

UW Board of Trustees Fiscal and Legal Affairs Committee
 Agenda
 March 25, 2026

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

Agenda #	Description	Page #
1.	Information Technology-Gramm Leach Bliley Act annual compliance update – McLaughlin/Courtney	2
2.	Introduction of the new Senior Director of Financial Affairs and Controller - Kean	Verbal Update
3.	Finance-Annual Review of UW Regulation 7-7: Investment and Management of University Funds - Kean	5
4.	Internal Audit-Status of Internal Audit Plan- Madère Completed Audit (IDT Processes) Update on Projects in Progress	17 19
5.	Internal Audit-Follow-up Management Action Plans - Madère	42
6.	Brief discussion of Risk Assessment Refresh – Madère/Betzold	50

AGENDA ITEM TITLE: Gramm-Leach Bliley Act Report, McLaughlin/Courtney/Kelly

SESSION TYPE:

- Work Session
- Information Session
- Other
- [Committee of the Whole – Items for Approval]

APPLIES TO STRATEGIC GOALS:

- Yes (select below):
 - Institutional Excellence
 - Student Success
 - Service to the State
 - Financial Growth and Stability
- No [Regular Business]

Attachments are provided with the narrative.

EXECUTIVE SUMMARY:

The Gramm-Leach-Bliley Act (GLBA) Safeguards Rule addresses the safeguarding and confidentiality of customer information held by financial institutions such as banks and investment companies. Notably, GLBA does not contain an exemption for colleges or universities. Educational entities that engage in financial activities, such as processing student loans, are required to comply. To meet GLBA compliance, the University of Wyoming has adopted an Information Security Program (ISP) for critical and private financial and related information. This program includes customer financial information the University receives related to GLBA., e.g., financial aid and payment information currently stored in the UW Student Information System and the UW Data Warehouse.

This is being brought to the UW Board of Trustees for information purposes. One of the GLBA safeguard rules incorporated into the University’s ISP is the requirement for the ISP Coordinator to report to the Board of Trustees annually regarding our overall assessment of compliance. The auditing company, FORVIS, has reviewed and confirmed the university's GLBA compliance in FY25.

Effective information security is crucial to managing the risks in the University’s computing environment and related personal data. UW’s Information Security Program’s key objectives are to:

- Ensure the security and confidentiality of our users’ information;
- Protect against threats to the security or integrity of such information; and
- Guard against unauthorized access to or use of such information.

The University’s ISP is composed of a combination of policy, IT security standards, and control practices. The program integrates administrative, operational, and technical safeguards for sensitive and critical information and the systems involved in its processing, storage, and transmission.

The ISP is developed around a risk management program composed of three components: risk assessment, security plans, and action plans. The annual process starts by reviewing previous risk assessments and determining if there have been any new threats or vulnerabilities identified. Any needed updates to critical applications, systems, data, and their classifications are identified. These updates are prioritized based on calculated risk to the university and then implemented based on prioritization.

The university’s risk assessment is conducted by the Risk Assessment Committee which is made up of members of IT and Financial Services who are directly involved in the support and management of UW’s financial systems and data. The committee members include the Deputy, CIO, Manager of IT Security and Networking, Manager of Infrastructure, Manager of Data and Reporting and Associate Vice President for Budget and Institutional Planning. The university’s risk assessment uses in large part the National Institutes of Standards and Technology security standards, NIST 800-171, which is a set of standards for safeguarding sensitive information for IT systems and networks. The committee’s approach to the risk assessment is below:

Risk Assessment Method

Threat & Vulnerability Identification	Inherent Risk Determination	Identification of Mitigation controls	Residual Risk Determination	Remaining Risk Decisions
<ul style="list-style-type: none"> * Identify threats and vulnerabilities applicable to the in-scope technology environment * Define risk scenarios to be considered 	<ul style="list-style-type: none"> * Determine the impact of from a risk scenario occurring * Determine the likelihood of risk scenarios occurring * Calculate inherent risk of each risk scenario 	<ul style="list-style-type: none"> * Identify controls in place to mitigate the identified risk scenario * Assess the maturity of controls in place 	<ul style="list-style-type: none"> * Determine the likelihood and impact of each risk scenario occurring with consideration for the identified implemented controls 	<ul style="list-style-type: none"> * Where residual risk is greater than acceptable thresholds, identify an action plan to further mitigate the associated risk.

Higher education institutional environments require safeguards that balance security while still allowing open and collaborative solutions between their varied constituents. UW has strong cybersecurity controls (people, process, and technology) built into its technology architectures and processes. We focus on three main areas of security including prevention, detection, and incident response.

- Prevention efforts include multi factor authentication, network segmentation, patching, vulnerability management, encryption, and training.
- Detection efforts include log monitoring, authentication monitoring, outside security vendor monitoring, AV alerts and more.
- Incident response is how the university identifies, responds, and resolves data or related security incidents that may occur at the university.

Through our risk assessment review process, we prioritized several initiatives this past year to further enhance the controls we have in place at the university. These priorities, summarized below, align with our overall information security plan to improve our information security program.

- Network Management
 - UWIT continues to focus efforts on improving the performance and security of our network. UWIT increased network segmentation to protect critical data and University assets. Additional network segmentation projects are planned for 2026
- Monitoring
 - UWIT continues to integrate additional log files into Elastic SIEM (Security Information and Event Management Solution). IT has rapidly expanded the utilization of this tool which allows for better visibility into the campus computing environment so IT can detect issues quicker and respond to them more quickly. UWIT continues to enhance alerting to detect threats quicker and eliminate false positives.
- Application Security Management
 - UWIT has automated the provisioning and deprovisioning of access to critical systems to help increase compliance and minimize risk.
- Incident Response
 - UWIT conducted an incident response tabletop exercise this past year to simulate a real-world attack into our environment. This exercise allowed IT to test the response plan, identify gaps in our procedures and architecture, and make necessary improvements to further safeguard university assets. Additional tabletop exercises are planned in 2026.

PRIOR RELATED BOARD DISCUSSIONS/ACTIONS:

No prior discussions.

WHY THIS ITEM IS BEFORE THE BOARD:

The Gramm-Leach-Bliley Act (GLBA) Safeguards Rule now requires an annual report to be presented to the Board of Trustees.

ACTION REQUIRED AT THIS BOARD MEETING:

No action is required at this time.

PROPOSED MOTION:

No proposed motion is needed.

PRESIDENT'S RECOMMENDATION:

N/A

FISCAL AND LEGAL AFFAIRS COMMITTEE
COMMITTEE MEETING MATERIALS

AGENDA ITEM TITLE: Annual Review of UW Regulation 7-7: Investment and Management of University Funds

- 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 Regulation 7-7 Investment and Management of University Funds](#) outlines the general guidelines and procedures for the investment of University funds and is established by the University of Wyoming Board of Trustees to guide the Board, its Fiscal and Legal Affairs Committee, and the University administration in the process of fund investment. Section XI.E. of Regulation 7-7 requires the Fiscal and Legal Affairs Committee of the Board of Trustees to review the policy annually.

PRIOR RELATED COMMITTEE DISCUSSIONS/ACTIONS: FLAC last reviewed UW Regulation 7-7 in March 2025. No changes were proposed or made at that time.

WHY THIS ITEM IS BEFORE THE COMMITTEE: Section XI.E. of Regulation 7-7 requires the Fiscal and Legal Affairs Committee of the Board of Trustees to review the policy annually.

ACTION REQUIRED AT THIS COMMITTEE MEETING: The Division of Budget and Finance recommends no changes to the regulation at this time.

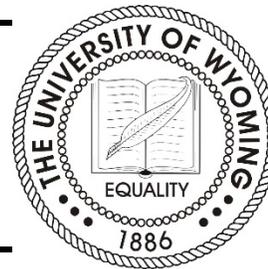
In the event the committee desires a change to the regulation, a motion would be in order to take those proposed changes to the full board for action.

PROPOSED MOTION: N/A

UNIVERSITY OF WYOMING REGULATIONS

Subject: Investment and Management of University Funds

Number: UW Regulation 7-7



I. PURPOSE

This Regulation establishes the general guidelines and procedures for the investment of University funds and is established by the University of Wyoming Board of Trustees (Board) to guide the Board, its Fiscal and Legal Affairs Committee (Committee), and the University administration in the process of fund investment. The Board retains the right to make decisions contrary to this policy, when such decisions are deemed to be in the best interests of the University. The Board also retains the right to accept and administer donated funds or property with donor restrictions contrary to this policy.

