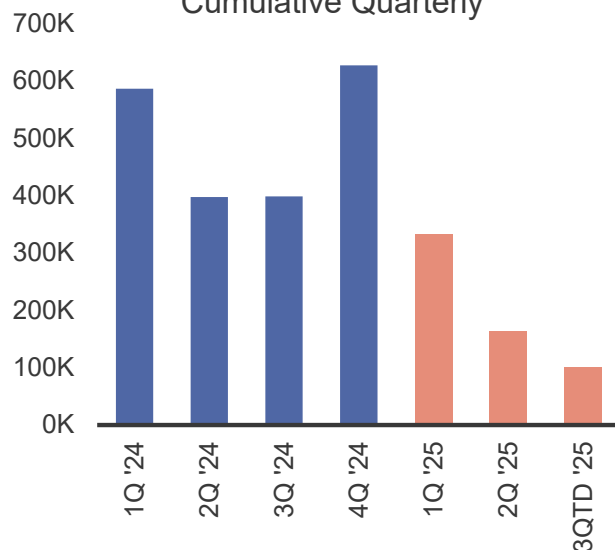
Source: FOMC Chair Jerome Powell Press Conference, September 17, 2025. Bureau of Labor Statistics, and Bloomberg Finance L.P., as of August 2025. Data is seasonally adjusted. Survey responses after September 26, 2025, included in mean and forecast range.

Economic Uncertainty Challenges Outlook

Negative

- ▶ Net new job creation nears zero
- ▶ Sticky services inflation
- ▶ Increasing retail credit card balances
- ▶ Rising student loan delinquencies
- ▶ Planned federal spending cuts

Nonfarm Payrolls
Cumulative Quarterly



Neutral

- ▶ Slower tariff-based inflation passthrough
- ▶ Stabilizing credit card delinquencies
- ▶ Corporate fundamentals

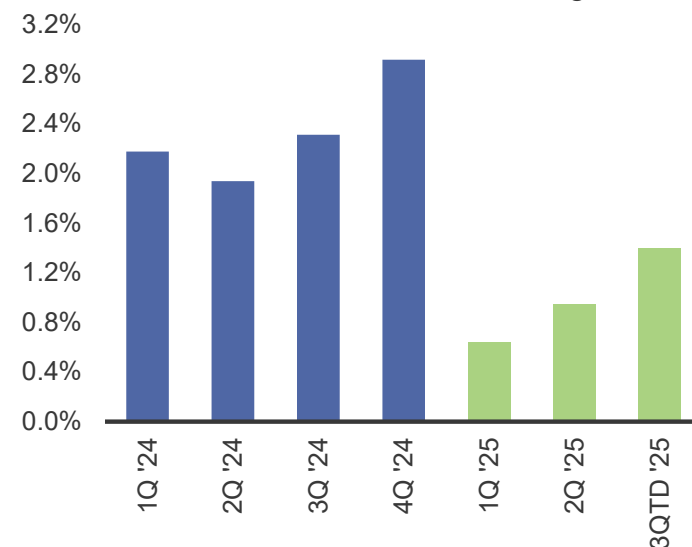
Credit Card Delinquencies
90+ Days



Positive

- ▶ Easing Fed Policy
- ▶ Resilient consumer spending
- ▶ Positive real disposable personal income growth
- ▶ Fiscal tailwinds to business investment

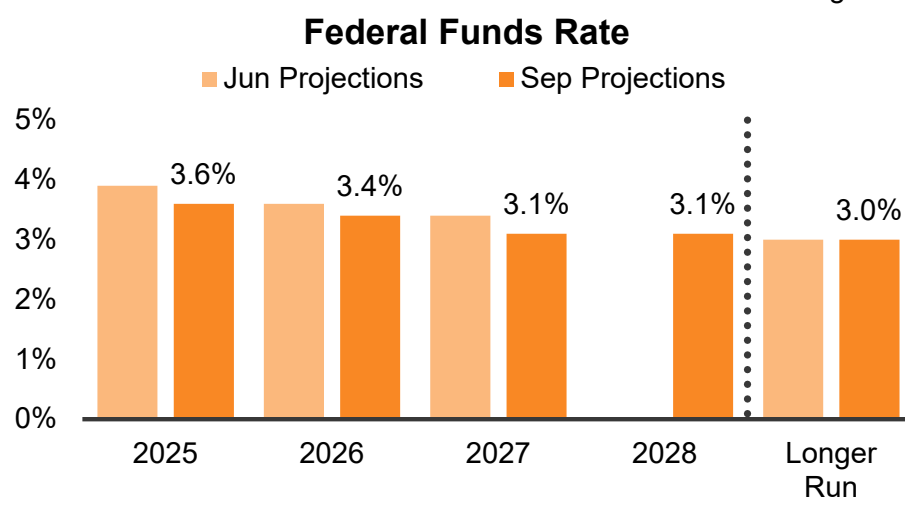
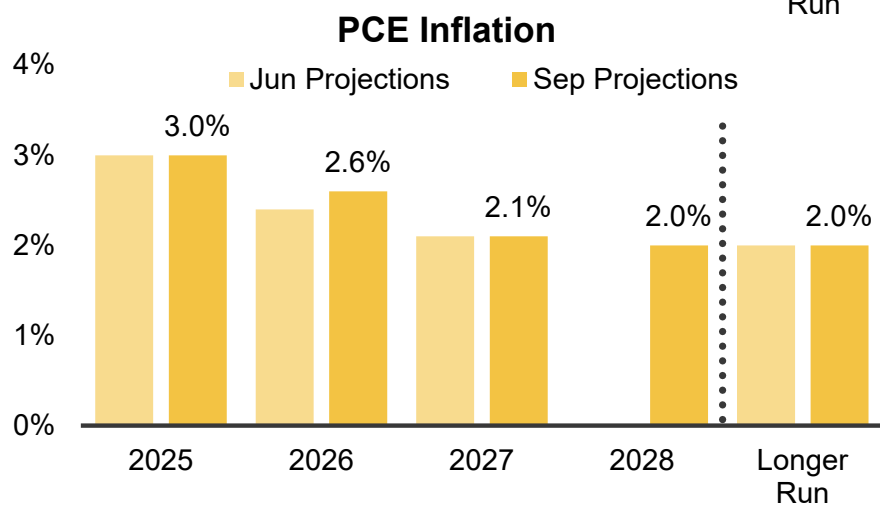
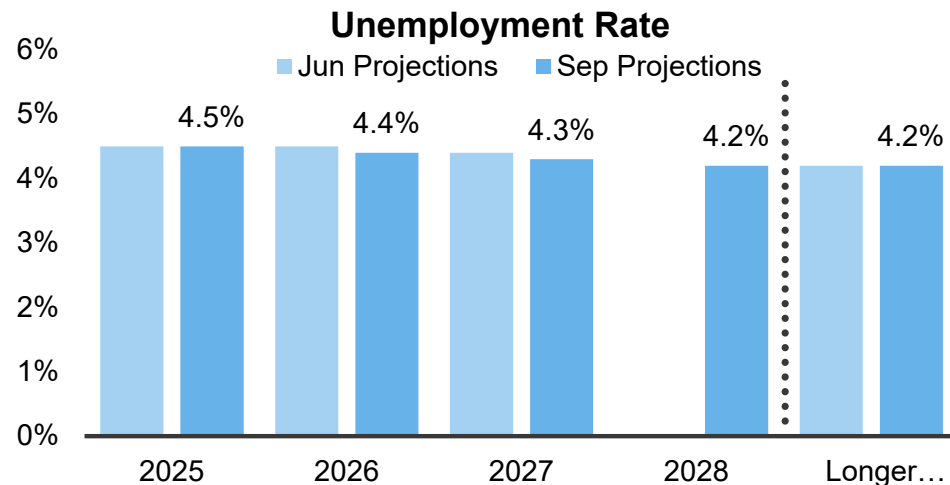
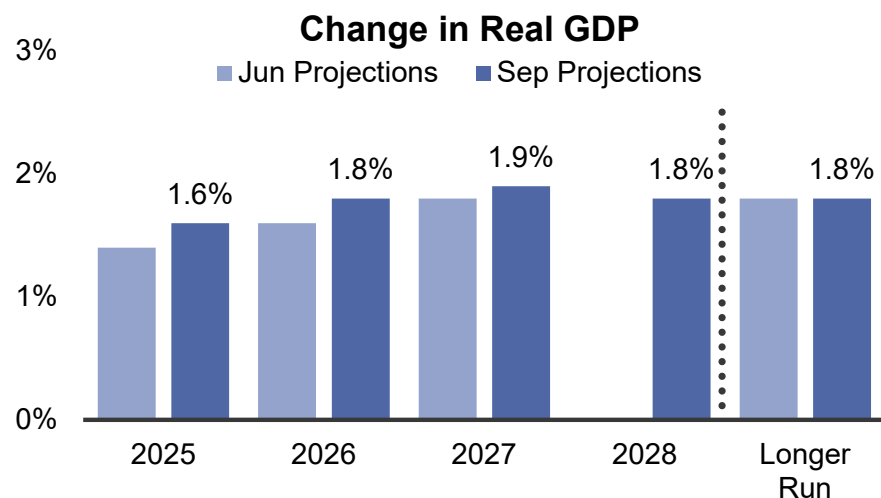
Personal Consumption
Quarter-Over-Quarter Change



Sources: Bloomberg Finance L.P., Bureau of Labor Statistics as of August 2025, Federal Reserve Bank of New York as of June 2025, and Bureau of Economic Analysis as of August 2025.

Fed's Updated Summary of Economic Projections

Fed Chair Powell: "[I]t's a difficult situation because we have risks that are both affecting the labor market and inflation, our two goals ... When they're both at risk, we have to balance them"

