

University of Wyoming: Effectiveness of Block Grant Funding, (with Supplement per W.S. 28-8-107(c))

January 5, 2015

Management Audit Committee

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**WYOMING LEGISLATIVE SERVICE OFFICE
MARK QUINER, ASSISTANT DIRECTOR FOR ADMINISTRATION**

January 5, 2015

To: Members of the Wyoming Legislature and
Citizens of the State of Wyoming

From: Management Audit Committee

Subject: Program evaluation titled: *University of Wyoming: Effectiveness of Block Grant
Funding*

The Management Audit Committee ("Committee") expresses its appreciation to the University for its cooperation with the Wyoming Legislative Service Office and its ongoing availability to the Committee during the program evaluation process culminating in the subject report. The University is a crucial and foundational education institution in the State, deserving of the prestige as both an exceptional land grant university as well as a top tier center for research and innovation. We agree that the ultimate goal of the State is for the University to educate and serve the citizens of Wyoming, and that we should continue to build on its strong foundation to make it as valuable as possible to the State and its citizens.

On that note, the Committee would like to emphasize several important themes that will impact the continued movement toward being such a center of innovation. First, the audit report and the University response call attention to an important policy question related to the selection of reasonable comparator institutions. The committee believes the baseline comparator institutions selected in the report are historically appropriate and we are comforted by the University's good ranking against these institutions. However, the University should strive towards select superior ranking programs and institutions throughout the United States. The committee believes ambitious comparisons to top tier programs are appropriate and beneficial to meet both short and long-term goals expressed by the University Administration and the Wyoming Legislature.

We commend the University in its current efforts to identify comparator schools on a college, department, or discipline basis as we believe that doing so will further the University's ability to compete for scholars and faculty of extraordinary ability. We also acknowledge that these comparators will need to be revised over time and encourage the University to be transparent and collaborative with the Wyoming Legislature when considering these revisions as comparators may influence or impact funding requests of the Legislature. Overall, the Committee notes that the University cannot achieve desired results exclusively using salary as a way to compete with other institutions to attract and retain high quality faculty.

Second, this vision of the University must also match the State's long standing and overarching policy as stated in the Wyoming Constitution, requiring that the cost of instruction "*be as nearly free as possible.*" As this report evidences, the University and the Legislature have been successful in keeping the cost of instruction low, particularly the level of tuition required of its students. We believe the Board of Trustees and the University Administration, in recently adopting a tuition policy to guide and structure its annual tuition discussions, encourages ongoing and transparent discourse with stakeholders, while still adhering to the Constitutional mandate. We look forward to regular and robust discussions to keep the University affordable for the State's citizens.

Finally, this Committee recognizes the importance of efficient and effective fiscal management of all funds, particularly the State block grant funds, and supports current and planned University efforts to increase transparency and accountability of its financial system and practices. We recognize a modern financial, accounting, budgeting, and human resource system and updated practices are crucial to the institution. As such, we support the University's multi-biennia plan to reposition its financial system toward a more complete and nimble enterprise.

Overall, the Committee fully acknowledges and supports the ongoing progress that the University has made through actions taken on its own over the last year to refocus its mission and strategically plan toward becoming a center of excellence in multiple areas. Moreover, we believe that this report facilitates open communication and continuing collaboration between the University Administration, the Board of Trustees, and the Wyoming Legislature. While the report notes a number of areas where the University could improve transparency and consistency in its practices, in our view, the purpose of the report is to improve and strengthen the University with a strong focus on the future.

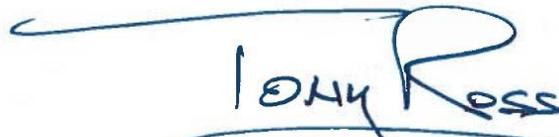
We look forward to having a productive and positive relationship with the University and believe this report is an important step toward that effort.

Respectfully,



Representative David Miller

Chairman



Senator Tony Ross

Vice-Chairman

Cc: **Management Council, Wyoming Legislature**
Governor Matt Mead
Dr. Richard McGinity, President, University of Wyoming
University of Wyoming Board of Trustees

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Wyoming Legislative Service Office

Executive Summary

Purpose

The Management Audit Committee (“Committee”) directed staff to conduct an audit of the University of Wyoming (“University”) to evaluate the effectiveness of block grant funding, which has been in existence since the 1990s.

W.S. 28-8-107(b) authorizes the Legislative Service Office (“LSO”) to conduct program evaluations, performance audits, and analyses of policy alternatives. Generally, the purpose of such research is to provide a base of knowledge from which policymakers can make informed decisions.

Background

Article 7, Section 15, of the Wyoming Constitution establishes the University. Article 7, Section 16 requires that the cost of instruction be “*as nearly free as possible*” and states that the Legislature shall provide, by law, for the management of the University.

W.S. 21-17-107 sets forth the policy that the “*Legislature shall appropriate monies intended for the support and maintenance of the University of Wyoming. The appropriations shall specify the purposes for which the monies are intended and may be used. The appropriations shall apply to and include all monies received by the university from the United States for the endowment and support of colleges for the benefit of agriculture and mechanic arts. No expenditure shall be made in excess of an appropriation, and no monies so appropriated shall be used for any purpose other than that for which they are appropriated.*”

The Board of Trustees (“Board”) pursuant to W.S. 21-17-203 through W.S. 21-17-204 is responsible for overall governance of the University. More specifically, W.S. 21-17-203 states

“they possess all powers necessary or convenient to accomplish the objects and perform the duties prescribed by law, and shall have custody of the books, records, buildings and all other property of the university.” In addition, pursuant to W.S. 21-17-204, the Board *“...shall prescribe rules for the government of the university and all its branches...”*

The University has a dual mission of teaching and research. The Office of Academic Affairs oversees the teaching mission and is responsible for academic administration and courses, while the Office of Research and Economic Development oversees the research mission and oversees the use of federal funds related to sponsored grants and programs.

Results in Brief

Chapter 2: The University receives block grant funding to carry out its teaching and research roles. Its effectiveness is measured by various outputs. Block grant funding has allowed the University to maintain enrollment, degrees granted, retention, and graduation rates, similar to comparator states. However, the University may wish to review its regulations and practices related to faculty course load, as well as the number of courses falling below minimum University requirements.

Chapter 3: Block grant funding appears to have improved the ability to grow full and part time staff at the University, as well as improve salaries over a ten-year period. However, certain trends developed over the past decade may influence the University’s ability to operate effectively under block grant funding. While there are multiple contributing factors that affect salary trends, taking action on some of the identified trends that have occurred over the past decade could prove beneficial to manage block grant funding effectively in the future.

Chapter 4: The University uses several different data sources for market comparison analysis of faculty salaries, and within the data sets, has compared itself to aspirant institutions. For example, it uses salary data of institutions that participate in a survey published by Oklahoma State University to establish faculty market salary levels. Additionally, the University uses a group of other doctoral institutions as a benchmark to compare salaries at the University. Very recently, the University began using salary data from 50 select Public Research Universities, identified through the faculty senate salary study completed in 2011, as a benchmark for determining desired market salary levels. The current list of comparator institutions used by the University could be improved to provide a better representation of market faculty salary levels.

Chapter 5: The University has formal compensation policies in place for initial appointments, changes in salary, temporary salary increases, and salary payments. Similar policies exist that establish parameters for supplemental compensation, as well as a detailed classification and compensation plan for staff employees. Other areas, however, such as funding for discretionary or promotional salary increases do not include similar guidance.

The University also lacks a compensation strategy for funding of off-cycle salary increases. For example, a consistent funding amount is not budgeted for discretionary increases. Merit increases are only administered when there is a special appropriation for salary increases.

Chapter 6: The University is not generally subject to the Wyoming Transparency in Government Act, and as such, the University’s expenditure reporting related to the use of State Aid received each biennium lacks transparency in that disaggregated financial information is not publicly available. As a result, the University does not generally report individual expenditures by college, project, program, or vendor nor does it report individual fund balances.

Chapter 7: The University commits tremendous resources to academic planning and reporting resulting in a robust and highly detailed planning enterprise. While deserving of accolade, over the period of block grant implementation, planning and reporting efforts have evolved and the strategic plans no longer tie directly to agency budget requests. Additionally, the planning and reporting mechanisms in recent years have focused on broad goals referred to as “*planning motifs*,”—as opposed to quantifiable, time-bound objectives. According to recent directive by the President of the University, college and academic planning units are encouraged to include defined and measurable outcomes within the University’s goals during the forthcoming planning period.

Chapter 8: The University does not have policy related to tuition and fee increases. Deliberations around tuition and fee increases in the past have at times narrowly focused on the tuition and fee rate at the University compared with that of other institutions, and have ignored aggregated costs to students and total revenues received per student. The result of the current structure is that tuition and fee increases lack predictability. Other states and the Wyoming Community College Commission offer examples of tuition policy that may lend assistance to the University and the Board in developing policies.

Chapter 9: Internal Audit within the University has a fully established process to protect its financial and programmatic assets. There are areas however, that could be addressed to improve the effectiveness of its functions. These include the following: formalized reporting to the Fiscal and Legal Affairs Committee (“FLAC”) and the Board; following up on recurring findings and recommendations; representation of the Internal Auditor on the Executive Council; and review of internal control weaknesses identified as part of this audit.

Chapter 10: Evaluators identified certain areas where internal controls at the University can be improved or strengthened in order to mitigate risk. For example, evaluators found no policies related to the decentralized budget process and budget transfers, as well as outdated cash handling policies. There is also a lack of safeguards related to the processing of various expenditure types (e.g. purchasing card, purchase order, vouchers, and interdepartmental requests).

Principal Findings

The following are general finding areas, with more specific information and recommendations discussed in more detail within the report:

1. Decrease in the proportional percentage of Section I revenues allocated to personal services (Chapter 3);
2. Operation under block grant funding to increase full and part-time employees and increase salaries (Chapter 3);

3. Budgetary flexibility to the Division of Athletics (Chapter 3);
4. Current list of comparator institutions used by the University to measure market levels of faculty salaries does not provide an accurate representation of similar institutions (Chapter 4);
5. Lack of consistency with respect to compensation policies (Chapter 5);
6. Outdated regulation that establishes minimum faculty workload requirements (Chapter 5);
7. Lack of transparency related to the University's disaggregated expenditures (Chapter 6);
8. University's planning and reporting could be more quantifiable (Chapter 7);
9. Lack of a formalized policy for tuition and fee increases (Chapter 8);
10. Improvements could be made with the internal audit process (Chapter 9); and,
11. Various weaknesses identified with the University's internal control framework related to policies and safeguards (Chapter 10).

Agency Response

The Board and the President of the University are committed to refocusing on the University's land-grant mission, including a "*greater engagement with UW's external constituencies and a genuine commitment to excellence.*" According to the University, the topics addressed in this audit "*are central to the continuation and success of this undertaking.*" See page 115 for the full response and page 126 for more specific information with respect to the University's response to each of the report's recommendations.

Management Audit Committee Action

The Committee reviewed the draft report, discussed the findings and recommendations with LSO staff and University officials in executive session at its July 28-30, 2014 meeting. The Committee voted to delay release of the draft report and requested specific supplemental information (as allowed under W.S. 28-8-107(c)) be added to the draft report from both LSO staff and the University. The Committee specified that the original draft report findings and recommendations not be altered upon adding the requested supplemental information. Specific supplemental information requested from LSO staff included:

1. In reference to Chapter 1 Background: Provide clarifying language noting the relationship between state General Fund appropriations to the University (Block Grant and other) and the Wyoming Constitutional provision regarding the requirement for instruction to be "*as nearly free as possible.*"
2. In reference to Chapter 4 Faculty Salaries: Include data for the 50 Public Research Universities selected by the University, which includes Colorado State University, for comparisons made related to University faculty salaries.
3. In reference to Chapter 10 Internal Controls: Provide expanded analysis as to the number, frequency, amounts, and purposes of budget transfers among the University's divisions.

Specific information requested from the University included:

1. In reference to Chapter 4 Faculty Salaries: Provide further explanation and examples of the University's approach to staff salary comparisons utilizing a professional discipline-based (rather than institution-based) methodology.
2. In reference to Chapter 10 Internal Controls: Provide an additional brief explanation and a defined plan for moving forward with accounting system, funds tracking, and fiscal oversight modifications, including projected costs to be considered by the Committee and the Legislature.

The Committee requested this additional information be added to the report and presented at its next scheduled meeting in December 2014. *Supplemental additions made by LSO throughout the remainder of the report are contained within a red border.*

LSO Supplemental Information

The LSO provided three separate pieces of supplemental information as follows:

- Chapter 1 (Background): The Chapter's organization was adjusted to bring the summary of the legal foundation for the University and its funding structure to the beginning of the report. LSO added language to clearly indicate the University-Legislature partnership to fund the institution to meet the Wyoming Constitutional provision to keep the cost of instruction (tuition) at the University, "*as nearly free as possible.*"
- Chapter 4 (Faculty Salaries): LSO added a supplementary, clarifying explanation of the chapter's recommendations located after the recommendations on page 53. LSO also added Appendix K.1 to show the average faculty salary, by professor rank, for the fifty (50) public research university comparators utilized by the University.
- Chapter 10 (Internal Controls – Budget Transfers): LSO added a supplemental information reference box after the recommendations related to budget transfers on page 99 indicating additional budget transfers analysis in Appendix N. LSO then added Appendix N to summarize the more detailed LSO analysis of University budget transfers according to four possible viewpoints related to how transfers reflect on the University adhering to the its annual budget plans.

LSO made other requisite technical changes to keep the report consistent. There were no substantive changes to the analyses, findings or recommendations from the original draft.

Supplemental Agency Response

The University President welcomes the Committee's review of the efficacy of the block grant and for the recommendations for improvements in University operations under the grant. However, the supplemental response notes that the University does not agree with portions of the report, as it believes that there are "*conceptual and reasoning flaws*" in the report. The University also presents additional information specific to ongoing implementation of report recommendations, including revisiting faculty salary comparator institutions for each college, approval of a tuition policy by the Board, and the plan to request funding from the Wyoming Legislature to implement a new accounting system. The University's supplemental response begins on page 131 of the report.

Copies of the full report are available from the Wyoming Legislative Service Office. If you would like to receive the full report, please fill out the enclosed response card or phone 307-777-7881. The report is also available on the Wyoming Legislature's website at <http://legisweb.state.wy.us>.

Recommendation Locator

Chapter Number	Recommendation Number	Recommendation Summary	Page Number	Party Addressed	Agency Response*
3	3.1	The University should re-examine if the proportional budgeted allocation for Personal Services aligns with current goals and objectives.	41	University of Wyoming	Partially Agree
3	3.2	The University should re-examine if proportional budgeted allocation for the various employee classifications aligns with current goals and objectives.	44	University of Wyoming	Indeterminable
3	3.3	The University should re-examine the current balance of Section I and Section II funding for the Division of Athletics and ensure that the established balance aligns with current goals and objectives.	45	University of Wyoming	Indeterminable
4	4.1	The University should re-examine its current list of comparator institutions, the 50 Public Research Universities, that is used to establish market comparator faculty salary data.	53	University of Wyoming	Agree
4	4.2	The University should establish multiple lists of comparator institutions used to conduct faculty market salary analysis for presentation to stakeholders including the Board and the Legislature. At a minimum, salary data from aspirant institutions should be separately identified and analyzed.	53	University of Wyoming	Indeterminable
5	5.1	The Board should approve a formal compensation policy that better defines allowable instances of discretionary salary increases, such as retention offers	61	Board of Trustees	Indeterminable

Recommendation Locator

Chapter Number	Recommendation Number	Recommendation Summary	Page Number	Party Addressed	Agency Response*
		and equity salary increases.			
5	5.2	The Board should approve a compensation policy that provides for a dedicated funding source for off-cycle salary increases including increases for tenure and promotion, retention offers, and equity increases.	62	Board of Trustees	Disagree
5	5.3	The Board should approve a compensation policy to ensure salary increases are administered consistently to prevent discrepancies among the position categories.	62	Board of Trustees	Disagree
5	5.4	The Board should approve a compensation policy to allow for salary increases at a consistent frequency. The policy should include focus to provide consistent salary increases to maintain market competitive salary levels for faculty within the flexibility of the block grant funding.	62	Board of Trustees	Disagree
5	5.5	The Board should vote to update the faculty workload regulation to establish minimum teaching requirements consistent with the prevailing University mission. Once completed, the University should review current supplemental compensation administered to ensure consistency amongst the divisions and compliance with the updated University faculty workload regulation.	63	Board of Trustees	Agree
6	6.1	The University should report disaggregated Section I financial information for public consumption such as individual expenditures, vendor payments, and	68	University of Wyoming	Agree

Recommendation Locator

Chapter Number	Recommendation Number	Recommendation Summary	Page Number	Party Addressed	Agency Response*
		individual fund balances.			
6	6.1 (MFLC)	For purposes of transparency, the Legislature may wish to consider amending W.S. 9-2-1035 et seq., the Wyoming Transparency in Government Act, to include the University in the definition of a “ <i>participating state entity</i> ” and to require the University to make “ <i>reports, financial audits, budgets or other financial documents that are used to allocate, appropriate, spend and account for government funds</i> ” available on the Public Finance and Expenditure of Funds website.	68	Matter for Legislative Consideration	Agree
7	7.1	The University should identify key academic measurable indicators that are applicable across colleges and departments and incorporate those indicators into the institution-wide strategic plan, division-level plans, college-level plans, department-level plans, and the report cards.	76	University of Wyoming	Partially Agree
7	7.2	The University should assign primary responsibility for coordinating strategic planning efforts to a centralized authority or person.	76	University of Wyoming	Agree
7	7.3	The University should continue forward with the planning and reporting process as envisioned by President McGinity. This process should include the use of performance metrics that are uniform across all	77	University of Wyoming	Partially Agree

Recommendation Locator

Chapter Number	Recommendation Number	Recommendation Summary	Page Number	Party Addressed	Agency Response*
		academic units to assist Legislators and the public in assessing the University's achievements.			
8	8.1	The Board should adopt a tuition and fee policy to guide future tuition and fee decisions. In doing so, the University and the Board should consider criteria from the Wyoming Community College Commission tuition policy as well as other states' policies, laws, and practices.	85	Board of Trustees	Agree
8	8.2	The Board should take into consideration the amount of general fund support and the total cost of attendance to students when making comparative tuition and fee assessments.	85	Board of Trustees	Agree
9	9.1	<p>The Board should vote to update its Internal Audit Bylaws with respect to the following areas:</p> <ul style="list-style-type: none"> • Include specific wording to encourage flexibility with respect to allotted time when setting the FLAC agenda based on concurrence between the Division of Administration and the Internal Auditor; • Require that FLAC make formal reports to the Board with respect to each audit; • Require that the Board take formal action on 	92	Board of Trustees	Agree

Recommendation Locator

Chapter Number	Recommendation Number	Recommendation Summary	Page Number	Party Addressed	Agency Response*
		<p>accepting or rejecting FLAC reports;</p> <ul style="list-style-type: none"> • Require audited divisions and colleges to attend FLAC meetings to discuss audit findings and recommendations; and, <p>Update the name of the committee from the Audit and Fiscal Integrity Committee to the Fiscal and Legal Affairs Committee.</p>			
9	9.2	The Internal Auditor should schedule higher risk areas for routine audits in the annual audit plans as discussed in this finding.	92	Internal Auditor	Agree
9	9.3	The University and the Board should ensure that ongoing formal communication exists between the Internal Auditor and the advisory groups with respect to policy and systemic changes or identified risks at the University.	92	University of Wyoming and Board of Trustees	Agree
10	10.1	The University should immediately strengthen internal controls to prevent deficit spending practices from becoming a systemic problem. At a minimum, it should take action on recommendations made as part of the College of Arts and Sciences Change in Management audit university-wide.	97	University of Wyoming	Agree

Recommendation Locator

Chapter Number	Recommendation Number	Recommendation Summary	Page Number	Party Addressed	Agency Response*
10	10.2	The University should re-evaluate its accounting system to ensure the system meets budgetary and expenditure needs at the division and department levels. At a minimum, it should reconsider establishing more specific budgeting categories within PIStOL to meet budgetary needs and reduce risk of under budgeting and over expenditure. Or, the University should continue to strengthen internal controls within the various shadow accounting systems.	97	University of Wyoming	Agree
10	10.3	The University should revise current practices to monitor and promote the financial health of each division or department including but not limited to revision of the deficit escalation processes to ensure appropriate action is taken to resolve budget issues, and policy is established to ensure appropriate action is taken to resolve budget issues.	102	University of Wyoming	Agree
10	10.4	<p>Budget transfer policies should be revised.</p> <ul style="list-style-type: none"> • The Board should create formal policy establishing criteria for permissible budget transfers. The policy should include procedure of reporting modification to the approved budget at the desired level as well as reporting of budget transfers outside of the approved budget from 	102	University of Wyoming and Board of Trustees	Agree

Recommendation Locator

Chapter Number	Recommendation Number	Recommendation Summary	Page Number	Party Addressed	Agency Response*
		<p>reserve accounts.</p> <ul style="list-style-type: none"> The University should revise current policy to ensure that funds are not transferred contrary to policy; that budgeting efforts align with University goals and objectives; and, that adequate safeguards to prevent risk of financial mismanagement 			
10	10.5	The University should consolidate policies to a central public location. Additionally, the University should review and update existing policies and procedures.	103	University of Wyoming	Agree
10	10.6	The University should ensure that existing policy and procedures related to all expenditure types is current and consistent with statute. The University should also instigate safeguards to assure those policies and procedures are followed.	108	University of Wyoming	Agree
10	10.7	The University should review and revise policies on supplemental pay and monetary staff awards. In addition, it should ensure that safeguards are in place to enforce existing policy.	111	University of Wyoming	Agree

* LSO summary based on the University’s summary table provided on pages 127 through 129.



List of Acronyms

AAUP.....	American Association of University Professors
APHEC	Advance Payment of Higher Education Costs
ASUW.....	Associated Students of the University of Wyoming
Board.....	University of Wyoming Board of Trustees
CPI	Consumer Price Index
CUPA.....	College and University Professional Association for Human Resources
FLAC	Fiscal and Legal Affairs Committee
FTE (employee)	Full Time Equivalent Employee count
FTE (student)	Full Time Equivalent Student Enrollment count
GAAP.....	Generally Accepted Accounting Principles
GASB.....	Governmental Accounting Standards Board
HRMS	Human Resources Management System
IDR.....	Interdepartmental Requests
IPEDS	Integrated Postsecondary Educational Data Systems
JAC	Joint Appropriations Committee
LSO.....	Legislative Service Office
NACUBO.....	National Association of College and University Budget Officers
NCAR	National Center for Atmospheric Research
ORED.....	Office of Research and Economic Development
OSU Survey	Oklahoma State University Salary Survey
P-card	Purchasing Card
PIStOL	PeopleSoft Information Software On-line
PO	Purchase Order
SAAIT.....	Student Affairs/Athletics/Administration/Information Technology Committee

SER School of Energy Resources
University..... The University of Wyoming
UPUniversity Plan
WCLI Wyoming Cost of Living Index
WICHIEWestern Interstate Commission for Higher Education program
WWAMI Washington, Wyoming, Alaska, Montana, and Idaho program
WOLFS Wyoming Online Financial System
WyIN..... Wyoming Investment in Nursing program

Objective, Scope, and Methodology

Legislative Concern(s)

During the meeting on December 5, 2012, the Management Audit Committee discussed the following areas related to the University of Wyoming (“University”).

- Washington, Wyoming, Alaska, Montana, and Idaho (“WWAMI”) and Western Interstate Commission for Higher Education (“WICHE”) programs;
- Nursing and Dental Programs;
- School of Energy Resources (“SER”);
- Section II Funding (e.g. federal grants and auxiliary programs);
- W.S. 9-2-1035 through W.S. 9-2-1037 (Wyoming Transparency in Government Act); and,
- Block Grant Funding.

After discussion, the Committee directed staff to evaluate the effectiveness of block grant funding, which has been in existence since the late 1990s.

Objective

W.S. 28-8-107(b) authorizes the Legislative Service Office (“LSO”) to conduct program evaluations, performance audits, and analyses of policy alternatives. Generally, the purpose of such research is to provide a base of knowledge from which policymakers can make informed decisions.

The report addresses the following questions.

1. What is the constitutional and statutory relationship between the University and the Legislature with respect to funding?
2. What type of auditing presence exists to ensure accountability of “*base funding*” General Fund appropriations?
3. Has the block grant funding model enhanced budgetary flexibility (e.g. eliminating expenditure requests based on object series and codes, as well as requests for employee FTE funding) for the University in order to keep tuition and fee increases to a minimum?
4. How transparent is the budgetary process (e.g. request and approval) internally and externally under the block grant funding model?
5. How effective and consistent is the University’s planning process in developing reportable performance information (e.g. goals, objectives, inputs, outputs, and outcomes) to justify discretionary base funding each biennium by the Legislature? In other words, what series of benchmarks does the University use to illustrate accountability?

6. How transparent is the University's expenditure reporting related to the base funding amounts it receives each biennium?
7. What action is the University taking with respect to W.S. 9-2-1035 through W.S. 9-2-1037 (Wyoming Transparency in Government Act)?
8. How do comparator states with similar demographics to Wyoming budget and fund state universities?

Scope and Methodology

The audit was conducted according to statutory requirements and professional standards and methods for governmental audits. The fieldwork was conducted from November 2013 through June 2014, with supplemental fieldwork conducted from August 2014 through October 2014. The general timeframe for analysis was BFY2013; however, funding and salary analysis included data from 2002 through 2014.

Research methods included:

Interviews and Observations

1. Interviewed University officials, including the President, related to programmatic, budgeting, accounting, and financial reporting.
2. Observed the Board of Trustees ("Board") meetings on March 7 and 8, 2013; January 16 through 18, 2014; March 10, 2014 (Special Board Meeting); and March 27 and 28, 2014.
3. Observed a demonstration of the University's PeopleSoft Information Software On-line ("PISStOL") accounting system.
4. Observed demonstration of expenditure review within Internal Audit.

Research and Analysis

5. The University does not use the State's accounting system; therefore, review of budgeted amounts and financial transactions from FY2000 through FY2014 was completed through review of various reports and internal databases generated and maintained by the University.
 - *Budget Index* — Requested and reviewed budget indexes from FY2010 through FY2014. Budget indexes from FY2002 through FY2009 are publically available through the University's website. Budget indexes are the University's Section I operating budget detailing budgeted amounts for each Section I program. Also included in the budget index are listings of budgeted salary amounts for all Section I and Section II benefited positions. Source of reference for the budget process and all budgeted amounts.
 - *Budget Master Spreadsheet* — Requested and reviewed the budget master spreadsheets from FY2011 through FY2014. The Budget Master Spreadsheet is an Excel workbook containing all Section II program budgets and imported budgeted totals for Section I programs combined to produce the University's

operating budget. Source of reference for the budget process and Board approved budget totals.

- *General Ledger* — Requested and reviewed fiscal year-end general ledger reports for FY2010 through FY2013. The general ledger is an Excel spreadsheet used to record accounting transaction totals for each fund code. Source of reference for flow of funds through various Section I fund codes and end of fiscal year fund balances.
 - *Expenditure Report* — Requested and reviewed Section I and Section II expenditure reports from FY2009 through FY2013. Source of reference for actual expended amounts for each Section I program. Section II expended amounts reported based on a category, not program.
 - *Budget Transfer Report* — Requested and reviewed budget transfers recorded for FY2012 and FY2013. Source of review for all Section I budget transfers.
 - For supplemental analysis budget transfers information was matched with fields contained in the Budget Index, General Ledger and Expenditure Reports to verify appropriate coding of transfers data to run analyses of transactions:
 - Transfers (number of transactions and amounts) between and within the same University divisions;
 - Transfer amounts by budget categories;
 - Transfer amounts by defined amount ranges.
 - Financial Reports — Reviewed and analyzed the annual Financial Report, which is the external audit report of the University's financial statements.
 - Wyoming State Public Finance and Expenditure of Funds website — Reviewed the States' Public Finance and Expenditure of Funds website, which was created pursuant to W.S. 9-2-1035 et seq., the Wyoming Transparency in Government Act.
 - State Auditors' Vendor Payment website — Reviewed and searched the State Auditor's Vendor Payment website for University of Wyoming financial data.
6. Requested and analyzed salary data for Section I and Section II employees. The requested data was provided by the University in spreadsheet format, which was used to analyze position trends, aggregate salary trends, average salary trends, and position funding trends by position classification type. The data was also further analyzed to calculate median salary totals for further trend analysis. For each position, the following was requested and analyzed:
- Name;
 - Position code;
 - FTE count;
 - Position type;
 - Fund code;
 - Associated budget unit; and,

- Base and annual salary amount by fund code, title, and any other pertinent categories defined by the University.
7. Requested and reviewed FY2013 and FY2014 (through April 15, 2014) Section I expenditures representing four (4) expenditure types: vouchers, procurement cards, purchases orders, and interdepartmental requests. Data fields included payment date, vendor, journal ID, funding source, amount, expenditure code, and departmental organizational codes. From the spreadsheets, expenditures from three (3) colleges—Arts & Sciences, Law, and Agriculture—were identified through a risk assessment. Once a judgmental sample was selected (94 expenditures), evaluators requested and reviewed supporting documentation, reviewed electronic documentation and purchase orders on PIStOL and WebNow (through the University Intranet), and utilized similar criteria developed by Internal Audit at the University for comparison. Risk criteria for the sample selection included the following:
 - Operating expenditures;
 - Large dollar purchases;
 - Quantity of like purchases;
 - Recurring expenditure and vendors;
 - Split purchases and quantity related to purchasing cards;
 - Printing jobs in excess of \$7,500;
 - Single voucher expenditures over \$5,000; and,
 - Evidence of contracts.
 8. In order to understand Internal Audit at the University, evaluators conducted interviews, requested data, and reviewed and summarized internal audits from 2009 through 2014. Based on that review, coupled with concern expressed during Board meetings in January and March, two (2) specific audits, the *Arts & Sciences Change of Management Audit* and the *President’s Office Change of Management Audit*, were selected for review.
 - Evaluators traveled to Laramie for several days where they copied and analyzed the audit files, participated in a demonstration of expenditure review performed by Internal Audit; and conducted several interviews with the Internal Auditor. Once data was compiled, evaluators conducted several follow up phone interviews to confirm data used in the findings.
 9. Using information from the University Academic Planning Standard Data, the Wyoming Cost of Living Index, the Consumer Price Index, salary information, and data pertaining to tuition and fees, evaluators created nine (9) overlay illustrations for use in the report, as well as in the appendices.
 10. Evaluators analyzed Integrated Postsecondary Educational Data Systems (“IPEDS”) and American Association of University Professors (“AAUP”) faculty salary data.
 11. Reviewed and analyzed College and University Professional Association for Human Resources (“CUPA”) salary data from October 2013 through February 2014 for faculty, administrators, higher education professionals, and classified staff.

- Evaluators analyzed the positions and salary data by aggregating University positions to align with position categories reported by CUPA. Based on that alignment, evaluators calculated University median and average salaries to compare to CUPA median and average salaries for like categories. An additional calculation of midpoint was used to compare University faculty salaries with doctoral institutions reported by CUPA that were classified as either “*Research Universities*” or “*Doctoral, Other*” in order to bridge the gap between the two (2) types of doctoral institutions due to the notable differences in salaries. Evaluators additionally analyzed University salaries against CUPA reported salaries by grouping them in percentage ranges based on how close the salaries were to one another, i.e. salaries that were within 0-10%; 10-20%, and so on.
 - After all analyses were completed, evaluators scoped the CUPA data out of the report for several reasons. The CUPA faculty data was only reported by very broad categories, such as: “*All Institutions*,” “*Public Institutions*,” and “*Private Institutions*,” as opposed to more narrow categories, such as all Carnegie classifications, quartiles, and percentiles. This breadth of comparison data made it difficult to make accurate comparisons between similar institutions. Additionally, the data reported in the CUPA-HR surveys are essentially the same data reported by the Oklahoma State University Salary Survey data, which the University extensively uses.
12. Evaluated the University’s planning and reporting efforts, and compared those efforts against statutory requirements. More specifically, evaluators identified planning documents related to institution-wide strategic academic planning, division, college, department, unit, as well as program and non-academic planning. Evaluators also identified and reviewed reporting databases related to standard and other data.
 13. In order to understand the history of tuition and fees decisions at the University evaluators reviewed Board minutes from 2000 to present and attended Board meetings from January 2014 through March 2014. Evaluators also reviewed UW Regulation 8-1 and the 1961 to 2014 Tuition and Fee History published on the University’s website.
 14. In order to address how comparator states with similar demographics to Wyoming budget and fund state universities, evaluators sought to find a list of comparator public institutions that fulfilled a similar role as the University within its state. Evaluators identified Alaska, Montana, North Dakota, South Dakota, as states that have similar populations to Wyoming and contain public universities. Within these states, evaluators sought out institutions that are public research, doctoral, and/or land-grant. Evaluators then selected institutions that were the most similar the University in terms of size, programs offered, expenditures, and revenues. Using these criteria the following institutions were selected:
 - University of Alaska-Fairbanks
 - University of Montana
 - Montana State University-Bozeman
 - North Dakota State University
 - South Dakota State University

Evaluators next sought out institutions within the mountain west region that are public research, doctoral, and land-grant and relatively close to the University in terms of size, programs offered, expenditures, and revenues. Using these criteria, the following institutions were selected:

- University of Idaho
- Utah State University

Survey Instruments

15. To ascertain how well various University stakeholders understand the purpose of the University, the primary roles of the administration and the Board, and the overall budgeting process, evaluators developed survey instruments. Surveys also addressed general perspectives on issues such as the implementation of policies concerning tuition and salary increases, transparency in the University’s financial information, and selected areas of importance.

Five (5) separate surveys were developed and sent to the following groups: Associated Students of the University of Wyoming (“ASUW”), Staff Senate, Faculty Senate, the Board, and Administrators, Deans and Directors. In total 183 surveys were sent and 69 completed responses were received. The overall response rate was 34.34%. The number of surveys sent, completed responses, and response rates for each group can be found in the table below.

University Survey Response Rates

Surveyed Group	Number of Surveys	Completed Responses	Response Rate
ASUW	47	11	23.40%
Staff Senate	27	8	29.63%
Faculty Senate	66	26	39.39%
Board of Trustees	17	9	52.94%
Administrators	26	9	34.62%
Total	183	63	34.43%

Source: Legislative Service Office.

16. To obtain more information from the seven (7) comparators regarding their budgeting and accounting practices, the presence of tuition and fee or compensation policies, and the opinions regarding legislative appropriations, a survey was developed and sent to specific officials at each of the following institutions: Montana State University, North Dakota State University, South Dakota State University, University of Alaska–Fairbanks, University of Idaho, University of Montana, and Utah State University. Of the seven (7) surveys that were sent five (5) completed responses were received. The overall response rate was 71.42%.

Areas for Further Review

During the course of the audit, several issues were identified that may warrant further review in the future. The following are areas that the Management Audit Committee may wish to discuss further as possible scoping papers or audit topics.

Section II Programs

The University breaks its budget out into Section I and Section II funded programs. Section I programs are primarily funded by General Fund and University Income (e.g. fees and tuitions). Section II programs however, are broken out by sponsored programs (mostly federally funded) and auxiliary programs that generate their own revenues (e.g. cafeteria, dormitories, book store, etc.). The following are some specific areas related to Section II that may warrant further review:

- Auxiliary program fund balances for operations and maintenance of existing buildings. For example, are fund balances too large or too small for anticipated damages or losses in the future?
- Use of Section I and Section II for athletics programs. The University currently funds contract positions for coaches and staff through a combination of Section I revenue and monies generated from ticket sales.
- The lack of automation related to the preparation of Section II budgets. This could cause increased internal control risks, as the budgeting is manually completed, which makes it subject to inputting error. In addition, budgets are not tied to the University's Human Resources Management System ("HRMS") as are Section I budgets. Finally, within the accounting system (PIStOL), expenditure authorizations are not established for the Section II budget.
- The indirect cost allocation model formula managed by the Office of Research and Economic Development ("ORED") has not been updated since before 1979. The formula states that 15% of revenues go to the department that generated the grant, 5% goes to the college dean of the department that generated the grant, 5% goes to ORED, and 75% goes to the indirect cost fund pool for distribution by ORED and the Division of Administration.
 - Once costs are paid such as grant matching, hiring an attending veterinarian, audit reserve account, environmental safety clean-up, etc., the remaining revenue can be used for various purposes at the University including bridge funding, counter offers with respect to salary negotiations, non-spousal benefits, and startup costs. As of June 30, 2013, the Indirect Cost Allocation Fund (1501) had a balance of \$22.7 million.

University of Wyoming Medical Education Program (Agency 167).

During the audit of the University of Wyoming, evaluators identified potentially poor financial management with the University of Wyoming's Medical Education Program (Casper and Cheyenne locations). More specifically, during the review of budget information, evaluators identified decreases in clinic income and increases in state funding. However, it should be noted that in 2012, the University's Internal Audit function conducted audits on both the Cheyenne and Casper Family Medical Residency Programs and follow-up by the Internal Auditor is ongoing.

University of Wyoming Foundation

According to the Board Bylaws, the Audit and Fiscal Integrity Committee is responsible for reviewing the management of invested University funds, including endowment funds, which have never been audited through Internal Audit at the University. Should the Management Audit Committee be interested in how state matching funds are used pursuant to donor agreements, endowment funds maintained by the University Foundation could be an area for further review.

Acknowledgements

The Legislative Service Office expresses appreciation to the University of Wyoming for their continued cooperation throughout this audit.



Supplemental Information

On July 29, 2014, the Management Audit Committee requested additional information to clarify the relationship between state General Fund appropriations to the University and the Wyoming Constitutional provision regarding the requirement for instruction to be “*as nearly free as possible.*” Accordingly, Chapter 1 has been modified to improve clarity.

Chapter 1

Background: Regulatory Structure

For the past two (2) decades, funding for the University of Wyoming (“University”) has been a topic of interest for the Legislature. The University’s funding has changed significantly, adjusting to reflect the effort of both the State and University in addressing the needs of Wyoming residents, meeting educational goals, and satisfying fiscal obligations while adhering to the Constitutional provision for instruction to be “*as nearly free as possible.*” The Legislature has shifted from making line item appropriations to a block grant funding model, which currently provides approximately \$170 million per year in General Fund revenues to the University as part of the \$250 million Section I budget.

Evaluators were tasked with determining the effectiveness of the block grant funding model, including how the block grant and other legislative initiatives help meet the Constitutional requirement. When using tuition rates as a measurement of effectiveness of block grant funding, the University has been successful in upholding the Constitutional provision. This success is illustrated through tuition rates, which may be generally seen as the basic cost of “*instruction*” that remain among the lowest when compared to other public doctoral, land grant, and research institutions nationwide. However, it is difficult to determine with confidence that the block grant, in isolation, is responsible for achieving the Constitutional requirement as a number of legislative initiatives have also affected tuition and funding at the University. These initiatives make post-secondary education more attainable for Wyoming residents and direct funds to specific programs, which advance certain workforce policies in the State.

Constitutional provisions. The University of Wyoming was established in 1886, four years prior to the passage of the Act of Admission that granted Wyoming statehood in 1890. Section 8 of the Act of Admission affirmed that on February 18, 1881, the federal government granted lands to the State for the purposes of supporting the University.

The Wyoming Constitution establishes the University through Article 7, Section 15, and Section 16 provides that tuition must be kept as low as practicable, taking into account both University-generated funds and other funding sources made available by the Legislature.

Article 7, Section 16. Tuition free.

The university shall be equally open to students of both sexes, irrespective of race or color; and, in order that the instruction furnished may be as nearly free as possible, any amount in addition to the income from its grants of lands and other sources

above mentioned, necessary to its support and maintenance in a condition of full efficiency shall be raised by taxation or otherwise, under provisions of the legislature.

A 1989 Attorney General opinion concluded that the constitutional language regarding tuition costs is advisory. The opinion found that there is a high level of discretion required of the Legislature in appropriating funds and by the Board of Trustees (“Board”) in setting tuition levels. Moreover, the opinion found the issue nonjusticiable, a comparable conclusion to that of an Arizona Supreme Court decision, which found that Arizona’s similar constitutional provision was a nonjusticiable political question. The essence of both findings was that the state constitutions delegate power to the education governing boards and the Legislature, and that for a court to mandate how they must perform those associated duties would be a violation of the separation of powers.

Legislative Initiatives Impacting Cost of Instruction

In addition to the Constitutional provision, W.S. 21-17-105(a) states that “...*none of the youth of the state who crave the benefits of higher education may be denied, and that all may be encouraged to avail themselves of the advantages offered by the university or community colleges, tuition shall be as nearly free as possible.*” While the University has kept tuition rates low, the Legislature has also adhered to the Constitutional provision, by providing other additional funding through legislative initiatives aimed at keeping instruction costs as low as practicable. Below are examples of such legislative initiatives.

HATHAWAY SCHOLARSHIP PROGRAM. In 2005, state lawmakers created the Hathaway Scholarship Program with a \$400 million permanent endowment (W.S. 21-16-1303). The income from the endowment provides funding for merit and needs based scholarships to qualified Wyoming high school graduates in order to attend the University or any of the State's seven (7) community colleges.

Lawmakers have created several legislative initiatives to ensure instruction is as nearly free as possible.

Since the spring semester of academic year 2006 participation in the Hathaway Program has more than quadrupled at the University. Appropriations to the Hathaway Scholarship Programs are as follows: \$941,200 in BFY2007; \$951,205 in BFY2009; \$1,029,022 in BFY2011; and \$1,056,620 in BFY2013.

The success of the Hathaway Scholarship is further noted in Table 1.1 below. For example, in 2007, there were 4,572 scholarship recipients, 1,991 of which attended the University. In 2012, those figures grew 150% and 225% respectively. From 2007-2012, the amount of scholarships awarded increased nearly 274% for the University alone. The total amount awarded to students at the University for the full year in 2007 was \$2,779,467 and \$10,398,953 in 2012.

Table 1.1
Hathaway Scholarship/Award Dollars*

UW Hathaway Recipients			Total Hathaway	
Year	Student Head Count	Amount	Student Head Count	Amount
2006				
Fall 2006	629	\$713,533.00	1,527	\$1,467,408.00
2006 Total **	629	\$ 713,533.00	1,527	\$1,467,408.00
2007				
Spring 2007	609	\$703,344.00	1,499	\$1,505,783.00
Summer 2007	1	933.00	10	8,366.00
Fall 2007	1,381	2,075,190.00	3,063	3,856,922.00
2007 Total	1,991	\$2,779,467.00	4,572	\$5,371,071.00
2008				
Spring 2008	1,369	\$2,060,933.00	3,024	\$3,829,267.00
Summer 2008	14	12,034.00	26	22,639.00
Fall 2008	2,189	3,237,477.00	4,231	5,349,690.00
2008 Total	3,572	\$5,310,444.00	7,281	\$9,201,596
2009				
Spring 2009	2,191	\$3,229,109.00	4,179	\$5,320,773.00
Summer 2009	25	26,042.00	34	33,476.00
Fall 2009	2,912	4,300,411.00	5,376	6,811,408.00
2009 Total	5,128	\$7,555,562.00	9,589	\$12,165,657.00
2010				
Spring 2010	2,930	\$4,339,961.00	5,281	\$6,775,404.00
Summer 2010	17	15,208.00	43	34,341.00
Fall 2010	3,191	4,889,828.00	5,768	7,481,933.00
2010 Total	6,138	\$9,244,997.00	11,092	\$14,291,678.00
2011				
Spring 2011	3,233	\$4,933,863.00	5,688	\$7,448,494.00
Summer 2011	33	32,679.00	62	53,745.00
Fall 2011	3,267	5,229,370.00	5,720	7,766,702.00
2011 Total	6,533	\$10,195,912.00	11,470	\$15,268,941.00
2012				
Spring 2012	3,220	\$5,161,755.00	5,607	\$7,669,464.00
Summer 2012	40	38,721.00	87	69,303.00
Fall 2012	3,202	5,198,477.00	5,728	7,784,046.00
2012 Total	6,462	\$10,398,953.00	11,422	\$15,522,813.00
2013				
Spring 2013	4,102	\$5,153,714.00	6,314	\$7,616,968.00
Summer	43	37,305.00	73	56,006.00
2013 Total**	4,145	5,191,019.00	6,387	7,672,974.00
2006-2013 Total	28,460	\$51,389,887.00	63,340	\$80,962,138

Source: Legislative Service Office from data provided by the Wyoming Department of Education.

*To view percent changes, evaluators calculated the first full year (2007) of enrollment counts and compared the percent change to the last full year (2012) of enrollment count data provided by the Wyoming Department of Education.

**Total does not include all three (3) semesters.

WYOMING INVESTMENT IN NURSING (“WYIN”). An additional opportunity offered to Wyoming residents through a Legislative initiative is the Wyoming Investment in Nursing, or WyIN,

Program. W.S. 9-2-123 created the program to address a shortfall of nurses in Wyoming through loan repayment for individuals who agree to work as nurses in the state. The program began in July of 2003 and was initially set to expire on June 20, 2011; however, that date has been extended until 2016.

As of the November 5, 2013 WyIN Annual Report, there were 180 nurses enrolled in undergraduate and four (4) graduate courses receiving on average, \$3,699 for undergraduate studies and \$15,546 in graduate funds. The following Table 1.2 provides additional information.

Table 1.2
Wyoming Investment in Nursing Undergraduate Student Summary

FY	Student Head Count*	Average Award per Academic Year	Total Awarded*	Legislative Appropriation per year
2004	32	N/A	\$111,146	\$500,000
2005	105	N/A	780,332	1,000,000
**2006	Unavailable	Unavailable	Unavailable	Unavailable
2007	138	\$3,674	\$507,021	987,500
2008	196	5,203.00	1,019,936.00	987,500.00
2009	202	3,889.91	801,321.00	987,500.00
2010	230	3,902.00	897,355.00	987,500.00
2011	210	3,649.00	766,355.00	987,500.00
2012	198	3,605.00	713,812.00	987,500.00
2013	180	3,699.00	665,825.00	987,500.00

Source: Legislative Service Office analysis of data provided by the Wyoming Community College Commission.

*If the program had remaining funds from the previous group within the same biennium, money awarded may be higher than legislative appropriation.

**Community College Commission unable to locate data reported for this year.

VETERAN'S TUITION. Pursuant to W.S. 9-14-106, individuals who have served in combat, and who are Wyoming residents, are provided ten (10) semesters of free tuition at the University or any of the Community Colleges. Additionally, these benefits have expanded over time from combat veterans, surviving spouses, and their orphans, to include veterans of the Vietnam War. Through the Legislature's action of recognizing a need and opportunity to keep service men and women in the state, and to thank them for their service, Wyoming veterans, and/or their surviving family members can now attend Wyoming schools with little or no out-of-pocket costs.

According to the Wyoming Community College Commission ("WCCC") Annual Reports, and as shown in Table 1.3, below, *"in total, this program has assisted 675 Wyoming veterans since the first semester in the fall of 2006 through the summer of 2013."*

Table 1.3
Head Count and Total Amounts Awarded for Veteran's Tuition

Year	University of Wyoming		Total Veterans Benefit	
	Head Count	Total Reimbursement	Head Count	Total
2007*	77	\$121,473.23	149	\$182,673.97
2008	176	285,977.00	292	392,573.00
2009	171	278,681.43	376	441,870.03
2010	154	259,064.41	437	512,072.81

Year	University of Wyoming		Total Veterans Benefit	
	Head Count	Total Reimbursement	Head Count	Total
2011	239	373,325.00	520	626,225.00
2012	430	741,456.68	983	1,246,492.19
2013	196	397,798.85	427	616,601.20
Total		\$2,457,776.60		\$4,018,508.20

Source: Legislative Service Office analysis of data provided by the Wyoming Community College Commission.

* The first two (2) semesters of the program were Fall and Summer 2006 they are included within the 2007 data.

The appropriation for this program was initially only \$200,000 for reimbursement to the University and Colleges to cover the free tuition. According to the 2007 WCCC Annual Report, “EA 42 contained an original appropriation of \$200,000, which was not sufficient to provide educational benefits for the full 2007-2009 biennium. There was a supplemental budget appropriation of \$200,000 added to fund the program through June 30, 2008.” Each year, as the WCCC requested additional funds, the Legislature provided. In fact, the Legislature has provided at least \$1 million dollar appropriations since BFY2011. Table 1.4, below, illustrates appropriations since the 2009-2010 biennium.

Table 1.4
Overseas Combat Veterans Education Benefit/ Veterans Tuition Waiver Reimbursement

BFY	Agency Request	Total Appropriations
2015	\$1,250,000	\$1,250,000
2013	1,200,000	1,200,000
2011	1,000,000	1,000,000
2009	400,000	800,000

Source: Legislative Service Office review of Wyoming Community College Commission requests and IBARS.

ADVANCE PAYMENT OF HIGHER EDUCATION. According to the University, the Advance Payment of Higher Education Costs (“APHEC”) Program was established by State statute during the 1987 legislative session with the first contract sold in August 1987 and the final contract sold in March 1995.

W.S. 21-16-502 (a) allows “...the state treasurer and the executive director of the Wyoming community college commission, acting jointly, the program administrator may enter into a contract with a purchaser for the advance payment of tuition, room and board or tuition only costs on behalf of a beneficiary for attendance at one (1) or a combination of institutions of higher education...”

Program administration is the responsibility of the Financial Services Office at the University. According to officials, “...it coordinates correspondence with beneficiaries when benefits become available, processes termination requests from purchasers and calculates and pays benefits to the University and community colleges each Spring and Fall term.”

Benefits on the contracts are available to beneficiaries in the fall semester immediately following their high school graduation. Students have seven (7) years to use the benefits. According to the University, “...contracts can be terminated by the purchasers at any time and any remaining principal plus interest at 4% per year is refunded to them.”

Officials also stated that the program will terminate on July 31, 2020 (seven (7) years after the final two (2) contracts start date of August 1, 2013). However, “...the program could conclude earlier than that, depending on the speed of use of benefits and requests for termination of contracts.” The following table provides additional information on APHEC contracts.

Table 1.5
Advance Payment of Higher Education Cost Program

Summary of Annual Activity Year Ended	Benefits Paid	Refunds Issued	Misc. Expenses	Investment Earnings	Ending Book Balance	Ending Market Value
6/30/2003					\$11,756,179	\$11,343,990
6/30/2004	\$1,064,404	\$259,697	\$2,836	\$312,454	10,741,696	11,589,518
6/30/2005	1,350,213	335,758	7,181	434,652	9,483,196	10,645,431
6/30/2006	1,369,820	357,084	5,297	1,686,644	9,437,639	9,760,792
6/30/2007	1,501,342	263,569	3	196,278	7,869,003	9,142,157
6/30/2008	1,471,730	395,926	0	1,114,143	7,115,490	7,553,693
6/30/2009	1,379,783	284,393	0	44,466	5,495,780	5,248,783
6/30/2010	1,159,499	218,969	0	98,163	4,215,475	4,186,517
6/30/2011	805,156	405,752	0	19,039	3,023,606	2,968,792
6/30/2012	587,071	105,696	0	12,854	2,343,693	2,101,025
6/30/2013	363,156	139,487	0	11,745	1,852,795	1,468,667

Source: Legislative Service Office from information provided by the University of Wyoming.

TUITION AND FEES FOR SURVIVORS OR DEPENDENTS OF EMERGENCY RESPONDERS. W.S. 21-16-1501 states, “*The University of Wyoming or any Wyoming community college for up to ten (10) semesters shall provide free tuition and fees for any person who is a surviving dependent of any person described as...a peace officer, a paid or volunteer fire fighter, or volunteer emergency medical technician who died or is disabled while acting within the scope of his duties...*”

According to the University, awards and applications received as of April 2014 are as follows:

- 2008-09 awarded \$3,368.26 for one (1) student;
- 2009-10 awarded \$7,441.14 for two (2) students;
- 2010-11 awarded \$3,635.74 for one (1) student;
- 2013-14 awarded \$1,912.19 for one (1) student; and,
- 2014-15 receipt of two (2) applications.

Board of Trustees Governance. Article 7, Section 17 of the Wyoming Constitution establishes the Legislature as responsible for the management of the University through a board of trustees:

Article 7, Section 17 Government of University

The legislature shall provide by law for the management of the university, its lands and other property by a board of trustees, consisting of not less than seven members, to be appointed by the governor by and with the advice and consent of the senate,

and the president of the university, and the superintendent of public instruction, as members ex officio, as such having the right to speak, but not to vote. The duties and powers of the trustees shall be prescribed by law.

Wyoming Statute Title 21, Chapter 17 authorizes the Board and its associated duties and powers and further outlines the governance, scholastic goals, duties, and selected programmatic requirements of the University. Specifically, W.S. 21-17-102(a) outlines the goals of the University, stating “...*the objects of the university are to provide an efficient means of imparting to men and women, without regard to color, on equal terms, a liberal education, together with a thorough knowledge of the various branches connected with the scientific, industrial and professional pursuits.*” In order to achieve these goals, W.S. 21-17-107 authorizes the Legislature to appropriate funds to the University.

The Board has the responsibility to approve and adopt the general policies governing the University and to provide broad oversight for fiduciary management of the institution. To that end, the Board holds regular meetings bimonthly with duration up to three (3) or four (4) days with special meetings held as needed. The Board has three (3) committees: the Fiscal and Legal Affairs Committee (“FLAC”); the Academics and Research Committee; and the Student Affairs/Athletics/Administration/ Information Technology (“SAAIT”) Committee.

Currently, the Governor appoints twelve (12) members from differing counties of the state to serve a term of six (6) years. No more than seven (7) members may be from the same political party. Generally, W.S. 21-17-203 and 204 provide a list of powers, duties, and functions of the Board.

Included with the Board responsibilities and required by W.S. 21-17-205 and W.S. 9-2-1014 is an itemized accounting report to the Governor. The report to the Governor requires the Board to discuss the progress, condition, and wants of the University, including specifics for each school and department. In addition, it requires the Board to show receipts and disbursements for the year, appropriation resolution, purpose for which the revenue was expended, and the amount of revenue expended upon each school or department of work, including the experiment station.

Background: Fiscal Structure

The block grant provides the University with a specified amount of funding for broad purposes such as operations and faculty salaries. While the block grant appropriation has provided more flexibility to the University, evaluators have been asked to question whether accountability has suffered as a result.

Funding for the University has evolved from line-item appropriation and budgeting process, to a broader block grant model

The block grant affords a level of institutional autonomy that allows University officials to seek the most efficient and cost effective means of delivering high programmatic outcomes. The increased flexibility given to the University, as well as the required public accountability, presents multiple challenges and opportunities. Over the years there has been tension regarding a perceived legislative micromanagement and the availability of sufficient information from the University in order for lawmakers

to make educated appropriations. However, remaining is an opportunity for healthy discussion of state public policy regarding higher education outcomes and funding levels.

Funding History

Funding for the University has evolved from a line item appropriation to the block grant with several initiatives or line items funded outside of the lump sum appropriation, which then solidified into future budget requests and acts.

Prior to 1990, the University's appropriation was separated into four (4) sections:

- 1) University;
- 2) University, Self-Sustaining;
- 3) University, Higher Education Computer Network; and,
- 4) University, Office of Development.

There have been multiple changes to University funding from 1985 to present day. According to previous research conducted by the Legislative Service Office ("LSO"), between 1985 and 1989 there was a statewide revenue decline of nearly 24%, which amounted to a loss of \$100 million. After discussions regarding the University budget shortfall that resulted from the declining revenue, the Joint Appropriations Committee ("JAC") from 1985 through 1992 took initial steps to provide more flexibility to the University by switching from line item appropriations to the lump sum appropriation. The progression towards lump sum and then block grant funding resulted because of modifications to the appropriations bill.

For example, the Legislature adopted a footnote to the 1987 Supplemental Budget Bill allowing the Board of Trustees ("Board") to transfer up to three percent (3%) of General Funds within the main University Operating appropriation. That authority was increased to ten percent (10%) in 1988 and also allowed for the reallocation of funds for salary costs. This authority was specific only to the University, and as established in previous LSO research, provided a precursor to the lump sum appropriation.

In 1989, the Legislature passed HB290 (1989 Wyo. Sess. Laws Ch. 48) that appropriated \$120,000 and required an independent management audit of the University. However, through

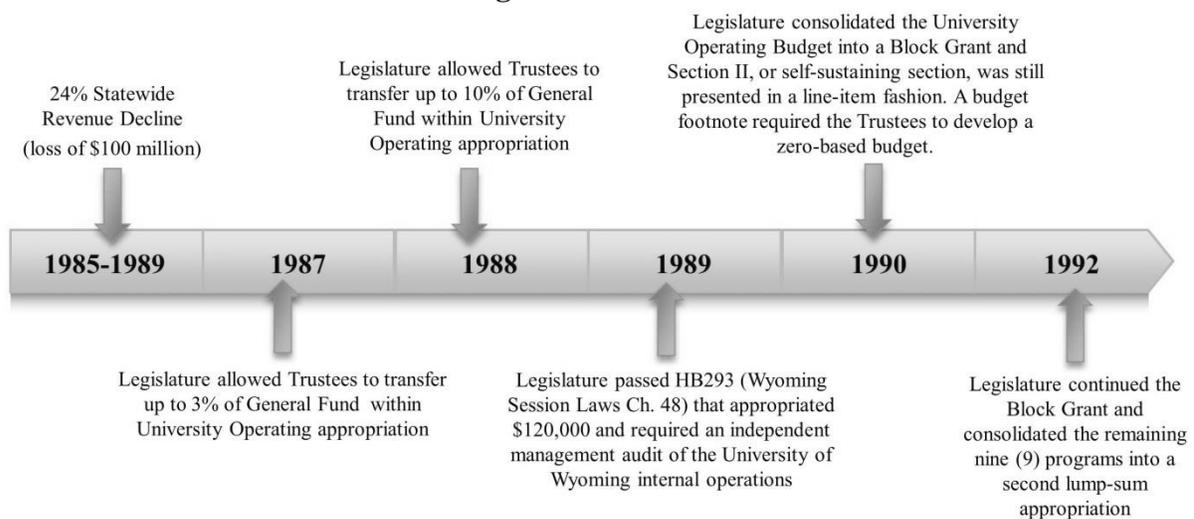
As early as 1999
Wyoming's top
official recognized
that, *"instead of
focusing on how funds
are spent, we should
provide for better
planning, greater
performance
accountability, and
incentives to enhance
innovation for student
improvement."*

research, evaluators were not able to locate this audit, nor were they able to verify that the audit had been conducted.

During the 1990 Budget Session, the Legislature consolidated the operating budget, and approved a lump sum appropriation for the University, which is the precursor to Section I funding. The self-sustaining operations, or Section II, of the University's budget was still presented in a line-item fashion. A footnote in the budget bill also required that for BFY1993, the University was required to identify each programmatic activity "*capable of meaningful identification and cost analysis.*" For each one of those activities the University was required to provide an analysis of overall employee costs and other costs exceeding the minimum operating budget. Through footnote requirements, the Board was directed to develop a zero-based budget by which all revenues generated by the University during the preceding biennium and estimated revenues for the ensuing biennium were to be reported to the Legislature.

In 1992, the Legislature continued the block grant, but consolidated the remaining programs into a second lump sum appropriation. Prior to the 2000 budget session, there were still line item requests at the series level. That is, series 100 (personal), 200 (supportive services), 600 (grants and aid), 800 (non-operating), and 900 (contractual) were separated out and primarily funded with General Funds. The second lump sum did not contain any General funds, as it was comprised of federal aid and other revenues such as grants, gifts, contributions, and athletics. In 1994, the Legislature consolidated the remaining budget items into a single appropriation with two (2) programs. The following illustration provides additional information on changes from 1985 through 1992.

Illustration 1.1 UW Budget Timeline: 1985-1992



Source: Legislative Service Office.

Post-1992 Changes. Changes were methodical and deliberate with respect to how University budgets were presented to the Legislature. From 1992 through 1999, line item budget requests were submitted, even though the Legislature still made lump sum appropriations. Through the 1990s, the budget request included performance information such as inputs (i.e. resources used),

outputs, and outcomes at the college level, but then shifted more towards university-wide objectives.

Arguably, the most recent and impactful change to the block grant appropriation occurred in 1999. Through his memorandum to the JAC, dated December 1, 1999, then Governor Jim Geringer formalized the block grant method of funding. As part of the actions taken, Section I was re-titled “*State Aid.*” According to his memo, using the same budget process as other Executive Branch agencies “...*caused the generation of volumes of cost accounting data and budget document that no one ever uses.*”

As such, the Governor recommended that the budget be restructured in one appropriation (6700–State Aid) and two (2) expense organizations (6701–Base Funding and 6702–Plus Funding). His memo noted that “...*instead of focusing on how funds are spent, we should provide for better planning, greater performance accountability, and incentives to enhance innovation for student improvement.*”

Until 1999, the University’s budget request included General Fund appropriations, as well as appropriated specific numbers of authorized employees. The Governor’s memo noted, “*The number of full time and part time employees has appeared in previous Appropriations Acts. However, it was used, not to control the number of UW employees, but rather to generate a budget amount for salaries and benefits...The Board of Trustees should be free to determine the number of employees based on institutional needs and to improve student performance.*” While the JAC and the Legislature adopted these changes, they did not, and still do not, authorize the expenditure of any non-General Funds, with the exception of Capital Construction. Additionally, the Legislature does not authorize the number of employees at the University.

Along with the changes in the budget, the University removed the performance information that had previously been included as part of its budget requests. Instead, it provided at least two (2) annual performance reports to the Legislature. From 1999 to present, the budget requests have included less specific performance information tied to colleges. Rather, the University includes performance information at the broad level, which according to officials is included in University planning documents.

Although not specifically stated in legislative, gubernatorial, and University discussions, the compromise for moving towards block grant funding was a continuation of providing performance information. There appears to be common acceptance that the University’s planning and reporting practices meet this intent.

National Association of College and University Budget Officers.

An additional contributor to the University’s transition to block grant funding was the conversion to the National Association of College and University Budget Officers (“NACUBO”) budget format in the early 1990s. Expenditures are broken out for organizational units within the University by functional classification (e.g. instruction, institutional support and academic support), as well as natural classification (e.g. salaries, personal, and contractual).

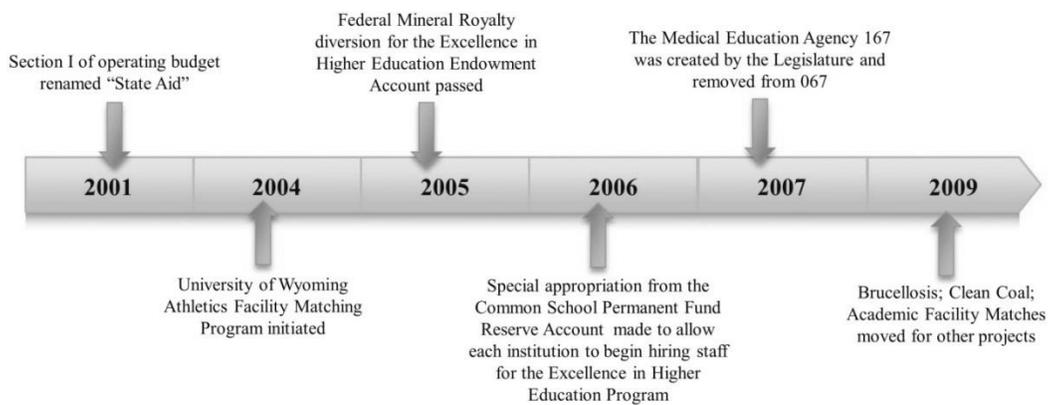
There has been a purposeful shift from the directives within the Geringer memo to using the appropriations bill as the governing framework for University funding.

NACUBO is a membership organization representing more than 2,500 colleges, universities, and higher education service providers across the country and around the world. Started in 1962, NACUBO specifically represents chief business and financial officers of higher education. The association's mission is to advance the economic viability and business practices of higher education institutions in fulfillment of their academic missions.

Coupled with the transition to NACUBO, there has been a purposeful shift from the directives within the Geringer memo to using the appropriations bill as the governing framework for University funding. In other words, block grant funding is not discussed in statutes outside of the appropriations bill. The relationship between the Legislature and the Board regarding reporting requirements remains one that constantly attempts to balance the educational goals of the University with the prerogatives of those who represent Wyoming taxpayers.

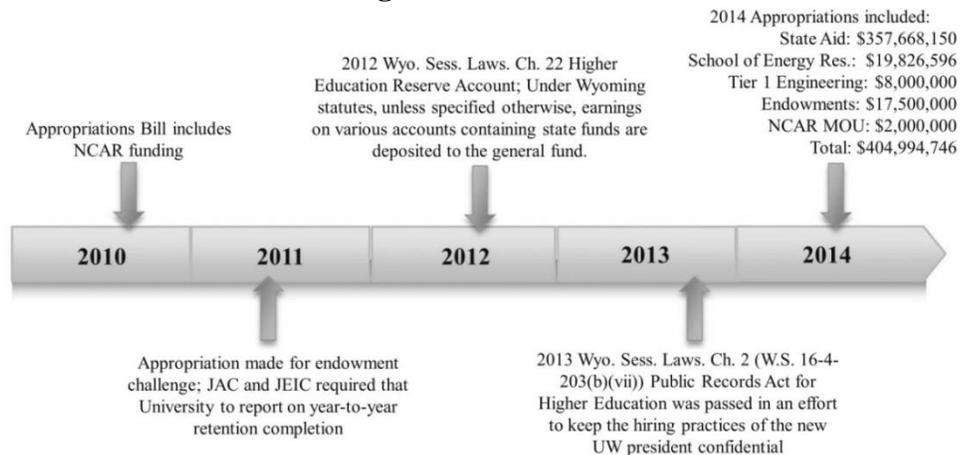
The following illustrations provide additional information on the transformation of the University's overall budget from 2001 through 2014.

Illustration 1.2
UW Budget Timeline: 2001-2009



Source: Legislative Service Office.

Illustration 1.3
UW Budget Timeline: 2010-2014



Source: Legislative Service Office.

BFY2015 Budget Request. The BFY2015 Budget Request is very different from what was envisioned by the Geringer memo. For example, the 6702–Plus Funding model proposed during BFY2000 is not used today. Rather as illustrated below, the Section I budget uses line item appropriations to identify individual initiatives within 6701–State Aid, as well as line item appropriations not included in 6701–State Aid.

**Table 1.6
University 2015-2016 Biennium Budget Request**

Budget Unit	Program	Agency Request	Governor's Request
6701	Base Funding	\$348,810,470	\$295,385,635
6701	Salary Increase	13,031,444	0
6701	UW Information Technology	2,867,000	2,867,000
6701	Biological Safety Level 3 Laboratory	1,331,800	665,900
6701	Off Campus Operations and Maintenance	706,000	706,000
6701	On Campus Operations and Maintenance	500,000	0
6701	Wyoming Public Media Infrastructure	2,006,000	1,003,000
6701	Strategic Community College Partnerships	726,880	726,880
6701	UW College and Engineering and Applied Science	0	20,500,000
	Subtotal	\$369,979,594	\$321,854,415
6703	UW Health Insurance	\$53,424,835	\$53,424,835
6704	Gift Matching Funds for Superior Faculty Endowment	20,000,000	0
6708	Brucellosis Testing Research	200,000	200,000
6715	Arena Auditorium	5,000,000	5,000,000
	Subtotal	\$78,624,835	\$58,624,835
	Grand Total	\$448,604,429	\$380,479,250

Source: Legislative Service Office.

In response to the University's BFY2015 budget request, the Legislature appropriated \$357,668,150 for State Aid and of these funds \$1.5 million is on deposit with the State Auditor's Office. The State Auditor is required to release the funds based on a one and one-half to one (1.5:1) match for each dollar expended by the University on student wireless, networking systems, related storage, and services. Also, the Legislature appropriated \$4.15 million and \$8.35 million for University permanent compensation adjustments (Section I) for FY2015 and FY2016 respectively.

General Fund Salary Appropriations. When the University places a request for an increased appropriation within the State Aid portion of the budget for salary increases, there is rarely a footnote or line item within the appropriations bill requiring a specific amount to be used with a specific purpose. According to the University, and with the exception of the most recent fiscal year's appropriation, faculty salary increases have not occurred in the past four (4) years. For those years in which increases were granted, raises were awarded based on merit, and not across the board.

Evaluators reviewed appropriations bills in order to identify any specific language that provided an increase in General Fund appropriations intended for salaries, as well as, specific language requiring the expenditure of those funds. However, in most instances, increased appropriations

appeared to be lumped in with the State Aid portion of the budget bill, and only seen within the University's budget request. The table below summarizes appropriations and citations as provided by the LSO Fiscal Division.

Table 1.7
University Salary Appropriations 2004-2014

Year	Session Law		Purpose
2004	Chapter 95	Section 306(f)	Specifically excluded from salary adjustments
2005	N/A		
2006	Chapter 35	Section 2, 067	External Cost Adjustment built in to standard budget \$13,313,659
		Section 303(f)(i)	Specifically excluded from market salary adjustments
2007	Chapter 136	Section 2, 067	\$4,505,000 for salary increases
		Section 303(g)	Specifically excluded from market salary adjustments
		Section 303(j)	Across the board, up to 2%
2008	Chapter 48	Section 2, 067	ECA built in to standard budget \$4,532,476
2009	N/A		
2010	N/A		
2011	N/A		
2012	N/A		
2013	Chapter 73	Section 330(a)(v)	\$1.8m for retention incentive, payment to employees determined by Board of Trustees
2014	Chapter 26	Section 320(b)	\$4,150,000 for FY15
		Section 320(c)	\$7,200,000 for FY16

Source: Legislative Service Office.

Appropriations for salaries can be made to the University in either a footnote or section 300 of the budget bill; however, they are most likely to occur in section 300 as a part of a statewide appropriation. Second, if appropriated at the agency level the amount for salaries would be included in the state aid line. The amount appropriated would be either designated as a footnote or as requested by the University and approved by the Governor and the Legislature in the budget request.

The University officials and the UP3 maintain that faculty salaries fall below industry averages. Officials have commented this lag is due, in part, to a lack of tuition increases and inadequate State appropriations. University officials also argue that declining and stagnant salaries will result in a loss of employees, and hinder the University's ability to keep highly qualified faculty.

Block Grant Basic Budget Information

Section I & II. The University of Wyoming Standard Operating Budget has two (2) sections. Section I consists of legislative appropriation, the University Income Fund, Federal Funds, non-restricted foundation money, and other income such as federal mineral royalties. Section II consists of primarily self-sustaining budgets from sponsored grants; revenue from auxiliary

services (e.g. the residents' halls, student fees, Union, and concessions); gifts and contributions; student fees; and, federal mineral royalties. Table 1.8 below provides a list of the revenues included in the University budget.