It is not the purpose of this document to specify the details of every situation, nor to set forth specific short-term goals. The policy governs the investment management of University operation funds and long-term investment practices, and is supplemented annually with discussion of market conditions and short-term goals, including return targets.

II. SCOPE OF FUNDS

A. The scope of funds governed by this policy will be managed as a pool of resources available for investment. The level of funds invested is based on required payroll, the tuition and fee collection cycle, timing of draw down and receipt of state appropriations, and timing of capital projects and purchases, which may be outlined in the University's Capital Plan.

Where managed and invested as a single pool ("Pool"), the Pool is composed of the following sources:

1. Cash flow generated from state appropriations, tuition, fees and other unrestricted sources. These sources are invested due to timing of receipt and payment obligations within a fiscal year.
2. Unrestricted investment income earned by the investment Pool.
3. All unrestricted funds at the division/college level.

Investment and Management of University Funds

4. Official University reserve accounts (Operating, Capital Construction, Passenger Plane, Risk Pool/Litigation, Residence Hall, Recruitment and Retention, and Special Projects Reserve Accounts)
5. Current year funds added to reserves per the university's carryforward policy.
6. All other funds allowable or suitable for investment.

III. STANDARDS OF CARE

A. Prudence

All University officers and employees involved in the investment process shall act responsibly as custodians of the public trust. The standard of prudence to be applied is the "prudent investor" rule, which states, "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

B. Ethics and Conflicts of Interest

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions. Employees and investment officials shall disclose any material interests in financial institutions, broker/dealers, or security issuers with which they conduct business. They shall further disclose any personal financial/investment positions that could be related to the performance of the investment portfolio. Employees and officers shall refrain from undertaking personal investment transactions with the same individual with which business is conducted on behalf of the University.

IV. SAFEGUARDS AND CONTROLS

A. Third-party or Bank Safekeeping

Securities may be held by an independent third-party safekeeping institution selected by the University or be held in bank safekeeping. The Vice President for Budget and Finance and the Associate Vice President, Finance will monitor the portfolio held in bank safekeeping. All securities will be evidenced by safekeeping receipts in the University's name.

B. Sales Prior to Maturity

The University's intent is to hold to maturity; however, securities may be sold prior to maturity for reasons that include but are not limited to the following:

1. To meet liquidity needs,
2. To reduce risk or minimize loss of principal,
3. As part of a security swap that seeks to improve the quality, yield, or expected return of the portfolio, or to reduce risk,
4. To adjust or rebalance the portfolio to:
 - a. Be in compliance with policy guidelines,
 - b. Better match expected cash flows,
 - c. Adjust the portfolio duration to better match the target,
 - d. Better align with current and expected market conditions, or
 - e. Better match a designated performance benchmark.

V. USE OF MANAGER AND ADVISORS

- A. It is the policy of the Board to invest in funds through a combination of the University's Associate Vice President, Finance and externally contracted, professional registered investment advisor(s). The University shall obtain requests for qualifications, requests for proposals, bids or quotes or competitively bid the services of any externally contracted, professional registered investment advisor(s) at least every five (5) years. The University shall recommend to the Board of Trustees the successful external investment advisor(s). The Board of Trustees may review the recommendation and consider taking appropriate action.
- B. Portfolios managed by the Associate Vice President, Finance (internal) include those outlined in W.S. 9-4-831 and by the State of Wyoming Loan and Investment Board Master Investment Policy and Sub-Policies, Section 21, Local Government Investing.
- C. Portfolios managed by contracted managers (external) include instruments appropriate to the style of each manager, limited to security types in W.S. 9-4-831

and by the State of Wyoming Loan and Investment Board Master Investment Policy and Sub-Policies, Section 21, Local Government Investing.

- D.** It is also the policy of the Board, or the Board's designee, to determine the need to contract with an independent investment advisor or performance evaluation service. The Board, or the Board's designee, determines, and periodically reviews, the level of services desired.

VI. INVESTED FUNDS

A. Endowment Type Funds

Endowment funds are invested by the University of Wyoming Foundation, as outlined in the Memorandum of Agreement dated May 10, 1989 and Addendum to the Memorandum dated November 10, 2003, and Addendum No. 2 dated April 14, 2006. See Section XIV, Funds Managed by the Foundation like an Endowment.

B. Operating Funds (including University Reserves)

The Associate Vice President, Finance invests the Pool in a combination of securities listed at W.S. 9-4-831.

VII. INVESTMENT OBJECTIVES

- A.** The University of Wyoming Foundation's annual investment objective will be determined by the Foundation Investment Committee, with approval of the Foundation Board of Directors, from time to time based upon medium and long term modeling and asset class assumptions (with significant input from the Committee's investment consultant), payout policy, inflation rates, fees and expenses and such other considerations as the Committee deems advisable. In accordance with W.S. 17-7-303 (a) and (b), in managing and investing endowment funds, the Foundation will consider the intent of the donor, the charitable purposes of the Foundation and the purposes of the endowment funds and will manage and invest the funds in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances.
- B.** Investment goals for operating funds are designed to achieve the following primary objectives. These goals dictate a policy that utilizes relatively low-risk, investment-grade, fixed-income investments:
 - 1. Safety** – Safety of principal is the foremost objective of the investment program. Investments of the University shall be undertaken in a manner that

seeks to ensure preservation of capital in the overall portfolio. To attain this objective, diversification is required.

2. **Liquidity** – The University’s investment portfolio must remain sufficiently liquid to enable the University to meet all operating requirements which might be reasonably anticipated. To attain this objective, the portfolio should be structured so that securities mature concurrent with anticipated cash needs.
3. **Yield/Return on Investment** – The University’s investment portfolio shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the University’s investment risk constraints and the cash flow characteristics of the portfolio.

VIII. ASSET ALLOCATIONS

A. Endowment type funds

These funds will be invested in allowed investments under the University of Wyoming Foundation investment policy and follow their asset allocation guidelines.

B. Operating Funds

The University will invest in those types of securities allowed by W.S. 9-4-831 for public entities and by the State of Wyoming Loan and Investment Board Master Investment Policy and Sub-Policies, Section 21, Local Government Investing.

IX. AUTHORIZED AND SUITABLE INVESTMENTS

A. Security Type Limits

Investments shall be diversified, subject to the following maximum allocations per security type:

Security Type	Maximum Allocation
• U.S. Treasuries and securities guaranteed by the U.S. Government	No limit
• U.S. federal government agency or instrumentality	No limit
• Repurchase agreements (must be collateralized by U.S. government or U.S. federal government agencies/mortgage backed securities)	No limit
• U.S. agency/instrumentality mortgage-backed securities	30%

Investment and Management of University Funds

Security Type	Maximum Allocation
• U.S. government agencies callable securities	30%
• Collateralized time and demand deposits (must be collateralized by U.S. government or U.S. federal government agencies/mortgage backed securities)	No limit
• Commercial paper and bankers' acceptances combined	50%
• Money Market Mutual Funds/LGIPS	50%
• Investment grade Corporate Bonds	50%

B. Issuer Limit

No more than 5% of the total market value of the portfolio may be invested in any one non-government issuer. Investments in bankers' acceptances and commercial paper will be combined to determine aggregate exposure.

C. Collateralization

1. To provide an adequate level of security, all deposited funds shall be collateralized at a minimum of 102% with a daily mark to market. For certificates of deposit, the market value of collateral must be at least 102% or greater of the amount of certificates of deposits plus demand deposits with the depository, less the amount, if any, which is insured by the Federal Deposit Insurance Corporation or the National Credit Unions Share Insurance Fund.
2. The collateral will be adequate to secure both principal and accrued interest of the deposits.
3. Authorized instruments for collateralization are those found in W.S. 9-4-821.
4. In addition to the collateralization requirements found in W.S. 9-4-821, collateralization will also be required on the following types of investments:
 - a. Time deposits
 - b. Repurchase agreements

D. Portfolio Maturities

Maturities of securities will be managed in coordination with the cash flow needs of the University.

1. Funds needed to satisfy operating cash flows of the University will be invested in securities and funds that mature in less than one year.

In general, the index used to judge the performance will be the three-month U.S. Treasury Bill.

The portfolio's weighted average maturity shall not exceed 90 days. All securities shall have a maximum maturity of 365 days.

2. Funds not needed to satisfy operating cash flows, or core funds, of the University can be invested in a portfolio where the maximum maturity of any one security may not exceed one hundred twenty (120) months. At any given time, the proportion of the portfolio invested in securities with a maturity greater than sixty (60) months shall not exceed 10% of the total portfolio. The effective duration of the account can be no greater than the duration of the Bloomberg Barclays U.S. Aggregate Bond Index by more than 0.5 years.