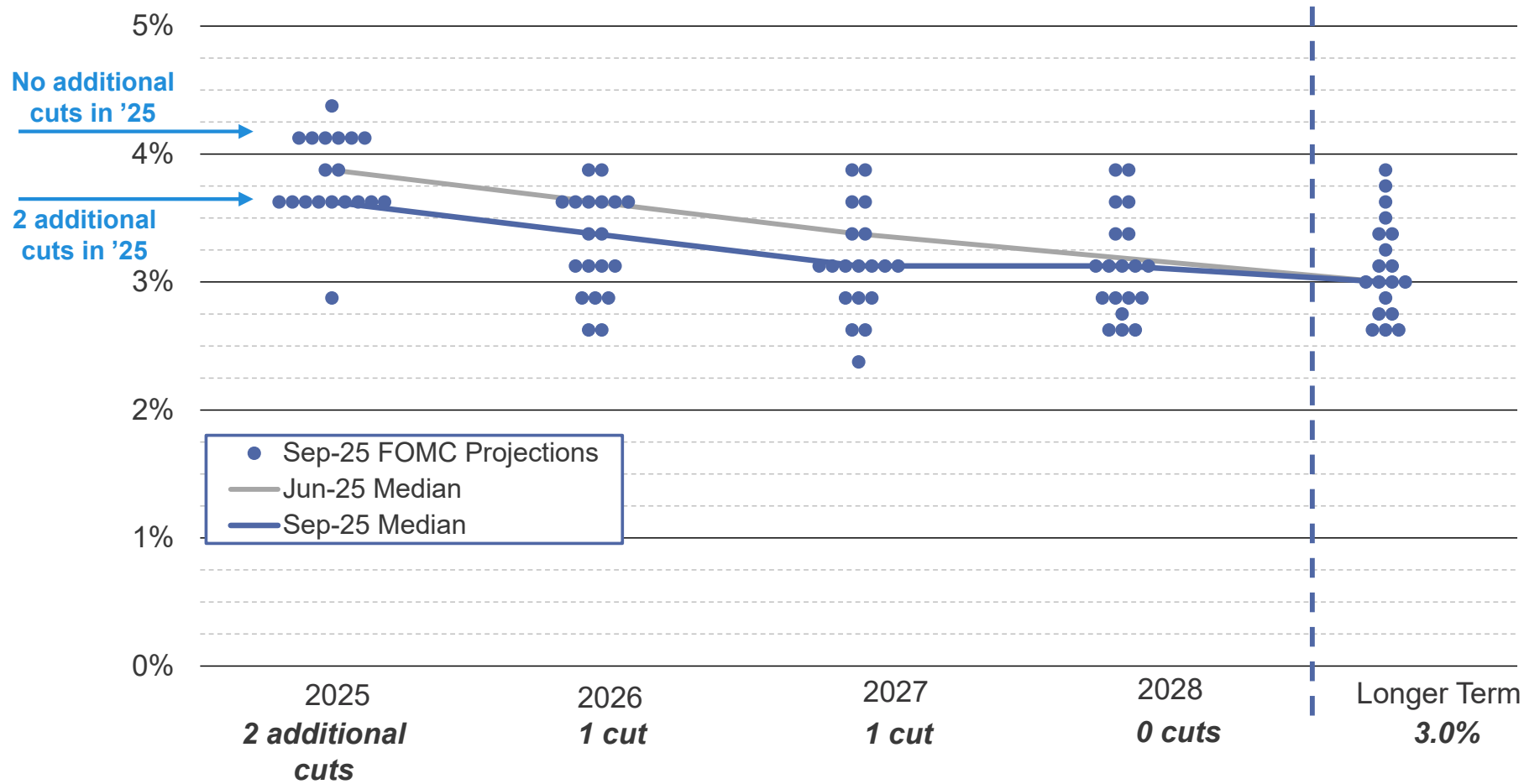


Source: FOMC Chair Jerome Powell Press Conference as of September 17, 2025. September 2025 was the first projection period for calendar year 2028.

The Latest Fed “Dot Plot”

Fed Chair Powell: “[T]here are no risk-free path now. It’s not incredibly obvious what to do... [A]nd you’ll see that there are just a range of views on what to do.”

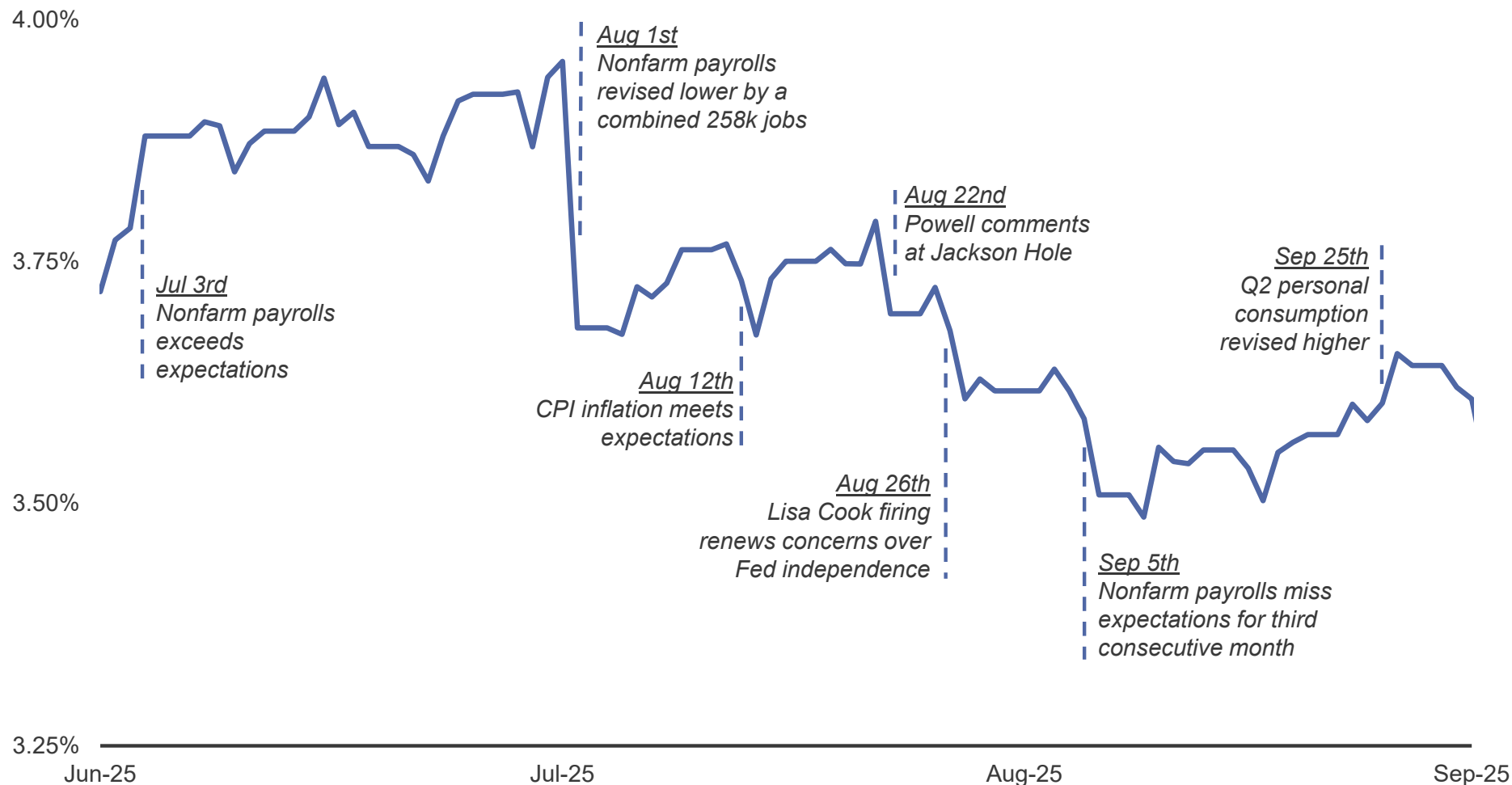
Fed Participants’ Assessments of ‘Appropriate’ Monetary Policy



Source: Federal Reserve and FOMC Chair Jerome Powell Press Conference, as of September 17, 2025. 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.

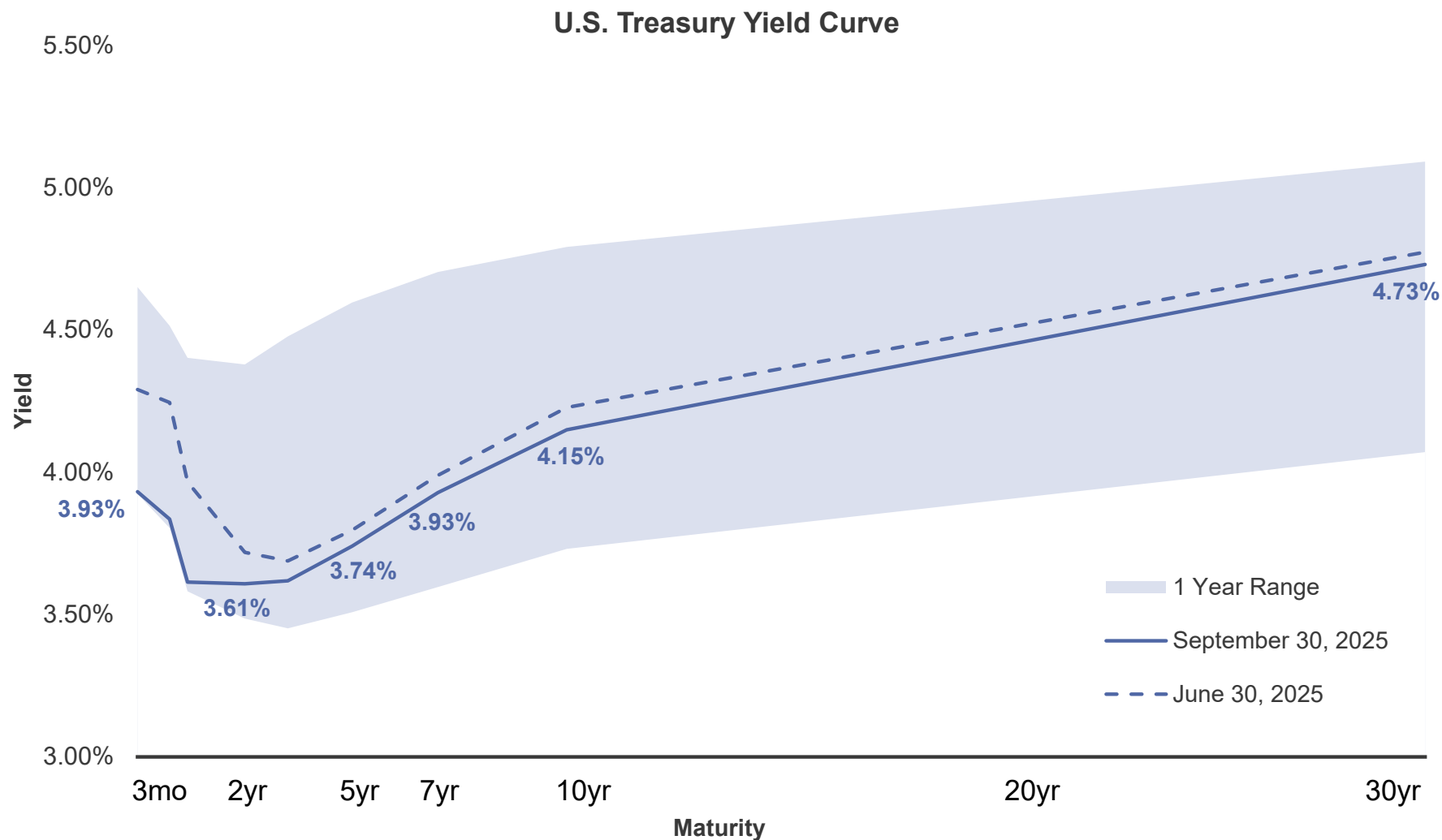
Treasury Yields Lower on Labor Market Risk

2-Year U.S. Treasury Yield
June 30, 2025 – September 30, 2025



Source: Bloomberg Finance L.P., as of September 30, 2025.

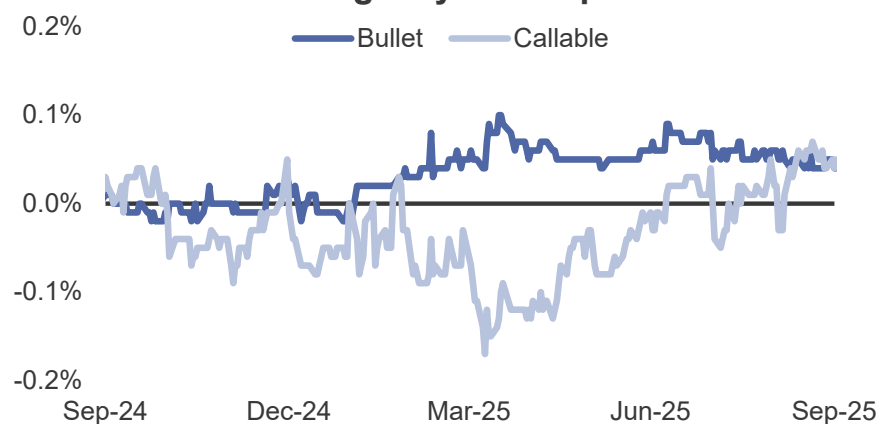
Front End Treasury Yields Move Lower



Source: Bloomberg Finance L.P., as of September 30, 2025.