Table 1.8
University Section I and Section II Revenues

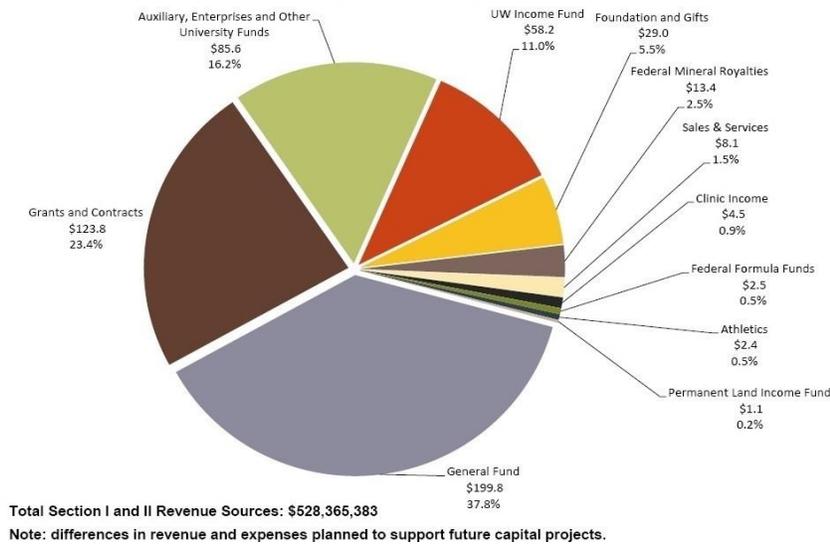
Budget	Description
Section 1	<ul style="list-style-type: none"> • General Fund (State Aid); • UW Income Fund (tuition, student fees, sale of agriculture products, and income from Intercollegiate Athletic events); • UW Sales and Services Fund (indirect cost recovery, central services cost allocation, and interest income from investment funds held by the University); • Federal Mineral Royalties Fund (from production on federal lands in Wyoming); • Federal Funds-Agricultural Research (federal McIntire-Stennis and Hatch Acts); • Federal Funds-Agricultural Extension (federal Smith-Lever Act); • Agricultural College Land Income Fund (federal Morrill Act, which provides for land-grant revenue); • University Land Income Fund (revenue from the permanent land fund and continual use fees/rentals of University state trust lands); and, • University Foundation Income Fund (unrestricted income earned from management fee assessments and from investments).
Section 2	<ul style="list-style-type: none"> • Auxiliary Enterprises (income from the sale of goods or services to students, faculty, and staff); • Gifts and Contributions (non-federal support and donations); • Sponsored Funding (revenue primarily from federal agencies); • ASUW (revenue from student fees and income related to the student loan program); • Debt Service (revenues including federal mineral royalties earmarked for principal payments on outstanding bond indebtedness and other debt service charges); and, • Intercollegiate Athletics (revenue from gifts and sports events).

Source: Legislative Service Office from information contained in the University of Wyoming's Budget Index.

The University receives its largest amounts of revenue through the General Fund; Auxiliary Enterprises; grants and contracts; and, University Income. Illustration 1.4 below provides additional information on the amount and percentage of Section I and Section II revenues that the University receives each year.

Illustration 1.4

**UNIVERSITY OF WYOMING -- Summary
FY 2014 BUDGET, SECTION I AND II COMBINED REVENUE SOURCES
(\$s in Millions)**

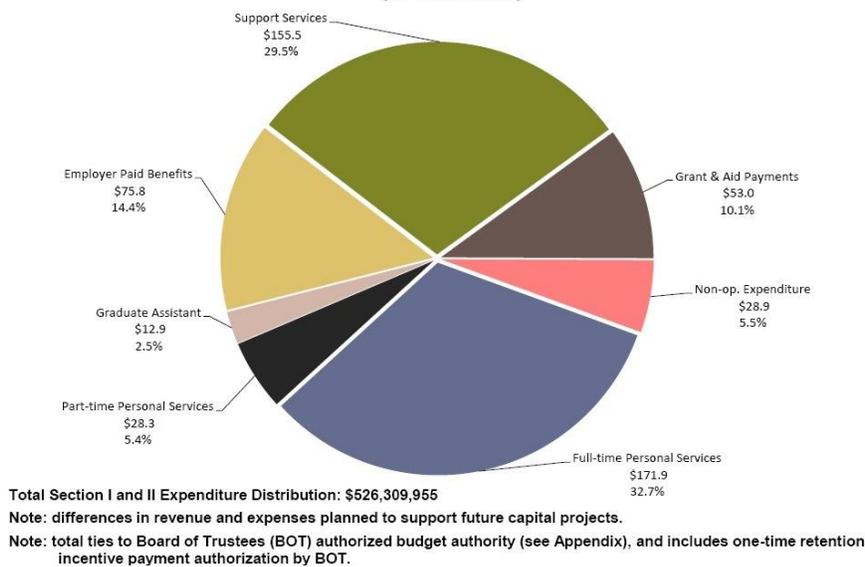


Source: Legislative Service Office from information contained in the University of Wyoming’s 2014 Budget Index

Revenues are then budgeted for broad expenditure categories as depicted in Illustration 1.5 below. For the total University operating budget, expenditure categories include Full-time Personal Service; Part-time Personal Services; Graduate Assistant; Employer Paid benefits; Support Services; Grant and Aid Payment; and Non-operating expenditure.

Illustration 1.5

**UNIVERSITY OF WYOMING -- Summary
FY 2014 BUDGET, SECTION I AND II COMBINED EXPENDITURE DISTRIBUTION
(\$s in Millions)**



Source: Legislative Service Office from information contained in the University of Wyoming’s 2014 Budget Index.

Operating Budget. The standard operating budget is created on an annual basis. The budget request presented to the Legislature for approval consists of requests for State Aid (including the lump sum appropriation); UW endowment monies (sometimes within or outside of State Aid); special appropriations for legislative initiatives, such as the National Center for Atmospheric Research (“NCAR”) and the School of Energy Resources (“SER”); and, requests for Capital Construction.

Once the Legislature passes an appropriations bill, University administration establishes budget caps at the divisional level related to Section I funding based on factors including the previous year’s budget, revenue predictions, and other legislative factors such as one-time funding. The established cap amounts are input into budgeting software known as “*Budget Prep.*” Using Budget Prep, each division is then responsible for allocating the budgeted amount to each department and program within its hierarchy. For each department or program, funds are budgeted within eight (8) broad classifications. Each benefitted employee FTE is budgeted by position number and salary amount.

Listed in Table 1.9 are the eight (8) broad natural classifications, and listed in Table 1.10 is an example of cap amounts established in FY2013 for each of the twenty-six (26) divisions, plus employer paid benefits.

Table 1.9
Natural Budget Categories

Budget Category	Budget Code	Description
Personal Services	B1000 (Full-Time)	Salary and wage compensation and employee benefit programs. Includes separate budget categories for full-time personal services, part-time personal services, graduate assistant, overtime, and employer paid benefits
	B1100 (Overtime)	
	B1200 (Part-Time)	
	B1400 (Graduate Assistant)	
	B1900 (Employer Paid Benefits)	
Support Services	B2000	Services required by the University in the discharge of its function or to fulfill legal obligations
Grants and Aid Payments	B6000	Payment of grants to local governments, private entities and individuals
Non-operating expenditures	B8000	Fiscal transactions and expenditures not borne or chargeable to the University spending or distributing department or fund as a cost of administration of programs

Source: Legislative Service Office analysis of information provided by the University of Wyoming.

Table 1.10
FY2013 Section I Budget by Division

Division Name & Code	Amount	Total FTE
Employer Paid Benefits (160)	\$52,391,819	0
College of Arts and Science (210)	30,934,311	419.833
Student Affairs (310)	28,432,589	105.159
College of Agriculture (220)	20,810,660	281.885
Physical Plant (450)	17,079,550	183
Library (290)	15,343,081	68
Information Technology (800)	12,990,546	98.4
Athletics (101)	11,582,628	92.857
College of Engineering (240)	10,626,701	118.133
College of Health Sciences (250)	9,697,607	117.757
College of Business (230)	7,369,143	67.926
Academic Affairs (200)	6,857,026	58.676
College of Education (270)	5,934,785	82.875
College of Law (260)	5,412,641	38.192
VP Administration (400)	4,182,053	15.867
Outreach (280)	3,331,555	55.772
Assoc. VP Administration (410)	3,147,666	52
Risk Management (490)	2,415,657	12
Office of Development (600)	2,239,956	34
President (100)	2,209,456	6
Research & Economic Dev (500)	2,139,412	21.656
Gov. Comm. & Legal (700)	1,916,550	23
Human Resources (440)	1,274,910	20
UW Police (480)	1,252,222	25
Auxiliary Service (470)	655,390	13.609
Assoc. VP Operations (420)	423,215	5
Internal Auditor (900)	167,428	2
Total	\$260,818,557	2,018.597

Source: Legislative Service Office from the University of Wyoming's FY2013 Budget Index.

Note: Excludes SER and NCAR budgets.

Budgeting by the division at more detailed levels, such as within the categories of travel or equipment within the broad budget category of Support Service, occurs outside of the Budget Prep software. Therefore, only the budgeted amount for each department or program at broad budget category level is centrally recorded.

Once budgeting is completed for each division, budget amounts are used to create the Budget Index, which is the Section I operating budget. The Budget Index consists of five (5) parts: Total Operating Budget Overview, Section I Budget Overview, Section I Budget details by NACUBO functional category, Section I Budget details by Division, and Special Appropriations. Additionally, a detailed listing of the salary amount for each benefited Section I and Section II position is included in the Budget Index.

The Section I budget details are portrayed two (2) ways, sorted by NACUBO functional classification and sorted by division. In the budget details by division, the budgeted amount for

each program or department (i.e. budget unit) are listed separately under the corresponding division. The details for each budget unit include the number and type of budgeted employee (e.g. full-time faculty); budgeted amount for each natural classification listed in Table 1.9 above; and, the associated fund code.

The same details are then presented for each budget unit listed by NACUBO functional classification. The University uses the NACUBO functional classification of Instruction; Research; Public Service; Academic Support; Student Service; Institutional Support; Operation and Maintenance; Scholarships and Fellowships; and, Athletics.

While the Section I Budget Index is provided to the Board, it is not formally approved by the Board. Instead, the budget totals for Section I are combined with the budget totals for all Section II programs in a very condensed budget table that is voted upon by the Board.

Accounting at the University. The General Ledger is an Excel spreadsheet used to record University-wide accounting. More specifically, the General Ledger Report is a balance sheet and includes valuations of buildings and equipment as well as cash balances for each fund code. In total, there are 154 fund codes the University uses to record revenue receipts and expenditures. Fund codes are separated into the following categories:

- Current Funds Unrestricted (1000, 1200, 1300, 1400, 1500, 1600, 1700, 1800, 1900, 2000, 2100, and 2900);
- Current Funds Restricted (4000, 4100, 4200, 4300, 4400, and 4900);
- Loan Funds (5000);
- Endowment Funds (6000);
- Plant Funds (7000); and,
- Agency Funds (9000).

The fund codes used for the Section I budget are illustrated in the Fund Flow Chart, which is included in Appendix E. While the General Ledger report is used to record cash balances, the University's accounting program is used to record actual expenditures for each department or program.

Most Section I revenue sources are aggregated into the University's Operating Account (Fund 1100) for the purpose of expenditure, including the General Fund appropriation. Some fund codes are used only to record revenues, such as Fund Code 1001-1004; Fund Code 1255; and Fund Code 1799. Other fund codes such as the Section I Federal Fund Codes (40xx) related to land income and agricultural research and extension are used for both revenue and expenditure purposes.

Within each fund code, funds are budgeted and expended at the organization code ("org. code") level. However, within the University accounting system these codes are used for multiple purposes. In most instances, these codes denote the program or department, but org. codes can also be used to record revenues at a line-item specific level. For example, the block grant

augmentation revenue organizational code, within Fund 1100, is used to receipt the quarterly allotments from the Legislature.

In 2008, University officials at the time identified the need to create a reserve of funds for fiscal prudence to accommodate for unknown circumstances and emergencies. Listed in Table 1.11 are the discretionary fund reserve amounts at the end of each fiscal year since 2008.

Table 1.11
Reserve Amount History

End of Fiscal Year	Reserve Amount
6/30/2008	\$(1,073,997)
6/30/2009	3,121,302
6/30/2010	11,332,533
6/30/2011	18,383,928
6/30/2012	21,293,929
6/30/2013	19,547,447

Source: Legislative Service Office from information provided by University of Wyoming.

PIStOL. In 1998, the University began using an in-house accounting program called PeopleSoft Information System On-Line (“PIStOL”). Because the University does not use the State accounting program, it is not bound by the same system controls derived from budgeting requirements. As a result, University officials are able to choose established budgeting authority levels and corresponding system controls for expenditure.

When the PIStOL program was instituted, leadership at the University elected to establish a broad system of controls for budget authority. Therefore, the University’s coding practices for accounting vary from those used within the Wyoming Online Financial System (“WOLFS”) system used by other executive branch agencies.

An explanation of those differences is illustrated in the table below using the Department of Health as a comparator example of the accounting practices of other executive branch agencies.

Table 1.12
Difference between WOLFS and PISTOL

WOLFS (E.g. Department of Health)	PIStOL (University of Wyoming)
<p>Level 1: For each Fund Code, budget authority is established for each Division</p> <ul style="list-style-type: none"> ▪7 Divisions (e.g. Public Health, Behavioral Health, Aging, etc.) ▪26 Fund Codes- General Funds are budgeted separately from other fund codes 	<p>Budget authority is established for each Division</p> <ul style="list-style-type: none"> ▪26 Divisions (e.g. Physical Plant, College of Arts and Science, Student Affairs, etc.) and Employer Paid Benefits ▪All Fund Codes for the Section I budget are aggregated into Fund 1100 with the exception of restricted federal funds for land-grant and agriculture revenues, and Section I athletic revenues
<p>Level 2: For each Division, budget authority is established for each Budget Unit</p>	<p>For each Division, budget authority is established for each Budget Unit</p>

WOLFS (E.g. Department of Health)		PISStOL (University of Wyoming)	
<ul style="list-style-type: none"> 72 Budget Units within the 7 Divisions (e.g. State Health Officer within the Division of Public Health) 		<ul style="list-style-type: none"> 455 Budget Units (chart field codes) within the 27 Divisions (e.g. Chemistry Department with the College of Arts and Science) 	
<p>Level 3: For Each Budget Unit, budget authority is established for each Object Class</p> <ul style="list-style-type: none"> 7 Object Classes 	Personal Services (100)	<p>For each Budget Unit, budget authority is established for each Account Code</p> <ul style="list-style-type: none"> 8 Account Codes 	Full Time Personal Services (B1000)
	Support Services (200)		Over-Time (B1100)
	Restrictive Costs or Services (300)		Part-Time Personal Services (B1200)
	Data Processing Services (400)		Grad Assist (B1400)
	Space Rental (500)		Employer Paid Benefits (B1900)
	Grants and Aid Payments (600)		Support Services (B2000)
	Capital Expenditures (700)		Grant & Aid Payment (B6000)
	Non-operating Expenditures (800)		Capital Expenditures (B7000)
Special Services (900)	Non-operating Expenditures (B8000)		
<p>Level 4: For each budgeted Object Class, budget authority is established for each Object Series</p> <ul style="list-style-type: none"> 140 Object Series (e.g. 103- Salaries Classified, 105- Employer Paid Benefits, 222- Travel Out of State, 224- Employee moving expenses, etc.) 		<p>Not Applicable- No comparable budget authority is established at this level; however, expenditures are recorded at this level.</p> <ul style="list-style-type: none"> 270 Expenditure Codes (e.g. 203300- Electricity, 220300- Copy Charges, 300700- Actual Lodging Expenses, etc.) 	

Source: Legislative Service Office.

Under its current set-up, there is lacking capability within PISStOL to monitor expenditure authority below the highest, or university-wide level, expenditure authority. As a result, separate accounting systems, called “*shadow accounting systems*,” are needed to budget and track specific expenditure categories. Shadow accounting systems are subsidiary ledgers used by individual departments and divisions to increase capabilities to budget and track expenditures, revenues, and account balances. The type of shadow accounting system used is left to the discretion of the department or division. As a result, the sophistication of these systems ranges from an Excel spreadsheet to accounting software such as Peachtree or QuickBooks.

University Oversight of General and Federal Fund Dollars

As part of their oversight obligations, the Board receives audit reports from two (2) sources: the University Office of Internal Audit and an independent auditing firm. The external audits, currently performed by McGee Hearne & Piaz, provide general accountability with respect to the portrayal of the University’s statement of net position, statement of revenues, expenses, changes

in net position, and cash flows. They also provide accountability over how federal funds are used and managed through the A-133 Audit.

Audits conducted by Internal Audit are planned annually to provide accountability from within the University. Internal auditors review policies and procedures, sample expenditures, conduct change-management audits, as well as special requests from FLAC. Internal audits are based on assessment of the following risks: financial; operational; regulatory; strategic; and, technology.

The Trustee Bylaws provide guidance over the external and internal audit processes. More specifically, Article VII. Section 7-2 details the responsibility of the committee for assuring protection of the University's fiscal integrity. However, the Bylaws discuss a separate Audit and Fiscal Integrity Committee, as opposed to FLAC.

The Bylaws specifically state the following:

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

External Audits. Article VII. Section 7-2, Chapter IV provides specificity related to external audits. The Committee is responsible for the following areas:

- 1) selection of the external audit firm;
- 2) review and approval of the external auditor’s proposed scope and approach;
- 3) review and confirm independence of the external auditor;
- 4) review performance of the external auditors;
- 5) meet with external auditors, the Internal Auditor, and management to discuss private matters outside of an audit; and,
- 6) review the results of annual external audits; and, review and approve engagements outside of an audit plan.

Internal Audits. Article VII. Section 7-2, Chapter V provides Committee responsibilities related to internal auditing. The Committee is responsible for the following:

- 1) review and ensure staffing and other resources are sufficient to carry out internal audit responsibilities;
- 2) review, appointment, and dismissal of the Internal Auditor;
- 3) review and confirmation of internal audit priorities;
- 4) review of internal audit reports;

- 5) ensure there is regular, independent communication between the Committee and the Internal Auditor; and,
- 6) ensure there are no unjustified restrictions or limits on the internal auditing process.

Article VII. Section 7-2, Chapter VI (Compliance with Laws & Regulations) and Chapter VII (Other Responsibilities) require the Committee to review significant examinations by federal agencies, ensure corrective action plans are implemented, ensure significant findings and recommendations from internal and external auditors are received, discussed, and acted upon, regularly update the Board, and review current auditing Bylaws.

The Internal Auditor operates in accordance with the University of Wyoming Audit Charter, approved by the Board on January 21, 2011. The Charter provides that the Internal Auditor services are “...*designed to add value, improve internal controls and strengthen the University’s operations.*” These services are intended to help the University reach its objectives through a “*systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and compliance processes.*”

Internal Audit at the University has been essential to the identification of weak controls campus-wide. For example, as part of a routine change of management audit within the College of Arts and Sciences (“College of A&S”), the Internal Auditor identified questionable practices that lead to a budgetary deficit that affected programs across the University. In several other audits, key controls and policies have been identified and corrected to mitigate risk to the University. However, not all recommendations have been implemented and the Board does not provide consequences for departments that do not adhere to Internal Audit recommendations.

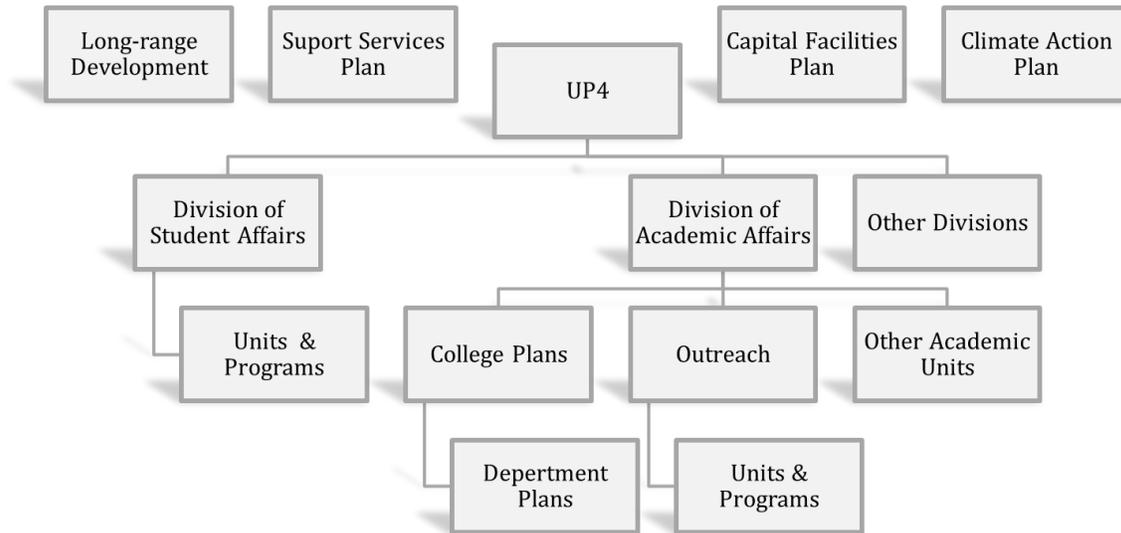
Background: Planning and Reporting

Statutes pertaining to state planning and reporting require the University to complete a four (4)-year strategic plan, an annual performance report, and a biennial report as shown in Appendix A.

Planning. Prior to BFY2000, the University Budget request contained performance information such as inputs, outputs, and outcomes; however, from BFY2000 to present, information within the budget requests have become increasingly less specific while the statutory requirements have remained the same.

There are several planning documents that the University uses including: the Long-range Development Plan; the Support Services Plan; the Capital Facilities Plan; the Climate Action Plan; and the University Plan (“UP”). The UP is primarily an academic plan and is considered by University officials to be the highest level of focus that informs funding prioritization in the budget planning process. As Illustration 1.6, below, demonstrates, the UP incorporates elements from other academic planning efforts including: the Division plans; the Unit and Program plans; the College, Outreach, and other Academic Unit plans; and the individual Department, Unit, and Program plans.

Illustration 1.6
University Planning Hierarchy



Source: Legislative Service Office from information provided by University of Wyoming.

The planning process begins with multiple position papers that are open for comment before each college, department, division, and unit develop individual plans. Budget initiatives are often involved in the planning process and specific requests are made at each level rolling up to the President and the Executive Council before presentation to the Board. However, it is noteworthy that University staff state that they encourage input from stakeholders, such as the Legislature.

Each plan spans a period of six (6) years and is separated into both planning areas that serve the University as a whole, such as Enhancing Diversity, and specific areas of distinction such as Life Sciences. UP3 is the most recently completed plan, while UP4 is currently under development. UP3 is divided into five (5) planning areas called Planning Motifs. These areas are:

- Building depth
- Reinforcing and refining areas of distinction
- Access to higher education
- Fostering excellence
- Cultivating Leadership

The Planning Motifs are the University's most general goals. The motifs contain action items; however, in most instances they do not contain measurable objectives.

Reporting. The University's primary reporting mechanisms are the Report Card and University Dashboard. The Report Card is generated annually to highlight progress made by the University with respect to the established action items. The Report Card is a narrative that loosely links University accomplishments from the previous year to funding allocations amounts and action items.

The University Dashboard is an interactive reporting tool that provides trends through aggregate data. However, the Dashboard provides no raw numbers, narrative, or analysis. There is no way of determining if the information provided on the Dashboard is the product of an expected outcome resultant of an established goal. University officials are resistant to assign a specific cost to any one program because of the interdisciplinary nature of course work at the University.

Background: Other States

The University currently uses a list of 50 comparator institutions from the Oklahoma State University (“OSU”) survey, which includes a mix of smaller institutions similar to Wyoming as well as much larger institutions, such as the University of Washington.

As the only four (4) year university in Wyoming, the University has an obligation of providing a competitive higher education experience within a unique set of budgetary and circumstantial constraints. As a result, the University has the sole responsibility for providing many services and educational opportunities that most other university systems do not consolidate in a single institution. Consequently, as a land-grant research driven institution that awards professional and advanced degrees across a wide variety of fields including law, pharmacy, nursing, and business, the University is often tasked with finding ways to balance between its programs, competitiveness, and equitable price for students. This unique set of circumstances creates a challenge to finding a state and an institution that is a perfect comparison to the University.

In order to address how comparator states with similar demographics to Wyoming budget and fund state universities, evaluators sought to find a list of public institutions that fulfilled a similar role as the University within its state. The institutions identified include: the University Alaska–Fairbanks; Montana State University; the University of Montana; North Dakota State University; South Dakota State University; the University of Idaho; and Utah State University.

Additional component focused research was conducted for the University of Arizona that examined Arizona’s constitutional requirement that the cost of instruction be as free as possible. This research was conducted as Arizona was the only other state in the nation to have a constitutional clause directly relating to “*as nearly free as possible*” tuition.

Chapter 2

Overlays

To examine the effectiveness of the block grant further, evaluators designed nine (9) overlay illustrations that superimposed multiple data sets discussed within this chapter onto one another. These overlays, located in Appendix F, provide concise visuals that may be indicative of the effectiveness of the block grant.

Areas of Effectiveness

The overlays present historic trends at the University of Wyoming (“University”) and are not intended to imply causation between the funding the University receives and the outputs it is able to produce. There are many mitigating circumstances, such as special appropriations (e.g. the Tier One Initiative), that make such a one-to-one comparison untenable. The University is still accountable for its dual responsibility of teaching students and producing top-tier research outcomes. Therefore, the analysis within this chapter provides some insight and perspective about the effectiveness of the block grant, as measured by various outputs of the University.

The first section pertains to revenues and expenditures, generally, as well as how revenues have been affected by inflation.

The second section, Student Data, will examine the efficacy of the block grant within the context of student information. Specifically, this section will examine the following areas:

- student enrollment;
- degrees conferred;
- graduation and retention rates; and,
- resident undergraduate and graduate tuition and fees.

The final section of this chapter will focus on the impact the block grant has had on the University’s employees, primarily its faculty. This section will include the following:

- academic and administrative salary;
- faculty turnover and FTE count;
- courses taught by faculty; and,
- number of courses falling below minimum University requirements.

Each area within this chapter will provide additional information and context as to the relationship between the resources the University has and what has been accomplished with these funds. Wherever relevant and applicable, there will also be comparator state information provided throughout the chapter.

Revenue and Expenditures

The resources the University has and the funds it expends can provide insight into the capabilities and realistic limitations that it may face. Although the University does have income from a variety of sources, it receives the majority of its Section I budget, about 70%, from the General Fund appropriation. The University's Section I total revenue has steadily increased between FY2002 and FY2013 with the exception of FY2009 and FY2010. Additionally, information for University expenditures was only requested for FY2009 through FY2013. To see the visual depiction of the table below please refer to Appendix F, specifically Overlays 1-5.

Table 2.1
University Revenue and Expenditures

Fiscal Year	General Fund Appropriations	UW Income	Other Revenue*	Total University Revenue	University Expenditures
2002	\$100,961,858.00	\$31,687,310.00	\$15,928,058.00	\$148,577,226.00	Not requested
2003	122,388,977.00	33,392,587.00	18,075,037.00	173,856,601.00	Not requested
2004	121,176,785.00	40,525,007.00	18,392,359.00	180,094,151.00	Not requested
2005	137,359,741.00	33,858,449.00	22,342,547.00	193,560,737.00	Not requested
2006	137,360,429.00	35,052,515.00	21,600,544.00	194,013,488.00	Not requested
2007	154,753,993.00	35,366,938.00	20,523,399.00	210,644,330.00	Not requested
2008	162,741,946.00	37,760,111.00	18,823,259.00	219,325,316.00	Not requested
2009	180,033,988.00	41,483,635.00	18,665,513.00	240,183,136.00	\$236,596,965.62
2010	172,669,397.00	44,382,152.00	20,404,874.00	237,456,423.00	239,403,530.80
2011	177,208,175.00	44,382,152.00	19,335,912.00	240,926,239.00	229,653,942.11
2012	179,008,175.00	55,644,005.00	17,786,930.00	252,439,110.00	252,755,905.48
2013	186,881,288.00	56,150,279.00	17,786,930.00	260,818,497.00	248,596,213.17

Source: Legislative Service Office from information provided by the University of Wyoming.

Note: Does not include funds for capital construction or endowments

*Other revenue includes: Section I Athletic Incomes; Medical Contract Repayment; Sales and Services; Federal Mineral Royalties; Land Incomes; Federal Funds for College of Agriculture; and some Section I Foundation Income.

The General Fund appropriation has risen from \$100 million in FY2002 to \$186 million in FY2013, an increase of \$86 million. Similarly, the UW Income has risen from \$31 million to \$56 million within the same timeframe. Total revenue for the University has steadily risen each year with the exception of FY2010, where the Total University Revenue was reduced by \$2.7 million from the previous year. However, the University's revenue has not only increased through greater resources, but through other legislative initiatives, as discussed in the Background. Other augmentations have occurred that have influenced the University's total revenue sources. For example, there was a special appropriation in FY2007 for the \$26.65 million Endowment Challenge that increased the University's State Aid the same year Agency-167, Medical Education, was removed from Agency 067.

Revenue and Expenditures Data in Other States. In order to provide some context for comparison, Table 2.2 presents information regarding core revenues, total revenue per student FTE, core expenses, and total expenses per student FTE for seven (7) comparator institutions.

Table 2.2
Revenue and Expenses 2011-2012

Institution Name	Core Revenue	Revenue per Student FTE Total*	Core Expenses	Total Expenses per Student FTE**
South Dakota State University	\$255,412,229	\$23,958	\$237,101,285	\$22,240
University of Montana	261,955,092	19,386	265,516,689	19,649
North Dakota State University- Main Campus	333,925,485	25,730	297,115,123	22,896
University of Idaho	339,067,663	30,593	324,698,147	29,297
Montana State University	366,146,472	29,639	336,361,314	27,229
University of Wyoming	468,406,655	41,659	413,411,992	36,765
University of Alaska Fairbanks	520,840,086	80,056	390,938,500	60,090
Utah State University	587,169,004	26,547	488,785,488	22,098

Source: Legislative Service Office from IPEDS Data Center.

Note: IPEDS specifies that "core revenue" excludes auxiliary enterprises. However, it includes revenue sources that fall within the University's Section II such as gifts and contributions, sponsored funding, and Federal Mineral Royalties.

*Revenue per student FTE Total includes: Revenues from tuition and fees per FTE; Revenues from state appropriations per FTE; Revenues from local appropriations per FTE; Revenues from government grants and contracts per FTE; Revenues from investment return per FTE; Revenues from private gifts grants and contracts per FTE; and Other core revenues per FTE.

**Total Expenses per student FTE includes: Instruction, Research, Public Service, Academic Support, Student Services, Institutional Support, and "All other core expenses per FTE."

Regarding core revenues in the table above, the University is within the top three (3) of the comparator institutions used by evaluators. Only two (2) comparators had higher core revenue than the University and these institutions were the University of Alaska-Fairbanks and Utah State University. Apart from revenue, Table 2.2 also houses information about core expenses and the University, with \$413 million, is towards the upper tier of expenses with only Utah State University having higher core expenses. Finally, Table 2.2 has information for total core revenue and expenses per student FTE. The data is the same as core revenue and expenses, but calculated to show costs and resources as allocated per student FTE. Per student FTE, the University is very comparable to the seven (7) other institutions.

CPI/WCLI. Two (2) price indices were used to evaluate whether or not the increase in resources provided to the University was proportional with inflation. These two (2) indices are the national Consumer Price Index ("CPI") and the Wyoming Cost-Of-Living Index ("WCLI"). The Bureau of Labor Statistics collects and publishes the CPI, whereas the WCLI is provided by the Economic Analysis Division of the Wyoming Department of Administration and Information. The information in the table below is visually depicted in Appendix F, Overlay 9.

The data revealed that the increases in General Fund appropriation have continually outpaced CPI and WCLI inflation. Unlike the steady increase in General Fund appropriations, the UW Income and Other University Revenue have fluctuated. As a result, UW Income and Other University Revenue have not always kept pace with CPI or WCLI inflation. The data provided reveals that when combined, the Total University Revenue has increased with both CPI and WCLI inflation.

Student Data

Overall, the University has maintained consistent student enrollment totals, rate of degrees conferred, as well as a consistent trend for graduation and retention rates. Additionally, the University and Legislature have worked to keep resident undergraduate and graduate tuition lower than its comparator states.

Student Enrollment. The University's student population, measured in enrollment, is comprised of two (2) data sets: total student enrollment at the Laramie Campus and total student enrollment for the entire University including the Laramie campus and Outreach locations throughout the state. Both student enrollment data sets have remained consistent from FY2002 through FY2013. For the visual representation of the data found in Table 2.3 below, please refer to Appendix F, Overlay 1.

Table 2.3
Student Enrollment

FY	Laramie On-Campus Enrollment	University Total Enrollment
2002	9,759	12,402
2003	9,854	12,766
2004	9,938	13,162
2005	9,991	13,207
2006	9,757	13,126
2007	9,979	13,203
2008	9,963	12,875
2009	10,041	13,106
2010	10,343	13,476
2011	10,662	13,806
2012	10,597	13,922
2013	10,557	13,929

Source: Legislative Service Office from information provided by the University of Wyoming.

While there has been a slight increasing trend in student enrollment, the data suggests that this increase has been just over 1,500 students during this eleven (11) year period or an 8.18% increase in Laramie enrollment and a 12.31% increase in total enrollment. In recent years, the per year increases in student enrollment numbers have regularly remained within 200 or fewer students. During this timeframe, the General Fund appropriations increased nearly \$86 million or an increase of 85.10%.

Student Enrollment in Other States. Table 2.4 contains the total enrollment for seven (7) comparator institutions. The total enrollments include full-time undergraduate, graduate, and professional practice students. With the exception of the University of Alaska-Fairbanks and Utah State University, all other institutions have enrollment sizes comparable to the University. Within the context of resource management, where the University of Utah has \$100 million more in revenue than the University, it has twice the student enrollment.

Table 2.4
Total Enrollment 2011-2012

Institution Name	Total Enrollment
University of Alaska Fairbanks	6,506
South Dakota State University	10,661
University of Idaho	11,083
University of Wyoming	11,244
Montana State University	12,353
North Dakota State University-Main Campus	12,978
University of Montana	13,513
Utah State University	22,118

Source: Legislative Service Office from IPEDS Data Center.

Degrees Conferred. In the absence of performance metrics at the University, evaluators decided to use quantitative data, such as the number of degrees conferred, to analyze the effective use of University resources. While the number of degrees conferred is not the primary output used to measure the success of a university, it does provide one measurable outcome. During the ten (10) year period the University has been steady in its number of degrees conferred. The information found in the table below is visually presented in Appendix F, Overlay 2.

Table 2.5
Degrees Conferred by Type

FY	Certificate	Bachelors	Masters	Doctorate	Professional	Total Degrees
2003	27	1887	423	56	104	2497
2004	32	1840	424	42	131	2469
2005	32	1848	463	52	126	2521
2006	53	1964	444	59	117	2637
2007	58	1815	436	63	118	2490
2008	65	1924	446	78	118	2631
2009	67	1924	445	71	131	2638
2010	60	1969	414	70	112	2625
2011	56	2053	501	66	124	2800
2012	62	2296	512	72	125	3067

Source: Legislative Service Office from information provided by the University of Wyoming.

In FY2003, the University conferred 2,497 degrees. In FY2012, it conferred 3,067, or 570 more degrees than ten (10) years prior. Within the same timeframe the General Fund appropriations increased by nearly \$56.6 million, or 46%.

Degrees Conferred in Other States. Shown in the table below is the total number of degrees conferred for all seven (7) comparator institutions and includes: Certificates, Associates (“AA”), Bachelors (“BA”), Masters (“MA”), and Doctorates (“PhD”). From this data, the University does confer a similar number of degrees as compared to the other institutions. For perspective,

while the University is 4th in total student enrollment, it is 3rd in BA degrees conferred with the 3rd highest total revenue. So while the University has a smaller enrollment size than MSU (12,353) and UM (13,513), it confers more BA degrees than most of its comparators.

Table 2.6
Degrees Conferred 2011-2012

Institution Name	Certificate	AA	BA	MA	PhD
University of Alaska Fairbanks	256	223	529	245	50
University of Idaho	141	0	1665	634	164
The University of Montana	182	334	1718	459	319
Montana State University	28	31	1734	538	53
South Dakota State University	9	26	1808	315	107
University of Wyoming	62	0	1998	489	197
North Dakota State University-Main Campus	11	0	2062	378	180
Utah State University	81	953	3152	990	99

Source: Legislative Service Office from IPEDS Data Center.

Note: The data is organized in ascending order based on the number of Bachelor (BA) degrees conferred.

* The University, along with UI and NDSU do not report associates degrees.

Graduation and Retention Rates. Graduation and retention rates, like degrees conferred, are another quantifiable way in which to determine the efficacy of the University's use of the block grant. The data, as shown in the table below, reveals that while retention and graduation rates (i.e. a student graduates within 4-years, 5-years, and 6-years) remained consistent with no significant no growth in retention or graduation rates. This trend and the information in the table below are depicted in Appendix F, Overlay 3.

Table 2.7
Graduation and Retention Rates

Fiscal Year	UW Total Enrollment	Retention*	Graduated in 4 years	Graduated in 5 years	Graduated in 6 years
2002	12,402	74%	23%	44%	53%
2003	12,766	76%	22%	45%	55%
2004	13,162	74%	22%	44%	53%
2005	13,207	75%	23%	46%	53%
2006	13,126	74%	23%	47%	54%
2007	13,203	73%	24%	47%	
2008	12,875	72%	24%		
2009	13,106	73%			
2010	13,476	74%			
2011	13,806	76%			

Source: Legislative Service Office from information provided by the University of Wyoming.

*Retention in this context means a student went from their 1st year to their 2nd year.

Based on the data in Table 2.7, nearly 25% of students do not continue beyond their freshmen year and dropout. Of those students who do progress beyond their first year, only 22-24%

graduate within four (4) years. Of those students that did not graduate in four (4) years, but choose to continue their education, 46% graduated in five (5) years and 54% graduated within six (6) years. The data also revealed that a majority of students at the University graduate between their fifth (5th) and sixth (6th) year, and only a quarter of students graduate within four (4) years.

Graduation and Retention Rates in Other States. The table below contains information for the University and the seven (7) comparator institutions sorted in ascending order based on 4-year graduation rate. With the exception of University of Alaska-Fairbanks' graduation rates, the University and the six (6) other comparator institutions have the same or very similar graduation and retention rates across all years. With the exception of North Dakota State University (80%), all other institutions have at least a 70% retention rate.

Table 2.8
Graduation and Retention Rates for Academic Year 2011-2012

Institution Name	4 years	5 Years	6 Years	Retention Rates*
University of Alaska Fairbanks	12%	26%	33%	74%
Montana State University	20%	41%	49%	74%
University of Idaho	23%	49%	56%	77%
University of Wyoming	23%	47%	54%	76%
The University of Montana	23%	44%	49%	74%
North Dakota State University-Main Campus	24%	46%	53%	80%
Utah State University	25%	40%	50%	72%
South Dakota State University	27%	49%	56%	75%

Source: Legislative Service Office from IPEDS Data Center.

*Retention in this context means a student went from their 1st year to their 2nd year.

Resident Undergraduate and Graduate Tuition and Fees. In the final data set related to student information, evaluators noted that although resident undergraduate and graduate tuition and fees have increased, there were instances when tuition remained constant. The visual representation of the data in this section can be found in Appendix F, Overlay 4.

Table 2.9
Resident Undergraduate and Graduate Tuition and Fees

FY	Undergraduate			Graduate		
	Tuition	Fee	Total	Tuition	Fee	Total
2002	\$2,316	\$491	\$2,807	\$2,895	\$491	\$3,387
2003	2,400	597	2,997	2,988	597	3,585
2004	2,520	570	3,090	3,408	570	3,978
2005	2,610	633	3,243	3,528	633	4,161
2006	2,760	666	3,426	3,720	666	4,386
2007	2,820	695	3,515	3,816	695	4,511
2008	2,820	734	3,554	3,936	734	4,670
2009	2,820	801	3,621	4,176	801	4,977

FY	Undergraduate			Graduate		
	Tuition	Fee	Total	Tuition	Fee	Total
2010	2,820	906	3,726	4,392	906	5,298
2011	2,970	957	3,927	4,608	957	5,565
2012	3,120	1,005	4,125	4,848	1,005	5,853
2013	3,180	1,098	4,278	4,944	1,098	6,042
Increase Amount	\$1,074	\$755	\$1,829	\$2,332	\$755	\$3,087
% Change	49.58%	184.60%	71.03%	86.12%	184.60%	99.04%

Source: Legislative Service Office from information provided by the University of Wyoming.

Notes: Fees within this context only refer to those that are mandatory. 2002 and 2003 tuition based on 12 hours per semester. 2004 through 2013 tuition based on 15 hours per semester for undergraduates and 12 hours per semester for graduates.

Wyoming tuition and fees increased between FY2001 through FY2006 and stayed constant until FY2010, where they started to continue to increase again until FY2013. As the data demonstrates, resident graduate tuition has risen at a faster rate than undergraduate tuition. Specifically, undergraduate tuition costs for residents increased 47% from \$2,166 in FY2001 to \$3,180 in FY2013. Mandatory fees increased 168% from \$409 in FY2001 to \$1,098 in FY2013. Resident graduate tuition costs increased 83% from \$2,708 in FY2001 to \$4,944 in FY2013. The same amount of mandatory fees described above and is charged to graduates students as is charged to undergraduate students.

Tuition and Fees in Other States. While increases have occurred at the University, resident tuition for undergraduates has remained comparably low. The University's in-state tuition is the lowest of the seven (7) comparator states listed below in Table 2.10. The second lowest institution in terms of tuition was South Dakota State University with tuition at \$3,897.

Table 2.10
Comparator State FY2013 Undergraduate Resident Tuition

Institution Name	In-state Tuition
University of Wyoming	\$3,180
South Dakota State University	3,897
University of Idaho	4,230
The University of Montana	4,373
University of Alaska Fairbanks	4,950
Utah State University	5,030
Montana State University	5,330
North Dakota State University-Main Campus	6,135

Source: Legislative Service Office from IPEDS Data Center.

Faculty Data

University officials have stated that over the past few years faculty and other employee compensation has been stagnant with no significant salary increases. As a direct result, University officials argue that the lack of salary increases along with resulting turnover rate creates the inability to retain quality or high-performing faculty. However, there are a variety of reasons why individuals, especially faculty, choose to leave the University. These reasons have

previously included such examples as seeking employment opportunities for a significant other, or deciding to pursue a career outside of academia. Therefore, while faculty salaries are an important concern it is not the only factor driving faculty retention.

Academic and Administrative Salary. A primary purpose of the transition to block grant funding appropriation was to allow the University enough flexibility to manage the number of employee FTE and the amount of compensation they would be paid. Therefore, one way to determine the effectiveness of the block grant is to examine to what extent the University utilizes its resources to provide for its workforce.

A ten-year review of University salaries also indicates that under the block grant funding model, salaries for all classifications (e.g. faculty, administrators, administrative professionals, and academic professionals) have increased. This increase has essentially kept up with the CPI cumulative rate of 27% measured from FY2004 to FY2013. However, it has not kept up with inflation in Wyoming, as measured by the WCLI, which shows a cumulative average inflation rate of 47% for the same period.

For a visual representation of the data refer to Appendix F, Overlay 5. A more specific discussion about academic and administrative salaries follows in Chapters 3-5.

Faculty Turnover. Several University officials cited the inability to recruit and retain high quality faculty members as a major concern for its status as a top research institution. When asked, University officials provided turnover data and stated that faculty positions become open in one of four (4) ways retirement, resignation, tenure denial, or a death. The turnover data provided by the University was examined and compared to the Section I funded employee FTE count for context. The faculty turnover as reported by the University only represents a very small portion of the overall employee FTE count. Specifically, on average from FY2004-FY2012, faculty turnover comprised 1.7% of the Total FTE count and 5.45% of the faculty FTE count. The information in the table below can also be found visually represented in Appendix F, Overlay 7.

Table 2.11
Turnover and Section I Funded Employee FTE Count

FY	Turnover: Retirement or Death	Turnover: Resignation	Total Turnover	Faculty FTE	Total FTE
2004	16	22	38	643	2038
2005	3	32	35	627	2046
2006	20	19	39	645	2091
2007	19	16	35	643	2062
2008	12	30	42	644	2113
2009	6	28	34	663	2165
2010	18	13	31	686	2127
2011	11	18	29	689	2104
2012	16	23	39	687	2136

Source: Legislative Service Office from information provided by the University of Wyoming.

The turnover numbers shown in the table above are meant to give perspective as to the scale of faculty turnover. It is understood that the quantity and quality of the research conducted, as well as the amount of money lost because of the faculty, and the cost to replace that faculty member represent significant costs for the University. Considering these factors, it is necessary in determining the true loss that these individuals create. However, it is still worth noting that the priority and concern from University officials about the loss of high-performing research faculty pertains to only a very small fraction of the total employee and faculty FTE counts.

The University is a dual-purpose institution with teaching and research responsibilities. There is a significant amount of resources, effort, and attention paid to those high-performers who leave the University, in comparison to the remaining population. Considering that on average the University turnover is 36 faculty members annually or an average turnover rate of 5%. Comparatively, according to the Bureau of Labor Statistics cites all turnover or “*separations*” across all fields for March 2014 at 3.3%. While the specific statistic for the education and health services sector is 2.5%.

Faculty Turnover: Loss to Other Institutions. University officials cite that there are numerous instances where “*strong performances [were] actively recruited away or sought and obtained another position*” with another institution. Listed in Table 2.12, below is the number of high performer departures between 2006 and 2013. These individuals included tenure-track faculty, extended term track academic professionals, archivists, and library faculty. Also provided in the table below are a few examples of where the strong performers went after they left the University.

Table 2.12
Strong Performers Leaving the University 2006-2013

Year	Number of Strong Performers that left the University	Examples of where strong performers left the University for
2006	9	<ul style="list-style-type: none"> • LCCC • At least five (5) other universities or colleges: <ul style="list-style-type: none"> ○ Boise St., Boston U., Colorado State U., Florida International , U. of New Mexico
2007	14	<ul style="list-style-type: none"> • Disney Co. • At least six (6) other universities or colleges: <ul style="list-style-type: none"> ○ UC Davis, Denver U., Imperial College London, James Madison, New Mexico State U., SUNY Long Island
2008	26	<ul style="list-style-type: none"> • Naval Postgraduate School • Germany • At least eleven (11) other universities or colleges: <ul style="list-style-type: none"> ○ Metro State, U. of Texas System, U. of Wisconsin Greenbay, U. of Illinois Chicago, U. of Memphis, U. of New Mexico, U. of N. Dakota, U. of Tennessee, U. of Connecticut, Washington and Lee U.

Year	Number of Strong Performers that left the University	Examples of where strong performers left the University for
2009	10	<ul style="list-style-type: none"> • At least four (4) other universities or colleges: <ul style="list-style-type: none"> ○ BYU, Texas Christian U., U of Nevada Las Vegas, U. of Illinois,
2010	13	<ul style="list-style-type: none"> • At least five (5) other universities or colleges: <ul style="list-style-type: none"> ○ Arizona St. (3), DePauw, U. of Dallas, U. of Missouri, U. of Iowa
2011	13	<ul style="list-style-type: none"> • Air Force • At least eight (8) other universities or colleges: <ul style="list-style-type: none"> ○ SUNY Potsdam, U. of Wisconsin, Brock U. Ontario, U. of Bath, Western Washington U., Georgia St. U., Utah St., Washington St.
2012	20	<ul style="list-style-type: none"> • At least three (3) left to accompany a spouse • U.S. Tax Court • USGS • At least eleven (11) other universities and colleges: <ul style="list-style-type: none"> ○ Washington State, U. of Maryland, U. of Bath, U. of Louisville, University of CO Boulder, Northeastern U., U. of Houston, U. of Oregon, Penn State, U. of Texas Austin, Georgia State
2013	30	<ul style="list-style-type: none"> • At least one (1) left for divinity school • At least two (2) left for non-academic institutions • U.S. Attorney General's Office • At least fourteen (14) other universities and colleges: <ul style="list-style-type: none"> ○ U. of Calgary, Purdue U., University of Arizona, University of Memphis, University of Missouri, North Carolina State, Texas Tech, Texas A&M, University of Idaho, University of Utah, Howard University, Kansas State U., University of West Sydney Australia, George Washington U.
Total	135	

Source: Legislative Service Office from information provided by the University of Wyoming.

While the University is losing strong performers to a variety of institutions, this loss is neither consistent nor substantial. Additionally, from the data provided it was evident that while the University does lose strong performers to other institutions, there is not enough evidence to suggest that these losses are always related to salary and compensation concerns. Of those strong performers that left the University from 2006-2013, and whose locations were known, as noted above in the table, four (4) left for other non-academic reasons. Specifically, one (1) left due to a program closure in Health Science, one (1) left to attend Divinity school, and two (2) others were not taking other academic related positions.

Courses and Faculty. The data within this section includes: the number of courses taught by faculty members; the number of courses falling below University minimums for class size; and, salary data. The University has to balance between resource management and providing the best opportunities for students who are the University's primary consumers and constituency. The information presented in this section is visually represented in Appendix F, Overlay 8.

Table 2.13
Courses Taught by Faculty and Academic Professionals and Others

FY	Courses taught by Faculty*	Courses taught by Academic Professionals and Others**
2003	57%	43%
2004	55%	45%
2005	57%	43%
2006	58%	42%
2007	59%	40%
2008	59%	40%
2009	58%	42%
2010	58%	42%
2011	58%	42%
2012	57%	43%

Source: Legislative Service Office from information provided by the University of Wyoming.

*Faculty only includes Tenure or Tenure Track individuals.

** Academic Professionals and Others includes: lecturers, extended-term track lecturers, graduate assistants, retired faculty, supplemental (lecturers without extended term track status), visiting, volunteers, UW employees, and professionals that are not paid by UW (i.e. volunteers, experts in specialized fields such as lawyers, elected officials, superintendents of school districts, etc.).

On average, 58% of all University classes are taught by faculty; nearly half of all classes at the University are taught by individuals other than faculty. An explanation for the high percentage of academic professionals and others teaching courses, as provided by University officials, is that all faculty members have to balance between teaching, research, and service obligations. Therefore, the split between faculty and academic professionals and others teaching courses at the University relates to a need to balance the appropriate number of courses for students, and the prevalence of other faculty obligations. However, in trying to achieve this balance the University has had to expend additional resources to supplement its workforce by hiring an increased number of academic professionals and others individuals to teach students.

Table 2.14
Group 1 Courses Falling Below University Minimums

FY	Lower Division Courses Falling Below University Minimums	Upper Division Courses Falling Below University Minimums	Graduate/Professional Courses Falling Below University Minimums	Total Courses Falling Below University Minimums
2003	12%	25%	25%	20%
2004	12%	26%	24%	20%
2005	11%	25%	27%	20%

FY	Lower Division Courses Falling Below University Minimums	Upper Division Courses Falling Below University Minimums	Graduate/Professional Courses Falling Below University Minimums	Total Courses Falling Below University Minimums
2006	11%	26%	29%	20%
2007	9%	25%	31%	20%
2008	9%	29%	33%	22%
2009	9%	28%	35%	22%
2010	8%	26%	29%	20%
2011	9%	24%	25%	18%
2012	12%	29%	31%	22%

Source: Legislative Service Office from information provided by the University of Wyoming.

Note: Courses at the University are divided into two (2) groups. According to University officials, “*Group 1 is group instruction and includes lectures, discussions, seminars, labs, studio courses, and recitations. Group 2 is individualized instruction and includes lessons (i.e. music), internships, clerkships, practicums, independent study, and research. The groups do not distinguish between undergraduate and graduate-level courses.*”

Within this context, on average, 20% of all Group 1 courses fall below University minimum standards in terms of course size requirements. The average number of courses falling below University minimums for upper division undergraduate courses is 26% and the graduate or professional courses are 29%. University officials cited several reasons for the 20% of courses failing to meet minimum student enrollment criteria set by the University. These reasons included:

- misclassification of courses as “group instruction” when they were not (e.g. Independent Study and Senior Research Experiences);
- the structure of music classes and lessons;
- keeping faculty at a minimum workload requirements; and,
- the need to provide students with the courses that they need in order to graduate.

While University officials state that courses are allowed to fall below the minimum, analysis illustrates that resource management has been a contributing factor to this problem. Students are expected to fulfill a multitude of requirements in order to complete their degrees in a timely manner. However, when students are not given access to courses due to the lack of faculty availability, it becomes difficult to graduate on time. The impact of this issue includes: an extended matriculation rate, an increased cost to the students, and an increased cost to the University to support those individuals.



Chapter 3

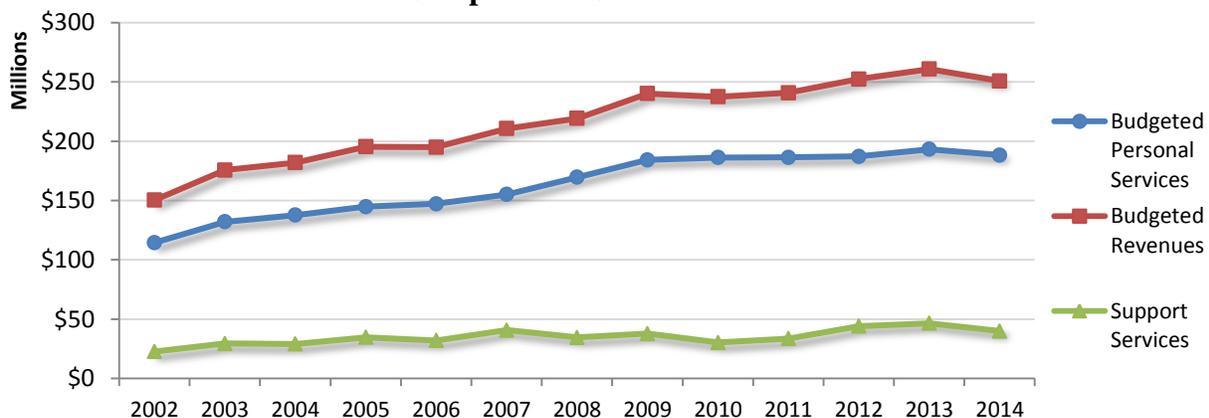
Ten-Year Salary Analysis

Finding 3.1: Since 2010, the University decreased the proportional percentage of Section I revenues it allocates to Personal Services.

Recent budget trends at the University of Wyoming (“University”) show a shifting of funds, proportionally, from Personal Services to Support Service. However, according to University officials, the 2009 budget reduction was primarily accomplished through two (2) 5% reductions in each division’s Section I Support Services budget. While the initial budget cut was accomplished through reductions in Support Services, in the years following, accommodation for the budget reduction was accomplished by proportionally shifting budgeted funds for Personal Service to Support Service. Given the University’s stated priority of adequately funding salaries, it is unclear if the proportional shift of budgeted funds after the 2009 budget reduction was an unintended result, and therefore if the shift aligns with current goals and objectives.

Budgeted Funds for Personal Services. The University’s Section I budget is primarily dedicated to Personal Services, and budgeted funds for Personal Services have increased 64% from \$114,507,328 in FY2002 to \$188,280,744 in FY2014. During the same time, budgeted funds for Support Services increased 76% from \$22,660,809 in FY2002 to \$39,900,020 in FY2014. Generally, budgeted funds for Personal Services follow the trend as all Section I revenues as depicted in Illustration 3.1, below.

Illustration 3.1
Budgeted Funds for Personal Services and Support Services
Compared to Section I Revenues

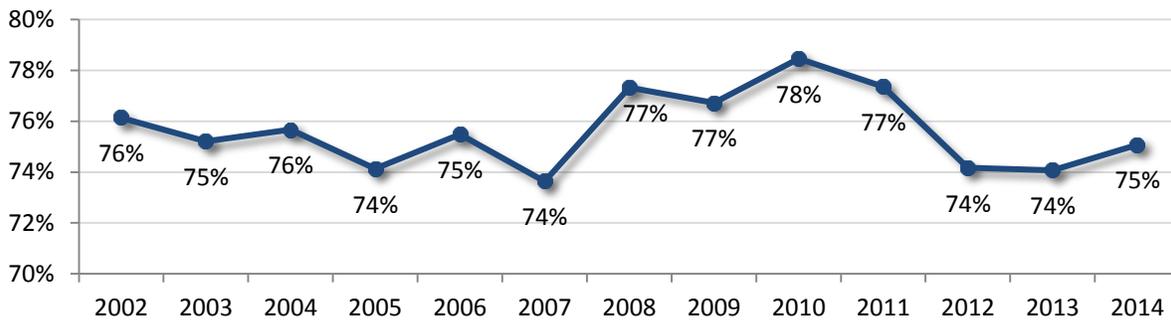


Source: Legislative Service Office analysis of Budget Indexes.

Note: Does not include appropriations for NCAR and SER.

While the aggregate amount of budgeted funds for Personal Services increased over the thirteen (13) year period, with the exception of FY2014, the percentage of the total Section I funds allocated to Personal Services fluctuated between 74% and 78%. As shown in illustration 3.2, below, there is a steady decrease in the proportional amount of budget funds for Personal Services beginning in FY2010, with the exception of FY2014.

Illustration 3.2
Percentage of Section I Funds Budgeted for Personal Services

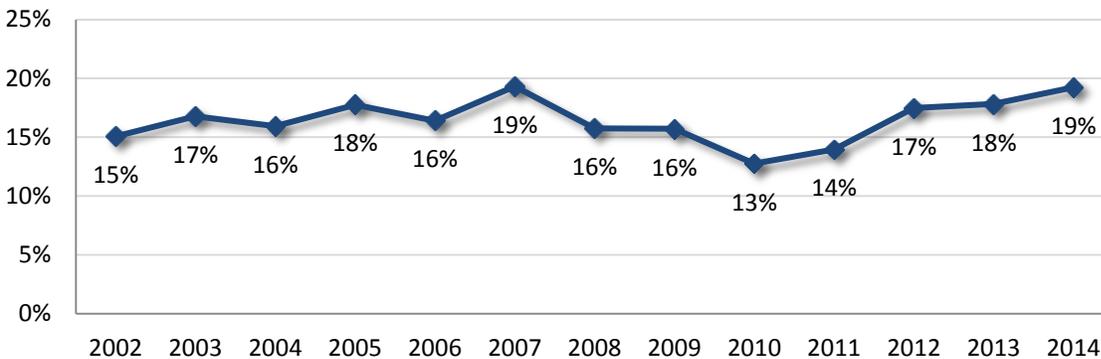


Source: Legislative Service Office analysis of Budget Indexes.

In addition to the decrease in the proportional amount of Section I funding allocated for Personal Services, there is an increase in the proportional amount of funding allocated for Personal Services toward employer paid benefits. The proportional amount of budgeted Personal Services funds for employer paid benefits increased 20%, or \$22,586,506, in 2002 to 26%, or \$49,567,838, in FY2014. As a result, proportionally even less of the Section I funds are budgeted for actual salary dollars.

The decreasing trend since 2010 is unique only to the natural classification of Personal Services since the percentage of budgeted funds for Support Services, Grant & Aid Payment, and Non-operating expenditures have remained level over the same thirteen (13) year period. In fact, the percentage of budgeted funds for Support Services, which is the second highest funded category, began increasing in 2010, as shown in Illustration 3.3, below.

Illustration 3.3
Percentage of Section I Funds Budgeted for Support Services



Source: Legislative Service Office analysis of Budget Indexes.

Note: Support Services includes expenses for services including but not limited to, commodities purchased for consumptions, costs for rental of real estate or equipment, insurance premiums, maintenance service contracts, travel expenses, equipment, and contractual expenses.

In looking at the budgeting trends for Personal Services and Support Services combined, it is observed that from 2002 through 2009 both have similar increases. Between FY2002 and FY2009, budgeted funds for Personal Services increased 61%, or \$69,755,300, while funds

allocated to Support Services increased 66%, or \$15,049,681. However, following the FY2009 budget reduction through FY2014, budgeted funds for Personal Service increased 1%, or \$1,978,416, while funds allocated for Support Services increased 32%, or \$9,637,588. Since it is currently difficult to tie planning efforts to the University's budget, as discuss in Chapter 7, it is not clear if the proportional shift in funding from Personal Services to Support Services was intended and aligns with current goals and objectives.

Recommendation 3.1: The University should re-examine if the proportional budgeted allocation for Personal Services aligns with current goals and objectives.

Finding 3.2: The University has operated under the block grant funding to allow for increases in the number of employees, the total amount of salaries, and the median salary amounts. However, increases are disproportional across the positions classifications, which in some instances may not be aligned to current goals and objectives.

The University has the authority to create, transfer, or eliminate positions at its discretion. Therefore, evaluators conducted a historical review of the salaries at the University to determine where and how funds for Personal Services were allocated. Historical review of how the University used block grant funds over the past ten (10) years does not reveal that the block grant funding causes inefficiencies in the management of salaries at the University. Overall, the University was able to use block grant funds to increase the number of employees; increase the funding amount dedicated to salaries; and increase the median salary.

However, certain trends developed over the past decade that may illustrate the opportunity for the University to improve its use of the block grant appropriation. While there are multiple contributing factors that impact salary trends, taking action on some of the identified trends that have occurred over the past decade could prove beneficial to effectively managing block grant funding in the future.

Growth Rate of Employees. The University grew its benefited employee population approximately 4% since 2004, based on the sum of employee FTEs. Listed in Table 3.1, below, is the sum of all benefited FTE positions funded through the Section I budget for each employee classification. The growth rate for the count of employee FTEs, while slightly less, follows the same trend as the sum demonstrating that the proportional number of part-time FTEs remained constant.

Table 3.1
Section I – Sum of All FTEs

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Academic											
Professional	249	270	289	262	270	273	274	257	270	285	15%

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Administrative Professional	2	18	15	19	26	28	20	28	38	29	1350%
Administrators	71	59	54	53	58	59	57	58	54	53	-26%
Classified	1032	1038	1037	1031	1064	1072	1012	996	1007	975	-6%
Contract	41	34	51	54	52	70	79	76	80	81	98%
Faculty	643	627	645	643	644	663	686	689	687	688	7%
Total	2038	2046	2091	2062	2113	2165	2127	2104	2136	2111	4%

Source: Legislative Service Office analysis of ten-year salary information provided by the University of Wyoming.

Note: Includes positions jointly funded by Section I and Section II budgets.

The growth rate for the sum of employee FTEs varies for each classification with contract positions (i.e. athletic positions) was observed to have the largest percentage increase. Only classified and administrator positions were observed to have a reduction in growth over the ten (10) year period. However, all position classifications showed a reduction when reviewed on a year-over-year basis at some point during the ten (10) year period, albeit not for the same years.

It is important to note that the initial growth of administrative professionals and decrease of administrators is a result of reclassification. When reviewed together, the combined growth rate for administrative professionals and administrators during the ten (10) year period is 12%.

Aggregated Salary Totals. The change in the aggregated funding for each position classification is similar, but does not directly correspond to a change in the sum of employee FTEs, as depicted in Table 3.2, below. For administrator and classified positions, a growth in the aggregated salary totals for the ten (10) year period is observed during the same time a decrease in the sum of employee FTEs was observed. It should be noted that for the past three (3) years, from 2010 through 2013, a reduction in the aggregated salary amounts is observed for administrator and classified positions.

Table 3.2
Section I – Sum of Salaries

Position Type	2004	2013	Change %
Academic Professional	\$9,963,914	\$13,921,482	40%
Administrative Professional	146,508	2,156,851	1372%
Administrators	5,861,432	6,406,701	9%
Classified	31,378,330	38,411,298	22%
Contract	1,963,255	4,422,234	125%
Faculty	43,499,535	57,505,858	32%
Total	\$92,812,974	\$122,824,424	32%

Source: Legislative Service Office analysis of ten-year salary information provided by the University of Wyoming.

Note: Includes positions jointly funded by Section I and Section II budgets.

Median Salary Totals. The median salaries for each position category, listed in Table 3.3, below, were reviewed for comparisons to the growth rates. For all categories, the median salary increased 30% over the ten (10) year period, with increases in median salaries for administrators

and administrative professionals outpacing all other position categories. Even adjusting for the transition period when positions were shifted from the administrator category to the administrative professional category, evaluators observed that administrative professional median salaries increased 36% between 2008 and 2013. The disproportional increase in salaries for administrators, including administrative professionals, is discussed further in Chapter 5 related to salary increases.

Next to salaries for contract positions, which was observed to have a decrease in the median salary, faculty salaries were observed to have the smallest percentage increase in median salary. This trend is significant given the University's efforts to maintain market competitive faculty salaries.

Table 3.3
Section I – Median Salary by Position Classification

Position Type	2004	2013	Change %
Academic Professional	\$41,448	\$52,740	27%
Administrative Professional	57,504	81,000	41%
Administrators	77,196	106,098	37%
Classified	30,360	40,032	32%
Contract	58,296	50,004	-14%
Faculty	63,828	78,180	22%
Total	\$42,312	\$54,876	30%

Source: Legislative Service Office analysis of ten-year salary information provided by the University of Wyoming.

Note: Median salary based on full FTEs only. Include positions jointly funded through Section I and Section II budgets.

By combining all three (3) analyses, a more complete picture is portrayed of how Section I funds for Personal Services have been distributed for benefited employees. Listed in Table 3.4 below are the change percentages for the sum of the salaries, sum of employee FTEs, and median salaries for benefited employees.

Table 3.4
Section I – Change % from 2004-2013 by Position Type

Position Type	Change in Sum of Salaries		Change in Sum of FTE		Change in Median Salary	
	%	Amount	%	Amount	%	Amount
Academic Professional	40%	\$3,957,569	15%	36	27%	\$11,292
Administrative Professional	1372%	2,010,343	1350%	27	41%	23,496
Administrators	9%	545,269	-26%	-18	37%	28,902
Classified	22%	7,032,968	-6%	-57	32%	9,672
Contract	125%	2,458,980	98%	40	-14%	-8,292
Faculty	32%	14,006,323	7%	45	22%	14,352
Total	32%	\$30,011,450	4%	73	30%	\$12,672

Source: Legislative Service Office analysis of ten-year salary information provided by the University of Wyoming.

Note: Median salary based on full FTEs only. Include positions jointly funded through Section I and Section II budgets.

Some anomalies observed in the trend data are explainable. For example, the increase in the sum of salaries and sum of FTE, but decrease in median salary for contract employees is likely a product of the shift in position funding from Section II to Section I, which is discussed in further detail in the next section. Other anomalies in the trend data are not as easily explained. For example, the small increase in the sum of salaries, decrease in the sum of FTEs, and increase in median salary for administrators is partially a product of the creation of the administrative professional category. However, it is not clear why the increase in median salary for administrators and administrative professionals combined out-paced median salary increases for all other position types.

It is also unclear if the proportional increase in median salary for faculty is an intended trend. Since 2004, Section I funded faculty has one of the smallest increases in median salary of all position classification types. Multiple possibilities exist to support the cause of the disproportional increase. For instance, despite funding levels, the sum of FTEs increased at a rate that diluted funding to prohibit additional increases in median salary. Additional funds could have been allocated to faculty salaries. Regardless of the cause, without planning efforts more closely tied to the University budget, it is unclear if the budgeted trends align with current goals and objectives.

Recommendation 3.2: The University should re-examine if proportional budgeted allocation for the various employee classifications aligns with current goals and objectives.

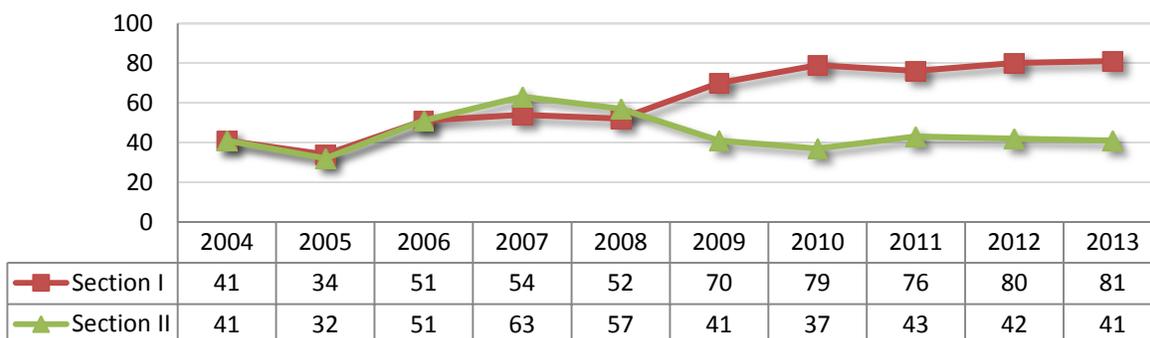
Finding 3.3: Budgeting flexibility afforded to the Division of Athletics allows for funding inequities.

The Division of Athletics is uniquely funded in that it is an auxiliary enterprise that receives Section I funding. The amount of Section I funds allocated to the Division of Athletics is not insignificant. In FY2014, the Division of Athletics received \$12,635,054 in Section I funding including \$6,694,674 in General Funds, and \$3,370,055 in University Income other than revenue from athletics.

Like all other Section I budget units, budget caps are established by University Administration for the Division of Athletics Section I funding; the Division has the budget flexibility to budget the money established within the caps accordingly. However, the Division of Athletics has access to its Section II auxiliary enterprise budget. While funding from Section I and Section II are not combined, the Division of Athletics has flexibility to choose what items are funded with its Section I budget, and what items are funded with its Section II budget. The increased budget flexibility of having access to a Section II auxiliary enterprise budget may have resulted in funding inequities when compared to other Section I budget units.

Funding Source Shift for Contract Positions. Beginning in 2009, the University shifted funding for athletic positions (contract positions) from its Section II budget to its Section I budget. At the time of the funding shift there was not a proportional increase in Section I athletic revenues to support the shift. Listed in Illustration 3.4, below are the sums of FTEs for athletic positions by funding source for the ten (10) year period.

Illustration 3.4
Sum of FTEs for Contract Positions by Funding Source



Source: Legislative Service Office analysis of ten-year salary information provided by the University of Wyoming.

Note: Positions funded by both Section I and Section II are counted in for each funding source.

Even though contract positions are a small portion of the benefited staff, the shift in funding from Section II to Section I is not insignificant. Between FY2008 and FY2009, a total of 30 contract positions were observed to have funding shifts resulting in the movement of approximately \$700,000 in funding for athletic salaries from Section II to Section I. Also beginning in 2009, the Division of Athletics shifted its entire Support Services budget to Section II funding in order to balance the funding shift for positions moved to be funded through the Section I budget.

As a result of moving the entire Support Services budget to Section II, the Division of Athletics avoided one of the two (2) mandatory budget reduction cuts in FY2009, which was contrary to the established budget objective for Section I budget units. Also, subsequent to 2009, the number of contract positions increased more than any other classification of position type. The Section I athletic revenues did not proportionally increase during the same period, and the Division of Athletics did not have the same percentage of budget reductions as other Section I funded divisions. The increased burden of funding athletic employees came from Section I revenues other than Section I athletic revenues, which may suggest a funding inequity when compared to other Section I budget units.

Recommendation 3.3: The University should re-examine the current balance of Section I and Section II funding for the Division of Athletics and ensure that the established balance aligns with current goals and objectives.



Chapter 4

Faculty Salaries

Finding 4.1: The current list of comparator institutions used by the University as a benchmark to measure market levels of faculty salaries does not provide an accurate representation of similar institutions. As a result, the percentage of faculty salaries reported below market levels may be misrepresented to the Board and the Legislature.

The University of Wyoming's ("University") ability to offer market competitive salaries for its faculty has been a topic of discussion before and subsequent to the institution of the block grant funding model. Because the measurement of faculty salary levels at the University is dependent on the established benchmark, it is imperative that the University select similar institutions that provide a realistic basis for comparison.

Selecting institutions that are similar to the University is challenging for multiple reasons including: its small size compared to the breadth of programs offered, single institution system, and rural geographic make-up. However, many of the institutions currently selected by the University for the purpose of establishing market salary levels are dissimilar in many ways, and, consequently, salary conditions for faculty may be overstated.