All investments must fall within the State of Wyoming Loan and Investment Board Master Investment Policy and Sub-Policies, Section 21, Local Government Investing.

E. DIVERSIFICATION

Diversification of investments reduces overall portfolio risks while attaining market average rates of return. It is the intent of the University to diversify the investments within its portfolio to avoid incurring unreasonable risks inherent in excessive investing in specific instruments, individual financial institutions or maturities. The asset allocation in the portfolio should be flexible depending on the outlook for the economy, the securities market, and the University anticipated cash flow needs. Prior to purchasing securities for the University's portfolio, the credit rating of the security and the credit rating of the senior debt of the issuer, if applicable, shall be verified to assure compliance with investment policy guidelines. Securities that have been downgraded to below the minimum ratings will be sold or held at the investment manager's discretion. The investment manager is responsible for bringing the portfolio back into compliance as soon as practicable.

X. INCOME DISTRIBUTION

A. Return Allocations

Operating funds are in various pools dependent on type of funds. The principal may change daily and the earnings are distributed on a prorate basis at the end of each month.

XI. PERFORMANCE EVALUATION AND REPORTING

A. Reporting

1. Performance reports are supplied to the Board following the end of each quarter.
2. Management reports and related discussions are prepared and conducted quarterly, generally within sixty (60) days after the end of a quarter.

B. Performance Standards

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio should obtain a market average rate of return during a full market cycle, generally a period of 3-5 years or more. A market benchmark may be established against which portfolio performance shall be compared.

C. Marking to Market

The market value of the portfolio shall be calculated monthly and a statement of the market value of the portfolio shall be issued at least quarterly to the Board.

D. Credit Downgrades

Credit ratings should be monitored on a regular basis. The University or its investment advisor shall review any downgrades below the minimum ratings guidelines and recommend an appropriate course of action.

E. Policy Considerations

The policy shall be reviewed annually by the Fiscal and Legal Affairs Committee and recommended changes will be presented to the Board for consideration.

XII. AUTHORITY AND RESPONSIBILITIES

A. Board of Trustees

The Board is responsible for prudent investment of funds and distribution of earnings to applicable programs.

B. Fiscal and Legal Affairs Committee

The Committee provides oversight of investment performance and makes recommendations to the Board regarding policy and investment management. The Committee has the authority to approve short-term deviations from the stated policy, when urgent situations threaten the safety of invested funds.

C. Vice President for Budget and Finance (Deputy Treasurer)

The Vice President is responsible for administration of Board policy and recommendations to the Fiscal and Legal Affairs Committee. The Vice President has authority to deviate from the policy in an urgent situation, after consultation with members of the Committee.

D. Vice President for Budget and Finance

The Vice President for Budget and Finance is responsible for maintenance of all endowment files, preparation, compilation, and review of reports, and coordination with the Foundation and the Associate Vice President, Finance.

E. Associate Vice President, Finance

The University Associate Vice President, Finance is responsible for daily decisions regarding internal investments and periodic reports on the internally invested portfolio. The Associate Vice President, Finance has authority to make short-term investment decisions in accordance with Board-approved policy and established process. The Associate Vice President, Finance, in consultation with the Vice President for Budget and Finance, has the authority to make long term investment decisions in accordance with Board-approved policy and established process. Any investment in securities with maturity dates exceeding sixty (60) months requires consultation with the Fiscal and Legal Affairs Committee of the Board of Trustees.

F. External Managers

Contracted managers are responsible for management of external portfolios and quarterly and annual reports. Managers have the authority to select investment instruments and make trade decisions, in accordance with the objectives and policies of the University, as agent for the Board.

XIII. AUTHORIZATION FOR STOCK TRANSFERS

The President of the University and Treasurer of the Board are authorized to:

Investment and Management of University Funds

- A. Sell, assign, and transfer stocks, bonds, evidences of interest, evidences of indebtedness and/or other obligation, and all other securities, corporate or otherwise, now or hereafter held by this corporation in its own right or in any fiduciary capacity, and to execute any and all instruments necessary, proper or desirable for the purpose, and to ratify any past actions;
- B. Act as agents of UW and to sign agreements, resolutions and any other documentation required to establish, maintain, and terminate security cash accounts with security dealers and brokers for the purpose of taking ownership and possession of cash, bonds, stocks and other securities held by such dealers and brokers which have been directed to the University by gift, bequest or any other act of transfer; and as agents they are fully authorized to sell, assign and transfer stocks, bonds, evidence of interest, etc. and all other securities, corporate or otherwise, now or hereafter held by the corporation its own right or in any fiduciary capacity pursuant to this authorization and to execute any and all instruments necessary, proper or desirable for the purpose.

XIV. FUNDS MANAGED BY THE UW FOUNDATION LIKE AN ENDOWMENT

The University of Wyoming Foundation Investment Policy enables the University to transfer funds, with approval of the President or the Board of Trustees as outlined below, to the Foundation that are neither institutional funds (W.S. 17-7-302 (a)(v)) nor endowment funds (W.S. 17-7-302 (a)(ii)) with a request that the Foundation manage such funds like an endowment in accordance with its Investment Policy.

Funds transferred to the Foundation to be managed like an endowment may be added to an existing fund or may establish a new fund. The minimum amount required to establish a new fund is \$100,000.

The Board of Trustees and the President of the University may request that the Foundation manage University funds like an endowment in their discretion.

College Deans and University Officers may, with the approval of the Vice-President to whom they report, submit a request to the Vice President for Budget and Finance to transfer funds to the Foundation to be managed like an endowment.

The Vice President for Budget and Finance, with the consent of the President of the University, may approve such requests for amounts of \$250,000 or less. For amounts exceeding \$250,000, approval of the Board of Trustees is also required.

The Foundation Investment Policy allows the University, in its discretion, to withdraw funds that are being managed like an endowment in any amount, in whole or in part,

provided, however, that, depending upon the amount requested and the cash flows from the endowment pool, it may take as long as 12 months for the Foundation to fully transfer the requested funds. The Foundation will use its best efforts to transfer the funds as soon after receiving the approved request for withdrawal as possible.

The Board of Trustees and the President of the University may request withdrawal of funds managed by the Foundation like an endowment, in whole or in part, in their discretion.

College Deans and University Officers may, with the approval of the Vice President to whom they report, submit a request to the Vice President for Budget and Finance to withdraw funds from the Foundation that are being managed like an endowment.

The Vice President for Budget and Finance, with the consent of the President of the University, may approve requests for withdrawal of amounts of \$250,000 or less. For requests for withdrawal of amounts exceeding \$250,000, approval of the Board of Trustees is also required.

Responsible Division/Unit: Division of Administration

Source: None

Links: <http://www.uwyo.edu/regs-policies>

Associated Regulations, Policies, and Forms: None

History:

UW Regulation 1-102(I)(G) adopted Minutes of the Trustees, July 25, 1998
Moved to UW Regulation 7-7 on 11/15/2018 Board of Trustees meeting

UW Regulation 1-102, Attachment B; adopted 6/15/2015 Board of Trustees meeting
Revisions adopted and moved to UW Regulation 7-7 on 11/15/2018 Board of Trustees meeting

Revisions adopted 5/11/2023 Board of Trustees meeting

Investment and Management of University Funds

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 Internal Audit Plan was approved by the Fiscal and Legal Affairs Committee (FLAC) of the Board of Trustees in May 2025. The status of the Audit Plan is attached below.

PRIOR RELATED COMMITTEE DISCUSSIONS/ACTIONS: None

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

ACTION REQUIRED AT THIS COMMITTEE MEETING: No.

PROPOSED MOTION: None

Background:

The Fiscal Year 2026 Internal Audit Plan was approved by the Full Board of Trustees in May 2025. The hours covered are two-thirds (2/3), up to February 2026.

So far, five projects carried over from last year are complete, and two projects are scheduled for later in the summer 2026. 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 HR recruiting practices and Athletics Eligibility Compliance are underway.