Sector Yield Spreads

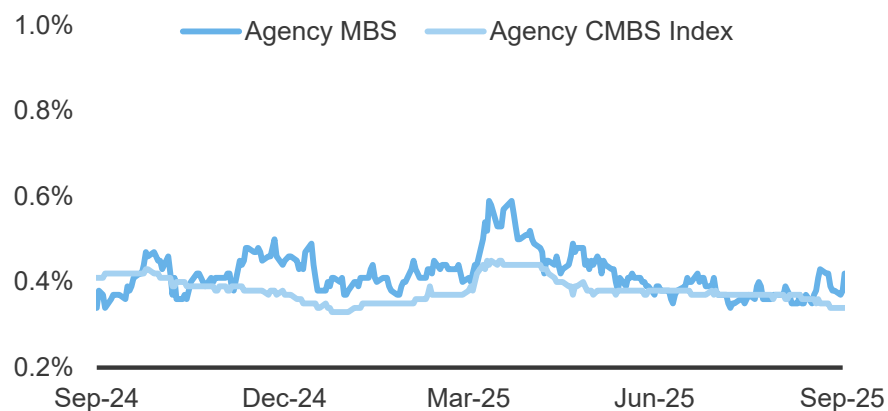
Federal Agency Yield Spreads



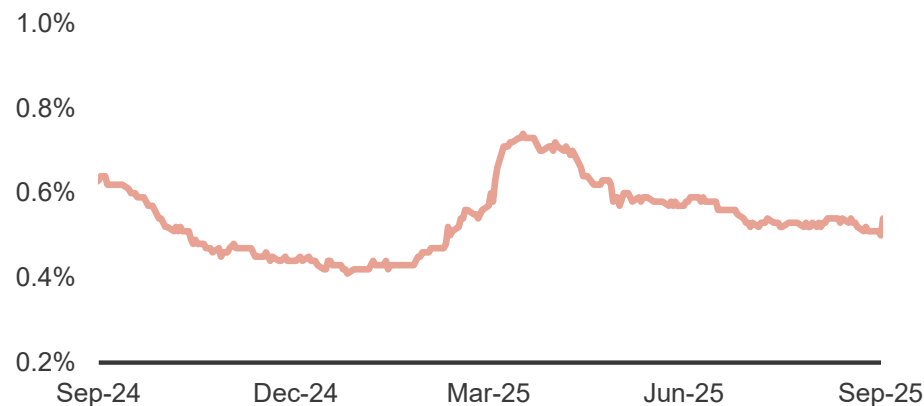
Corporate Notes A-AAA Yield Spreads



Mortgage-Backed Securities Yield Spreads

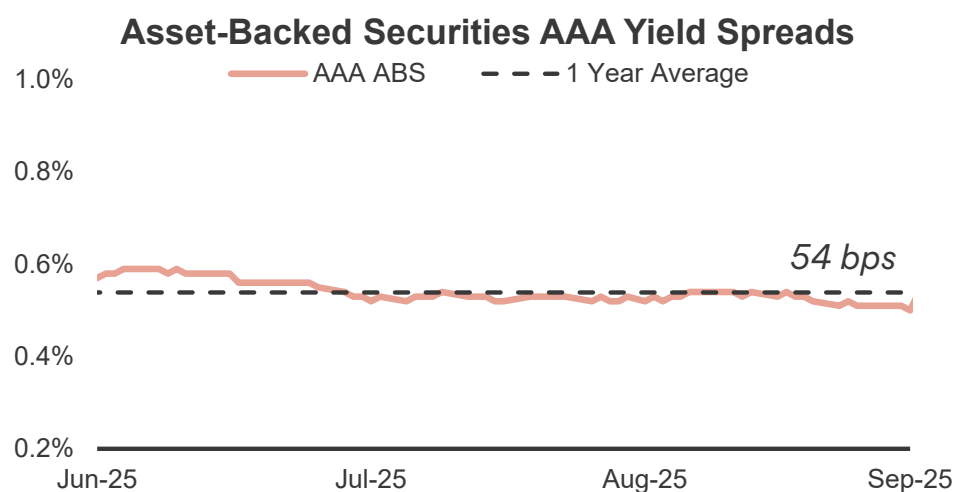
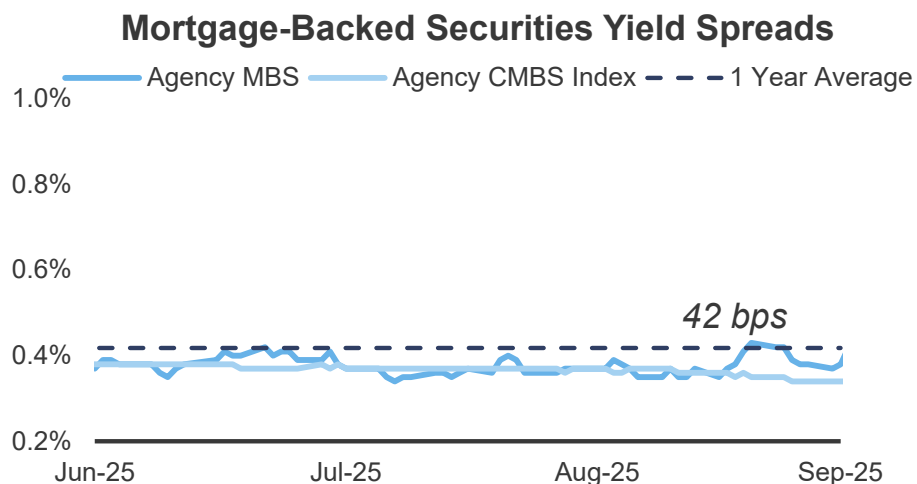
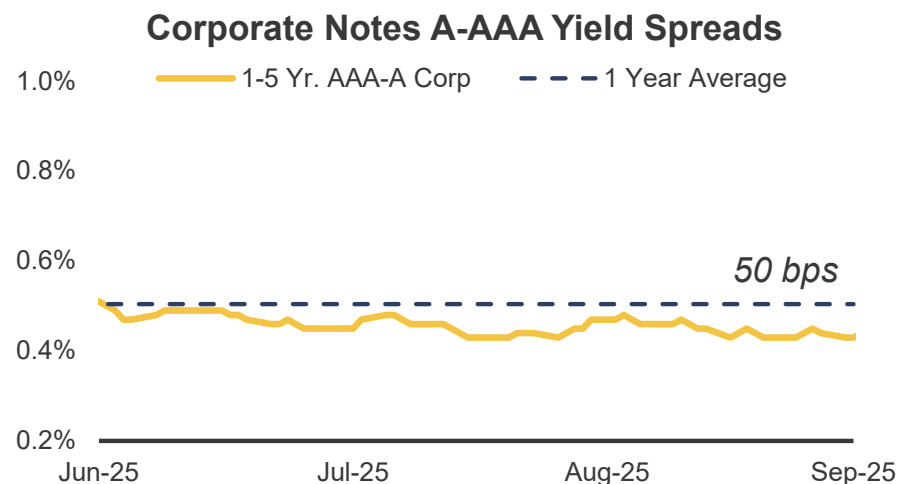
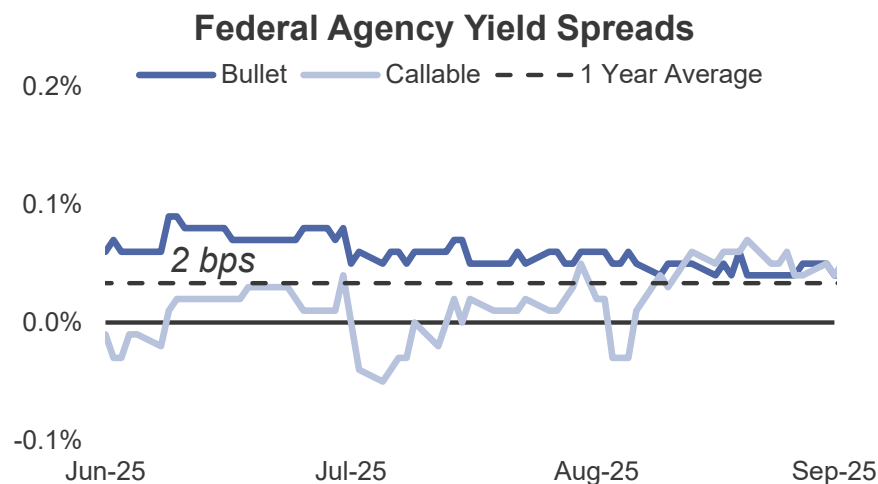


Asset-Backed Securities AAA Yield Spreads



Source: ICE BofA 1-5 year Indices via Bloomberg Finance L.P. and PFMAM as of September 30, 2025. Spreads on ABS and MBS are option-adjusted spreads of 0-5 year indices based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries. CMBS is Commercial Mortgage-Backed Securities and represented by the ICE BofA Agency CMBS Index.

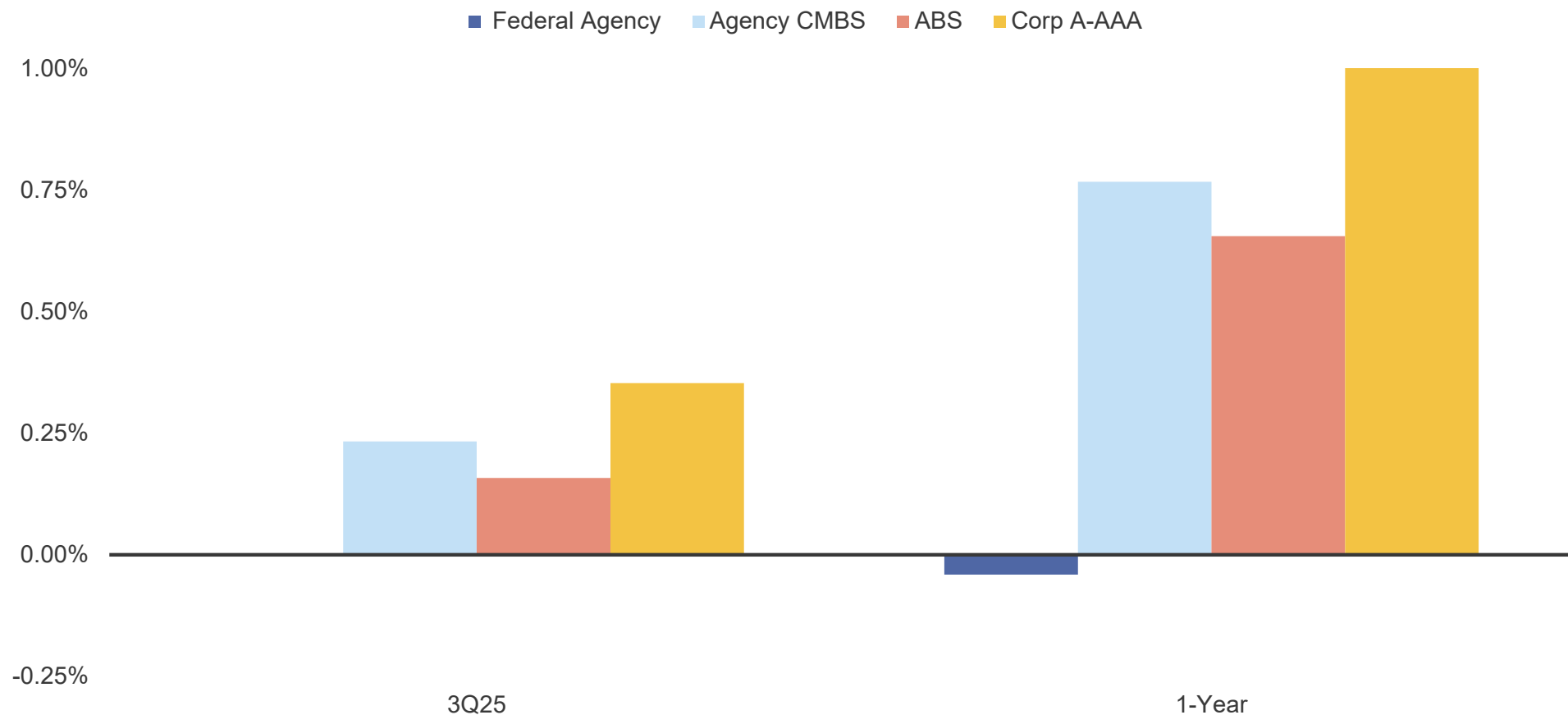
Sector Yield Spreads



Source: ICE BofA 1-5 year Indices via Bloomberg Finance L.P. and PFMAM as of September 30, 2025. Spreads on ABS and MBS are option-adjusted spreads of 0-5 year indices based on weighted average life; spreads on agencies are relative to comparable maturity Treasuries. CMBS is Commercial Mortgage-Backed Securities and represented by the ICE BofA Agency CMBS Index.