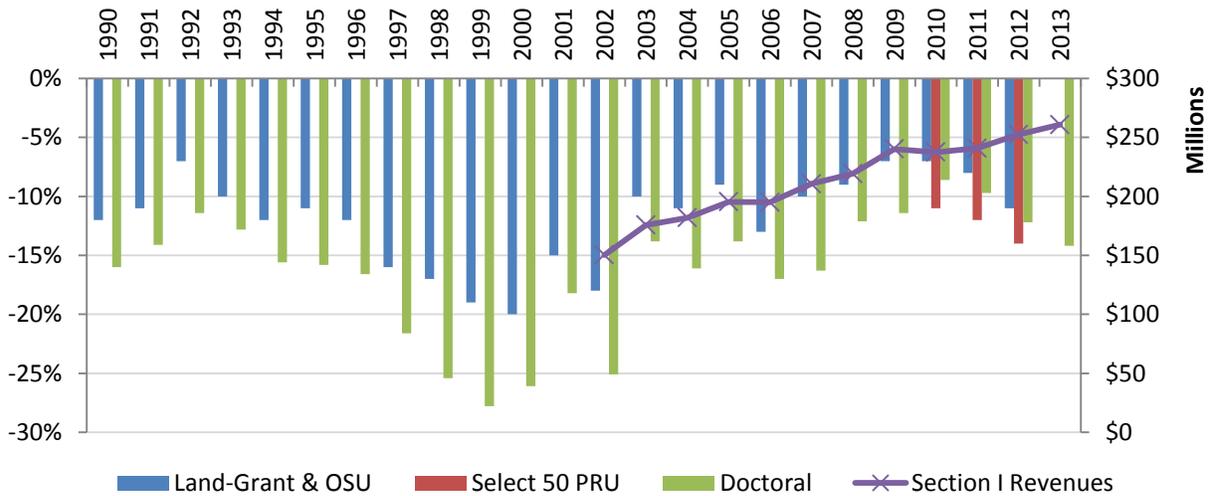
For example, using various comparators, the University consistently reports that its salaries are anywhere from 7% to 28% below average salaries of comparator institutions. However, when comparing salaries with similar institutions in the comparator states of Utah, Montana, Idaho, Alaska, North Dakota, and South Dakota, the University salaries rank 2nd for assistant professors, 3rd for associate professors, and 2nd for professors.

Faculty Salary Comparison. Over the years, the University has used several different data sources for market comparison analysis of faculty salaries, and within the data sets, has compared itself to various types of institutions. From the late 1990s through 2005, salary comparison data provided by the University included comparison to other land-grant institutions as a standard for market salaries. More recently, the University has used salary data of institutions that participate in a survey published by Oklahoma State University ("OSU") to establish faculty market salary levels. Additionally, the University used a group of other doctoral institutions as a benchmark to compare salaries at the University. Very recently, the University began using salary data from 50 select Public Research Universities ("PRU"), identified through the faculty senate salary study completed in 2011, as a benchmark for determining desired market salary levels.

Compiled in Illustration 4.1, below, is salary analysis data provided by the University over the years illustrating the degree to which faculty salaries at the University fall below the selected comparator groups of other land-grant institutions; all reporting OSU institutions; the 50 select PRU; and, doctoral-level universities.

As illustrated, the percentage difference varies based on the comparison data set as is evident by the varying differences when compared to salaries at the University for the same year. For example, salaries for doctoral institutions were greater than salaries for land grant institutions and participating institutions in the OSU survey for the same years. Similarly, faculty salaries for the select 50 PRU were greater than all other measured categories for the same years. While the difference as a percentage varies between the data sets, the overall year-over-year trend is consistent, and the percentage difference of faculty salaries at the University were between 7% and 28% below the average salaries of the institutions within the selected comparator groups.

Illustration 4.1
University Salaries Percentage of Market



Source: Legislative Service Office

Note: Blue bar from 1990-2005 is comparison to Land-Grant Institutions & from 2006-2012 is comparison to OSU survey data.

Through the various changes in the block grant funding model from 1990 to the present, it is significant to note that beginning in FY2000 the number of employee FTEs were no longer authorized or appropriated by the Legislature. Since the change in 2000, the difference in faculty salaries at the University has decreased when compared to all comparator groups. Therefore, overall it appears the budget flexibility for salaries may have improved the ability to offer market comparable salaries at the University. However, in terms the overall effectiveness between 2002 and 2009, there was a steady increase in general fund revenues as represented in the secondary axis. During the same timeframe, a scattered trend in market comparable salaries was observed.

Comparison to 50 Public Research Universities. In 2011, the 50 PRU were selected through a study completed by the Faculty Senate Budget Committee. The study on faculty salaries at the University was completed to help support planning efforts at the University, and was also presented to the Legislature as part of the Agency’s budget request.

The stated intent in selection of a group of comparator institutions was to provide a designated list of institutions that could be used in future comparisons, including but not limited to analysis of the faculty salary conditions at the University. Selection of the 50 institutions was “based on feedback and a process of review and input from then Provost and then Associate Provost from Academic Affairs, Faculty Senate and Deans and Directors...the driving factor for the selection

of universities was the need to recruit and retain faculty with research and teaching knowledge, skills and abilities to successfully perform in the nation's public research universities.” Listed in Table 4.1 are the 50 PRU identified through the faculty senate survey.

Table 4.1
50 Comparator PRUs Selected by the UW Faculty Senate Budget Committee

Arizona State University	Colorado State University	Georgia Institute of Technology	Indiana University – Bloomington	Iowa State University
Kansas State University	Michigan State University	Montana State University	New Mexico State University	North Carolina State University
Ohio State University	Oregon State University	Pennsylvania State University	Purdue University	Rutgers-State University of New Jersey-New Brunswick
Stony Brook University-State University of New York	Texas A&M University	University at Buffalo-State University of New York	University of Arizona	University of California – Berkeley
University of California – Davis	University of California – Irvine	University of California – Los Angeles	University of California – San Diego	University of California – Santa Barbara
University of Colorado – Boulder	University of Florida	University of Idaho	University of Illinois at Urbana-Champaign	University of Iowa
University of Kansas	University of Maryland – College Park	University of Michigan	University of Minnesota – Twin Cities	University of Missouri – Columbia
University of Montana	University of Nebraska – Lincoln	University of Nevada – Reno	University of New Mexico	University of North Carolina – Chapel Hill
University of Oregon	*University of Pittsburgh	University of Rhode Island	University of Texas-Austin	University of Utah
University of Virginia	University of Washington	University of Wisconsin – Madison	Utah State University	Virginia Polytechnic Institute and State University
Washington State University				

Source: Legislative Service Office review of the 2011 UW Faculty Salaries report.

*University of Pittsburg was originally included, but later excluded.

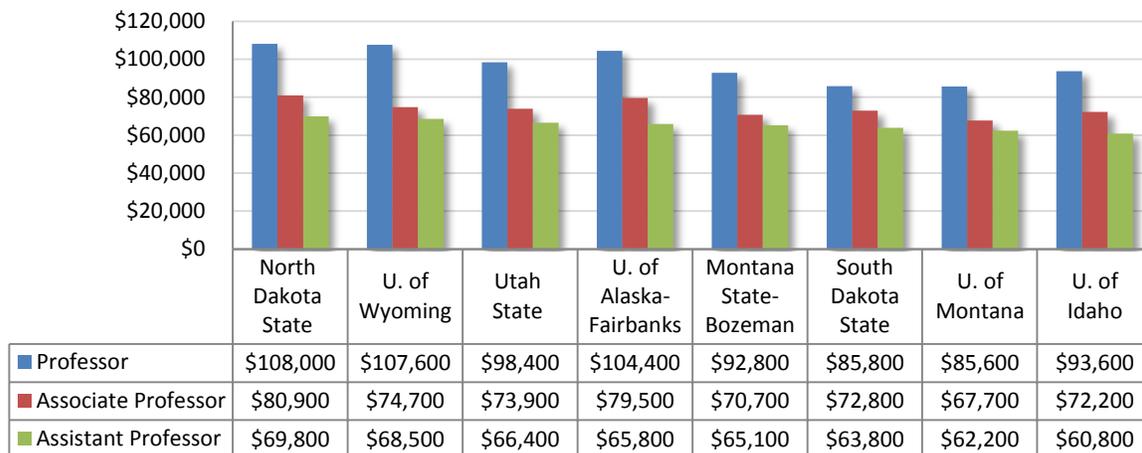
While some of the 50 selected institutions are similar in various aspects, very few are similar to the University in multiple measurable categories, such as research designation, revenues, expenditures, funding, and enrollment. Listed in Appendix K is each of the selected 50 PRU with comparison data for each of the identified measurable categories. As depicted in the appendix, many of the selected institutions are dissimilar in size; research activity; geographic region; and revenues and expenditures, all of which impact the validity of drawing comparison to the University for the purpose of faculty market compensation analysis.

Acknowledgement is made in the faculty senate study that even if the selected institutions are determined to be more aspirational in nature, salary comparison data could be used to define the difference between current salary benchmarks and aspirational benchmarks. While identification of aspirant institutions may be useful for some planning efforts, comparison to aspirant institutions for the purpose of current salary analysis distorts actual market salary conditions at the University. Additionally, when presenting salary comparison analysis to stakeholders using the 50 PRU as a benchmark, it is not accompanied with clarifying information that many of the selected institutions are aspirant in nature.

University officials have used salary averages from the 50 selected PRU for comparison analysis for presentation to the Board of Trustees (“Board”) in conjunction with tuition increase discussions. For example, in a 2013 report to the Board, University salary levels were reported as 14% below market averages when compared to the selected 50 PRU. The presentation discussed the need for an allocation of \$23.6 million in FY2013 and \$29.1 million in FY2014 to bring all University salaries to market average levels. University officials have also used comparison of the 50 select PRU to assess faculty salary market conditions and funding needs at the University in presentations to the Legislature within its Agency budget requests. It should be noted that in both the presentation to the Board, and the Agency budget request, the University also provided accompanying salary data from all institutions participating in the OSU faculty survey, which did provide a range for the benchmark for market analysis.

Comparison to Seven Selected Institutions. As discussed in the scope and methodology, seven (7) institutions were selected to provide a comparison analysis for various measured facets. Comparison of faculty salaries at some of the selected institutions may provide viable data; however, it is not suggested that the selected institutions are appropriate comparators in all instances for market salary analysis. The comparison of faculty salaries to the selected institutions simply illustrates the wide range of results that can occur depending on the comparator institutions used for analysis, as well as purpose of the comparison. Listed in Illustration 4.2, are the average faculty salaries by professor rank for the University and the seven (7) selected comparator institutions.

Illustration 4.2
2013-2014 Average Faculty Salary by Rank



Source: Legislative Service Office from salary data provided by AAUP.

Four (4) of the seven (7) comparator institutions are also included in the 50 PRU selected by the University for comparison of faculty salary data. Those include: Utah State University, Montana State University, University of Montana, and University of Idaho. When compared to the smaller group of seven (7) comparator institutions, not only are the faculty salaries at the University among the top three (3) highest for all ranks, University salaries also exceed the average salaries by 6% for Assistant Professors, 1% for Associate Professors, and 13% for Professors. By comparison, when the four (4) common selected institutions are compared as part of the 50 PRU institutions selected by the University, average salaries at the University are far less.

All but one (1) of the seven (7) selected comparator institutions compares itself to the University for purposes of strategic planning related to faculty salaries. North Dakota State University did not have a selected list of comparator institutions. Instead, North Dakota State compares faculty salary to broad categories such as all public doctoral institutions or institutions in the same region. The other six (6) selected institutions have lists of identified institutions used for comparison data, similar to the proposal made in the University's 2011 faculty senate study. However, each of the comparator institutions lists are much smaller and have more narrowly defined institutions used for comparison. Additionally, only one (1) other institution, the University of Idaho, was observed to include aspirant institutions in its list of comparison institutions. However, the aspirant institutions selected by the University of Idaho were identified as such to differentiate when used in comparison analysis.

The University of Alaska's approach to selecting institutions for the purpose of comparison analysis is unique from the approaches of the other selected institutions. Instead of choosing a single list of comparator institutions, the University of Alaska created multiple lists of comparator institutions for the following peer groups:

- public university systems;
- similar institutions based on size, mission, Carnegie classification, and program breadth separated by research and academic peers;
- institutions viewed as those they compete with for students;
- all other institutions in Alaska;
- western states comparison;
- less selective institutions; and,
- National Center for Higher Education Management Systems (NCHEMS).

The peer groups selected by the University of Alaska are used not only for the purpose of comparison analysis, but also to target best practices and identify institutions with similar challenges. For example, the western states peer group which includes Hawaii, Idaho, Montana, Nevada, North Dakota, South Dakota, and Wyoming is used to look at institutions with similar challenges in terms of distance, rural access, and economy with similar breadth of degree offerings. Similarly, the competitive peer groups is a selection of seven (7) institutions in other states identified as having historically attracted a high rate of Alaska high school graduates. The University of Alaska's approach of identifying for multiple types of peer institutions for varying

purposes appears to be an enhanced methodology to accommodate for challenges in selected comparable institutions.

New Faculty Salaries & Salary Compression. Newer employees at the University are very close to or exceed the pay of their more experienced colleagues, which results in a condition called salary compression. Given that salary increases at the University are awarded based on merit, in some instances, this salary compression may be warranted. In other instances, however, compression issues are not intended and result from multiple factors both within and outside of the University's control.

University officials are unable to speculate as to the extent of the compression problem. While there is no widespread strategic plan in place to address compression issues, equity issues are considered when administering raises. There are also instances of salary increases to address equity issues during non-raise years funded through excess funds gathered from position vacancies.

The appropriateness of starting salaries for new faculty can be a contributing factor for self-created salary compression issues. For faculty, there are no defined pay scales or correlating salary structure; therefore, the starting salary for a faculty employee is highly negotiable. University officials report that in some instances the average salary reported through the OSU survey is considered when determining the starting salary for new faculty. When the OSU average salary data is used, typically there is no control for variables, such as reporting region or amount of expenditures for the comparator institutions. University officials report that since recruitment is dependent on competition, it is sometimes impractical to control for variables such as a reporting region because the University may be in competition for a candidate with an institution in a dissimilar region, such as California.

Review of new Assistant Professor salaries at the University for FY2013 shows that 34% of the time, the new Assistant Professor salary exceeded the salary of existing faculty within the same department. Specifically, of the 184 other assistant professors', associate professors', and professors' salaries reviewed for FY2013, in sixty-three (63) instances the new assistant professors' salary exceeded an existing faculty salary within the same department.

Not only did the new assistant professor salaries exceed the salaries of other tenure-track faculty within the same department, the new assistant professor salaries exceeded the average salary of all tenure-track faculty within the same department. Of the twenty-four (24) new assistant professors employed in FY2013, the starting salary exceeded the average salary of existing assistant professors, associate professors, and professors within the same department in thirteen (13) instances, or 54% of the time. For all comparison analysis of existing faculty salaries to new assistant professor salaries, salaries for faculty with dual titles, such as Professor/Department Head, were excluded from the analysis.

Of the departments that hired new faculty in FY2013, two (2) departments did not have occurrences of compression. New assistant professor salaries in FY2013 for the department of Kinesiology & Health and the Law Dean's Office were not greater than colleagues within the same department, nor did they exceed the average salary of their respective department.

Recommendation 4.1: The University should re-examine its current list of comparator institutions, the 50 Public Research Universities, that is used to establish market comparator faculty salary data.

Recommendation 4.2: The University should establish multiple lists of comparator institutions used to conduct faculty market salary analysis for presentation to stakeholders including the Board and the Legislature. At a minimum, salary data from aspirant institutions should be separately identified and analyzed.

Supplemental Information

On July 29, 2014, the Management Audit Committee requested to include within the report the average professor salaries for the 50 PRU selected by the University. Accordingly, Appendix K.1 was included to provide the average faculty salary amount for each rank of professor for FY2013.

For clarification, by establishing and using the 50 PRU comparator institutions to assist the Board and Legislature in making fiscal decisions, the University has formed an expectation and provided direction to current University faculty with respect to where the University would like to proceed with respect to faculty salaries in the long term. However, as illustrated in this chapter, any list of comparators will contain some constraints and limitations that make such comparisons to the University advisory and optional for stakeholders to consider.

To encourage discourse and ensure transparency regarding the method by which comparator institutions are selected, our recommendations emphasize that the University revisit its current compilation of comparison institutions to address both current needs and aspirational goals. In other words, comparison lists should help the University plan reasonable, periodic strategies to bridge the gap between current faculty salaries, gauging progress against similarly situated institutions, and its outward years' goal to be among the top research universities in the country. The University may also wish to approach salary comparisons with other institutions at less aggregated levels. For example, there may be a need to compare faculty salaries at the discipline, program or department, or individual college levels. Still, any list used to provide analysis for stakeholders should explain the methodology, relevant metrics, and purpose that make comparison critical to expressing the University's needs.



Chapter 5

Raises at the University

Finding 5.1: Current compensation policies **1)** do not provide a consistent budgeted funding source for non-merit increases; **2)** do not provide a consistent methodology for salary increases; and, **3)** are lacking for certain employee classification types.

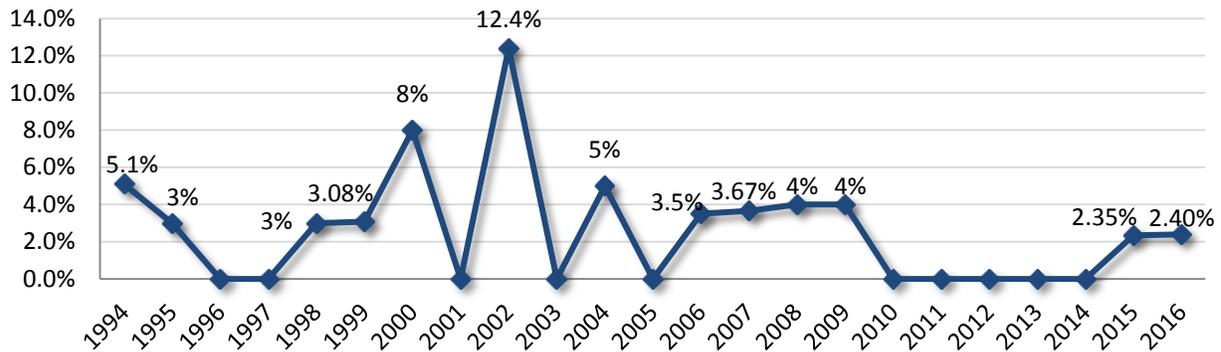
The University of Wyoming (“University”) has formal, Board of Trustees (“Board”) approved, compensation policies in place governing compensation for specified conditions or position types. For example, detailed policy exists for faculty compensation, which includes provisions related to initial appointment, changes in salary, temporary salary increases, and salary payments. Similarly, formal policy exists that establishes parameters for supplemental compensation for all position classification types. In addition to the Board approved policies, the University also has compensation policies established by its officers including a policy on off-cycle salary increases for faculty published by the Office of Academic Affairs, and a detailed classification and compensation plan for staff employees created through presidential directive. However, currently compensation policies for other classifications of employees, such as a detailed classification and compensation plan for administrative personnel, are lacking.

The University also lacks a compensation strategy for funding of off-cycle salary increases. A consistent funding amount is not budgeted for discretionary increases, and merit increases are only administered when there is a special appropriation for salary increases. As a result of lacking compensation policies for certain classifications of employees and a lacking compensation strategy for funding of off-cycle salary increases, as money becomes available for salary increases, all employees may not benefit equitably from salary decisions.

Salary Increases. A major premise of transition to block grant funding focused on providing the University increased flexibility to manage employee compensation and salary increases better. However, there appears to be a divergence from this philosophy in that University officials state currently, faculty salary increases are offered only when there is a specific increased legislative appropriation designated for raises. When questioned if faculty salary increases could be achieved in off-raise cycle years through reallocation of existing block grant funding, officials responded that there is simply not enough money within the block grant to accommodate merit increases without a specific increased appropriation.

Listed in Illustration 5.1, below, are the percentages of salary adjustments administered at the University over the past two (2) decades, before and after the institution of the block grant funding model. The salary increases documented below do not include one-time increases in 2001 and 2013, or senior faculty raises in 2006.

**Illustration 5.1
Percentage of Salary Adjustments**



Source: Legislative Service Office from information provided by the University of Wyoming.

One-time merit bonus not represented in graph:

- 2001: Pool equivalent to \$1500 per FTE distributed based on merit.
- 2013: \$1.8M distributed as a 1% bonus up to \$1200 granted to all employees with satisfactory job performance.

Senior faculty raises not represented in graph:

- 2006: In addition to the 3.5% raise pool, \$2.96M was allocated to senior faculty retention.

Distributed percentage unknown:

- 2015: \$4.15M appropriated- equivalent of 2.35% increase distributed 60/40 split between market and merit increases. Plus an additional \$1M in new tuition revenues allocated for merit increases.
- 2016: \$7.2M appropriated – distribution to be determined.

Pursuant to University Regulation 5-173, salary increases may only be administered to those employees meeting minimum performance ratings; employees in good standing; and employees meeting minimum employment duration requirements. Above the established minimum qualifications, allocation of funds for uniform salary increases is approved by the Board with consideration given to current salary conditions in determining how best to distribute funding. For example, in an effort to address market compensation levels for classified staff, the 2007 salary distribution policy, approved by Trustees, directed funds to classified employees below 90% of market salary levels.

In addition to University wide raises, salary increases are made on a case-by-case basis under the following conditions:

- Transfer;
- Tenure or promotion;
- Retention increases, or counter offers;
- Job audit;
- Pay equity correction; or,
- Temporary increase due to additional duties.

During recent periods when University wide salary increases were not administered, on average, 16% of the University's employees received salary increases for one of the special conditions described above. Listed in Table 5.1 is the number and percentage of employees for each position category who did not receive a pay increase between 2010 and 2014 listed by

employment duration. For example, 80.9%, or 686, of the 848 faculty continuously employed from FY2010 to FY2014 did not receive an increase in pay. Included in Appendix J are definitions for each position classification type

Table 5.1
Percentage of University Employee's without a pay increase between FY2010-FY2014

Employee Classification	FY10 - FY14	FY11 - FY14	FY12 - FY14	FY13 - FY14
Administrators	84.21% (48/57)	90.48% (59/69)	85.51% (59/69)	75.68% (56/74)
Classified	88.9% (905/1018)	87.75% (960/1094)	87.09% (1046/1201)	86.75% (1185/1366)
Faculty	80.9% (686/848)	79.76% (729/914)	81.23% (831/1023)	79.49% (911/1146)
Contract	73.33% (22/30)	54.29% (19/35)	74.51% (38/51)	67.69% (44/65)
Total	85.05% (1661/1953)	83.81% (1765/2106)	84.22% (1974/2344)	82.84% (2196/2651)

Source: Legislative Service Office from information provided to the Joint Appropriation Committee.

For all periods of employment, contract employees, which are made-up of primarily coaches, had the highest percentage of employees who received a salary increase under one of the special conditions, although, contract employees are the least populated group. Next to contract employees, faculty employees had the smallest percentage of employees who did not receive a pay increase, with the exception of administrative employees who were continuously employed from FY2013 to FY2014.

Funding for Discretionary and Promotional Salary Increases. Funding for discretionary and promotional salary increases is not consistently budgeted separately. Instead, budget units often rely on excess funds created through position vacancies, commonly referred to as 'scrape,' to fund salary increases for promotion, retention offers, and pay equity salary increases. Since scrape funds were a primary contributing source of funding for recent budget reductions, it is of concern whether or not adequate funds will be available in the future for mandatory off-cycle salary increases, such as promotion, or if funding resources from scrape are too finely stretched.

In past years, funding for discretionary salary increases due to inequities and market discrepancies have been reserved out of funds from the special appropriations for salary increases. For example, the 2007 salary distribution policy approved by the Board allowed the VP of Academic Affairs to reserve up to 10% of the faculty raise pool, after promotion adjustments, for distribution to the deans and directors to address salary inequities. A similar provision was approved for the President and Vice Presidents in the 2009 salary distribution policy. In a recent Board meeting, one member specifically criticized the University for the practice of using reserved appropriated salary increase funds for new hire compensation. In response, the current President of the Board assured the member that the funds appropriated for BFY2015 for salary increases would be used for salary increases.

In some instances, funding for discretionary salary increases available through excess salary funds is insufficient and the budget units look elsewhere for available funds. One such example is the use of the Office of Research and Economic Development's ("ORED") discretionary account, which is comprised of indirect cost revenues from federal grants, for faculty retention offers. In the past two (2) years, the Colleges have turned to the ORED to provide bridge funding for counter salary offers for faculty members who are actively recruited by other institutions. Bridge funding offered by ORED is typically for a one-year period, but can extend longer, after which the budget unit is responsible for finding a permanent funding source. As of the writing of this report, ORED's current commitment is \$117,014 for five (5) faculty members. The use of indirect cost revenues to provide bridge funding for faculty salaries may not be prudent because it could negatively affect ORED's ability to pay other costs commonly funded by its discretionary account, such as start-up costs for research faculty or the reallocation of additional funds to support operating expenses.

Increases in Administrator Salaries. The growth in average salaries for administrators and administrative professionals outpaced the growth for all other position categories. While it is difficult to find the best data set to use as a baseline for median salaries at the University, current median salaries for administrators do appear to be above market levels.

Since 2004, the average salary for administrators and administrative professionals funded through Section I increased 42% from \$71,323 in FY2004 to \$101,353 in FY2013. During the same time, the sum of salaries increased by about the same percentage, and the sum of FTEs increased 12%. Listed in Table 5.2, below are the sum of FTEs, sum of salaries, and average salaries for the combined categories for administrators and administrative professionals.

The largest increase occurred in FY2008 when the combined position categories of administrators and administrative professionals grew 18% in the sum of FTEs and 23% in the sum of salaries resulting in a 5% increase in average salary. For the same year, a University wide salary increase of 4% was administered. While not directly proportional, there is typically a closer correlation between the percentage of merit increase for a given year and the increase in average salary.

Table 5.2
Section I- Administrators & Administrative Professionals

FY	FTE			Sum of Salary			Average Salary		
	Count	Change %	Change Amount	Sum	Change %	Change Amount	Average	Change %	Change Amount
2004	73			\$6,007,940			\$84,385.32		
2005	77	5%	4	6,403,333	7%	\$395,393	86,195.53	2%	1,810
2006	69	-10%	-8	5,993,639	-6%	-409,693	87,661.97	2%	1,466
2007	72	4%	3	6,358,868	6%	365,228	89,717.68	2%	2,056
2008	84	17%	12	7,825,074	23%	1,466,206	94,453.87	5%	4,736
2009	87	4%	3	8,221,047	5%	395,972	97,483.73	3%	3,030
2010	77	-11%	-10	8,214,398	0%	-6,649	109,082.88	12%	11,599
2011	86	12%	9	8,923,457	9%	709,059	108,968.34	0%	-115
2012	92	7%	6	9,231,838	3%	308,380	106,215.56	-3%	-2,753

FY	FTE			Sum of Salary			Average Salary		
	Count	Change %	Change Amount	Sum	Change %	Change Amount	Average	Change %	Change Amount
2013	82	-11%	-10	8,563,551	-7%	-668,286	108,799.02	2%	2,583

Source: Legislative Service Office analysis of ten-year salary information provided by the University of Wyoming.

Note: Average salary based on for full FTEs only. Includes positions jointly funded by Section I and Section II.

The trend for higher than average increases in administrator salaries and positions is not a condition unique to the University. Debate exists in the field of higher education regarding the rapid growth in the number of administrators and amount of administrator salaries. On one side, it is debated that there may be a justifiable need for additional administrative staff to address increasing reporting and regulatory burdens. It is also argued that there may be a justifiable need for increased administrative salaries to match the growing complexity of running modern-day institutions. On the other side of the argument, unnecessary administrative bloat occurs when administrative position and salary increases go unchecked, which has an adverse impact on the quality of academic programs.

To assess median salaries for administrators at the University, evaluators compared University salaries to salary data available through the College and University Professional Association (“CUPA”) administrator salary survey. Listed in Table 5.3 are median salaries for positions at the University that align with administrative position categories within the CUPA survey data. On average, the median administrator salary at the University exceeds the median salary of the other institutions by 16%, not including median salaries for all types of deans, which are classified by the University within the faculty position category.

Table 5.3
Market Comparison of UW Administrator Salaries

CUPA Category	UW Median	CUPA Median- All Institutions	\$ Difference	% Difference
Top Executive	\$350,004.00	\$270,300.00	\$79,704.00	22.80%
Senior Institutional Officer	159,996.00	130,560.00	29,436.00	18.40%
Dean	194,964.00	144,372.00	50,592.00	25.90%
Institutional Administrators	133,008.00	97,597.00	35,411.00	26.60%
Heads of Divisions, Departments & Center	95,004.00	81,341.00	13,663.00	14.40%
Assoc./Asst. Dean	116,724.00	116,303.00	421.00	0.40%

Source: Legislative Service Office analysis of the University’s salary data compared to College and University Professional Association for Human Resources (CUPA) Administrators Salary Survey data.

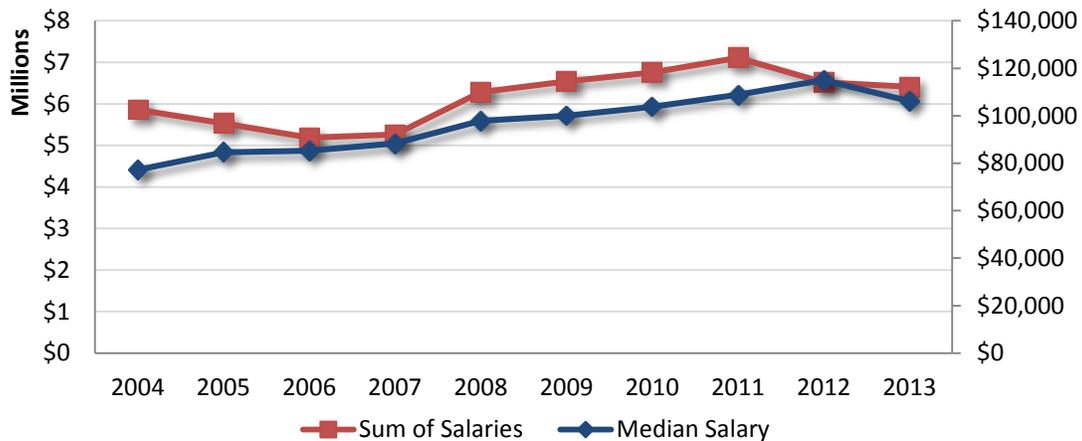
Note: Median UW salary based on full FTEs only; Deans and Assoc./Asst. Deans are classified as faculty at the University; and, some classified staff positions at the University were aligned to comparable positions within the CUPA institutional administrator category.

The above analysis is very broad in that it measures University salaries against all reporting institutions, which includes 1,247 higher education institutions. Median salary data for specific types of institutions; specific Carnegie classifications; or, reporting data by quartile based enrollment and expenditures is only available for specific positions and not at the CUPA broad category level. Generally, however, the median salaries for public institutions are very comparable to the median salaries for all institutions; therefore, the above comparison of

University salaries is accurate from the stand point of general types of institutions, i.e. public vs. private.

Recent trends at the University, with respect to administrator salaries, may indicate recognition by University officials of potential salary discrepancy issues between employee classifications. As depicted in Illustration 5.2, the aggregated sum of administrator salaries decreased -10% from \$7,109,836 in FY2011 to \$6,406,701 in FY2013, and the median salary decreased 8% from \$115,008 in FY2012 to \$106,098 in FY2013. Top administrators are also excluded from the salary increases authorized for FY2015.

Illustration 5.2
Administrator Salaries at the University



Source: Legislative Service Office analysis of ten-year salary information provided by the University of Wyoming.
Note: Median UW salary is the base salary for full FTEs only.

Compensation Policies in Comparator States. Struggling with faculty compensation is not a problem unique to the University. Of the other institutions reviewed, recent studies illustrate that other comparator institutions too are experiencing increasing difficulty in their ability to recruit and retain faculty. While there is no one approach for the resolution of faculty compensation issues, institutions in the selected comparator states have more developed formalized compensation policies that provide a foundation for a consistent approach to administering compensation increases.

The formal compensation policies in Montana, Idaho, and Utah are all similar and define and prescribe when and how salary increases are administered including adjustments for broad salary increases, merit increases, retention increases, and equity increases. Policies of this nature ensure that salary increase practices are equitably applied.

Alaska's compensation policy is different from the other comparator states' policies in that it provides a strategy to ensure faculty compensation increases are administered at a regular frequency consistent with market compensation levels. The compensation policy developed by Alaska's Board of Regents not only defines when and how salary increases are administered, but also prescribes process for assessing salary conditions and for allocating funds.

Specific charge is assigned to the Alaska's Board of Regents to monitor and ensure consistent application of regular faculty compensation. The Board is required to review and study faculty compensation conditions at the various institutions within the state at a minimum of every five (5) years and compare the findings to the market conditions. Specificity is provided in the compensation policy to include review of data from multiple sources, including but not limited to American Association of University Professors ("AAUP"), OSU, and CUPA to determine prevailing market conditions.

Alaska's compensation policy also contains a prescribed budgetary component to ensure funds are consistently dedicated for salary increases. Every year each institution must set aside funds for discretionary salary increases in an amount at least equal to 1% of cumulative value of regular faculty salaries from the previous fiscal year. Dedicated funds for discretionary salary increases are to be used for promotion increases, retention offers, equity salary adjustments, and extraordinary performance. By comparison, the University's approach is more reactive in nature since funds for similar discretionary salary increases are collected from excess funds from vacated positions, or indirect cost revenues from grants.

Alaska's compensation policy also requires each institution to administer annual salary increases to eligible faculty ranging from 2% to 10%, based on objective performance measures, funded by an amount equal to 1.6% of the cumulative value of the salaries of eligible faculty. While it is unclear if the requirement of annual faculty raises has had a direct impact on faculty turnover rates at Alaska's institutions, a policy to administer consistent salary increases should alleviate at least some faculty retention issues. As noted in the Chapter 2, the University of Alaska at Fairbanks receives far greater total revenues per student FTE when compared to the other comparator institutions including the University; however, Alaska's compensation policy applies to all Alaska institutions. While not used for comparison analysis, revenue per FTE was reviewed for the other two (2) four-year Alaskan institutions, which supports that Alaska's compensation strategy is applied to institutions receiving less revenue per student FTE than the University.

University officials state the absence of faculty salary increases for the four (4) year period beginning in 2009 impaired its ability to retain valued, qualified faculty. As a result, the University states faculty turnover has doubled since 2009, and the University as a whole has lost ground in its ability to provide competitive salaries. It is acknowledged that it is more difficult for an agency like the University, with the bulk of its budget directed to Personal Services, to budget for consistent salary increases within existing funds. However, given the level of total revenues the University receives per student FTE, including tuition and State appropriations, when compared to many other institutions, it is feasible that existing block grant funding could in some way be allocated in a method that promotes consistent faculty salary increases.

Recommendation 5.1: The Board should approve a formal compensation policy that better defines allowable instances of discretionary salary increases, such as retention offers and equity salary increases.

Recommendation 5.2: The Board should approve a compensation policy that provides for a dedicated funding source for off-cycle salary increases including increases for tenure and promotion, retention offers, and equity increases.

Recommendation 5.3: The Board should approve a compensation policy to ensure salary increases are administered consistently to prevent discrepancies amongst the position categories.

Recommendation 5.4: The Board should approve a compensation policy to allow for salary increases at a consistent frequency. The policy should include focus to provide consistent salary increases to maintain market competitive salary levels for faculty within the flexibility of the block grant funding.

Finding 5.2: The University's regulation that establishes minimum faculty workload requirements is outdated and not followed, which directly impacts the policy for supplemental compensation for overload teaching duties.

University officials admit faculty workloads, in many instances, are not in compliance with the faculty teaching workload policy established in UW Regulation 5-807. Current regulation mandates teaching requirements of twelve (12) hours per semester for faculty assigned exclusively to undergraduate teaching, and nine (9) hours per semester for faculty whose responsibilities include research, creative activities, extension, services, or administration. Officials state focus at the University has changed since the creation of faculty workload regulation, which is why it is no longer practical in many instances to adhere to the mandated minimum requirements.

Currently, faculty workloads are established on an individual basis and recorded in each faculty member's job description. Job descriptions are required to be updated annually; however, establishing individual workload minimums and updating the job description documents is not a centralized process; consequently, University officials were unable to comment on the current average faculty workloads. University officials are, however, in the process of conducting a study to report current faculty workload conditions.

Obtaining information regarding current faculty workloads from University officials appears to be a source of frustration for the Board. In public meetings, one Trustee explicitly expressed repeated dissatisfaction with the University's responses to questions about current faculty workloads and stated an adequate response has not been provided by University officials despite multiple inquires.

Adequate faculty workload levels are important to ensure budgetary efficiency; however, it is also an area of concern because additional supplemental compensation may be authorized for teaching overloads. Without a clearly defined and followed faculty workload policy, it is difficult to administer the policy for supplemental compensation as it relates to overload teaching duties. See Chapter 10 for additional information on supplemental compensation.

Recommendation 5.5: The Board should vote to update the faculty workload regulation to establish minimum teaching requirements consistent with the prevailing University mission. Once completed, the University should review current supplement compensation administered to ensure consistency amongst the divisions and compliance with the updated University faculty workload regulation.



Chapter 6

Transparency

Finding 6.1: The University is not generally subject to the Wyoming Transparency in Government Act, and as such, the University's expenditure reporting related to the use of state aid received each biennium lacks transparency in that disaggregated financial information is not publicly available.

Aggregated financial information is available through the University of Wyoming's ("University") annual Financial Reports, the State Auditor's Vendor Payment website, the University-wide Budget Index, and ad hoc responses to legislative requests. However, the University does not generally report individual expenditures by college, project, program, or vendor nor does it report individual fund balances.

Publicly Available Financial Information. As discussed in Chapter 9, independent auditors review the University's financial statements and issue the annual Financial Report. The purpose of this audit is to evaluate if the University's financial statements fairly represent the respective financial position of the University. As a public institution, the University follows Generally Accepted Accounting Principles ("GAAP") for governmental business-type activities as defined by the Governmental Accounting Standards Board ("GASB"). The financial statement presentation required by GASB is a comprehensive, entity-wide perspective of the University's assets, liabilities, net position, revenues, expenses, changes in net position, and cash flow. Accordingly, the University's annual Financial Reports do not present individual revenues, expenditures, or fund balances. Instead, only aggregated amounts are available.

Similarly, detailed expenditure information is not available through the State Auditor's Vendor Payment website for the University, as is available for other state agencies. Instead of reporting individual vendor payments for the University, the website only shows disbursement amounts from the state to the University such as the quarterly drawdown of General Fund appropriations.

The University does publish its operating budget, termed the Budget Index, on its website. The Budget Index provides line-item budget allocation amounts for each division and college at the department or program level and provides summary data by functional category. However, this data is only indicative of the planned use of University funds, not the actual expenditures.

The Board of Trustees ("Board") issues reports after each work session and meeting. The reports include limited financial information such as contracts and grants awards or salaries for position appointments. However, these dollar amounts remain at the aggregate level.

The University also posts ad hoc legislative requests to its website. For example, reports requested by the Joint Appropriations Committee ("JAC") in July of 2012 are available online, which detail the history of Section I and II budgets, as well as the history of positions and

salaries by division, department, and program. However, these reports are the result of a one-time request, and the reports do not reflect actual expenditures.

The Transparency in Government Act. The University is not statutorily required to report financial information on the state's Public Finance and Expenditure of Funds website. However, the University is subject to the competition clause of the Transparency in Government Act and to the Wyoming Public Records Act that requires official financial records be made available to the public.

In 2009, House Enrolled Act 123 (2009 House Bill 144) created W.S. 9-2-1035 through 1037, the Transparency in Government Act. The Act charges the Department of Administration and Information with creating the "*Wyoming public finance and expenditure of funds website*." The purpose of the website is to post financial documentation of "*participating state entities*" in order to allow the public to "*view and track the use of taxpayer dollars*." Participating state entities are defined by W.S. 9-2-1035(iv) as "*the state of Wyoming government including the executive, legislative and judicial branches of government and any department, divisions, agency, board, commission or other instrumentality of those branches*." This definition does not inherently include the University as it is deemed a "*separate operating agency*" by the Wyoming Government Reorganization Act of 1989, W.S. 9-2-1704(d).

The Transparency in Government Act, W.S. 9-2-1036(b)(iv), requires access to "*financial reports, financial audits, budgets or other financial documents that are used to allocate, appropriate, spend and account for government funds as may be established by rules under W.S. 9-2-1037*." W.S. 9-2-1035(v) defines the type of data that is to be made available under the act to include any official financial records, as classified by the Wyoming Public Records Act, W.S. 16-4-201(a)(vi)(A). This includes "*all original vouchers, receipts, and other documents relating to the receipt, use, and disposition of public property and public income from all sources whatsoever*..." The University is subject to the Wyoming Public Records Act.

During the 2012 Legislative Session, amendments were made to the Transparency in Government Act to include W.S. 9-2-1036(viii), the "*competition clause*," and to define the University as a "*state entity*" for purposes of the competition clause only. The competition clause allows citizens to lodge complaints relating to state or local entities expending funds in a manner that unfairly competes with the private sector. The University is explicitly included in the definition of state entity for the purpose of the competition clause.

While the University is required to provide financial records for the use of public funds upon request, and is subject to the competition clause of the Transparency in Government Act, the University is not required to provide the public with access to view its public financial information via the Public Finance and Expenditure of Funds website. While other agencies' specific vendor payments are searchable through the State Auditor's Vendor Payment website, the University's are not. This paradox is furthered by the fact that the University is considered a state agency for the strategic planning and performance reporting requirements pursuant to W.S. 28-1-115 et seq., and W.S. 9-2-1014.

The onus of the competition clause is on the Department of Administration and Information to create and maintain the website that allows citizens to lodge complaints. The University's

inclusion under the purview of this clause does not require additional compliance on its behalf—except that the University is an entity against which citizens may lodge a complaint. To date, no complaints have been made against the University on the Transparency in Government website. It is noteworthy that during the public testimony section of the March 8, 2013 Board meeting, one individual complained that a project bid was internally awarded to the University's machine shop in an unfair manner due to the individuals' inability to compete with a government entity. However, the individual did not lodge this complaint through the Transparency in Government website, nor was this option presented to the individual during the Board meeting.

Transparency in Other State Agencies. A benefit of the Transparency in Government website is that it provides a central location for the public to locate financial information of state entities and provides a link to the State Auditor's Vendor Payment website. The State Auditor's Vendor Payment website uses data extracted from the state's accounting system, Wyoming Online Financial System ("WOLFS"). For other state agencies that use the WOLFS accounting system, the Vendor Payment website allows the public to view each agency's individual expenditures. The data available includes all agency warrants and electronic fund transfers with the payment amount, the vendor name, the invoice number, a description of the payment, the associated document title, a contact phone number, and the department responsible for the transaction. The Vendor Payment website allows the public to see all individual vendor payments made by a state agency. As noted above, only broad level drawdown amounts are available on the Vendor Payment website for the University. It does not include the payment amounts made to specific vendors, as is the case for other agencies.

Following the implementation of block grant funding, the University discontinued the use of WOLFS and began using an internal accounting system, PeopleSoft Information Software Online ("PISStOL"), to process expenditures. Because the University's actual expenditures are processed through PISStOL, WOLFS is only used to account for the broad categorical funding from the block grant; therefore, the level of vendor data is not automatically available for the Vendor Payment website as it for other agencies.

University officials have stated that although it uses PISStOL to process expenditures it would not be a problem to provide disaggregated expenditures for Section I funds, similar to the data extracted from WOLFS, to the State Auditor for the Vendor Payment website. However, when questioned if the University could report expenditures related to only the General Fund appropriation, University officials stated that it would not be possible to disaggregate General Funds from other Section I expenditures given the University's current budgeting and accounting practices.

Lack of Financial Transparency at the University. Transparency in government ensures that public officials and state entities act visibly. It provides a means by which the public can hold state entities accountable and it helps increase institutional trust. The effect of the University being excluded from the general Transparency in Government Act is that detailed expenditure information is not readily available to the public as is financial information from other state entities.

The Board, administrators, Staff Senate, Faculty Senate, and ASUW were surveyed on financial transparency. The survey question stated, "*W.S. 9-2-1036 (Wyoming Public Finance and*

Expenditure of Funds Website) exempts the University of Wyoming from requirements related to providing financial information such as expenditures, for public consumption. In your opinion, do you believe the University of Wyoming has an obligation to present financial information such as University expenditures on its website for public consumption?" Nearly half of all survey respondents indicated "yes." For full survey results see Appendix L.

Of the groups surveyed, the majority of ASUW respondents, 64%, believe the University has an obligation to report financial information to the public. Several ASUW survey respondents indicated that they would like to know how public funds are used at the University with comments such as "...[W]e pay for our education, so we should know exactly where that money is going." In a separate survey question, one student explicitly expressed difficulty finding information about how the University uses student fees related to athletics, "...just for the student fee related to athletics, it was a joke to get any concrete answers as to where the money is used."

Modifying current reporting practices would not only benefit students, but also the public and the University. By reporting expenditure data at the college, department, program, or individual vendor level for Section I funds, the public would better be able to track the use of public funds, and the University would better be able to illustrate its role within the Wyoming economy. While this data is already available upon request under the Wyoming Public Records Act, including the University within the definition of "*participating state entity*" would ensure that the University's data is available on the centralized Public Finance and Expenditure of Funds website.

Recommendation 6.1: The University should report disaggregated Section I financial information for public consumption such as individual expenditures, vendor payments, and individual fund balances.

Matter for Legislative Consideration 6.1: For purposes of transparency, the Legislature may wish to consider amending W.S. 9-2-1035 et seq., the Wyoming Transparency in Government Act, to include the University in the definition of a "*participating state entity*" and to require the University to make "*reports, financial audits, budgets or other financial documents that are used to allocate, appropriate, spend and account for government funds*" available on the Public Finance and Expenditure of Funds website.

Chapter 7

Strategic Planning and Reporting

Finding 7.1: The University dedicates a large amount of time and resources to planning and reporting and is generally in compliance with Wyoming statutes and informally accepted practices.

The University of Wyoming (“University”) commits tremendous resources to academic planning and reporting resulting in a highly detailed planning enterprise. While deserving of accolade, over the period of block grant implementation, as planning and reporting efforts have evolved, the strategic plans no longer tie directly to agency budget requests. Additionally, the planning and reporting mechanisms in recent years have focused on broad goals referred to as “*planning motifs*,” as opposed to quantifiable, time-bound objectives.

University Planning and Reporting Development

Governor Geringer’s FY2001 budget recommendations revealed a compromise for moving towards the block grant funding model, where the Governor envisioned the University providing enhanced reporting information in exchange for more budget flexibility. As stated in Governor Geringer’s budget recommendation, “*Since we have moved toward block grant funding or base funding for the University, budget development by expenditure object and number of employees has retarded the effectiveness of the block grant concept. Instead of focusing on how funds are spent, we should provide for better planning, greater performance accountability and incentives to enhance innovation for student improvement...The elimination of the restrictive nature of previous line-item appropriation’s will place a great deal of responsibility and coincident accountability of the Board of Trustees and the University President. My expectation is that the Board of Trustees will distribute their resources to improve student performance and that accountability for their actions will be demonstrated through the performance indicators in the University’s Strategic Plan.*”

Statutory Framework. The statutory framework for planning and reporting similarly specifies use of performance measures. W.S. 28-1-115(a)(ii) requires each state agency, including the University, to submit a four-year plan to the Governor by September 1 of each odd numbered year. W.S. 28-1-115(a)(ii)(A) specifies that the plans shall “*include performance measures that provide methods and criteria to measure the agency’s performance in conducting its activities and in achieving its goals and objectives. The methods and criteria shall comply with standards developed by the governmental accounting standards board. Performance measures shall be developed by the agency and reviewed by the legislative management audit committee and audited by the department of audit.*”

W.S. 21-17-205 allocates responsibility for required reports to the Board of Trustees (“Board”), specifically with respect to reporting the “*condition and wants of the University and of each school or department thereof, the course of study in each, the number of professors and students, the nature, costs and results of important investigations, and any other important information...*”

The statute also requires the secretary and treasurer of the Board to prepare an itemized report showing the receipts and disbursements for the year, the appropriation resolution for that year, the purposes for which the revenue was expended, and the amount of revenue expended upon each school or department of work.

University Compliance. Arguably, the University has achieved a level of planning and reporting that goes far beyond statutory compliance. However, the nature of the University's planning and reporting differs slightly from that originally envisioned under Governor Geringer's memorandum. The discrepancy is due, at least in part, to an informal agreement between the University and the Office of the Governor that has also been accepted by the Legislature. See Appendix A, A-6-A-8, for planning statutes.

The informal agreement began in 1997 between Governor Geringer and the University. According to the University's BFY2003 budget request, the Governor granted permission to the University to focus on outcome measures, published through the annual Report Card, as opposed to output measures as required of other agencies. Generally, outcomes focus on changes, benefits, or effects of strategic objectives whereas outputs are the tangible results achieved. The informal agreement was further expanded in 2001, when Governor Geringer agreed to allow the University to submit its *Academic Plan, 1999-2004* as its strategic plan, rather than to rework it into the format specified by W.S. 28-1-115(a)(ii).

The Department of Audit evaluated the University's performance measures associated with the University's strategic plan in 2001, pursuant to W.S. 28-1-115(a)(ii)(A) and W.S. 9-2-1014(a). The audit focused on the accuracy of the measured results and the management controls concerning strategic planning. The audit evaluated twenty-five (25) performance results that the University submitted and found that six (6) of the results were either incorrect or non-verifiable. Through audit correspondence published in the report, former University President Philip Dubois cited the informal agreement with Governor Geringer as rationale for the format of the planning and reporting documents. The Department of Audit responded that, "*The requirement for all agencies to have a strategic plan is established by Statute and cannot be altered except by the Legislature. The Governor has established through [Administration & Information] the method and terminology to implement the strategic plan. This provides some consistency between agencies for the benefit of users of the plans, annual reports, and the Legislature.*"

Despite the Department of Audit's findings in 2001, the informal agreement continued, with the practice of submitting institution-wide strategic plans and Report Cards in fulfillment of statutory requirements. In recent years, the University has compiled planning and reporting documents specifically for statutory compliance, as an addition to aforementioned documents. To comply with state strategic planning requirements as set forth in W.S. 28-1-115(a)(ii), and pursuant to the budget request instructions as promulgated by the Wyoming Department of Administration and Information Budget Division, the University compiled the *Strategic Plan Update Summary* in 2011 and 2013. This document contains information from UP3, select accomplishments, and a summary of the status of completed action items.

In fulfillment of the reporting requirements set forth in W.S. 9-2-1014, the University prepared the *University of Wyoming Annual Report* in 2010, 2011, 2012, and 2013, which includes information on UP3's five (5) major goals or "*planning motifs.*" Under the "*Performance*

Measures” section of the University’s FY2015 budget request, the University refers the reader to see the “*University of Wyoming Annual Report and Agency Plans: UP3, Capital Facilities Plan, Long Range Development Plan, and Utility Master Plan.*”

There appears to be common acceptance among the Office of the Governor, the Department of Administration and Information Budget Division, and the Legislature that these plans satisfy the various statutory requirements. However, University officials expressed frustration with a perceived absence of clarity surrounding the state planning and reporting requirements, and suggested that training on the subject would be of use. Further, lack of clearly defined expectations regarding planning and reporting have developed because of the informal agreement resulting in compliance struggles as the associated duties have changed hands throughout the years.

University Planning and Reporting Efforts

The University’s strategic planning and reporting undertaking is extensive. Despite the sheer size of the undertaking, the University does not maintain a centralized staff or process to manage the work as planning and reporting responsibilities are intertwined with employees’ other duties; nor does it dedicate specific resources to the undertaking.

Evaluators identified numerous University planning documents, shown below in Table 7.1.

Table 7.1
University of Wyoming Planning Documents

Category	Documents
Institution-Wide Strategic Academic Planning	<ul style="list-style-type: none"> ▪ University Plans: <ul style="list-style-type: none"> ○ Academic Plan (1999-2004) ○ Academic Plan II (2004-2009) ○ University Plan 3 (2009-2014) ○ The development of University Plan 4 (2015-2020) ▪ Strategic Plan Update Summary (2011; 2013)
Division, College, Department, Unit, and Program Planning	<ul style="list-style-type: none"> ▪ UW Division of Academic Affairs College Plans: <ul style="list-style-type: none"> ○ Agriculture ○ Arts and Sciences ○ Business ○ Education ○ Engineering & Applied Science ○ Health Sciences ○ College of Law ▪ Outreach School ▪ UW Division of Administration Strategic Plan ▪ Division of Athletics ▪ Division of Government, Community & Legal Affairs ▪ Division of Information Technology ▪ Division of Institutional Advancement ▪ Division of Research & Economic Development ▪ Division of Student Affairs

Category	Documents
Non-Academic Planning	<ul style="list-style-type: none"> ▪ Capital Facilities Plan ▪ Long-range Development Plan ▪ Climate Action Plan ▪ Emergency Response Plan ▪ Utility Master Plan ▪ Athletics Plan ▪ Support Services Plan

Source: Legislative Service Office review of the University of Wyoming website and documents obtained from the State Library.

Institution-Wide Strategic Planning. The University is currently in development of the fourth University Plan (“UP4”), which will cover years 2015-2020. The foundation for the University’s current strategic planning process is built upon three (3) major institution-wide academic plans: Academic Plan 1999-2004, Academic Plan II 2004-2009, and UP3 2009-2014. Each plan contains broad institutional goals and priorities that guide the development and support of the University’s academic programs. Prior to these three (3) plans, University planning documents were less extensive, but did contain output measures, quantifiable targets, and baseline numbers, which were used directly in external agency budget requests.

The most recently completed plan is UP3, which lacks quantifiable goals, making it difficult to measure the progress and accomplishments achieved through strategic planning and resource allocation. It contains broad-based goals, or planning motifs, and includes “*areas of distinction.*” Within each planning motif are action items or objectives that describe specific steps to accomplish the goals of the planning motifs. UP3’s action items are numerous and task specific, with a total of 109 action items. UP3 assigns action items to a variety of designated responsible parties including University administration, departments, task forces, and councils. The action items in UP3 are presented in narrative format and rarely establish quantifiable goals, target dates for progress and completion, or mention of the resources necessary for implementation.

Use of specific objectives or performance indicators that are applicable across colleges and departments would provide the University with a quantifiable way of measuring progress, and could be used to guide University resources. For example, as opposed to or in conjunction with action items, the University could use a handful of common metrics such as degrees conferred, job placement, graduate school placement, enrollment, core-curriculum courses completed, etc. While the University is already tracking and reporting such items, by incorporating these metrics as performance goals into the strategic planning documents, the University could track progress more efficiently by college. Additionally, these metrics could be used to supplement the University budget. For example, a college that sees student-driven spikes in the number of core-curriculum courses that it must offer may need additional budgetary resources to meet student demand. These performance metrics would also be useful to reflect University achievements when reporting before the Board and the Legislature.

Division, College, Department, Unit, and Program Planning. Each division, college, department, unit, and program at the University is responsible for the completion of unit-level plans that help guide the comprehensive institution-wide strategic plan. The level of specificity in the unit-level plans varies. Sampling of the unit-level plans revealed that while all plans relate to the institution-wide strategic plan, few include a specific timeframe for completion of goals or

the resources required to accomplish specified objectives. However, amongst the planning documents, one plan makes exemplar use of performance indicators—the College of Engineering and Applied Sciences' *UW Engineering Initiative: Toward Tier 1*. This plan is unique in that it is the result of a culmination of efforts by the University; Governor Matt Mead; the Legislature; and the Wyoming Governor's Energy, Engineering, STEM Integration Task Force. However, this document contains well-articulated goals that could be used as a model for institution-wide planning efforts. Specifically, it contains performance indicators to measure success in areas such as:

- Amount of research funding;
- Number of Ph.D. graduates;
- Number of Masters graduates;
- ACT scores of entering college freshman;
- Scholarship recipients' GPA, freshman-to-sophomore retention rates, degree completion time, job placement upon graduation, and employment satisfaction; and,
- Pass rates of the Fundamentals of Engineering exam.

Future Strategic Planning. Strategic planning efforts for UP4 are underway and reflect an important methodological shift. There is consensus among President McGinity and University officials that the University needs to provide more measurable and quantifiable data as part of their budgeting and planning processes. First noted in the University's "*Second Position Paper*" on the development of UP4, the University plans to identify a compact suite of metrics. The document recognized that, while blind focus on metrics can "*...distort institutional self-awareness...when properly selected, tuned, and interpreted metrics can help quantify how well [the University] meets the public's expectations...We owe it to ourselves and to our constituents to identify the elements of such a framework that best reflect UW's mission and that best portray the university's commitment to accomplish it.*"

In line with this ideology, on February 5, 2014, President McGinity directed college and academic planning units to include defined and measurable outcomes within the University's goals through a memorandum titled *UW Plan and Planning Process*. In this memorandum, President McGinity discussed his expectations for UP4 and asked that each college or academic unit consider three (3) specific overarching goals: 1) student preparedness; 2) excellence in academics in defined areas of academic distinction; and, 3) statewide engagement. President McGinity further asked each academic unit to consider its role and contributions to the University and to describe its major programmatic goals, in specific and quantitative terms, as well as to describe the resources required to meet those goals. He also charged each administrative unit to consider its major programmatic objectives for the next six (6) years, the actions and resources needed to achieve those goals, and the resulting benefits to the University and the citizens of Wyoming.

The University appears committed to modifying the strategic planning effort to reflect enhanced accountability. Given the size and complexity of strategic planning efforts at the University, a centralized planning authority would provide a means of managing the planning efforts at the

highest level. Such an authority could ensure that the University budget reflects planning priorities and that the President's directives are carried out efficiently.

Reporting. The University engages in a substantial amount of reporting through various avenues including: the Report Card, the Dashboard, the Common Data Set, the Standard Data Set, and ad hoc legislative and executive reports as requested. Although Table 7.2, below, depicts the major reporting documents sampled by evaluators, it is not an exhaustive list.

Table 7.2
University Reporting Documents

Category	Documents
Standard Reporting	<ul style="list-style-type: none"> ▪ Report Cards (2009-2013) ▪ University of Wyoming Dashboard (2011-2014) ▪ Academic Planning Data Set ▪ Common Data Set ▪ University of Wyoming Fact Sheet ▪ Student Data ▪ Tuition and Fees-Room and Board ▪ Faculty and Staff Data ▪ Enriching the University of Wyoming Learning Experience: A Thematic Self-study (2010) ▪ Taking Stock: Reflections on a Decade of Academic Planning (1999-2008) ▪ University of Wyoming Institutional Benchmarks Fall 2005 ▪ Indicators of Institutional Performance and Health: Report to the Legislature (1999; 2000; 2001) ▪ University of Wyoming Annual Report (2010; 2011; 2012; 2013)
Ad Hoc Legislative & Executive Requests	<ul style="list-style-type: none"> ▪ Report to the Governor on the UW Family Medicine Residency Programs ▪ Governor's Task Force Report on Engineering ▪ UW Response to the Governor's Task Force ▪ Excellence in Higher Education Endowment ▪ University of Wyoming Eleven Year Section I Budget History ▪ University of Wyoming Eleven Year Section II Budget History ▪ JAC Staffing Report – Section I and Section II ▪ Board of Trustees Report to members of the Joint Interim Committee of Minerals, Business, and Economic Development; Education; and, Appropriation

Source: Legislative Service Office review of the University of Wyoming website and documents obtained from the State Library.

Similar to planning, reporting efforts have evolved over the time since the implementation of the block grant. Review of the University's BFY1989-2015 budget requests and strategic planning documents revealed a trend beginning immediately after the implementation of block grant funding for limited reporting of performance indicators in strategic planning documents and the external agency budget requests. For example, the BFY1999 budget request included strategic planning goals and the quantifiable progress the University achieved pertaining to those goals. In this way, the University used the budget request itself as a reporting mechanism and as a way to illustrate how the requested public funds were intended to be used. In contrast, the BFY2015 request refers the reader to the University's strategic planning documents, rather than providing that information directly. Additionally, in 1999, 2000, 2001, and 2005, the University compiled

reports, *Indicators of Institutional Performance and Health: Report to the Legislature* and *University of Wyoming Institutional Benchmarks*, specifically for the Legislature, which contained performance and financial information, similar to the current Dashboard.

The reporting mechanism for the University's institution-wide strategic plan, i.e. UP3, is through annual Report Cards. The UP3 Report Cards summarize progress the University has made with respect to the enumerated action items. The Report Cards provide general information regarding the status of action items, but in some instances, the Report Cards do not fully explain the results of the action item or closely tie what was accomplished to the stated action item. However, University officials noted that Report Cards are general documents intended for a public audience and that the University maintains more detailed action items results internally. Overall, the Report Cards are narrative, and while informative, it is difficult to track quantifiable progress.

As noted above, the University complies with statutory reporting requirements by compiling an annual report. The *University of Wyoming FY2013 Annual Report* is comprised of information from UP3 and corresponding annual Report Cards. It emphasizes the University's major accomplishments from July 1, 2012 through June 30, 2013, and it focuses on outcome results within the hierarchical structure of UP3's planning motifs.

Additionally, the University's Standard Data Sets provide a snapshot of quantifiable information on topics including students, faculty, credit hours, and expenditures for every academic department and college. The information is intended for use by internal users, but it can also be used to observe historic trends and departmental comparisons.

Similarly, the University Dashboard provides a vast depth of performance information. This document is available online, and while the data is not officially presented to the Legislature as it once was through legislative reports, the University provided the Joint Appropriations Committee ("JAC") with information and a link to the Dashboard during the December 2013 meeting. The Dashboard is organized into six (6) distinct categories: Students; Faculty and Staff; Tuition and Fees; Research Funding and Private Giving; Budget and Finance; and, Statewide Activities. Performance information on these subjects is provided through graphs and tables. While the data is informative in many ways, it does not directly tie to the University's strategic planning documents and there is no narrative to help explain data.

In addition, the University of Wyoming Self-Study Accreditation 2010 Report, *Enriching the University of Wyoming Learning Experience: A Thematic Self-study*, was created in part to communicate to internal and external stakeholders the accomplishments and capacity for future performance of the University and to maintain accreditation with the Higher Learning Commission. This report provides information on how strategic planning efforts guided the 2009 budget reduction mandates. The use of UP3 to guide budget reduction decisions is particularly revealing because it evidences how important strategic planning is to the University when making resource allocation decisions.

Ad hoc requests from the JAC have also pressed for an array of data from the University. For example, in response to such requests, in July 2012, the University provided a complete history of Section I and Section II budgets, including positions and salaries by division, department, and

programs. Additionally, House Enrolled Act 45, 2013 Session Laws, through a footnote, required the University to report on a variety of topics, resulting in the report, *“Board of Trustees Report to members of the Joint Interim Committee of Minerals, Business, and Economic Development; Education; and Appropriation.”*

Other States. The seven (7) comparator institutions generally utilize similar strategic planning and reporting processes as the University. However, of these comparators, strategic planning documents from South Dakota State University, Montana State University, and the University of Alaska-Fairbanks demonstrate greater use of objectives that are measurable and time-bound than the University’s strategic planning documents. Examples from the first two (2) universities are provided below.

South Dakota State University uses a university-wide five-year strategic plan with four (4) major goals and corresponding metrics. At the end of the strategic plan is a list of performance indicators that tie into each goal. Performance indicators include: job satisfaction; student, faculty, and staff satisfaction; and technology-related expenditures per full-time equivalent student, etc. These performance indicators show the current baseline numbers and set progress targets for 2018. In comparison, the University’s goals are more broad-based, and while similar data is reported through other means, such metrics do not drive the University’s strategic planning and resource allocation decisions in a way that is recognizable to the public.

Montana State University, unlike the University, also links institutional priorities to measureable outcomes. The institutions strategic plan includes objectives to meet broad goals and specific metrics to measure those objectives. For example, one such objective is to increase job placement and further education rates and the corresponding metric is that *“...by 2019, the percent of graduates employed full time in their field or in positions of their choosing will increase from an average of 62 percent to 70 percent.”*

While the University does comply with state reporting and planning requirements and informally accepted practices; deliverables from those efforts are not easily measured and evaluators noted a disconnect between strategic planning and measurable outcomes. Evaluators observed such connections in several of the comparator institutions’ planning documents. Currently the University appears committed to building the future UP4 around programmatic, quantifiable goals, and measurable deliverables. Therefore evaluators affirm the direction in which President McGinity is guiding future planning and reporting efforts.

Recommendation 7.1: The University should identify key academic measurable indicators that are applicable across colleges and departments and incorporate those indicators into the institution-wide strategic plan, division-level plans, college-level plans, department-level plans, and the report cards.

Recommendation 7.2: The University should assign primary responsibility for coordinating strategic planning efforts to a centralized authority or person.

Recommendation 7.3: The University should continue forward with the planning and reporting process as envisioned by President McGinity. This process should include the use of performance metrics that are uniform across all academic units to assist Legislators and the public in assessing the University's achievements.



Chapter 8

Tuition and Fees

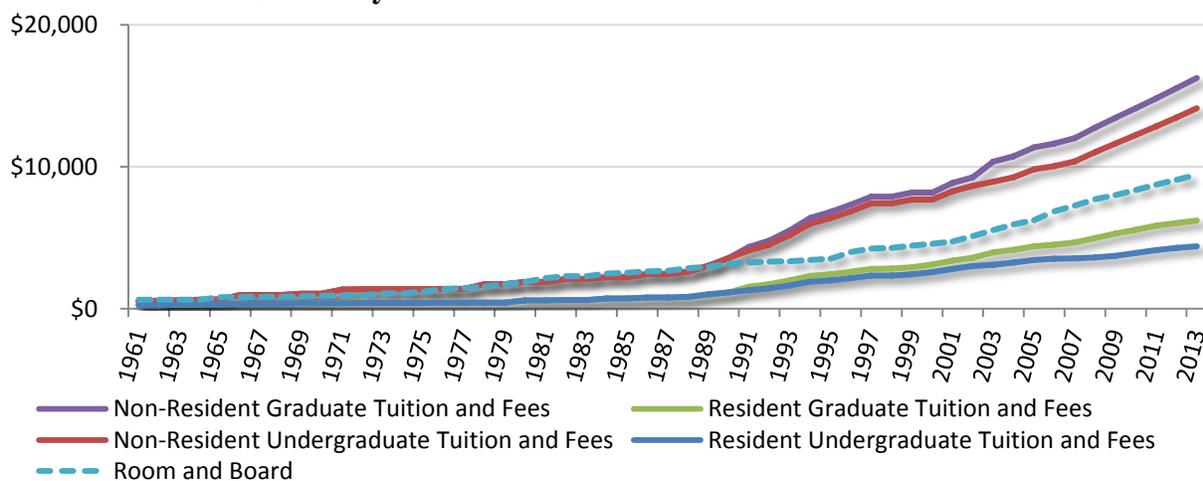
Finding 8.1: Tuition and fee increases at the University have been made inconsistently due to a lack of formalized tuition and fee policy.

Tuition and fees at the University of Wyoming (“University”) have increased over the past decades; however, the amounts and the decisions that guide them have been intermittent. Deliberations around tuition and fee increases in the past have at times narrowly focused on the tuition and fee rate at the University compared with that of other institutions, and have ignored aggregated costs to students and total revenues received per student. The result of the current structure is that tuition and fee increases have lacked predictability. Other states and the WCCC offer examples of tuition policy that may lend assistance to the University and the Board of Trustees (“Board”) in developing policies.

Tuition and Fees at the University

The Board has autonomy to raise, appropriate, and expend student-generated revenue; however, there is no formalized policy to guide these decisions. UW Regulation 8-1 stipulates that “*all student fees, charges, refunds and deposits shall be fixed by resolution of the Trustees and shall be published in the appropriate university publications.*” While still relatively low compared with other institution’s costs and in light of national trends in higher education costs, combined tuition and fees at the University have steadily increased over the years, as depicted below in Illustration 8.1. The cost of room and board has also increased. Chapter 2 provides a breakout of tuition and fee rates separately.

Illustration 8.1
University’s Combined Tuition/Fees and Room/Board



Source: Legislative Service Office analysis from information provided by the University of Wyoming.

Three (3) structural changes to tuition have occurred within the past decades. The first is that beginning with the 1991-1992 academic year, tuition was differentiated for graduate students and undergraduate students. The second change being that in the 2003-2004 academic year the University implemented a per-credit hour tuition policy. Prior to this change, students paid on a fixed full-time basis where credits taken above twelve (12) hours were not charged extra. The third change, which occurred piecemeal over time, is that tuition and fees at the School of Pharmacy, the College of Business, and the College of Law were differentiated as to exceed the rates paid by undergraduate and graduate students.

Yearly tuition and fee increase rates are inconsistent and lack predictably. Table 8.1 shows tuition and fee increases that have occurred in recent years. For example, in 2001-2002, tuition and fees were \$232 higher than the previous year, an increase of 9%. From the 2000-2001 academic year to the 2013-2014 academic year, tuition and fees have been increased by amounts ranging from 1.1% to 9.0% for undergraduate resident students.

Table 8.1
University of Wyoming Annual Tuition and Fee Increases

Academic Year	Resident Undergraduate	Non-Resident Undergraduate	Resident Graduate	Non-Resident Graduate
2000-01	6.6% \$159	0.1% \$9	6.7% \$197	0.1% \$9
2001-02	9.0% 232	7.6% 586	8.7% 270	8.0% 660
2002-03	6.8% 190	4.6% 382	5.9% 198	4.7% 414
2003-04	3.1% 93	3.2% 279	11.0% 393	11.7% 1,089
2004-05	5.0% 153	3.7% 333	4.6% 183	3.6% 375
2005-06	5.6% 183	5.9% 543	5.4% 225	5.9% 633
2006-07	2.6% 89	2.4% 239	2.9% 125	2.4% 269
2007-08	1.1% 40	3.4% 340	3.5% 160	3.2% 376
2008-09	1.9% 67	6.1% 637	6.6% 307	6.2% 739
2009-10	2.9% 105	5.6% 615	6.5% 321	5.5% 705
2010-11	5.4% 201	5.1% 591	5.0% 267	5.0% 675
2011-12	5.0% 198	5.0% 618	5.2% 288	4.9% 696
2012-13	3.7% 153	4.9% 633	3.2% 189	4.8% 717
2013-14	3.0% 127	4.7% 637	2.7% 163	4.6% 715

Source: Legislative Service Office analysis from information provided by the University of Wyoming.

The stated uses of student-generated revenues and the rationale for student and fee increases have also varied. For example, Board meeting minutes indicate tuition has risen to generate revenue for items such as compensation increases, the Student Information System Project, and to supplement the University's General Fund in 2001, 2004, and 2005, respectively.

The Board has also considered a myriad of different factors when raising tuition and fee levels. While the factors, such as the University's tuition in relation to comparator schools' tuition and inflation rates, are valid considerations, the Board has not used such factors consistently. Additionally, the Board has often narrowly focused on tuition and fee rates as opposed to the total cost of attendance that students pay. For example, when tuition, fees, books and supplies, on campus room and board, and other on campus expenses are considered, the University no longer ranks as the most affordable school amongst the seven (7) comparator institutions. This fact is especially pertinent because all first year students, with a few exceptions, are required to live on campus.