2025-2026 Internal Audit Plan

FY 2026 AUDIT PLAN	REVISED January 2026		Planned Hours	Status
GROSS HOURS	Total Hours Available (3 FTE)		6,240	
Holiday	Hours UW is closed		(360)	
Annual Leave	Vacation		(528)	*Adjusted
Annual Leave	Sick leave		(324)	*Adjusted
NET HOURS	AVAILABLE PROJECT HOURS		5,028	*Adjusted
Required Initiatives			2,269	
Training	Hours assigned for UW required training and continuing education credits for certifications.	Required for Certifications	380	
Quality Assessment	Quality Improvement Plan, prepare for independent verification of self-assessment of internal audit function	Per IIA Standards	80	In progress
Administration	Staff meetings, FLAC, policy review, research/development, web-site update, strategic planning, recruiting, etc.		1,089	
Advising	Consultative and special projects, (i.e., collaboration with Procurement, Foundation, Risk, etc.)		240	
Follow-Ups	Follow-Up monitoring, verifications & reporting	As Required	160	
Investigations	Fraud, Waste, and Abuse (FWA) Investigations	As Needed	320	
	Annual/Rotating Projects	Recurring	670	
	Athletics/NCAA Topics	Ongoing Rotation	160	Planning
	Agricultural Extension Programs	Ongoing Rotation	200	Fieldwork (2)
	Continuous Monitoring Progress	Annual	80	
	Risk Assessment (Annual)	Annual	150	In progress
	Results and Reporting (Annual)	Annual	80	
	Cashiers & Vault Count	Biannual	-	Low priority
	Carried Forward From Prior Year	Carryforwards	300	
	HR/Payroll Incremental Review - Hiring and Recruiting	PY Risk Assessment	150	Fieldwork
	HR - Leave policies /Usage	PY Risk Assessment	150	Planning
	EHS - assess review and implementation of consultant recommendations in late 2025, 2026	Recommended by Predecessors	-	Low priority
	ADA - New regs in effect in 2026. Consider audit in 2027.	Recommended by Predecessors	-	
	Change in Leadership Audits	Leadership Changes	300	
	College of Law	Leadership Change	-	Complete
	College of Education	Leadership Change	-	Complete
	University Libraries	Leadership Change	-	Complete
	College of Health Sciences	Leadership Change	-	Postponed
	College of Agriculture	Leadership Change	150	Planning
	VP/CIO Enterprise Technology	Leadership Change	150	
	TBD (Provost)	Leadership Change	-	Low priority
	TBD (VP Student Affairs)	Leadership Change	-	Low priority
	TBD (College of Engineering)	Leadership Change	-	Low priority
	TBD (School of Computing)	Leadership Change	-	Low priority
	Risk-Based Audits/Projects	Risk Assessment	900	
	Internal Billing (Operations Departments)	Risk Assessment (LH)	150	Complete
	Internal Billing (Service Centers)	Risk Assessment (LH)	150	Complete
	University Housing (Safety, Operations, Billing)	Risk Assessment (LH)	-	Low priority
	Special facilities, Animal Molecular Science, Vivarium	Risk Assessment (LH)	150	
	Labor Laws (Plus payroll, Legal compliance, FLSA classification)	Risk Assessment (LH)	-	Postponed
	Remote locations and Remote workers (including out of state)	Risk Assessment (HL)	-	Postponed
	Payroll Approval Process	Risk Assessment (HL)	150	Complete
	Procurement Efficiency	Risk Assessment (HL)	150	
	P-Cards	Risk Assessment (HL)	150	
	Clery Act Reporting	Risk Assessment (HL)	-	Postponed
	Student Accounts Billing & Receivables	Risk Assessment (HL)	-	Low priority
	Total Hours Assigned		4,439	
	Total Remaining Hours		588.6	

Summary:

The revised Audit Plan shows projects postponed or deferred. All deferred projects will be considered during the next Risk Assessment refresh and will be evaluated or prioritized in consideration of any newly identified risks.



UNIVERSITY
OF WYOMING

Office of Internal Audit

**Internal Audit of
Internal Billing Processes**

March 4, 2026

Auditors:

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John Odhiambo, CPA

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March 4, 2026

University of Wyoming Board of Trustees:

Internal Audit has completed an audit of the University of Wyoming Internal Billing Process (Operations and Service Centers). This audit was part of the FY 2025-2026 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 billing accuracy, billing systems access, timeliness, completeness, and monitoring of receivables. 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 walkthroughs of key billing processes, inquiries, observation of current processes, scanning departmental records, examination of historical documents, recalculation of certain outcomes, and various other analytical procedures as needed.

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 Paul Kunkel, Director, Transportation Services, Elizabeth Ann Whit, Assistant Director, Transportation Services, Jami Miller, Director, Business Operations for Research and Economic Development, Darcy Bryant, Deputy Director, Business Services, and the other dedicated staff members of the departments included in this audit for their hospitality and assistance throughout the course of the audit.

Sincerely,

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

TABLE OF CONTENTS

Executive Summary	2
Background	3
Audit Scope, Procedures, and Outcomes, and Outcomes	4
Observation #26-3.1: Referral of aged of IDTs to Student Financial Services for Collection.....	6
Observation #26-3.2: Revenue Completeness.....	9
Observation #26-3.3: Transaction Invoices for Bulk Permits.....	13
Observation #26-3.4: Authorized Spending to UW Accounts – Central Stores	15
Observation #26-3.5: Billing Contact Lists	17
Observation #26-3.6: Efficient Monitoring and Follow-up on Aged Receivables (IDTs). 19	
Conclusion	21
Distribution list	21

EXECUTIVE SUMMARY

The Office of Internal Audit completed an audit review of the University of Wyoming (UW) Internal Billing Processes (Operations and Service Centers) as part of the Fiscal Year 2026 (academic year 2025-2026) audit plan. The audit was conducted to assess the adequacy and effectiveness of internal controls over billing accuracy, billing systems access, timeliness, completeness, and monitoring of receivables. The audit evaluated whether billing transactions are accurately recorded, reconciled, timely collected, and processed in compliance with UW policies and applicable regulations.

The auditors performed fieldwork and testing in the areas of:

- Internal Billing and collection practices.
- Use of systems supporting billing processes (Fleet commander, Great Plains, Excel, Inter-Departmental Transfers (IDT), and Zoho).
- Monitoring of Outstanding receivables.
- Oversight of billing completeness and accountability.
- Compliance review.

Based on the results of the audit, UW Operations and Service Centers perform internal billing processes in accordance with state laws, rules and regulations as well as UW policies. Operations and Service Centers billings could improve the control environment related to several areas including:

- Timely follow up and collection of outstanding receivables.
- Billing record keeping and accounting practices.
- Revenue completeness.
- Post-rental vehicle inspection and damage assessment.

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 of Payroll Services. In some cases, corrective action has already been implemented or is underway.

BACKGROUND

The University of Wyoming conducts internal billing activities for various services and operations offered to departments and outside clients. The billings are conducted at different departments that offer the services and operations to other campus departments, which are then billed at the conclusion of the service offered. Payment is recovered through IDT module or in the case of some REDD service centers, clients pay by cheques.

Business Managers and the cost center approvers at various departments that are billed play a crucial role in ensuring the billing is done and it relates to what was ordered for. It is incumbent upon billing departments to follow up on payments from various departments and clients that were billed. It is also essential that the billed clients check to ensure the amounts billed are accurate.

This audit was included in the FY 2025–2026 Annual Audit Plan based on a risk assessment that identified payroll approvals and time reporting as high-risk areas due to the potential impact on payroll accuracy, financial integrity, and compliance with employment laws.

AUDIT SCOPE, PROCEDURES, AND OUTCOMES

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

Scope

The audit covered Internal Billing processes for the period July 1, 2024, through June 30, 2025, and included both operations and service centers

Topical areas covered:

- Internal Billing and collection practices.
- Use of systems supporting billing processes (Fleet commander, Great Plains, Excel, Inter-Departmental Transfers (IDT), and Zoho)
- Monitoring of Outstanding receivables
- Oversight of billing completeness and accountability
- Compliance review

Procedures

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

- Interviews with billing personnel.
- Observations of billing processing
- Examination of billing files
- Evaluation of internal controls for accuracy, authorization, segregation of duties and timeliness.
- Analytical procedures such as comparative analysis and trend analysis.

Outcomes

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

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

AUDIT SCOPE, PROCEDURES, AND OUTCOMES

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
Referral of aged of IDTs to Student Financial Services for Collection	26-3.1 – Reportable Condition requiring a management action plan and follow up.	Outstanding billing receivables beyond 90 days are not referred to Student Financial Services for collection.
Revenue completeness checks	26-3.2 – Reportable Condition requiring a management action plan and follow up.	The Director of Business Operations for REDD, though responsible for payment follow-up, has neither visibility nor involvement in the determination or initiation of services.
Transaction invoices for bulk permits	26-3.3 - Reportable Condition requiring a management action plan and follow up.	Bulk permit invoices currently lack line-item detail.
Authorized spending to UW accounts	26-3.4 - Recommendation not requiring a management action plan or follow up.	Controls relating to who can charge, and what credentials are required to charge need attention.
Billing contact lists	26-3.5 - Recommendation not requiring a management action plan or follow up.	Contact lists are often incomplete or outdated.
Efficient Monitoring and Follow-up on Aged Receivables (IDTs)	26-3.6 - Recommendation not requiring a management action plan or follow up.	Reliance on Microsoft Excel rather than robust accounting software could lead to inefficient monitoring processes.