Fixed-Income Index Excess Returns

Excess Returns 1-5 Year Indices

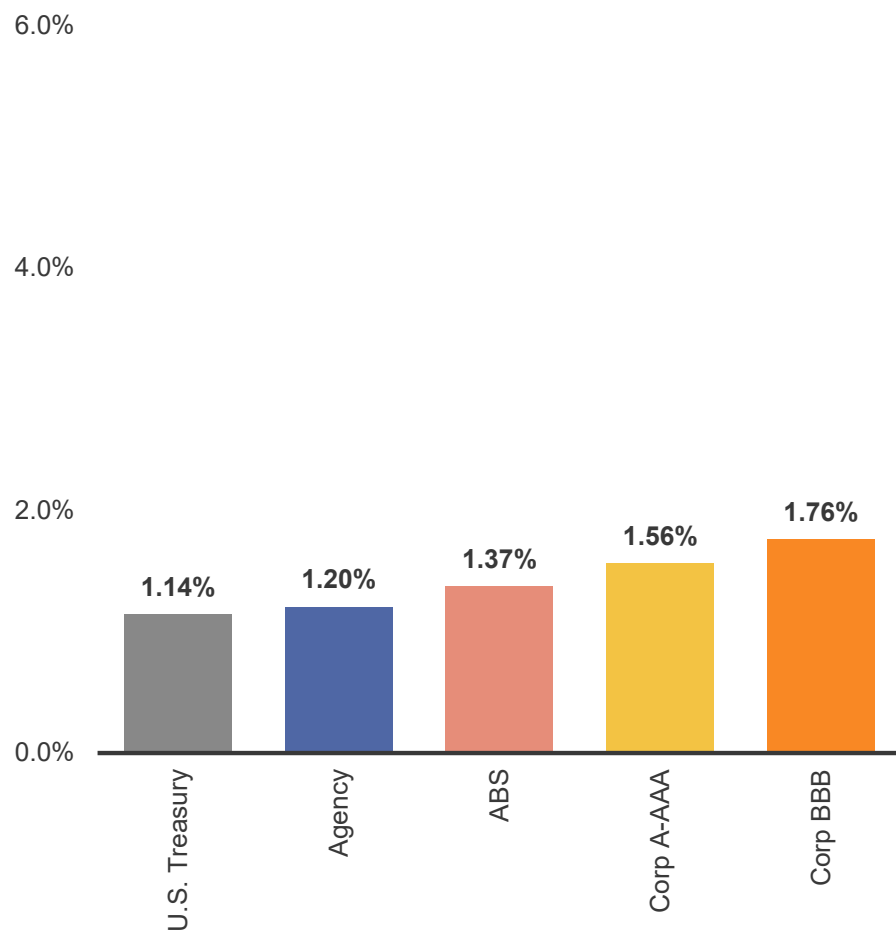


Source: ICE BofA Indices. ABS indices are 0-5 year, based on weighted average life. Agency CMBS represented by ICE BofA CMBY Index. As of September 30, 2025.

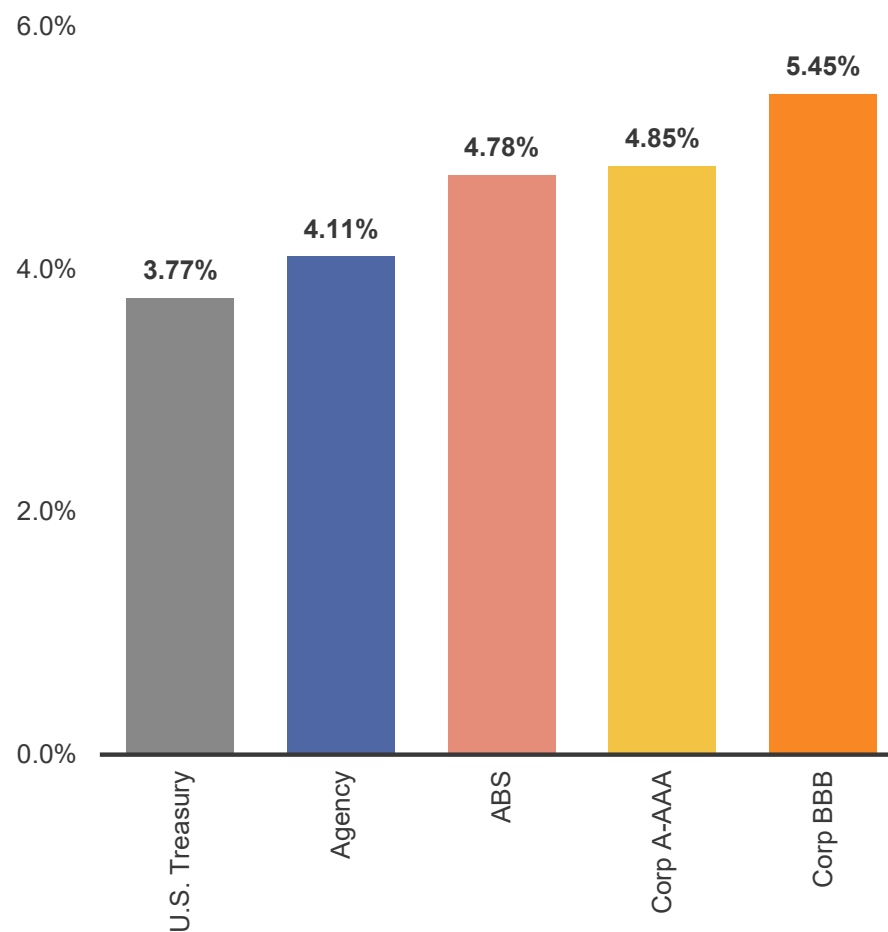
Fixed-Income Index Total Returns in 3Q 2025

1-5 Year Indices

Third Quarter 2025 Returns



1-Year Return



Source: ICE BofA Indices. ABS indices are 0-5 year, based on weighted average life. As of September 30, 2025.

Treasury Yields Remain Above Historical Averages



Source: Bloomberg Finance L.P., as of September 30, 2025.

Government Sector Strategy

AGENCY BULLETS



Reduce Allocations

Summary:

- Spreads remain rich, especially in the 1–5y area, trading near or through Treasuries
- Limited issuance outside of 12 months continues to suppress spreads while demand remains strong

Outlook:

- Spreads expected to remain tight
- Maintain low allocations in favor of other sectors
- Continue to monitor ongoing privatization efforts of Fannie Mae and Freddie Mac

CALLABLE AGENCIES



Reduce Allocations

Summary:

- Front-end spreads remained stable amid low volatility
- Lower rates have driven a wave of redemptions and increased callable issuance
- Valuations remain rich across the front end

Outlook:

- Evaluate callables cautiously with a preference for longer lockouts

SUPRANATIONALS



Reduce Allocations

Summary:

- Spreads remain near historic lows offering 5-10 bps over federal agency bullets in 1-5y area
- Bonds continue to be well bid despite limited month-to-date supply

Outlook:

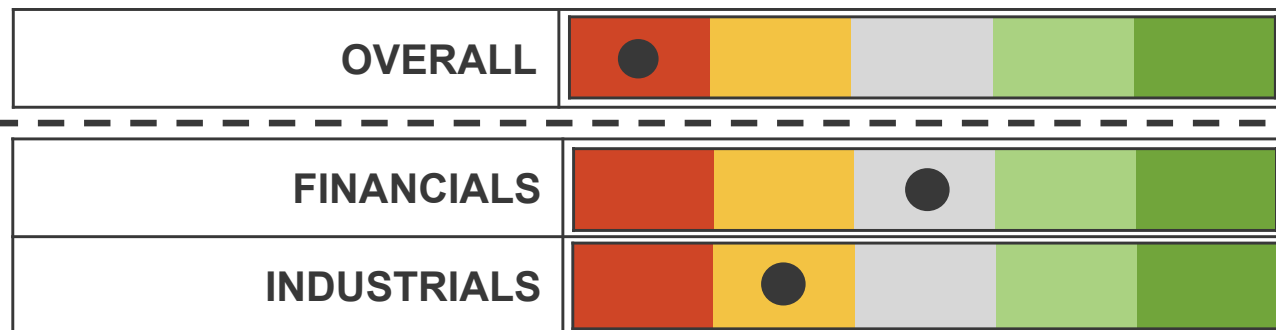
- Expect supply to increase through October before year-end slowdown
- Continue evaluating new issues, especially for constrained accounts
- Opportunistically sell for rebalancing or sector rotation

● Current outlook ○ Outlook last month



Statements and opinions were developed based on our independent research with information obtained from Bloomberg. The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (10/1/2025) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management cannot guarantee its accuracy, completeness, or suitability.

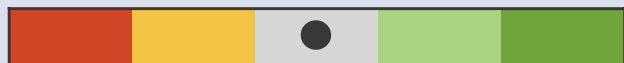
Corporate Sector Strategy



Short (<5 year) Corporates:
Opportunistically trim

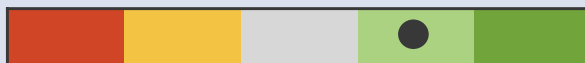
Longer Corporates:
Maintain underweight
(contribution to duration) vs.
benchmarks

Fundamentals:



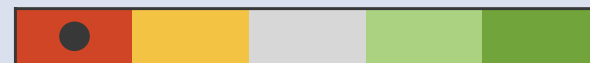
- Corporate balance sheets remain strong and default risk is low
- Increased M&A activity poses idiosyncratic risks but is not expected to pressure the broader market
- Economic backdrop remains supportive with recession risks appearing limited
- Risks include persistent inflation, slower growth, and less accommodative Fed policy
- Political uncertainty and potential punitive policies could weigh on sentiment
- Look to retain flexibility to add allocations if spreads widen

Technicals:



- Demand for short-term credit remains robust, even with modestly lower yields
- Supply has been well absorbed with new issuance expected to be the primary source of opportunity
- Falling yields may prompt buyers to lock in still-attractive front-end yields
- Short-term credit offers a favorable alternative to historically narrow longer-duration spreads
- Carry and curve rolldown are expected to drive excess returns
- Secondary market liquidity remains healthy, supporting tactical adjustments

Valuations:



- Short-term credit spreads are narrow but not at historic tights
- Longer-duration credit is extremely rich with spreads at tightest levels since late '90s
- Lower-rated spreads at multi-decade tights; breakevens are snug on the long end
- IG credit remains rich relative to agency MBS and other sectors
- Taxable munis and certain industries (e.g., autos, pharma, tech) appear cheap
- Modestly lower yields not expected to have significant impact on demand