Table 8.2
Comparator State 2012-2013 Cost of Attendance

Institution Name	In-state Tuition for Full-time Undergraduates	Total Price: In-state Students Living on Campus	Total Price: Out-of-State Students Living on Campus
Montana State University	\$5,330	\$19,185	\$32,542
North Dakota State University-Main Campus	6,135	18,957	29,203
South Dakota State University	3,897	18,616	20,562
The University of Montana	4,373	18,637	33,729
University of Alaska-Fairbanks	4,950	17,148	29,598
University of Idaho	4,230	19,700	32,488
University of Wyoming	3,180	17,652	26,802
Utah State University	5,030	17,430	27,690

Source: Legislative Service Office from IPEDS Data Center.

While the fact that the University maintains a relatively low tuition rate is often belabored, Board minutes do not reflect consistent consideration of total revenues per student, especially as compared to other states. As depicted below in Table 8.3, the total revenue per student FTE at the University is higher than other institutions, excluding the University of Alaska-Fairbanks, due to relatively high levels of state support supplementing relatively low tuition levels.

Table 8.3
2011-2012 Revenue per Student FTE

Institution Name	Student-Generated Revenue per FTE	State Appropriation per FTE	Miscellaneous Revenue per FTE	Total Revenue per FTE
Montana State University	\$8,750	\$5,360	\$15,529	\$29,639
North Dakota State University-	7,418	7,064	11,248	25,730

Institution Name	Student-Generated Revenue per FTE	State Appropriation per FTE	Miscellaneous Revenue per FTE	Total Revenue per FTE
Main Campus				
South Dakota State University	6,835	5,325	11,798	23,958
The University of Montana	7,421	4,035	7,930	19,386
University of Alaska Fairbanks	6,252	25,701	48,103	80,056
University of Idaho	7,911	9,653	13,029	30,593
University of Wyoming	4,265	19,431	17,963	41,659
Utah State University	4,527	7,307	14,713	26,547

Source: Legislative Service Office from the IPEDS Data Center.

Note: Miscellaneous revenues include local appropriations; government grant and contracts; investment returns; private gifts, grants, and contracts; and other core revenue. Total revenue excludes all revenue from auxiliary enterprises.

Furthermore, because tuition comprises a low level of the University's revenues, large percent increases in tuition do not correspond with large increases in total revenues. For example, in 2012, the Faculty Senate calculated the University would need to raise tuition 36% to bring faculty salaries from 91% to 100% of what was defined as "market" for salaries.

Most recently, in March of 2014, the Board approved a 5% tuition increase and an increase in mandatory student fees of \$91 for the 2014-2015 academic year. This tuition increase alone is expected to raise student-generated revenue by \$2.5 million. One million dollars of the new revenue will be used to implement merit-based raises.

Table 8.4
University of Wyoming 2014-2015 Tuition Increase

Allocation	Anticipated Amount
Merit-Based Compensation	\$1,000,000
A&S Structural Funding	350,000
Learning Management System	570,000
Libraries	250,000
Labs/Equipment/Supplies	80,000
Student Recruitment and Retention	250,000
Total New Revenue	\$2,500,000

Source: Legislative Service Office from information provided by the University of Wyoming.

Other states and the WCCC offer example tuition policies. Among other states, the Arizona Constitution, Article 11, Section 6, similarly mandates that instruction be furnished as "nearly free as possible." It is important to note, however, that Arizona public institutions have received varying levels of state support throughout the years and despite similar constitutional provisions, tuition levels in Arizona far surpass that of the University's. Arizona also differs from Wyoming in that Ariz. Rev. Stat. Ann. § 15-1626(A)(6) requires the state's higher education Board of Regents to adopt rules to govern the tuition and fee setting process, to publish notice of, and to hold public hearings when tuition proposals are considered.

Similarly, the University of Idaho, the University of Alaska-Fairbanks, and Utah State University also have formalized tuition policies. While Montana State University and the University of

Montana do not operate under formal tuition policies, the Montana Board of Regents perform an analysis to determine what kind of tuition increase will be applied every two (2) years. Additionally, the WCCC maintains a formalized policy. These example tuition policies are described below in Table 8.5.

Table 8.5
Example Tuition Policies and Practices

Governing Body	Tuition and Fee Policies and Laws
Arizona Board of Regents	<p>The Arizona Board of Regents must consider the following factors when deciding tuition and fee increases:</p> <ul style="list-style-type: none"> • The amount of state support provided to the university system; • The availability of student financial aid as outlined in the Board’s financial aid policies; • The median of tuition and mandatory fees charged by the university’s peers; • Other student fees and charges established by each university; • The cost of university attendance; • Revenues required to service bonded indebtedness; • Arizona’s median family income levels; and, • Information and feedback from elected student representatives and consideration of results from student fee referenda or of organized opinion-gathering from students.
Wyoming Community College Commission	<p>The tuition policy is aimed at ensuring that tuition rates coincide with economic consideration in the state and that the goals of “accessibility, affordability, predictability, competitiveness, and cost-sharing” are met. Tuition increases are limited to 5% and may only occur if 1) the current average resident tuition is 98% or less than the current average resident tuition of the Western Interstate Commission for Higher Education (“WICHE”) states, and 2) the ratio of current average resident tuition to Wyoming’s median household income is 98% or less than the average ratio for WICHE states.</p>
Board of Regents of the University of Idaho	<p>Tuition increases must be approved through a public multi-step process that includes notice to the student body president and student newspaper, and a public hearing. In setting fees, the Board will consider recommended fees as compared to fees at peer institutions, percent fee increases compared to inflationary factors, fees as a percent of per capita income and/or household income, and the share students pay of their education costs. Other criteria may be considered as needed. An institution may not request more than a 10% increase unless otherwise authorized by the Board.</p>
Montana Board of Regents	<p>While not a formalized policy, every two (2) years the Board of Regents approves a schedule of tuition and fees. Each institution’s request to approve tuition and fees is required to contain a statement of total cost.</p>
University of Alaska System Board of Regents	<p>Tuition rates are adjusted for inflation based on a moving average of inflation for the most recent 3-year period, as determined by the University of Alaska’s Chief Finance Officer, unless otherwise determined by the board.</p>
Utah State Board of Regents	<p>Utah Code § 53B 7-101.5 requires institutions to provide public notice before increasing undergraduate tuition rates which includes publicizing:</p> <ul style="list-style-type: none"> • Current student enrollment for the institution;

Governing Body	Tuition and Fee Policies and Laws
	<ul style="list-style-type: none"> • Total tuition revenues for the current school year; • Projected student enrollment growth and projected tuition revenue increases from that anticipated growth; and, • A detailed accounting of how and where the increased tuition revenues will be expended. <p>Additionally, Utah Code § 53B 7-105 mandates that all institutions disclose the cost of attendance including:</p> <ul style="list-style-type: none"> • The full cost of instruction; • The amount collected from student tuition and fees; and, • The difference between the amounts.

Source: Legislative Service Office analysis of information from comparator state surveys, other institution's policies, and state statutes.

Desirable attributes can be found throughout the examples listed in Table 8.5. For example, the delineated policies provide for public disclosure and input, as well as consideration of current economic conditions and total costs of instruction.

Tuition policies have been considered in the past. Over the years, the Board has considered implementing tuition policies. In March of 2005, a tuition proposal was presented to the Board. The proposal included four (4) benchmarks against which to guide tuition decisions:

- The median cost of tuition and fees at public institutions in western states;
- Tuition and fees as a percentage of median family income;
- Tuition and fees as a percentage of education and general expenses; and,
- Tuition and fees relative to unmet financial needs of students.

At other times, University officials called upon the Board to fundamentally consider the role of tuition at the University. For example, in 2009, then President Thomas Buchanan stated, *“We need a new approach to the tuition discussion. We need to build tuition into our financial planning and budgeting. The increases asked for should be targeted and visible. Any increase taken to the Board for consideration should be directed toward specific uses and used to improve the quality of service that UW students receive. Increases that roll into the general fund and disappear will not be asked for.”*

As recently as the January 2014 Board meeting, University officials have advised that a tuition policy is needed. However, despite robust discussions, no tuition and fee policies have been implemented to date.

Lack of policy creates dissatisfaction. ASUW, the Staff Senate, and the Faculty Senate were surveyed on several topics pertaining to tuition and fees. First, the groups were asked if during discussions regarding potential increases in salary, tuition, or fees, whether they felt that their concerns were taken seriously. The majority of students responded that they were *“unsatisfied”* or *“very unsatisfied.”* ASUW members commented that they felt particularly ignored during the most recent discussion regarding tuition and fee increases. Likewise, the majority of staff and faculty answered that they were *“unsatisfied”* or *“very unsatisfied.”*

These three (3) groups were also asked whether they observed a corresponding increase in student services when tuition and fees were increased. The majority of all three (3) surveyed groups indicated “no.” Several student survey respondents commented that they believe increases result in higher costs, but not in receiving more benefits. Other survey respondents indicated their beliefs that tuition and fee increases are intended to sustain normal levels of student services by addressing increasing educational costs.

In addition to the three (3) groups, University Administrators and the Board were asked their opinion on a formalized policy regarding tuition and fees. The majority of all groups indicated that they believed a formalized policy would be a “good idea” or a “very good idea.” Complete survey results can be found in Appendix L.

Tuition policy that includes input from stakeholders including student groups, the Legislature, and citizens; public disclosure; and, a public forum could help address concerns reflected in the survey results. Additionally, tuition policy could provide more predictability and affordability for students. By defining the methodology by which tuition and fees can be raised, and the objective factors that the Board will consider, the University would provide more transparency to the public.

Wyoming’s constitution sets forth the concept that the cost of instruction should be as financially accessible as possible. Therefore, the Board should consider total cost of attendance, including room and board and other fees when considering tuition and fee increases. Wyoming is unique amongst states in that state funds account for a large portion of total University revenues. Accordingly, considerations should also take into account the extent to which revenue is provided through block grant State Aid. When comparing tuition levels to comparator institutions, the level of total revenues received per student should not be ignored. Tuition policy that provides predictability could also allow the University to build student-generated revenues into the University’s financial planning and budgeting structure.

Recommendation 8.1: The Board should adopt a tuition and fee policy to guide future tuition and fee decisions. In doing so, the University and the Board should consider criteria from the Wyoming Community College Commission tuition policy as well as other states’ policies, laws, and practices.

Recommendation 8.2: The Board should take into consideration the amount of general fund support and the total cost of attendance to students when making comparative tuition and fee assessments.



Chapter 9

Internal Audit

Finding 9.1: Internal Audit within the University provides a fully established process to ensure that financial and programmatic assets are protected. However, there are areas that could be improved to provide additional structure in the areas of reporting and implementation of audit recommendations.

Board Bylaws Section 6-3 establishes the University of Wyoming's ("University") internal audit function to perform duties as requested by the Board of Trustees ("Board"). The Board appoints the Internal Auditor.

Internal Audit is a vital component of the University's structure to ensure sufficient internal controls are in place to protect its assets. Maintaining a strong internal audit function requires adequate oversight and staffing so it may effectively perform its duties. Board Bylaws, Section 7-2 V (a) requires the Fiscal and Legal Affairs Committee ("FLAC") to *"Review and ensure that the University has the appropriate structure, staffing, and capability to effectively carry out the internal audit responsibilities."*

Although the University has a fully established internal audit process to identify internal control weaknesses, areas related to reporting and governance could be improved to further utilize the function

In addition, internal control weaknesses identified in Chapter 10 of this report could be further reviewed by Internal Audit. This chapter provides more specific information related to the following areas for potential improvement:

- Reporting to the FLAC and the Board;
- Participation by audited departments;
- Representation on the Executive Council;
- Recurring findings and one example of a recommendation that has not been implemented in over three (3) years; and,
- Areas of risk that are not routinely reviewed by Internal Audit.

Reporting Internal Audits to FLAC and the Board. Although Trustee Bylaws do not specifically state that audits are to be presented to the full Board, Section 7.2, VII, B, states that FLAC should *"...regularly update the Board of Trustees about Committee activities, any key internal or external audit issues and make appropriate recommendations for Board action."* Implementing a process to ensure more formal reporting to the Board could help to meet this mandate. During the regularly scheduled quarterly Board meetings, internal audits are presented to FLAC separately. However, these meetings are not entirely devoted to internal audits and

often last only one hour prior to the full Board meeting. The agenda for the meetings are established by the Division of Administration with feedback from the internal auditor.

Although the FLAC meeting may offer sufficient time to fully brief the committee on audit reports in some instances, according to University officials, there is not always enough time to provide a sufficient discussion on all audits. Review of FLAC meeting minutes revealed that on average, roughly 30 minutes is devoted to discussing audits. It should be noted that FLAC members do receive preliminary internal audits for review prior to the Board meeting, providing the committee with time to review the drafts prior to their meeting. However, the full Board does not receive the audit reports until the next regularly scheduled Board meeting, typically three (3) to four (4) months later.

During the January 2014 FLAC and Board meetings the President's Office Change of Management audit was addressed. While seemingly important during the FLAC meeting, when given the opportunity to discuss the issues regarding transfers (identified through President's Office Change of Management audit) with the Board as a whole, the FLAC chairman stated there were no issues of significant importance to report. A similar instance occurred related to the presentation of the NCAA audit, where low attendance was an issue. Low attendance of sporting events could cause the University to lose its NCAA standing, impacting the revenue of the University. Additional time discussing these issues within FLAC may have resulted in more substantive and formal communication from FLAC to the Board. Although audits are sometimes discussed with the committee of the whole, the decision to relay audit information discussed in FLAC is at the discretion of the FLAC chairman. Although informal communications may occur throughout the Board meeting, specific audit findings may not receive the in-depth discussions needed to determine if action by FLAC or the Board as a whole is required

Recurring Findings: Internal Audit consistently identifies the same problems in different audits, indicative of system-wide University problems rather than isolated areas for improvement. These areas include issues with department and division shadow accounting systems; monitoring, reporting and tracking of accounts and funds; management and oversight of programs; adequate property inventory process; and policies and procedures concerns. Evaluators also noted recurring external audit findings related to the federal A-133 compliance audits conducted annually. However, the University's Office of Sponsored Programs is in the process of addressing the recurring findings through Corrective Action Plans. Table 9.1 below provides a list of Internal Audit findings that are indicative of systemic University problems.

Table 9.1
Number of Instances of Recurring Findings, 2010 through 2013

Audit Area	Year	Total Number of Instances
Accounting/Shadow Systems & Reconciliation with PISStOL	2013	3
	2012	1
	2011	3
	Total	7
Monitoring, reporting and tracking of accounts and funds	2013	3
	2012	4

Audit Area	Year	Total Number of Instances
	2011	4
	2010	1
	Total	12
	2013	1
	2012	1
	2011	2
	2010	1
	Total	5
	2013	3
	2012	2
	2011	3
	Total	8
	2013	2
	2012	3
	2011	4
	2010	1
	Total	10
Overall Total		42

Source: Legislative Service Office from information provided by the University of Wyoming.

Note: See Internal Control Finding (Chapter 10) for additional detail on these areas.

The fact that both audit processes have consistently noted recurring findings appears to indicate overall internal control issues across the University. Formal reporting and recognition of the Internal Audit recommendation and findings could improve controls in these areas.

Further, there is no process for the FLAC to provide to the full Board a formal record of any actions taken by the FLAC, including adoption of findings and recommendations, or responses from the audited department. Although action is not formally defined in the Board Bylaws, it does state under Section 7-2 VII (a) & (b) state that it is the duty of the FLAC to:

- a. *Ensure that significant findings and recommendations made by the internal and external auditors are received, discussed and **acted** upon in an appropriate and timely manner.* [emphasis added]
- b. *Regularly update the Board of Trustees about Committee activities, any key internal or external audit issues and make appropriate recommendation for Board **action**.* [emphasis added]

These two (2) provisions indicate the intent that some measure of action should be taken related to Internal Audit recommendations. Without formality associated with any actions taken by the FLAC or the Board related to Internal Audit's recommendations the risk is increased that areas of concern may go unaddressed and internal control structure is compromised.

University officials also noted that it is incumbent upon the audited department or division to implement the recommendations, and that there have been no instances of department reticence

to implement recommendations. Ensuring good relationships with the departments is a priority and a concern for Internal Audit. The currently productive interaction between the Internal Auditor and University does not preclude, however, having this working relationship change for some reason in the future.

Even when strong relationships exist, without formal recognition or adoption of audit recommendation there is no assurance that implementation will occur in a timely fashion. For example, evaluators observed that implementation of one Internal Audit recommendation related to the update of the University's cash handling policy has been delayed for three (3) years. Formally established support from the Committee and the Board of Internal Audit recommendations could prevent implementation delay or refusal in the future.

This concern is addressed through Board Bylaws, Section 7-2, III (a), which tasks the Committee with ensuring there is campus-wide understanding of the importance of maintaining strong internal controls. More specifically, it requires FLAC to *"Ensure that management is setting the appropriate tone in communicating the importance of internal control and ensure that individuals have an understanding of their roles and responsibilities."* However, University officials also noted that there would be no harm in establishing a more formal process for FLAC reporting or formal adoption of recommendations.

Participation by Audited Departments. Currently, there are no requirements that audited departments or divisions attend FLAC meetings when their audits are being discussed unless the Internal Auditor believes issues may warrant their presence. This situation can put the Internal Auditor in the position of being the auditor and defending the auditee, which may appear to call into question the level of objectivity with which the audit was conducted.

The Institute of Internal Auditors and International Professional Practices Framework standards require that internal auditors remain objective and unbiased while conducting audits. IIA Rules of Conduct number 2 Objectivity states Internal Auditors, *"Shall not participate in any activity or relationship that may impair or be presumed to impair their unbiased assessment. This participation includes those activities or relationships that may be in conflict with the interests of the organization."*

During review of previous internal audits, compromised objectivity was not detected; however, placing the Internal Auditor in a *"dual"* position elevates the risk that the observations and recommendations that result from an internal audit may be viewed with unnecessary skepticism and disrespect. In addition, it would be beneficial for FLAC to discuss the results of internal audits directly with the audited departments or divisions to ensure a more complete and robust understanding of the Internal Audit findings and recommendations. Additionally, more involvement in the process on the part of the auditee may bolster campus-wide acknowledgement of the importance of Internal Audit and the purpose of the internal audit process.

Interaction with the Executive Council. Currently, the interaction between the Internal Auditor and the two (2) advisory groups to the President is limited. The advisory groups include the President's Cabinet (now known as the "Vice Presidents") and the Executive Council.

However, formal interaction between the Internal Auditor and these advisory groups could prove beneficial to the University, either through attendance at meetings, or receiving a formal communique after meetings. The advisory groups are able to provide the Internal Auditor with information related to financial management, budgeting, accounting, and programmatic activities university-wide.

By virtue of the position, the Internal Auditor is able to provide valuable input with respect to internal control issues or concerns as they apply to various processes and policies. In addition, the Internal Auditor may provide information related to systemic problems identified in internal audit findings, with respect to weak controls across various colleges or divisions. More formal communication between the Internal Auditor and the advisory groups allows for a coupling between policy, process, and the University's internal control framework.

Framework for the composition of these two (2) groups is authorized through Presidential Directive 1-2002-4. According to University officials, "*The purpose of the President's Cabinet (now referred to as the Vice Presidents) and Executive Council is to provide a dedicated opportunity for the executive leadership of the institution to discuss issues related to university-wide policy and process, institutional priorities and opportunities, and topics of immediate need and to share information across the university's various divisions.*"

Areas of Risk not Routinely Reviewed. During fieldwork related to internal audits, certain areas at the University were identified that do not routinely receive internal audits. These areas generally include budget transfers, delegated authority to college deans to administer their budgets, safeguards to ensure policy and procedures are followed, and expenditure review. The following provides more specific information about these areas.

Table 9.2
Areas of Risk not Routinely Reviewed by Internal Audit

Internal Control Risk	Description
Budgetary Transfers	Transfers between budgetary units with expenditure authority, as well as transfers from reserve accounts without budgetary approval. An example of a higher risk transfer relates to the transfer of unobligated B1000 expenditure codes to others.
Dean Authority to Manage Budgets once Caps are set by Division of Administration	Once budgetary caps are set by the Division of Administration, college deans have the authority to budget, expend, and transfer funds. The manner by which college deans manage their budgets is through shadow accounting systems. Other areas of interest may include the lack of policy related to determining the number of part-time instructors to hire for summer school, based on student demand. Lack of such policy may create deficit spending situations.
Safeguards Related to Existing Policy and Procedures	The expenditure review and analysis identified areas where policies related to the processing of various expenditure types were not followed.
Expenditure Sampling and Review	Currently, routine review of expenditures outside of change management audits is not conducted across the University.

Source: Legislative Service Office analysis of information provided by the University of Wyoming.

Recommendation 9.1: The Board should vote to update its Internal Audit Bylaws with respect to the following areas:

- Include specific wording to encourage flexibility with respect to allotted time when setting the FLAC agenda based on concurrence between the Division of Administration and the Internal Auditor;
- Require that FLAC make formal reports to the Board with respect to each audit;
- Require that the Board take a formal action on accepting or rejecting FLAC reports;
- Require audited divisions and colleges to attend FLAC meetings to discuss audit findings and recommendations; and
- Update the name of the committee from the Audit and Fiscal Integrity Committee to the Fiscal and Legal Affairs Committee.

Recommendation 9.2: The Internal Auditor should schedule higher risk areas for routine audits in the annual audit plans as discussed in this finding.

Recommendation 9.3: The University and the Board should ensure that ongoing formal communication exists between the Internal Auditor and the advisory groups with respect to policy and systemic changes or identified risks at the University.

Chapter 10

Internal Controls

Finding 10.1: Weaknesses within the Internal Control framework at the University of Wyoming prevent effective management of various budgeting and accounting processes.

There are certain areas where internal controls at the University of Wyoming (“University”) can be improved or strengthened to mitigate risk. In some cases, policies and procedures can be developed or made more accessible to better guide financial management at the University. In other instances, policies exist, but the University does not adequately implement them. The remainder of this chapter is divided into two (2) sections, which discuss findings related to a lack of policies and procedures, as well as safeguards to ensure that existing policies and procedures are implemented.

Government Auditing Standards (2011 Revision) generally state that: *“Internal control sometimes referred to as management control, in the broadest sense, includes the plan, policies methods and procedures adopted by management to meet its missions, goals, and objectives. Internal control includes the processes for planning, organizing, directing, and controlling program operations. It includes the systems for measuring, reporting, and monitoring program performance. Internal control serves as a defense in safeguarding assets and in preventing and detecting errors; fraud; noncompliance with provisions of laws, regulations, contracts or grant agreements; or abuse.”*

The University has a decentralized budget system by which deans and department heads are given broad budgeting authority. This broad authority may hinder the fiduciary management of funds, as it is used to establish and transfer expenditure authority without formal guidance or reporting. The lack of formal policy is indicative of a culture of trust that exists at the University. The culture of trust permeates business operations university-wide and appears, at times, to be a substitute for developing and implementing actual policies.

University officials rely on this culture of trust during the department budgeting processes, funds allocation, and expenditures. Specifically, University officials stated in regard to budgeting and expenditures that they trust *“...the Deans to oversee this process, and to ensure that the appropriated funds are used for their intended purposes.”* This culture of trust compounded with the absence of an internal control framework fosters poor business practices. Further, this culture of trust should not be a substitute for executing policies and procedures already in place, or implementation of policy where needed.

Lack of Policies and Procedures for University Processes

Budgeting Model and Decentralized Budgeting. The process by which budgeting authority is delegated can be likened to University administration granting each division its own block grant appropriation. Compounding risks associated with a decentralized budget model is that the

accounting program currently utilized by the University lacks the capacity to monitor budgeted expenditure levels outside of broad budget categories.

The philosophy behind the decentralized model is that it couples academic authority with financial responsibility. According to University officials, from a budgeting perspective, “A public research university is a highly complex organization. In a large, complex organization, budget flexibility is key to addressing potential challenges and ensuring the ability to focus on delivering results.”

University officials point out that there are benefits and limitations to operating under either a decentralized or centralized budgeting model. According to officials, a system of centralized budgeting and expenditure authority generally provides for greater controls, great standardization, and in some instances a consistent approach. By comparison, in addition to increased flexibility to address challenges, a decentralized budgeting model increases accountability of the budget unit, and can increase the quality of decisions made since those in charge of the budget have the greatest understanding of needs.

BROADLY BUDGETED FUNDS. As illustrated in Table 1.12 in the Background, the budgeting authority levels established within PeopleSoft Information Software On-line (“PISStOL”) include five (5) categories within Personal Services, Support Services, Grant and Aid Payment, and Non-Operating Expenditure. By virtue of the nature of the funding, most divisions do not have budgeted funds within the budget categories of Grant and Aid Payment and Non-Operating Expenditure. Therefore, most divisions only have budgeted funds for Personal Services or Support Services within the University’s accounting system.

To further add to the University’s broad budgeting practices within PISStOL, the Support Services (B2000) budget category is broad and includes many different types of costs. For comparison, other executive branch agencies use five (5) separate budget categories for the same types of costs that are included within the University’s Support Service category, including:

- Support Services (200);
- Restrictive Costs or Services (300);
- Data Processing Services (400);
- Space Rental (500); and,
- Special Services (900).

Although not for budgetary purposes, the University does separate its Support Services category into six (6) distinct subcategories for the purpose of internal expenditure reporting, which are listed in Table 10.1, below.

Table 10.1
FY2013 Support Services (B2000) Expenditures

Expenditure Category	FY2013 Expenditures	% of Total
Other Services and Charges (200)	\$12,554,970.50	30%
Travel (220)	2,831,097.57	7%

Expenditure Category	FY2013 Expenditures	% of Total
Supplies (230)	14,877,546.88	35%
Equipment (240)	4,203,972.85	10%
Rental, Leases, Assessments, etc. (250)	2,789,532.35	7%
Contractual (900)*	5,050,562.07	12%
Total Support Services	\$42,307,682.22	100%

Source: Legislative Service Office information provided by the University of Wyoming.

*Contractual (900) was separately budgeted outside of Support Services (B2000) until FY2009.

Given the proportional amount of expended funds and the type of costs included within each subcategory, there may be benefit in separation of the Support Services category within PISStOL for budgeting purposes.

“SHADOW” ACCOUNTING SYSTEMS. The broad budget levels established within PISStOL are not conducive for sound budgeting practices. Consequently, the departments and divisions have turned to shadow accounting systems to fulfil budgetary needs.

The current design is problematic from a budget management perspective, as the shadow accounting systems do not interface with PISStOL and there is no real-time reporting of expenditures. There is no formal training or centralized controls to ensure that systems are used accurately or consistently. Furthermore, the decentralization of the shadow accounting systems creates a lack of transparency of expenditure levels below the broad budget authorities established within PISStOL.

A number of deficiencies with shadow accounting systems have been identified by the University’s internal audit function since 2011 including:

- lack of internal controls related to administrative privileges of the shadow accounting system;
- lack of internal controls related to separation of duties within the accounting process;
- insufficient shadow accounting system reconciliation process;
- inaccurate data within the shadow accounting system;
- inefficient processes within the shadow accounting system;
- insufficient reconciliation of shadow accounting system resulting in accounting deficits;
- lack of internal controls related to managerial review of monthly reconciliation; and,
- lack of internal controls related to data integrity of shadow accounting system.

The identified problems were noted for multiple audited departments indicating a wide-spread deficiency. While the general use of the shadow accounting systems promote sound budget practices, the lack of a centralized system with established internal controls and processes likely contributes to budgetary deficiencies which can result in accounting deficits.

INADEQUATE BUDGETING & DEFICIT SPENDING. A \$3 million deficit within the College of Arts and Sciences (“College of A&S”) was discovered through a change in management audit

completed by the University's internal audit group following the retirement of the dean. The deficit occurred as a result of multiple issues that transpired over a period of several years; however, the cause in each instance appeared to be directly related to inadequate controls within the decentralized budgeting model. As of July 2014, the remaining deficit was approximately \$200,000, according to University officials.

One potential cause of the deficit within the College of A&S is that insufficient funds were allocated by the University to the College. Subsequent to the internal audit, there was recognition by University officials in a public meeting that funding was deficient; however, there were not processes in place to allow the University's administration to review the financial health of the college.

The deficit was also attributed to failure on the part of the College to adequately budget funds within resources and react to budgeted resources. For example, within the College of A&S start-up packages were offered to new faculty without available funding; classes were offered below minimum enrollment levels; and an inadequate amount of funds was budgeted for part-time employees. The lack of recognition and appropriate action on the part of the College of A&S, as well as the University's administration, is a risk that needs to be accommodated for within a decentralized budgeting system.

In addition to budgeting issues, the deficit was also caused by and compounded by the process of loaning funds between departments and divisions for the purpose of making budget units whole at the end of the year. As a result of under budgeting and deficit spending, the College of A&S borrowed funds to cover negative balances.

Between 2005 and 2014, a total of \$3,283,176 in funds were loaned or given to the College of A&S. Listed in Table 10.2 is the amount of funding directed to the College to cover negative balances.

Table 10.2
Loans/Gifts to the College of Arts and Sciences

Year	Given/Loaned Amount to the College of Arts and Sciences	Repayment by the College of Arts and Sciences
2014	\$304,746.00	
2013	1,413,453.00	
2012	615,041.00	\$150,000.00
2011	650,000.00	75,000.00
2010	36,000.00	
2006	113,936.00	
2005	150,000.00	120,000.00
Total	\$3,283,176.00	\$345,000.00

Source: Legislative Service Office information provided by the University of Wyoming.

The deficit for the College of A&S is being remedied through a variety of actions including transferring funds from the Office of Research and Economic Development and loan forgiveness by Academic Affairs, just to name a few. The one-time funding from the other divisions to repay

and forgive the loans is at the expense of other budgeted efforts. University officials at the time commented that the amount of one-time funding used to dissolve a portion of the deficit is large enough to “*hinder progress in several strategically important areas.*”

The fact that the deficit at the College of A&S was not addressed sooner illustrates a weakness in the University’s escalation process. Each month deficit spending reports are generated through the University’s accounting office and made available for each budget unit. This process provides ample notification to the budget unit as well as the University’s administration that a deficit exists. Further notification is provided for academic divisions in that the Division of Academic Affairs is also made aware of large deficits. Therefore, it appears that the notification system was sufficient, but the failure occurred due to lack of action on the part of the University, on both the academic side as well as the administration side.

In the absence of adequate internal controls, the level of autonomy given to division managers for their budgets creates the risk for insufficient budgeting, deficit spending, and overall financial mismanagement. Examples of the types of risks created by the lack of adequate controls within a decentralize budget model and broad budgetary authority are illustrated in the College of A&S example, as well as the recurring internal audit findings related to shadow accounting systems throughout the University.

The current University President also voiced concerns about both of these risks. President McGinity commented that he does not understand why the deficit within the College of A&S was allowed to continue, and stated that it is not acceptable going forward. He further commented that the University needs increased internal controls and characterized the nature of the University’s accounting system as “*fragmented,*” both of which he intends to address in the upcoming year.

Recommendation 10.1: The University should immediately strengthen internal controls to prevent deficit spending practices from becoming a systemic problem. At a minimum, it should take action on recommendations made as part of the College of Arts and Sciences Change in Management audit university-wide.

Recommendation 10.2: The University should re-evaluate its accounting system to ensure the system meets budgetary and expenditure needs at the division and department levels. At a minimum, it should reconsider establishing more specific budgeting categories within PISOL to meet budgetary needs and reduce risk of under budgeting and over expenditure. Or, the University should continue to strengthen internal controls within the various shadow accounting systems.

Lack of Formal Guidance and Reporting with Respect to Budget Transfers. The authority to use budget transfers that modify Board approved budgets lies at two (2) levels: 1) at the

division level, and 2) at the level of the President's office. For both levels of transfer authority, limited policy exists related to when budget transfers are appropriate or for what purposes.

At the division level, in most instances, each budget unit has the flexibility to transfer funds, including funds budgeted for Personal Services, at its discretion. The combination of decentralized budgeting policies with liberal transfer policies poses a risk of overspending budgeted funds, and a lack of adherence to budgeting efforts directed toward goals and objectives.

BUDGET TRANSFERS. There are three (3) differences in the transfer authority granted to the divisions within the University when compared to the programs within other executive branch agencies. First, transfers in and out of Personal Services are permitted by the University, but prohibited for other Executive Branch agencies. Second, the University does not restrict the amount of funds transferred between divisions. In comparison, budget transfers for other executive branch agencies are restricted to 10% of budgeted funds for budget units. Lastly, the University's transfer policy does not involve an authorizing entity for regulating transfers between divisions with respect to the purpose; whereas, transfers must receive Governor approval for other executive branch agencies. According to University officials, the budget transfer flexibility afforded is beneficial as it allows budget units to address potential needs and challenges.

Budget transfers at the University are centrally reviewed by its accounting office, but only to ensure sufficient funding is available and that the transfers are not otherwise restricted. There are also a few instances where the University Budget Office oversees certain budget transfers related to brucellosis, Section I release time, College of Agriculture federal funds, and the funds for Wyoming Excellence in Higher Education.

There are a few circumstances in which the type of budget transfers are restricted including:

- transfers between fund codes;
- encumbered funds for B1000 (full-time personnel) and benefited B1200 (part-time personnel);
- transfers out of B6000 (Grant and Aid payments), except for another use within Grant and Aid Payments;
- transfers out of B1400 (Graduate Assistant salaries);
- transfers into earmarked accounts;
- course fees and computer fees;
- summer school account; and,
- time release accounts.

While there are certain limitations placed on the type of transfers, no current limitation exists on the amount (either for individual transactions or aggregate amounts) of transferred funds. As a result, a substantial amount of funds is reallocated by the University in any one fiscal year. In FY2013, there were 2,247 Section I budget transfers totaling \$48,623,829 in reallocated funding.

The amount transferred represents 19% of the total FY2013 Section I budget of \$260,818,497. The total amount of Section I funds transferred the previous year in FY2012 was even higher. In FY2012, there were 2,874 budget transfers totaling \$70,607,924 representing 28% of the total Section I budget of \$252,439,110.

Supplemental Information

On July 29, 2014, the Management Audit Committee requested additional, detailed information about how many of the budget transfers may be considered routine in nature and whether the level of transfers (number of transactions and amounts) may significantly negate the University's annual/biennial budget plans. See Appendix N for this additional information.

TRANSFERS BETWEEN FUND CODES. According to University officials, generally, budget transfers are not permitted between fund codes, and transfers related to “*fund code 1100 for Section I is particularly restricted.*” However, in FY2013 \$489,000 was transferred from Fund 1100 to Fund 1317 based on the amount of net transfers.

Other than being contrary to stated University policy, it is not alarming that budget transfers of funds from Fund 1100 were moved to Fund 1317, as funding for Fund 1317 (Section I Athletics) was originally derived from aggregated funds moved from Fund 1100. This movement is depicted in the fund flow chart in Appendix E. However, some of the reasons documented in the transfers, such as to “*cover deficits,*” indicate insufficient budgeting, or over-expenditure on the part of Division of Athletics.

TRANSFERS BETWEEN BUDGET LEVELS. Generally, budget transfers between budget level classifications, such as between Personal Services and Support Services, are permitted with the exception of encumbered funds for B1000 (full-time salaries) and B1200 (part-time salaries), and transfers out of B6000 (Grant and Aid Payment) and B1400 (Graduate Assistant salaries).

Listed in Table 10.3 below are the net budget transfers by budget level code for Section I transfers in FY2013. A negative number in the table is representative of the net amount received. For example, a total of \$576,256 was transferred to the B6000 budget level above what was originally budgeted.

Table 10.3
FY2013 Net Budget Transfers by Budget Level

Budget Level Code	Classification	Transfer Total
B1000	Full Time Personal Services	*\$4,674,486.31
B1100	Overtime	(40,671.07)
B1200	Part-Time Personal Services	(3,088,446.02)
B1400	Graduate Assistant	(157,007.76)

Budget Level Code	Classification	Transfer Total
B1900	Employer Paid Benefits	(7,814.67)
<i>B1000-1900</i>	<i>All Personal Services Subtotal</i>	<i>**1,380,546.79</i>
B2000	Support Services	(804,291.01)
B6000	Grant & Aid Payment	(576,255.78)

Source: Legislative Service Office analysis of the FY2013 budget transfer spreadsheet provided by the University of Wyoming.

*Net transfers from B1000 (Full Time Personal Services) to B1100 through B6000.

**Net transfers from Personal Services (B1000 through B1900) to Support Services and Grant & Aid Payments.

For FY2013, \$1,380,547 in budgeted funds was transferred out of Personal Services to fund other types of budget level classifications. Specifically, of the \$1.38 million in transferred funds from Personal Services, \$804,291 was transferred to fund Support Services and \$576,256 was transferred to fund Grant and Aid Payments. The transferred amount from Personal Services in FY2013 may seem somewhat insignificant, as the amount is less than 1% of the entire budgeted amount for Personal Services. However, for perspective, the amount is slightly more than the additional \$1,000,000 for merit salary increases from revenues generated from a recent tuition increase approved in FY2014. Given the University's priority to adequately fund salaries, the shift in funding from Personal Services to Support Services and Grant and Aid Payments may represent a lack of adherence to budgeting efforts directed toward goals and objectives.

BUDGET TRANSFERS FOR PART-TIME SALARIES. Adequate controls exist through the encumbrance policy at the University, which ensures sufficient funds are available for salaries for full time personnel. However, non-benefited part-time personnel salaries are not subject to the University's encumbrance policy. No policy exists to ensure sufficient funding is available for non-benefited part-time personnel. As depicted in Table 10.3, above, \$3,088,446 in additional funding was needed in FY2013 to support part-time salaries above the budgeted amount of \$8,559,699.

It is likely that some of the transfers from unencumbered funds for full-time salaries to part-time salaries, such as an instance in which a part-time employee is hired to temporarily fill a vacancy of a full-time employee, are directly related. However, by comparison, no additional funding was needed to support Section I full-time salaries, which is likely a result of the University's sound encumbrance policy. Furthermore, since overspending is systematically permitted for all Personal Services categories, the lack of sufficient policy to ensure sufficient funding availability for all part-time salaries creates the risk of overspending and budget deficits. An additional concern regarding budget transfers was the autonomy observed specifically relating to transfers from the Office of the President.

TRANSFERS APPROVED BY THE PRESIDENT'S OFFICE. As delegated by the Board, the University President has authority to modify the University's broadly approved budget through budget transfers. The delegation of transfer authority to the University is not established in formal policy, nor are there any established parameters that identify permissible and non-permissible types of transfers. Furthermore, the criteria requiring the University to report the amount and kinds of budget transfers authorized outside of the Board approved budget is not evident. As a result, the University has very broad budget transfer authority, including the authority to transfer funds from reserve accounts above the total funding authorized in the Board approved budget.

It should be noted that before the introduction of the block grant, the Board approved budget transfers from restricted funds and program-to-program transfers at each meeting. Since transitioning to the block grant funding model, the Board was granted statutory authority to “*expend the income placed under their control from whatever source derived,*” and has since delegated that authority to the University, under the charge of the University’s President.

Current delegated transfer authority and absence of reporting criteria is an area of concern initially raised during a public meeting after Internal Audit presented the President’s Office Change of Management findings. Discussion between the Board and Internal Auditors revealed that the procedure for approving the expenditures and transfers were made at the administrative level; however, there was no consensus among Board members with respect to reporting criteria.

IVINSON RENOVATION. Based on the concerns expressed at the January 2014 Board meeting, expenditures related to the President’s Change in Management Audit were reviewed. That report identified a transfer of \$700,000, initiated on June 19, 2013, to the Academic Affairs fund from the President’s Office fund. The purpose of the transfer was to renovate the property located at 1200 E. Ivinson, where the UW Foundation was housed. The UW Foundation was to move into the new Gateway Center, allowing the Humanities Institute to then move to the newly renovated space.

However, the Gateway Center has not been completed to date and the Foundation has not moved from its current location. Rather than returning the transferred funds to the President’s fund, the \$700,000 was instead used for the Humanities Institute, College of A&S deficit recovery, and Academic Affairs. However, after learning of this transfer, the Board discussed development of policy for notification of special transfers.

LEARNING MANAGEMENT SYSTEM. A second transfer of \$400,000 from the President’s Fund to Academic Affairs occurred on June 27, 2013, which was intended to support the Learning Management System (“LMS”). Those funds were then transferred from Academic Affairs to Information Technology for services and support on August 23, 2013. An additional \$32,200 was transferred to “*other department for support.*” It should be noted that, in addition to President’s Office transfers, a \$570,000 appropriation for LMS was proposed to be allocated from the requested 4% tuition increase. Although the \$400,000 transfer did not appear to be as problematic to the Board, this example provides evidence that these types of transfers are occurring without specific guidance.

RENOVATION OF PRESIDENT’S HOUSE. According to information provided by the University, a third transfer of \$45,000 was made to renovate the university-owned president’s residence, but was later returned and replaced with funds from unrestricted gifts. During the January 2014 Board meeting, expenditures authorized for renovations to the president’s residence became a concern when the Board learned that renovations totaled roughly \$300,000. Notification or Trustee approval is not required; however this concern facilitated the Trustees’ discussions related to a need for implementation of policy regarding expenditure notification. To date, a total of \$226,000 in unrestricted gifts has been used to fund the project. According to Officials, an additional \$25,917 in funding is needed to complete the project, which will also come from funds from unrestricted gifts.

Establishing internal controls through a formal transfer and reporting process would reduce risk, while providing a process to alert the University administration and the Board of potential insufficient funding.

Recommendation 10.3: The University should revise current practices to monitor and promote the financial health of each division or department including but not limited to revision of the deficit escalation processes to ensure appropriate action is taken to resolve budget issues, and policy is established to ensure appropriate action is taken to resolve budget issues.

Recommendation 10.4: Budget transfer policies should be revised.

- The Board should create formal policy establishing criteria for permissible budget transfers. The policy should include procedure of reporting modification to the approved budget at the desired level as well as reporting of budget transfers outside of the approved budget from reserve accounts.
- The University should revise current policy to ensure that funds are not transferred contrary to policy; that budgeting efforts align with University goals and objectives; and, that adequate safeguards to prevent risk of financial mismanagement

Lack of automated or manual safeguards to ensure the implementation and execution of existing policies.

Inadequate Management of Existing Policies. In addition to lacking policy and procedure in the areas noted above, in some instances existing policies are outdated and there is also a lack of adherence to current policy. In areas where policies do exist, there are instances where policies do not reflect how the University conducts its business and during the audit, policies and procedures were not always easily accessible. While internal controls are key to the success of any institutions, ensuring that execution of existing policy is equally as imperative. In addition, there are several areas related to University policies that could be strengthened.

Currently there are no guidelines for periodic review and updating the University's policies and procedures. This concern was initially expressed by University officials and has been subsequently supported through evaluator observations made during fieldwork. An example of this concern was evidenced in Cash Handling policies, addressed below.

LACK OF UPDATED CASH HANDLING POLICY. The cash handling policies currently in effect dates back to 1993. Since that time, policies have not been formally updated to reflect current

practices or the current financial software in use at the University. Maintaining outdated policies that do not reflect actual practices can create the risk for the mismanagement University funds.

However, a draft of cash handling policies titled, “*Funds Handling Policy*” has been prepared and awaiting final approval. The draft policy includes much of the information in the old cash handling policies, but new internal control provisions were added in the draft. New provisions included an extensive description of the process related to handling credit cards, a Petty Cash provision, and a Change Funds provision. In addition, the responsible party for oversight and administration of cash handling policy has been reassigned from Financial Services to the Associate Vice President for Fiscal Administration.

Evaluators observed that the outdated cash handling policies were originally identified during a 2011 internal audit, which recommended updating the policy. The new policy was drafted and has been awaiting signature by the President for three (3) years. It is important to point out that this outstanding recommendation may have been impacted by the fact that over the course of the three (3) years, the University has had three (3) changes in leadership in the President’s Office.

ACCESSING UNIVERSITY POLICIES. In addition to outdated policies, University policies were not accessible through a centralized location, and in some instances, were not accessible by the public, students, or employees. There are four (4) ways to access the University’s policies which include: requests to the University; the General Counsel Webpage; area specific webpage (e.g. Internal Audit); and WyoWeb. For a complete list of University policy and their location, please see Appendix C.

Policies available through the University’s intranet, WyoWeb, are not available to the public and in some instances require special permissions. Specifically, three official policies found on WyoWeb were not publically available in their entirety elsewhere on the University’s website. These policies include:

- the Official University Travel and Reimbursement Policy;
- the Procurement Service Manual; and,
- the Procurement Card Policies and Procedures.

Recommendation 10.5: The University should consolidate policies to a central public location. Additionally, the University should review and update existing policies and procedures.

Expenditure Sampling. During fieldwork conducted at the University, evaluators identified certain areas where safeguards to ensure that policies and procedures are followed could be implemented or strengthened to mitigate risk. As discussed in the Scope and Methodology section, evaluators performed a judgmental sample of roughly thirty (30) expenditures for each of the following: College of Agriculture; College of A&S; and College of Law. Evaluators looked for high-risk areas including high dollar amounts, reoccurring expenditures, multiple charges to a single vendor, high use of purchasing cards (“p-cards”) by a single cardholder,

duplicative purchases, possible fraud, and possible purchases that were contrary to University policy.

Within the judgmental sample, evaluators found that overall expenditures were consistent with policy; however, evaluators observed a few instances in which similar discrepancies were observed across the entire sample as illustrated below. It should be noted, however, that without proper and consistent execution of those policies, risk for the misuse and mismanagement of funds will still exist

EXPENDITURE SAMPLE: COLLEGE OF LAW. Within the College of Law, evaluators selected a sample of 24 expenditures. These expenditures totaled \$272,640.40 or 18% of the College of Law expenditures for FY2013.

Table 10.4
College of Law Expenditure Sample Comparison to Total Expenditures

Expenditure Type	Sampled Number	Total Population	% of Population	Sampled Amount	% of Population
P-card	4	1035	0.39%	\$2,667.24	1%
Purchase Order	6	94	6.38%	18,142.11	18%
Vouchers	12	752	1.60%	251,831.05	21%
IDR	2	82	2.44%	2,548.27	8%
Totals	24	1963	1.22%	\$272,640.40	18%

Source: Legislative Service Office analysis of expenditure data provided by the University of Wyoming.

During the sampling and review of expenditures within the College of Law, evaluators noted that while accounting policies do exist, adequate safeguards to mitigate exposing the University to unnecessary risk do not.

Within the sample, evaluators reviewed an expenditure related to a contract for catering services in the amount of \$3,600 that violated the University's contract policy. That policy requires any services provided that exceed \$1,500 to include the submission of a purchase order ("PO") and a contract. In addition, guidelines are available for use in completing contracts prior to their approval. The Revised Contracts Policy memo dated December 14, 2012 provides guidance as to how departments are to handle contracts, including the following provisions:

"BEFORE THE WORK IS PERFORMED, send the complete contract to the Office of General Counsel (the Legal Office), either in hard copy form or electronically (prefer hard copy); Legal will review and send to the proper signature authority. Once signed, Legal will notify the department contact"

Although the purchase order for the catering services in the amount of \$3,600 was identified and reviewed, there was no contract within the supporting documentation. An email dated May 15, 2013 from the General Counsel's Office to the Procurement Office included the following statement: *"Go ahead and pay the PO with the law school without a contract (since it has already occurred)."* This e-mail confirms the lack of safeguards specifically dealing with the implementation of policies intended to mitigate risk to the University.

Evaluators identified differing levels of training and application of policies and procedures, which increase risk

Likewise, evaluators identified varying levels of training and application of policies and procedures, which have exposed the University to unnecessary risk. Individuals authorized to manage and expend the University's funds receive differing levels of training. Specific policies, such as the Purchasing Card Policies and Procedures, require training for p-card cardholders, department heads, and reconcilers. However according to University officials, this training is the only mandatory requirement related to purchasing.

However, there are no such standardized training policies or requirements for those individuals who manage University accounts on a daily basis. The level of knowledge and training a person receives directly correlates to their ability to properly implement the policies and procedures they are responsible for executing. For example, the Procurement Department encourages training for acquiring services through competitive bids. As the training is not required, there is a risk that policies are not being followed related to the selection of vendors and awarding of contracts. This risk occurs as a result of the University's philosophy favoring optional rather than required trainings throughout campus. Errors and risk cannot be mitigated by responsible parties if they lack the appropriate and required knowledge of standard operating procedures.

Additionally, there were varying degrees to which policies and procedures were applied when examining the expenditure samples. While this issue relates directly to the training concerns discussed previously, it also relates to the ambiguity not only of the policies and procedures, but of how individuals choose to interpret and apply them. This dichotomy is due in large part to the culture of trust found within the University versus one of adherence to policies and procedures.

EXPENDITURE SAMPLE: COLLEGE OF ARTS AND SCIENCES. Within the College of A&S, evaluators chose a sample of thirty-two (32) expenditures. While this number only represents 0.25% of the total population of expenditures for the College of A&S, it represents eight percent (8%) of the total dollar amount expended in FY2013. The table below displays the sample by expenditure type.

Table 10.5
College of Arts and Sciences Expenditure Sample Comparison to Total Expenditures

Expenditure Type	Sample Number	Total Population	% of Population	Sampled Amount	% of Population
P-card	2	6992	0.03%	\$3,076.65	0%
Purchase Order	12	696	1.72%	26,779.11	3%
Vouchers	13	3560	0.37%	20,415.81	3%
IDR	5	1435	0.35%	29,134.96	5%
Totals	32	12683	0.25%	\$239,731.53	8%

Source: Legislative Service Office analysis of expenditure data provided by the University of Wyoming.

Within the College of A&S sample, evaluators did not observe sufficient safeguards in place to ensure that policies were being followed. For example, a September 2013 purchase order for printing services in the amount of \$11,446.70 was paid contrary to policy guidance. A memo published on December 5, 2011, sets forth the Bid Threshold Policy for various contracts at the

University. In the instance of printing, vendors are to be selected through competitive bidding when services are valued at \$1,500 or more. Specifically, *“Printing engagements with commercial vendors will be secured through competitive bidding if valued at \$1,500 or more.”* These bids require at least three (3) separate quotes from different vendors.

Supporting documentation for this purchase order included a Fax Cover sheet that stated *“Arts and Sciences would like to extend the contract for the A&S Report. The original bid was dated June 21, 2011. The specifications are to remain the same with the quantity as follows...”* This example is noteworthy on multiple levels. First, according to University staff, contracts are not written for printing services, instead the lowest bid on a specific project is selected and serves as the binding document for the project. Second, although a contract was referenced within the documentation above, it was not included. Finally, based on the Bid Threshold Policy, a new bid request should have been issued for this project rather than *“extending”* an existing agreement that had been executed and fulfilled one year prior. Ultimately, in violation of the Bid Threshold Policy, Procurement Services allowed a bid for printing services in 2011 to serve as a contract for a new print job in 2013.

Procurement Services allowed a bid for printing services in 2011 to serve as a contract for a new print job in 2013

This example was in violation of the December 5, 2011 memo surrounding bid thresholds. Evaluators also observed a nearly identical example of this type of expenditure occurring within the College of Law sample, indicating a pattern of insufficient safeguards, rather than a single occurrence. Also illustrated through this example is the importance of safeguards at the University to ensure compliance with state law, such as the statute governing preference for resident bidders in public printing contracts. W.S. 16-6-301(a) states, *“Whenever a contract is let by the state or any department thereof, or any of its subdivisions, for public printing...the contract shall be let to the responsible resident making the lowest bid if the resident’s bid is not more than ten percent (10%) higher than that of the lowest responsible nonresident bidder.”*

According to University officials, most policies are observed, but not *“always in the strictest sense.”* For example, contracts when required are kept centrally at the Procurement Office and are made available as needed. Officials reported that the contracts are almost never attached with individual purchase orders within the PIStOL accounting system. This practice is contrary to the University policy found within the Revised Contract Procedures memo, dated December 14, 2012, which states that *“the fully-executed contract (i.e., signed by both parties) must be attached to the PO.”* Given that the purchase orders are completed through an automated process, it would be expected that any required documentation would also be included in electronic form. However, evaluators cannot conclusively state that the absent documentation is a violation given the ambiguity of this policy.

Having weak safeguards in place leads to the risk of obtaining services that are contrary to University policy as illustrated through several of the areas sampled. In addition, University officials stated that of the expenditure types, the purchase order process has the strongest controls, because it is automated in the PIStOL system. However, evaluators still witnessed mistakes within this process; largely attributed to insufficient safeguards. Examples of these breakdowns in safeguards are discussed in more detail below.

There are insufficient safeguards surrounding the selection of vendors and awarding of contracts

If sufficient safeguards, such as required training and internal controls, or a system requirement within PIStOL, had been in place, three (3) bids would have been procured for the September 2013 purchase order for printing services in the amount of \$11,446.70. However, given that no other bids were attached, it might be assumed that the University chose the out of state vendor (based in Colorado and Nebraska) without considering new bids from any potential in-state vendors. Additionally, supporting documentation revealed that no one within the approval process questioned the lack of three (3) bids prior to the approval and payment of the purchase order, creating an increased risk for a claim against the University regarding the competitive bid process.

In another instance, a purchase order and cash advance was reviewed for appropriateness. The cash advance form, associated with the approved purchase order, specified a request of only \$6,144.00 for the advance amount to the student; this form was not signed. On May 3, 2013 the student was advanced \$8,539.00 for a summer innovative course in India, despite the documentation that showed a request of nearly \$2,000 less. The associated voucher, marked paid 9/24/2013 included itemized receipts and noted that “*Expenses ARE MORE, but we are NOT advancing more than the original \$8,539.*” It is still unclear based on the information provided how an unsigned request for \$6,144.00 became an approved advance of \$8,539.

This example illustrates the need for stronger safeguards both at the management level and within the existing systems. Evaluators observed risk even in fully automated systems such as those relating to purchase orders in PIStOL. Safeguards could include verification that forms are signed prior to the disbursement of funds. Likewise, automated safeguards within the PIStOL system could require automated approval signatures verifying that all forms and requirements are accurate.

Aside from purchase orders, each of the other expenditure types are completed manually, creating the risk for the misuse and mismanagement of funds, human error in approval, and the lack of knowledge or disregard of policy. Given the risk for human error and policy violation found within the automated system, there is also a risk for error with other expenditures areas as well. There were several additional instances where errors were observed and were attributed to a lack of training or knowledge of specific policies and procedures.

EXPENDITURE SAMPLE: COLLEGE OF AGRICULTURE. Within the College of Agriculture thirty-seven (37) expenditures were sampled. These expenditures totaled \$65,295.33 or 1.76% of the College of Agriculture’s total expenditures for FY2013. Table 10.6, below, shows all expenditure totals by type.

Table 10.6
College of Agriculture Expenditure Sample Comparisons to Total Expenditures

Expenditure Type	Sample Number	Total Population	% of Population	Sampled Amount	% of Population
P-card	2	6329	0.03%	\$3,904.58	0.41%
Purchase Order	13	548	2.37%	18,152.79	1.28%

Expenditure Type	Sample Number	Total Population	% of Population	Sampled Amount	% of Population
Vouchers	16	4089	0.39%	25,521.69	2.73%
IDR	6	690	0.87%	17,716.27	4.42%
Totals	37	11,656	0.32%	\$65,295.33	1.76%

Source: Legislative Service Office analysis of expenditure data provided by the University of Wyoming.

This review yielded four (4) purchase orders for travel cash advances for the Rodeo Team to travel to events. According to the Official University Travel and Reimbursement Policy, Section 5: Travel Advances, “*travel advances for anticipated expenses may be provided for employees who earn less than \$15,000 annually, for students on official university travel (other than team travel) and, in extraordinary and unusual circumstances when authorized in writing by the Associate Vice President for Fiscal Administration, or designee, for employees earning \$15,000 or more annually,*” (emphasis added). The practice of the Rodeo Team members being provided travel advances in this manner violates the University’s travel policy.

Evaluators also noted that there is no real-time approval for vouchers or Interdepartmental Requests (“IDRs”), illustrating a lack of consistency within the workflow. P-card expenditures are a manual process, but do have a required training and reconciliation process. However, they can be used for travel, which creates the opportunity for increased risk. While p-cards are issued to specific individuals, statements are paid by the University. Individuals who use their p-cards do not submit travel vouchers and expenditures are not scrutinized in the same manner. This risk is further amplified because p-card expenditures and misuse are not reported on an individual’s personal credit.

Recommendation 10.6: The University should ensure that existing policy and procedures related to all expenditure types is current and consistent with statute. The University should also instigate safeguards to assure those policies and procedures are followed.

Additional Compensation

Through review of internal audits, interviews, and analysis of ten-year salary data, evaluators observed instances of supplemental pay and recognition awards made outside of existing policy. Also, awards may not be consistently applied in all cases.

The University regulations and policies in place identify conditions under which supplemental pay and recognition awards may be provided. However, during fieldwork evaluators noted a lack of safeguards to ensure these policy requirements are being followed or applied in a consistent manner.

Supplemental Pay and Recognition Awards. University employees may receive supplemental pay under certain circumstances, most commonly for staff members taking on additional duties of a vacated position and faculty teaching summer school or additional courses during the academic year. Supplemental pay increases for faculty and staff must be initially approved at the

department head and college dean levels. However, the Administration approves supplemental pay for staff, while final approval for faculty is under the purview of Academic Affairs.

When evaluators initially discussed the issue of supplemental pay with Academic Affairs, there was confusion on the part of University officials as to the nature and purpose of supplemental pay, as well as their role with respect to approval. Considering the trend for supplemental pay is increasing, as discussed below, it is a concern that confusion exists.

Appendix C provides a table with Supplemental Pay policies and Presidential Directives.

The University also has programs through which lump-sum monetary recognition awards are provided. The programs include completion of nomination forms and a review process that involves a small committee including representatives from the respective college dean's office.

Internal Auditor Criticisms of Policy. Evaluators reviewed two (2) 2013 internal audits with findings related to violation of compensation policies. The President's Office Change of Management audit identified instances in which supplemental pay increases were authorized in violation of supplemental pay policies and the Monetary Staff Awards audit identified improper use of staff recognition award funds in lieu of raises.

The combination of not following policy and weak safeguards to ensure proper application of policy to prevent improper expenditure of funds puts the University and colleges at risk of overspending, inaccurate budgeting and perceived preferential treatment of staff.

PRESIDENT'S OFFICE CHANGE OF MANAGEMENT AUDIT. During the November 2013 audit of the President's Office, Internal Audit observed supplemental pay totaling \$45,000 (\$15,000 per employee) had been provided to three (3) employees, two (2) of which were administrative professionals, in the President's Office for extra work associated with the President Search Committee. The increases were in effect for a nine (9) month period, from November 1, 2012 through July 30, 2013, but were provided in violation of University Regulations 4-2 and 5-173, as well as Presidential Directive 4-2013-1 and supplemental pay guidelines. Further, because the time period for the increased duties was greater than four (4) months, the requests should have been approved by the Board, not the President. Additionally, it was noted the requests for the pay increases were submitted to Human Resources and processed without notifying the Vice President of Administration until after the requests had been processed.

Internal Audit noted that, "*there are no policies or guidelines related to the salaries of administrative professionals or administrators.*" University Regulation 4-2 is applicable to all University personnel, which can be reasonably assumed to include administrative professionals. The supplemental pay increases authorized for the two (2) administrative professionals was in violation of University Regulation 4-2, as it does not appear either met the enumerated criteria.

MONETARY STAFF AWARDS AUDIT. Internal Audit conducted an audit in April 2013, as a result of complaints by staff that monetary recognition awards were being unfairly distributed to staff in four (4) College of A&S departments: Chemistry, English, Geography and History. More specifically, internal auditors found that there were no processes for making \$250 awards within the Chemistry Department (no total amount noted), and \$500-\$1000 awards within the English, Geography, and History departments for a total of \$5,000.

The report concluded that although each college has a program to recognize outstanding staff, these four (4) departments did not follow the formal processes for granting these awards. While funds were intended to recognize outstanding staff, the awards appeared to be “...in lieu of raises” that had not been provided campus-wide for four (4) years due to budget cuts. Although no preferential treatment was shown, as all staff members in the departments received monetary awards, there was no formal recognition of outstanding staff. Even though the College of A&S has programs for awarding the recognition funds, no internal controls were in place to prevent the disbursement of funds that were not used in accordance with policy.

Supplemental Pay Trends. Evaluators conducted analysis on salary data received from the University, which included determining supplemental pay. The total amount of supplemental pay observed, funded by both Section I and Section II dollars, for the time spanning 2007-2013 totaled \$3,264,360, mostly attributed to funds from Section I, which totaled \$3,087,096, leaving \$177,264 attributed to Section II funds.

Within Section I funds, however, the trend of supplemental pay is increasing, showing a 21.7% change from 2007-2013. However, it is important to note that in 2011, the use of supplemental pay was higher than any other year. From 2011 to 2013 there was a decrease of 5.9% in supplemental pay amount. Although there was a dip from 2011 to 2013, supplemental pay is once again, increasing. As shown below, there was a 3.9% change from 2012-2013.

Table 10.7
Section I Supplemental Compensation

Position Type	2007	2008	2009	2010	2011	2012	2013
Academic Professional	\$36,384	\$56,448	\$74,580	\$48,708	\$40,068	\$40,068	\$54,012
Admin & Admin Professional*	116,424	47,736	0	10,728	10,728	73,008	86,544
Classified	39,348	42,720	11,352	79,480	78,888	12,012	30,672
Faculty	209,188	143,724	357,964	334,200	389,736	344,988	317,388
Total	\$401,344	\$290,628	\$443,896	\$473,116	\$519,420	\$470,076	\$488,616

Source: Legislative Service Office analysis of ten-year salary information provided by the University of Wyoming

Note: Includes Section I funded positions jointly funded by Section II.

Supplemental compensation not separately recorded in the salary data provided by the University of Wyoming until 2007.

*Administrative professionals had supplemental compensation in FY2012 and FY2013 for a total of four (4) people.

Supplemental Pay May not be Disbursed in a Consistent Manner. The University supplemental pay policies are clear with regard to which circumstances qualify for supplemental pay; however, evaluators’ noted possible inconsistency, with respect to approval and distribution of supplemental pay increases.

University officials commented that “it is possible that the differential pay increase for faculty...includes those individuals who became department heads.” Evaluators reviewed employees with dual titles to determine if supplemental pay has been or is applied in these situations and found inconsistent results. In some instances, positions with dual titles were easily identified in the data set; however, in other instances, due to position coding in the data set, some identified positions were not in fact dual title positions. There are, however, clear instances in which inconsistent disbursement of supplemental pay for dual title positions was identified. For

example, evaluators noted some employees with the title of “*Department Head/Professor*” received supplemental pay, but there were also instances in which an employee with the same dual title did not.

Evaluators also noted the number of instances in the University’s salary data in which the positions with interim titles, such as ‘Interim Director’ or ‘Interim Dean’, were reviewed to determine if there was a correlation between interim titles and supplemental pay. As shown in Table 10.8, below, there does not appear to be a consistent correlation between interim titles and supplemental pay for all years. For some years, almost all interim titled positions received supplemental pay; however, there are other years in which the majority of interim positions did not receive supplemental pay.

Table 10.8
Interim Positions with Supplemental Pay

Differential Status	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013
All Interim Titled Positions	6	3	3	10	6	8	3	2	8	6
No Salary Differential	6	3	3	1	1	4	2	1	5	2
With Differential				9	5	4	1	1	3	4
% of Total	0%	0%	0%	90%	83%	50%	33%	50%	38%	67%

Source: Legislative Service Office analysis of ten-year salary information provided by the University of Wyoming.

Recommendation 10.7: The University should review and revise policies on supplemental pay and monetary staff awards. In addition, it should ensure that safeguards are in place to enforce existing policy.



Chapter 11

Conclusion

The University of Wyoming (“University”) audit performed by the Legislative Service Office’s (“LSO”) Program Evaluation Section examined the effectiveness of block grant funding to determine if enhanced budgetary flexibility has afforded the University the resources necessary to accomplish primary responsibilities with respect to its teaching and research missions. Also included within this review was the discussion of whether funding has allowed the University to provide adequate salaries and to keep tuition and fee increases to a minimum.

The switch to block grant funding developed over time, but was formalized in 1999. As envisioned by former Governor Geringer, the impetus for block grant funding was to eliminate the restrictive nature of line item appropriations and to place more responsibility and accountability on the Board and the University administration. In addition, block grant funding was designed to provide flexibility on the part of University administration to disburse and reallocate funds to meet the University’s goals and objectives. Several priorities and processes influence the effectiveness of the block grant, including salaries, tuition and fees, financial management, and accountability.

Salaries

Block grant funding generally appears to have improved the University’s ability to offer market comparable salaries at the University; however, improving salaries and maintaining competitive compensation continues to be an area of priority for the University.

The University only offers institution wide faculty salary increases when the Legislature appropriates funds specifically for that purpose. The University should examine if raise policies, position classification equity, and proportional budget allocations align with current goals and objectives.

The University has assembled a list of comparator institutions for faculty salaries that include dissimilar institutions in terms of size, level of research, geographic region, and resources. While selecting comparators is a necessary process to determine how salaries compare to market levels, the University should ensure the methodology used for selection fairly represents market conditions.

Tuition and Fees

The University and Legislature appear to be keeping the cost of instruction at the University low and currently the University maintains the lowest level of tuition and fees, and the third lowest total cost-of-attendance for resident undergraduate students of the seven (7) comparator institutions reviewed for this evaluation. Despite the low levels of student-generated revenue, total revenues at the University rank relatively high, largely due to high levels of block grant funding supplementing low tuition revenue. While the block grant has afforded the University budget flexibility, tuition and fee rates have required increases over the years. Decisions related

to such increases have occurred in an inconsistent manner. Accordingly, the University would benefit from a tuition and fee policy.

Financial Management Structure

Strong safeguards are essential to protect University assets and ensure the effective and appropriate use of block grant funds. However, reviews of expenditures and financial management of the University revealed weaknesses that exist within the internal control framework threaten to prevent effective management of budgeting and accounting practices.

The block grant appropriation, and the flexibility to manage funds outside of line item appropriations, has afforded the University the opportunity to adopt a decentralized budget model. The internal controls associated with decentralization and broadly allocated budget authority could be strengthened by developing new policies and by improving and implementing existing policies.

Even though the University maintains an established internal audit function, which is vital to ensure safeguards are in place to protect the University, improvements can be made to strengthen both the audit reporting procedures and how audit recommendations are implemented for university-wide issues.

Accountability

The University operates a robust and highly detailed planning and reporting enterprise. However, the nature of the University's planning and reporting differs slightly from that originally envisioned when block grant funding was implemented. While generally in compliance with state statutes and informally accepted practices, the University can improve planning and reporting by using more programmatic, quantifiable goals. Performance based reporting can assist Legislators and the public in assessing the University's achievements and use of general funds.

Accountability may also be improved by modifying financial practices to report disaggregated expenditure data at the college, department, program, or individual vendor level for Section I funds, because the success of the block grant funding relies on a high level of public accountability.

This audit identified areas for improvement that could increase overall financial efficacy at the University. Through strengthened internal controls and safeguards relating to budgeting and accounting practices, as well as, execution and implementation of policies relating to planning and operation, the University can increase accountability, while still maintaining the level of autonomy afforded through the block grant appropriation.

Agency Response was formatted for inclusion in the report.

Agency Response

University of Wyoming (UW) Response to LSO Management Audit July 16, 2014

Introduction

This audit was conducted during a period in UW's history that was extraordinarily unusual by any measure. UW's Board of Trustees selected a new President in February 2013 with an expectation that there would be a refocus on UW's land-grant mission, including a greater engagement with UW's external constituencies and a genuine commitment to excellence. During FY 2014, while the audit was underway, the new President arrived and left office within a few months. There have also been a large number of changes in senior leadership positions during the same period. Many of these positions are currently held by interim appointments. There is a high degree of confidence in these appointees. The search process to fill these positions on a permanent basis is beginning or underway. Nevertheless, despite these changes, there remains a strong commitment by UW's Board of Trustees and the new President to continue in the new direction. The topics described in the audit are central to the continuation and success of this undertaking.

Rather than simply respond to the recommendations in the order listed in the audit, UW's response aggregates the audit into topic areas as follows:

- I. Block Grant and UW Funding and Expenditures (Chapters 1 through 5)
- II. Financial and Performance Reporting (Audit Chapters 6, 9, and 10) and Planning (Audit Chapter 7)
- III. Tuition and Fees (Audit Chapter 8)

I. Block Grant and UW Funding and Expenditures

A. Comparator Institutions

Recommendations 4.1 and 4.2 suggest that UW re-examine its current list of comparator institutions and perhaps establish multiple such lists given the regular discussions with policymakers about the competitiveness of faculty salaries. However, the audit report, despite some disclaimers, identifies seven universities as the appropriate comparator institutions for UW. The report repeatedly refers to these seven institutions as the standard against which UW should be measured in a variety of ways, including salaries and total expenditures.

UW disagrees that the seven institutions identified in the audit report are the appropriate institutions to be identified as comparators. Consistent with the recommendations, UW

intends to work with state policymakers to identify comparator institutions (though “competitor institutions” is a far more accurate term with regard to recruiting and retaining faculty). Neither the audit report nor UW’s response to it is the appropriate venue to have that dialogue or make that final determination. That effort will necessarily require substantial dialogue going forward.

Moreover, Recommendation 4.2 suggests that salary data from “aspirant institutions” should be separately identified and analyzed. The Wyoming Governor’s Energy, Engineering and STEM Integration Task Force (WGEESIT Task Force) informed recommendations by the Governor for funding to pursue the Tier I initiative for the College of Engineering and Applied Science. The Legislature approved funding consistent with those recommendations. The Legislature also established a top quartile science initiative for the pursuit of excellence in science disciplines across the campus. Recommendation 4.2 is inconsistent with these legislatively approved initiatives.

It did not appear to be productive to use the 15 day window for preparing the agency response to the audit report to contend that the seven institutions first identified to UW on June 30, 2014, are not suitable as the universe of comparator institutions for UW. Though UW does not offer any further comments in its response to the audit report regarding the repeated use of these seven institutions, such silence should not be construed as agreement.

Further, in Chapter 5 of the audit report, reference is made to CUPA data. As the audit report states, these data are derived from more than 1,200 higher education institutions. Both 2-year schools and 4-year colleges and universities with a variety of missions are included in these data. Like the seven comparator institutions, these 1,200+ institutions as a group are not appropriate comparators. UW will work with policymakers to develop acceptable data to use as a reference point for evaluating the relevant market for the various categories of employees in the UW workforce.

B. Agency Mission

As a land-grant university, UW has a three-fold mission of education, research, and service. These are inter-related, not separate concepts. The core of the land-grant concept is that faculty members engage in research to discover new knowledge and transfer it through a variety of avenues for the benefit of the public. It is not just the substance of the research that is of value. UW has a strong emphasis on undergraduate research experience. This enhances the quality of education for our students, which is the heart of our mission. Some research may be financed in part through government or private sector funding, but the purpose is the same.

C. Compensation (Audit Chapters 4 and 5)

- Chapter 4, page 52 discusses new faculty salaries and compression. Some of the statements are conclusions that are erroneous.

New faculty salaries – UW does hire faculty at the higher faculty ranks of Associate Professor and Professor, but it is more common to hire a new tenure track faculty

member as an Assistant Professor who will begin the tenure process. The audit report states that the starting salaries for faculty are highly negotiable. That is precisely the case in higher education. Faculty salaries vary widely by discipline, e.g. new Assistant Professors in Petroleum Engineering make far more than their new colleagues in, for example, History. Candidates are interested in both starting salary and the likelihood of raises over time.

In any given year, the number of candidates in a particular discipline and the number of institutions with vacancies will vary. The quality of the candidates and the quality of the institutions with vacancies will also vary widely. Perhaps more important than the quality of the institution with the vacancy are the characteristics of the faculty in the department in which the new Assistant Professor will serve – the faculty’s reputation within the discipline, the nature and scope of their work. Prospective Assistant Professors will also want to know the availability of funding for graduate students, who typically receive stipends for supporting assistant professors in their teaching and research work.