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

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

Observation #26-3.1: Referral of aged of IDTs to Student Financial Services for Collection

Background

Transportation Services operates a car rental program that provides vehicles to University of Wyoming (UW) departments. Reservations are made through the Fleet Commander software, which also generates invoices for reservations made in each period. Individual invoices are then loaded into the Internal Departmental Transfers (IDTs) system to facilitate billing of individual departments who receive the rental services. These internal billings represent receivables owed to Transportation Services from other University departments and are subject to UW policies governing the timely collection and safeguarding of University funds. The car rental program produces approximately \$1.5 million per year and has produced approximately \$775,000 for the 2026 fiscal year through the end of January 2026.

Effective monitoring and follow-up of outstanding IDTs is critical to ensure timely recovery of funds, accurate financial reporting, and compliance with UW policies on internal accounts receivable.

Criteria

The UW Standard Administration Policy and Procedure (SAP) UW SAP 7-9.13 on Receipt and Handling of University Funds, revised on July 24, 2025, requires under Section IV that departments that provide goods and services on a charge and billing basis must keep accurate records. It further requires that funds collection records and receivable records should reconcile.

Per this SAP, delinquent campus departmental accounts should be referred to the Student Financial Services Office for collection, which would then facilitate collection of any funds due to the University. The SAP further states that “it is strongly encouraged that outstanding accounts be referred to the Student Financial Services when they are less than three months (90 days) old.”

Section IV of the SAP provides some suggestion that the intent of SAP 7-9.13 may have been to focus on outside third parties or students, rather than internal departments, as the document defines accounts receivable stating that “these charges can be for anything that is receivable by a department *including* receivables from students or outside third parties.” While receivables from students or outside third parties are specifically *included*, there is no specific *exclusion* of interdepartmental receivables.

Condition

Internal Audit identified that car rental IDTs amounting to just over \$108,000 of which \$55,188.42 (7.12% of FY 2026 billings year-to-date) were outstanding and aged between 31 days to over 120 days as of 01/28/2026. Audit testing further noted that outstanding IDTs had not been escalated or referred to Student Financial Services for further collection action, despite exceeding 30 days, with some IDTs exceeding 90 days.

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

Consequences

As a result of these conditions:

- Transportation Services faces an increased risk of non-collection of internal receivables.
- Delays in collection reduce the likelihood of full recovery, consistent with the SAP 7-9.13 acknowledgment that older debts are less collectible.
- There is an increased administrative burden associated with pursuing older receivables.

Cause

Changes to the IDT billing process have removed a “default” account setting, so IDTs are not cleared until actions are taken by the responsible parties to provide account strings for billing.

The department relies on manual tracking without standardized reporting or escalation procedures. The unit may have been unaware of the policy and the benefits that referring aged outstanding IDTs to Student Financial Services.

Corrective Action

Transportation Services should work with appropriate University leadership to determine the intent of SAP 7-9.13. If the intent of the SAP is to refer only receivables from students and third parties, the document should be revised accordingly to make the intent clear.

If the strict interpretation of the SAP is that all receivables should be referred to Student Financial Services for collection, Transportation Services should strengthen controls over internal billing and collections by implementing the following:

- Enhance management oversight by generating periodic reports of overdue invoices as they go through the aging periods and having the Deputy Director of Transportation Services review the aging reports, approve and escalate to Student Financial Services, for those that are approaching or beyond the ninety (90) days delinquency. The documentation of these steps taken should also be maintained for future references and audits.
- Define delinquency thresholds by establishing a departmental procedure guideline which specifies the age of receivables to be escalated to Student Financial Services, in alignment with SAP 7-9.13. Alternatively, pursue an exception to the SAP and document that exception within the SAP.

Management Response:

Transportation Services was not aware that overdue departmental accounts could be turned over to Student Financial Services. We will develop a process to turn over delinquent departmental accounts to SFS if this is indeed an option.

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

After communicating with Financial Affairs, it was determined that the intent of SAP 7-9.13 is not to turnover internal departmental receivables, but to turnover any student or third-party delinquencies.

Financial Affairs will be working with UW Administration to go through the process of revising SAP 7-9.13 to give the correct intent of Student Financial Services handling delinquencies.

Transportation Services has provided a process sheet to Internal Audit for how aged receivables are handled internally including IDT entry process into WyoCloud and communication processes to UW departments when payments are delinquent.

Responsible Individual(s):

Aaron R. Courtney, Associate Vice President, Budget and Institutional Planning.
Paul Kunkel, Director- Transportation Services

Target Completion Date(s):

December 31, 2026

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

Observation #26-3.2: Revenue Completeness

Background

The University of Wyoming (UW) Research and Economic Development Division (REDD) oversees five service centers that provide specialized services to internal and external clients. The Service Centers and their respective invoicing software are as follows:

<u>Service Center</u>	<u>Invoicing Software</u>
Stable Isotope Facility (SIF)	Uses Zoho for Invoicing
UW Near Surface Geophysics (UWNSG)	Uses Zoho for invoicing
Genome Technology Lab (GTL)	Uses Zoho for invoicing
Center for Advanced Scientific Instrumentation (CASI)	Uses Stratocore PPMS core facility management software for invoicing
Plant Growth Phenotyping Facility (PGPF)	Uses Stratocore PPMS core facility management software for invoicing

Each service center is responsible for delivering services, generating invoices, and posting billing information into the respective Zoho accounting system or Stratocore PPMS core facility management software for invoicing.

The Director of Business Operations for REDD is responsible for monitoring and following up on payment collections for services rendered by these service centers. The Director has access to Zoho and uses posted invoices as the basis for collection activities. Access to Stratocore PPMS is only maintained by the Business Manager who does billing and tracking payments for CASI and PGPF, and therefore these billings are not accessible to the REDD Director of Business Operations.

Criteria

The UW Standard Administrative Policy and Procedure (UW SAP 7-9.13), revised on 7/24/2025, requires under its section IV on Receivables, that departments that provide goods and services on a charge and billing basis must keep accurate records. It further requires that funds collection records and receivable records should be reconciled with each other. It further requires under section 3B(a) that the duties of opening mail, collecting funds, and reconciliation should be segregated.

Condition

Audit noted that while the REDD Director of Business Operations is responsible for payment collections for SIF, UWNSG and GTL service centers. The position is not involved in or has no visibility to the determination or initiation of services provided by these three service centers, nor to the billings and tracking of invoices for CASI and PGPF. Specifically, the Director of Business Operations does not participate in, receive notification about, or review:

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

- Client requests for service,
- Scope or volume of services provided, or
- Confirmation that services delivered during a given period were fully invoiced.

The Director only becomes aware of billable activity after a Service Center Director or Manager posts invoices into the Zoho accounting system. As a result, collections monitoring is limited to invoices that have already been entered, with no independent mechanism to verify billing completeness.

Regarding CASI and PGPF, the Director of Business Operations for REDD has no access to the Stratocore PPMS core facility management software for invoicing and subsequently is not involved in tracking payments billed. Only the Business Manager oversees the whole process from billings for these two service centers, to follow up on payment collections.

This structure prevents REDD business operations from determining whether all services rendered were billed for during a given period. Additionally, segregation of duties is not ensured where the Business Manager posts invoices and tracks payments, as is evidenced in the billings and payment tracking for CASI and PGPF.

In FY 2025, the five (5) service centers reported a total of \$ 199,208.28 in revenue.

Consequence

Due to limited oversight over service delivery and billing completeness:

- REDD may experience unbilled or underbilled services, resulting in lost or delayed revenue, when only a single person is involved in the billing process
- The University is exposed to financial risk due to incomplete capture of service center revenues.
- Management reporting on outstanding internal receivables may be inaccurate or unreliable, absent of verification of services offered and billed.
- The effectiveness of collection efforts is reduced, as collections are dependent on invoices that may not fully represent services rendered.

Cause

Service delivery and billing responsibilities are decentralized across service centers. The lack of a standardized, documented process to regularly update and reconcile spreadsheet data to system-of-record payment information, the IDT module.

Currently, there is no control requiring reconciliation between services provided and invoices issued. As a result, reliance is placed on service center management to self-report billing activity without independent oversight from the REDD business operations office.