● **Current outlook** ○ **Outlook last month**



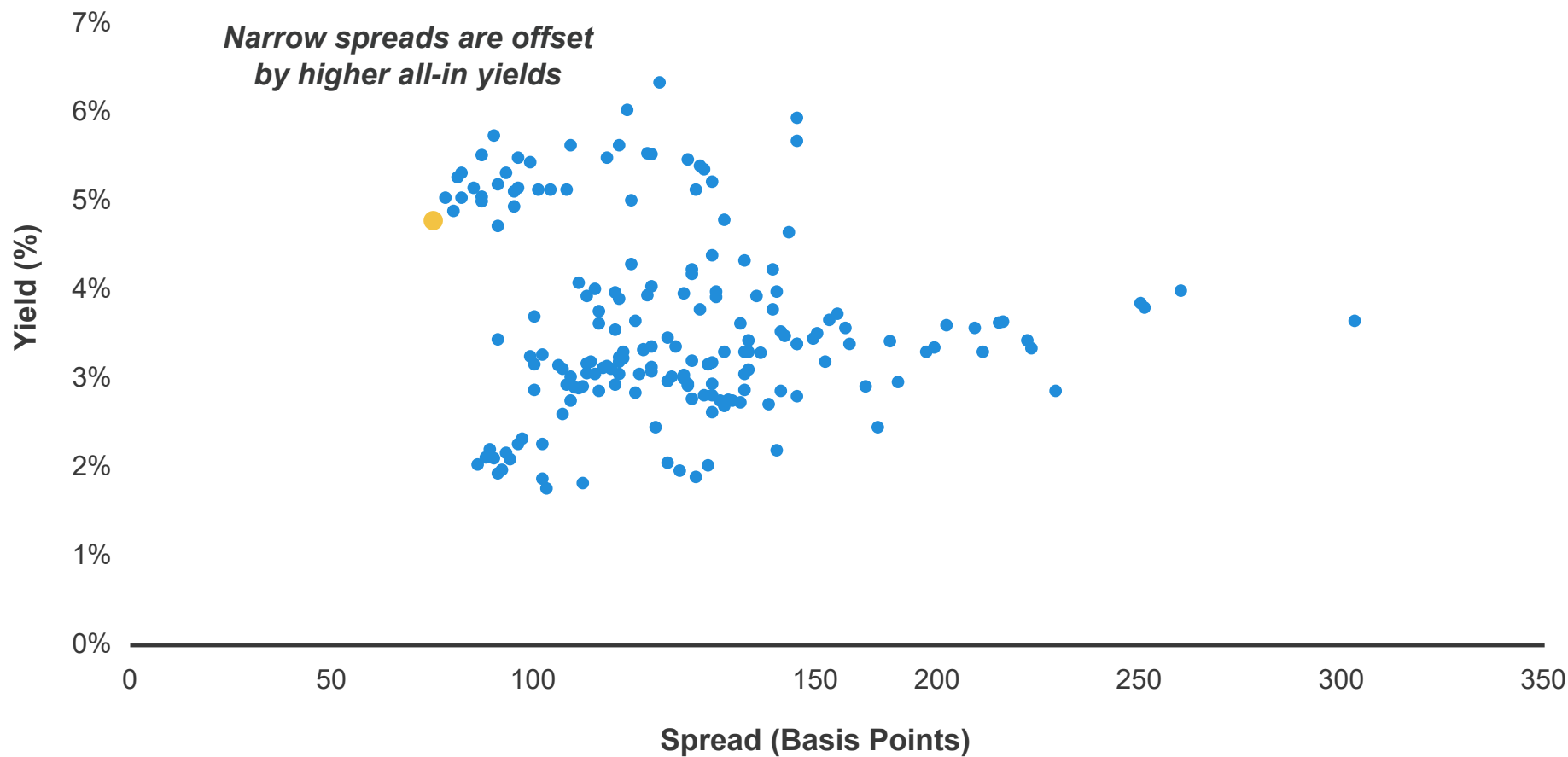
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Corporate Index Yield vs OAS (2010 – 2025)

U.S. Corporate Index

Sept 2010 – Sept 2025

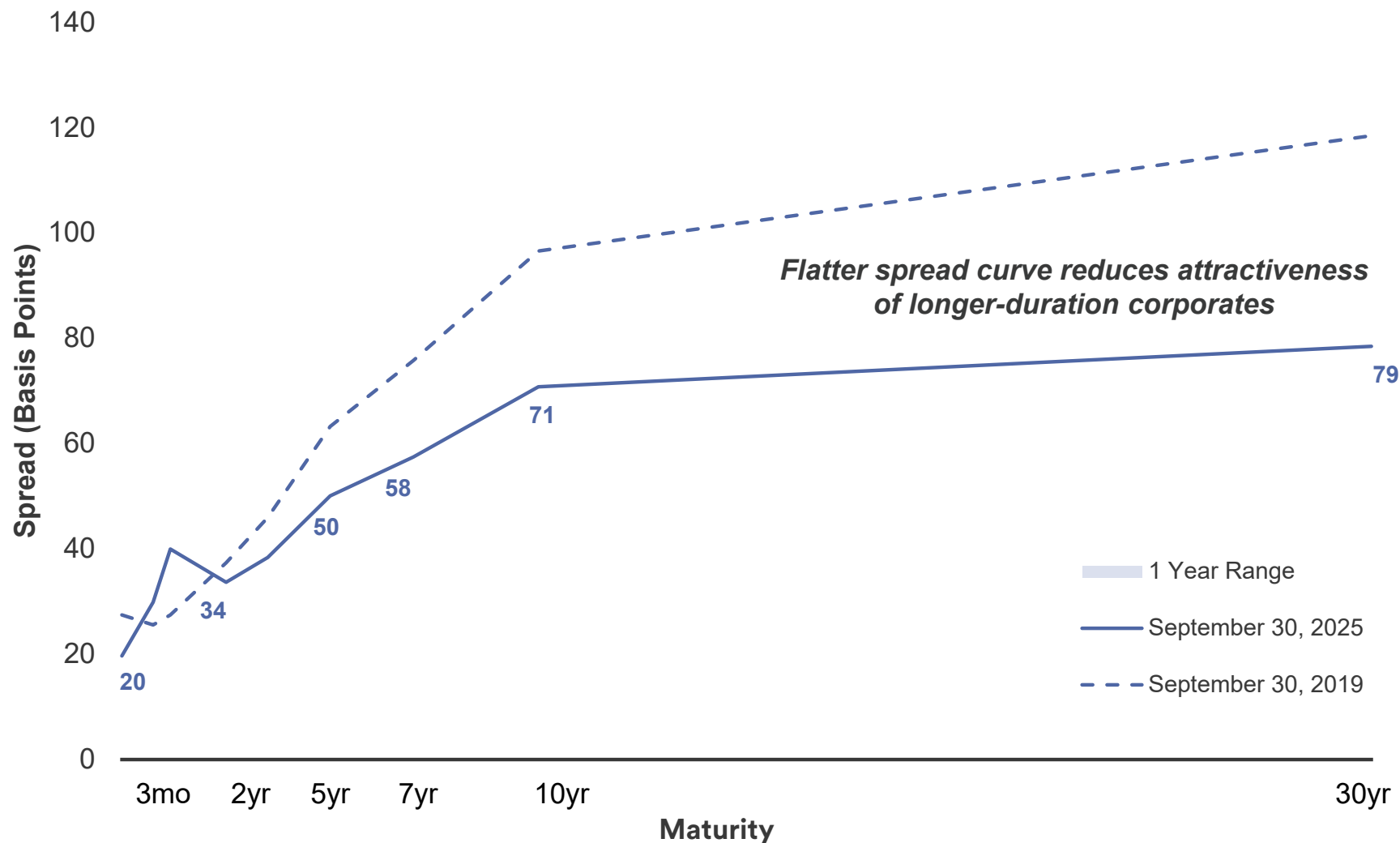
● Today



Source: Bloomberg Finance L.P., ICE BofA Indices. Spread is option adjusted spread (OAS). Monthly data from September 2010 to September 2025.

U.S. Corporate Bond Spread Curve Flattens

Single A U.S. Corporate Spread Curve



Source: Bloomberg Finance L.P., as of September 30, 2025. Spreads shown are G-spread, or corporate yield in excess of match maturity U.S. Treasury.

Securitized Sector Strategy

AGENCY MBS



Reduce allocations in longer-duration strategies

Summary:

- Decline in mortgage rates is boosting prepayments in 6%+ coupons
- 2025 net supply projected to modestly decline
- Valuations have richened; OASs now at narrowest levels since 22Q3

Outlook:

- Reduce allocations to 15-yr and lower-coupon 30-yr in longer-duration accounts
- Volatility expected to increase due to economic and political uncertainty
- Sector likely to underperform over near term

AGENCY CMBS



Maintain allocations

Summary:

- Spreads little changed; strong returns YTD
- Fundamentals are weak but stabilizing with soft rent growth and rising vacancies
- Secondary market activity remains light with low dealer inventory

Outlook:

- Increased new issuance expected in October
- Valuations are below historical averages and look cheap to other sectors
- Sector expected to perform well if/when volatility increases

ASSET-BACKED



Maintain allocations

Summary:

- Prime ABS fundamentals remain stable; credit metrics have normalized and structures remain resilient to recession scenarios
- Decline in all-in yields may lead to spread widening and softer demand

Outlook:

- New issuance expected to taper after October, potentially offering technical support
- Carry expected to be driver of excess returns
- Spread widening possible on heightened economic and political risks

● **Current outlook** ○ **Outlook last month**



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Fixed – Income Sector Outlook – 4Q 2025

Sector	Our Investment Preferences
COMMERCIAL PAPER / CD	
TREASURIES	
T-Bill	
T-Note	
FEDERAL AGENCIES	
Bullets	
Callables	
SUPRANATIONALS	
CORPORATES	
Financials	
Industrials	
SECURITIZED	
Asset-Backed	
Agency Mortgage-Backed	
Agency CMBS	
MUNICIPALS	

● Current outlook

○ Outlook one quarter ago

Negative

Slightly
Negative

Neutral

Slightly
Positive

Positive

Fixed-Income Sector Commentary – 3Q 2025

- ▶ The **Federal Open Market Committee (FOMC)** lowered the target range for the federal funds rate to 4.00-4.25% during the September 17th meeting, citing weakening in the labor market.
- ▶ **U.S. Treasury** yields across all maturities moved lower over the quarter. The change in yields reflected ongoing market sensitivity to the Fed, with concerns regarding the labor market taking center stage amid ongoing weakness. As a result of the Treasury rally, total returns were positive for the quarter.
- ▶ **Federal Agency & supranational** spreads remained low and traded in a narrow range throughout Q3. Excess returns remained muted in part due to limited issuance, which is a trend we expect to continue.
- ▶ **Investment-Grade (IG) corporate** bonds generated strong excess returns as spreads narrowed to multi-year lows across most maturities. Lower-quality and longer-duration bonds led performance, supported by strong investor demand.
- ▶ **Asset-Backed Securities** spreads tightened but remain modestly elevated versus 12-month lows. While excess returns were positive, they lagged those of IG corporates. Auto loan collateral modestly outperformed credit card-backed securities.
- ▶ **Agency-backed mortgage-backed securities (MBS)** delivered solid performance with positive excess returns across the board. Longer-duration MBS stood out as a top-performing IG sector in Q3. **Agency-backed commercial MBS (CMBS)** also posted positive excess returns for the quarter.
- ▶ **Short-term credit** (commercial paper and negotiable bank CDs) yields declined as Treasury issuance surged and the Fed cut rates. Short-end yield spreads widened over the quarter and demand remained strong as investors viewed the sector as a hedge against future rate cuts.