Candidates – In the sciences and engineering, the candidate Assistant Professor will also want to know about “start-up” packages. All research institutions provide them. In addition to funding for graduate students, “start-ups” provide laboratory equipment and supplies suited to the candidate’s area of expertise. This is the means by which research institutions provide their new faculty with tools and support to become competitive in pursuing their careers and enhancing their capabilities in the extremely competitive world of pursuing grants—largely, but not exclusively—from federal sources such as the National Science Foundation (NSF), Department of Energy (DOE) and host of other agencies. These start-up packages may total several hundred thousand dollars in some cases. In fact, the plans approved by the Wyoming Governor’s Energy, Engineering and STEM Integration Task Force (WGEESIT Task Force) related to the Tier I initiative, and funded by the Legislature during the 2014 legislative session provided a budget for start-ups for new faculty averaging \$500,000 each.

This competitive research funding is not simply to benefit faculty cloistered in academe. It is the way the United States advances science and the nation’s well-being. Outstanding faculty compete for research funding to support national interests. Thus, there are more matters than just starting salary that are subjects of negotiation.

Institutions seeking high quality faculty—as UW has been mandated since 2012 to do by the legislature and the Wyoming Governor’s Energy, Engineering and Stem Integration Task Force—have limited resources to bring to the negotiation. For each discipline, the candidates and the institutions engaged in the negotiation have an idea of the general range of salary for such positions. Add to all the foregoing the candidate’s personal preferences—a metropolitan area versus a smaller city?

So the audit report is indeed correct in saying that there are no defined pay scales with regard to hiring new faculty. But, in the real world of faculty recruiting and retention as described above, negotiations between UW and prospective faculty hires play out in an

extraordinarily competitive environment, university by university, college by college, department by department, and discipline by discipline.

Economists have a term for this set of conditions: the “market.” The market sets the price and terms for the outstanding faculty that UW has been mandated to recruit and retain. UW must be competitive in that market to achieve the success that policymakers have demanded.

Compression – The audit report states that “the appropriateness of starting salaries for new faculty can be a contributing factor for self-created (emphasis added) salary compression issues.” Salary compression is created when the market requires that new employees be paid salaries that are very close to and perhaps exceed those of more experienced employees. Compression is market created, not self-created.

The audit report suggests that UW should simply adopt pay scales for new faculty to limit compression. To the extent these pay scales are below market, UW will either have candidates of lower quality than it requires, or no suitable candidates at all.

- Recommendations 5.2 through 5.4

These recommendations suggest that within its existing resources, UW should be able to establish policies so that employees receive regular pay raises. Near the bottom of page_61 is a sentence that reads:

“However, given the level of total revenues the University receives per student FTE, including tuition and state appropriations, when compared to many other institutions, it is feasible that existing block grant funding could in some way be allocated in a method that promotes consistent faculty increases.” It is assumed that the audit report meant faculty “salary” increases.]

Recommendation 5.4 urges the Board of Trustees to adopt a compensation policy to provide salary increases at a consistent frequency and to do so to maintain market competitive salary levels “within the flexibility of block grant funding.”

The narrative references the State of Alaska as an example where their higher education institutions are required by policy to set aside an amount equal to 1% of faculty salaries from the previous year for discretionary raises. The audit report narrative also identified another Alaska compensation policy for faculty salary increases.

Considered together, the foregoing suggests that higher education institutions in Alaska are able to implement salary increases within existing, unchanging resources. It presumably follows then that since UW has a higher amount of total revenues per student FTE than some other Alaska universities (but far less than Alaska – Fairbanks, one of the seven comparators) UW should be able to do the same.

The difficulty with that conclusion is that the State of Alaska’s budget approach for higher education provides for increased funding for salaries and other purposes on an annual basis. For Alaskan universities, the annual base budget is the budget for the preceding

year plus “Adjusted Base Requirements.” These Adjusted Base Requirements include funding for compensation increases, maintenance costs for new facilities, increased utility costs, increased costs of regulatory compliance, and for several other purposes. As the term suggests, the base budget is adjusted upward. Requests for additional budget increases then appear separately.

Alaskan universities operate in an environment where regular salary increases are funded through state appropriations. To be clear, UW is not asking for a change in the state budget process. UW does contend that the conclusions in the audit report identified above cannot be supported.

If UW is to maintain salaries at competitive levels without additional resources, UW must make significant reductions in expenditures in other areas. Over time, that will necessarily result in elimination of major programs and services. The state appropriation for the salary increase authorized for the current biennium totals \$12.5M, larger than the budget for the College of Education for the same period.

D. Block Grant

The flexibility of the Block Grant is sometimes viewed in the extreme, as if the amount calculated annually as the Block Grant is completely available for reallocation on an annual basis. Nothing could be further from reality. The Block Grant is committed for expenditure in its entirety to the ongoing operations of UW that are exactly what the public expects, e.g. the operation of all the academic programs, the costs of UW’s facilities maintenance and day to day operations, and a host of support and ancillary services and programs typical for a university, e.g. admissions and registrar, human resources, accounts receivable, a police department, libraries, and intercollegiate athletics.

Of course, UW can and should strive to manage these expenditures as efficiently and effectively as possible. But the flexibility provided by the Block Grant as defined herein is on the margins—it derives from being able to redirect funds from vacant positions while searches are undertaken, and other strategies to address the day to day challenges. The magnitude of the funding realistically available for reallocation is necessarily limited.

The term “Block Grant” is itself the subject of confusion because it is often used to refer to fundamentally different things. The term “Block Grant” is sometimes used to refer generally to the entirety of UW fiscal operations. In other cases, the term is used with regard to all state appropriations to UW.

For the purpose of this agency response, the term is defined as follows:

“Block grant – That portion (emphasis added) of the State Aid line item in the University’s 067 state agency budget in the general appropriations bill that is not limited as to its expenditure by the terms in the state appropriations bill or the regular state budget rules, and which will be included in the standard budget for the University in the next biennium.”

As so defined, the Block Grant refers only to a portion of the state aid line item in the budget bill. The state aid line item for each biennium, as amended in the supplemental budget, typically contains appropriations for one-time purposes. It also may include recurring funding for specific purposes specified in the appropriations bill and associated budget documents. To be clear, if the Legislature authorizes funding for a specific purpose, UW uses that funding solely for the purpose specified. This makes comparing annual Block Grant amounts over the 10 years complicated because the components of and the terms and conditions related to the state aid line item have varied over the years.

The FY 2015-FY 2016 biennial budget enacted during the 2014 budget session illustrates the challenge of computing the Block Grant:

067 Budget State Aid (biennium) - \$356.2M

Less one-time funds

(\$3.2M) – per footnotes 3 thru 6

(\$1.5M) – IT equipment

(\$1.0M) – Wyoming Public Media (Radio facilities)

Total one-time funds (\$5.7M)

Less recurring funds dedicated
for specific purposes

(\$53.4M) – Health insurance

(\$ 1.3M) – BSL-3 operations

(\$ 0.7M) – New Clinical Lab degree in Casper

(\$ 0.7M) – O&M at three Outreach sites (Casper,
Riverton, Sheridan)

Total recurring funds dedicated
for specific purposes (\$56.1M)

Total Block Grant (biennium) \$294.4M

Total Block Grant (annual) \$147.2M

Dividing this Total Block Grant in half to approximate an annual amount yields \$147.2M. That is far less than the \$170 million in state General Funds listed in the first paragraph on the first page of the LSO report.

One could argue that the increase to the State Aid appropriation during the 2014 budget session for BSL-3 operations, the new Clinical Laboratory degree in Casper, and Operations and Maintenance at three UW Outreach centers increased the size of the Block Grant. That is not the case. UW requested increases to the State Aid appropriation for those purposes, and that is precisely what UW will spend the increased revenue for.

By separate appropriation in the 2014 appropriations bill, UW did receive \$12.5M for pay increases over the biennium. Those funds will be used exclusively to fund pay raises for UW employees. UW cannot and will not devote those funds for other purposes.

Substantial time could be devoted to making similar calculations for each budget period over the past 12 years. That would require identifying one-time funds and increases for recurring purposes which UW has devoted and continues to devote to the purposes and programs for which increases were authorized. That would also include making calculations regarding the years in which reductions were made. For example, the standard budget for the State Aid appropriation used in developing the budget considered during the 2014 budget session was reduced by more than \$22 million from the previous biennium.

But reaching an agreed upon number for the Block Grant for any prior year does not yield much value regarding the concept of the Block Grant. The point is that if the Block Grant is held as a fixed amount of funding, over time, the increased costs of salaries, information technology, libraries and operations and maintenance will necessarily require major reductions in programs.

E. UW Section I and Section II Budgets (Revenues)

Section I

UW accounts for revenue in two broad categories – Section I and II revenues. The Block Grant is a component of the revenues received under one of these two sections. To be clear, Table 1.2 on pages 7 and 8¹ of the audit report lists nine sources of revenue to Section I revenues. The first item listed is “General Fund (State Aid).” That is accurate, but as described above, the Block Grant is only a portion of that amount.

Moreover, the other eight revenue sources listed in Section I have significant restrictions on their usage. The following serve as examples, but are not an exhaustive list:

- UW income fund – Student fees are typically dedicated to specific purposes, e.g. outreach student fees, student recreation, and student health services.
- Federal mineral royalties (FMRs) – Wyoming Statutes specify the permissible uses for FMRs, basically for facilities. UW’s share of FMRs under the statutory formula has been constant at \$13.4 million for many years. A portion of these revenues are used to make payments on revenue bonds that the Legislature has authorized UW to issue. Those are accounted for in Section II since these revenues are pledged along with Section II revenues in accordance with Wyoming statutes.
- Federal funds – Agricultural research – These revenues are used exclusively for agricultural research.
- Federal funds – Agricultural extension – These revenues are used exclusively for agricultural extension.

¹Due to the addition of supplemental data, Table 1.2 is now Table 1.8 on page 14.

Section II

By their very nature, Section II revenues are used to support the purposes and programs for which the revenue is generated. There are two distinct types of Section II revenue, and UW is in the process of separating them for accounting purposes. They are:

- Sponsored Funding – These include government (at all levels) and private sector funding typically for research. A portion of research funding is deemed to be “indirect costs.” Like all research universities, the indirect cost rate imposed on such research agreements is evaluated and approved by the federal government. These revenues are used for two purposes. First, they help defray institutional support costs that cannot be directly billed to the project, e.g. utilities, operations and maintenance, payroll, security, etc. Second, they provide a source of revenue to develop and sustain the research capabilities of UW’s faculty. That includes funding “start-up” packages that were discussed previously in this response. It also includes training with regard to agency grant processes, and often one-time funding for things like special equipment and bridge funding for retention offers.
- All other Section II revenues – These include a host of revenue sources including student housing and food service charges, and revenues generated by UW’s Department of Intercollegiate Athletics.

F. UW Section I and II (Expenditures)

The notion of the Block Grant obviously includes expenditures as well as revenues. It is clear that both Section I revenues and Section II revenues are restricted or committed to a substantial extent as to the purpose for their expenditure. That is particularly the case for Section II revenues.

The complexity of clearly explaining the use of the Block Grant within the Section I budget is illustrated in Table 1.4 of the audit on page 10². The Section I expenditure budget for the College of Agriculture and Natural Resources for FY 2013 was \$20.8 million. Those expenditures were funded not only by the Block Grant as described above, but a number of other Section I revenue sources. Some of these Section I revenues were restricted to specific uses as a matter of law.

The College of Agriculture and Natural Resources provides undergraduate and graduate education, conducts basic and applied research, operates the Wyoming State Veterinary Laboratory, manages the state seed lab in Powell, provides valuable information to Wyoming’s agricultural producers and related businesses often at the College’s research locations around the state, and partners with local governments to deliver cooperative extension programs. The Block Grant, as one of several revenue sources used by the College, provides flexibility in that the state funds are not restricted under the budget rules applicable to other state agencies. In light of the diversity of the College’s mission,

² Due to the addition of supplemental data, Table 1.4 is now Table 1.10 on page 17.

determining the level of funding per FTE student yields a number that is not particularly useful for evaluation. The same is true for UW as a whole. The budgets of other units, academic and otherwise, are also similarly complex with regard to revenues and expenditures.

Entities funded by Section II revenues generally “float on their own bottom.” However, Intercollegiate Athletics is funded by substantial amounts of both Section I and Section II funding. Many coaches’ contracts are funded by both Section I and II revenues with Section II typically providing the incentive components of the compensation package. Except for a handful of universities, state support is required for a competitive athletics program.

II. Financial and Performance Reporting (Audit Chapters 6, 9, and 10) and Planning (Audit Chapter 7)

These two topics are addressed simultaneously. Recommendation 7.3 urges that the planning and reporting process envisioned by President McGinity should continue forward. This sums up in a single sentence the primary goal of the Board of Trustees and the UW administration.

President McGinity was appointed in January 2014 as UW’s 25th President. UW is now committed to a comprehensive multi-biennium planning process that will not only (i) have clearly defined objectives, but will also be tied to (ii) an explicit financial plan that allocates resources to the accomplishing these objectives and (iii) permits measurement of UW’s progress in doing so. That process is underway with unit draft plans currently being reviewed. The Office of the President and the Office of Academic Affairs are collaborating closely in this effort.

UW agrees with the premise of the recommendations in all these chapters. Some modifications to contract processing have already been implemented. Business processes are being evaluated, and more changes will be implemented in the coming months. The “shadow” accounting systems referenced in the audit report were not created to avoid accountability. Rather, they were created out of necessity because UW did not have adequate financial reporting systems in place so that managers had at least some information. That must change.

At President McGinity’s direction, the Division of Administration has initiated efforts to design a financial reporting system that will serve UW’s needs and will accomplish what is recommended in the audit report. Moreover, far too often, units rely on administrative personnel with training in the processing of financial documentation but with no professional training in accounting or the types of fiscal reporting. The Division of Administration will also develop a plan to ensure that staff with appropriate training implement and manage this system. The plans and cost estimates for this initiative will be complete in the fall of 2014.

III. Tuition and Fees (Audit Chapter 8)

UW agrees that a policy regarding tuition and fees should be established. Members of the Board of Trustees began discussions regarding such a policy at the January 2014 meeting at which President McGinity was formally appointed. Tuition and fees for the 2014-2015 academic year had to be determined no later than the March 2014 Board meeting to ensure proper implementation. The Board did discuss the notion of a tuition and fee policy during their deliberations at that meeting and intend to work toward establishing such a policy during upcoming meetings.

The rationale for prior tuition and fee increases has varied. Note too that upon creation of the Hathaway Scholarship program in 2006, policymakers made it abundantly clear to UW that any tuition increases in the near term would be viewed with strong disapproval.

Clearly, policymakers will necessarily be fully apprised of substance and intent of any tuition policy so as to inform their decisions regarding state support to UW.

Finally, “cost of attendance” is a term of art for federal financial aid purposes. The cost of attendance for UW for Academic Year 2014-2015 is listed below (cost for undergraduates only for brevity).

Anticipated Annual Cost of Attendance for the 2014-2015 School Year - Undergraduate Students	Wyoming Resident	Non-Resident⁺
Tuition & Fees*	\$4,645	\$14,875
Room & Board**	\$9,755	\$9,755
Books and Supplies (est.)	\$1,200	\$1,200
Travel (est.)	\$890	\$890
Personal Expenses (est.)	\$2,200	\$2,200
TOTAL	\$18,690	\$28,920

**Tuition & Fees based on 15 credits per semester*

***Room & Board based on double occupancy room and unlimited meal plan*

+ The child of a parent who graduated from the University of Wyoming is eligible to receive a discounted tuition rate at 150% of resident tuition. This discounted tuition rate is equal to \$6,340 of tuition and fees in addition to the other costs listed above.

Note that tuition and fees represent only about 25% of the cost of attendance. Travel and personal expenses comprise more than \$3,000. Again, that figure is for federal financial aid purposes. Students may actually spend more or less. Room and board represents the cost of a double occupancy room in the UW residence halls plus the unlimited meal plan. These rates are established to cover all the costs associated with providing that room and board, including but not limited to, food, utilities, facility operations and maintenance,

salaries and benefits for all employees working in housing and food service units, bonded indebtedness, and reserves for major maintenance. The rates do not include amounts to replace existing facilities, and for the sake of clarity, do not support the academic enterprise. Simply, housing and food service charges are not used to fund faculty salaries.

Traditional aged freshmen are, with some exceptions, required to live in the residence halls. This is very common at universities. The programming provided and the interaction with other students has been widely understood to contribute to student success. Beyond the freshman year, students are free to live (and eat) in Laramie as they choose so the actual expenditures by a student will vary widely.

That said, while cost of attendance is certainly a consideration, tuition is intended to help defray expenses associated with delivering academic programs and related support. UW's tuition is extremely low as compared with any land-grant university.

It may be useful to provide some understanding about the level of revenues that tuition increases will generate. The state appropriated funds to UW during the 2014 budget session for salary increases for both faculty and staff during FY 2015-2016. The salary increases will simply prevent UW from losing ground more quickly as regards competitive faculty salaries. It is far short of an amount to make serious inroads towards closing the gap towards competitiveness. Nevertheless, roughly a 9% tuition increase in each year of the biennium would be necessary to generate the same amount of funding provided by the state. Closing the gap would require sustained double digit percentage tuition increases. That is unlikely to be considered to be reasonable.

Conclusion

Attached is a list of recommendations in the audit report by recommendation number, and brief UW comments regarding them.

UW believes critical points to remember regarding this audit report are:

- UW needs to acquire and implement a fiscal accounting and reporting system that provides for far better management of UW's resources and greater transparency to the public.
- The result of the UW planning process led by President McGinity should be a set of measurable goals and objectives and realistic implementation plans to accomplish them, including providing resources as necessary.
- UW will develop and implement a tuition policy. UW will work with policymakers to ensure that the purposes of such increases are understood.
- The Block Grant is only a portion of UW revenues. It provides much needed but very limited flexibility in terms of reallocating resources to meet needs.
- An all too common statement about UW funding is "if UW wants to do it, they can find it in the Block Grant." No amount of "finding" in the Block Grant will generate revenues on an ongoing basis to provide salary increases so as to maintain competitive salaries, address

the increased costs of operations and maintenance resulting from expanding the campus footprint, and ensure state of the art technology and libraries.

- UW will work with policymakers to identify appropriate comparators as regards competitive salary levels. The competitive salary levels will be informed by the expectations of the Tier I engineering initiative and the top quartile science initiative. The seven comparator institutions suggested in the audit report are not suitable as comparators.
- UW will continue to recruit new faculty and offer market level salaries.
- Losing 63 top performing faculty in the preceding three years is problematic by any measure.

**UW comments regarding the recommendations contained in the
LSO Management Audit Report
July 16, 2014**

Recommendation number in LSO Audit	UW comment
3.1	UW supports the notion of enhanced budget reporting. However, UW creates budgets on a functional basis depending upon the specific needs of the program or function, not by accounting code. Personal services will be the largest component of almost every program at a University.
3.2	The academic enterprise comprises more than 50% of total salaries at UW. A substantial number of classified personnel are directly assigned to academic units. However, UW creates budgets on a functional basis depending upon the specific needs of the program or function, not by the relative proportion of position classifications.
3.3	Intercollegiate Athletics is the one UW division that relies on nearly an equal allocation of Section I and Section II revenues. Due to recent changes resulting from NCAA actions that have occurred and will occur, there will be what amounts to “de-regulation” of former limitations on athletics spending in a variety of areas. UW will need to aggressively pursue external funding and also explore with policymakers the possibilities for additional Section I support if UW to be competitive in the Mountain West Conference. Enhanced reporting will clarify the complexities associated with this mix of funding.
4.1	There has been a lack of clarity and consistency in UW’s use of comparator institutions with respect to faculty compensation. UW is committed to identifying a methodology to identify comparator institutions to use as a basis for discussions with regard to faculty salary levels on a continuing basis.
4.2	The 7 comparator institutions identified in the LSO audit are not the appropriate comparator institutions for faculty salaries or for any other purposes of comparison. By law, the state has determined that UW should pursue Tier I status in engineering, and has

	also established a process to pursue excellence through a science initiative. These are the first two of what will presumably be more efforts to strengthen UW as an institution.
5.1	Top performing faculty are in high demand in an extremely competitive environment. These faculty may receive unsolicited offers from other institutions, or for a variety of reasons, faculty may begin to test the market. It is impractical to further reduce Block Grant commitments to UW units to set aside funding for this purpose on an ongoing basis for each budget period.
5.2, 5.3, 5.4	The rationale behind these recommendations is flawed as reflected in the narrative of the agency response.
5.5	The referenced UW Regulation 5-807 is, like several university regulations, admittedly out of date. No substantive changes have been made in well over 20 years. The regulation should reflect the current environment where faculty engage in teaching, research and service to accomplish UW's mission. There will need to be flexibility so that faculty can respond quickly to meet the demands in all three areas in an ever changing environment.
6.1	There needs to be a substantial investment in UW fiscal reporting and transparency. UW supports this recommendation including modifications to the Wyoming Transparency in Government Act.
7.1, 7.2, 7.3	UW supports the notion that UW should identify clear plans, but also identify resources necessary to accomplish these goals and objectives. The UW President will serve in the leadership role for this University-wide effort and assign responsibilities across campus to ensure that the planning effort is accomplished as envisioned. The notion of a small number of academic measures applicable to all academic units fails to recognize the depth and scope of the University mission. To overstate the point, a low quality academic program with a high number of graduates may well be more cost effective than an extremely high quality program with fewer graduates. But the latter is a far more desirable outcome.

8.1, 8.2	UW's Board of Trustees has recently embarked on an effort to adopt a tuition and fee policy. The policies of the Wyoming Community College Commission and institutions in other states may well be useful to inform that effort. But first and foremost, tuition should be increased to generate revenue to fund clear UW goals and objectives developed through a planning process and substantial engagement with stakeholders and policymakers. There also needs to be a clear understanding of what the state, through the block grant or otherwise, will fund to accomplish these mutually agreed upon goals and objectives.
9.1, 9.2, 9.3	Outdated Bylaws and regulations should of course be updated. The admittedly austere internal audit function should focus to the greatest extent practicable on high risk areas defined through some mutually acceptable means. The UW Executive Council tends to discuss a host of routine, yet important, UW business at its meetings. If there is a significant policy change being considered, it does make sense to apprise the Internal Auditor.
10.1, 10.2	UW agrees that substantial resources should be devoted to a new accounting system and to use that new system to monitor the financial health of UW units.
10.3, 10.5	UW's Board of Trustees and the administration believe it is essential to establish policies regarding budget transfers, and to use the new accounting system to ensure that there is compliance with established policy. That is a clear initiative of President McGinity.
10.4	As part of the transparency effort, UW policies should be reviewed, updated, and made easily accessible to UW personnel and the public.
10.6	This recommendation should be implemented as part of efforts to address compensation issues as identified in recommendations 5.2, 5.3, and 5.4



Agency Response to Supplement was formatted for inclusion in the report.

Agency Response to Supplement

University of Wyoming (UW) Response to Amended LSO Management Audit December 23, 2014

Summary

In its meeting of July 29, 2014, the Management Audit Committee (i) delayed release of the Management Audit and (ii) directed that supplemental information be provided. Auditors were requested to provide some of that information; UW was directed to provide some additional information. Pursuant to Management Audit Committee direction, an amended Management Audit, which included that supplemental information, was provided by LSO to UW on October 17, 2014. The University provided additional information to the Committee on December 9, 2014. The University has incorporated that additional information in this response to the amended Management Audit report.

UW observes that the amended Management Audit report does not address conceptual and reasoning flaws that were identified by UW in its July 16, 2014, response to the original Management Audit report.

Agency Response to Amended LSO Management Audit

This UW response to the amended Management Audit is organized in the same topic areas as were used in UW's July 2014 response; specifically:

- I. Block Grant and UW Funding and Expenditures (Audit Chapters 1 through 5)
- II. Financial and Performance Reporting (Audit Chapters 6, 9 and 10) and Planning (Audit Chapter 7)
- III. Tuition and Fees (Audit Chapter 8)

I. Block Grant and UW Funding and Expenditures (Audit Chapters 1 through 5)

A. Comparator Institutions

Finding 4.1 states: "The current list of comparator institutions used by the University as a benchmark to measure market levels of faculty salaries does not provide an accurate representation of similar institutions. As a result, the percentage of faculty salaries reported below market levels may be misrepresented to the Board and the Legislature."

It is the University's position that finding 4.1 could be better stated to more accurately reflect the discussion and recommendation 4.2, as follows: Any list of "comparator" institutions cannot completely represent or be used as the sole means to compare faculty salaries to the "market level." Previous uses of such lists without additional analysis may or may not have resulted in inaccurate market comparisons.

The audit report selects seven other universities for comparison with UW. The areas of comparison include:

- Chapter 2 – Revenue, enrollment, degrees conferred, graduation and retention rates, tuition and fees.
- Chapter 4 – Faculty salaries.
- Chapter 5 – Compensation Policy.
- Chapter 7 – Cost of attendance.

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UW's July 16, 2014, response contains the following paragraph:

“UW disagrees that the seven institutions identified in the audit report are the appropriate institutions to be identified as comparators. Consistent with the recommendations, UW intends to work with state policymakers to identify comparator institutions (though “competitor institutions” is a far more accurate term with regard to recruiting and retaining faculty). Neither the audit report nor UW’s response to it is the appropriate venue to have that dialogue or make that final determination. That effort will necessarily require substantial dialogue going forward.”

The University emphasizes those portions of the report explicitly stating that the use of the seven comparators in the report is not intended to suggest that it is the “correct comparator list.” The report disclaims the use of seven comparators as appropriate for market salary analysis, stating that the comparisons “simply illustrates the wide range of results that can occur depending on the comparator institutions....” (Page 50 of the amended report; see also page 53.)

Recommendations 4.1 and 4.2 suggest that UW re-examine its current list of comparator institutions. The University agrees with those recommendations and is proceeding on that course.

The University has surveyed colleges within the University with respect to comparator/competitor institutions. This survey produced a list of nine institutions mentioned by at least four of the eight colleges (including libraries). Five of the nine potential comparators are located in states contiguous to Wyoming. The remaining four are also west of the Mississippi, with no California schools.

As might be expected, the list of “aspirational” universities, and colleges within them, that the University wants to emulate was more diverse. The University administration has preliminarily narrowed the list to seven potential aspirational comparators. That list is still predominantly universities in western states, but it does encompass a larger geographical region, including the Midwest and Southwest.

The names of the potential comparators have not been included in this response as the lists will be further refined by comparisons on a college by college and perhaps discipline basis, in accordance with the suggestions in the audit report and UW’s July response. That effort is expected to take substantial time. Further development of salaries by college or discipline within the potential comparators will likely require significantly more expenditure than past compilations. Before undertaking such expenditure the University looks forward to further dialogue with legislators on this issue.

It can be argued that the comparator institutions found in the Management Audit report do not meet the expectations of the Governor and the Legislature. For example, recommendations of the Wyoming Governor’s Energy, Engineering and STEM Integration Task Force (WGEESIT Task Force) were relied upon by the Governor to pursue funding for the College of Engineering and Applied Science “Tier I” initiative. The Legislature also established a top quartile science initiative for the pursuit of excellence in science disciplines across the campus. Further, numerous UW

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programs (e.g., MFA in Writing, Program in Ecology, Environment Economics, Atmospheric Science) have achieved “Tier 1” status, and are considered aspirant by many other universities in the country.

The University agrees with the Legislative directive to aspire and achieve excellence. The University stated that its intended use of the current comparators, as noted in the report, was the need to recruit and retain faculty with research and teaching knowledge, skills and abilities to successfully perform in the **nation’s** public research universities. That stated intent is aspirational and the University makes no apology for being so. Again, the University recognizes that a simple listing of other institutions likely is not adequate for market comparisons, but it rejects any suggestion that the listings provided were meant to misrepresent comparisons to “market” salaries to the Board of Trustees or the Legislature.

Further, in Chapter 5 of the audit report, reference is made to CUPA data. As the audit report states, these data are derived from more than 1,200 higher education institutions. Both two year schools and four year colleges and universities with a variety of missions are included in these data. Like the seven comparator institutions, these 1,200+ institutions as a group are not appropriate comparators. UW has long ago abandoned use of that data set.

B. Compensation (Audit Chapters 4 and 5)

The July 16, 2014, response stressed that the audit report’s discussion regarding faculty salaries and compression reached erroneous conclusions. The erroneous conclusions include:

1. Absence of defined pay scales with regard to hiring new faculty – In the real world of faculty recruiting and retention as described above, negotiations between UW and prospective faculty hires play out in an extraordinarily competitive environment, university by university, college by college, department by department, and discipline by discipline. The market sets the price and terms for the outstanding faculty that UW has been mandated to recruit and retain.
2. Compression – The audit report states that “the appropriateness of starting salaries for new faculty can be a contributing factor for *self-created* (emphasis added) salary compression issues.” Salary compression is created when the market requires that new employees be paid market salaries. In some cases, these salaries are very close to and perhaps exceed those of more experienced employees. Compression is market created, not self-created, and it is not unique to the UW, or to academic institutions in general.
3. The audit report suggests that UW should adopt pay scales for new faculty to limit compression. To the extent these pay scales are below market, UW will either have candidates of lower quality than it requires, or no suitable candidates at all.

C. Block Grant

UW’s July 16, 2014, response provided information demonstrating that the Block Grant should be viewed as \$147.2 million, not \$170 million. The University maintains that position.

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II. Financial and Performance Reporting (Audit Chapters 6, 9 and 10), Planning (Audit Chapter 7)

A. Budget Transfers

Appendix N begins by indicating the Management Audit Committee requested information about budget transfers representing budget transfers totaling 19% of UW's Section I budget. What follows in the report is a series of analyses that the University believes contains equivocations and do not reflect the actual operation of the institution.

UW is a state agency with a block grant. Other state agencies operate in a fiscal system that has been designed by and is acceptable to the Legislature. That is the system to which UW should be compared.

Under the system applicable to other state agencies, the Governor has the ability to move, or "flex," up to 5% of general funds between agencies, and up to 10% between programs within agencies. This movement of funds is reported to the Legislature, and is commonly referred to as the "B-11" process. If UW's internal divisions operate like state agencies under the B-11 process, then the Legislature should have a high degree of confidence that UW is administering its Section I programs within established budgets.

While LSO analyzed FY 2013 data (referenced on page 98, \$48.6M) in their follow-up in Appendix N, UW took a closer look at FY 2012 data, which was the larger of the two totals (referenced on page 99, \$70.6M). The following UW analysis, applying a "state agency B-11 budgeting approach," provides a fuller understanding of the transfers and demonstrates how the \$70.6 million amount is not simply the funds available in that fiscal year for the University administration to move about as it pleases without harm to the University's mission.

The FY 2012 budget data includes abandoned mine lands funds (AML) swaps for general funds, directed by the Governor pursuant to law, and a portion of summer school tuition distributions. In the latter case, some summer school funds are collected centrally by the outreach school and distributed to the departments that actually provide the courses, in a sort of reimbursement. For FY 2012, the AML swaps amount to about \$7.3M, and the summer school transfers amount to \$1.7M. That reduces the \$70.6M to \$61.6M.

Additionally, the majority of the FY 2012 budget data contains intra-divisional transfers. Those kinds of transfers are not the type that show up in B-11s for other state agencies. Funding transfers within state agency programs do not typically require documentation with a B-11. Management authority lies with the administrators of the hundreds of programs in agencies, and only if a transfer is made between programs, not within them, is a B-11 necessary. Of course, excluding the department of health, funding in the 100 series, or personal services budgeted amounts, is unavailable for transfers. The University, under the block grant approach, like the department of health, is not so limited. Eliminating those intra-divisional transfers from FY 2012 budget data reduces the \$61.6M by \$54.1M leaving \$7.5M.

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An additional \$1M is transferred in a manner similar to that used for summer school. This transfer mechanism is the way UW funds graduate student stipends among UW's academic colleges.

Of the \$6.5M remaining, \$6M is intra-divisional transfers within the divisions of administration and academic affairs. UW's accounting system identifies many separate units, but most of them are within the Division Administration and the Division of Academic Affairs.

The remaining approximately \$500K would certainly qualify to be reported under the B-11 process if UW were operating as other state agencies do. This amounts to about 0.3% of state appropriations that are part of the block grant—well within the 10% between programs amount utilized in the management of state budgets.

The following table summarizes the FY 2012 budget data:

Total "Transfers"	\$70.6M
Less: AML swaps	\$7.3M
Less: Summer School transfers	\$1.7M
Less: Intra-divisional transfers	\$54.1M
Remaining transfers	\$7.5M
Less: Graduate students	\$1.0M
Less: Aggregation of sub-divisions	\$6.0M
Remainder "B-11" type transfers	\$0.5M

Like most universities, the vast majority of UW's expenditures are for faculty and staff to provide the undergraduate, graduate, and professional education and research programs that UW's citizens desire and expect. As noted above, the vast bulk of the transfers are made as a matter of course within divisions based upon the expenditures made to provide a program. They do not represent a shifting of budgeting priorities within a fiscal year or fiscal biennium. Repurposing substantial resources would necessarily have a catastrophic effect on those programs. Can UW legally make transfers under the block grant model? The answer is yes. But doing so would come at the expense of existing educational programs serving our students.

B. Accounting, Fiscal Control, and Budgeting System Needs

As discussed at the Management Audit Committee's July 2014 meeting, UW operates a \$500M+ yearly budget on a computer system that is at least fifteen years old. Management reporting is difficult at best. Unification of data to determine a university-wide fiscal condition can take thirty or more days. This situation is highlighted by the recently publicized College of Arts & Sciences deficit, and exacerbated by last biennium's budget reductions.

The current system has proven accurate but is fragmented and obsolete, resulting in difficulty in tracking expenditures on an ongoing, real time basis at a central level. The Governor has acknowledged this issue will take resources to address and supports doing so. He deferred to the Management Audit process to allow the Legislature and the University the opportunity to identify the resources necessary to develop a system required to meet the needs of the University's Board of Trustees and administration in running an institution as large and complex as UW.

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Unification of the fiscal approach across colleges and functions at the University will be a costly and time-consuming endeavor. Attached is one page of bullet points summarizing the problems and identifying what the University believes will be needed to achieve results satisfactory to University administration and Wyoming's elected policymakers. (Attachment 1)

The University's submittal to the Joint Appropriations Committee proposes a timeframe of 4-5 years to full implementation, and FY15/16 costs of \$4M. FY17/18 projected costs of \$12.5M include personnel, but primarily one-time consultant and systems purchase costs. Beyond the FY17/18 biennium, anticipated annual systems maintenance and personnel costs will be about \$5.4M. The ongoing cost estimate might be less, as not included in the calculation of ongoing costs are potential savings resulting from a restructuring of fiscal personnel centrally, and distributed among the seven colleges.

It is important to note that the University is in full compliance with its accounting requirements, as evidenced by its clean annual audits. This is by no means intended as an indictment of the institution's fiduciary responsibilities. It is merely a recognition of a need to move its fiscal processes and management information needs into a more current state, at a critical time in its history.

III. Tuition and Fees (Audit Chapter 8)

During the public portion of the Committee's July meeting, the Committee asked UW to provide information regarding progress towards adopting a tuition policy at UW. At its regular November 2014 meeting, UW's Board of Trustees adopted a tuition policy. A copy of that policy is included as Attachment 2.

To be clear, this policy is a direction from the Board of Trustees to make an annual recommendation regarding modifications to tuition and the distribution of increased revenues deriving therefrom. The policy is a starting point. UW's Board of Trustees must still vote to approve any modifications to tuition, and may deviate from the recommendations of the University's administration. Moreover, the administration may make recommendations to the Board that differ from the 4% contained in the policy. In fact, given the challenges regarding competitive salaries, the University's administration did recommend a deviation from the amounts in the policy in this, the first year of its application.

The Board did approve tuition rates for FY 2015 and a copy of the plan they adopted is included as Attachment 3.

Note too that the policy, as distinct from the action for FY 2016, provides that the policy itself be revisited at least every four years. Moreover, the Board must receive information about the costs of tuition and fees at UW as compared with other land grant doctoral institutions. UW's resident undergraduate tuition and fees continue to be at the bottom of about any list of comparable institutions that are identified. Attachment 4 contains information that demonstrates that even without consideration of the Hathaway Scholarship, UW's tuition and fees are extremely low.

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Conclusion

We welcome the Management Audit Committee's review of the efficacy of the block grant and suggestions for improvements in operating under the block grant. As made clear in the University's formal responses to the reports, we are not in agreement with portions of those reports.

Regarding those items of agreement, the University administration has acted upon and will continue to work to implement the report's recommendations. The University Board of Trustees has adopted a tuition policy. The administration is working to develop new compensation comparators and will provide those to the Committee and the full Legislature. The University is working with the Joint Appropriations Committee and will work with the full Legislature to address accounting, fiscal control and budgeting system needs. The University administration wishes to assure the Committee that it will continue to work with the Legislature to implement changes which will improve the University of Wyoming.

ATTACHMENT 1**Fiscal Control/Management Reporting Systems Needs**

Full integration of Section I (the general operating budget) and Section II (self-supporting, auxiliaries, and research operations) data & budgeting is critical for overall institutional management.

Current budgeting/accounting systems for Section II is a separate and incomplete series of systems, and the entire system is out of date (1998 was original implementation).

There are institutional management needs at all organizational levels for timely, comprehensive fiscal data.

Fiscal information problems have been identified by administration, trustees, and management audit committee.

Identification of systems needs is included in university's strategic plan.

A comprehensive system will:

- better accommodate compliance with GASB requirements and facilitate alignment with NACUBO principles;
- allow the university to shift from a de-centralized business management strategy to a centralized approach;
- result in better reporting and analysis capabilities, which will yield greater transparency.

Overall costs estimated at:

- FY15/16 - \$1M personnel/\$3M systems consulting;
- FY17/18 - \$2.3M personnel/\$7.4M for systems purchase/\$2.8M for systems maintenance;
- FY19/20 - \$2.5M personnel/\$2.9M systems maintenance, all ongoing costs. Some ongoing costs might be mitigated by realigning duties of existing positions.

ATTACHMENT 2

TUITION POLICY

In order to give advance notice to all those affected by prospective tuition increases, the Board of Trustees adopts the following policy for tuition increases for Academic Years 2016 and later:

- A. Unless modified under D or F. below, annual tuition, other than programs with differential tuition, the Administration will recommend that tuition be increased by 4% for each academic year.
- B. Annually, the Administration will submit recommendations regarding adjustments to differential tuition rates.
- C. Revenue generated by the annual tuition increases will be distributed as follows:

- 2% - Salaries (approx. \$1M) – To be applied first to the cost of mandatory salary increases for promoted faculty (approximately \$425,000). The balance to be used for faculty and staff salary increases.

- 1% - Academic unit support budgets (approximately \$500K) – To be distributed as determined by the Vice President for Academic Affairs.

- 1% - Libraries and IT (approximately \$500K divided equally)

The Administration shall provide information regarding the estimated effects of these increases on the budgets of units receiving such funds.

- D. The Administration may recommend modifications to the policy specified in Section A or the distribution thereof specified in Section C, but shall consult with students, faculty, and staff prior to submitting such recommendations, and shall make any such recommendations on or before the November meeting of the Board.
- E. On or before the November meeting of the Board, the Administration shall provide information regarding the cost of attendance, and how UW's tuition and fee rates compare with other universities.
- F. The Board of Trustees may accept, reject, or modify any recommendation under Sections A and B and may take any action it determines regarding tuition rates and the distribution of revenue generated from modifications to tuition.

[Added for discussion purposes on the issue of periodic review of the policy]

- G. The Board shall review this policy:
 - a. Not later than four years following its adoption; and
 - b. Not later than four years following any subsequent review or modification to the policy.

ATTACHMENT 3

FY 2016 Tuition recommendation to the Board of Trustees

1. This recommendation applies to all tuition except UW programs which have differential tuition. UW's administration will annually make separate recommendations regarding each of the programs subject to differential tuition because of the inherent differences in the funding of those programs as compared with all other programs.
2. UW is committed to keeping tuition as nearly free as possible. Revenue from tuition increases should always be expended in ways that directly affect the quality of education that UW's students receive.
3. Despite state funding for compensation increases, the compensation levels for UW faculty and staff are well below market levels and the revenues resulting from these tuition increase will make only partial progress towards rectifying that. Appropriate compensation for faculty and staff remains UW's top priority.
4. There is also being discussed a proposal to establish a tuition policy. That policy includes a provision for increasing tuition at an annual rate of 4%, but always subject to the Board's approval. UW's Administration supports that policy but believes that compensation levels are so serious, that they need additional attention.
5. As such, it is recommended that tuition for FY 2016 be increased by 5%. The additional revenue generated by this increase is estimated to be \$2.5 million or approximately \$500,000 per 1% increase in the rate of tuition.
6. Of this amount, \$2 million will be devoted to compensation. When combined with the \$4.1 million in state appropriations for compensation for FY 2016, there will be a total of \$6.1 million available in FY 2016 for compensation. The remaining \$500,000 will be available to the Division of Academic Affairs to begin to address a host of academic support and programmatic issues.
7. The \$6.1 million available for compensation would be distributed as follows:
 - i. \$4.8 million to fund compensation increases for faculty and staff through a process approved by the Board of Trustees.
 - ii. An amount sufficient to fund FY 2016 pay raises and associated employer paid benefits for promoted faculty in accordance with UW policy and regulations. (Estimated to be \$425,000)
 - iii. To recruit and retain personnel (including both faculty and staff) within the Division of Academic Affairs - \$600,000. To be expended as determined by the VP for Academic Affairs, with the approval of the President. Note: For the purpose of clarification, it is

anticipated that these funds will not be fully committed on July 1, 2015, but will be used for recruitment and retention during FY 2016.

- iv. To recruit and retain all other staff - \$275,000. To be expended as determined by the VP for Administration, in consultation with all other VPs, with the approval of the President. Note: For the purpose of clarification, it is anticipated that these funds will not be fully committed on July 1, 2015, but will be used for recruitment and retention during FY 2016.

The University of Wyoming
Full-Time Tuition and Fees History
1961-62 to 2014-15

ATTACHMENT 4

Academic Year	Full-Time Tuition and Fees																	
	Undergraduate																	
	Resident									Non-Resident								
	Tuition	\$ Change	% Change	Fees	\$ Change	% Change	Total	\$ Change	% Change	Tuition	\$ Change	% Change	Fees	\$ Change	% Change	Total	\$ Change	% Change
1961-62	\$207			\$40			\$247			\$469			\$40			\$509		
1962-63	\$237	\$30	14.5%	\$40	\$0	0.0%	\$277	\$30	12.2%	\$519	\$50	10.7%	\$40	\$0	0.0%	\$559	\$50	9.8%
1963-64	\$238	\$2	0.6%	\$52	\$12	30.0%	\$290	\$14	4.9%	\$538	\$20	3.8%	\$52	\$12	30.0%	\$590	\$32	5.6%
1964-65	\$251	\$13	5.3%	\$56	\$4	6.7%	\$306	\$16	5.5%	\$567	\$29	5.3%	\$56	\$4	6.7%	\$622	\$32	5.4%
1965-66	\$264	\$13	5.2%	\$57	\$2	2.7%	\$321	\$15	4.7%	\$596	\$29	5.1%	\$57	\$2	2.7%	\$653	\$31	4.9%
1966-67	\$277	\$13	4.9%	\$69	\$12	20.2%	\$345	\$25	7.6%	\$893	\$297	49.9%	\$69	\$12	20.2%	\$961	\$309	47.3%
1967-68	\$277	\$0	0.0%	\$69	\$0	0.0%	\$345	\$0	0.0%	\$893	\$0	0.0%	\$69	\$0	0.0%	\$961	\$0	0.0%
1968-69	\$277	\$0	0.0%	\$71	\$2	2.9%	\$347	\$2	0.6%	\$893	\$0	0.0%	\$71	\$2	2.9%	\$963	\$2	0.2%
1969-70	\$302	\$26	9.2%	\$83	\$13	17.7%	\$385	\$38	11.0%	\$968	\$76	8.5%	\$83	\$13	17.7%	\$1,051	\$88	9.1%
1970-71	\$302	\$0	0.0%	\$83	\$0	0.0%	\$385	\$0	0.0%	\$968	\$0	0.0%	\$83	\$0	0.0%	\$1,051	\$0	0.0%
1971-72	\$302	\$0	0.0%	\$89	\$6	7.2%	\$391	\$6	1.6%	\$1,268	\$300	31.0%	\$89	\$6	7.2%	\$1,357	\$306	29.1%
1972-73	\$302	\$0	0.0%	\$109	\$20	22.5%	\$411	\$20	5.1%	\$1,268	\$0	0.0%	\$109	\$20	22.5%	\$1,377	\$20	1.5%
1973-74	\$302	\$0	0.0%	\$109	\$0	0.0%	\$411	\$0	0.0%	\$1,268	\$0	0.0%	\$109	\$0	0.0%	\$1,377	\$0	0.0%
1974-75	\$302	\$0	0.0%	\$109	\$0	0.0%	\$411	\$0	0.0%	\$1,268	\$0	0.0%	\$109	\$0	0.0%	\$1,377	\$0	0.0%
1975-76	\$302	\$0	0.0%	\$109	\$0	0.0%	\$411	\$0	0.0%	\$1,268	\$0	0.0%	\$109	\$0	0.0%	\$1,377	\$0	0.0%
1976-77	\$302	\$0	0.0%	\$133	\$24	21.6%	\$434	\$23	5.6%	\$1,268	\$0	0.0%	\$133	\$24	21.6%	\$1,400	\$23	1.7%
<i>Change in Full-Time from 8.5 hours/semester to 12 hours/semester</i>																		
1977-78	\$302	\$0	0.0%	\$133	\$0	0.0%	\$434	\$0	0.0%	\$1,268	\$0	0.0%	\$133	\$0	0.0%	\$1,400	\$0	0.0%
1978-79	\$302	\$0	0.0%	\$133	\$0	0.0%	\$434	\$0	0.0%	\$1,587	\$319	25.2%	\$133	\$0	0.0%	\$1,720	\$320	22.8%
1979-80	\$302	\$0	0.0%	\$133	\$0	0.0%	\$434	\$0	0.0%	\$1,587	\$0	0.0%	\$133	\$0	0.0%	\$1,720	\$0	0.0%
1980-81	\$451	\$149	49.3%	\$141	\$8	6.0%	\$592	\$158	36.3%	\$1,737	\$150	9.5%	\$141	\$8	6.0%	\$1,878	\$158	9.2%
1981-82	\$451	\$0	0.0%	\$141	\$0	0.0%	\$592	\$0	0.0%	\$1,737	\$0	0.0%	\$141	\$0	0.0%	\$1,878	\$0	0.0%
1982-83	\$451	\$0	0.0%	\$165	\$25	17.4%	\$616	\$25	4.1%	\$1,911	\$174	10.0%	\$165	\$25	17.4%	\$2,076	\$199	10.6%
1983-84	\$451	\$0	0.0%	\$165	\$0	0.0%	\$616	\$0	0.0%	\$1,911	\$0	0.0%	\$165	\$0	0.0%	\$2,076	\$0	0.0%
1984-85	\$551	\$100	22.2%	\$165	\$0	0.0%	\$716	\$100	16.2%	\$2,061	\$150	7.8%	\$165	\$0	0.0%	\$2,226	\$150	7.2%
1985-86	\$562	\$11	1.9%	\$160	(\$6)	-3.3%	\$721	\$5	0.7%	\$2,072	\$11	0.5%	\$160	(\$6)	-3.3%	\$2,231	\$5	0.2%
1986-87	\$619	\$57	10.2%	\$160	\$0	0.0%	\$778	\$57	7.9%	\$2,283	\$211	10.2%	\$160	\$0	0.0%	\$2,442	\$211	9.5%
1987-88	\$619	\$0	0.0%	\$160	\$0	0.0%	\$778	\$0	0.0%	\$2,283	\$0	0.0%	\$160	\$0	0.0%	\$2,442	\$0	0.0%
1988-89	\$659	\$41	6.5%	\$174	\$15	9.1%	\$833	\$55	7.1%	\$2,431	\$149	6.5%	\$174	\$15	9.1%	\$2,605	\$163	6.7%
1989-90	\$759	\$100	15.2%	\$244	\$70	40.2%	\$1,003	\$170	20.4%	\$2,795	\$364	15.0%	\$244	\$70	40.2%	\$3,039	\$434	16.7%
1990-91	\$902	\$143	18.8%	\$246	\$2	0.8%	\$1,148	\$145	14.5%	\$3,322	\$527	18.9%	\$246	\$2	0.8%	\$3,568	\$529	17.4%

Academic Year	Full-Time Tuition and Fees																	
	Undergraduate																	
	Resident									Non-Resident								
	Tuition	\$ Change	% Change	Fees	\$ Change	% Change	Total	\$ Change	% Change	Tuition	\$ Change	% Change	Fees	\$ Change	% Change	Total	\$ Change	% Change
1991-92	\$1,045	\$143	15.9%	\$248	\$2	0.8%	\$1,293	\$145	12.6%	\$3,849	\$527	15.9%	\$248	\$2	0.8%	\$4,097	\$529	14.8%
1992-93	\$1,168	\$123	11.8%	\$262	\$14	5.6%	\$1,430	\$137	10.6%	\$4,240	\$391	10.2%	\$262	\$14	5.6%	\$4,502	\$405	9.9%
1993-94	\$1,380	\$212	18.2%	\$268	\$6	2.3%	\$1,648	\$218	15.2%	\$4,914	\$674	15.9%	\$268	\$6	2.3%	\$5,182	\$680	15.1%
1994-95	\$1,608	\$228	16.5%	\$300	\$32	11.9%	\$1,908	\$260	15.8%	\$5,688	\$774	15.8%	\$300	\$32	11.9%	\$5,988	\$806	15.6%
1995-96	\$1,686	\$78	4.9%	\$319	\$19	6.3%	\$2,005	\$97	5.1%	\$6,084	\$396	7.0%	\$319	\$19	6.3%	\$6,403	\$415	6.9%
1996-97	\$1,812	\$126	7.5%	\$332	\$13	4.1%	\$2,144	\$139	6.9%	\$6,540	\$456	7.5%	\$332	\$13	4.1%	\$6,872	\$469	7.3%
1997-98	\$1,944	\$132	7.3%	\$382	\$50	15.1%	\$2,326	\$182	8.5%	\$7,032	\$492	7.5%	\$382	\$50	15.1%	\$7,414	\$542	7.9%
1998-99	\$1,944	\$0	0.0%	\$386	\$4	1.0%	\$2,330	\$4	0.2%	\$7,032	\$0	0.0%	\$386	\$4	1.0%	\$7,418	\$4	0.1%
1999-00	\$2,016	\$72	3.7%	\$400	\$14	3.6%	\$2,416	\$86	3.7%	\$7,284	\$252	3.6%	\$400	\$14	3.6%	\$7,684	\$266	3.6%
2000-01	\$2,166	\$150	7.4%	\$409	\$9	2.3%	\$2,575	\$159	6.6%	\$7,284	\$0	0.0%	\$409	\$9	2.3%	\$7,693	\$9	0.1%
2001-02	\$2,316	\$150	6.9%	\$491	\$82	20.0%	\$2,807	\$232	9.0%	\$7,788	\$504	6.9%	\$491	\$82	20.0%	\$8,279	\$586	7.6%
2002-03	\$2,400	\$84	3.6%	\$597	\$106	21.5%	\$2,997	\$190	6.8%	\$8,064	\$276	3.5%	\$597	\$106	21.5%	\$8,661	\$382	4.6%
<i>Tuition charges changed from fixed full-time tuition to per credit hour tuition. The tuition comparison for 2003-04 through the present is 15 hours/semester for undergraduates.</i>																		
2003-04	\$2,520	\$120	5.0%	\$570	(\$27)	-4.6%	\$3,090	\$93	3.1%	\$8,370	\$306	3.8%	\$570	(\$27)	-4.6%	\$8,940	\$279	3.2%
2004-05	\$2,610	\$90	3.6%	\$633	\$63	11.1%	\$3,243	\$153	5.0%	\$8,640	\$270	3.2%	\$633	\$63	11.1%	\$9,273	\$333	3.7%
2005-06	\$2,760	\$150	5.7%	\$666	\$33	5.2%	\$3,426	\$183	5.6%	\$9,150	\$510	5.9%	\$666	\$33	5.2%	\$9,816	\$543	5.9%
2006-07	\$2,820	\$60	2.2%	\$695	\$29	4.4%	\$3,515	\$89	2.6%	\$9,360	\$210	2.3%	\$695	\$29	4.4%	\$10,055	\$239	2.4%
2007-08	\$2,820	\$0	0.0%	\$734	\$40	5.7%	\$3,554	\$40	1.1%	\$9,660	\$300	3.2%	\$734	\$40	5.7%	\$10,394	\$340	3.4%
2008-09	\$2,820	\$0	0.0%	\$801	\$67	9.1%	\$3,621	\$67	1.9%	\$10,230	\$570	5.9%	\$801	\$67	9.1%	\$11,031	\$637	6.1%
2009-10	\$2,820	\$0	0.0%	\$906	\$105	13.1%	\$3,726	\$105	2.9%	\$10,740	\$510	5.0%	\$906	\$105	13.1%	\$11,646	\$615	5.6%
2010-11	\$2,970	\$150	5.3%	\$957	\$51	5.6%	\$3,927	\$201	5.4%	\$11,280	\$540	5.0%	\$957	\$51	5.7%	\$12,237	\$591	5.1%
2011-12	\$3,120	\$150	5.1%	\$1,005	\$48	5.0%	\$4,125	\$198	5.0%	\$11,850	\$570	5.1%	\$1,005	\$48	5.0%	\$12,855	\$618	5.0%
2012-13	\$3,180	\$60	1.9%	\$1,098	\$93	9.2%	\$4,278	\$153	3.7%	\$12,390	\$540	4.6%	\$1,098	\$93	9.2%	\$13,488	\$633	4.9%
2013-14	\$3,240	\$60	1.9%	\$1,164	\$67	6.1%	\$4,404	\$127	3.0%	\$12,960	\$570	4.6%	\$1,164	\$67	6.1%	\$14,124	\$637	4.7%
2014-15	\$3,390	\$150	4.6%	\$1,256	\$91	7.8%	\$4,646	\$241	5.5%	\$13,620	\$660	5.1%	\$1,256	\$91	7.8%	\$14,876	\$751	5.3%

**The University of Wyoming
Full-Time Tuition and Fees History
1961-62 to 2014-15**

Academic Year	Full-Time Tuition and Fees																	
	Graduate																	
	Resident									Non-Resident								
	Tuition	\$ Change	% Change	Fees	\$ Change	% Change	Total	\$ Change	% Change	Tuition	\$ Change	% Change	Fees	\$ Change	% Change	Total	\$ Change	% Change
1961-62	\$207			\$40			\$247			\$469			\$40			\$509		
1962-63	\$237	\$30	14.5%	\$40	\$0	0.0%	\$277	\$30	12.2%	\$519	\$50	10.7%	\$40	\$0	0.0%	\$559	\$50	9.8%
1963-64	\$238	\$2	0.6%	\$52	\$12	30.0%	\$290	\$14	4.9%	\$538	\$20	3.8%	\$52	\$12	30.0%	\$590	\$32	5.6%
1964-65	\$251	\$13	5.3%	\$56	\$4	6.7%	\$306	\$16	5.5%	\$567	\$29	5.3%	\$56	\$4	6.7%	\$622	\$32	5.4%
1965-66	\$264	\$13	5.2%	\$57	\$2	2.7%	\$321	\$15	4.7%	\$596	\$29	5.1%	\$57	\$2	2.7%	\$653	\$31	4.9%
1966-67	\$277	\$13	4.9%	\$69	\$12	20.2%	\$345	\$25	7.6%	\$893	\$297	49.9%	\$69	\$12	20.2%	\$961	\$309	47.3%
1967-68	\$277	\$0	0.0%	\$69	\$0	0.0%	\$345	\$0	0.0%	\$893	\$0	0.0%	\$69	\$0	0.0%	\$961	\$0	0.0%
1968-69	\$277	\$0	0.0%	\$71	\$2	2.9%	\$347	\$2	0.6%	\$893	\$0	0.0%	\$71	\$2	2.9%	\$963	\$2	0.2%
1969-70	\$302	\$26	9.2%	\$83	\$13	17.7%	\$385	\$38	11.0%	\$968	\$76	8.5%	\$83	\$13	17.7%	\$1,051	\$88	9.1%
1970-71	\$302	\$0	0.0%	\$83	\$0	0.0%	\$385	\$0	0.0%	\$968	\$0	0.0%	\$83	\$0	0.0%	\$1,051	\$0	0.0%
1971-72	\$302	\$0	0.0%	\$89	\$6	7.2%	\$391	\$6	1.6%	\$1,268	\$300	31.0%	\$89	\$6	7.2%	\$1,357	\$306	29.1%
1972-73	\$302	\$0	0.0%	\$109	\$20	22.5%	\$411	\$20	5.1%	\$1,268	\$0	0.0%	\$109	\$20	22.5%	\$1,377	\$20	1.5%
1973-74	\$302	\$0	0.0%	\$109	\$0	0.0%	\$411	\$0	0.0%	\$1,268	\$0	0.0%	\$109	\$0	0.0%	\$1,377	\$0	0.0%
1974-75	\$302	\$0	0.0%	\$109	\$0	0.0%	\$411	\$0	0.0%	\$1,268	\$0	0.0%	\$109	\$0	0.0%	\$1,377	\$0	0.0%
1975-76	\$302	\$0	0.0%	\$109	\$0	0.0%	\$411	\$0	0.0%	\$1,268	\$0	0.0%	\$109	\$0	0.0%	\$1,377	\$0	0.0%
1976-77	\$302	\$0	0.0%	\$133	\$24	21.6%	\$434	\$23	5.6%	\$1,268	\$0	0.0%	\$133	\$24	21.6%	\$1,400	\$23	1.7%
<i>Change in Full-Time from 8.5 hours/semester to 12 hours/semester</i>																		
1977-78	\$302	\$0	0.0%	\$133	\$0	0.0%	\$434	\$0	0.0%	\$1,268	\$0	0.0%	\$133	\$0	0.0%	\$1,400	\$0	0.0%
1978-79	\$302	\$0	0.0%	\$133	\$0	0.0%	\$434	\$0	0.0%	\$1,587	\$319	25.2%	\$133	\$0	0.0%	\$1,720	\$320	22.8%
1979-80	\$302	\$0	0.0%	\$133	\$0	0.0%	\$434	\$0	0.0%	\$1,587	\$0	0.0%	\$133	\$0	0.0%	\$1,720	\$0	0.0%
1980-81	\$451	\$149	49.3%	\$141	\$8	6.0%	\$592	\$158	36.3%	\$1,737	\$150	9.5%	\$141	\$8	6.0%	\$1,878	\$158	9.2%
1981-82	\$451	\$0	0.0%	\$141	\$0	0.0%	\$592	\$0	0.0%	\$1,737	\$0	0.0%	\$141	\$0	0.0%	\$1,878	\$0	0.0%
1982-83	\$451	\$0	0.0%	\$165	\$25	17.4%	\$616	\$25	4.1%	\$1,911	\$174	10.0%	\$165	\$25	17.4%	\$2,076	\$199	10.6%
1983-84	\$451	\$0	0.0%	\$165	\$0	0.0%	\$616	\$0	0.0%	\$1,911	\$0	0.0%	\$165	\$0	0.0%	\$2,076	\$0	0.0%
1984-85	\$551	\$100	22.2%	\$165	\$0	0.0%	\$716	\$100	16.2%	\$2,061	\$150	7.8%	\$165	\$0	0.0%	\$2,226	\$150	7.2%
1985-86	\$562	\$11	1.9%	\$160	(\$6)	-3.3%	\$721	\$5	0.7%	\$2,072	\$11	0.5%	\$160	(\$6)	-3.3%	\$2,231	\$5	0.2%
1986-87	\$619	\$57	10.2%	\$160	\$0	0.0%	\$778	\$57	7.9%	\$2,283	\$211	10.2%	\$160	\$0	0.0%	\$2,442	\$211	9.5%
1987-88	\$619	\$0	0.0%	\$160	\$0	0.0%	\$778	\$0	0.0%	\$2,283	\$0	0.0%	\$160	\$0	0.0%	\$2,442	\$0	0.0%
1988-89	\$659	\$41	6.5%	\$174	\$15	9.1%	\$833	\$55	7.1%	\$2,431	\$149	6.5%	\$174	\$15	9.1%	\$2,605	\$163	6.7%
1989-90	\$759	\$100	15.2%	\$244	\$70	40.2%	\$1,003	\$170	20.4%	\$2,795	\$364	15.0%	\$244	\$70	40.2%	\$3,039	\$434	16.7%
1990-91	\$902	\$143	18.8%	\$246	\$2	0.8%	\$1,148	\$145	14.5%	\$3,322	\$527	18.9%	\$246	\$2	0.8%	\$3,568	\$529	17.4%

Academic Year	Full-Time Tuition and Fees																	
	Graduate																	
	Resident									Non-Resident								
Tuition	\$ Change	% Change	Fees	\$ Change	% Change	Total	\$ Change	% Change	Tuition	\$ Change	% Change	Fees	\$ Change	% Change	Total	\$ Change	% Change	
<i>Graduate tuition & fees charged are the same as Undergraduate tuition & fees until 1991-92.</i>																		
1991-92	\$1,306	\$404	44.8%	\$248	\$2	0.8%	\$1,554	\$406	35.4%	\$4,110	\$788	23.7%	\$248	\$2	0.8%	\$4,358	\$790	22.1%
1992-93	\$1,460	\$154	11.8%	\$262	\$14	5.6%	\$1,722	\$168	10.8%	\$4,532	\$422	10.3%	\$262	\$14	5.6%	\$4,794	\$436	10.0%
1993-94	\$1,726	\$266	18.2%	\$268	\$6	2.3%	\$1,994	\$272	15.8%	\$5,260	\$728	16.1%	\$268	\$6	2.3%	\$5,528	\$734	15.3%
<i>Full-time considered 12-20 hours/semester until 1994-95 when Graduate full-time became 9-17 hours/semester.</i>																		
1994-95	\$2,016	\$290	16.8%	\$300	\$32	11.9%	\$2,316	\$322	16.1%	\$6,084	\$824	15.7%	\$300	\$32	11.9%	\$6,384	\$856	15.5%
1995-96	\$2,106	\$90	4.5%	\$319	\$19	6.3%	\$2,425	\$109	4.7%	\$6,498	\$414	6.8%	\$319	\$19	6.3%	\$6,817	\$433	6.8%
1996-97	\$2,265	\$159	7.5%	\$332	\$13	4.1%	\$2,597	\$172	7.1%	\$6,993	\$495	7.6%	\$332	\$13	4.1%	\$7,325	\$508	7.5%
1997-98	\$2,430	\$165	7.3%	\$382	\$50	15.1%	\$2,812	\$215	8.3%	\$7,518	\$525	7.5%	\$382	\$50	15.1%	\$7,900	\$575	7.8%
1998-99	\$2,430	\$0	0.0%	\$386	\$4	1.0%	\$2,816	\$4	0.1%	\$7,520	\$2	0.0%	\$386	\$4	1.0%	\$7,906	\$6	0.1%
1999-00	\$2,520	\$90	3.7%	\$400	\$14	3.6%	\$2,920	\$104	3.7%	\$7,790	\$270	3.6%	\$400	\$14	3.6%	\$8,190	\$284	3.6%
2000-01	\$2,708	\$188	7.4%	\$409	\$9	2.3%	\$3,117	\$197	6.7%	\$7,790	\$0	0.0%	\$409	\$9	2.3%	\$8,199	\$9	0.1%
2001-02	\$2,895	\$188	6.9%	\$491	\$82	20.0%	\$3,387	\$270	8.7%	\$8,367	\$578	7.4%	\$491	\$82	20.0%	\$8,859	\$660	8.0%
2002-03	\$2,988	\$93	3.2%	\$597	\$106	21.5%	\$3,585	\$198	5.9%	\$8,676	\$309	3.7%	\$597	\$106	21.5%	\$9,273	\$414	4.7%
<i>Tuition charges changed from fixed full-time tuition to per credit hour tuition. The tuition comparison for 2003-04 through the present is 12 hours/semester for graduates.</i>																		
2003-04	\$3,408	\$420	14.1%	\$570	(\$27)	-4.6%	\$3,978	\$393	11.0%	\$9,792	\$1,116	12.9%	\$570	(\$27)	-4.6%	\$10,362	\$1,089	11.7%
2004-05	\$3,528	\$120	3.5%	\$633	\$63	11.1%	\$4,161	\$183	4.6%	\$10,104	\$312	3.2%	\$633	\$63	11.1%	\$10,737	\$375	3.6%
2005-06	\$3,720	\$192	5.4%	\$666	\$33	5.2%	\$4,386	\$225	5.4%	\$10,704	\$600	5.9%	\$666	\$33	5.2%	\$11,370	\$633	5.9%
2006-07	\$3,816	\$96	2.6%	\$695	\$29	4.4%	\$4,511	\$125	2.9%	\$10,944	\$240	2.2%	\$695	\$29	4.4%	\$11,639	\$269	2.4%
2007-08	\$3,936	\$120	3.1%	\$734	\$40	5.7%	\$4,670	\$160	3.5%	\$11,280	\$336	3.1%	\$734	\$40	5.7%	\$12,014	\$376	3.2%
2008-09	\$4,176	\$240	6.1%	\$801	\$67	9.1%	\$4,977	\$307	6.6%	\$11,952	\$672	6.0%	\$801	\$67	9.1%	\$12,753	\$739	6.2%
2009-10	\$4,392	\$216	5.2%	\$906	\$105	13.1%	\$5,298	\$321	6.5%	\$12,552	\$600	5.0%	\$906	\$105	13.1%	\$13,458	\$705	5.5%
2010-11	\$4,608	\$216	4.9%	\$957	\$51	5.6%	\$5,565	\$267	5.0%	\$13,176	\$624	5.0%	\$957	\$51	5.7%	\$14,133	\$675	5.0%
2011-12	\$4,848	\$240	5.2%	\$1,005	\$48	5.0%	\$5,853	\$288	5.2%	\$13,824	\$648	4.9%	\$1,005	\$48	5.0%	\$14,829	\$696	4.9%
2012-13	\$4,944	\$96	2.0%	\$1,098	\$93	9.2%	\$6,042	\$189	3.2%	\$14,448	\$624	4.5%	\$1,098	\$93	9.2%	\$15,546	\$717	4.8%
2013-14	\$5,040	\$96	1.9%	\$1,164	\$67	6.1%	\$6,204	\$163	2.7%	\$15,096	\$648	4.5%	\$1,164	\$67	6.1%	\$16,260	\$715	4.6%
2014-15	\$5,304	\$264	5.2%	\$1,256	\$91	7.8%	\$6,560	\$355	5.7%	\$15,840	\$744	4.9%	\$1,256	\$91	7.8%	\$17,096	\$835	5.1%

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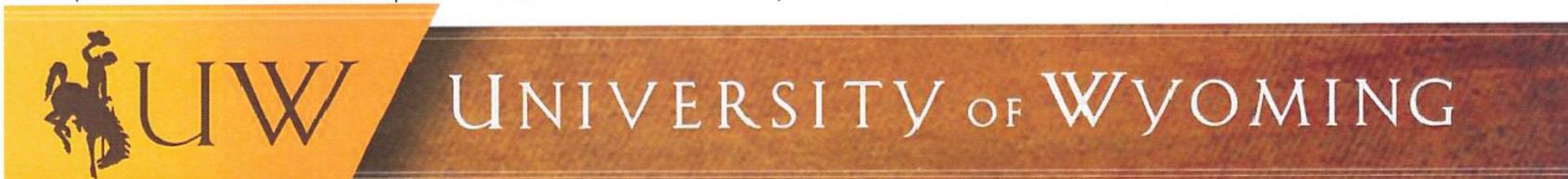
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17-Oct-2014

NOTE: Graduate and undergraduate tuition were charged the same until 1991-92.