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

Corrective Action(s)

Internal Audit recommends that REDD management strengthen oversight of revenue completeness and service center billing by:

- Implement service activity reporting requirements and having these reports shared with the Director of Business Operations. Require service centers to periodically submit service logs, job summaries, or utilization reports detailing services provided during the billing period.
- Establish reconciliation controls to include:
 - Performing monthly reconciliations between services provided (e.g., service requests, work orders, or usage records) and invoices posted in Zoho and Stratocore PPMS. These reconciliations should be reviewed and approved by the REDD Director of Business Operations, for all the five (5) service Centers' billing activities.
 - Enhancing segregation of oversight responsibilities by Ensuring that no single business manager or service center director has sole responsibility of billing and payment tracking.
- Enable REDD Business Operations Director to independently validate that services rendered align with invoices issued, without assuming service center self-reporting is complete.
Provide the REDD Business Operations Director access to billings and payments tracking performed by the Business Manager, for CASI and PGPF, and access to the corresponding billing system, Stratocore PPMS.

Management Response:

In response to the Internal Audit recommendations, the Research & Economic Development Division (REDD) has implemented structural and procedural enhancements to strengthen oversight of revenue completeness and service center billing.

Effective February 1, 2026, REDD completed a departmental reorganization establishing the position of Senior Director, Administrative and Research Operations. A core responsibility of this role is ensuring the efficient and effective administration of all research facilities, including oversight of service center operations and billing controls.

Since the completion of the audit, the Senior Director has been granted access to the core facility management system, Stratocore PPMS, utilized by CASI and PGPF. This provides access to independent visibility into service activity, billing, and utilization data and supports strengthened oversight and validation of revenue-related processes.

By March 31, 2026, the Senior Director, Administrative and Research Operations, in collaboration with the Business Manager and accounting staff, will establish and formalize a

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

comprehensive policy and procedure framework for the service centers referenced above. The policy will include:

- **Formalized Activity Reporting Requirements**

Each service center will be required to submit standardized activity reports detailing services performed during the billing period. These reports will serve as the foundational documentation supporting billing and revenue collection.

- **Monthly Reconciliation Controls**

A documented monthly reconciliation process will be implemented to compare service activity reports to invoices posted in both Zoho and Stratocore PPMS. Reconciliations will be reviewed to ensure completeness and accuracy of billed services.

- **Defined Accounting Support Structure**

The policy will clarify accounting roles and responsibilities supporting the service centers, reinforcing segregation of duties and ensuring appropriate oversight of billing and payment tracking functions.

These organizational and procedural enhancements directly address the audit recommendations by strengthening governance, improving transparency, formalizing reconciliation controls, and ensuring independent oversight of service center billing activities.

Responsible Individual(s): Jami Miller, Sr. Director
Tabatha Spencer, Business Manager
Sandy Roller, Assistant, Director Business Operations
Dawn Jolley, Accountant
Jenevie Wagner, Accounting Associate, Sr.

Target Completion Date(s): April 1, 2026

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

Observation #26-3.3: Transaction Invoices for Bulk Permits

Background

When permits or services rendered are billed to internal departments, an inter-departmental transfer (IDT) is used to settle invoices. The Transportation Services Business Office creates and sends out IDT funding requests to departments via the IDT Module. When the request is sent, the department being charged receives an email notification of the IDT funding request and is then responsible for entering the IDT module to insert a funding string for payment. The department also is required to enter a valid business purpose. A copy of the invoice accompanies the IDT request for full transparency, including the details of the charges to the department. After Internal Audit's process walk-through, the audit team conducted IDT sample testing of transactions submitted through the bulk IDT process.

Criteria

University of Wyoming Quick reference guides: *Completing an Interdepartmental Transfer (IDT) using IDT Management* states "An attachment is required before submitting. The Revenue Department must attach supporting documentation such as an invoice, supporting the charges for the goods or services."

Further, The University of Wyoming *Expense Report Processing Business Process Guide* states:

"When creating an expense report, the following guidelines exist to ensure the proper management and documentation of expenses incurred by the university. Please be sure to have the following information available for the transaction:

- *Date of the transaction*
- *Expense Location*
- *Amount*
- *Appropriate Documentation (Itemized Receipt, Invoice, Per-Diem Calculator, Etc.)*
- *Merchant Name"*

Since the University requires an itemized receipt for proper supporting documentation when expending its funds, itemized receipts/invoices should be required when inputting IDTs for department payment with university funds. There was no specific policy found in the Transportation Services Manual provided, or other policies on the procurement and payment website specifically relating to IDTs.

Condition

In review of IDTs submitted by Transportation Services, invoices accompanying IDT requests are typically itemized. The only concerns identified were related to the sale of bulk permits.

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

Most bulk permit invoices submitted with IDTs were not itemized with a clear quantity, unit price, and total price.

Consequences

Invoices not itemized with clear quantities, unit prices, and a total amount due make it more difficult for departments to accurately review and reconcile invoices for payment. This may create delays in IDT submission by the respective departments, and/or extra work for Transportation Services staff in fielding billing questions.

Cause

When discussing this issue with management of Transportation Services personnel, they explained that there is only one lookup number relating to bulk permits, and so there is no tracking of actual number of permits sold besides the ID numbers on the physical permits.

Corrective Action

Build a new invoice template for bulk permits that includes clear display of line items to include quantities, unit prices, and total amount due.

Management did relay that as Transportation Services moves to a new digital bulk permit platform, they expect this issue to be resolved. If so, Internal Audit will follow up and review the new digital parking permit system when it goes live, which is expected January 2026.

Management Response:

Transportation Services has developed a billing form that now includes an area for itemized permit numbers, quantities, and price/permit which can be implemented immediately.

Responsible Individual(s):

Paul W. Kunkel, Director - Transportation Services

Target Completion Date(s):

March 31, 2026

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

Observation #26-3.4: Authorized Spending to UW Accounts – Central Stores

Background

UW Operations operates a Central Stores Warehouse where all units on campus (must be campus affiliated) are able to come and shop for any needed supplies. These are mostly building material items regularly used by UW Operations areas, but any UW employee/department may use the store. The customers may also “charge” the purchase to the departments they are affiliated with. This same process is used for walk-in purchases at Transportation Services as well as the University Store in the Union.

Criteria

While it is important to keep transactional lines open and freely available to those on campus that have an immediate need for supplies, the individuals that are charging supplies/material to departments when checking out should be authorized to do so. There were no documents or policies found relating to the controls in place for employees purchasing on behalf of departments through Interdepartmental Transfers.

Condition

During the walk through with UW operations management. Auditors learned that the Central Stores Warehouse does not use/maintain some sort of an authorized charge list for customers or employees that charge supplies to departments. Supervisors assured the auditors that they know most employees making purchases because they have built a relationship over the years, and they do not allow people to charge if they do not know them. The audit team was shown an example of a card that was formerly required to be carried and presented by the purchaser to affirm they were authorized, but there was found to be lack of control of who was given the authorization card.

This is not just a UW Operations issue. There are several enterprises throughout campus that allow UW employees to charge items to department accounts without strong identification controls. A person could even ship something via UPS or FedEx and put it on UW’s account without showing credentials; rather, they would only need to provide the account number for the carrier to bill the University.

Consequences

Reliance on individuals’ knowledge of employees and not having and maintaining an authorized purchaser list, requiring proper identification, or something like a note from a cost center approver, creates risk of loss or theft due to the opportunity for unauthorized purchases by unauthorized employees, particularly in the event of employee turnover. The current method of control is an example of institutional knowledge and could fail if the person holding the knowledge is not there, potentially resulting in unauthorized charges to departments on the monthly IDTs.

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

Cause

There could be a lack of awareness of the need for stronger controls for interdepartmental charges.

Corrective Action

There should be a Campus wide solution implemented to strengthen controls in all areas of interdepartmental transfers issued by walk in customers in order to lower risk of loss by preventing unauthorized purchases and charges to departments.

Management Response (optional):

Because the observation may require a campus-wide solution, the auditees may be unable to address or correct the situation alone. As a result, no management action plan is required; however, University leadership should be aware of the condition and should explore reasonable efforts to help improve efficiency.

Management agrees that a campus-wide solution would provide the strongest level of control.

Warehouse verification: To prevent unauthorized walk-in purchases, Warehouse management will formalize a verification protocol. For walk-in transactions, staff will verify the purchaser via the online directory or direct phone confirmation with the department before the sale is finalized. All transaction receipts clearly identify the purchaser's name to ensure departmental billing transparency and easy review/approval for IDT processing.

Shipping carrier security: We have proactively denied external requests for account access that we received in the past. We will contact shipping carriers to explore options to further restrict account access.