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Fixed-Income Sector Outlook – 4Q 2025

- ▶ **U.S. Treasury** volatility is expected to increase from multi-year lows given both fiscal and monetary policy uncertainty. The potential collective impact of further policy changes on economic growth, inflation, and labor markets are unknown. We expect to see an ongoing steepening of the yield curve given the expectation for future Fed rate cuts.
- ▶ **Federal Agency & Supranational** spreads are likely to remain at tight levels. Government-heavy accounts may find occasional value on an issue-by-issue basis.
- ▶ **Taxable Municipals** continue to see little activity due to an ongoing lack of supply and strong demand which continues to suppress yields in both the new issue and secondary markets. We expect few opportunities in the near term.
- ▶ **Investment-Grade (IG) Corporate** bond fundamentals and valuations weakened while technicals have improved modestly. We will evaluate opportunities with a focus on industry fundamentals and issuer credit quality while identifying rich holdings to tactically reduce allocations.
- ▶ **Asset-Backed Securities** fundamentals remain intact and credit metrics have normalized. Consumer credit trends will depend on the labor market and the consumer's response to monetary policy easing, which tends to work on a lag. We expect spreads to continue to exhibit volatility with a bias towards widening, while low issuance in Q4 will support technicals in the sector.
- ▶ **Mortgage-Backed Securities** are expected to underperform over the short term with spreads at their narrowest levels in 3-years. We may use any meaningful spread widening to add at more attractive levels.
- ▶ **Short-term credit** (commercial paper and negotiable bank CDs) spreads in Q4 will continue to be primarily driven by expectations about monetary policy decisions by the FOMC. Given the positively sloped shape of the money market yield curve, we favor a mix of floating rate securities in the front end and fixed rate securities in longer maturities.

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Factors to Consider for 6-12 Months

Monetary Policy (Global):



- The Fed cut rates by 25 bps in September citing rising downside risks to employment despite inflation remaining above its 2% target. This was the Fed's first rate cut since December 2024.
- The "dot plot" signals 50 bps in additional cuts for 2025, though views remain split, with 7 members favoring no additional cuts in 2025.
- Major central banks have already eased (ECB and BOE) or are in the process of further easing (U.S. and Canada) except for the BOJ slowly tightening policy after decades of easy monetary policy.

Economic Growth (Global):



- U.S. growth continues to be resilient driven by an unwind of the trade and inventory dynamics earlier in the year as well as robust consumer spending and elevated business investment
- Consumer spending and business investment remain strong despite growing softness in the labor market.
- Trade tensions, elevated tariffs and a prolonged U.S. government shutdown remain key downside risks to growth, while AI driven investment and fiscal support in some regions provide partial offsets.

Inflation (U.S.):



- Inflation accelerated in Q3 led by rising goods prices and sticky services costs, keeping core inflation closer to 3%, well above the Fed's 2% target.
- Fed projections show a longer timeline for inflation to reach its 2% target.
 - Fed Chair Powell noted tariffs have begun to push up goods prices in some categories, but the base case is for these effects to be short-lived.

Financial Conditions (U.S.):



- Financial conditions eased as tariff announcements were digested. This sparked renewed market confidence which resulted in equities reaching new all-time highs and credit spreads tightening to historically narrow levels.
- Fiscal uncertainty and geopolitical risks could reintroduce tighter financial conditions over the next 6-12 months.

Consumer Spending (U.S.):



- Slower nominal wage growth combined with higher inflation has eroded real purchasing power.
- However, consumer activity remained resilient, driven by spending from higher income households.
- Consumer confidence improved slightly but remains below historical averages, reflecting concerns over slower hiring and inflation persistence.
- Further labor market softness, a significant correction in the equity market or more complete pass-through of tariffs into consumer prices remain the largest threats to consumer spending.

Labor Markets (U.S.):



- Labor market conditions continued to cool with net new job creation nearing zero while being concentrated in just a few service sectors.
- Despite some signs of cooling, the layoff rate remains low and points towards employers adopting what has been characterized as a "no hire, no fire" approach.
- The unemployment rate ticked up modestly, job openings declined further, and the quits rate remain subdued, signaling reduced worker leverage.
- Initial jobless claims remain low, but longer job search durations suggest labor market conditions continue to loosen.

● Current outlook

○ Outlook one quarter ago

Stance
Unfavorable to
Risk Assets

Negative

Slightly
Negative

Neutral

Slightly
Positive

Positive

Stance
Favorable to
Risk Assets

Statements and opinions expressed about the next 6-12 months were developed based on our independent research with information obtained from Bloomberg Finance L.P. and FactSet. The views expressed within this material constitute the perspective and judgment of PFM Asset Management at the time of distribution (9/30/2025) and are subject to change. Information is obtained from sources generally believed to be reliable and available to the public; however, PFM Asset Management cannot guarantee its accuracy, completeness, or suitability.

Certificate of Compliance

During the reporting period for the quarter ended September 30, 2025, the account(s) managed by PFM Asset Management ("PFMAM") were in compliance with the applicable investment policy and guidelines as furnished to PFMAM.

Acknowledged : *PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc.*

Note: Pre- and post-trade compliance for the account(s) managed by PFM Asset Management is provided via Bloomberg Financial LP Asset and Investment Management ("AIM").

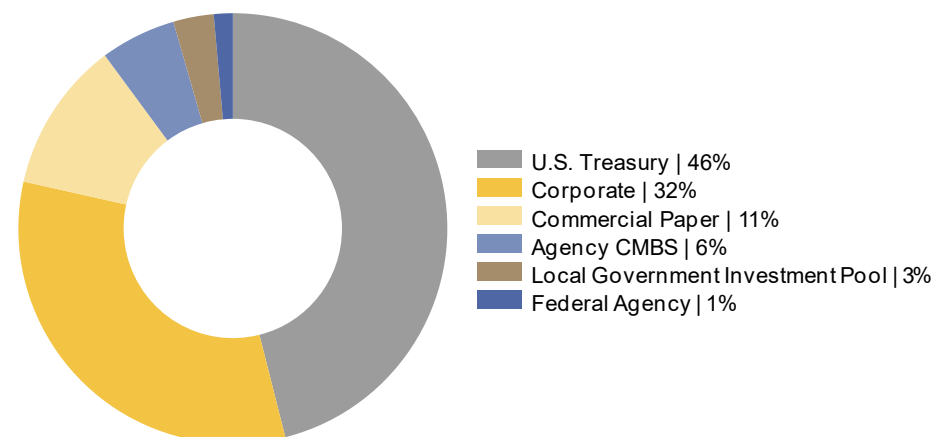
Account Summary

Consolidated Summary

Account Summary

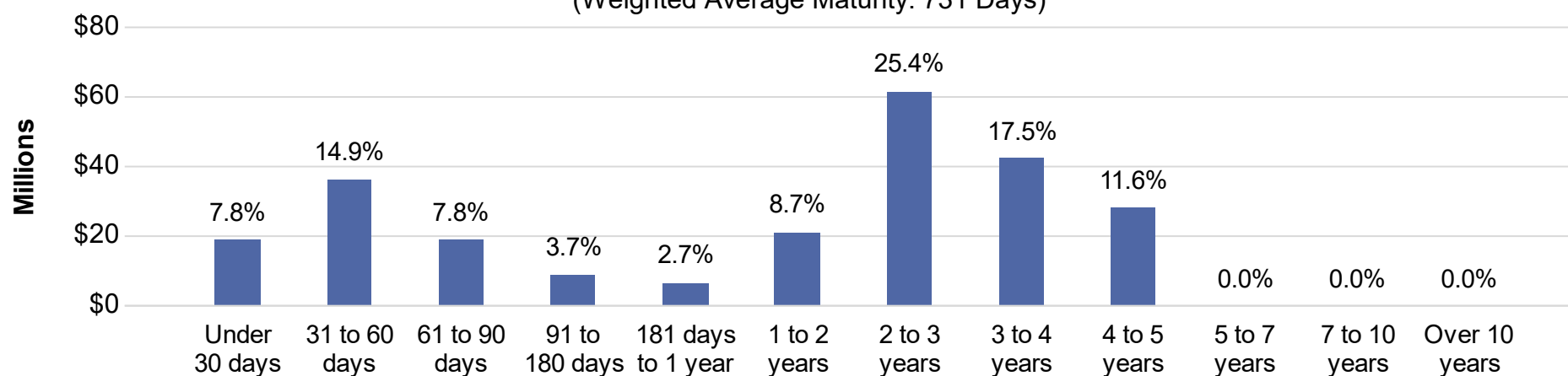
WGIF	\$69,018,642
WGIF Managed Account	\$234,802,382
Total Program	\$303,821,024

Sector Allocation



Maturity Distribution

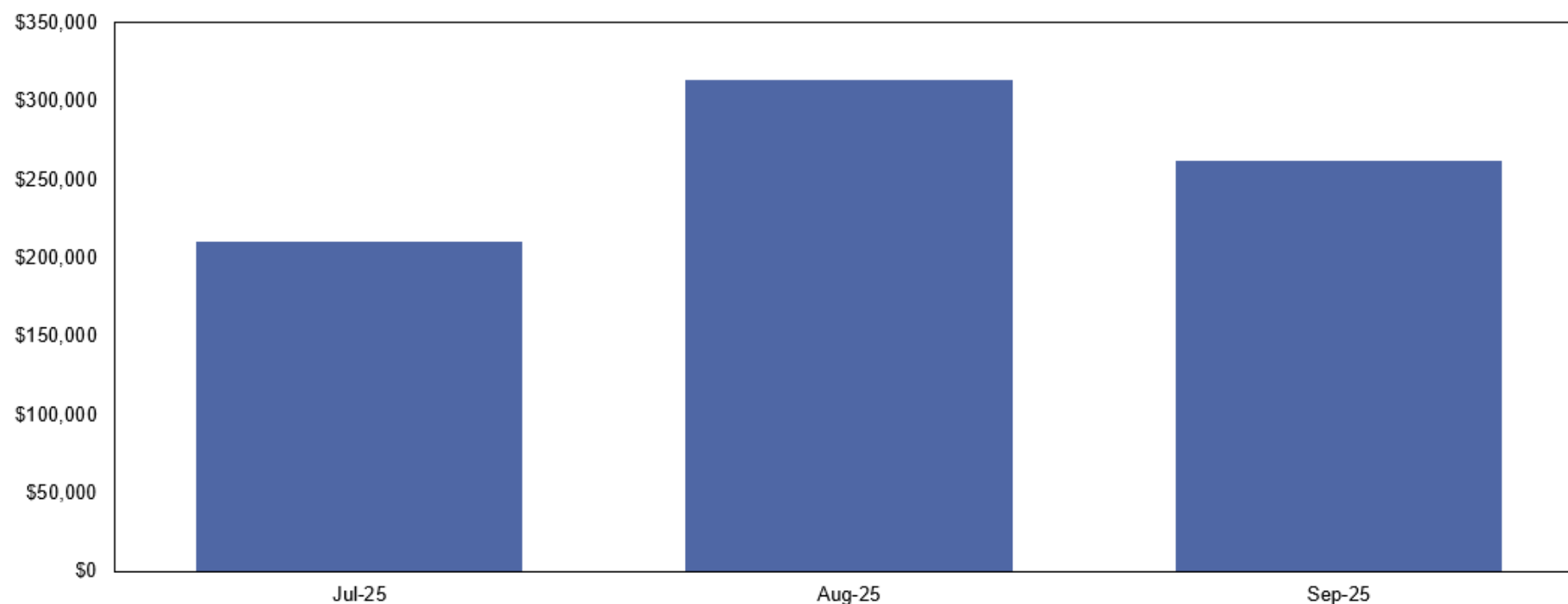
(Weighted Average Maturity: 731 Days)



