

STATE OF WYOMING

STATE AUDITOR'S OFFICE

Agency 003



ANNUAL REPORT

FY 2022

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STATE AUDITOR

Wyoming Annual Report
FY 2022

General Information

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Statutory References

W.S. 9-1-402 – W.S. 9-1-408 - state auditor, general duties.
W.S. 9-1-403 – Annual Financial Report
W.S. 9-1-415 – Collection of debts due the state; discharge of uncollectible debts.
W.S. 9-1-417 – Interfund loans; repayment; maximum amount.
W.S. 9-2-1005 – Payment of warrants; budget powers of governor; agency budgets; federal funds; new employees.
W.S. 9-2-1008 – Unexpended, unobligated funds to lapse or be carried over; duty of auditor; reporting.
W.S. 9-2-1009 – Non-appropriated revenues to be transferred by auditor upon lapse, conversion or otherwise becoming state property.
W.S. 9-4-103 – Account of expenditures; public inspection; vouchers for allowances.
W.S. 9-4-105 – Cancellation of unpaid state warrants.
W.S. 9-4-107 – Balancing of accounts.
W.S. 9-4-204 – Funds established; use thereof.
W.S. 9-4-207 – Disposition of unexpended appropriations.
W.S. 9-4-214 – Control and budgetary accounts; uniform accounting systems.
W.S. 9-4-217 – Uniform state accounting system.

Contribution to Wyoming Quality of Life

The State Auditor (Auditor) is an elected official and is Wyoming's comptroller, chief accountant, official custodian of accounting records and accounts, chief fiscal control officer, and state payroll officer. W.S. 9-1-402. Design and maintenance of the state's uniform electronic accounting system (electronic accounting system), which tracks the state's revenue, budget, and expenditure transactions, is the Auditor's responsibility. W.S. 9-4-217. Additionally, the State Auditor's Office (SAO) prepares Wyoming's annual financial report known as the annual comprehensive financial report (ACFR). W.S. 9-1-403(a)(v).

The SAO contributes to Wyoming's quality of life by accounting for and tracking state monies, ensuring the state's financial obligations are paid, and preparing the state's financial records. The Auditor is statutorily required to implement internal controls necessary to assure assets are properly safeguarded, accounting entries are accurate and reliable, and assets and resources are being utilized consistent with the requirements of law. W.S. 9-4-217. The SAO helps ensure Wyoming state government is a responsible steward of state assets and that the government effectively responds to the needs of residents and guests.

Basic Information

The SAO has 23 authorized full-time positions. In FY2023, the SAO anticipates eliminating up to one (1) lower level accounting position as this position may no longer be needed due to efficiencies achieved through the electronic accounting system upgrade and consolidation of the fiscal and payroll divisions.

Clients Served

The SAO serves Wyoming residents, vendors doing business with the state, State of Wyoming employees, and approximately 90 state agencies.

Budget Information

The SAO's budget for the 2023-2024 biennium is \$15,179,344.00 and is 100% general fund. This biennial budget will increase to approximately \$15,539,768 due to legislatively directed salary increases (House Bill 0001, Section 319) and state officials salary increases (House Bill 0096, Section 1).

Primary Responsibilities

The SAO's primary responsibilities include (1) accounting for and tracking state monies, (2) ensuring the state's financial obligations are paid, and (3) preparing the state's financial records.

Four divisions support the SAO: (1) Administration, (2) Fiscal, (3) Accounting, and (4) Technology.

Administration: The administration division is responsible for monitoring contracts that support the state's electronic accounting system, coordinating training for state agencies, responding to public records requests, and supporting the State Auditor in her statutorily required duties (e.g. participation on the State Loan and Investment Board).

Fiscal: The fiscal division is responsible for vendor management and supporting major components of the state's electronic accounting system, specifically the Wyoming Online Financial System (WOLFS) and Human Resource Management (HRM). This division enrolls and maintains vendors in the electronic accounting system (so vendors can receive payment through WOLFS for goods and services provided to the state) and reconciles all warrants and electronic funds transfer (EFT) transactions made to vendors.