Responsible Individual(s): The Deputy Director of Business Services will be responsible for overseeing the Warehouse verification process. Additionally, the Deputy Director will work with staff and the Warehouse manager to determine the feasibility of a master authorized purchaser list.

Target Completion Date: No Management Action Plan required

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

Observation #26-3.5: Billing Contact Lists

Background

As part of the internal audit of the internal billing processes of Transportation Services, auditors performed on-site walk-throughs of UW Operations facilities and conducted interviews with managers and key personnel involved with billing. The walkthroughs were aimed at gaining an understanding of how the billing process works, who performs each portion of the billing and receiving processes, and whether the processes mitigate risk, are well documented, clear, transparent, and easy to understand by customers.

While interviewing management, auditors learned that the IDTs are created and sent to Cost Center Approvers or Accountants (billing contacts) for the departments that have a bill due. These responsible billing contacts are charged with completing the IDT with funding information from the department being charged, so that the payment transfer may take place and be taken from the proper account.

Criteria

In order for the expense department to complete the IDT for payment in a timely fashion, it must be sent to the correct person. It is imperative that the billing contact for each department be up to date and accurate.

Condition

During the interview, it was brought to the audit team's attention that often the lists being used are not properly updated to account for cost center approvers or managers who have left the role and are no longer responsible for submitting the expense portion of the IDT on behalf of the department being billed. This causes delays in payment due to the bill not actually being received by the appropriate department. This issue was mentioned by management as being one of the biggest reasons for delayed payments and causing delinquent accounts.

Consequences

Not maintaining an up-to-date billing contact list will cause delays in payment because the IDT will not be assigned to the person with the authority to enter expense information. By the time the incorrect billing contact is recognized, the payment is often already a month past the billing date.

Cause

The cause of this is due to failure to update departmental records timely, possibly because of delayed communication between personnel in internal billing departments and those in Human Resources.

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

Corrective Action

There should be a Campus wide solution to maintain accurate billing contacts for all IDT departments to use that would reduce the number of incorrect contacts each billing cycle. Those involved with records or role changes at the University should work with those in billing departments to determine a way to provide the most updated expense contact list at the right time to support accurate monthly billing.

Management Response (optional):

Because the observation may require a campus-wide solution, the auditees may be unable to address or correct the situation alone. As a result, no management action plan is required; however, University leadership should be aware of the condition and should explore reasonable efforts to help improve efficiency.

Transportation Services agrees that there should be a universal solution to maintaining accurate billing contacts and will use whatever resources are put forth. It is also unknown if delegation/vacation settings are active for the IDT module.

Campus Operations also agrees that maintaining an accurate IDT expense contact list is essential for timely financial routing. To address the audit finding and the associated workflow delays, we will implement the following:

Contact List Maintenance: We will notify the Accounting Office when we are made aware of staffing changes or IDT's that are assigned to inactive personnel. We recommend an off-boarding integration for an "IDT Contact Update" be included on a department's off-boarding checklist to ensure a replacement contact is named when a staff member departs.

PI Onboarding & training: To address "stalled workflow" risk, we recommend IDT module training is required as part of an employee's onboarding activities. In the interim, when an IDT stalls due to lack of PI access our team will proactively notify the CCA or expense account, and/or send the QRG and training link to the PI.

Escalation protocol: To mitigate the risk of IDTs sitting beyond 90 days, we will follow our established collection process notifying Department Heads, Deans, VP's, etc. to ensure revenue recovery is not indefinitely delayed.

Responsible Individual(s): Our Business Manager will be responsible for notifying the Accounting Office and/or CCA/expense contacts when stalled IDTs are due to assignment to inactive employees as soon as discovered.

Target Completion Date(s): No Management Action Plan required.

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

Observation #26-3.6: Efficient Monitoring and Follow-up on Aged Receivables (IDTs)

Background

Transportation Services uses Fleet Commander software, for managing car rental reservations and generate invoices, but relies on a manually compiled list of Excel spreadsheets to load client department invoices into the IDT module.

Condition

While manual processing using Microsoft Excel spreadsheets is inefficient, Transportation Services has not experienced any significant loss of funds, as historically, write-offs or adjustments have not been recorded on outstanding IDTs.

The current process places reliance on the spreadsheet, which is not well suited to identifying aging categories for all IDTs, so the follow-up process with cost center approvers and others requires a manual process.

Consequences

As a result of these conditions:

- Reliance on excel spreadsheet as the main platform for billing raises the risk of potential incorrect billing, where some invoices may be inadvertently omitted from being billed into the IDT module.

Cause

Transportation Services indicated that at the launch of the IDT module, they were instructed that there should be no linking of third-party systems to the IDT module and were encouraged to limit use of shadow accounting systems. This limits the possibility of enhancement of fleet commander system to compare data as it gets updated on Wyocloud.

- Changes to the IDT billing process have removed a “default” account setting, so IDTs are not cleared until actions are taken by the responsible parties to provide account strings for billing.
- The department relies on manual tracking without standardized reporting or escalation procedures. The unit relies on a Microsoft Excel spreadsheet to list outstanding receivables and track updates.

Corrective Action

Transportation Services should strengthen controls over internal billing and collections by implementing the following:

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSE

- Establish a formal process for monitoring receivables aging by adopting an accounting system that has aging functionalities and implement routine (e.g. monthly) review of outstanding IDTs with clear aging categories (e.g., 0–30, 31–60, 61–90 days, and over 90 days).
- Because of the large volume of transactions handled by Transportation Services, consideration should be given to acquiring an accounting system that has the capability to age IDTs to facilitate more efficient review of outstanding and aged IDTs.

Management Response (optional):

Because the observation may require reliance on outside resources (vendors) or UW Information Technology support, the auditees may be unable to address or correct the situation alone. As a result, no management action plan is required; however, University leadership should be aware of the condition and should explore reasonable efforts to help improve efficiency.

CONCLUSION

Conclusion

Except as noted above, based on our audit, UW Operations and Service Centers perform internal billing activities in accordance with state laws, rules and regulations as well as UW policies and procedures. The Wyoming Statute § 9-4-217 of 2024 requires state agencies, including the University, to use the Uniform State Accounting System. This is achieved through the use of WyoCloud, a financial system, which interfaces with Wyoming Online Financial System (WOLF), the state's financial system, to account for state finances.

We would like to express our gratitude to Transportation Services, UW Operations, REDD leadership and their respective teams, for their cooperation, support, and patience throughout the audit process. They were very gracious with their time and provided constructive collaboration with the audit team.

Distribution list

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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

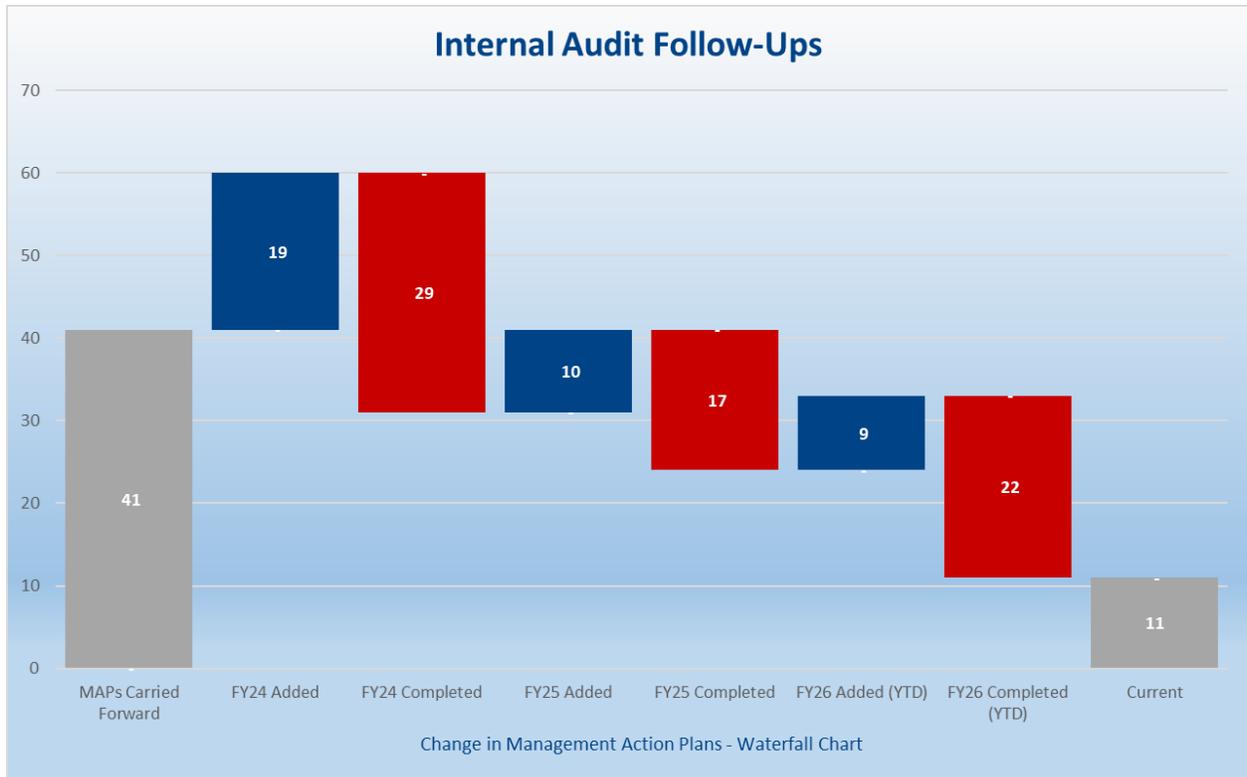
PROPOSED MOTION: None

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, 41 MAPs were carried forward from previous fiscal year, 38 MAPs have been added to the tracker, and 68 MAPs have been completed, leaving a total of 11 MAPs currently being monitored.