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

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

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



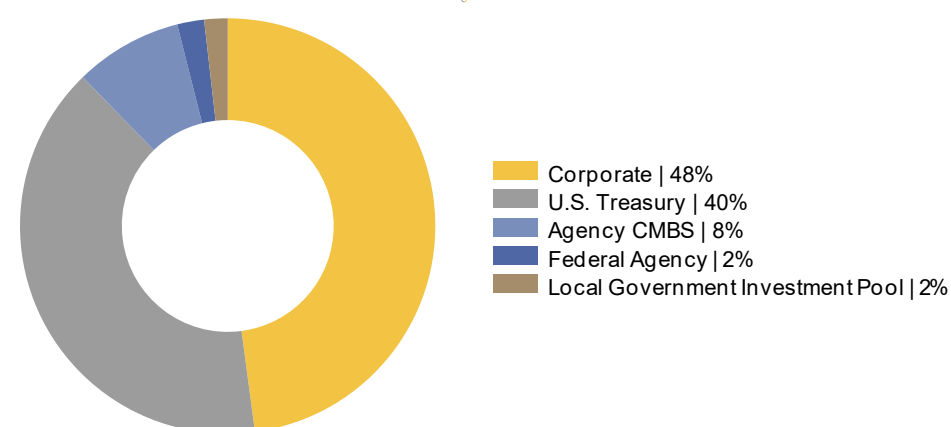
	July 2025	August 2025	September 2025
UW General Fund UW	\$182,665	\$285,949	\$235,037
University Deposit	\$27,554	\$27,569	\$26,497
2021 Construction Fund	\$19	\$2	<\$1
Total Accrual Income	\$210,238	\$313,520	\$261,533

Portfolio Snapshot - WGIF-UNIVERSITY OF WYOMING CORE¹

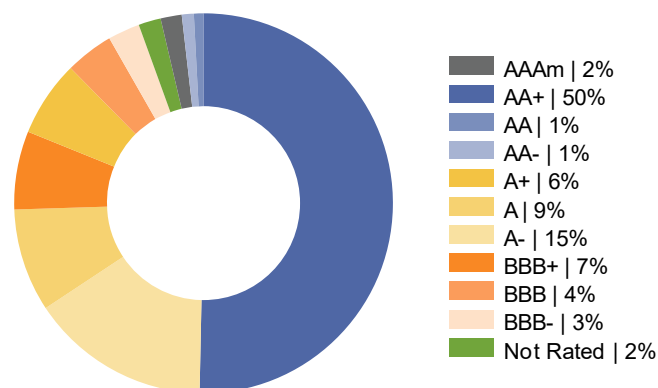
Portfolio Statistics

Total Market Value	\$163,807,737.66
Managed Account Sub-Total	\$159,427,487.55
Accrued Interest	\$1,443,537.28
Pool	\$2,936,712.83
Portfolio Effective Duration	2.53 years
Benchmark Effective Duration	2.51 years
Yield At Cost	4.27%
Yield At Market	4.03%
Portfolio Credit Quality	A

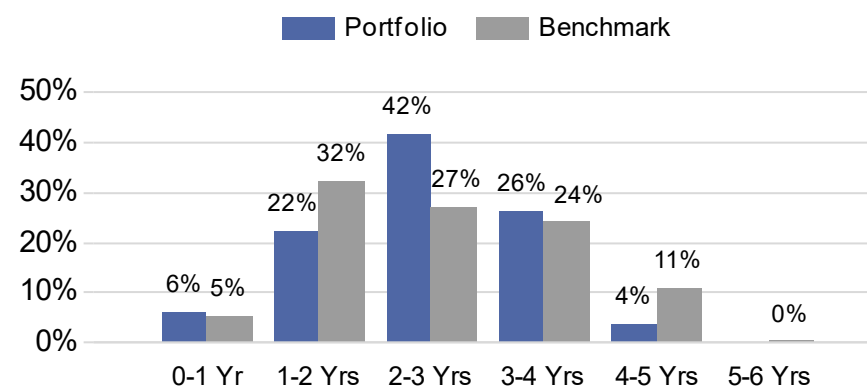
Sector Allocation



Credit Quality - S&P



Duration Distribution



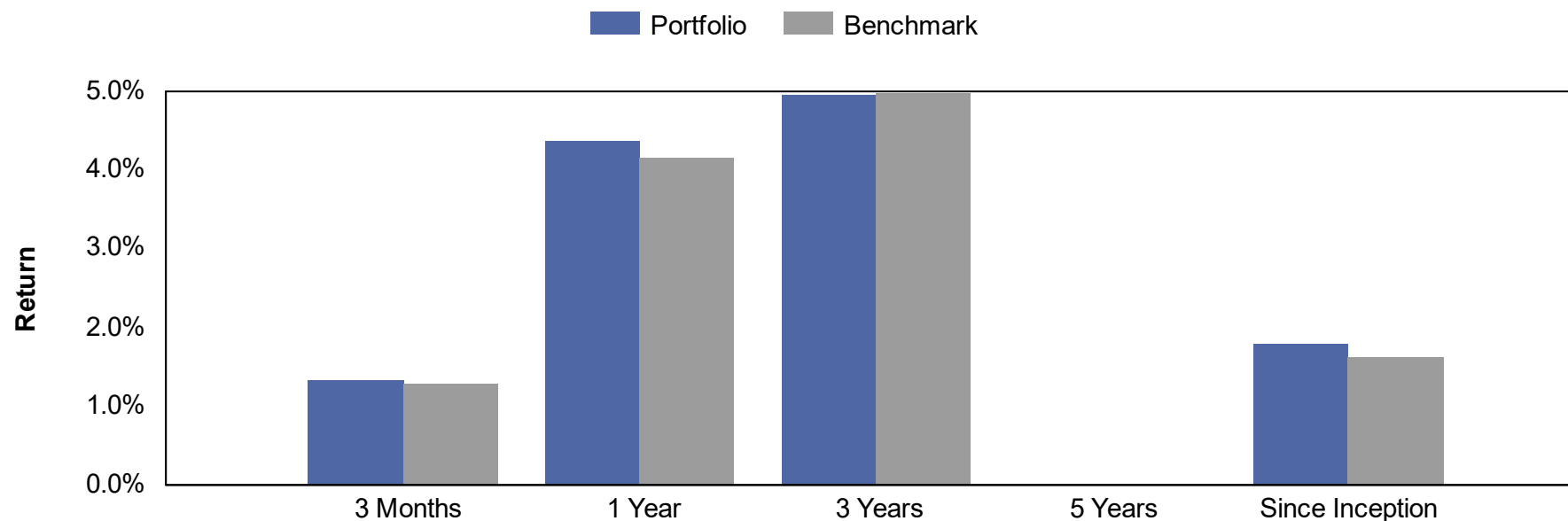
1. Total market value includes accrued interest and balances invested in WGIF, as of September 30, 2025.

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 ¹
Interest Earned ²	\$1,645,679	\$6,024,234	\$11,377,500	-	\$12,872,033
Change in Market Value	\$490,834	\$718,245	\$6,914,465	-	(\$608,241)
Total Dollar Return	\$2,136,513	\$6,742,479	\$18,291,965	-	\$12,263,792
Total Return³					
Portfolio	1.34%	4.37%	4.96%	-	1.78%
Benchmark ⁴	1.29%	4.17%	4.98%	-	1.64%
Difference	0.05%	0.19%	-0.02%	-	0.14%

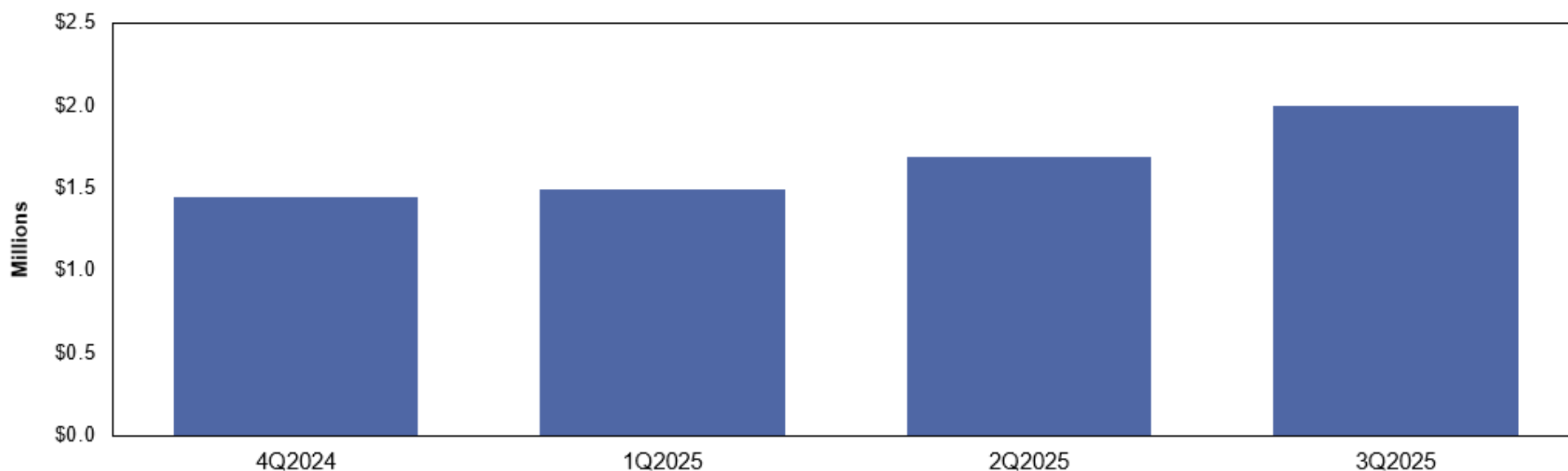
1. The lesser of 10 years or since inception is shown. Since inception returns for periods one year or less are not shown. Performance inception date is March 31, 2021.

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	4Q2024	1Q2025	2Q2025	3Q2025
Interest Earned ¹	\$1,416,519	\$1,440,720	\$1,521,316	\$1,645,679
Realized Gains / (Losses) ²	(\$79,820)	(\$70,180)	\$77,172	\$312,599
Change in Amortized Cost	\$107,354	\$115,345	\$91,578	\$37,541
Total Earnings	\$1,444,053	\$1,485,885	\$1,690,066	\$1,995,819

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

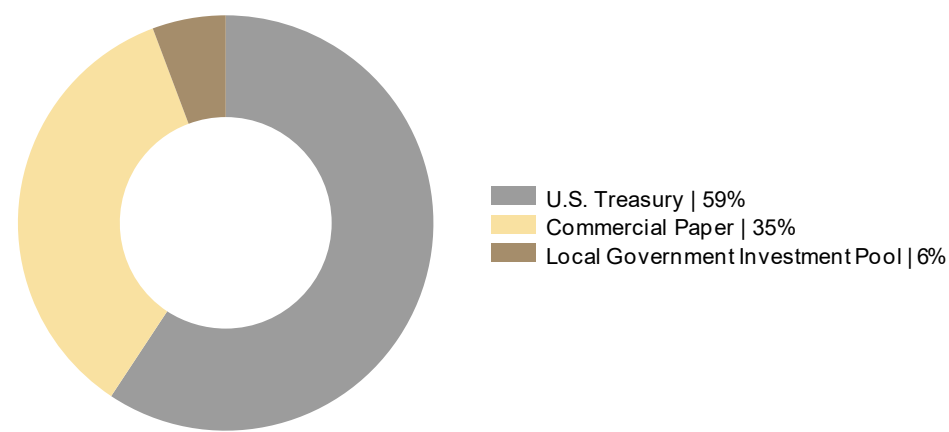
2. Realized gains / (losses) are shown on an amortized cost basis.