2014-15 Resident Undergraduate Tuition & Fees Among all U.S. Public Doctoral Institutions

1 - U. of Pittsburgh - Pittsburgh Campus	17,772	45 - Georgia Institute of Technology	11,394	89 - U. of Wisconsin - Milwaukee	9,391	133 - U. of New Orleans	7,482
2 - College of William and Mary	17,656	46 - U. of South Carolina - Columbia	11,238	90 - Lamar U.	9,362	134 - Oklahoma State U.	7,442
3 - Penn State U.	17,502	47 - U. of Cincinnati	11,000	91 - Ball State U.	9,344	135 - U. of Nebraska at Omaha	7,388
4 - Colorado School of Mines	16,918	48 - U. of Arizona	10,957	92 - Texas Tech U.	9,308	136 - Morgan State U.	7,378
5 - U. of New Hampshire	16,552	49 - U. of Georgia	10,836	93 - Old Dominion U.	9,250	137 - Texas Woman's U.	7,310
6 - U. of Vermont	16,196	50 - U. of Colorado Boulder	10,789	94 - U. of Toledo	9,242	138 - Bowie State U.	7,299
7 - New Jersey Institute of Technology	15,648	51 - Western Michigan U.	10,685	95 - Texas A&M U. - Main Campus	9,179	139 - Wichita State U.	7,266
8 - U. of Illinois at Urbana - Champaign	15,602	52 - U. of Hawaii at Manoa	10,620	96 - U. of Alabama in Huntsville	9,158	140 - U. of Texas at El Paso	7,239
9 - Temple U.	15,096	53 - Oakland U.	10,613	97 - Oregon State U.	9,122	141 - Tennessee State U.	7,224
10 - U. of California - Irvine	14,757	54 - U. of Maine	10,606	98 - U. of Texas at San Antonio	9,082	142 - Georgia Southern U.	7,190
11 - Miami U. - Oxford	14,287	55 - Ohio U.	10,602	99 - Kansas State U.	9,034	143 - Mississippi State U.	7,140
12 - Michigan Technological U.	14,040	56 - Bowling Green State U.	10,590	100 - U. of Memphis	8,973	144 - U. of Mississippi	7,096
13 - U. of California - Davis	13,896	57 - U. of Houston	10,518	101 - Sam Houston State U.	8,932	145 - U. of Southern Mississippi	6,980
14 - U. of California - Santa Barbara	13,866	58 - U. of Kentucky	10,464	102 - Indiana U. - Purdue U. Indianapolis	8,909	146 - West Virginia U.	6,960
15 - Rutgers State U. - New Brunswick	13,813	59 - U. of Kansas - Main Campus	10,448	103 - U. of Texas - Arlington	8,878	147 - U. of Louisiana at Lafayette	6,948
16 - U. of Illinois - Chicago	13,640	60 - U. of Louisville	10,432	104 - SUNY - Buffalo	8,871	148 - San Diego State U.	6,866
17 - U. of California - Riverside	13,587	61 - U. of Wisconsin - Madison	10,410	105 - Louisiana State U.	8,750	149 - Texas A&M U. - Commerce	6,866
18 - U. of Minnesota - Twin Cities	13,560	62 - Indiana U.	10,386	106 - Wright State U.	8,730	150 - U. of Alaska - Fairbanks	6,825
19 - U. of Michigan	13,486	63 - U. of Maryland - Baltimore County	10,384	107 - SUNY - Binghamton	8,619	151 - U. of Nevada - Las Vegas	6,805
20 - Clemson U.	13,446	64 - George Mason U.	10,382	108 - SUNY - Albany	8,567	152 - Montana State U. - Bozeman	6,801
21 - U. of Massachusetts Amherst	13,443	65 - U. of Akron	10,260	109 - SUNY - Stony Brook	8,430	153 - U. of Nevada - Reno	6,789
22 - U. of California - San Diego	13,427	66 - Georgia State U.	10,240	110 - Indiana State U.	8,416	154 - U. of Idaho	6,784
23 - U. of California - Santa Cruz	13,398	67 - Auburn U.	10,200	111 - U. of North Carolina - Chapel Hill	8,336	155 - Jackson State U.	6,602
24 - Rutgers State U. - Newark	13,297	68 - Arizona State U.	10,157	112 - U. of South Alabama	8,310	156 - New Mexico State U.	6,573
25 - Illinois State U.	13,296	69 - South Carolina State U.	10,088	113 - North Carolina State U.	8,296	157 - Idaho State U.	6,566
26 - U. of Virginia	13,208	70 - Ohio State U.	10,037	114 - Texas A&M U. - Corpus Christi	8,288	158 - Florida State U.	6,507
27 - Michigan State U.	13,200	71 - Kent State U.	10,012	115 - U. of Arkansas - Fayetteville	8,210	159 - Florida International U.	6,506
28 - U. of California - Los Angeles	13,194	72 - Purdue U.	10,002	116 - Middle Tennessee State U.	8,188	160 - U. of New Mexico	6,447
29 - U. of California - Berkeley	12,972	73 - Northern Arizona U.	9,990	117 - Texas Southern U.	8,126	161 - U. of South Florida	6,410
30 - U. of Connecticut	12,700	74 - U. of Colorado Denver	9,985	118 - U. of Iowa	8,079	162 - U. of North Carolina - Greensboro	6,386
31 - U. of Massachusetts - Lowell	12,647	75 - U. of Oregon	9,918	119 - U. of Nebraska - Lincoln	8,070	163 - Utah State U.	6,384
32 - Northern Illinois U.	12,549	76 - Colorado State U.	9,897	120 - Louisiana Tech U.	8,052	164 - U. of West Florida	6,369
33 - U. of Rhode Island	12,506	77 - U. of Texas - Austin	9,830	121 - U. of South Dakota	8,022	165 - U. of Central Florida	6,368
34 - Washington State U.	12,428	78 - U. of Alabama	9,826	122 - East Tennessee State U.	7,985	166 - U. of Florida	6,313
35 - Virginia Commonwealth U.	12,398	79 - U. of North Texas	9,705	123 - North Dakota State U.	7,940	167 - U. of North Carolina at Charlotte	6,277
36 - U. of Washington	12,394	80 - Cleveland State U.	9,686	124 - U. of Utah	7,834	168 - Florida Atlantic U.	6,193
37 - U. of Delaware	12,342	81 - Missouri U. of Science & Technology	9,537	125 - Portland State U.	7,794	169 - U. of Montana	6,099
38 - Southern Illinois U. - Carbondale	12,248	82 - U. of Alabama at Birmingham	9,505	126 - U. of North Dakota	7,741	170 - East Carolina U.	6,078
39 - Virginia Tech	12,017	83 - U. of Oklahoma - Norman	9,495	127 - U. of Northern Colorado	7,733	171 - Florida Agricultural and Mechanical U.	5,775
40 - U. of Massachusetts - Boston	11,966	84 - U. of Missouri - St. Louis	9,480	128 - Iowa State U.	7,731	172 - North Carolina A & T State U.	5,642
41 - U. of Tennessee - Knoxville	11,876	85 - U. of Missouri - Kansas City	9,476	129 - South Dakota State U.	7,713	173 - U. OF WYOMING	4,646
42 - U. of Texas - Dallas	11,806	86 - Indiana U. of Pennsylvania	9,470	130 - U. of Arkansas at Little Rock	7,676		
43 - Central Michigan U.	11,550	87 - U. of Missouri - Columbia	9,433	131 - Texas A&M U. - Kingsville	7,554		
44 - Wayne State U.	11,448	88 - U. of Maryland - College Park	9,427	132 - SUNY - College of Environ Sci/Forestry	7,524		



Source: OIA Tuition and Fees Survey

2014-15 **Non-Resident Undergraduate** Tuition & Fees Among *all U.S. Public Doctoral Institutions*

1 - U. of Virginia	42,394	45 - U. of Maine	28,486	89 - Kansas State U.	22,624	133 - Ohio U.	19,566
2 - U. of Michigan	41,906	46 - Georgia State U.	28,450	90 - U. of Missouri - Kansas City	22,535	134 - U. of North Carolina at Charlotte	19,448
3 - College of William and Mary	39,916	47 - U. of Massachusetts - Boston	28,390	91 - Northern Arizona U.	22,510	135 - U. of Louisiana at Lafayette	19,348
4 - U. of Vermont	37,844	48 - U. of Colorado Denver	28,255	92 - U. of Central Florida	22,467	136 - Idaho State U.	19,326
5 - U. of California - Irvine	37,635	49 - U. of Pittsburgh - Pittsburgh Campus	28,168	93 - U. of Montana	22,372	137 - U. of Northern Colorado	19,277
6 - U. of California - Davis	36,774	50 - Rutgers State U. - Newark	28,075	94 - SUNY - Buffalo	22,291	138 - U. of West Florida	19,251
7 - U. of California - Santa Barbara	36,744	51 - U. of Rhode Island	28,072	95 - U. of Oklahoma - Norman	22,269	139 - U. of Mississippi	19,144
8 - U. of California - Riverside	36,465	52 - Virginia Tech	28,048	96 - U. of Nebraska - Lincoln	21,990	140 - U. of Wisconsin - Milwaukee	19,119
9 - U. of California - San Diego	36,305	53 - U. of Massachusetts - Lowell	27,600	97 - SUNY - Stony Brook	21,850	141 - Texas A&M U. - Corpus Christi	19,113
10 - U. of California - Santa Cruz	36,276	54 - U. of Iowa	27,409	98 - Northern Illinois U.	21,802	142 - Texas Southern U.	18,986
11 - U. of California - Los Angeles	36,072	55 - Auburn U.	27,384	99 - Florida Atlantic U.	21,749	143 - Texas A&M U. - Kingsville	18,984
12 - U. of California - Berkeley	35,850	56 - U. of Wisconsin - Madison	26,660	100 - Florida State U.	21,673	144 - North Dakota State U.	18,969
13 - Michigan State U.	34,965	57 - Ohio State U.	26,537	101 - U. of Alabama at Birmingham	21,445	145 - Florida International U.	18,905
14 - U. of Texas - Austin	34,836	58 - Louisiana State U.	26,467	102 - Montana State U. - Bozeman	21,390	146 - U. of Akron	18,791
15 - Colorado School of Mines	33,598	59 - Texas A&M U. - Main Campus	26,356	103 - East Carolina U.	21,275	147 - U. of Arkansas at Little Rock	18,746
16 - U. of Washington	33,513	60 - U. of Cincinnati	26,334	104 - U. of North Carolina - Greensboro	21,248	148 - U. of Toledo	18,580
17 - U. of North Carolina - Chapel Hill	33,418	61 - Oregon State U.	26,294	105 - U. of Alabama in Huntsville	21,232	149 - Utah State U.	18,491
18 - Indiana U.	33,240	62 - Colorado State U.	26,077	106 - U. of New Orleans	21,092	150 - North Carolina A & T State U.	18,488
19 - U. of Colorado Boulder	33,151	63 - U. of Illinois - Chicago	26,030	107 - Indiana U. of Pennsylvania	20,965	151 - Mississippi State U.	18,478
20 - U. of Connecticut	32,880	64 - U. of Kansas - Main Campus	25,731	108 - Illinois State U.	20,886	152 - U. of North Dakota	18,409
21 - Clemson U.	31,462	65 - Washington State U.	25,510	109 - U. of Minnesota - Twin Cities	20,810	153 - Indiana State U.	18,346
22 - U. of Texas - Dallas	31,328	66 - Old Dominion U.	25,420	110 - U. of Nevada - Las Vegas	20,715	154 - Texas Woman's U.	18,170
23 - U. of Oregon	30,888	67 - Missouri U. of Science & Technology	25,404	111 - U. of Nevada - Reno	20,699	155 - U. of Texas at El Paso	18,169
24 - Georgia Institute of Technology	30,698	68 - Middle Tennessee State U.	25,252	112 - U. of Memphis	20,685	156 - San Diego State U.	18,026
25 - U. of Delaware	30,692	69 - East Tennessee State U.	25,151	113 - U. of New Mexico	20,664	157 - Kent State U.	17,972
26 - Virginia Commonwealth U.	30,459	70 - Temple U.	25,122	114 - New Mexico State U.	20,658	158 - Bowling Green State U.	17,898
27 - Penn State U.	30,452	71 - U. of Utah	25,057	115 - Iowa State U.	20,617	159 - Bowie State U.	17,875
28 - Miami U. - Oxford	30,394	72 - U. of Alabama	24,950	116 - Tennessee State U.	20,580	160 - Texas A&M U. - Commerce	17,726
29 - U. of Tennessee - Knoxville	30,326	73 - Western Michigan U.	24,917	117 - U. of North Texas	20,565	161 - Florida Agricultural and Mechanical U.	17,715
30 - U. of Illinois at Urbana - Champaign	30,228	74 - Southern Illinois U. - Carbondale	24,871	118 - West Virginia U.	20,424	162 - U. of South Florida	17,324
31 - Indiana U. - Purdue U. Indianapolis	30,088	75 - U. of Missouri - St. Louis	24,795	119 - U. of Alaska - Fairbanks	20,412	163 - SUNY - College of Environ Sci/Forestry	17,174
32 - George Mason U.	29,960	76 - Ball State U.	24,610	120 - U. of Idaho	20,314	164 - Wright State U.	16,910
33 - U. of Maryland - College Park	29,720	77 - Arizona State U.	24,503	121 - U. of Arkansas - Fayetteville	20,300	165 - Morgan State U.	16,862
34 - U. of New Hampshire	29,532	78 - Wayne State U.	24,471	122 - U. of Texas - Arlington	20,274	166 - U. of South Alabama	16,620
35 - Michigan Technological U.	29,520	79 - U. of Missouri - Columbia	24,460	123 - SUNY - Binghamton	20,259	167 - Jackson State U.	16,174
36 - U. of South Carolina - Columbia	29,520	80 - U. of Houston	24,378	124 - Lamar U.	20,222	168 - U. of Southern Mississippi	15,550
37 - U. of Arizona	29,421	81 - U. of Louisville	24,320	125 - SUNY - Albany	20,207	169 - Wichita State U.	15,300
38 - U. of Hawaii at Manoa	29,412	82 - Oakland U.	23,873	126 - Texas Tech U.	20,168	170 - U. OF WYOMING	14,876
39 - New Jersey Institute of Technology	29,288	83 - Central Michigan U.	23,670	127 - Georgia Southern U.	20,086	171 - Cleveland State U.	12,928
40 - U. of Georgia	29,046	84 - North Carolina State U.	23,551	128 - Oklahoma State U.	20,027	172 - U. of South Dakota	10,794
41 - U. of Massachusetts Amherst	28,998	85 - Portland State U.	23,319	129 - U. of Nebraska at Omaha	19,965	173 - South Dakota State U.	10,485
42 - Purdue U.	28,804	86 - U. of Kentucky	22,734	130 - South Carolina State U.	19,856		
43 - Rutgers State U. - New Brunswick	28,591	87 - U. of Maryland - Baltimore County	22,682	131 - U. of Texas at San Antonio	19,800		
44 - U. of Florida	28,590	88 - Louisiana Tech U.	22,635	132 - Sam Houston State U.	19,792		



2014-15 Average Annual Tuition and Fees at Wyoming Community Colleges

Resident Tuition and Fees

INSTITUTION	2010-11	2011-12	2012-13	2013-14	2014-15
Casper College	1,848	2,136	2,232	2,448	2,592
Central Wyoming College	2,136	2,208	2,472	2,568	2,712
Eastern Wyoming College	2,144	2,280	2,376	2,472	2,712
Laramie County Community College	2,472	2,544	2,640	2,796	2,832
Northern Wyoming Community College District	2,227	2,302	2,398	2,653	2,892
Northwest College	2,246	2,312	2,436	2,683	2,779
Western Wyoming Community College	1,994	2,142	2,186	2,282	2,424
AVERAGE of Wyoming Community Colleges	\$2,152	\$2,275	\$2,391	\$2,557	\$2,706
University of Wyoming	\$3,927	\$4,125	\$4,278	\$4,404	\$4,646

Non-Resident Tuition and Fees

INSTITUTION	2010-11	2011-12	2012-13	2013-14	2014-15
Casper College	5,112	5,544	5,832	6,240	6,576
Central Wyoming College	5,400	5,616	6,072	6,360	6,696
Eastern Wyoming College	5,408	5,688	5,976	6,264	6,696
Laramie County Community College	5,736	5,952	6,240	6,528	6,816
Northern Wyoming Community College District	5,491	5,710	5,998	6,445	6,876
Northwest College	5,510	5,720	6,036	6,475	6,763
Western Wyoming Community College	5,258	5,550	5,786	6,074	6,408
AVERAGE of Wyoming Community Colleges	\$5,416	\$5,683	\$5,991	\$6,341	\$6,690
University of Wyoming	\$12,237	\$12,855	\$13,488	\$14,124	\$14,876



2014-15 Average Annual Tuition and Fees at Wyoming Community Colleges

Resident Tuition and Fees

<i>INSTITUTION</i>	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Casper College	1,536	1,584	1,668	1,752	1,848	1,848	2,136	2,232	2,448	2,592
Central Wyoming College	1,956	1,920	1,992	2,064	2,136	2,136	2,208	2,472	2,568	2,712
Eastern Wyoming College	1,848	1,800	1,872	1,944	2,016	2,144	2,280	2,376	2,472	2,712
Laramie County Community College	1,956	2,004	2,088	2,208	2,472	2,472	2,544	2,640	2,796	2,832
Northern Wyoming Community College District	1,891	1,896	2,016	2,131	2,227	2,227	2,302	2,398	2,653	2,892
Northwest College	1,880	1,928	2,000	2,107	2,132	2,246	2,312	2,436	2,683	2,779
Western Wyoming Community College	1,658	1,720	1,828	1,916	1,994	1,994	2,142	2,186	2,282	2,424
AVERAGE of Wyoming Community Colleges	\$1,818	\$1,836	\$1,923	\$2,017	\$2,118	\$2,152	\$2,275	\$2,391	\$2,557	\$2,706
University of Wyoming	\$3,426	\$3,515	\$3,554	\$3,621	\$3,726	\$3,927	\$4,125	\$4,278	\$4,404	\$4,646

Non-Resident Tuition and Fees

<i>INSTITUTION</i>	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15
Casper College	4,296	4,440	4,644	4,872	5,112	5,112	5,544	5,832	6,240	6,576
Central Wyoming College	4,716	4,776	4,968	5,184	5,400	5,400	5,616	6,072	6,360	6,696
Eastern Wyoming College	4,608	4,656	4,880	5,064	5,280	5,408	5,688	5,976	6,264	6,696
Laramie County Community College	4,716	4,860	5,064	5,328	5,736	5,736	5,952	6,240	6,528	6,816
Northern Wyoming Community College District	4,651	4,752	5,014	5,251	5,491	5,491	5,710	5,998	6,445	6,876
Northwest College	4,640	4,784	4,976	5,227	5,396	5,510	5,720	6,036	6,475	6,763
Western Wyoming Community College	4,418	4,576	4,804	5,036	5,258	5,258	5,550	5,786	6,074	6,408
AVERAGE of Wyoming Community Colleges	\$4,578	\$4,692	\$4,907	\$5,137	\$5,382	\$5,416	\$5,683	\$5,991	\$6,341	\$6,690
University of Wyoming	\$9,816	\$10,055	\$10,394	\$11,031	\$11,646	\$12,237	\$12,855	\$13,488	\$14,124	\$14,876



Source: OIA Tuition and Fees Survey



Appendices

University of Wyoming: Block Grant Funding Model



Appendix A

Constitutional and Statutory Criteria

Constitutional Provisions and Authorizing Statutes for the University

Citation	Language
Legislature to Provide for Public Schools Article 7, Section 1	<i>The legislature shall provide for the establishment and maintenance of a complete and uniform system of public instruction, embracing free elementary schools of every needed kind and grade, a university with such technical and professional departments as the public good may require and the means of the state allow, and such other institutions as may be necessary.</i>
Establishment of the University Article 7, Section 15	<i>The establishment of the University of Wyoming is hereby confirmed, and said institution, with its several departments, is hereby declared to be the University of the State of Wyoming. All lands which have been heretofore granted or which may be granted hereafter by congress unto the university as such, or in aid of the instruction to be given in any of its departments, with all other grants, donations, or devises for said university, or for any of its departments, shall vest in said university, and be exclusively used for the purposes for which they were granted, donated or devised. The said lands may be leased on terms approved by the land commissioners, but may not be sold on terms not approved by congress.</i>
Tuition as Free as Possible Article 7, Section 16	<i>The university shall be equally open to students of both sexes, irrespective of race or color; and, in order that the instruction furnished may be as nearly free as possible, any amount in addition to the income from its grants of lands and other sources above mentioned, necessary to its support and maintenance in a condition of full efficiency shall be raised by taxation or otherwise, under provisions of the legislature.</i>
University of Wyoming Governance W.S. 21-17-101 - 107	21-17-101. Establishment. <i>There is established in this state, at the city of Laramie, an institution of learning to be known as "The University of Wyoming."</i> 21-17-102. Objects; departments. <i>(a) The objects of the university are to provide an efficient means of imparting to men and women, without regard to color, on equal terms, a liberal education, together with a thorough knowledge of the various branches connected with the scientific, industrial and professional pursuits. To this end it shall embrace colleges or departments of letters,</i>

Citation	Language
	<p><i>of science and of the arts together with such professional or other departments as in course of time may be connected therewith. The department of letters shall embrace a liberal course of instruction in language, literature and philosophy, together with such courses or parts of courses in the college or department of science as are deemed necessary.</i></p> <p><i>(b) The college, or department of science, shall embrace courses of instruction in the mathematical, physical and natural sciences, together with such courses in language, literature and philosophy as shall constitute a liberal education. The college or department of the arts shall embrace courses of instruction in the practical and fine arts and especially in the applications of science to the arts of mining and metallurgy, mechanics, engineering, architecture, agriculture and commerce, together with instruction in military tactics, and in such branches in the department of letters, as are necessary to a proper fitness of students for their chosen pursuits, and as soon as the income of the university will allow, in such order as the wants of the public shall seem to require, the courses in the sciences and their practical applications shall be expanded into full and distinct schools or departments.</i></p> <p>21-17-103. Powers and duties of the faculty.</p> <p><i>The president and professors of the university shall be styled "the faculty," and may enforce rules and regulations adopted by the trustees for the government of students, reward and censure students as they may deserve, and generally exercise such discipline, in harmony with the regulations, as is necessary for the good order of the institution. The faculty may present to the trustees for degrees and honors such students as are entitled thereto, and in testimony thereof, when ordered by the board, suitable diplomas, certificates or other testimonials under the seal of the university, and the signatures of the faculty. When, in course of time, distinct colleges or departments of the university are duly organized and in active operation, the immediate government of such departments shall, in like manner, be entrusted to their respective faculties.</i></p> <p>21-17-104. Powers and duties of the president.</p> <p><i>The president of the university shall be president of the several faculties and the executive head of all the departments. As such, subject to the board of trustees, he has authority to give general direction to the instruction and investigations of the several schools and departments, and, so long as the interests of the institution require it, he may be charged with the duties of one (1) of the professorships.</i></p> <p>21-17-105. Tuition to be as nearly free as possible; number, qualifications and selection of students for reduced tuition; reciprocal residency.</p> <p><i>(a) To the end that none of the youth of the state who crave the benefits of higher education may be denied, and that all may be encouraged to avail themselves of the advantages offered by the university or community colleges, tuition shall be as nearly free as possible, and it shall be reduced by five hundred dollars (\$500.00) per semester to either the</i></p>

Citation	Language
	<p><i>university or any community college in the state, as elected by the student, to three (3) students annually from each county as are selected and appointed by the board of county commissioners therein. Scholarships under this section shall be in addition to any Hathaway scholarship awarded a student under W.S. 21-16-1301 et seq., but shall be considered for purposes of calculating unmet financial need for Hathaway need based scholarships.</i></p> <p><i>(b) Students shall be appointed after due consideration of the individual student's extra curricular activity, scholastic ability and American college testing score. Grade point average and American college testing scores shall be equally weighted. For any entering student who fails a math or English placement test, the reduced tuition scholarship under this section is not effective. Notwithstanding the provisions of subsection (a) of this section, the county commissioners may award one (1) additional scholarship each year as a renewal to a student maintaining above a 2.50 average, provided that the total number of students receiving original and renewal scholarships in any county in any year shall not exceed:</i></p> <ul style="list-style-type: none"> <i>(i) Counties of the first class, four (4) students;</i> <i>(ii) Counties of the second class, three (3) students; and</i> <i>(iii) Counties of the third class, two (2) students.</i> <p><i>(c) Any honor scholarships granted by the University of Wyoming shall be based on the student's scholastic ability and American college testing scores. Grade point average and American college testing scores shall be equally weighted. For any entering student who fails a math or English placement test, the scholarship is not effective.</i></p> <p><i>(d) Any person including the spouse and any child of that person shall qualify as a resident for purposes of tuition at the university if:</i></p> <ul style="list-style-type: none"> <i>(i) His principal employment is located within Wyoming and the income from his employment is the principal source of income for his family;</i> <i>(ii) He pays Wyoming taxes as required by law;</i> <i>(iii) He has been employed within Wyoming for at least a majority of the twelve (12) consecutive months immediately preceding application for resident tuition pursuant to this subsection;</i> <i>(iv) He resides in a state with a law substantially similar to this subsection; and</i> <i>(v) At the time of enrollment and in accordance with requirements of the enrolling institution, the person, his spouse or any child of that person submits to the university or community college a notarized affidavit attesting to the requirements of this subsection.</i>

Citation	Language
	<p>21-17-106. Repealed by Laws 1979, ch. 12, 1.</p> <p>21-17-107. Legislature to make appropriations.</p> <p><i>The legislature shall appropriate monies intended for the support and maintenance of the University of Wyoming. The appropriations shall specify the purposes for which the monies are intended and may be used. The appropriations shall apply to and include all monies received by the university from the United States for the endowment and support of colleges for the benefit of agriculture and mechanic arts. No expenditure shall be made in excess of an appropriation, and no monies so appropriated shall be used for any purpose other than that for which they are appropriated.</i></p>

Constitutional Provisions and Authorizing Statutes for the Board of Trustees

Citation	Language
<p>Board of Trustees Governance W.S. 21-17-201 - 206</p>	<p>ARTICLE 2 - BOARD OF TRUSTEES</p> <p>21-17-201. Composition; appointment and qualifications of members generally; members ex officio; quorum.</p> <p><i>The government of the university is vested in a board of twelve (12) trustees appointed by the governor, no two (2) of whom may be residents of the same county of the state. At least one (1) trustee shall be appointed from each appointment district pursuant to W.S. 9-1-218. Not more than seven (7) members of the board shall be registered in the same political party. The governor, the president of the university, the state superintendent of public instruction, the director of the department of education and the president of the associated students of the university are members ex officio, having the right to speak, but not to vote. A majority of the board is a quorum.</i></p> <p>21-17-202. Term; appointment of additional trustees; appointment of successors; vacancies; members of faculty disqualified; removal.</p> <p><i>(a) The term of office of the trustees appointed is six (6) years. During each session of the legislature, the governor shall nominate, and with the advice and consent of the senate, appoint successors to those trustees whose term of office has expired or will expire before the next session of the legislature. Any vacancy in the board of trustees caused by death, resignation, removal from the state or otherwise, shall be filled by appointment by the governor as provided in W.S. 28-12-101. No member of the faculty, while holding that position, shall ever be appointed a trustee. The governor may remove any trustee as provided in W.S. 9-1-202.</i></p> <p><i>(b) Effective July 1, 1979, appointments and terms shall be in accordance with W.S. 28-12-101 through 28-12-103.</i></p>

Citation	Language
	<p>21-17-203. To be body corporate; powers, duties and functions generally.</p> <p><i>The board of trustees and their successors in office constitute a body corporate by the name of "the trustees of the University of Wyoming." They possess all the powers necessary or convenient to accomplish the objects and perform the duties prescribed by law, and shall have custody of the books, records, buildings and all other property of the university. The board shall elect a president, secretary and treasurer, who shall perform the duties prescribed in the bylaws of the board. The treasurer shall execute a bond, with approved sureties in double the sum likely to come into his hands, for the faithful discharge of his duties. The term of office of board officers, their duties severally and the times for holding meetings shall be fixed in the bylaws of the board. A majority of the board constitutes a quorum for the transaction of business but a less number may adjourn from time to time, and all routine business may be entrusted to an executive committee of three (3) members subject to such conditions as the bylaws of the board prescribe. The board may from time to time appoint and authorize a person to examine and approve for payment all legal claims against the corporation. The person shall give bond with surety approved by the board, payable to the state of Wyoming in such sum as the board may fix, conditioned for the faithful performance of his duties. A certificate of appointment signed by the president and secretary of the board and the bond shall be filed with the state auditor. At each meeting of the board all action taken by the person so appointed subsequent to the immediately preceding board meeting shall be submitted to the board for its approval or disapproval. The actual and necessary traveling expenses of nonresident members in attending the annual meeting of the board may be audited by the auditing committee thereof and paid by warrant on the treasurer out of the general fund of the university.</i></p> <p>21-17-204. Additional powers and duties; sectarian or partisan instruction or test prohibited.</p> <p><i>(a) The board of trustees shall prescribe rules for the government of the university and all its branches, elect the requisite officers, professors, instructors and employees, a director of finance and budget and a superintendent of buildings and grounds, any of whom may be removed for cause, and fix the salary and term of office of each. The board of trustees shall prescribe the studies to be pursued and the textbooks to be used, and determine the qualifications of applicants for admission to the various courses of study. No instruction either sectarian in religion or partisan in politics shall ever be allowed in any department of the university, and no sectarian or partisan test shall ever be exercised or allowed in the appointment of trustees or in the election or removal of professors, teachers or other officers of the university or in the admission of students thereto, or for any purpose whatsoever. The board of trustees may:</i></p> <ul style="list-style-type: none"> <i>(i) Confer such degrees and grant such diplomas as are usual in universities or as they deem appropriate;</i> <i>(ii) Through bylaws confer upon the faculty the power to suspend or expel students for causes therein prescribed;</i>

Citation	Language
	<p>(iii) Possess and use for the benefit of the institution all property of the university;</p> <p>(iv) Hold, manage, lease or dispose of, according to law, any real or personal estate as is conducive to the welfare of the institution;</p> <p>(v) Expend the income placed under their control from whatever source derived, and exercise all other functions properly belonging to such a board and necessary to the prosperity of the university and all its departments.</p> <p>21-17-205. Report.</p> <p><i>The trustees of the University of Wyoming, through their president, shall report to the governor as required by W.S. 9-2-1014 respecting the progress, condition and wants of the university and of each school or department thereof, the course of study in each, the number of professors and students, the nature, costs and results of important investigations, and such other information as they deem important or as may be required by any law of this state, or of the United States. The secretary and treasurer of the board of trustees shall prepare an itemized report showing the receipts and disbursements for the year, the appropriation resolution for that year, the purposes for which the revenue was expended, and the amount of revenue expended upon each school or department of work, including the experiment station.</i></p> <p>21-17-206. Secretary to take oath of office and administer oaths.</p> <p>(a) <i>The secretary of the board of trustees of the University of Wyoming, before entering upon the duties of the office, shall take the oath of office provided for elective officers under the constitution of this state.</i></p> <p>(b) <i>The secretary of the board of trustees of the University of Wyoming may administer oaths and affirmations to any person or persons in connection with the business of the university.</i></p>

Strategic Planning and Reporting Statutes

Citation	Language
<p>Comprehensive Biennial Report and Annual Performance Report W.S. 9-2-1014(a)</p>	<p><i>An agency's budget request to the department shall be accompanied by a written, comprehensive report of the programs, objectives, activities and condition covering the previous fiscal period. The report shall be in a format developed by the department, in conjunction with the agency and the legislative service office. Notice of the format requirements shall be forwarded to each agency no later than July 15 of each year. The report shall detail the fiscal affairs of the reporting agency including receipts and expenditures and make recommendations for improving the agency's programs. The report shall include an annual performance report which provides a means of evaluation of the outcomes included in an agency strategic plan required by W.S. 28-1-115 and 28-1-116.</i></p>
<p>Four Year Strategic Plan W.S. 28-1-115(a)(ii)</p>	<p><i>To assist the legislature in its deliberations, every state agency shall:</i></p> <p><i>(a)(ii) On or before September 1 of each odd numbered year, following an opportunity for public review, submit to and have approved by the governor a four (4) year plan covering the period beginning July 1 of the following year and ending June 30 in the fourth succeeding year, to accomplish and further the goals and objectives defined in W.S. 28-1-116(a). The plan shall:</i></p> <p><i>(A) Include performance measures that provide methods and criteria to measure the agency's performance in conducting its activities and in achieving its goals and objectives. The methods and criteria shall comply with standards developed by the governmental accounting standards board. Performance measures shall be developed by the agency and reviewed by the legislative management audit committee and audited by the department of audit;</i></p> <p><i>(B) State the relative priority that each current or proposed program bears with regard to all other programs and objectives within the agency;</i></p> <p><i>(C) Be developed with a four (4) year prospective and provide the strategic approach within which the agency's budget request is developed;</i></p> <p><i>(D) Include sufficient information for evaluation of the following:</i></p> <p style="padding-left: 40px;"><i>(I) The specific purpose of each program, function and activity of the executive branch of government or any other major entity that receives funding from state revenue;</i></p> <p style="padding-left: 40px;"><i>(II) The specific public benefit that does or should result from the program, function or activity;</i></p> <p style="padding-left: 40px;"><i>(III) Alternative courses of action that would result in administration of the same program, function or activity in a more efficient or effective manner including:</i></p>

Citation	Language
	<p>(1) Whether a program, function or activity could be implemented more effectively by another level of government or by a private entity;</p> <p>2) Whether there is sufficient public benefit to justify the funding necessary for the program, function or activity.</p> <p>(IV) The consequences of discontinuing any program, function or activity;</p> <p>(V) Whether the methods, rules and policies employed by the agency to implement a program, function or activity are cost-effective, efficient and consistent with law and impose a minimum of regulatory burden.</p>
<p>Annual Performance Report W.S. 28-1-115(c)</p>	<p>Each agency shall submit by December 1 of each year an annual performance report to the governor with copies to the legislative service office to provide a basis for evaluation of attainment of agency goals and objectives in the agency's plan developed under subsection (a) of this section. The report shall be included as part of the annual report required by W.S. 9-2-1014(a).</p>
<p>Four Year Strategic Plan W.S. 28-1-116(c)</p>	<p>(c) On or before September 1 of each odd numbered year, each agency, as defined under W.S. 28-1-115(f), following an opportunity for public review, shall submit to and have approved by the governor a plan as described by W.S. 28-1-115(a)(ii).</p>

Transparency Statues

Citation	Language
<p>Wyoming public finance and expenditure of funds website. W.S. 9-2-1035 - 1037</p>	<p>9-2-1035. Definitions.</p> <p>(a) As used in this act:</p> <p>(i) "Committee" means the joint appropriations committee;</p> <p>(ii) "Department" means the department of administration and information;</p> <p>(iii) "Internet" means the internet, World Wide Web or a similar proprietary or common carrier electronic system;</p> <p>(iv) "Participating state entity" or "state entity" means the state of Wyoming government including the</p>

Citation	Language
	<p><i>executive, legislative and judicial branches of government and any department, division, agency, board, commission or other instrumentality of those branches. For purposes of W.S. 9-2-1036(b)(viii), "state entity" shall also include the University of Wyoming;</i></p> <p><i>(v) "Public financial information" means official public records as defined in W.S. 16-4-201(a)(vi)(A) that are required to be made available on the Wyoming public finance website as required by this act, but shall not include any information:</i></p> <p style="padding-left: 40px;"><i>(A) Provided pursuant to W.S. 26-34-129, 26-34-130, 28-8-108, 35-2-605 through 35-2-617, 35-2-910 or 35-17-105;</i></p> <p style="padding-left: 40px;"><i>(B) Relating to benefits paid under the Worker's Compensation Act that would reveal the identity of the recipient;</i></p> <p style="padding-left: 40px;"><i>(C) Relating to services provided to juveniles under title 14 or title 21 of the Wyoming statutes that would reveal the identity of the juvenile or his family;</i></p> <p style="padding-left: 40px;"><i>(D) That would violate the Health Insurance Portability and Accountability Act or the Health Care Quality Improvement Act.</i></p> <p><i>(vi) "Local government entity" means any county, municipality, joint powers board or special district of Wyoming;</i></p> <p><i>(vii) "This act" means W.S. 9-2-1035 through 9-2-1037.</i></p> <p>9-2-1036. Wyoming public finance and expenditure of funds website.</p> <p><i>(a) There is created the Wyoming public finance and expenditure of funds website to be administered by the department.</i></p> <p><i>(b) The purpose of the Wyoming public finance and expenditure of funds website is to:</i></p> <p style="padding-left: 40px;"><i>(i) Permit Wyoming taxpayers to view and track the use of taxpayer dollars by making participating state entities' public financial information available on the internet;</i></p> <p style="padding-left: 40px;"><i>(ii) Allow a person who has internet access to use the website without paying a fee;</i></p> <p style="padding-left: 40px;"><i>(iii) Allow the public to search public financial information on the Wyoming public finance website using criteria established by the department;</i></p> <p style="padding-left: 40px;"><i>(iv) Provide access to financial reports, financial audits, budgets or other financial documents that are used to allocate, appropriate, spend and account for government funds as may be established by rule under W.S. 9-2-</i></p>

Citation	Language
	<p>1037;</p> <p>(v) <i>Have a unique and simplified website address;</i></p> <p>(vi) <i>Be directly accessible via a link from the main page of the official state website;</i></p> <p>(vii) <i>Include other links, features or functions that will assist the public in obtaining and reviewing public financial information; and</i></p> <p>(viii) <i>Allow Wyoming citizens to lodge concerns relating to Wyoming state or local government entities expending funds in a manner which the citizen believes unfairly competes with the private sector in providing commercial activities. At a minimum, in implementing this paragraph, the website shall include:</i></p> <p style="padding-left: 40px;">(A) <i>A link entitled "government competition concerns" which contains a means for a citizen to lodge a concern with governmental competition including:</i></p> <p style="padding-left: 80px;">(I) <i>The entity involved;</i></p> <p style="padding-left: 80px;">(II) <i>The activity involved;</i></p> <p style="padding-left: 80px;">(III) <i>Whether the concern is a result of a specific instance or ongoing activity;</i></p> <p style="padding-left: 80px;">(IV) <i>The effect of the competition on the citizen's commercial activity, if applicable;</i></p> <p style="padding-left: 80px;">(V) <i>A means to contact the citizen for further information, if necessary.</i></p> <p style="padding-left: 40px;">(B) <i>Access to all information submitted pursuant to this paragraph, including access to summary data.</i></p> <p>(c) <i>The department shall:</i></p> <p style="padding-left: 40px;">(i) <i>Establish and maintain the website, including the provision of equipment, resources and personnel as necessary;</i></p> <p style="padding-left: 40px;">(ii) <i>Maintain an archive of all information posted to the website;</i></p> <p style="padding-left: 40px;">(iii) <i>Coordinate and process the receipt and posting of public financial information from participating state entities.</i></p> <p>(d) <i>The department may:</i></p> <p style="padding-left: 40px;">(i) <i>Develop plans and make recommendations to the committee related to the implementation of the provisions of this act;</i></p> <p style="padding-left: 40px;">(ii) <i>Determine what public financial information shall be provided by participating state entities, provided that</i></p>

Citation	Language
	<p><i>the public financial information:</i></p> <p><i>(A) Only includes records that:</i></p> <p><i>(I) Are classified as official public records under W.S. 16-4-201 through 16-4-205;</i></p> <p><i>(II) Are an accounting of monies, funds, accounts, bonds, loans, expenditures or revenues, regardless of source; and</i></p> <p><i>(III) Are owned, held or administered by the participating state entity that is required to provide the record.</i></p> <p><i>(B) Is of the type or nature that should be accessible to the public via a website based on considerations of:</i></p> <p><i>(I) The cost effectiveness of providing the information;</i></p> <p><i>(II) The value of providing the information to the public; and</i></p> <p><i>(III) Privacy and security implications.</i></p> <p><i>(iii) Evaluate the cost effectiveness of implementing specific information resources and features on the website and report that information to the committee.</i></p> <p><i>(e) A participating state entity shall permit the public to view the public financial information of the participating state entity via the website, beginning with information that is generated on or after July 1, 2009.</i></p> <p><i>(f) Not later than January 1, 2010, the website shall be operational and permit access to the public financial information of participating state entities. Not later than June 30, 2012 the website shall incorporate features implementing the provisions of paragraph (b)(viii) of this section.</i></p> <p><i>(g) The state chief information officer shall provide an annual report to the committee on all initiatives, projects and expenditures under this act. Beginning July 1, 2013, the annual</i></p> <p><i>(i) The number of concerns with unfair competition received;</i></p> <p><i>(ii) For each government entity subject to a lodged concern, the number of concerns lodged and number of citizens lodging concerns;</i></p> <p><i>(iii) For each state entity which is the subject of a concern, a summary of the complaint and any action the entity reports to the department that was taken in response to the complaint.</i></p>

Citation	Language
	<p>9-2-1037. Rulemaking authority.</p> <p><i>(a) The department shall adopt rules to:</i></p> <ul style="list-style-type: none"> <i>(i) Require participating state entities to provide public financial information for inclusion on the Wyoming public finance website provided legislative appropriations are available to permit entities to generate the information;</i> <i>(ii) Define the term "public financial information" as it applies to participating state entities in accordance with the provisions of this act; and</i> <i>(iii) Establish procedures for obtaining, submitting, reporting, storing and providing public financial information on the Wyoming public finance website which may include a specified reporting frequency and form.</i> <p><i>(b) The department may adopt rules to require a participating entity to list the following information regarding expenditures made by a person under a contract with the participating entity:</i></p> <ul style="list-style-type: none"> <i>(i) The name of the participating entity making the expenditure;</i> <i>(ii) The name of the person receiving the expenditure;</i> <i>(iii) The date of the expenditure;</i> <i>(iv) The amount of the expenditure;</i> <i>(v) The purpose of the expenditure;</i> <i>(vi) The name of each party to the contract;</i> <i>(vii) An electronic copy of the contract; and</i> <i>(viii) Any other criteria designated by rule of the department.</i>

Appendix B

ByLaws of the Trustees of the University of Wyoming

The ByLaws of the Trustees were adopted pursuant to authority granted to the Trustees by the Wyoming Legislature and in accordance with the Wyoming Constitution. The ByLaws are about the Trustees and how the Trustees organize and carry out their meetings. Additionally, the existence of Trustee Regulations is established and the appointment of the President of the University and his/her authority is set forth.

BYLAWS OF THE TRUSTEES OF
THE UNIVERSITY OF WYOMING
Republished Edition January 31, 2007

Article I. STATUTORY CREATION AND AUTHORITY

Section 1-1. APPOINTMENT, TERM AND AUTHORITY

In accordance with the laws of the State of Wyoming (Wyo. Stat. 1957, §§21-350, 351, 352), the government of the University of Wyoming is vested in a board of twelve (12) trustees appointed by the governor, with the advice and consent of the senate, for a six year term, with terms to be staggered. Such board constitutes a body corporate by the name of "The Trustees of the University of Wyoming" and is granted all the powers necessary or convenient to accomplish the objects and perform the duties prescribed by law.

Section 1-2. EX OFFICIO MEMBERS

The Governor of the State of Wyoming, the President of the University of Wyoming, the State Superintendent of Public Instruction, and the President of the Associated Students of the University of Wyoming are ex officio members of the Trustees, as such having the right to speak, but not to vote.

Section 1-3. VACANCIES

Any vacancy in the membership of the Trustees shall be filled in accordance with laws pertaining thereto.

Article II. MEETINGS OF THE TRUSTEES

Section 2-1. REGULAR MEETINGS

The annual meeting of the Trustees shall be held at the time of the meeting that is held closest to the regular Spring Commencement. At the annual meeting, the Trustees may set their schedule of regular meetings for the ensuing year. Written notice of all regular

meetings shall be given by the President of the University to each member of the Trustees at least five days in advance of the meeting.

Section 2-2. SPECIAL MEETINGS

Special meetings of the Trustees may be called by the President of the Trustees, or by any three members thereof, at such time and place as they may deem expedient, and a majority of said Trustees shall constitute a quorum for the transaction of business; but a smaller number may adjourn from time to time. Notice of special meetings shall be given to each member of the Trustees at least 24 hours in advance of such meeting.

Section 2-3. ACTION IN REGULAR AND SPECIAL MEETINGS

At all regular and special meetings, it shall be valid to act on any subject within the power of the corporation except as provided elsewhere in these Bylaws.

Section 2-4. PLACE OF MEETINGS

All meetings of the Trustees shall be held at the University of Wyoming, unless otherwise ordered by the Trustees.

Section 2-5. REPEALED

Section 2-6. ACT OF THE TRUSTEES

The act of the majority of the Trustees present at a meeting at which a quorum is present shall be the act of the Trustees.

Section 2-7. PUBLIC ATTENDANCE AT MEETINGS

Regular and special meetings of the Trustees shall be open to the public except for executive sessions which may be convened at any time by vote upon motion by any member of the Trustees. Executive sessions shall be attended only by members of the Trustees and such persons as may be designated by the presiding officer or included in the motion. No actions shall be taken in executive sessions. Matters considered and discussed during executive sessions shall be confidential except as otherwise provided by law.

Article III. PROCEDURE AT MEETINGS

Section 3-1. QUORUM

A majority of the duly appointed and qualified members of the Trustees shall constitute a quorum for the transaction of business. Any number less than a quorum present at a meeting duly called may adjourn from time to time until a quorum shall be in attendance.

Section 3-2. ORDER OF BUSINESS

The business at each regular or special meeting shall be conducted in the following manner, unless otherwise authorized by appropriate Trustees action.

- Roll call of members
- Approval of minutes of last meeting
- Election of officers
- Reports
- Public Testimony
- Audit and Fiscal Integrity Committee Report
- Committee of the Whole (Consent Agenda)
- Committee of the Whole (Regular Agenda)
- New business

Section 3-3. RULES OF PROCEDURE

Meetings of the Trustees shall be conducted according to Robert's rules of parliamentary procedure except as modified by the Trustees. Each member of the Trustees who is present shall vote on every question, unless excused from voting by the Trustees. The ayes and noes shall be called and entered upon request of any member of the Trustees.

Section 3-4. MINUTES OF PROCEEDINGS

Minutes of proceedings of the Trustees and of their committees shall be kept by the secretary, or by a person designated by him. Action of the Trustees which utilizes material presented by reports or other documents shall be presented in the minutes in such form as to include, when not impractical, the full text of the action so that reference to other reports and documents is not necessary in order to determine the exact meaning of the action taken.

Article IV. OFFICERS OF THE TRUSTEES

Section 4-1. NUMBER

The officers of the Trustees shall be a President, a Vice President, a Secretary, and a Treasurer, who shall be members of the Trustees.

Section 4-2. ELECTION AND TERM OF OFFICE

The officers of the Trustees shall be elected annually at the annual meeting. Each officer shall hold office for one year or until his successor is elected and qualified. No member of the Trustees shall be eligible for re-election as president immediately after having served two successive regular terms in that office.

Section 4-3. VACANCIES

In the event of a vacancy in any office of the Trustees, an election shall be held for the unexpired term at the next regular or special meeting of the Trustees.

Article V. DUTIES OF OFFICERS

Section 5-1. DETERMINATION OF DUTIES

The officers of the Trustees shall perform the duties expressly enjoined upon them by the laws of this State and by the Bylaws of the Trustees, and such other incidental duties as pertain to their respective offices, or as may be assigned from time to time by the Trustees or their President.

Section 5-2. PRESIDENT

The President of the Trustees shall preside over all meetings of the Trustees; he shall call the Trustees or Executive Committee in regular or special session at such times as he may deem advisable or necessary or at any time upon the petition of three or more members of the Trustees; and he shall have authority to decide any disputes as to the application or meaning of these rules and Bylaws, but this decision shall be referred to the next regular or special meeting of the Trustees for final decision and adjudication by the Trustees. The President of the Trustees shall have power to make temporary appointments to fill vacancies in the appointments of the Trustees to other boards or committees during the interval between Trustees meetings. He shall be an ex officio voting member of all permanent committees of the Trustees. He may sign, with the secretary or any other proper officer of the Trustees thereunto authorized by the Trustees, any deeds, mortgage, bonds, contracts, or other instruments which the Trustees have authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Trustees by resolution, by Regulations of the Trustees, or by these Bylaws to some other officer or agent of the Trustees, or shall be required by law to be otherwise signed or executed.

Section 5-3. VICE PRESIDENT

In the absence of the President of the Trustees or in the event that the office becomes vacant, or of the president's inability or refusal to act, the Vice President shall perform the duties of the President.

Section 5-4. SECRETARY

The Secretary shall be sworn to the performance of his duties as provided by statute. He shall be responsible for the minutes of meetings of the Trustees; he shall be custodian of the Trustees records and of the seal of the Trustees and see that the seal of the Trustees is affixed to all documents, the execution of which on behalf of the Trustees under its seal, is duly authorized. The Secretary shall sign with the President such instruments as the latter may execute. He shall be responsible for the supervision of duties delegated or assigned to the Deputy Secretary appointed by the Trustees.

In the event that the offices of President and Vice President become vacant or both refuse or are unwilling to act, the Secretary shall perform the duties of President until the next regular or special meeting of the Trustees and preside as that meeting until the vacancy in the presidency is filled.

Section 5-5. TREASURER

The Treasurer shall cause an annual report to be prepared by the officers and employees of the University of Wyoming which shall show all receipts and disbursements; he shall receive any monies, through the Deputy Treasurer, required by law to be paid to the Treasurer of the Trustees; and shall maintain general cognizance of fiscal and accounting procedures utilized by officers of the University of Wyoming designated by the Trustees to receive and disburse all monies.

In the event that the offices of President, Vice President and Secretary become vacant or all refuse or are unwilling to act, the Treasurer shall perform the duties of the president until the next regular or special meeting of the Trustees and preside at the meeting of the Trustees until the vacancy in the presidency is filled.

Article VI. OTHER OFFICERS

Section 6-1. DEPUTY SECRETARY

The Deputy Secretary shall be appointed by the Trustees, and he shall perform such duties as are delegated by the Secretary of the Trustees.

Section 6-2. DEPUTY TREASURER

The Deputy Treasurer shall be nominated by the President of the University for appointment by the Trustees, and he shall be an officer of the University of Wyoming whose duties include responsibility for the receipt, custody, and expenditure of all funds of the University of Wyoming not held by the State Treasurer, and he shall exercise the same responsibility with respect to any funds or monies of the Trustees of the University of Wyoming.

Section 6-3. INTERNAL AUDITOR

The Internal Auditor shall be appointed by the Trustees, and he shall perform such duties as they shall require.

Section 6-4. OTHER OFFICERS AND DUTIES

Other officers may be appointed by the Trustees as may be deemed necessary. The duties of all officers of the Trustees shall set forth in writing at the time of appointment or in appropriate Regulations of the Trustees.

Article VII. COMMITTEES OF THE TRUSTEES

Section 7-1. EXECUTIVE COMMITTEE

The Executive Committee shall consist of five members of the Trustees one of whom shall be the President of the Trustees who shall serve as Chairman, one of whom shall be the immediate past President of the Trustees, one of whom shall be the Vice President of the Trustees, and two of whom shall be elected by the Trustees for a term of one year at the annual meeting of the Trustees. The Executive Committee shall have authority to transact business during the recess of the Trustees and to act for the Trustees in all matters wherein immediate decisions and actions are deemed necessary for the present welfare of the University. All such actions of the Executive Committee shall be reported to the Trustees at their next regular or special meeting, and shall be entered in full upon the minutes of such meeting of said Trustees.

Section 7-2. AUDIT AND FISCAL INTEGRITY COMMITTEE

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

The Audit and Fiscal Integrity Committee shall consist of not less than three members of the Trustees, preferably those with financial or business expertise. Appointments shall be made by the President of the Board of Trustees at the annual meeting of the Trustees for terms of three years. Appointments to fill a vacancy for the unexpired term may be made by the President of the Board at any time and announced at the next regular Board meeting following the appointment. In the initial appointments, at least one member shall be appointed to terms of one, two and three years respectively.

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

I. Investments

Review the management of invested University funds, including University endowment funds and University operating funds, subject to the following conditions:

- a. The President of the University shall be the administrative officer of the invested University funds, and may assign to a designee such duties as may be described in a written delegation of authority.

- b. With Board approval, the Committee may employ the services of an agent, such as the University of Wyoming Foundation, an investment adviser, and/or manager(s), and may give due consideration to such advice.
- c. The Committee, or the Board-approved agent, shall place the securities of said Funds in custody of a custodian bank or other fully insured custodial institution, which shall have the right and privilege of holding the securities in a street name or in a name of such nominee as it may choose.
- d. Each year the Committee shall review the agent's investment policy, asset allocation strategy and other endowment management philosophies, such as earnings distribution policies. The Committee shall receive and review an annual report on portfolio performance and other relevant endowment management metrics.

II. Financial Reporting Process

- a. Ensure that the external auditors communicate all matters required by their professional standards to the Committee and review significant accounting and reporting issues, including recent professional and regulatory pronouncements in order to understand their impact on the University's financial statements.
- b. Review the annual financial statements, including management's discussion and analysis, and determine if they are complete and consistent with information known to committee members.
- c. Be satisfied that all regulatory compliance matters have been considered in the preparation of the financial statements.
- d. Review significant financial risks and exposures and the plans to minimize such risks.
- e. Review, with the University's legal counsel, any legal matters that could have a significant impact on the financial statements.

III. System of Internal Control

- a. Ensure that management is setting the appropriate tone in communicating the importance of internal control and ensure that individuals have an understanding of their roles and responsibilities.
- b. Receive and review reports from internal and external auditors regarding the quality of institutional internal control systems and determine whether management has implemented internal control recommendations made by internal and external auditors.
- c. Ensure that internal and external auditors keep the Committee informed about fraud, illegal acts, deficiencies in internal control and ensure that an appropriate process exists for the receipt, retention and treatment of complaints, including anonymous complaints, regarding accounting, internal controls and auditing matters.

- d. Evaluate the extent to which internal and external auditors review computer systems and applications, the security of such systems and applications, and the contingency plan for processing financial information in the event of a systems breakdown.

IV. Audit Process – External

- a. Following appropriate consultation with management, recommend to the Board the selection and retention of the external audit firm. Approve external auditor's fees.
- b. Review and approve the external auditor's proposed scope and approach.
- c. Review and confirm the external auditor's assertion of their independence in accordance with professional standards.
- d. Review the performance of the external auditors and recommend the appointment or discharge of the external auditors.
- e. Meet with the external auditors, the Internal Auditor, and management in separate executive sessions to discuss any matters that the Committee or these entities believe should be discussed privately. Mediate any disagreements between management and external auditors regarding financial reporting.
- f. Review with management and external auditors the results of the annual external audit, including any difficulties encountered, restrictions placed on the scope of the external auditor's activities, access to requested information and any significant disagreements with management.
- g. Review and approve any engagement of the external auditors for non-audit related consulting activities.

V. Audit Process – Internal

- a. Review and ensure that the University has the appropriate structure, staffing, and capability to effectively carry out the internal audit responsibilities.
- b. Review and concur in the appointment, compensation, replacement, reassignment, or dismissal of the Internal Auditor.
- c. Review and confirm the priorities and key action plans of the audit function. Receive and review internal audit reports from the Internal Auditor regarding results of the internal audit program.
- d. Ensure there is regular, independent communication between the Committee and the Internal Auditor and ensure there are no unjustified restrictions or limitations on internal audit programs.

VI. Compliance with Laws & Regulations

- a. Review the findings of any significant examinations by financial regulatory agencies and review management's corrective action plans. Ensure that action plans are implemented to the satisfaction of the regulatory agencies.

VII. Other Responsibilities

- a. Ensure that significant findings and recommendations made by the internal and external auditors are received, discussed and acted upon in an appropriate and timely manner.
- b. Regularly update the Board of Trustees about Committee activities, any key internal or external audit issues and make appropriate recommendations for Board action.
- c. Review and update this By-Law and receive approval of changes from the Board of Trustees.

Section 7-3. COMMITTEE CHAIRMEN

At the annual meeting, the President of the Trustees shall appoint a chairman for the committee described in Section 7-2. Such chairman shall hold office for one year or until his successor is appointed and qualified. No member of the Trustees shall be eligible for reappointment as chairman of the committee immediately after having served two successive annual terms in that office.

Article VIII. AMENDMENT OF BYLAWS

These Bylaws may be changed or amended and additional Bylaws may be adopted at any regular meeting of the Trustees by a vote of two-thirds of all the members, provided that notice of the intention to change, amend, or add to the Bylaws, in whole or part, shall have been given in the notice of the meeting or shall have been given at a preceding meeting of the Trustees. Such notice shall be in writing and shall include the exact wording of the legislation proposed. The Bylaws, in whole or in part, may be suspended at any Board meeting only by an affirmative vote of two-thirds of all the members of the Trustees.

Article IX. REGULATIONS OF THE TRUSTEES

Rules for the government of the University and all its branches shall be designated as "Regulations of the Trustees," which may be adopted, changed or amended at any regular or special meeting of the Trustees without prior formal notice. In order to have the status of a standing regulation, any intention to adopt, change or amend such Regulations must be presented as a formal motion for action by the Trustees.

Article X. PRESIDENT OF THE UNIVERSITY OF WYOMING

Section 10-1. APPOINTMENT

The President of the University of Wyoming shall be appointed by the Trustees, but no such appointment shall be made without nine (9) affirmative votes of the Trustees. His initial term of office shall be for not less than one year, and he shall thereafter continue in such office at the will of the majority of the Trustees, who, from time to time, shall fix his salary. It will be the policy of the Trustees to confer with an advisory committee from the University faculty and staff prior to the selection of a new President.

Section 10-2. DUTIES AND POWERS

The President of the University shall perform the duties expressly enjoined upon him by the laws of this State, by these Bylaws, and such other incidental duties as pertain to his office or as may be assigned from time to time by the Trustees. As the executive head of the University of Wyoming, in behalf of the Trustees he shall be responsible for the custody of the books, records, buildings, and all other property of the University, and for the administration of the academic and business activities of the University in accordance with the directives, Bylaws and Regulations of the Trustees; and he shall be clothed with all authority requisite to these ends. He shall inform and advise the Trustees with respect to the operations of the University and its relationships, and shall serve as an ex officio member of all permanent Trustees' committees.

Article XI. THE UNIVERSITY OF WYOMING

Pursuant to State Law establishing the University as an institution of learning under the name and style "The University of Wyoming," all authorized functions and business matters carried on by the officers, faculty and staff of the University in accordance with regulations and financial budgets of the Trustees shall be in the name of "The University of Wyoming."

Article XII. SEAL

The corporate seal of the Trustees of the University of Wyoming shall consist of a circular design on which is inscribed the words "The University of Wyoming - 1886 -" and in the center the word "Equality." It shall be affixed to all papers which may require it as authorized by the Secretary, the President of the University of Wyoming, or regulation or direction of the Trustees.

Appendix C

University Regulations and Presidential Directives

Supplemental Pay

University Regulation	Provision
<p>UW Regulation 4-2 Employment Provisions Applicable to All Personnel (emphasis added)</p>	<p>This covers funds disbursed through the University. Employees must be full-time and may receive supplemental pay as follows:</p> <ul style="list-style-type: none"> • Teach extension classes, noncredit programs or similar activities scheduled through adult education programs; • Work at University sponsored events, i.e. ticket sales at athletic events or similar duties; • Overtime payments when required the employee's contract or by applicable State or Federal law; • Work as part-time instructor, lecturer or professional employee appointed by department and approved by cognizant vice president or administrative officer that determine: <ul style="list-style-type: none"> ○ Will not interfere with employee's regularly assigned duties; ○ Employee has the expertise required that is not available through regularly appointed academic personnel or professional employees, or through part-time appointment of non-University personnel ○ Assignment does not typically exceed the equivalent of one regularly scheduled three-hour credit course in a calendar year; and ○ Assignment is normally not reoccurring and not in addition to the maximum time allowed for consulting. • Work on grants, contracts, and similar University-funded activities when work is in addition to employee's regularly assigned duties under certain conditions for a limited period of time. This is approved when: <ul style="list-style-type: none"> ○ Essential services cannot be provided by persons employed or receiving salary support under the grant; ○ When it is not possible to relieve the employee of part of usual duties; ○ The project is one for which another department has principal responsibility; and ○ The overload will not exceed twenty (20) days per academic year or twenty-four (24) days per fiscal year as determined by the employee's period of appointment and shall not be in addition to the maximum time allowed for consulting. • When approved by the appropriate University authorities,

University Regulation	Provision
	<p>full-time employees on academic year appointments may earn up to one-third (1/3) of their base salary for services rendered during the period from Spring commencement to reporting date.</p> <ul style="list-style-type: none"> When approved by the appropriate University authorities, employees who have been granted a sabbatical leave may receive compensation from sponsored research grants and contracts awarded to the University, up to a maximum of 40 percent of their approved academic year salary, if funding from the grant or contract is an integral component of the sabbatical proposal.
<p>UW Regulation 5-173 Regulations Governing Vacation, Sick Leave and Compensation for Faculty and University Officers [emphasis added]</p>	<p>A temporary increase in salary rate may be recommended for:</p> <ul style="list-style-type: none"> Faculty member or a University officer designated to perform the duties and responsibilities of a faculty member or University officer to be absent for two months or more but less than two (2) years or to temporarily fill a vacant position. <p>Temporary increases for a faculty member or a University officer may be authorized by the President upon recommendation of the cognizant vice president for up to four (4) months. In excess of four (4) months requires authorization of the Board of Trustees</p>
<p>Presidential Directive 4-2013-1 Staff – Classification/Compensation Plan</p>	<p>An appointing authority may, upon written notification to Human Resources, temporarily assign an employee the duties of a different position of a higher pay grade vacated by reason of an incumbent's extended leave or termination. Such assignments may be made for a period not to exceed one (1) year.</p> <p>No change in pay will be authorized when an employee is temporarily assigned for less than thirty (30) calendar days, or when assigned duties are of the same or lesser pay grade.</p> <p>Change in pay may be authorized if the temporary assignment exceeds thirty (30) calendar days, and if the pay grade for the classification of the temporary assignment is higher than the grade of the employee's regular position. The employee's salary may be temporarily increased not to exceed the same relative percentage above minimum currently held by the incumbent or up to the matrix market point of the new pay grade, whichever is greater.</p> <p>In no case will the temporary pay be below the minimum or above the maximum of the pay grade for the classification which the employee is temporarily assuming duties.</p>

University Regulation	Provision
<p>April 2, 2012 Memo from Academic Affairs re: Institutional policy on salary raises for academic employees</p>	<p>This policy was applicable for the remainder of FY2012 and for FY2013.</p> <p>Academic employees who take on major, long-term changes in job descriptions – such as becoming the head of an academic department or the director of a significant administrative unit – may receive increases in salary to reflect the new duties. The changes in duties must be significant, must involve a documented change in job description and must be of a nature that customarily involves a change in salary.</p> <p>All changes in duties and accompanying salary changes require approval of the Office of Academic Affairs and, in most cases, the President and Board of Trustees.</p>
<p>August 2009 Practical Guide to Supplemental Pay at UW</p>	<p>References University Regulations 4-2, 5-40 (no longer in effect) and 5-173.</p> <p>Provides guidance related what is considered supplemental pay, who is eligible, how much may be received, who has oversight and any applicable exceptions.</p>

Source: Legislative Service Office from information provided by the University of Wyoming and obtained from the University's website.



Appendix D

Governor Geringer 1999 Memorandum



STATE OF WYOMING
OFFICE OF THE GOVERNOR

JIM GERINGER
GOVERNOR

STATE CAPITOL BUILDING
CHEYENNE, WY 82002

December 1, 1999

TO: Joint Appropriations Committee - 55th Legislature
FROM: Governor Jim Geringer
SUBJECT: 2001-2002 Biennium Budget Recommendations
RE: 067-University of Wyoming

The University budget request totals \$511,819,612. It includes \$209,798,290 general fund; \$72,291,127 federal funds; \$229,730,195 other funds and 2,618 full time and 3,071 part time positions. Of the amounts shown, the single exception budget request is \$10,621,896. It includes \$11,013,787 general fund; a \$391,891 other fund reduction; and the elimination of 12 full time positions.

I am recommending a departure from the way the University budget has been displayed and funds appropriated. The recommendations that follow will zero-out the traditional 0100-Section I and 0200-Section II Block Grant structure and replace it with a single appropriation organization that includes base funding and performance funding. As a matter of practice and Legislative authority, the University has received a block grant for over ten years. However, UW has prepared and presented its budget as though it were subject to the same line item management as the executive branch agencies. That has caused the generation of volumes of cost accounting data and budget documents that no one ever uses. Since the responsibility for the efficient and effective use of all University resources, including this budget of state general fund support, is legally vested squarely in the hands of the University of Wyoming Board of Trustees, the appropriation recommended includes only the general fund appropriation for the University. This is consistent with the budget format in use for the Community College system.

For the purposes, programs, and number of employees needed to advance the goals and objectives in the state agency four-year plan, the following appropriations are recommended for the two-year period beginning July 1, 2000 and ending June 30, 2002.

GENERAL RECOMMENDATION

I am recommending that the budget for the University be restructured so that it is displayed in one appropriation organization (6700-State Aid) with two expense organizations (6701-Base Funding and 6702-Plus Funding). Since we have moved toward block grant funding or base funding for the University, budget development by expenditure object and number of employees has retarded the effectiveness of the block grant concept. Instead of focusing on how funds are spent, we should provide for better planning, greater performance accountability and incentives to enhance innovation for student improvement.

The revised University budget can be worked by approving my recommendations to zero-out the budgets for 0100-Section I Block Grant and 0200-Section II Block Grant. Then, review my recommendations for budget 6700 to determine the University appropriation. Please carefully note that the 6700 budget only includes the general fund appropriation for the University and that the number of authorized employees is no longer specified since that is under the authority of the Trustees.

The Board of Trustees "possess all the powers necessary or convenient to accomplish the objects and perform the duties prescribed by law..." [W.S. 21-17-203]. Further, the Trustees are charged to "expend the income placed under their control from whatever source derived" and to "exercise all other functions...necessary to the prosperity of the university...." [W.S.

21-17-204(v)]. I fully expect that the Trustees will efficiently manage the non-general fund resources available to the University, maximize the generation of resources, and expend all resources appropriately.

PERFORMANCE AND ACCOUNTABILITY: The recommendations that follow represent a significant increase to the prior biennium's general fund appropriation. Although the recommendation is based on the University's role of leading the state and our students into the new economy, I support strong accountability. The elimination of the restrictive nature of previous line-item appropriations will place a great deal of responsibility and coincident accountability on the Board of Trustees and the University President. My expectation is that the Board of Trustees will distribute their resources to improve student performance and that accountability for their actions will be demonstrated through the performance indicators in the University's Strategic Plan.

My recommendations are directed at improving several conditions with the goal of providing the best education we can to our students. Objectives within that goal include enhancing the quality of both the faculty and the students and thus, bringing the University up to greater competitiveness.

I was not comfortable with just accepting the Trustees' request, so I went looking for comparators, much as we did for the Community Colleges. For comparison to similar institutions, I asked for comparisons to other institutions that are public, land-grant, research oriented universities that have no medical school or vet school. My goal was to find out how the University of Wyoming compared on a per-student basis. Based upon a ten-school comparison, UW is at 101.7% of the group median on a dollar-per-FTE student comparison. While that would suggest that UW is where it should be, I note two significant factors that move me to recommend increases.

First, the data for comparison is two years old. Most other states have increased support of higher education significantly more than Wyoming.

Second, UW is among the smallest institutions in the comparator group. UW's complex and broad academic mission doesn't yield returns on a comparable scale until the residential student population reaches ten to twelve thousand students. UW needs to gain at least 2500 more students.

Given these two factors, we should be comfortable with a five to ten percent premium for UW to serve the mission we expect. Along that line, I am recommending a five percent premium on top of the base funding. I will recommend to the University Trustees that they withhold that five percent and allocate it on a competitive basis to assure both higher quality faculty and students, using improved measures of performance and accountability.

Standard Budget I am recommending that the \$198,784,503 general fund request in the 0105-Section I Block Grant be zeroed-out by transfer to the "new" expense organization, 6701-Base Funding.

Exception Budget The exception budget request for the 0105-Section I Block Grant will not be transferred. Instead, I am recommending an exception budget of \$9,939,225 general fund in the new expense organization, 6702-Plus Funding to be used at the discretion of the Trustees. Allocation of this budget, which equals 5% of the Base Funding budget, could be used to support the University's prime goal to increase enrollment, retention and student performance.

Number of Authorized Employees The recommendations that follow will not indicate a recommended number of employees. The number of full time and part time employees has appeared in previous Appropriations Acts. However, it was used, not to control the number of UW employees, but rather to generate a budget amount for salaries and benefits. This results in the creation of a few hundred pages of non-essential and unused budget reports. Although the University has endeavored to maintain employee numbers at the stated level, the Board of Trustees should be free to determine the number of employees based on institutional needs and to improve student performance. In addition, the proposed new budget structure will focus on performance and accountability and not objects of expenditure, such as salaries.

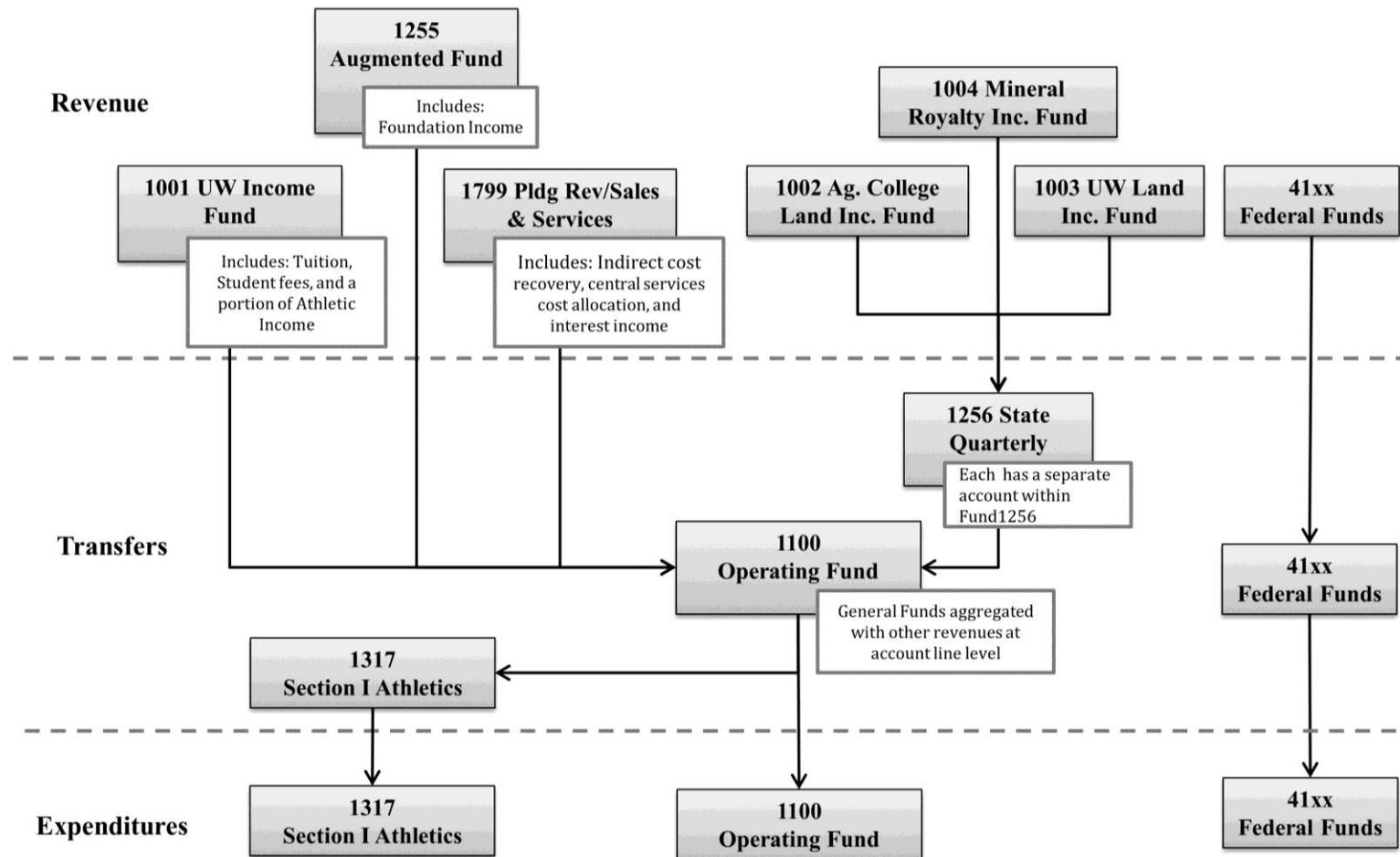
TRADITIONAL BUDGET STRUCTURE

APPROPRIATION ORGANIZATION: 0100-Section I Block Grant (Page 15)

The Section I Block grant provides funds for the normal operation and maintenance of the University. The Board of Trustees

Appendix E

Section I Funds Flow Chart



Source: Legislative Service Office with information provided by the University of Wyoming.