Of the 11 MAPs that remain open:

- Five have been completed since the last meeting.
- Zero are past due.

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
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.	TBD	Yes
24-3	2023-2024	10/17/2023	ASUW	0	1c. Present fees to Central Fee Committee	Completed	No
					2b. Formalize ASUW documentation	Completed	No
					2d. Working group to review/revise documentation	Completed	No
25-1	2024-2025	9/8/2025	College of Law	2	1a. Develop Scholarship Plan detailing processes/policies for awarding and approvals.	Completed	No
					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.	Completed	No
25-2	2024-2025	9/8/2025	Laramie County 4-H - UW Agriculture Extension	4	2. Implement formal review and approval process for monthly reconciliations	3/31/2026	No
					3. Identify and require county implementation of new accounting software for recordkeeping. Provide training for implemented software.	3/31/2026	No
					4. Create and implement a policy establishing rules regarding the purchase/sale of livestock	3/31/2026	No
					5. Creation of policy dictating rules for scholarship awarding to 4-H participants via a scholarship committee or similar.	3/31/2026	No
25-3	2024-2025	9/8/2025	UW Libraires	2	1a. Create written plan outlining inventory taking processes for the Libraires.	4/1/2026	No
					1b. Internal Audit team will return to Libraires to review new RFID system being placed into service Fall 2025.	4/1/2026	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.	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 March 2026 –

Only one item remains open, and most sections within it have been completed.

- **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 contains 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 March 2026 –

- **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.

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 March 2026 –

- **Observation #2:** - The College of Health Sciences has hired Jefferson Wells to conduct a comprehensive audit of EHCW operations. The report is complete and has been provided to The College of Health Sciences and to the Internal Audit team.
- In review of the external audit report, Jefferson Wells shares concerns related to development of policies and guidelines for personnel, financial, and operational effectiveness. This observation is still relevant and will need a new timeline for completion. As of the publication of this report, the expected completion is unknown and is listed as **To Be Determined(TBD)**.

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 March 2026 –

- Since the January 2026 report, ASUW has provided proof of completion of all 3 open Management Action Plans.

- **Observation #1c:** ASUW presented to the Central Fee Committee on 12/5/25 as confirmed by AVP Aaron Courtney.
- **Observation #2b:** The two final ASUW policies were approved by the Senate in early December 2025 which concludes the formal documentation process.
- **Observation #2d:** A formal process has been created to ensure updates are attended to in a timely manner.

With the completion of these 3 MAPs, ASUW has now **COMPLETED** all items associated with Audit #24-3. This Management Action Plan is now closed and no longer tracked.

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 March 2026 –

The Scholarship Plan outlined in Observation 1a has been completed and provided to Internal Audit. The plan seems sufficient and should provide more consistency and organization for the college's scholarship awarding processes. This observation is now considered **COMPLETE**.

Internal Audit has been provided with a solution to Observation 2 regarding employee contracts and summer research payment guidelines and reporting. Internal Audit has reviewed the solution and deems it satisfies the needs as outlined. This observation is **COMPLETE**.

Observation 1b. is neither complete nor overdue. There is no new information to report related to this observation.

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

- Audit Report Date: September 8, 2025
- Original Follow-Up Due Dates: 2. - 12/1/2025, 3. - 1/1/2026, 4. – 12/1/2025, 5. – 12/1/2025
- The audit report contained five observations, four of which are still open.
 - **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 March 2026 –

- Observation 2 has been extended to March 31, 2026 due to an accountant leaving who would be key to the reconciliation training. A plan is in place for training employees.
- Observation 3 - A QuickBooks subscription was purchased for all counties on November 5th, 2025. QuickBooks accounts were created for each county and sent out to all county administrative staff and 4-H educators. The implementation of QuickBooks was discussed with extension staff at our in-person meeting in November. Some training is provided by the QuickBooks platform, but UW Extension is planning to hold additional training regarding the software and what needs to be included in the platform based on some guidance from Internal Audit. Extension to March 31, 2026, to account for time to train. Great progress toward having good accounting software for all counties.

- Observations 4 & 5 have been completed and approved but are not yet included in the policy manual or on the website. When those changes are made, these observations will be complete.

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 March 2026 – The full implementation and training of staff on the RFID system in preparation to go live for inventory accounting has been delayed. Libraries has experienced software issues with the two systems’ ability to communicate with one another. Extension of due date for review and resolution to the software issues. (1b.) has been set to April 2026. The draft written inventory plan (1a.) has been shared with Internal Audit and is on track for full review/completion by April as well.

26-1 College of Education

- Audit Report Date: October 23, 2025
- Original Follow-Up Due Dates: 1a. - 6/1/2026
- The audit report contained one observation.
 - **Observation #1** - 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.

Status as of March 2026 – No management action plans are overdue or off track for completion by the respective due date as of March 2026.

FISCAL AND LEGAL AFFAIRS COMMITTEE
COMMITTEE MEETING MATERIALS

AGENDA ITEM TITLE: 2026-27 Risk Assessment Refresher

- 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 of Wyoming Office of Internal Audit conducts an annual risk assessment to support the development of the university's Internal Audit Plan. Consistent with guidance from The Institute of Internal Auditors (IIA) International Professional Practices Framework (IPPF) and leading risk management practices reflected in the COSO Enterprise Risk Management (ERM) Framework, this process is designed to identify and prioritize risks that could affect the university's ability to achieve its mission and objectives.

PRIOR RELATED COMMITTEE DISCUSSIONS/ACTIONS: None

WHY THIS ITEM IS BEFORE THE COMMITTEE: Refresher of Risk Assessment for FY2027

ACTION REQUIRED AT THIS COMMITTEE MEETING: None

PROPOSED MOTION: None

Risk Assessment Plan Outline – March 2026

The University of Wyoming Office of Internal Audit conducts an annual risk assessment to inform the development of the university's internal audit plan. This process, consistent with the Institute of Internal Auditors framework, and leading risk management practices from COSO Enterprise Risk Management framework, helps ensure that internal audit resources are focused on areas of greatest risk to the institution, including operational, financial, compliance, and strategic risks that could impact the university's ability to meet its mission and objectives.

For the FY2027 risk assessment cycle, Internal Audit will distribute shorter risk assessment surveys to members of the University of Wyoming Presidential Leadership Team, college Deans, and the Board of Trustees. This approach aims to allow leadership to update the Internal Audit team as to the risks identified last year, and any new risks or concerns for the coming year.

In addition to leadership input, Internal Audit will expand the scope of the survey distribution to include designated expense contacts across UW colleges, divisions, and administrative units. These individuals are often responsible for managing or reviewing departmental expenses, procurement transactions, travel reimbursements, and other financial activities within the university's financial systems. Because they work closely with day-to-day financial processes, they can provide valuable insight into operational practices, internal control challenges, compliance considerations, and emerging risks that may not always be visible at the executive level.

By incorporating perspectives from both senior leadership and personnel directly involved in transactional processing, the Office of Internal Audit aims to develop a more comprehensive and operationally informed view of risk across the University of Wyoming. This expanded approach will enhance the identification of potential control gaps, process inefficiencies, and areas where additional guidance, training, or audit coverage may be warranted.

The results of the FY2027 risk assessment will be compiled and analyzed by the Office of Internal Audit and used to develop the FY2027 Internal Audit Plan for the University of Wyoming. The proposed plan will then be presented in May 2026 to the University of Wyoming Board of Trustees Financial and Legal Affairs Committee (FLAC) for review, guidance, and approval.