Portfolio Snapshot - WGIF-UNIVERSITY OF WYOMING SHORT TERM¹

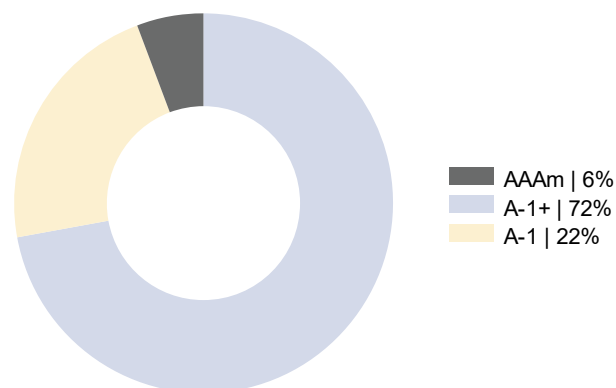
Portfolio Statistics

Total Market Value	\$78,388,493.20
Managed Account Sub-Total	\$73,931,357.05
Accrued Interest	\$0.00
Pool	\$4,457,136.15
Portfolio Effective Duration	0.14 years
Benchmark Effective Duration	0.40 years
Yield At Cost	4.17%
Yield At Market	4.25%
Portfolio Credit Quality	AA

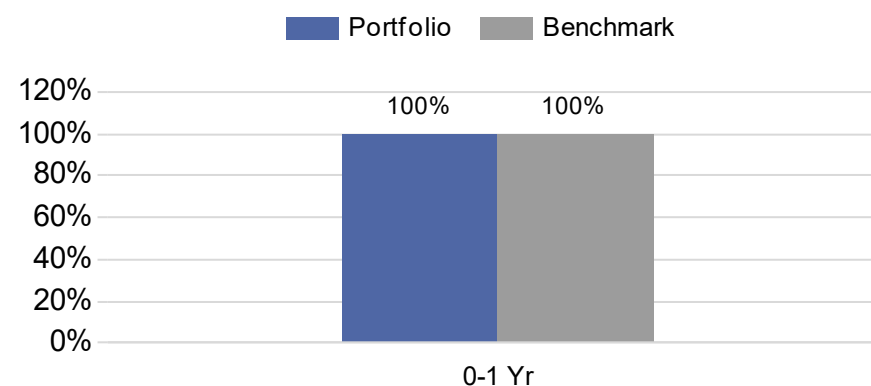
Sector Allocation



Credit Quality - S&P



Duration Distribution



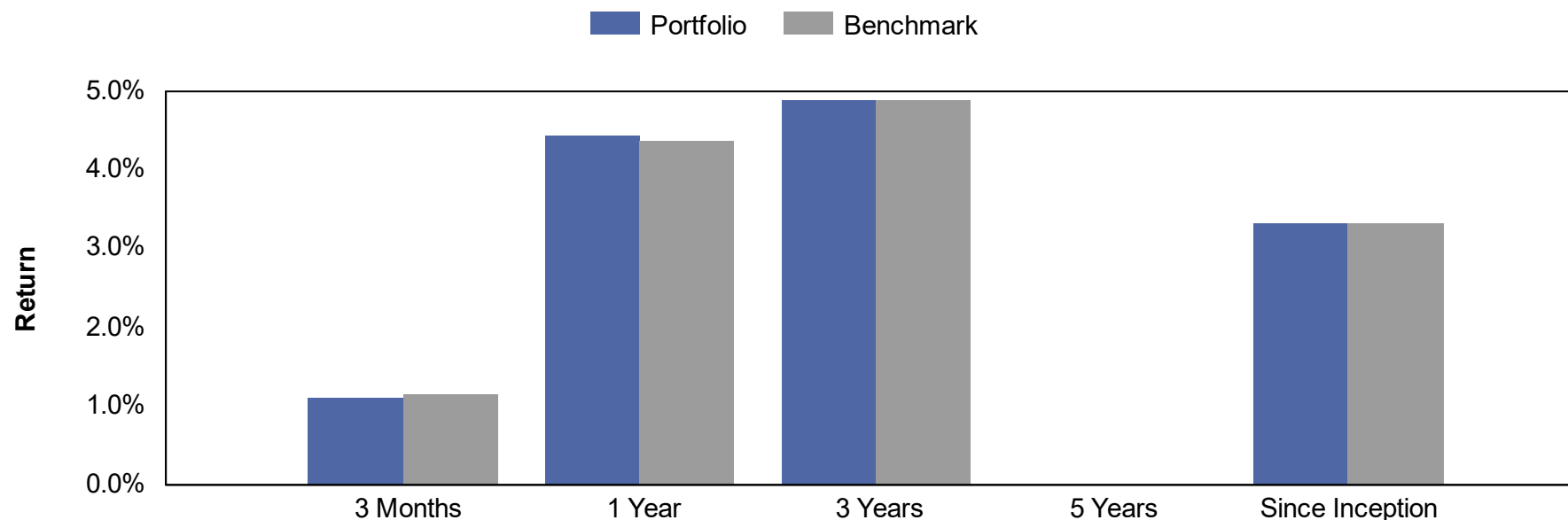
1. Total market value includes accrued interest and balances invested in WGIF, as of September 30, 2025.

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 ¹
Interest Earned ²	\$118,384	\$375,494	\$1,746,496	-	\$2,031,201
Change in Market Value	\$742,934	\$3,019,627	\$11,308,577	-	\$11,472,580
Total Dollar Return	\$861,318	\$3,395,121	\$13,055,073	-	\$13,503,781
Total Return³					
Portfolio	1.10%	4.43%	4.89%	-	3.33%
Benchmark ⁴	1.15%	4.37%	4.89%	-	3.33%
Difference	-0.05%	0.06%	-0.01%	-	0.00%

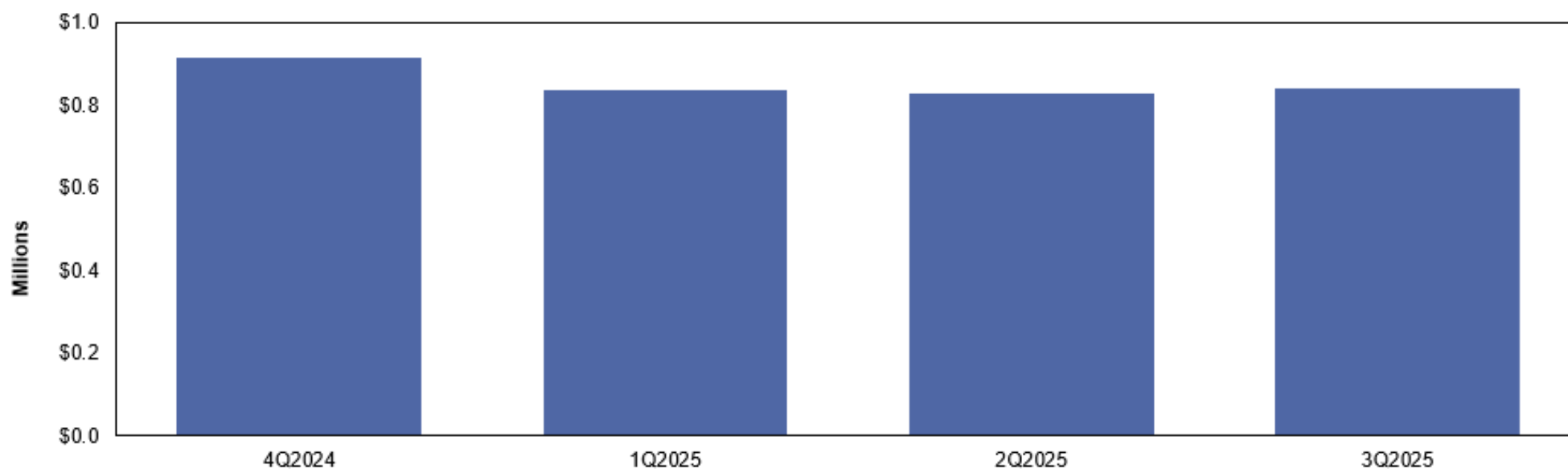
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2. Interest earned calculated as the ending accrued interest less beginning accrued interest, plus net interest activity.

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	4Q2024	1Q2025	2Q2025	3Q2025
Interest Earned ¹	\$7,457	\$80,143	\$169,510	\$118,384
Realized Gains / (Losses) ²	-	\$1,437	-	-
Change in Amortized Cost	\$909,363	\$754,944	\$660,151	\$724,153
Total Earnings	\$916,820	\$836,524	\$829,662	\$842,537

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

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

Important Disclosures

This material is for general information purposes only and is not intended to provide specific advice or a specific recommendation, as it was prepared without regard to any specific objectives or financial circumstances.

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

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

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For more information regarding PFMAM's services or entities, please visit www.pfmam.com.

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Important Disclosures

- This information is for institutional investor use only and not for further distribution to retail investors and does not represent an offer to sell or a solicitation of an offer to buy or sell any fund or other security. Investors should consider the Wyoming Government Investment Fund's ("WGIF") investment objectives, risks, charges and expenses before investing in the WGIF. This and other information about WGIF is available in the WGIF's current Information Statement, which should be read carefully before investing. A copy of the WGIF's current Information Statement may be obtained by calling 1-866-249-9443; and is available on the WGIF website (www.wgif.org). While the WGIF Liquid Asset Series seeks to maintain a stable net asset value of \$1.00 per share and each WGIF Fixed Term Series seeks to achieve a net asset value of \$1.00 per share at its stated maturity, it is possible to lose money investing in WGIF. An investment in WGIF is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Shares of WGIF are distributed by U.S. Bancorp Investments, Inc., member FINRA (www.finra.org) and SIPC (www.sipc.org). PFM Asset Management is a division of U.S. Bancorp Asset Management, Inc., which serves as administrator and investment adviser to WGIF. U.S. Bancorp Asset Management, Inc. is a direct subsidiary of U.S. Bank N.A. and an indirect subsidiary of U.S. Bancorp. U.S. Bancorp Investments, Inc. is a subsidiary of U.S. Bancorp and affiliate of U.S. Bank N.A.
- Generally, PFMAM's market prices are derived from closing bid prices as of the last business day of the month as supplied by ICE Data Services. There may be differences in the values shown for investments due to accrued but uncollected income and the use of differing valuation sources and methods. Non-negotiable FDIC-insured bank certificates of deposit are priced at par. Although PFMAM believes the prices to be reliable, the values of the securities may not represent the prices at which the securities could have been bought or sold. Explanation of the valuation methods for a registered investment company or local government investment program is contained in the appropriate fund offering documentation or information statement.
- In accordance with generally accepted accounting principles, information is presented on a trade date basis; forward settling purchases are included in the monthly balances, and forward settling sales are excluded.
- Performance is presented in accordance with the CFA Institute's Global Investment Performance Standards (GIPS). Unless otherwise noted, performance is shown gross of fees. Quarterly returns are presented on an unannualized basis. Returns for periods greater than one year are presented on an annualized basis. **Past performance is not indicative of future returns.**
- ICE Bank of America Indices provided by Bloomberg Financial Markets.
- Money market fund/cash balances are included in performance and duration computations.
- Standard & Poor's is the source of the credit ratings. Distribution of credit rating is exclusive of money market fund/LGIP holdings.
- Callable securities in the portfolio are included in the maturity distribution analysis to their stated maturity date, although, they may be called prior to maturity.
- MBS maturities are represented by expected average life.

Glossary

- **Accrued Interest:** Interest that is due on a bond or other fixed income security since the last interest payment was made.
- **Agencies:** Federal agency securities and/or Government-sponsored enterprises.
- **Amortized Cost:** The original cost of the principal of the security is adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report. Discount or premium with respect to short-term securities (those with less than one year to maturity at time of issuance) is amortized on a straight line basis. Such discount or premium with respect to longer-term securities is amortized using the constant yield basis.
- **Asset-Backed Security:** A financial instrument collateralized by an underlying pool of assets – usually ones that generate a cash flow from debt, such as loans, leases, credit card balances, and receivables.
- **Bankers' Acceptance:** A draft or bill 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 9/30/2025:	Total
WGIF	\$ 2
Demand Deposit SLGS	<u>3,657,700</u>
Total	\$ 3,657,702

- \$46,300,000 was invested in Demand Deposit SLGS (State and Local Government Series) in early September 2024.
- \$42,642,300 has been withdrawn to reimburse the University for eligible expenditures on the Housing and Dining Project.

Total UW Portfolio

Account	Total as of September 30, 2025
WGIF	\$69,018,642
Short Term	73,931,357
Core	160,871,025
Construction Funds-WGIF	2
Construction Funds-Demand Deposit SLGS	<u>3,657,700</u>
Total UW Portfolio	\$307,478,726