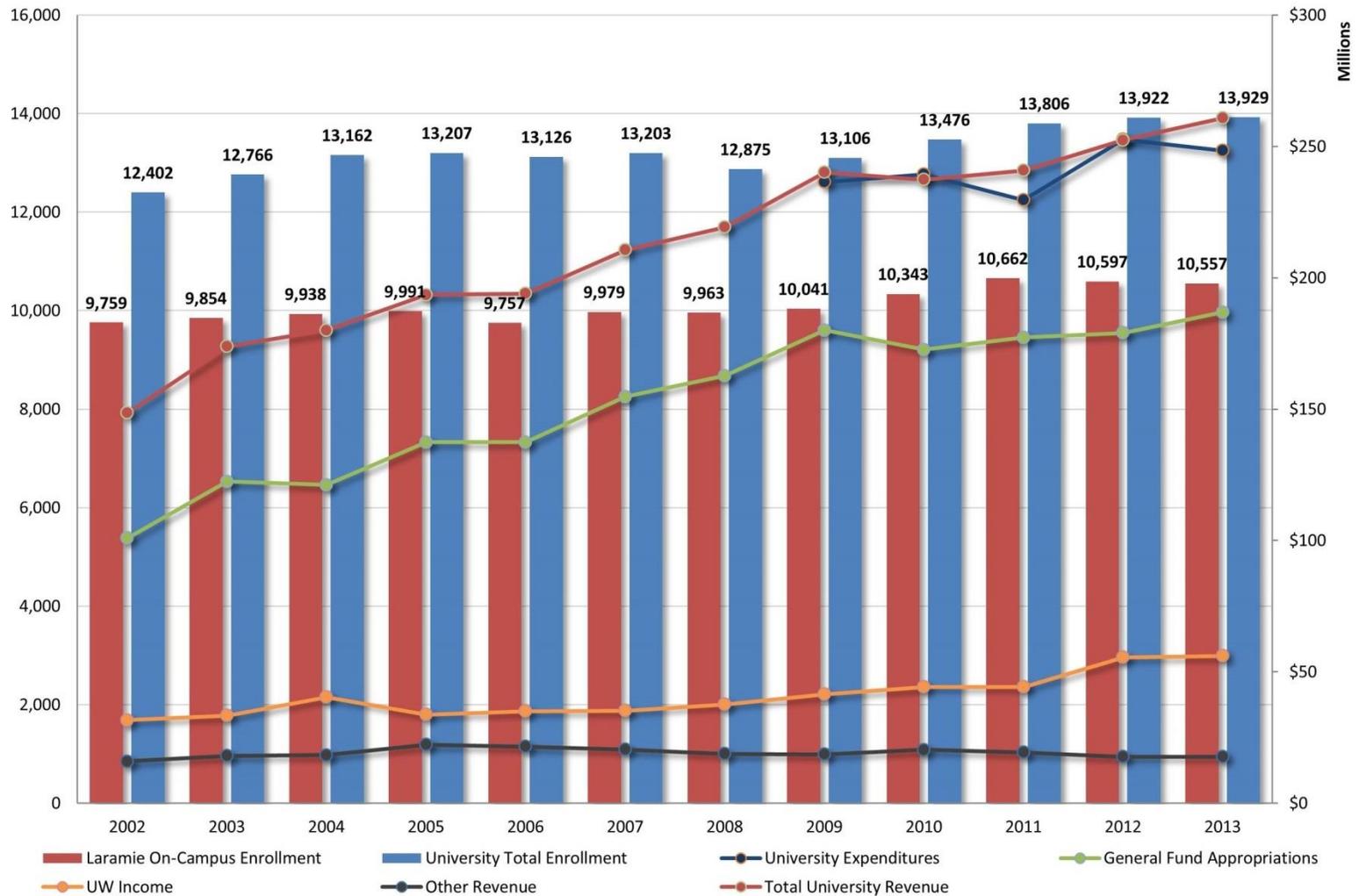
Note: Federal Fund in 41xx include: 4010 & 4011— Block Grant- Hatch; 4020 & 4021— Block Grant- McIntire/Stennis; 4030 & 4031— Block Grant- Regional Research; and, 4040 & 4040— Block Grant- Smith/Lever.



Appendix F

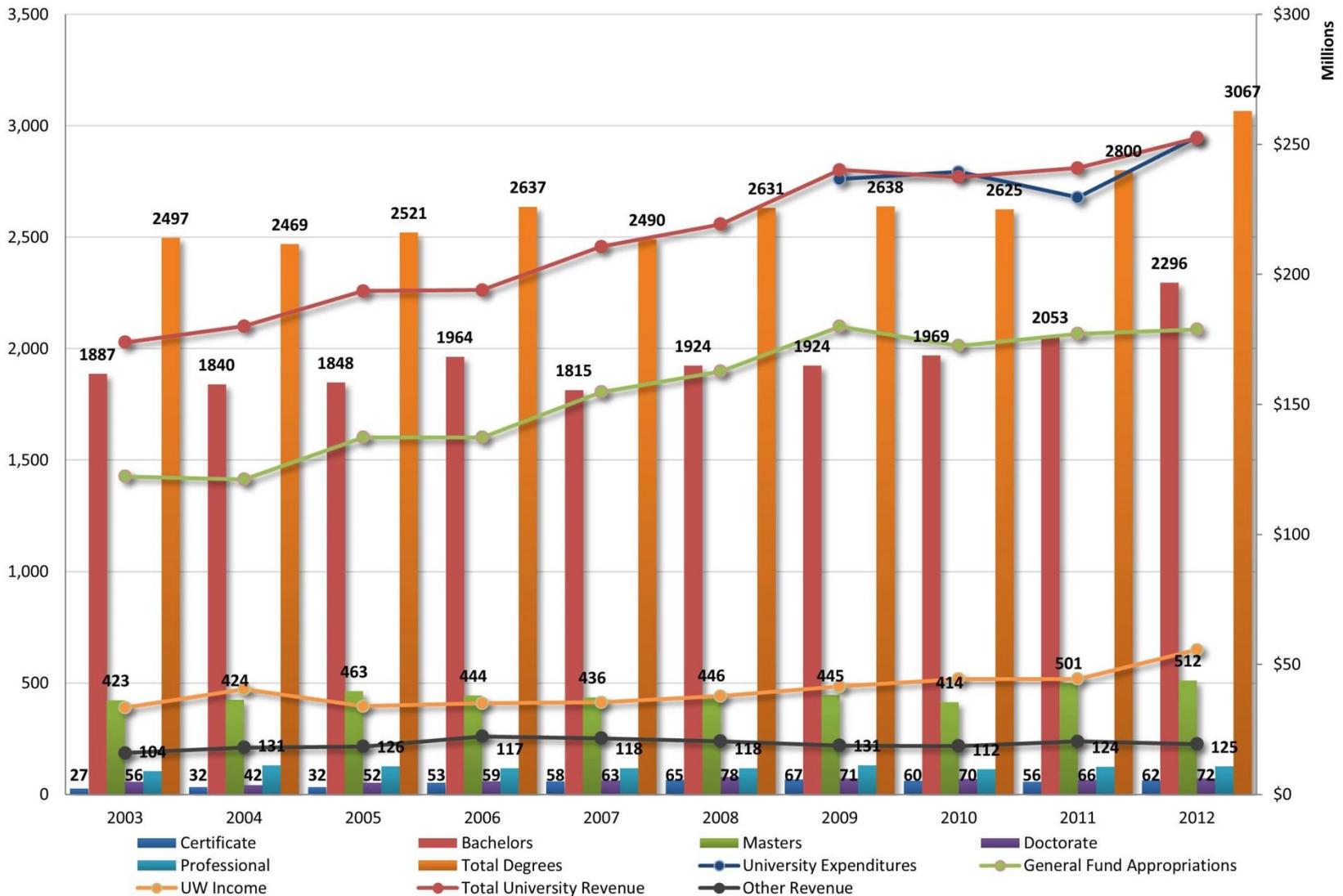
Overlays

Overlay 1
Student Enrollment



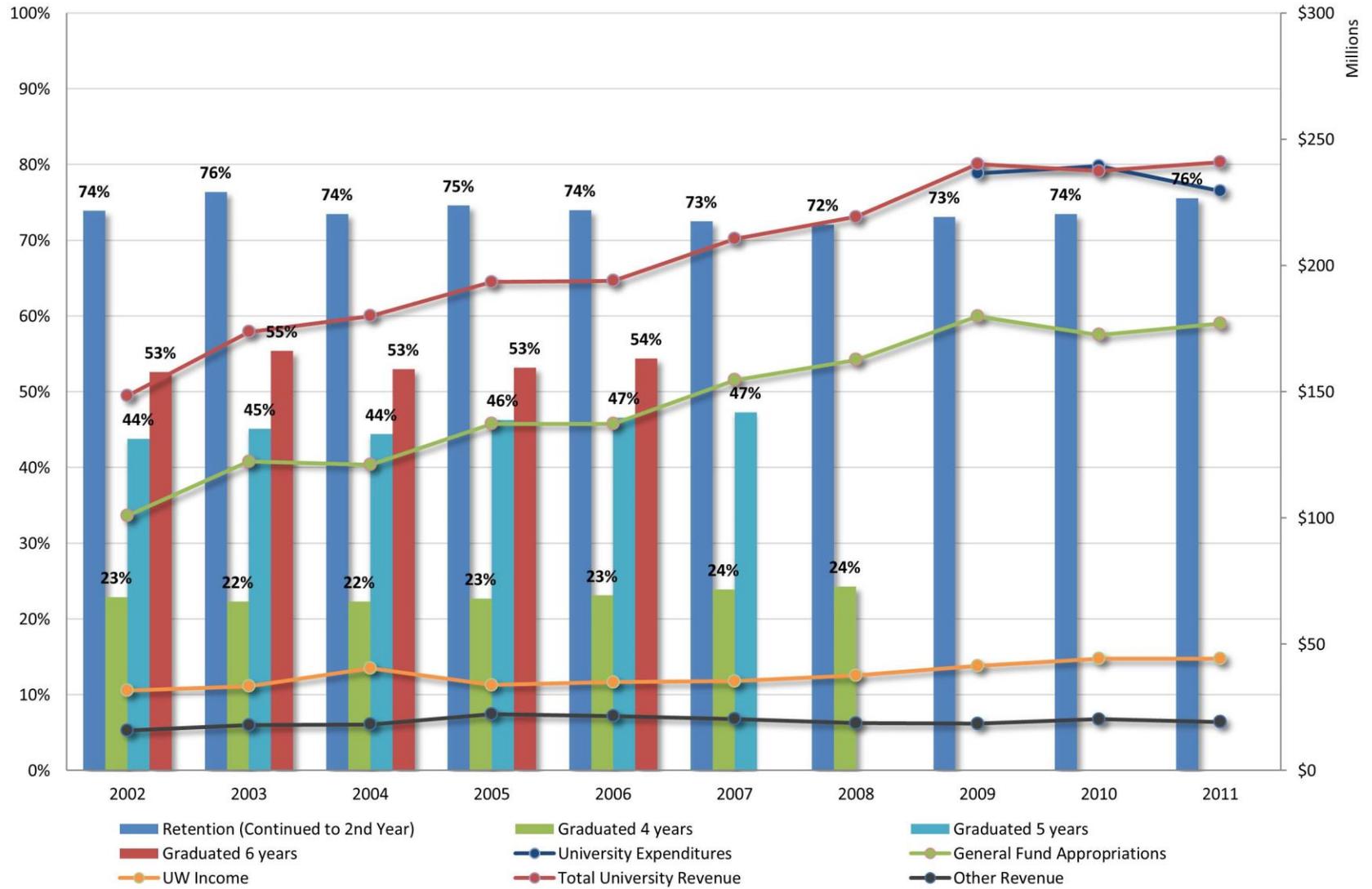
Footnotes: Fiscal Years

Overlay 2 Degrees Conferred



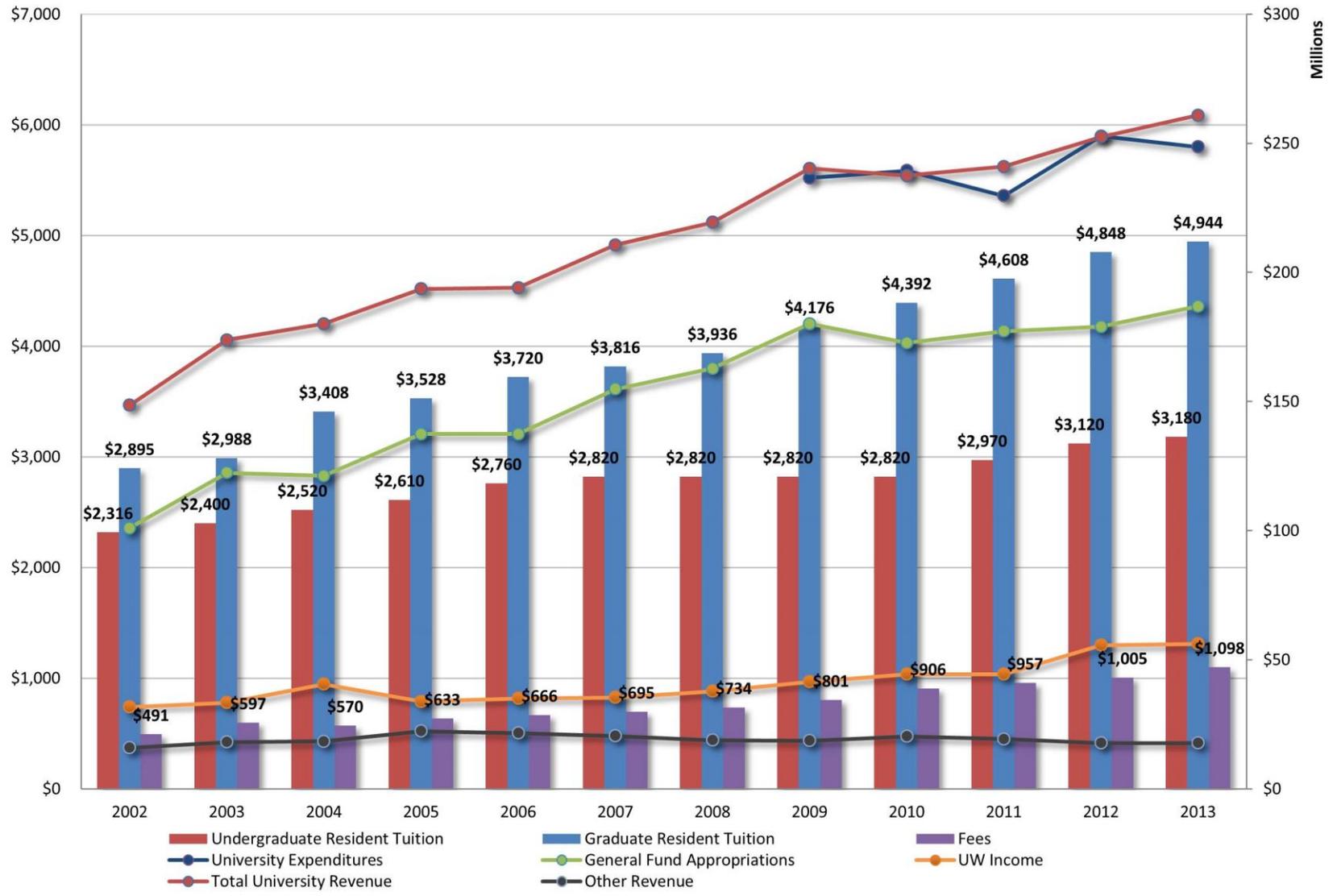
Note: Fiscal Years

Overlay 3 Graduation and Retention Rate



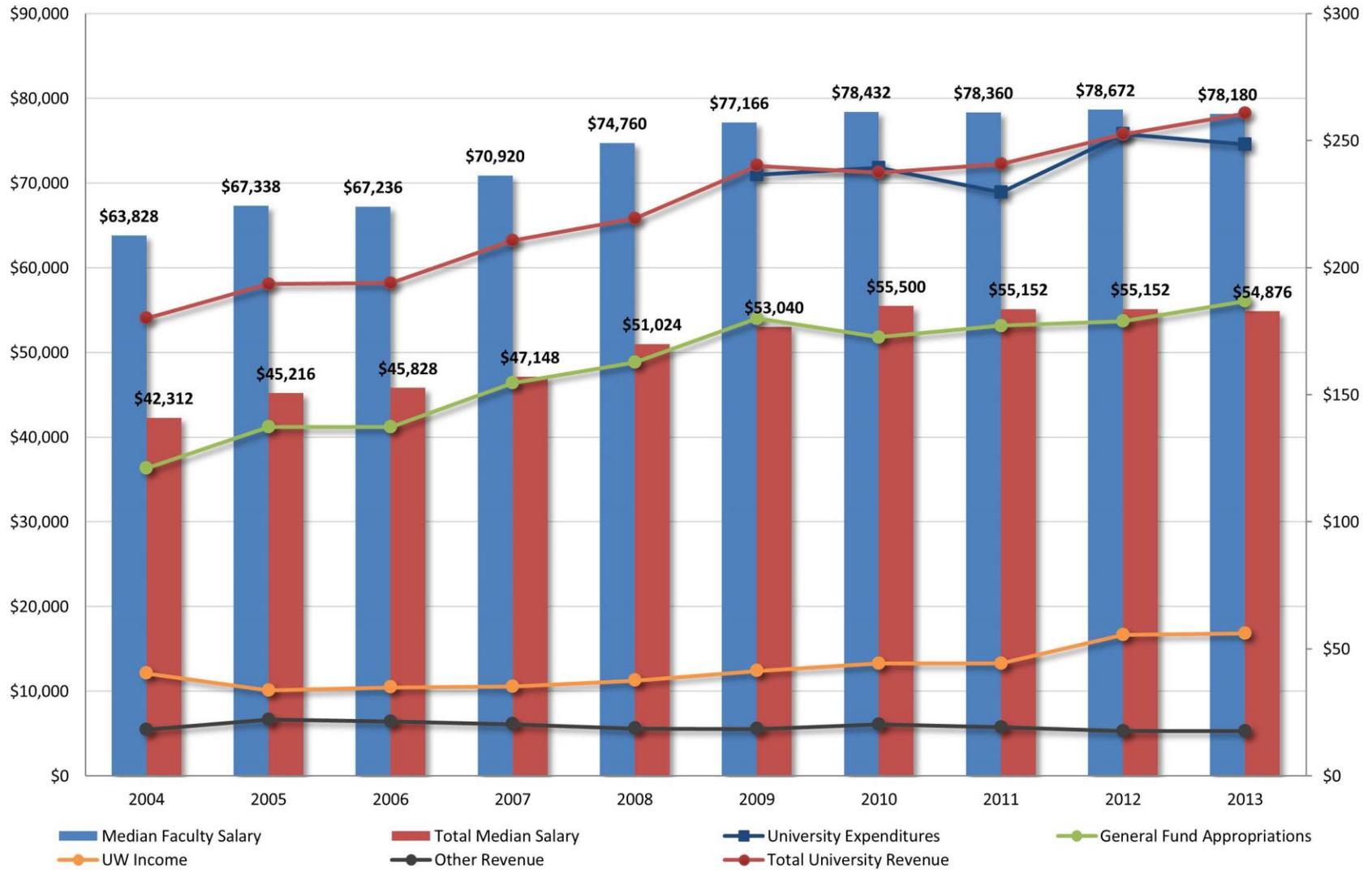
Note: Fiscal Years

**Overlay 4
Resident Undergraduate and Graduate Tuition**



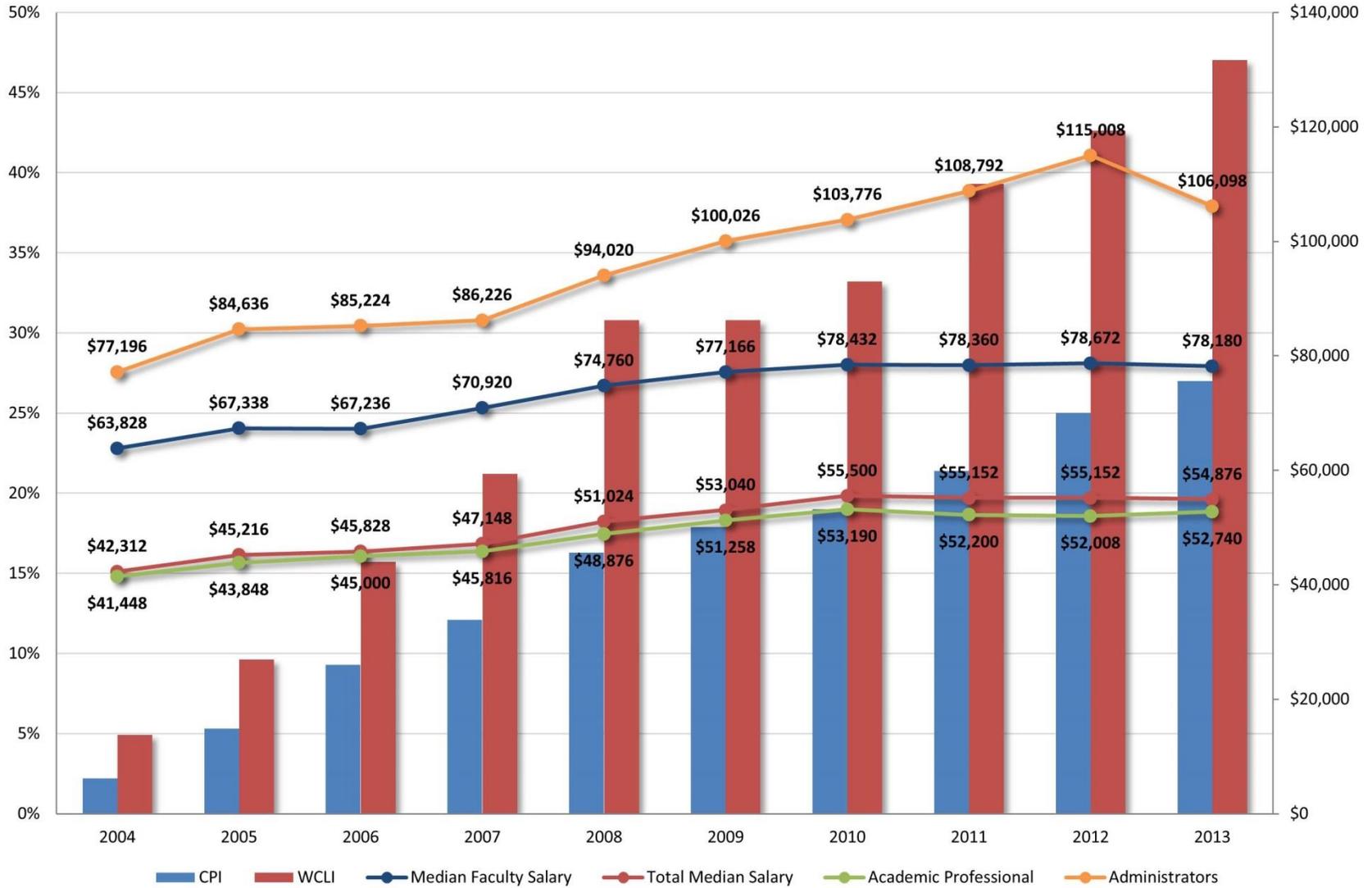
Note: Fiscal Years

Overlay 5 Faculty Salary



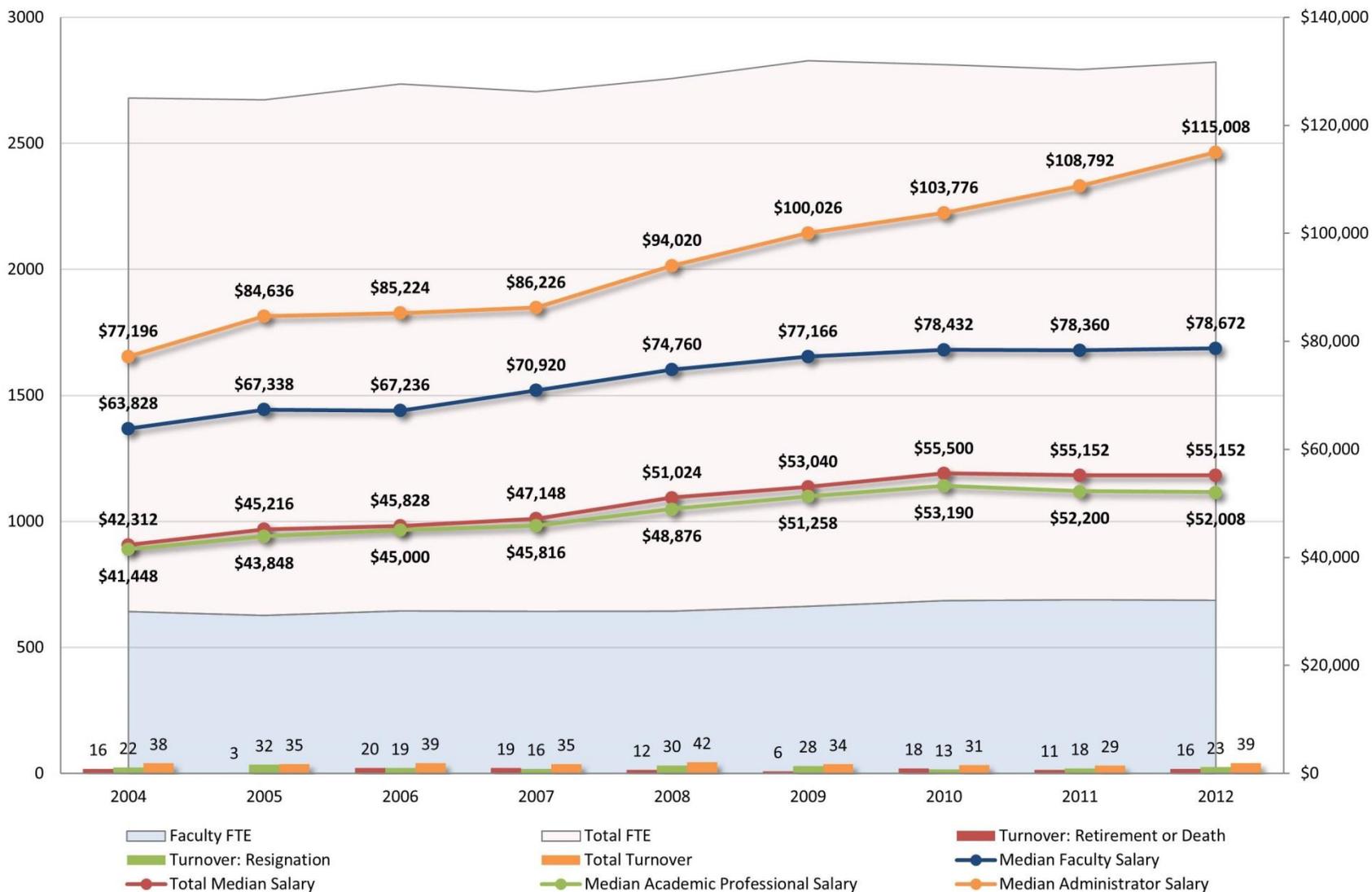
Note: Fiscal Years

Overlay 6 Academic and Administrator Salary and CPI/WCLI



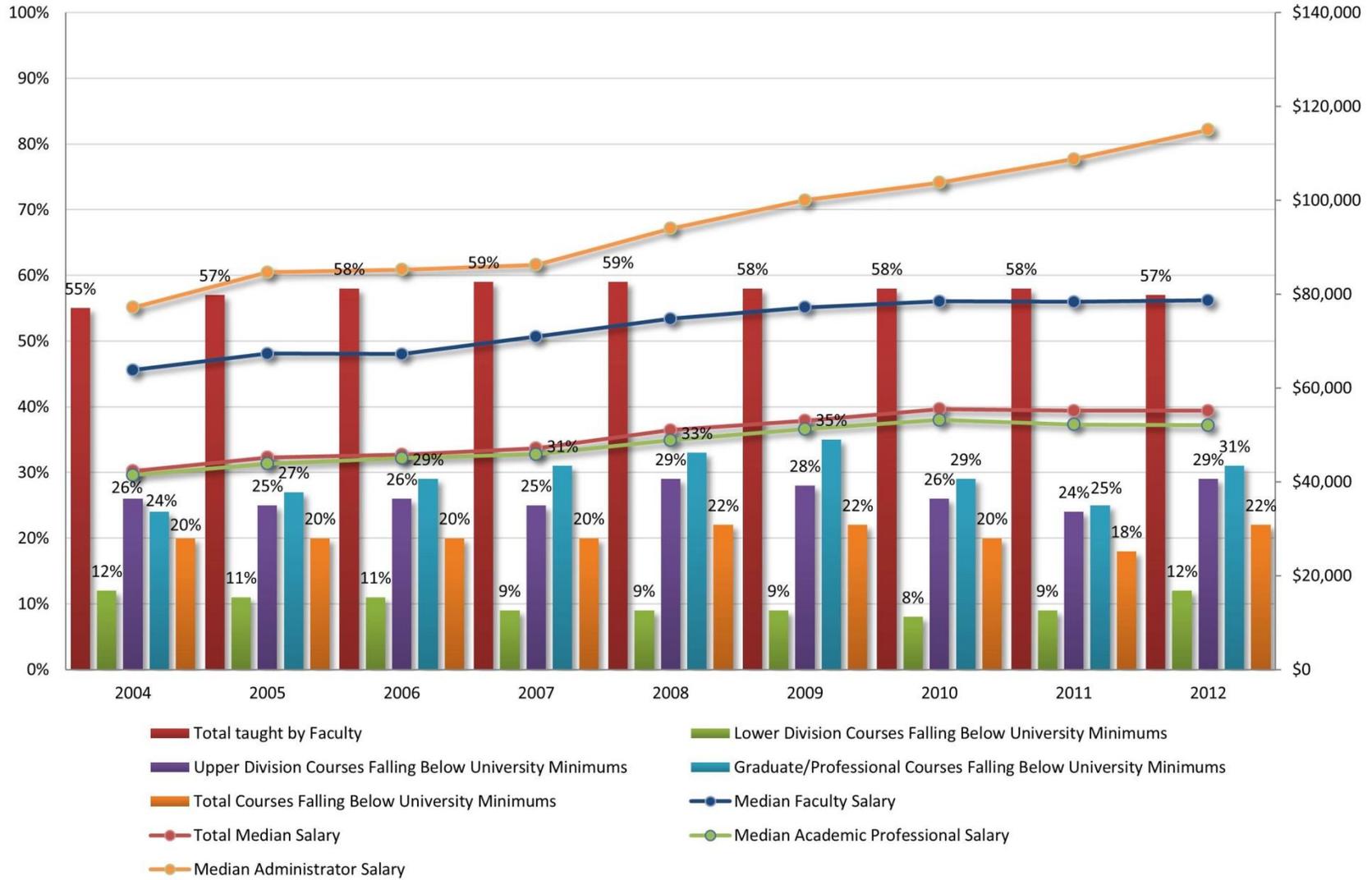
Note: Fiscal Years

Overlay 7 Faculty Turnover, FTE, and Salary



Note: Fiscal Years

Overlay 8 Courses and Faculty



Note: Fiscal Years

Overlay 9 CPI, WCLI, Revenues, and Expenditures



Note: Fiscal Years



Appendix G

Comparator Institution Information

Financial Information

Institution	Expenditures	Revenue	Expenditures per Student FTE			Revenue per Student FTE		
			Instruction	Research	Total	State Appropriations	Tuition and Fees	Total
Montana State University – Bozeman	\$336,361,314	\$366,146,472	\$7,100	\$10,318	\$27,229	\$5,360	\$8,750	\$29,639
North Dakota State University	297,115,123	333,925,485	7,223	8,077	22,896	7,064	7,418	25,730
South Dakota State University	237,101,285	255,412,229	6,888	6,339	22,240	5,325	6,835	23,958
University of Montana	265,516,689	261,955,092	7,183	3,332	19,649	4,035	7,421	19,386
University of Alaska - Fairbanks	390,938,500	520,840,086	15,917	22,253	60,090	25,701	6,252	80,056
University of Idaho	324,698,147	339,067,663	9,982	7,700	29,297	9,653	7,911	30,593
University of Wyoming	413,411,992	468,406,655	14,711	8,025	36,765	19,431	4,265	41,659
Utah State University	488,785,488	587,169,004	7,541	6,076	22,098	7,307	4,527	26,547

Institution Type

Institution	Enrollment				Student-Faculty Ratio	Research Type	Land-grant	Programs Offered			
	Under grad.	Grad.	Professional	Total				Law	MBA	PharmD	DNP
Montana State University – Bozeman	11,314	1,039	0	12,353	18:1	Very High Research Activity	Yes				Yes
North Dakota State University	11,175	1,413	390	12,978	21:1	Very High Research Activity	Yes		Yes	Yes	Yes
South Dakota State University	9,748	745	168	10,661	17:1	High Research Activity	Yes			Yes	Yes
University of Montana	11,645	1,196	672	13,513	19:1	High Research Activity	No	Yes	Yes	Yes	

Institution	Enrollment				Student-Faculty Ratio	Research Type	Land-grant	Programs Offered			
	Under grad.	Grad.	Professional	Total				Law	MBA	PharmD	DNP
University of Alaska - Fairbanks	5,749	757	0	6,506	12:1	High Research Activity	Yes		Yes		
University of Idaho	9,332	1,331	420	11,083	18:1	High Research Activity	Yes	Yes	Yes		
University of Wyoming	9,300	1,462	482	11,244	14:1	High Research Activity	Yes	Yes	Yes	Yes	Yes
Utah State University	20,080	2,015	23	22,118	22:1	High Research Activity	Yes		Yes		

Student Information and Cost

Institution	Tuition & Fees				Room & Board	Total Cost Undergrad. Living on Campus	
	In-state Undergrad.	Out of State Undergrad.	In-state Graduate	Out of State Graduate		In-State	Out of State
Montana State University – Bozeman	\$6,705	\$20,062	\$6,033	\$15,984	\$8,070	\$19,185	\$32,542
North Dakota State University	7,353	17,599	5,759	14,001	7,104	18,957	29,203
South Dakota State University	7,404	9,350	7,529	12,803	6,246	18,616	20,562
University of Alaska – Fairbanks	5,898	18,343	10,242	19,842	7,200	17,148	29,598
University of Idaho	6,212	19,000	7,162	\$19,950	7,682	19,700	32,488
University of Montana	5,985	21,077	7,125	23,815	7,262	18,637	33,729
University of Wyoming	4,278	14,124	4,806	11,880	9,084	17,652	26,802
Utah State University	5,940	16,200	5,101	15,841	6,520	17,430	27,690

Source: Legislative Service Office use of IPEDS Data Center.

Notes: Information from IPEDS Data Center is both federally required and self-reported by each institution. Specifically, the National Center for Education Statistics (NCES) is authorized under Section 153 of the Education Sciences Reform Act of 2002 (P.L. 107-279) to collect, report, analyze, and disseminate the statistical data. However, there are some caveats to keep in mind when reviewing the data provided above. IPEDS, using the Governmental Accounting Standards Board (GASB) standards, stipulates that “core revenue” includes tuition and fees; government appropriations (federal, state, and local); government grants and contracts; private gifts, grants, and contracts; investment income; other operating and non-operating sources; and other revenues and additions. Core revenues exclude “auxiliary enterprises” (e.g., bookstores, dormitories). This categorization is not the same University’s Section I and Section II asset categories. Additionally, while not all institutions use the NACUBO categories in their expenditure reports, all expenditures are reported in NACUBO categories.

Appendix H

Section I Salary Information

Section I Median Annual Salary- Full FTEs Only

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Academic Professional	\$41,448	\$43,848	\$45,000	\$45,816	\$48,876	\$51,258	\$53,190	\$52,200	\$52,008	\$52,740	27%
Administrative Professional	57,504	56,004	56,430	57,924	59,424	65,304	69,390	75,000	75,000	81,000	41%
Administrators	77,196	84,636	85,224	86,226	94,020	100,026	103,776	108,792	115,008	106,098	37%
Classified	30,360	32,238	32,304	33,666	37,632	39,516	40,848	40,566	40,320	40,032	32%
Contract	58,296	66,714	60,624	57,300	64,002	51,708	51,012	51,012	51,768	50,004	-14%
Faculty	63,828	67,338	67,236	70,920	74,760	77,166	78,432	78,360	78,672	78,180	22%
Total	\$42,312	\$45,216	\$45,828	\$47,148	\$51,024	\$53,040	\$55,500	\$55,152	\$55,152	\$54,876	30%

Source: Legislative Service Office with information provided for by the University of Wyoming.

*Includes positions funded by both Section I and Section II.

**Average base on full FTEs only.

Section I Funded- Sum of All FTEs

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Academic Professional	249	270	289	262	270	273	274	257	270	285	15%
Administrative Professional	2	18	15	19	26	28	20	28	38	29	1350%
Administrators	71	59	54	53	58	59	57	58	54	53	-26%
Classified	1032	1038	1037	1031	1064	1072	1012	996	1007	975	-6%
Contract	41	34	51	54	52	70	79	76	80	81	98%
Faculty	643	627	645	643	644	663	686	689	687	688	7%
<i>Total</i>	<i>2038</i>	<i>2046</i>	<i>2091</i>	<i>2062</i>	<i>2113</i>	<i>2165</i>	<i>2127</i>	<i>2104</i>	<i>2136</i>	<i>2111</i>	<i>4%</i>

Source: Legislative Service Office with information provided for by the University of Wyoming.

*Includes positions funded by both Section I and Section II .

Section I- Sum of Salaries by Position Type- All FTEs

FY	Academic Professional	Administrative Professional	Administrators	Classified	Contract	Faculty	Total
2004	\$9,963,913.66	\$146,508.00	\$5,861,431.92	\$31,378,330.30	\$1,963,254.57	\$43,499,535.40	\$92,812,973.85
2005	11,499,708.75	872,046.59	5,531,285.94	33,877,240.10	1,784,867.30	45,095,300.78	\$98,660,449.46
2006	12,138,685.17	808,133.46	5,185,506.00	33,915,283.80	2,550,360.43	46,527,067.96	\$101,125,036.82
2007	11,466,472.75	1,094,790.71	5,264,077.17	34,791,709.29	2,382,906.04	47,984,124.15	\$102,984,080.11
2008	11,981,963.26	1,541,418.95	6,283,655.40	40,017,207.74	2,806,599.49	51,118,616.47	\$113,749,461.31
2009	12,895,085.84	1,676,747.52	6,544,299.00	42,103,255.76	3,901,800.33	54,010,914.04	\$121,132,102.49
2010	13,337,124.51	1,456,962.30	6,757,435.50	41,223,042.25	4,302,762.38	57,773,067.82	\$124,850,394.76
2011	12,499,701.76	1,813,620.90	7,109,836.32	40,155,284.69	3,898,182.38	57,779,507.57	\$123,256,133.62
2012	13,143,480.35	2,713,158.99	6,518,678.64	39,901,930.28	4,364,760.38	57,693,904.17	\$124,335,912.81
2013	13,921,482.19	2,156,850.58	6,406,700.64	38,411,297.91	4,422,234.38	57,505,858.05	\$122,824,423.75
Change %	40%	1372%	9%	22%	125%	32%	32%

Source: Legislative Service Office with information provided for by the University of Wyoming.

*Includes positions funded by both Section I and Section II .

Appendix I

Average Faculty Salary Data

College of Law Average Salary by Faculty Category FY2004 - FY2013

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Assistant Professor	\$72,792	\$77,669	\$76,500	\$79,240	\$82,008	\$85,296	\$89,502	\$88,506	\$86,508	\$88,008	21%
Associate Professor	81,732	86,532	86,355	75,112	77,168	64,900	98,076	98,076	98,859	100,608	23%
Professor	78,418	88,011	79,810	96,143	94,964	91,223	93,639	94,142	89,050	91,624	17%
Visiting Professor			85,008	85,008	53,502	88,004	60,000	120,000	80,004	50,002	
Dean	109,084	116,468	120,156	124,808	134,096	107,979	116,163	149,676	149,676	115,779	6%
Librarian	43,788	46,008	49,182	52,734	55,806	58,902	60,972	69,702	63,702	69,702	59%
Other		58,500									
Total Averages	\$79,968	\$86,044	\$83,653	\$88,879	\$88,659	\$87,720	\$92,430	\$98,946	\$94,092	\$87,105	9%

Source: Legislative Service Office review of salary data.

Note: Averages based on Section I and Section II salaries for full FTEs only.

College of Health Sciences Average Salary by Faculty Category FY2004 - FY2013

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Assistant Professor	\$60,832	\$66,539	\$63,014	\$57,840	\$64,307	\$62,562	\$67,874	\$65,763	\$62,282	\$64,972	7%
Assistant Professor with other duties	112,744	74,180	99,588	77,235	80,286	71,066	88,772	90,636	90,636	91,602	-19%
Associate Professor	62,760	69,332	69,751	68,582	71,141	77,823	73,597	77,587	78,307	79,394	27%
Associate Professor with other duties	97,935	110,212	111,401				91,884	88,608	80,740	80,858	-17%
Professor	86,992	66,540	60,197	58,425	66,622	67,972	68,504	85,156	73,166	78,884	-9%
Professor with other duties	74,722	82,260	84,891	87,700	110,574	91,776	95,434	75,372	86,669	108,336	45%
Visiting Professor		85,008	73,506	49,788	30,224						
Instructors	44,640	52,440	52,440	54,528	57,264	58,860	60,396				

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Dean	106,622	98,613	115,048	120,262	137,493	117,391	125,394	113,669	113,669	114,905	8%
Combined not Dean	33,948					17,357	44,520				
Other	30,000									80,388	
Total Averages	\$69,275	\$73,194	\$76,137	\$69,350	\$72,105	\$70,928	\$78,921	\$80,815	\$77,863	\$79,904	15%

Source: Legislative Service Office with information provided for by the University of Wyoming.

Note: Averages based on Section I and Section II salaries for full FTEs only.

College of Engineering and Applied Science Average Salary by Faculty Category FY2004 - FY2013

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Assistant Professor	\$62,939	\$61,858	\$65,310	\$72,481	\$72,879	\$75,258	\$79,988	\$80,463	\$70,409	\$73,466	17%
Associate Professor	60,690	65,977	69,724	71,470	75,667	68,562	74,340	79,480	79,660	75,349	24%
Associate Professor with other duties		88,872	88,872		89,310	98,512	105,984	100,224	100,224	111,438	
Professors	64,547	66,534	68,913	73,673	78,997	88,433	90,795	84,929	83,570	79,745	24%
Professor with other duties	103,734	117,360	97,800	103,953	126,667	135,438	130,476	129,318	107,414	105,331	2%
Visiting							85,500	75,000			
Dean	131,190	139,518	128,352	133,350	102,327	142,824	157,230	152,166	147,396	147,396	12%
Combined not Dean							43,308	43,308			
Other	79,854	86,572	86,572	118,601	74,844	57,474	99,789	99,789	55,549	63,410	-21%
Total Averages	\$68,028	\$70,724	\$72,547	\$77,751	\$80,807	\$82,806	\$86,621	\$85,824	\$81,787	\$80,410	18%

Source: Legislative Service Office with information provided for by the University of Wyoming.

Note: Averages based on Section I and Section II salaries for full FTEs only.

College of Agriculture Average Salary by Faculty Category FY2004 - FY2013

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Assistant Professor	\$54,794	\$57,706	\$57,939	\$61,154	\$63,783	\$66,704	\$60,012	\$65,544	\$64,545	\$72,101	32%
Associate Professor	57,233	59,829	60,962	64,086	63,010	65,791	68,487	69,327	74,527	72,899	27%
Associate Professor with	68,058	76,260	76,302	82,008	107,968	57,295	99,244	76,548	95,685	95,883	41%

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
other duties											
Professor	78,695	80,969	81,534	87,918	93,823	97,739	90,739	87,883	92,298	90,855	15%
Professor with other duties	100,538	102,250	99,492	103,248	81,806	104,969	94,541	103,852	112,140	81,945	-18%
Instructors				64,632							
Dean	125,912	133,940	128,895	134,802	97,250	152,925	154,770	154,770	154,770	150,165	19%
Combined not Dean	\$32,980			\$78,606	\$89,216	\$92,584	\$93,384	\$55,444	\$55,444	\$51,103	55%
Total Averages	\$68,147	\$73,788	\$73,715	\$77,282	\$78,794	\$82,049	\$79,508	\$79,511	\$82,408	\$81,423	19%

Source: Legislative Service Office with information provided for by the University of Wyoming.

Note: Averages based on Section I and Section II salaries for full FTEs only.

College of Business Average Salary by Faculty Category FY2004 - FY2013

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Assistant Professor	\$77,332	\$81,638	\$80,840	\$82,858	\$88,570	\$94,149	\$95,702	\$100,164	\$101,751	\$109,036	41%
Assistant Professor with other duties						46,476	47,730				
Associate Professor	80,405	77,925	87,964	91,510	90,643	92,627	95,567	91,273	88,044	97,880	22%
Associate Professor with other duties			92,976	95,772	101,736	104,112	108,012	70,172	70,172	52,500	
Professor	72,420	89,108	80,920	65,008	115,479	111,699	111,904	117,743	115,150	118,216	63%
Professor with other duties	117,703	76,692	125,868	89,208	141,678	98,008	100,576	105,052	105,052	105,052	-11%
Visiting Professor	77,336	80,736	35,004	64,996	89,094				45,000	56,668	-27%
Instructors			82,008					86,004	86,004	86,004	
Dean	139,950	100,784	146,164	153,944	163,680	152,072	157,396	170,232	170,232	170,232	22%
Combined not Dean								144,744			
Other					140,004	96,356	98,664	98,664	110,184	95,430	
Total Averages	\$86,029	\$83,815	\$86,661	\$83,660	\$105,221	\$101,189	\$102,471	\$105,432	\$102,967	\$105,366	22%

Source: Legislative Service Office with information provided for by the University of Wyoming.

Note: Averages based on Section I and Section II salaries for full FTEs only.

College of Arts and Sciences Average Salary by Faculty Category FY2004 - FY2013

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Assistant Professor	\$48,730	\$49,969	\$52,456	\$54,576	\$57,046	\$58,430	\$60,461	\$58,958	\$57,556	\$55,887	15%
Assistant Professor with other duties	60,000	31,518	63,036	65,616	67,740	70,092	69,744				
Associate Professor	53,483	56,207	57,341	58,747	59,401	62,987	68,490	69,794	68,317	66,849	25%
Associate Professor with other duties	67,308	71,950	71,865	78,323	82,403	88,165	90,614	88,397	93,704	86,203	28%
Professor	68,017	70,442	66,324	72,773	81,407	87,135	89,472	83,063	87,181	89,719	32%
Professor with other duties	86,525	79,099	84,972	89,676	95,447	97,061	105,439	106,497	97,249	102,836	19%
Visiting Professor	17,126	45,072	42,504	42,504	41,705	45,840	53,160	54,629	61,758	26,402	54%
Instructors					55,008	55,506					
Dean	122,572	130,996	133,338	134,712	144,660	153,696	151,328	151,328	151,328	155,168	27%
Combined not Dean	92,640		47,820		25,656	27,768	28,908	64,123	80,154	80,154	-13%
Other	69,765	88,536	92,184								
Total Averages	\$60,099	\$63,037	\$62,841	\$66,967	\$70,066	\$73,396	\$76,362	\$74,697	\$75,079	\$74,079	23%

Source: Legislative Service Office with information provided for by the University of Wyoming.

Note: Averages based on Section I and Section II salaries for full FTEs only.

Academic Affairs Average Salary by Faculty Category FY2004 - FY2013

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Associate Professor					\$26,808	\$27,708					
Professor Other Duties	\$93,624	\$82,128								\$125,328	34%
Archivists	35,013	36,988	\$39,416	\$38,356	38,435	40,553	\$27,911	\$27,159	\$34,931	36,877	5%
Dean	130,008	136,488	136,488	142,392	148,392	154,692					
Combined not Dean				69,108		165,000	171,600	171,600	127,302	127,302	
Other	58,656	91,788	88,710	113,220	120,984	144,936	161,376	165,690	165,690	166,388	184%
Total Averages	\$51,232	\$53,938	\$51,645	\$50,689	\$48,391	\$66,855	\$45,021	\$43,370	\$56,181	\$66,778	30%

Source: Legislative Service Office with information provided for by the University of Wyoming.

Note: Averages based on Section I and Section II salaries for full FTEs only.

Libraries Average Salary by Faculty Category FY2004 - FY2013

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Librarians (all types)	\$37,789	\$39,795	\$41,779	\$44,054	\$46,737	\$46,638	\$50,860	\$49,954	\$52,362	\$52,422	39%
Associate Professor	62,880	65,148	67,548	70,440	73,956	77,340	79,368	79,368	79,368	79,368	26%
Dean	67,740	75,546	75,546	80,700	59,620	62,844	50,742	50,742	50,742	50,742	-25%
Total Averages	\$40,825	\$43,383	\$44,996	\$47,491	\$49,089	\$49,041	\$51,744	\$50,954	\$53,154	\$53,208	30%

Source: Legislative Service Office with information provided for by the University of Wyoming.

Note: Averages based on Section I and Section II salaries for full FTEs only.

Outreach Average Salary by Faculty Category FY2004 - FY2013

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Assistant Professor	\$48,000	\$51,378	\$51,252	\$52,400	\$54,945	\$34,502	\$59,790	\$59,372	\$60,744	\$60,744	27%
Assistant Professor with other duties	56,568	59,076	59,076	62,520	65,544	66,960	68,376				-100%
Associate Professor						60,060	61,500	61,500	61,896	62,292	
Visiting						32,520	32,520	21,680			
Dean	107,628	114,618	76,002	79,320	84,105	88,911	94,446	97,098	99,858	99,858	-7%
Other	43,350										
Total Averages	\$61,653	\$78,214	\$64,605	\$67,125	\$69,083	\$55,401	\$69,228	\$63,004	\$80,589	\$83,316	35%

Source: Legislative Service Office with information provided for by the University of Wyoming.

Note: Averages based on Section I and Section II salaries for full FTEs only.

College of Education Average Salary by Faculty Category FY2004 - FY2013

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
Assistant Professor	\$46,446	\$48,707	\$48,169	\$53,186	\$55,527	\$57,747	\$59,840	\$59,164	\$59,176	\$56,061	21%
Assistant Professor with other duties	50,052	35,468	55,668								
Associate Professor	50,616	57,595	48,652	61,378	58,387	65,757	65,150	62,800	63,488	66,286	31%
Associate Professor with	59,223	59,667	59,232	62,918	65,502	71,357	73,060	70,668	69,792	56,355	-5%

Position Type	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Change %
other duties											
Professor	71,822	75,288	74,895	80,712	85,672	83,926	91,162	89,710	90,267	89,728	25%
Professor with other duties	76,568	80,992	83,048	88,716	90,640	107,432	121,459	116,702	120,884	120,876	58%
Visiting Professor			40,008								
Instructors		49,500				58,344	59,436	59,436			
Dean	113,742	123,144	123,144	129,612	138,330	149,010	139,872	139,872	141,472	144,940	27%
Combined not Dean		54,312									
Other					125,004						
Total Averages	\$56,097	\$59,124	\$57,956	\$65,206	\$69,115	\$73,396	\$78,204	\$75,493	\$74,978	\$75,575	35%

Source: Legislative Service Office with information provided for by the University of Wyoming.

Note: Averages based on Section I and Section II salaries for full FTEs only.

Appendix J

University Position Categories

University Position Type	Description	Examples
Academic Professional	Positions with non-faculty status whose primary responsibility is administrative professional, or technical in nature. Positions normally require at least a four-year degree and/or equivalent experience with specialized training	Lecturer, Research Scientist, Extension Educator, Post Doc Research Associate, Resident Physician
Administrative Professional	Administrative Professionals are professional executive staff that are classified as “exempt” under the Fair Labor Standards Act (FLSA). Administrative Professionals are in positions that have access to confidential and sensitive university level information, a high degree of decision making for the university, hold a minimum of a Bachelor’s Degree and have advanced levels of knowledge, skill, abilities, and experience. The Division Vice President of the university will authorize each Administrative Professional position in writing. Typical Administrative Professional positions are direct support of an executive level administrator.	Associate General Counsel, Outreach Coordinator, Executive Scheduler
Administrator	Positions whose duties and responsibilities involve management and direction of the University, or a major division or department of the University	President, Vice Presidents, Provosts, Associate Vice Presidents, Directors
Classified	Positions which are typically associated with managerial, professional, support staff, service, maintenance, and trades workers	Accountants, Office Assistants, Library Assistants, Cashiers, Property Specialist, Academic Coordinator, Engineer, Executive Chef, Programmer Analyst, Systems Specialist, Mechanic, Materials Handler, Electrician, Painter.
Contract	At The University these are typically positions in Athletics such as a Coach, Trainer or Compliance Officer.	Coach, Trainer or Compliance Officer.
Faculty	Persons identified by the institution whose assignments are made for the purpose of conducting instruction, research or public service as a principal activity (or activities).	Deans and Department Heads, Tenured, Tenure-Track, Contract, Adjunct and Visiting Faculty (Professor, Associate Professor, Assistant Professor, Instructor).
Temporary	At the University these are typically Classified employees in provisional positions that receive some, but not all, benefits. These positions are for a specific period of time (not to exceed 6 months).	Provisional Professional Sal, Provisional Clerical/Sec

Source: Legislative Service Office from information provided by the University of Wyoming.



Appendix K

The University's 50 OSU Comparator Institutions

Institution	OSU Region	Research Type	Revenue ¹	Expenditures ²	Revenue FTE by Source		Research Expenditures		Enrollment		
					Tuition ³	State ⁴	Total ⁵	Salary and Wages ⁶	Total ⁷	Undergrad ⁸	Grad ⁹
Arizona State University	1	VH	\$1,736,054,000	\$1,614,926,000	\$11,434	\$4,647	\$243,276,000	\$101,126,000	72,254	58,404	13,850
Colorado State University	2	VH	960,117,690	892,825,994	10,778	92	218,496,395	103,227,992	30,467	23,075	7,392
Georgia Institute of Technology	4	VH	1,338,211,498	1,274,215,967	10,883	9,564	658,329,625	301,127,554	20,941	13,948	6,993
Indiana University-Bloomington	3	VH	1,451,211,525	1,303,653,742	15,094	4,984	112,966,326	47,915,824	42,731	32,543	10,188
Iowa State University	2	VH	1,053,838,941	998,312,867	8,942	8,064	195,437,144	83,793,735	29,611	24,343	5,268
Kansas State University	2	H	750,155,026	697,555,035	8,769	7,727	156,384,709	68,733,415	23,863	19,385	4,478
Michigan State University	3*	VH	1,918,265,129	1,966,270,505	14,806	5,574	379,851,182	166,911,618	47,825	36,557	11,268
Montana State University	1	VH	398,165,081	377,172,109	8,750	5,360	127,457,968	49,190,110	13,671	12,054	1,617
New Mexico State University	2	H	468,735,528	460,281,352	3,781	9,747	136,890,042	50,842,360	18,024	14,495	3,529
North Carolina State	4	VH	1,323,097,629	1,207,992,888	7,050	15,074	266,819,154	130,382,974	34,767	25,176	9,591

Institution	OSU Region	Research Type	Revenue ¹	Expenditures ²	Revenue FTE by Source		Research Expenditures		Enrollment		
					Tuition ³	State ⁴	Total ⁵	Salary and Wages ⁶	Total ⁷	Undergrad ⁸	Grad ⁹
University											
Ohio State University	3	VH	4,790,076,150	4,549,123,672	10,862	5,853	489,586,183	204,087,687	56,867	42,916	13,951
Oregon State University	1	VH	819,971,836	826,649,155	8,723	5,511	196,624,176	97,358,075	24,962	20,620	4,342
Pennsylvania State University**	3	VH							45,628	38,954	6,674
Purdue University	3	VH	1,690,404,930	1,563,099,453	14,423	7,499	267,692,280	116,783,353	40,849	31,988	8,861
Rutgers-State University of New Jersey - New Brunswick	3*	VH	2,003,309,000	1,948,937,000	13,457	8,953	342,129,000	150,898,000	39,950	31,268	8,682
Stony Brook University - State University of New York	3*	VH	1,933,338,808	2,083,652,096	6,958	17,626	123,278,609	63,281,991	23,920	15,785	8,135
Texas A&M University	2	VH	2,423,872,284	2,004,061,958	9,120	9,655	537,871,299	256,055,858	50,230	39,867	10,363
University of California- Los Angeles	1	VH	5,822,294,000	5,251,698,000	14,291	10,112	832,672,000	360,900,000	39,271	27,199	12,072
University at Buffalo-State University of New York	3	VH	942,772,568	944,395,043	7,135	15,170	146,379,281	56,907,065	28,849	19,334	9,515
University of Arizona	1	VH	1,684,756,000	1,627,782,000	11,162	7,827	467,099,000	201,242,000	39,236	30,665	8,571
University of	1	VH	2,577,583,000	2,238,595,000	16,191	7,486	629,033,000	257,681,000	36,137	25,885	10,252

Institution	OSU Region	Research Type	Revenue ¹	Expenditures ²	Revenue FTE by Source		Research Expenditures		Enrollment		
					Tuition ³	State ⁴	Total ⁵	Salary and Wages ⁶	Total ⁷	Undergrad ⁸	Grad ⁹
California-Berkeley											
University of California-Davis	1	VH	3,439,480,000	3,346,385,000	12,810	10,332	614,306,000	270,027,000	31,732	25,038	6,694
University of California-Irvine	1	VH	2,241,589,000	2,188,515,000	12,707	7,853	316,619,000	122,634,000	27,189	22,004	5,185
University of California-San Diego	1	VH	3,616,766,000	3,315,449,000	12,812	8,121	829,200,000	350,367,000	28,593	23,046	5,547
University of California-Santa Barbara	1	VH	868,165,000	884,612,000	12,816	5,614	203,413,000	80,153,000	21,685	18,620	3,065
University of Colorado-Boulder	2	VH	1,198,802,134	1,090,663,443	16,029	0	321,362,212	144,376,996	32,558	26,530	6,028
University of Florida		VH	2,333,401,000	2,316,406,000	6,694	11,026	608,785,000	288,636,000	49,589	32,598	16,991
University of Idaho	1	H	373,110,155	366,481,260	7,911	9,653	85,337,711	37,246,896	12,312	9,586	2,726
University of Illinois at Urbana-Champaign	3	VH	2,419,110,363	2,157,496,431	13,077	5,780	489,183,432	195,372,910	44,407	32,256	12,151
University of Iowa	2	VH	2,794,625,000	2,575,001,000	13,244	8,091	338,374,000	151,223,000	29,810	21,564	8,246
University of Kansas	2	VH	1,161,883,969	1,137,525,622	9,703	9,585	298,402,139	125,878,709	27,939	19,695	8,244
University of Maryland-	3	VH	1,660,235,070	1,551,719,651	11,020	11,538	434,091,626	203,641,339	37,631	26,826	10,805

Institution	OSU Region	Research Type	Revenue ¹	Expenditures ²	Revenue FTE by Source		Research Expenditures		Enrollment		
					Tuition ³	State ⁴	Total ⁵	Salary and Wages ⁶	Total ⁷	Undergrad ⁸	Grad ⁹
College Park											
University of Michigan	3	VH	5,485,099,000	5,651,202,000	18,457	5,728	817,397,000	369,970,000	42,716	27,407	15,309
University of Minnesota-Twin Cities	3	VH	2,859,791,803	2,720,766,306	13,439	11,812	739,082,890	295,495,860	52,557	34,812	17,745
University of Missouri-Columbia	2	VH	1,981,169,735	1,877,387,323	9,280	6,756	160,685,186	79,384,839	33,762	25,992	7,770
University of Montana	1	H	307,974,156	304,873,586	7,421	4,035	45,019,326	20,885,468	15,669	13,370	2,299
University of Nebraska-Lincoln	2	VH	947,092,851	870,484,339	8,193	11,291	197,234,216	82,596,938	24,593	19,345	5,248
University of Nevada-Reno	1	H	481,079,422	519,577,135	6,938	9,734	67,710,852	32,555,686	18,004	14,820	3,184
University of New Mexico	2	VH	1,708,465,525	1,704,354,581	5,051	10,080	191,128,933	84,401,271	28,977	22,643	6,334
University of North Carolina-Chapel Hill	4	VH	2,654,573,730	2,523,886,252	11,326	17,191	505,114,678	225,815,656	29,137	18,430	10,707
University of Oregon	1*	VH	776,092,601	742,952,830	13,495	1,864	89,764,545	32,641,993	24,396	20,623	3,773
University of Pittsburgh**	3	VH							28,766	18,427	10,339
University of Rhode Island	3	H	507,057,866	463,744,968	11,803	3,679	98,919,028	36,007,828	16,317	13,219	3,098
University of Texas-Austin	2	VH	2,513,749,458	2,381,044,709	10,164	6,255	549,382,795	239,028,224	51,112	38,437	12,675
University of Utah	1	VH	3,374,888,000	2,995,811,000	9,176	8,837	285,155,000	148,414,000	31,660	24,297	7,363

Institution	OSU Region	Research Type	Revenue ¹	Expenditures ²	Revenue FTE by Source		Research Expenditures		Enrollment		
					Tuition ³	State ⁴	Total ⁵	Salary and Wages ⁶	Total ⁷	Undergrad ⁸	Grad ⁹
University of Virginia	4	VH	2,605,961,861	2,366,239,209	16,608	5,456	344,879,795	134,076,994	24,297	15,762	8,535
University of Washington	1*	VH	3,983,779,309	3,970,536,795	14,465	4,636	890,343,693	347,604,504	42,444	29,022	13,422
University of Wisconsin-Madison	3	VH	2,634,956,013	2,350,305,589	10,147	9,481	930,914,732	443,259,240	41,946	29,880	12,066
University of Wyoming	1	H	510,810,314	478,491,715	4,265	19,431	90,235,665	35,176,188	12,925	10,163	2,762
Utah State University	1	H	632,666,718	564,379,321	4,527	7,307	134,389,647	56,018,506	26,757	23,279	3,478
Virginia Polytechnic Institute and State University	4	VH	1,206,088,902	1,094,047,048	10,783	6,963	330,247,903	148,013,410	30,936	23,700	7,236
Washington State University	1	VH	933,719,233	884,047,569	9,235	5,604	225,789,031	94,333,718	27,329	22,763	4,566

Source: Legislative Service Office from IPEDS Data Center.

* Data is from the 2012-2013 OSU Salary survey, except for four institutions whose data was not reported. As such 2011-2012 research designations are noted.

** Pennsylvania State University and the University of Pittsburgh did not report financial information in 2011-2012.

1. Total all revenues and other additions represent the sum of all revenues and other additions to net assets (IPEDS).
2. Total expense is the sum of operating and non- operating expenses and deductions (IPEDS).
3. Revenues from tuition and fees per FTE enrollment is derived as follows: Tuition and fees revenues divided by 12-month FTE enrollment. Revenues from all tuition and fees assessed against students (net of refunds and discounts and allowances) for educational purposes. If tuition or fees are remitted to the state as an offset to the state appropriation, the total of such tuition or fees are deducted from the total state appropriation and added to the total for tuition and fees. The full-time-equivalent (FTE) enrollment used is the sum of the institutions' FTE undergraduate enrollment and FTE graduate enrollment plus the estimated FTE of first-professional students. Undergraduate and graduate FTE are estimated using 12-month instructional activity (credit and/or contact hours) (IPEDS).
4. Revenues from state appropriations per FTE enrollment is derived as follows: state appropriations divided by 12-month FTE enrollment. state appropriations are amounts received by the institution through acts of a state legislative body, except grants and contracts and capital appropriations. Funds reported in this category are for meeting current operating expenses, not for specific projects or programs. FTE was explained above.
5. Research - total expenses is the sum of all operating expenses associated with activities specifically organized to produce research outcomes and commissioned by an agency either external to the institution or separately budgeted by an organizational unit within the institution. The category includes institutes and research centers and individual and project

Institution	OSU Region	Research Type	Revenue ¹	Expenditures ²	Revenue FTE by Source		Research Expenditures		Enrollment		
					Tuition ³	State ⁴	Total ⁵	Salary and Wages ⁶	Total ⁷	Undergrad ⁸	Grad ⁹

research.

6. Research - salaries and wages are amounts paid as compensation for services to all employees - faculty, staff, part time, full time, regular employees, and student employees of activities specifically organized to produce research outcomes and commissioned by an agency either external to the institution or separately budgeted by an organizational unit within the institution. The category includes institutes and research centers and individual and project research.
7. Total men and women enrolled for credit in the fall of the academic year.
8. Total undergraduate men and women enrolled for credit in the fall of the academic year. Undergraduate: A student enrolled in a 4- or 5-year bachelor's degree program, an associate's degree program, or a vocational or technical program below the baccalaureate.
9. Total graduate men and women enrolled for credit in the fall of the academic year. Graduate student A student who holds a bachelor's or first-professional degree, or equivalent, and is taking courses at the post-baccalaureate level.

Appendix K.1

Supplemental Information: Average Faculty Salary by Professor Rank for 50 PRU Institutions

Institution	Professor	Associate Professor	Assistant Professor
University of California-Los Angeles	\$173,900	\$111,800	\$91,500
University of California-Berkeley	\$165,400	\$110,200	\$99,200
Rutgers, State University of New Jersey-New Brunswick	\$157,600	\$108,500	\$88,400
University of Michigan	\$156,900	\$103,900	\$89,600
University of Virginia	\$150,800	\$99,500	\$87,000
University of California-San Diego	\$147,900	\$96,900	\$90,300
University of North Carolina-Chapel Hill	\$146,700	\$98,100	\$81,100
Georgia Institute of Technology	\$145,900	\$99,900	\$94,300
University of California-Irvine	\$145,600	\$95,100	\$85,600
University of Texas-Austin	\$145,400	\$94,400	\$88,500
University of California-Santa Barbara	\$145,200	\$90,000	\$78,200
University of Illinois at Urbana-Champaign	\$145,000	\$96,200	\$90,400
Stony Brook University-State University of New York	\$143,400	\$100,200	\$80,500
University of Maryland-College Park	\$142,000	\$99,200	\$86,500
Pennsylvania State University	\$140,600	\$96,900	\$85,000
University of Pittsburgh *	\$140,200	\$93,000	\$77,800
Ohio State University	\$139,200	\$94,100	\$84,800
University of California-Davis	\$136,700	\$92,500	\$83,700
University of Minnesota-Twin Cities	\$136,000	\$91,900	\$82,300
University of Iowa	\$135,300	\$89,900	\$76,700
Michigan State University	\$135,100	\$92,800	\$72,000
Arizona State University	\$134,100	\$91,200	\$82,300
University at Buffalo-State University of New York	\$133,400	\$91,800	\$77,900
Indiana University-Bloomington	\$132,600	\$90,700	\$83,000
University of Colorado-Boulder	\$128,800	\$94,300	\$82,400
University of Florida	\$128,300	\$85,100	\$76,200

Institution	Professor	Associate Professor	Assistant Professor
Texas A&M University	\$128,200	\$88,100	\$80,400
Virginia Polytechnic Institute and State University	\$127,000	\$88,600	\$75,400
University of Utah	\$126,300	\$87,400	\$76,900
University of Wisconsin-Madison	\$123,500	\$93,300	\$81,600
Iowa State University	\$122,300	\$88,900	\$78,800
University of Arizona	\$122,200	\$85,100	\$73,400
North Carolina State University	\$121,800	\$86,600	\$76,200
University of Kansas-Main	\$121,200	\$82,300	\$73,300
University of Nebraska-Lincoln	\$119,000	\$82,000	\$77,700
University of Missouri-Columbia	\$117,500	\$78,200	\$64,700
University of Nevada-Reno	\$117,200	\$86,500	\$69,100
Colorado State University	\$116,300	\$85,400	\$76,900
University of Oregon	\$114,100	\$82,500	\$75,000
Indiana University-Purdue University at Indianapolis	\$113,600	\$81,100	\$68,800
Oregon State University	\$112,100	\$88,000	\$77,200
University of New Mexico-Main	\$111,100	\$80,500	\$70,800
Washington State University	\$107,900	\$75,600	\$71,600
University of Wyoming	\$107,600	\$74,700	\$68,500
University of Rhode Island	\$105,600	\$77,900	\$68,600
Kansas State University	\$104,000	\$75,500	\$65,600
Utah State University	\$98,400	\$73,900	\$66,400
University of Idaho	\$93,600	\$72,200	\$60,800
Montana State University	\$92,800	\$70,700	\$65,100
New Mexico State University	\$91,100	\$71,900	\$61,900
University of Montana	\$85,600	\$67,700	\$62,200
University of Washington†	--	--	--

Source: Legislative Service Office review of 2011 UW Faculty Salary report.

Note: Average salary data provided by AAUP.

*University of Pittsburg was originally included, but later excluded

†Average salary data not available through AAUP

Appendix L

Summary of Survey Results and Observations

To examine the effectiveness of the block grant from the perspective of various University of Wyoming (“University”) stakeholders, surveys were sent to ASUW, staff, faculty, administrators, and the Board of Trustees (“Board”).

University’s Primary Role. Survey results indicated that the majority of respondents believe the primary role of the University is teaching, with the implicit understanding that both research and teaching are equally important. As illustrated in one respondent’s comment, *“I think that UW must be a flagship research institution, because top teaching can only come with top research. That said, teaching is just as important as research since we’re the only institution in the state, and we’re responsible for educating the state’s workforce.”*

While many recognized the need for both teaching and research within the University, one survey respondent pointed out, *“We are the land grant school. We need to teach those who have no intention of ever going beyond a 4-year degree. If we focus (this tier 1 nonsense) too much on research, the quality of education for those students for whom the university was founded, takes a back seat to the researchers who generally can care less about undergraduate education because it does NOT forward their research.”* The differing comments illustrate the challenges the University faces in allocating resources between teaching and research objectives given that it serves as the only four year public postsecondary institution in Wyoming.

Role of the Administration and Trustees. While there is a majority consensus, the most common response indicated that the primary role of the Administration is oversight of the management of the University, the same cannot be said for the Board. Results yielded a three-way split between different interpretations of the Board’s primary role. Specifically, this three-way split indicated that the majority of students and staff believe that the primary role of the Board is oversight; whereas, the majority of faculty and administrators believe that the primary role of the Board is general guidance. Only the Board perceive their primary role as policy.

One respondent commented that, *“the most important role of the Board of Trustees is general oversight and guidance. This requires the members of the Board to understand, generally, the purpose, function, and procedures of the University. They have a general fiduciary responsibility for the institution. Based on their knowledge and understanding of the institution, they should provide guidance and oversight and, based on recommendations from the University administration, set policy.”*

Legislative Funding and Administrative Management: Salaries and Compensation. For salaries and compensation, the majority of survey respondents think the Legislature is providing inadequate funding levels, and overall, the Administration could manage the University’s resources more adequately. Specifically, the majority of staff, faculty, Board members, and administrators felt that legislative funding in respect to salaries (i.e. staff or faculty) is inadequate and therefore, the majority of survey respondents are dissatisfied with the funding provided by

the Legislature. Furthermore, the majority of the comments indicate dissatisfaction with the frequency of cost of living adjustments or pay raises, a lack of perceived priorities, and a loss of staff and faculty due to salaries. From the survey response comments it appears as if staff, faculty, Trustees, and administrators are under the impression that salary or compensation issues should be addressed by increased legislative funding.

However, survey respondents are not just dissatisfied with a perceived lack of legislative funding. When looking at the comments, it is apparent that both staff and faculty are unhappy with the distribution of the salaries within the University, as well. Specifically, comments cited compression, unequal pay (i.e. top paid versus lowest paid employees), and no salary increases as major concerns.

Legislative Funding and Administrative Management: Student Services. Conversely, student, staff, and faculty survey respondents were asked to rate the adequacy of legislative funding for student services. While the majority of responses from the students and staff indicated that the legislative funding for students services is adequate, the majority of faculty state that they are neutral on the subject. Also, student, staff, and faculty survey respondents were asked to rate the adequacy of the University Administration's use of legislative funding and other resources for student services. Overall, the most common response was that the Administration's use of resources for student services was adequate with the second most common response indicated as neutral. The comments revealed that survey respondents felt that funding is especially adequate for student services that are associated with legislatively initiated projects.

Legislative Micro-Management. A trend throughout the survey responses was a prevailing opinion that there is currently too much Legislative intrusion or micromanagement of the University's resources. This common sentiment was best summarized by one survey respondent who commented that "*the legislature [sic] has been in micromanagement mode for several years now. This is expensive, time consuming and unnecessary.*"

Specifically, all survey respondents indicated that the most appropriate level of involvement by the Legislature was to have broad appropriations with broad guidance. As one respondent stated, "*The Legislature should grant the funds, but then the University should have the direction as to where to spend the funds. The legislature should have say in that, but not the final word.*" However, the comments indicated that this broad level appropriation and guidance has not currently been observed at the University.

Additionally, another concern expressed dealt with trust between the University and Legislature. There is a general sentiment that the Legislature should allow the University autonomy and flexibility in determining how it will administer the funds appropriated.

Strategic Planning and UP3. When asked about current strategic planning efforts the majority of survey respondents felt that UP3 "*includes quantifiable and measurable objectives, outputs, and outcomes,*" "*ties directly to the University's budget,*" and that "*action items are clearly defined.*" This opinion was expressed by various survey groups across campus.

Perceived Importance. Finally, all survey respondents were asked to rank each of thirteen (13) different aspects of the University on a scale of 1-10, with one (1) being the most important and ten (10) being the least. There were three (3) notable trends provided in the data.

First, of all the thirteen areas to be rated, the majority of all survey respondents were in agreement that three (3) particular areas were of higher importance: quality of instructors; quality of courses; quality of degrees offered.

Second, other than the three (3) areas of high importance noted above, in all other ten (10) categories the survey respondents did not agree on the importance of the item in question. For example, “*research opportunity*” was ranked one (1) by faculty and administrators, five (5) by the Trustees, eight (8) by students, and nine (9) by staff. It appears as if research is most important to administrators and faculty.

Third, the data revealed what each surveyed group deemed to be important to them. For example, from a student perspective the cost of education is more important than research opportunities, athletics, or class size; whereas from the faculty perspective research opportunities and academic support are more important than class size and athletic. Table 1 below illustrates the most and least important areas by survey group.

Table 1
Rate the Following Areas: Most and Least Important

Group	Most Important	Least Important
ASUW	<ul style="list-style-type: none"> • Quality of Instructors • Quality of courses • Quality of degrees offered • Cost of education 	<ul style="list-style-type: none"> • Research opportunities • Establishing minimum class size requirements • Athletics • Class size
Staff Senate	<ul style="list-style-type: none"> • Quality of degrees offered • Quality of courses • Cost of education 	<ul style="list-style-type: none"> • Research opportunities • Establishing minimum class size requirements • Graduation rates
Faculty Senate	<ul style="list-style-type: none"> • Quality of Instructors • Quality of degrees offered • Research opportunities • Academic support • Quality of courses 	<ul style="list-style-type: none"> • Class size • Athletics
Trustees	<ul style="list-style-type: none"> • Quality of courses • Quality of Instructors • Quality of degrees offered • Graduation rates 	<ul style="list-style-type: none"> • Scholarship opportunities
Administrators	<ul style="list-style-type: none"> • Quality of Instructors • Quality of courses • Quality of degrees offered • Research opportunities • Other • Establishing minimum class size requirements • Academic support 	<ul style="list-style-type: none"> • Scholarship opportunities

Source: Legislative Service Office.



Appendix L-1

Survey Responses: ASUW

Question 1: Overall, what do you view as the primary role of the Board of Trustees with respect to the operations of the University?

Answer Options	Response Percent	Response Count
Policy	9.1%	1
Oversight	54.5%	6
Final approval of expenditures	18.2%	2
Final approval of transfers within expenditure categories	0.0%	0
General guidance	18.2%	2
Other (please identify)	0.0%	0
Comments		2

Question 2: Overall, what do you view as the primary role of the University's administration with respect to the operations of the University?

Answer Options	Response Percent	Response Count
Policy	27.3%	3
Oversight	36.4%	4
Final approval of expenditures	9.1%	1
Final approval of transfers within expenditure categories	9.1%	1
General guidance	18.2%	2
Other (please identify)	0.0%	0
Comments		0

Question 3: How do you rate the adequacy of the Legislature's funding with respect to providing resources for student services?

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating Average	Response Count
2	4	3	0	2	2.64	11
Comments						2

Question 4: How do you rate the adequacy of the University's administration with respect to using legislative and other financial resources to provide for student services?

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating Average	Response Count
1	4	3	2	1	2.82	11
Comments						2

Question 5: Describe your satisfaction with the costs and fees associated with the following areas.

Answer Options	Very satisfied	Satisfied	Neutral	Very unsatisfied	Unsatisfied	Response Count
Tuition	1	7	1	2	0	11
Resident Halls	1	0	4	4	2	11
Athletic Events	3	3	4	0	1	11
Copy Center	2	5	2	2	0	11
University Store	1	2	2	5	1	11
Parking	0	1	3	3	4	11
Transit	2	4	3	1	1	11
Dining services	0	3	3	3	2	11
Comments						2

Question 6: When discussions related to potential salary, tuition, and fee increases occur, how satisfied are you that your concerns are taken seriously?

Very satisfied	Satisfied	Neutral	Very unsatisfied	Unsatisfied	Rating Average	Response Count
1	2	2	5	1	3.27	11
Comments						4

Question 7: When tuition has increased in the past, have you experienced corresponding increases in the quality of instruction?

Answer Options	Response Percent	Response Count
Yes	0.0%	0
No	100.0%	11
Comments		9

Question 8: When tuition has increased in the past, have you experienced corresponding increases in the quality of services outside of instruction?

Answer Options	Response Percent	Response Count
Yes	45.5%	5
No	54.5%	6
Comments		6

9. How satisfied are you with the level of instruction that you receive within your major?

Very satisfied	Satisfied	Neutral	Very unsatisfied	Unsatisfied	Rating Average	Response Count
5	2	3	1	0	2.00	11
Comments						3

10. How satisfied are you with the level of instruction that you receive outside of your major?

Very satisfied	Satisfied	Neutral	Very unsatisfied	Unsatisfied	Rating Average	Response Count
2	3	4	1	1	2.64	11
Comments						2

11. What is your opinion of a more formalized Board of Trustee's policy with respect to increasing student tuition and fees?

Very good idea	Good idea	Neutral	Very poor idea	Poor idea	Rating Average	Response Count
2	6	2	0	0	2.00	10
Comments						2

12. W.S. 9-2-1036 (Wyoming Public Finance and Expenditure of Funds Website) exempts the University of Wyoming from requirements related to providing financial information such as expenditures, for public consumption. In your opinion, do you believe the University of Wyoming has an obligation to present financial information such as University expenditures on its website for public consumption?

Answer Options	Response Percent	Response Count
Yes	63.6%	7
No	18.2%	2
Neutral	18.2%	2
Comments		6

13. What role do you believe is the most appropriate for the Legislature with respect to University funding?

Answer Options	Response Percent	Response Count
Appropriation of dollars at a very broad level with broad direction as to how funds should be expended	36.4%	4
Appropriation of dollars at a very broad level with specific direction as to how funds should be expended	18.2%	2

Answer Options	Response Percent	Response Count
Appropriations of dollars at a very specific level with broad oversight as to how funds are expended	36.4%	4
Appropriations of dollars at a very specific level with specific oversight as to how funds are expended	9.1%	1
Other (please identify)	0.0%	0
Comments		2

14. How satisfied are you with the internal budget process related to the approval of the University's Operating Budget?

Very satisfied	Satisfied	Neutral	Very unsatisfied	Unsatisfied	No knowledge of process	Rating Average	Response Count
1	2	4	0	1	3	3.64	11
Comments							0

15. How transparent is the University's internal budget process?

Transparent	Neutral	Not transparent	No knowledge of process	Rating Average	Response Count
0	4	5	2	2.82	11
Comments					1

16. How satisfied are you that the majority of courses you take are taught by faculty as opposed to non-faculty (e.g. graduate students and lecturers)?

Very satisfied	Satisfied	Neutral	Very unsatisfied	Unsatisfied	Rating Average	Response Count
5	4	2	0	0	1.73	11
Comments						3

17. Have you ever had a class cancelled because the class failed to meet the minimum class size requirements?

Answer Options	Response Percent	Response Count
Yes	18.2%	2
No	81.8%	9
Comments		1

18. What do you see as the primary role for the University of Wyoming?

Answer Options	Response Percent	Response Count
Teaching	100.0%	11
Research	0.0%	0
Other (please identify)	0.0%	0
Comments		1

19. As a student, please rank each of the following based on their importance (1-10; with 1 most important).

Answer Options	Response Average	Response Total	Response Count
Quality of instructors	2.55	28	11
Quality of courses	2.64	29	11
Faculty course load	5.70	57	10
Establishing minimum class size requirements	7.86	55	7
Quality of degrees offered	3.90	39	10
Research opportunities	6.00	60	10
Academic support	4.00	40	10
Student services	4.45	49	11
Scholarship opportunities	4.80	48	10
Athletics	7.44	67	9
Graduation rates	5.40	54	10
Class size	5.18	57	11

Answer Options	Response Average	Response Total	Response Count
Cost of education	4.36	48	11
Other (please identify)	.00		0

20. Please rank each statement as “yes” or “no” with respect to the University’s planning documents such as UP3.

Answer Options	Yes	No	Response Count
Includes quantifiable and measurable objectives, outputs, and outcomes	4	2	6
Ties directly to the University’s budget	4	2	6
Is sufficient to make budgetary decisions	3	3	6
Action items are clearly defined	3	3	6
Other (please identify)	0	0	0
No knowledge of process	5	1	6
Comments			0

21. Please provide other comments for our consideration.

Answer Options	Response Count
	0

Appendix L-2

Survey Responses: Staff Senate

Question 1: Overall, what do you view as the primary role of the Board of Trustees with respect to the operations of the University?

Answer Options	Response Percent	Response Count
Policy	12.5%	1
Oversight	37.5%	3
Final approval of expenditures	12.5%	1
Final approval of transfers within expenditure categories	0.0%	0
General guidance	25.0%	2
Other (please identify)	12.5%	1
Comments		2

Question 2: Overall, what do you view as the primary role of the University's administration with respect to the operations of the University?

Answer Options	Response Percent	Response Count
Policy	50.0%	4
Oversight	0.0%	0
Final approval of expenditures	25.0%	2
Final approval of transfers within expenditure categories	0.0%	0
General guidance	12.5%	1
Other (please identify)	12.5%	1
Comments		2

Question 3: How do you rate the adequacy of the Legislature's funding with respect to providing resources for maintaining market competitive staff salary levels?

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating Average	Response Count
0	0	0	3	5	4.63	8
Comments						3

Question 4: How do you rate the adequacy of the University's administration with respect to using legislative and other financial resources to provide for maintaining market competitive staff salary levels?

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating Average	Response Count
1	1	0	2	4	3.88	8
Comments						4

Question 5: Please choose from the following that most represents why staff may leave their positions for other employment.

Answer Options	Response Percent	Response Count
Higher salary	75.0%	6
Family considerations	0.0%	0
Geographic location	0.0%	0
Other (please specific)	25.0%	2
Comments		6

Question 6: How do you rate the adequacy of the Legislature's funding with respect to providing resources for student services?

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating Average	Response Count
0	3	2	2	1	3.13	8
Comments						2

Question 7: How do you rate the adequacy of the University's administration with respect to using legislative and other financial resources to provide for student services?

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating Average	Response Count
0	4	3	1	0	2.63	8
Comments						2

Question 8: Describe your satisfaction with the following areas.

Answer Options	Very satisfied	Satisfied	Neutral	Very unsatisfied	Unsatisfied	Not familiar with process	Response Count
Use of the Central Staff Management System (CSM) to allocate staff positions and resources.	0	2	0	4	2	0	8
Your current salary in terms of competitiveness with your peers at comparable universities.	0	0	0	1	7	0	8
The process by which salary increase decisions are made.	0	0	2	1	5	0	8
The process by which the University's external budget (Governor's Budget Request) is approved.	0	1	4	1	2	0	8
The process by which the University's internal budget (University's Operating Budget) is developed.	0	2	4	0	2	0	8
The process by which the University's internal budget (University's Operating Budget) is approved.	0	2	2	1	3	0	8
The process by which the University's planning documents	0	3	2	2	1	0	8

Answer Options	Very satisfied	Satisfied	Neutral	Very unsatisfied	Unsatisfied	Not familiar with process	Response Count
such as UP3 are developed.							
Comments							3

Question 9: When discussions related to potential salary, tuition, and fee increases occur, how satisfied are you that your concerns are taken seriously?

Very satisfied	Satisfied	Neutral	Very unsatisfied	Unsatisfied	Rating Average	Response Count
0	2	1	2	3	3.75	8

Question 10: When tuition has increased in the past, have you observed corresponding increases in the quality of University services to students? Please explain.

Answer Options	Response Percent	Response Count
Yes	33.3%	2
No	66.7%	4
Comments		5

Question 11: What is your opinion of a more formalized Board of Trustee's policy with respect to increasing student tuition and fees?

Very good idea	Good idea	Neutral	Very poor idea	Poor idea	Rating Average	Response Count
0	5	2	1	0	2.50	8
Comments						3

Question 12: W.S. 9-2-1036 (Wyoming Public Finance and Expenditure of Funds Website) exempts the University of Wyoming from requirements related to providing financial information such as expenditures, for public consumption. In your opinion, do you believe the University of Wyoming has an obligation to present financial information such as University expenditures on its website for public consumption?

Answer Options	Response Percent	Response Count
Yes	62.5%	5
No	0.0%	0
Neutral	37.5%	3
Comments		6

Question 13: What role do you believe is the most appropriate for the Legislature with respect to University funding?

Answer Options	Response Percent	Response Count
Appropriation of dollars at a very broad level with broad direction as to how funds should be expended	42.9%	3
Appropriation of dollars at a very broad level with specific direction as to how funds should be expended	14.3%	1
Appropriations of dollars at a very specific level with broad oversight as to how funds are expended	28.6%	2
Appropriations of dollars at a very specific level with specific oversight as to how funds are expended	14.3%	1
Other (please identify)	0.0%	0
Comments		5

Question 14: What do you see as the primary role for the University of Wyoming?

Answer Options	Response Percent	Response Count
Teaching	71.4%	5
Research	14.3%	1
Other (please identify)	14.3%	1
Comments		4

Question 15: As University staff, please rank each of the following based on their importance (1-10; with 1 most important).

Answer Options	Response Average	Response Total	Response Count
Quality of instructors	4.50	36	8
xc	4.13	33	8
Faculty course load	6.57	46	7
Establishing minimum class size requirements	8.38	67	8
Quality of degrees offered	3.50	28	8
Research opportunities	6.14	43	7
Academic support	6.25	50	8
Student services	7.00	56	8
Scholarship opportunities	6.75	54	8
Athletics	8.50	68	8
Graduation rates	7.13	57	8
Class size	7.29	51	7
Cost of education	4.63	37	8
Other (please identify)	14.00	14	1

Question 16: Please rank each statement as “yes” or “no” with respect to the University’s planning documents such as UP3.

Answer Options	Yes	No	Response Count
Includes quantifiable and measurable objectives, outputs, and outcomes	5	2	7
Ties directly to the University’s budget	2	5	7
Is sufficient to make budgetary decisions	1	5	6
Action items are clearly defined	3	4	7
Other (please identify)	0	0	0
No knowledge of process	1	0	1
Comments			3

Question 17: Please provide other comments for our consideration.

Answer Options	Response Count
	5

Appendix L-3

Survey Responses: Faculty Senate

Question 1: Overall, what do you view as the primary role of the Board of Trustees with respect to the operations of the University?

Answer Options	Response Percent	Response Count
Policy	14.8%	4
Oversight	29.6%	8
Final approval of expenditures	7.4%	2
Final approval of transfers within expenditure categories	0.0%	0
General guidance	40.7%	11
Other (please identify)	7.4%	2
Comments		3

Question 2: Overall, what do you view as the primary role of the University's administration with respect to the operations of the University?

Answer Options	Response Percent	Response Count
Policy	33.3%	9
Oversight	37.0%	10
Final approval of expenditures	3.7%	1
Final approval of transfers within expenditure categories	3.7%	1
General guidance	7.4%	2
Other (please identify)	14.8%	4
Comments		4

Question 3: How do you rate the adequacy of the Legislature's funding with respect to providing resources for maintaining market competitive faculty salary levels?

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating Average	Response Count
1	0	0	12	13	4.38	26
Comments						7

Question 4: How do you rate the adequacy of the University's administration with respect to using legislative and other financial resources to provide for maintaining market competitive faculty salary levels?

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating Average	Response Count
1	2	7	6	10	3.85	26
Comments						8

Question 5: Please choose from the following that most represents why faculty may leave their positions for other employment.

Answer Options	Response Percent	Response Count
Higher salary	80.8%	21
Family considerations	7.7%	2
Geographic location	3.8%	1
Other (please specific)	7.7%	2
Comments		7

Question 6: How do you rate the adequacy of the Legislature's funding with respect to providing resources for student services?

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating	Response
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					Average	Count
3	2	12	1	8	3.35	26
Comments						7

Question 7: How do you rate the adequacy of the University's administration with respect to using legislative and other financial resources to provide for student services?

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating Average	Response Count
4	8	9	1	4	2.73	26
Comments						5

Question 8: Describe your satisfaction with the following areas.

Answer Options	Very satisfied	Satisfied	Neutral	Very unsatisfied	Unsatisfied	Not familiar with process	Response Count
Use of the Central Position Management System (CPM) to allocate faculty positions and resources.	0	2	7	4	9	4	26
Your current salary in terms of competitiveness with your peers at comparable universities.	0	0	1	9	16	0	26
The process by which salary increase decisions are made.	1	3	5	7	10	0	26
The process by which the University's external budget (Governor's Budget Request) is approved.	1	2	3	6	6	8	26
The process by which the University's internal budget (University's Operating Budget) is developed.	1	5	6	3	2	9	26
The process by which the University's internal budget (University's Operating Budget) is approved.	0	3	9	3	1	10	26
The process by which the University's planning documents such as UP3 are	2	13	3	1	2	2	23

Answer Options	Very satisfied	Satisfied	Neutral	Very unsatisfied	Unsatisfied	Not familiar with process	Response Count
developed.							
Faculty Course Loads	2	11	5	4	2	2	26
Comments							4

Question 9: What percentage of your time is spent doing the following activities?

Answer Options	Response Percent	Response Count
Teaching	96.2%	25
Research	96.2%	25
Service	100.0%	26
Other (please specify)	50.0%	13

Question 10: When discussions related to potential salary, tuition, and fee increases occur, how satisfied are you that your concerns are taken seriously?

Very satisfied	Satisfied	Neutral	Very unsatisfied	Unsatisfied	Rating Average	Response Count
0	5	6	4	11	3.81	26

Question 11: When tuition has increased in the past, have you observed corresponding increases in the quality of University services to students? Please explain.

Answer Options	Response Percent	Response Count
Yes	33.3%	7
No	66.7%	14
Comments		13

Question 12: What is your opinion of a more formalized Board of Trustee's policy with respect to increasing student tuition and fees?

Very good idea	Good idea	Neutral	Very poor idea	Poor idea	Rating Average	Response Count
2	11	9	1	1	2.50	24
Comments						10

Question 13: W.S. 9-2-1036 (Wyoming Public Finance and Expenditure of Funds Website) exempts the University of Wyoming from requirements related to providing financial information such as expenditures, for public consumption. In your opinion, do you believe the University of Wyoming has an obligation to present financial information such as University expenditures on its website for public consumption?

Answer Options	Response Percent	Response Count
Yes	40.0%	10
No	32.0%	8
Neutral	28.0%	7
Comments		9

Question 14: What role do you believe is the most appropriate for the Legislature with respect to University funding?

Answer Options	Response Percent	Response Count
Appropriation of dollars at a very broad level with broad direction as to how funds should be expended	88.0%	22
Appropriation of dollars at a very broad level with specific direction as to how funds should be expended	8.0%	2
Appropriations of dollars at a very specific level with broad oversight	4.0%	1

Answer Options	Response Percent	Response Count
as to how funds are expended		
Appropriations of dollars at a very specific level with specific oversight as to how funds are expended	0.0%	0
Other (please identify)	0.0%	0
Comments		6

Question 15: How satisfied are you that the majority of courses offered on campus are taught by faculty as opposed to non-faculty (e.g. graduate students and lecturers)?

Very satisfied	Satisfied	Neutral	Very unsatisfied	Unsatisfied	Rating Average	Response Count
6	13	4	2	1	2.19	26
Comments						8

Question 16: Have you ever had a class cancelled because the class failed to meet the minimum class size requirements?

Answer Options	Response Percent	Response Count
Yes	32.0%	8
No	68.0%	17
Comments		2

Question 17: What do you see as the primary role for the University of Wyoming?

Answer Options	Response Percent	Response Count
Teaching	64.0%	16
Research	20.0%	5
Other (please identify)	16.0%	4
Comments		14

Question 18: As a faculty member, please rank each of the following based on their importance (1-10; with 1 most important).

Answer Options	Response Average	Response Total	Response Count
Quality of instructors	2.79	67	24
Quality of courses	3.04	70	23
Faculty course load	5.33	128	24
Establishing minimum class size requirements	7.11	128	18
Quality of degrees offered	3.58	86	24
Research opportunities	5.09	117	23
Academic support	8.04	193	24
Student services	5.46	131	24
Scholarship opportunities	5.70	131	23
Athletics	7.78	140	18
Graduation rates	5.33	112	21
Class size	6.42	122	19
Cost of education	5.27	116	22
Other (please identify)	6.00	12	2

Question 19: Please rank each statement as “yes” or “no” with respect to the University’s planning documents such as UP3.

Answer Options	Yes	No	Response Count
Includes quantifiable and measurable objectives, outputs, and outcomes	17	5	22
Ties directly to the University’s budget	14	9	23
Is sufficient to make budgetary decisions	9	14	23
Action items are clearly defined	18	5	23
Other (please identify)	0	2	2

Answer Options	Yes	No	Response Count
No knowledge of process	3	3	6
Comments			3

Question 20: Please provide other comments for our consideration.

Answer Options	Response Count
	10



Appendix L-4

Survey Responses: Board of Trustees

Question 1: Overall, what do you view as the primary role of the Board of Trustees with respect to the operations of the University?

Answer Options	Response Percent	Response Count
Policy	60.0%	6
Oversight	20.0%	2
Final approval of expenditures	0.0%	0
Final approval of transfers within expenditure categories	0.0%	0
General guidance	10.0%	1
Other (please identify)	10.0%	1
Comments		5

Question 2: Overall, what do you view as the primary role of the University's administration with respect to the operations of the University?

Answer Options	Response Percent	Response Count
Policy	0.0%	0
Oversight	40.0%	4
Final approval of expenditures	0.0%	0
Final approval of transfers within expenditure categories	0.0%	0
General guidance	20.0%	2
Other (please identify)	40.0%	4
Comments		6

Question 3: How successful do you believe the block grant funding model is with respect to funding the University's programs?

Very successful	Successful	Neutral	Very unsuccessful	Unsuccessful	Rating Average	Response Count
3	6	0	0	0	1.67	9
Comments						1

Question 4: How flexible is the block grant funding model with respect to the University's use of State funds?

Very flexible	Flexible	Neutral	Very inflexible	Inflexible	Rating Average	Response Count
2	5	1	1	0	2.11	9
Comments						2

Question 5: How do you rate the adequacy of the Legislature's funding of the block grant (6700-State Aid) since the 2001-20012 biennium with respect to providing resources for maintaining market competitive faculty salary levels?

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating Average	Response Count
0	0	3	2	4	4.11	9
Comments						5

Question 6: How adequate do you believe the University's Central Position Management System (CPM) has been with respect to managing faculty positions?

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating Average	Response Count
2	4	0	1	2	2.67	9
Comments						1

Question 7: What is your opinion of a more formalized Board of Trustee’s policy with respect to awarding faculty and other salary increases?

Very good idea	Good idea	Neutral	Very poor idea	Poor idea	Rating Average	Response Count
2	2	4	0	0	2.25	8
Comments						4

Question 8: What is your opinion of a more formalized Board of Trustee’s policy with respect to increasing student tuition and fees?

Very good idea	Good idea	Neutral	Very poor idea	Poor idea	Rating Average	Response Count
1	5	2	1	0	2.33	9
Comments						4

Question 9: Since the 2001-2002 biennium, additional expense organizations within 6700-State Aid have been used (e.g. UW Health Insurance-6703, State Matching Funds-6704, Brucellosis Testing Research-6708, Wyoming Distance Learning Center-6710, Statewide Video Conferencing-6711, and Arena Auditorium-6715) as part of the University’s overall appropriations. In your opinion, should the expense organizations above be funded as part of the block grant (6701-base funding)?

Answer Options	Response Percent	Response Count
Yes	37.5%	3
No	12.5%	1
Neutral	50.0%	4
Comments		4

Question 10: Pursuant to W.S. 21-17-203 the Board of Trustees “possess all the powers necessary or convenient to accomplish the objects and perform the duties prescribed by law...” In addition, W.S. 21-17-204 (a) (v) states the Board may “expend the income placed under their control from whatever source derived...” Given the statutes above, how do you view the Board’s involvement with respect to the approval of expenditures after approval of the University’s Operating Budget?

Very involved	Involved	Neutral	Very uninvolved	Uninvolved	Rating Average	Response Count
2	3	0	1	1	2.43	7
Comments						4

Question 11: W.S. 9-2-1036 (Wyoming Public Finance and Expenditure of Funds Website) exempts the University of Wyoming from requirements related to providing financial information such as expenditures, for public consumption. In your opinion, do you believe the University of Wyoming has an obligation to present financial information such as Section I and Section II expenditures on its website for public consumption? Please explain.

Answer Options	Response Percent	Response Count
Yes	50.0%	4
No	37.5%	3
Neutral	12.5%	1
Comments		6

Question 12: What role do you believe is the most appropriate for the Legislature with respect to University funding?

Answer Options	Response Percent	Response Count
Appropriation of dollars at a very broad level with broad direction as to how funds should be expended	88.9%	8
Appropriation of dollars at a very broad level with specific direction as to how funds should be expended	0.0%	0
Appropriations of dollars at a very specific level with broad oversight as to how funds are expended	11.1%	1

Answer Options	Response Percent	Response Count
Appropriations of dollars at a very specific level with specific oversight as to how funds are expended	0.0%	0
Other (please identify)	0.0%	0
Comments		5

Question 13: Describe your satisfaction with the following areas.

Answer Options	Very Satisfied	Satisfied	Neutral	Very unsatisfied	Unsatisfied	Response Count
How satisfied are you with the University's internal control structure to minimize the risk related to misuse of appropriated money?	0	7	1	1	0	9
How satisfied are you with the University's internal audit function to follow up on prior audit findings and recommendations in order to allow appropriate enforcement action by the Board of Trustees if needed?	2	5	1	1	0	9
How satisfied are you with the internal budget process related to the approval of the University's Operating Budget?	0	4	3	2	0	9
How satisfied are you with the University of Wyoming's external budget process related to the approval of the Governor's Budget request?	0	5	4	0	0	9
How satisfied are you with the University's efforts to identify potential costs savings in areas such as increasing faculty course loads, thus eliminating potential costs related to hiring lecturers and graduate students and combining or eliminating courses that fall below the University's minimum class size requirements?	0	3	2	1	2	8
Comments						3

Question 14: How transparent is the University's internal budget process?

Answer Options	Response Percent	Response Count
Transparent	33.3%	3
Neutral	44.4%	4
Not transparent	22.2%	2
No knowledge of process	0.0%	0
Comments		3

Question 15: What do you see as the primary role for the University of Wyoming?

Answer Options	Response Percent	Response Count
Teaching	44.4%	4

Answer Options	Response Percent	Response Count
Research	11.1%	1
Other (please identify)	44.4%	4
Comments		6

Question 16: As a Trustee, please rank each of the following based on their importance (1-10; with 1 most important).

Answer Options	Response Average	Response Total	Response Count
Quality of instructors	2.44	22	9
Quality of courses	2.89	26	9
Faculty course load	5.13	41	8
Establishing minimum class size requirements	4.50	27	6
Quality of degrees offered	3.33	30	9
Research opportunities	5.11	46	9
Academic support	5.00	45	9
Student services	5.33	48	9
Scholarship opportunities	5.22	47	9
Athletics	5.75	46	8
Graduation rates	4.78	43	9
Class size	4.67	28	6
Cost of education	5.13	41	8
Other (please identify)	.00		0

Question 17: Please rank each statement as “yes” or “no” with respect to the University’s planning documents such as UP3.

Answer Options	Yes	No	Response Count
Includes quantifiable and measurable objectives, outputs, and outcomes	6	3	9
Ties directly to the University’s budget	4	4	8
Is sufficient to make budgetary decisions	2	6	8
Action items are clearly defined	6	2	8
Other (please identify)	0	1	1
No knowledge of process	0	0	0
Comments			2

Question 18: What is your opinion of the University conducting a pilot project that would integrate UP4 planning related to a specific program(s) with a direct tie-in to the budget?

Very good idea	Good idea	Neutral	Very poor idea	Poor idea	Rating Average	Response Count
2	3	4	0	0	2.22	9
Comments						3

Question 19: Please provide other comments for our consideration.

Answer Options	Response Count
	4

Appendix L-5

Survey Responses: Administrators, Deans, and Directors

Question 1: Overall, what do you view as the primary role of the Board of Trustees with respect to the operations of the University?

Answer Options	Response Percent	Response Count
Policy	22.2%	2
Oversight	22.2%	2
Final approval of expenditures	0.0%	0
Final approval of transfers within expenditure categories	0.0%	0
General guidance	33.3%	3
Other (please identify)	22.2%	2
Comments		2

Question 2: Overall, what do you view as the primary role of the University's administration with respect to the operations of the University?

Answer Options	Response Percent	Response Count
Policy	12.5%	1
Oversight	37.5%	3
Final approval of expenditures	0.0%	0
Final approval of transfers within expenditure categories	12.5%	1
General guidance	0.0%	0
Other (please identify)	37.5%	3
Comments		5

Question 3: How successful do you believe the block grant funding model is with respect to funding the University's programs?

Very successful	Successful	Neutral	Very unsuccessful	Unsuccessful	Rating Average	Response Count
3	3	2	0	0	1.88	8
Comments						6

Question 4: How flexible is the block grant funding model with respect to the University's use of State funds?

Very flexible	Flexible	Neutral	Very inflexible	Inflexible	Rating Average	Response Count
0	5	4	0	0	2.44	9
Comments						3

Question 5: How do you rate the adequacy of the Legislature's funding of the block grant (6700-State Aid) since the 2001-20012 biennium with respect to providing resources for maintaining market competitive faculty salary levels?

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating Average	Response Count
0	0	0	2	6	4.75	8
Comments						5

Question 6: How adequate do you believe the University's Central Position Management System (CPM) has been with respect to managing faculty positions?

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating Average	Response Count
1	1	2	1	4	3.67	9

Very adequate	Adequate	Neutral	Very Inadequate	Inadequate	Rating Average	Response Count
Comments						6

Question 7: What is your opinion of a more formalized Board of Trustee’s policy with respect to awarding faculty and other salary increases?

Very good idea	Good idea	Neutral	Very poor idea	Poor idea	Rating Average	Response Count
0	1	3	3	2	3.67	9
Comments						5

Question 8: What is your opinion of a more formalized Board of Trustee’s policy with respect to increasing student tuition and fees?

Very good idea	Good idea	Neutral	Very poor idea	Poor idea	Rating Average	Response Count
1	3	2	1	1	2.75	8
Comments						6

Question 9: Since the 2001-2002 biennium, additional expense organizations within 6700-State Aid have been used (e.g. UW Health Insurance-6703, State Matching Funds-6704, Brucellosis Testing Research-6708, Wyoming Distance Learning Center-6710, Statewide Video Conferencing-6711, and Arena Auditorium-6715) as part of the University’s overall appropriations. In your opinion, should the expense organizations above be funded as part of the block grant (6701-base funding)?

Answer Options	Response Percent	Response Count
Yes	37.5%	3
No	25.0%	2
Neutral	37.5%	3
Comments		6

Question 10: Pursuant to W.S. 21-17-203 the Board of Trustees “possess all the powers necessary or convenient to accomplish the objects and perform the duties prescribed by law...” In addition, W.S. 21-17-204 (a) (v) states the Board may “expend the income placed under their control from whatever source derived...” Given the statutes above, how do you view the Board’s involvement with respect to the approval of expenditures after approval of the University’s Operating Budget?

Very involved	Involved	Neutral	Very uninvolved	Uninvolved	Rating Average	Response Count
0	4	2	1	1	2.88	8
Comments						4

Question 11: W.S. 9-2-1036 (Wyoming Public Finance and Expenditure of Funds Website) exempts the University of Wyoming from requirements related to providing financial information such as expenditures, for public consumption. In your opinion, do you believe the University of Wyoming has an obligation to present financial information such as Section I and Section II expenditures on its website for public consumption? Please explain.

Answer Options	Response Percent	Response Count
Yes	37.5%	3
No	25.0%	2
Neutral	37.5%	3
Comments		8

Question 12: What role do you believe is the most appropriate for the Legislature with respect to University funding?

Answer Options	Response Percent	Response Count
Appropriation of dollars at a very broad level with broad	88.9%	8

Answer Options	Response Percent	Response Count
direction as to how funds should be expended		
Appropriation of dollars at a very broad level with specific direction as to how funds should be expended	0.0%	0
Appropriations of dollars at a very specific level with broad oversight as to how funds are expended	0.0%	0
Appropriations of dollars at a very specific level with specific oversight as to how funds are expended	0.0%	0
Other (please identify)	11.1%	1
Comments		4

Question 13: Describe your satisfaction with the following areas.

Answer Options	Very Satisfied	Satisfied	Neutral	Very Unsatisfied	Unsatisfied	Response Count
How satisfied are you with the University's internal control structure to minimize the risk related to misuse of appropriated money?	3	5	1	0	0	9
How satisfied are you with the University's internal audit function to follow up on prior audit findings and recommendations in order to allow appropriate enforcement action by the Board of Trustees if needed?	3	4	2	0	0	9
How satisfied are you with the internal budget process related to the approval of the University's Operating Budget?	1	4	2	0	2	9
How satisfied are you with the University of Wyoming's external budget process related to the approval of the Governor's Budget request?	0	5	2	0	2	9
How satisfied are you with the University's efforts to identify potential costs savings in areas such as increasing faculty course loads, thus eliminating potential costs related to hiring lecturers and graduate students and combining or eliminating courses that fall below the University's minimum class size requirements?	0	4	4	0	0	8
Comments						3

Question 14: In your opinion, should internal controls be strengthened to provide for specific policies with respect to when and how transfers should be made between expenditure categories? For example, from the B1000 (personal services) series to other series such as B2000 (support services). Please explain.

Answer Options	Response Percent	Response Count
Yes	0.0%	0
No	88.9%	8
Neutral	11.1%	1
Comments		5

Question 15: How transparent is the University's internal budget process?

Answer Options	Response Percent	Response Count
Transparent	33.3%	3
Neutral	33.3%	3
Not transparent	33.3%	3
No knowledge of process	0.0%	0
Comments		2

Question 16: What do you see as the primary role for the University of Wyoming?

Answer Options	Response Percent	Response Count
Teaching	25.0%	2
Research	0.0%	0
Other (please identify)	75.0%	6
Comments		7

Question 17: As a University administrator, please rank each of the following based on their importance (1-10; with 1 most important).

Answer Options	Response Average	Response Total	Response Count
Quality of instructors	1.44	13	9
Quality of courses	1.78	16	9
Faculty course load	5.50	44	8
Establishing minimum class size requirements	7.00	56	8
Quality of degrees offered	1.78	16	9
Research opportunities	3.22	29	9
Academic support	2.89	26	9
Student services	5.11	46	9
Scholarship opportunities	4.44	40	9
Athletics	9.00	63	7
Graduation rates	5.25	42	8
Class size	6.63	53	8
Cost of education	5.50	44	8
Other (please identify)	1.00	2	2

Question 18 Please rank each statement as "yes" or "no" with respect to the University's planning documents such as UP3.

Answer Options	Yes	No	Response Count
Includes quantifiable and measurable objectives, outputs, and outcomes	5	4	9
Ties directly to the University's budget	4	5	9
Is sufficient to make budgetary decisions	7	2	9
Action items are clearly defined	9	0	9
Other (please identify)	1	0	1
No knowledge of process	0	1	1
Comments			4

Question 19: What is your opinion of the University conducting a pilot project that would integrate UP4 planning related to a specific program(s) with a direct tie-in to the budget?

Very good idea	Good idea	Neutral	Very poor idea	Poor idea	Rating Average	Response Count
0	4	3	1	1	2.89	9
Comments						4

Question 20: Please provide other comments for our consideration.

Answer Options	Response Count
	6

Appendix M

Comparator Institution Survey Results and Data

Question	University 1	University 2	University 3	University 4	University 5
Q2: Overall, how would you describe your university's budgeting system?	Decentralized	Other (please explain additionally within the comments section) Comments: Relative to the state budget request and appropriation is centralized. Once appropriated each university in the system has the latitude to distribute in a relatively decentralized mode.	Other (please explain additionally within the comments section) Comments: Some of the components are centralized where as other components are decentralized like differential tuition	Decentralized	Centralized
Q3: How many individuals work in the university's Budget Office?	1-5	1-5 Comments: The system budget office has 5 employees and the office of management and budget has 3 employees.	1-5	1-5	1-5
Q4: From the following statements, please choose which most accurately describes the budgeting process at your university.	Other (please explain additionally within the comments section) Comment: We come up with what our expenditures need to be, and then depending on what the appropriation is likely to be, we raise tuition to meet our needs. That said, if the appropriation is likely to be lower than expected, we make targeted cuts as well as across the board cuts to avoid raising tuition too much.	Expenditure caps are set at the college levels (e.g. Business, Engineering, etc.) after the Legislature passes an appropriations bill	Expenditure caps are set at the college levels (e.g. Business, Engineering, etc.) after the Legislature passes an appropriations bill	Expenditure caps are set at the college levels (e.g. Business, Engineering, etc.) after the Legislature passes an appropriations bill	Expenditure caps are set at the college levels (e.g. Business, Engineering, etc.) after the Legislature passes an appropriations bill
Q5: Does your university	Yes	Yes	No	Yes	Yes

Question	University 1	University 2	University 3	University 4	University 5
report expenditures at the NACUBO functional codes (e.g. Research, Instruction, Academic Support, Student Services, Institutional Support, etc.) that are reconciled to natural classifications (e.g. salaries and wages, benefits, supplies and other services, etc.)? Please explain.					
Q6: What is the most disaggregated level used for establishing expenditure authorities?	Departmental level (e.g. Political Science, Geography, Chemistry, etc.)	Departmental level (e.g. Political Science, Geography, Chemistry, etc.)	Departmental level (e.g. Political Science, Geography, Chemistry, etc.)	Departmental level (e.g. Political Science, Geography, Chemistry, etc.)	Other (please explain additionally within the comments section) Comments: individual organizations within departments
Q7: What is the most disaggregated level used for reporting university expenditures?	Departmental level (e.g. Political Science, Geography, Chemistry, etc.)	Departmental level (e.g. Political Science, Geography, Chemistry, etc.)	Departmental level (e.g. Political Science, Geography, Chemistry, etc.)	Departmental level (e.g. Political Science, Geography, Chemistry, etc.)	Other (please explain additionally within the comments section) Comments: individual organizations within departments
Q8: What is the name of the budgeting system software that your university uses?	We use the Ellucian Banner product, supplemented by spreadsheets and a tool called "spreadsheet budgeting" in Banner.	We use banner but it doesn't serve budgeting well so excel is a supplemental tool - it is a good accounting control system	Peoplesoft	<i>Respondent skipped this question</i>	Banner
Q9: What is the name of the vendor for your budgeting system software?	Ellucian	Excel -- and--- Banner/SCT	Peoplesoft	<i>Respondent skipped this question</i>	Ellucian
Q10: What is the name of the accounting system	Ellucian Banner	Banner/SCT	Peoplesoft	Banner	Banner

Question	University 1	University 2	University 3	University 4	University 5
software that your university uses?					
Q11: What is the name of the vendor for your accounting system software?	Ellucian	Banner/SCT	Peoplesoft	Ellucian	Ellucian
Q12: Are your budgeting and accounting systems integrated? Please explain.	Yes	Yes Comments: This could be no regarding excel - but yes as much as Banner provides	Yes	Yes	Yes
Q13: Does your university tie strategic or other planning directly into the budgeting process? Please explain.	Yes Comments: When looking at targeted cuts or budget supplements, alignment toward the strategic plan is considered.	Yes	Yes	No	Yes
Q14: Does your university's strategic or other planning document(s) include measurable and time bound performance data to aid the legislature when considering budget requests? Please explain.	Yes Comments: The Board of Regents strategic plan is probably the level that the legislators worry about, rather than our individual campus plans.	Yes	Yes	No	No
Q15: Overall, what do you view as the primary role of your university's governing board with respect to the university operations?	Policy Comments: The Board oversees all higher ed in the state and appropriately focuses on policy matters with general, not line-item, budget approval.	Policy	<i>Respondent skipped this question</i>	<i>Respondent skipped this question</i>	Policy
Q16: How do you rate the adequacy of your Legislature's funding with respect to providing resources for student services?	Adequate	Neutral Comments: Our legislature provides base plus increments or decrements based on the Board of Regents and Governor's direction. The	<i>Respondent skipped this question</i> Comments: Our Legislature does the best they can with the resources they are	Inadequate	Neutral

Question	University 1	University 2	University 3	University 4	University 5
		legislature does not (except for increments) direct where funding is allocated within a campus.	provided.		
Q17: How do you rate the adequacy of your Legislature's funding with respect to providing resources for ensuring that faculty level salaries are at market level?	Very Inadequate Comments: The Legislature is concerned with the salaries that faculty and professional staff make compared to the average citizen salary. <i>[Paraphrased]</i>	Neutral	<i>Respondent skipped this question</i> Comments: Our Legislature does the best they can with the resources they are provided.	Inadequate	Inadequate
Q18: Does your university have a formal policy with respect to increasing student tuition and fees?	No (please explain additionally within the comments section)	Yes Comments: A formal policy that reference HEPI but it is usually set by Board vote.	No (please explain additionally within the comments section)	No (please explain additionally within the comments section) Comments: Every two years perform analysis to determine what kind of tuition increase will be applied. Several years we have received a legislative CAP on tuition	Yes
Q19: Does your university have a formal policy with respect to providing salary increases for faculty?	No (please explain additionally within the comments section) Comments: Some faculty are unionized. Even those that aren't though receive promotion and tenure raises according to a fairly set schedule. Generally, we give them as a group the same percent that the state employees get, then add promotion and tenure on top of that.	No (please explain additionally within the comments section) Comments: Faculty are unionized and there are guidelines for maintaining market competitiveness.	No (please explain additionally within the comments section)	Yes Comments: They are negotiated with union representation	Yes
Q20: When comparing faculty salaries at your	Oklahoma State University (OSU) Faculty Salary Survey	American Association of University Professors	<i>Respondent skipped this question</i>	College and University Professional	American Association of

Question	University 1	University 2	University 3	University 4	University 5
university with salaries from other institutions, which sources do you use as your primary source? (If you use multiple, please indicate in the comments section)	Comments: I was unable to select more than one box here. We use all of these, but generally the OSU primarily.	(AAUP)-Annual Report on the Economic Status of the Profession	Comments: We end up looking at multiple sources depending upon the subject area.	Association for Human Resources (CUPA)-Faculty Salary Survey for Four Year Colleges and Universities by Discipline, Rank, and Tenure Status	University Professors (AAUP)-Annual Report on the Economic Status of the Profession Comments: AAUP, primarily complimented by all of the others
Q21: When tuition has increased in the past, has your university experienced corresponding increases in the quality of instruction? Please explain.	No Comments: Lately, we did hire additional tenure track faculty, but that was because our enrollment is increasing and we finally had the base dollars available. Often, when we have to increase tuition it's just to cover basic costs like raises, healthcare, insurance, and a lot of IT expenses to move past our manual processes into automated services that students expect.	Yes	Yes Comments: Our tuition increases have been to cover our core operating costs.	Comments: Not aware of that type of analysis performed on our campus	No Comments: There is no direct correlation
Q22: When tuition has increased in the past, has your university experienced corresponding increases in the quality of services outside of instruction? Please explain.	Yes Comments: Automated services, more counseling due to increased demand (all kinds of counseling- tutoring, career counseling, mental health counseling, financial literacy counseling).	Yes	Yes Comments: Our tuition increases have been used to cover our core operating costs.	Comments: Not aware of that type of analysis performed on our campus	No Comments: There is no direct correlation
Q23: Does your university provide financial information such as expenditures on its website (or other website like the State Auditor's) for public consumption? Please	Yes Comments: Departmental financial data (summarized) as well as audited financial statements are posted.	Yes	Yes	Yes	No Comments: Budgets and financial statements are posted to our website

Question	University 1	University 2	University 3	University 4	University 5
explain.					
Q24: What role do you believe is the most appropriate for the Legislature with respect to University funding?	<p>Appropriation of dollars at a very broad level with broad direction as to how funds should be expended</p> <p>Comments: Occasional special appropriations for specific short-term projects are good too, as long as the general appropriation isn't line by line.</p>	<p>Appropriation of dollars at a very broad level with broad direction as to how funds should be expended</p>	<p><i>Respondent skipped this question</i></p> <p>Comments: That is a policy question</p>	<p>Appropriation of dollars at a very broad level with broad direction as to how funds should be expended</p>	<p>Appropriation of dollars at a very broad level with broad direction as to how funds should be expended</p>
Q25: Does your university have the capabilities to report expenditures separately from the General Fund versus expenditures from University income such as student tuition and fees? Please explain.	<p><i>Respondent skipped this question</i></p> <p>Comments: We commingle our student tuition with our state appropriation, so a definite no on this, but with respect to student fees and other receipts, we segregate by fund type depending on funding source.</p>	Yes	<p>No</p> <p>Comments: Our tuition and general funds are combined and called appropriated funds.</p>	No	Yes
Q26: Please answer “yes” or “no” with respect to the following statements. If yes to either of the above sub-questions, please identify the process by which transfers are approved: The University allows transfer of expenditure authority between separate expenditure categories (e.g. salaries and wages, benefits, supplies and other services, etc.) between college departments.	Yes	Yes	Yes	Yes	Yes
Q26: Please answer “yes” or “no” with respect to the following statements. If yes to either of the above sub-	yes	Yes	Yes	Yes	<p>Yes</p> <p>Comments: approved within the</p>

Question	University 1	University 2	University 3	University 4	University 5
questions, please identify the process by which transfers are approved: The University allows transfer of expenditure authority between separate expenditure categories (e.g. salaries and wages, benefits, supplies and other services, etc.) between different colleges.					units making the transfer
Q27: Are any faculty or staff positions (Full Time Equivalent "FTE") legislatively appropriated? Please explain.	Yes Comments: Every single position is reviewed by the state budget office, but there are pools for adjuncts that they don't examine. This is very cumbersome and reconciling what was actually paid versus what was budgeted is difficult and time consuming due to vacancies that occur during the year. Vacancies are NOT swept to the state, thankfully, as we sometimes need to use those savings to fund bigger one-time projects that need to be accomplished.	Yes Comments: There are budgeted positions through position control numbers however, there are provisions for non-state funded positions.	No	No	Yes Comments: for some individual agencies of the state that are assigned to the University
Q28: Does your university use a central position management system to allocate and reallocate faculty resources after positions open due to retirement or other reasons? Please explain.	No Comments: The provost works very closely with the budget office, but position vacancies are not automatically swept.	No Comments: Positions are monitored but not reallocated - many are closed when retirements occur based on lack of funding for replacement positions.	No	No	No
Q29: Please provide other comments for our consideration.	The transfer question did not allow me to give detail. For transfers between departments	<i>Respondent skipped this question</i>	<i>Respondent skipped this question</i>	<i>Respondent skipped this question</i>	<i>Respondent skipped this question</i>

Question	University 1	University 2	University 3	University 4	University 5
	<p>within a college, the dean has to approve. It would be rare to transfer between colleges, but that could be done if there were budget issues in a particular college. The provost would need to approve.</p>				

Source: Legislative Service Office.

Appendix N

Supplemental Information: Budget Transfers

On July 29, 2014, the Management Audit Committee (“Committee”) requested additional information regarding budget transfers at the University, which represent a reallocation of 19% of the total FY2013 Section I budget of \$260,818,497. Specifically, the Committee asked for clarification on what percentage of the budget transfers are routine in nature. The Committee further inquired about the amount of the budget transfers that may have circumvented or negated budgeted amounts established by the University’s administration.

FY2013 Budget Transfers

The FY2013 Section I budget transfers totaled \$48,623,829 from 2,247 separate transactions. This total does not include budget transfers related to the School of Energy Resources (“SER”). SER receives a separate appropriation outside of the block grant and its budget transfers are isolated from other Section I budget units at the University. As a result, all SER budget transfers, totaling \$14,029,391 in FY2013, were excluded from further analysis concerning the block grant.

Of total Section I budget transfers, \$465,731 were related to the College of Agriculture federal funds. Like SER, the College of Agriculture federal funds are not transferred between any other Section I budget units because these funds may not be used for any other purpose. As there was no change in purpose, the budget transfers for the College of Agriculture federal funds were excluded from further analysis. Therefore, the final amount of Section I budget transfers, analyzed below is \$48,158,098 from 2,185 separate transactions.

Budget Transfers by Division

To reiterate from Chapter 10, budget caps for the budgeted divisions are established by the University’s administration. After the caps are established, the heads of the divisions, such as vice presidents and deans, are given the authority to budget funds within their respective divisions. For that reason, budget transfers *between* divisions may represent a change in the initial budgeted amount set by the University’s administration.

Table N.1, on the next page, demonstrates a flow of funds from budget transfers *within the same* division and *between different* divisions. For example, in FY2013 the Division of Academic Affairs *sent* a total of \$4,983,280 in budget transfers, of which \$1,277,865 was transferred internally within the Division of Academic Affairs and \$3,705,416 was transferred to other divisions.

In FY2013, slightly more than half of all budget transfers were made *within the same* division and slightly less than half were made *between different* divisions. Though 19% of the budgeted block grant funds were transferred in FY2013, this percentage represents 9% transferred *between different* divisions while the remaining 10% were transferred *within the same* division.

**Table N.1
FY2013 Transfers by Division**

Division	Sending Division		Receiving Division		FY 2013 Budgeted
	Sum of Transfers	Sum %	Sum of Transfers	Sum %	
ACADEMIC AFFAIRS (200)	\$4,983,280.38	10.35%	(\$4,430,993.45)	9.20%	\$6,857,026.00
Different Division	3,705,415.73	7.69%	(3,153,128.80)	6.55%	
Same Division	1,277,864.65	2.65%	(1,277,864.65)	2.65%	
AGRICULTURE (220)	3,936,125.21	8.17%	(4,188,936.61)	8.70%	18,352,791.00*
Different Division	390,484.56	0.81%	(643,295.96)	1.34%	
Same Division	3,545,640.65	7.36%	(3,545,640.65)	7.36%	
ARTS & SCIENCES (210)	5,293,742.35	10.99%	(9,722,030.04)	20.19%	30,934,311.00
Different Division	529,694.94	1.10%	(4,957,982.63)	10.30%	
Same Division	4,764,047.41	9.89%	(4,764,047.41)	9.89%	
ASSOC VP ADMINISTRATION (410)	166,664.38	0.35%	(125,784.38)	0.26%	3,147,666.00
Different Division	125,191.00	0.26%	(84,311.00)	0.18%	
Same Division	41,473.38	0.09%	(41,473.38)	0.09%	
ASSOC VP OPERATIONS (420)	45,020.50	0.09%	(38,852.50)	0.08%	423,215.00
Different Division	42,668.00	0.09%	(36,500.00)	0.08%	
Same Division	2,352.50	0.00%	(2,352.50)	0.00%	
ATHLETICS (101)	1,946,369.08	4.04%	(2,231,556.08)	4.63%	11,582,628.00
Different Division	64,813.00	0.13%	(350,000.00)	0.73%	
Same Division	1,881,556.08	3.91%	(1,881,556.08)	3.91%	
AUXILIARY SERVICES (470)	32,907.95	0.07%	(18,999.95)	0.04%	655,390.00
Different Division	23,908.00	0.05%	(10,000.00)	0.02%	
Same Division	8,999.95	0.02%	(8,999.95)	0.02%	
BUSINESS (230)	1,460,815.81	3.03%	(1,761,381.76)	3.66%	7,369,143.00
Different Division	78,308.04	0.16%	(378,873.99)	0.79%	
Same Division	1,382,507.77	2.87%	(1,382,507.77)	2.87%	
EDUCATION (270)	520,639.79	1.08%	(794,126.16)	1.65%	5,934,785.00
Different Division	197,706.00	0.41%	(471,192.37)	0.98%	
Same Division	322,933.79	0.67%	(322,933.79)	0.67%	
ENGINEERING (240)	2,262,506.69	4.70%	(2,778,351.64)	5.77%	10,626,701.00
Different Division	249,963.31	0.52%	(765,808.26)	1.59%	
Same Division	2,012,543.38	4.18%	(2,012,543.38)	4.18%	
EPB (160)	602,218.01	1.25%	(637,302.01)	1.32%	52,391,819.00
Different Division	0.00	0.00%	(35,084.00)	0.07%	
Same Division	602,218.01	1.25%	(602,218.01)	1.25%	
GOV COMM & LEGAL (700)	140,120.79	0.29%	(209,819.10)	0.44%	1,916,550.00
Different Division	0.00	0.00%	(69,698.31)	0.14%	
Same Division	140,120.79	0.29%	(140,120.79)	0.29%	
HEALTH SCIENCES (250)	359,702.15	0.75%	(814,564.82)	1.69%	9,697,607.00
Different Division	68,237.36	0.14%	(523,100.03)	1.09%	

Division	Sending Division		Receiving Division		FY 2013 Budgeted
	Sum of Transfers	Sum %	Sum of Transfers	Sum %	
Same Division	291,464.79	0.61%	(291,464.79)	0.61%	
HUMAN RESOURCES (440)	79,785.50	0.17%	(79,785.50)	0.17%	1,274,910.00
Different Division	10,866.00	0.02%	(10,866.00)	0.02%	
Same Division	68,919.50	0.14%	(68,919.50)	0.14%	
INFORMATION TECHNOLOGY (800)	2,360,880.02	4.90%	(2,465,293.05)	5.12%	12,990,546.00
Different Division	829,143.57	1.72%	(933,556.60)	1.94%	
Same Division	1,531,736.45	3.18%	(1,531,736.45)	3.18%	
INTERNAL AUDITOR (900)	0.00	0.00%	0.00	0.00%	167,428.00
Different Division	0.00	0.00%	0.00	0.00%	
Same Division	0.00	0.00%	0.00	0.00%	
LAW (260)	955,109.94	1.98%	(739,313.92)	1.54%	5,412,641.00
Different Division	542,545.76	1.13%	(326,749.74)	0.68%	
Same Division	412,564.18	0.86%	(412,564.18)	0.86%	
LIBRARY (290)	957,756.84	1.99%	(802,533.14)	1.67%	15,343,081.00
Different Division	185,713.70	0.39%	(30,490.00)	0.06%	
Same Division	772,043.14	1.60%	(772,043.14)	1.60%	
Office Of Development (600)	193,213.78	0.40%	(263,821.78)	0.55%	2,239,956.00
Different Division	19,392.00	0.04%	(90,000.00)	0.19%	
Same Division	173,821.78	0.36%	(173,821.78)	0.36%	
OUTREACH (280)	575,153.02	1.19%	(432,533.66)	0.90%	3,331,555.00
Different Division	327,875.00	0.68%	(185,255.64)	0.38%	
Same Division	247,278.02	0.51%	(247,278.02)	0.51%	
PHYSICAL PLANT (450)	1,216,912.29	2.53%	(1,068,513.29)	2.22%	17,079,550.00
Different Division	730,399.00	1.52%	(582,000.00)	1.21%	
Same Division	486,513.29	1.01%	(486,513.29)	1.01%	
PRESIDENT (100)	2,638,493.02	5.48%	(3,362,939.26)	6.98%	2,209,456.00
Different Division	2,008,285.75	4.17%	(2,732,731.99)	5.67%	
Same Division	630,207.27	1.31%	(630,207.27)	1.31%	
RESEARCH & ECONOMIC DEV (500)	799,553.06	1.66%	(421,039.93)	0.87%	2,139,412.00
Different Division	523,084.13	1.09%	(144,571.00)	0.30%	
Same Division	276,468.93	0.57%	(276,468.93)	0.57%	
RISK MANAGEMENT (490)	128,521.00	0.27%	(128,521.00)	0.27%	2,415,657.00
Different Division	127,250.00	0.26%	(127,250.00)	0.26%	
Same Division	1,271.00	0.00%	(1,271.00)	0.00%	
STUDENT AFFAIRS (310)	10,382,680.16	21.56%	(4,573,067.69)	9.50%	28,432,589.00
Different Division	6,559,336.00	13.62%	(749,723.53)	1.56%	
Same Division	3,823,344.16	7.94%	(3,823,344.16)	7.94%	
UNIVERSITY POLICE (480)	62,775.00	0.13%	(21,000.00)	0.04%	1,252,222.00
Different Division	48,775.00	0.10%	(7,000.00)	0.01%	
Same Division	14,000.00	0.03%	(14,000.00)	0.03%	

Division	Sending Division		Receiving Division		FY 2013 Budgeted
	Sum of Transfers	Sum %	Sum of Transfers	Sum %	
VP ADMINISTRATION (400)	6,057,151.77	12.58%	(6,047,037.77)	12.56%	4,182,053.00
Different Division	4,863,074.00	10.10%	(4,852,960.00)	10.08%	
Same Division	1,194,077.77	2.48%	(1,194,077.77)	2.48%	
Grand Total	\$48,158,098.49	100.00%	(\$48,158,098.49)	100.00%	\$258,360,688.00 **
Different Division	\$22,252,129.85	46.21%	(\$22,252,129.85)	46.21%	
Same Division	\$25,905,968.64	53.79%	(\$25,905,968.64)	53.79%	

Source: Legislative Services Office analysis using information provided by the University of Wyoming

*Reduced by \$2,457,809.00 because transfers related to the Agriculture federal funds were excluded from the analysis.

** The total budget was adjusted to reflect the funds that were excluded from the College of Agriculture.

There are two significant limitations in using the budget transfer information from the above analysis to quantify how budget transfers may have altered the budgeted amounts established at the beginning of each year. First, there are some accounts, such as the Institutional Excellence Account (20065), discussed below, that are specifically designed to distribute funds to different divisions to meet programmatic priorities through budget transfers. Therefore, as these accounts intentionally use transfers as a part of the budgeting process, some transfers between divisions may be considered routine and do not necessarily circumvent the established budgeted amounts.

Second, according to University officials, while budgets are established for the twenty-seven (27) separate divisions, some divisions could be combined, resulting in 11 total aggregated-divisions, to run special financial analyses. Specifically, University officials state that divisions under the 200 and 400 division codes functionally could be combined into two broad divisions of Academic Affairs and Administration, respectively. For example, all the Colleges are viewed by the University effectively as subdivisions of Academic Affairs (200). Similarly, the Division of Human Resources (440) is viewed by the University as a subdivision of Administration (400). When examining the amount of budget transfers from this broader, aggregated-division perspective, in FY2013, \$15,463,035, or 32% of the budget transfers were made between different aggregated-divisions, and \$32,695,064, or 68% of the budget transfers, were internal within the same aggregated-division. Consideration of the aggregated-division perspective illustrates a potential decrease in the percentage of budget transfers to different divisions from 9% (under the analysis shown in Table N.1) to approximately 6% of total budgeted funds.

Transfers Related to Central Accounts

Budget transfers into and out of central accounts are intentional because of current budgeting and accounting processes at the University. The University uses central accounts for a variety of purposes and functional needs, including keeping funds in anticipation of disbursement toward traditional programs, (e.g. summer school) as well as for unanticipated events (e.g. position vacancies). Tables N.2 and N.4 and accompanying explanations on the following pages summarize these two different circumstances. In FY2013, \$22,228,797, or approximately half of the budget transfers at the University, flows through accounts where funds are centrally held.

In some instances, central accounts are budgeted depository accounts with the intended function of distributing funds throughout the year using budget transfers. In these instances, the resulting

budget transfers may not alter the intent of the budgeted amounts established by the University's administration. Listed in Table N.2, next page, is the sum of budget transfers into and out of central accounts, totaling \$9,967,087, or 21% of all transferred funds, which were identified as likely functional or routine in nature and appear not to alter the University's budget.

Table N.2
FY2013 Central (Functional) Accounts Budget Transfers That May Not Alter University's Budget

Account	FY2013 Transfer Amount	Purpose of Account
Instructional Excellence Account (20065)	\$399,750.00*	Generally budgeted funds to be disbursed at the discretion of Academic Affairs to support the Colleges.
Contingency Reserve Account (20043)	\$1,781,200.00	Holding account for reallocated funds until distribution decisions are made. The full transferred amount was budgeted in FY2013.
Employer Paid Benefits	\$600,000.00	Multiple employer paid benefit accounts are established and assigned to various divisions. \$600,000 in budget transfers were made from one employer paid benefit account to another.
Miscellaneous Scholarship Account (12065)	\$435,446.00**	Central account used to process scholarships through the Financial Aid Office.
A&S Summer School Account (12118)	\$875,140.00***	Central budgeted account for the College of Arts and Sciences summer school programs.
Agriculture Summer School Account (15211)	\$58,536.00***	Central budgeted account for the College of Agriculture summer school programs.
Academic Affairs Summer Session Account (12243)	\$1,346,910.07****	Central account used to disburse summer school tuition revenues. Only \$217,325 was budgeted for the Academic Affairs Summer Session Account (12243).
Graduate School Allocation Account (17159)	\$4,470,104.50	Central budgeted account within the Division of Student Affairs used to hold funds for graduate assistants to be disbursed on a needs basis. \$4,170,231 in disbursed funds and \$299,873.50 in returned funds or transfers from the Graduate Assistant-Reserve Account (12272).
<i>Total</i>	<i>\$9,967,086.57</i>	

Source: Legislative Service Office analysis of the FY2013 budget transfer spreadsheet provided by the University of Wyoming.

*Does not include the \$261,552 transfer from the University Vacancy Savings Account or the \$700,000 transfer from the Budget reallocation Account, which are included in Table N.4.

**Does not include the \$279,238 transfer to the Budget Transfer Reserve Account since it is included in Table N.4.

***Does not include transfers from Academic Affairs Summer School Account for summer school tuition distribution since they are included elsewhere in this table. Does not include transfers to non-summer school accounts.

****Does not include transfers to non-summer school accounts.

For additional context, it is pertinent to consider the relationship between transfers across different divisions (approximately \$22.3 million in Table N.1), which may imply deviation from established budget plans, and transfers across different divisions *through* the central accounts (approximately \$10 million in Table N.2), which may show functional or routine transfers that

do fall within the University’s established budget plans. For example, if transfers made across different budgeted divisions may be classified as transfers through the central (functional) accounts, then those transfers may logically be excluded from the cross-division analysis. The identified transfers likely represent a practical need to perform a regular or consistent function for the University.

Following that rationale, of the \$9,967,087 in budget transfers through the central accounts listed in Table N.2, 68% are transfers between different budgeted divisions and 52% are transfers between different aggregated-divisions (alternative perspective offered by the University). Therefore, when the transfers through the central accounts included in Table N.2 are excluded from the transfer analysis outlined in Table N.1, the amount of transfers between different divisions total \$15,480,009 for budgeted divisions and \$10,313,006 for aggregated-divisions as shown in Table N.3 below. This decreases the percentage of budget transfers to different divisions to 6% for budgeted divisions and 4% for the aggregated-divisions. These adjusted totals and percentages more clearly indicate transfers across the University’s budgeted divisions, which ultimately may *not* be interpreted as functional or routine in nature.

**Table N.3
Transfers between Different Divisions and Central (Functional) Accounts**

Transfers	Budgeted Divisions		Aggregated-Divisions	
	Amount	% of Budget	Amount	% of Budget
Transfers between different divisions	\$22.3 M	9%	\$15.5 M	6%
Transfers between different divisions for Central (Functional) Accounts	\$6.8	3%	\$5.2 M	2%
Total transfers between different divisions – excluding central (functional) accounts	\$15.5 M	6%	\$10.3 M	4%

Source: Legislative Service Office analysis of the FY2013 budget transfer spreadsheet provided by the University of Wyoming.

The University also uses central accounts as holding accounts to accumulate funds until redistribution decisions are made. In these instances, the resulting budget transfers may alter the University’s planned budget; these accounts do not appear to have a clear or direct functional purpose similar to the accounts in Table N.2. However, the decisions to alter the budget through redistribution of funds from these central accounts are made at a higher administrative level, such as a vice president or dean of a division or the president of the University.

Listed in Table N.4 below is the sum of budget transfers into and out of central accounts, totaling \$12,261,710, or 25% of the all transfers, in which the budget transfers appear to alter established budgeted amounts.

**Table N.4
FY2013 Central (Holding) Accounts Budget Transfers That May Alter University’s Budget**

Account	FY2013 Transfer Amount	Purpose of Account
Budget Transfer	\$5,327,296.00*	Non-budgeted holding account used in FY2013 to accumulate

Account	FY2013 Transfer Amount	Purpose of Account
Reserve Account (12431)		funds needed for expected budget reduction. \$4.4 million was transferred into the account for budget reductions, \$1.5 in unneeded reduction funds returned to the divisions.
Admin Central Salary Management Account (19367)	\$1,211,600.00	Holding account used to collect excess salary funds from vacated non-academic positions. \$387,006 transferred into the account, and \$824,594 (\$80,188 to Vacancy Savings Account and \$744,406 to the Budget Reallocation Account) transferred out of the account.
Central Position Management Account (16645)	\$2,025,392.95****	Non-budgeted holding account used to collect excess salary funds from vacated academic positions. \$1,277,121 transferred into account, and \$748,272 transferred out of the account to academic divisions.
University Vacancy Savings Account (19833)	\$1,919,294.00**	Non-budgeted holding account for funds from eliminated positions. \$261,552 transferred into the Instructional Excellence account, and \$732,291 transferred into the Budget Reallocation Account.
Budget Reallocation Account (16855)	\$1,778,127.28***	Central account used by the President to fund various priorities at his discretion. \$2,226,697 transferred into the account from the University Contingency Reserve Account; VP Administration Account; Admin Central Salary Management Account; the Budget Transfer Reserve Account; and, University Vacancy Savings Account. \$1,678,127.28 transferred out to various accounts, of which \$700,000, transferred to the Instructional Excellence Account.
<i>Total</i>	<i>\$12,261,710.23</i>	

Source: Legislative Service Office analysis of the FY2013 budget transfer spreadsheet provided by the University of Wyoming.

*Does not include \$500,000 transfer from the Contingency Reserve Account since it is included in Table N.2. Also does not include the \$300,000 transfer to the Division of Athletics as no funds were transferred into the account from the Division of Athletics.

**Does not include \$80,188 transfer from the Admin Central Salary Management account as it is included elsewhere in this table.

***Does not include \$2,126,697 in transfers from the University Contingency Reserve Account (\$500,000), Admin Central Salary Management Account (\$744,406), Budget Transfer Reserve Account (\$150,000), and University Vacancy Savings Account (\$732,291) as these transfers are included elsewhere in this table or Table N.2. Includes the \$700,000 transfer to the Instructional Excellence Account.

****Does not include intra-account transfers.

Budget Transfers by Individual Transfer Amounts

Review of budget transfers by amount or size provides some insight into the purpose of the transfer. For example, very small transfer amounts, such as \$0.06, may be representative of budget balancing. The size of the budget transfer also provides some insight into the authority level of the person making the transfer. For example, a department head has access to a smaller budget from which funds are transferred as compared to a vice president of a division who has access to a much larger budget. Therefore, of budget transfers that appear to alter the University's intended budget plan, logically, the larger the transfer amount the more likely it is that the authority to modify the budget comes from a higher-level employee at the University. Listed in Table N.5 are the number and amount of budget transfers separated into five (5) range categories. In FY2013, 93% of the total number of budget transfers was \$50,000 or less. However, 54% of the total transferred funds is for budget transfers above \$100,000.

**Table N.5
FY2013 Budget Transfers by Amount**

Amount	Count	Count %	Sum	Sum %
Up to \$500	462	21.14%	\$96,826.52	0.20%
Up to \$2,500	485	22.20%	\$664,248.45	1.38%
Up to \$50,000	1,084	49.61%	\$15,530,731.62	32.25%
Up to \$100,000	85	3.89%	\$6,045,417.89	12.55%
Above \$100,000	69	3.16%	\$25,820,874.01	53.62%
Total	2,185	100.00%	\$48,158,098.49	100.00%

Source: Legislative Service Office analysis of the FY2013 budget transfer spreadsheet provided by the University of Wyoming.

Budget Transfers by Budget Category

To some extent, review of budget transfers by budget category provides additional insight as to whether transfers alter budget plans. For example, funds transferred within the Personal Services categories may minimally modify the intended use of budgeted funds. Whereas budget transfers from Personal Services to Support Services may more substantially alter budgeting efforts.

Table N.6 lists aggregated transfer amounts by budget category. For example, \$7,340,810 was transferred from Personal Services to Support Services and \$6,090,116 was transferred from Support Services to Personal Services, for a total of \$13,430,926, or 28% of transferred funds. Aside from transfers between Personal and Support Services, the majority of budget transfers, 70% or \$33,753,423, are funds moved within the same budget category (highlighted in the table). See Table 10.3 of the report for the net change in transfers for each budget category.

**Table N.6
FY2013 Transfers between Budget Categories**

Received→ Sent ↓	Personal Services	Grant & Aid Payments	Non-operating	Support Services	Total	
					Sum	%
Personal Services	\$17,675,980.36	\$125,211.69	\$0.00	\$7,340,810.28	\$25,142,002.33	52%
EPB	849,368.86	0.00	0.00	35,559.01	884,927.87	2%
Full-time	6,100,027.13	2,000.00	0.00	2,894,716.43	8,996,743.56	19%
Grad. Assist.	5,336,240.78	106,525.54	0.00	344,797.34	5,787,563.66	12%
Overtime	5,478.55	0.00	0.00	797.49	6,276.04	<1%
Part-time	5,384,865.04	16,686.15	0.00	4,064,940.01	9,466,491.20	20%
Grant and Aid Payments	10,974.19	5,646,001.98	0.00	129,741.86	5,786,718.03	12%
Non-operating	0.00	0.00	106,474.00	0.00	106,474.00	<1%
Support Services	6,090,115.97	590,067.14	0.00	10,324,966.60	17,005,149.71	35%
Grand Total	\$23,777,070.52*	\$6,361,280.81	\$106,474.00	\$17,795,518.74	\$48,040,344.07*	100%

Source: Legislative Service Office analysis of the FY2013 budget transfer spreadsheet provided by the University of Wyoming.

*Excludes transfers for Journal IDs 1162231 and 1163208, which could not be aligned to match the sending and receiving budget categories. The total amount excluded is \$117,754.42.

Conclusion

While no single analysis of the budget transfers definitively answers the questions posed by the Committee, the combination of the four (4) analyses above provides greater understanding of the practical use of budget transfers at the University.

Review of transfers through the identified central accounts, which cover about half of the budget transfers, provides the greatest insight into the amount of transfers that appear to be routine or functional in nature. However, the amount transferred through the central accounts is split in terms of transfers that may or may not alter the budgeted amounts established by the University's administration.

Other analyses, such as transfers between different divisions and transfers between budget categories, could be used to gauge the amount of funds reallocated for a purpose other than that which it was originally budgeted. In review of these two analyses, there are three important points to consider. First, while 19% of the total FY2013 Section I budget was reallocated through budget transfers, between 4% and 9% represents transfers between different divisions depending on if budgeted or aggregated-divisions are considered and functional transfers through central accounts are excluded. Second, the majority of budget transfers, or 70%, is made within the same budget categories. Third, 30% or approximately \$14 million of transfers are between different budget categories, yet the net change in funds among all categories is about \$1.38 million.

Finally, there did not appear to be a formal approval process of budget transfers. However, it may be reasonable to assume that when budget transfers alter established budgeted amounts set by the University's administration, the decisions to do so would be made by high-level employees including vice presidents, deans, and the president of the University. This observation was demonstrated by review of budget transfers through central accounts as well as the significant, individual amounts transferred at \$100,000 or more.



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