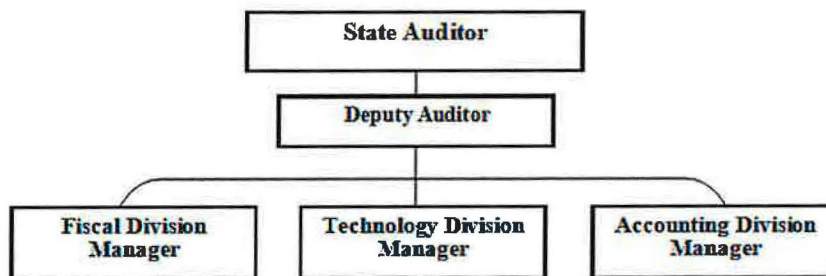
Additionally, this division maintains and supports the development of reports within the system. The reporting component of the system is called infoAdvantage®. Reports generated in infoAdvantage® are used by state agencies to review and analyze financial data. The fiscal division is responsible for supporting the state's purchasing card (P-Card) program, delivering fiscal training, performing federal tax reporting functions (e.g. issuing 1099s to vendors) and operating a helpdesk.

In 2022, the SAO consolidated the payroll and fiscal divisions. The fiscal division is now responsible for supporting and processing the state's payroll, tracking employee time and attendance and providing state employees access to self-service resources. Additionally, the fiscal division completes payroll reporting, provides payroll support to state agencies, reports and deposits federal taxes (941s and 945s), issues federal tax reports (W-2s and 1095s) and processes child support, garnishments and employee benefit provider payments. The division also supports payroll reporting in infoAdvantage®, develops and delivers payroll training and operates a helpdesk.

Technology: The technology division (or technical division) is responsible for the technical support of the state's electronic accounting system. This division creates and maintains custom code for specific jobs and procedures, monitors batch processing, prints paper warrants, generates electronic payments and tax reporting, monitors system operations, tests and certifies interfaces and loads payment request files and time card files. Additionally, this division is responsible for the development and maintenance of websites and support of the transparency platform, WyOpen.

Accounting: The accounting division is responsible for preparation, compilation and publication of the Annual Comprehensive Financial Report (ACFR) and serves as the main contact for the annual external state audit. This division maintains the state's fiscal accounts along with the legal appropriation budget (authority to spend) within the state's electronic accounting system. Additionally, the accounting division tracks all non-obligated general fund reversions, maintains fixed asset reporting and monitors state agency internal controls through the administration of a pre-audit process. The accounting division also provides fiscal and budget training to state agency staff.

Wyoming State Auditor's Office Organizational Chart



Electronic Accounting System: In order to account for and track state monies the SAO must maintain an electronic accounting system, ensure state agency users know how to use the system and provide public access to non-confidential transactions made in the electronic accounting system. The SAO contracts with CGI Technologies for use of their Advantage ERP® software to operate and host the electronic accounting system. All branches of government and state agencies use the system either through direct entry or through system interfaces. In 2021, the SAO amended the CGI contract to include an upgrade of the current system. The new version of the software (Advantage 4) will launch in March, 2023.

As mentioned above, the electronic accounting system consists of three major components: WOLFS, HRM, and infoAdvantage®. There are 729 WOLFS users, 292 HRM users and 582 infoAdvantage® users and some users may have access to multiple components. The SAO maintains the security and workflow for user access into the secure system. The SAO tracks fund balances and cash balances and reconciles to the State Treasurer's account balances.

Performance Highlights and Accomplishments

The information listed below summarizes results and outcomes achieved by the SAO between July 1, 2021 and June 30, 2022. The summarization lists SAO performance measures, highlighting accomplishments achieved under each measure.

1. Availability and reliability of the electronic accounting system (Performance Measure #1)

- a. Sub-measure: Percentage of time the electronic accounting system applications (WOLFS, HRM and infoAdvantage®) are available to users.** The WOLFS system was available to users from 6:30 a.m. to 6:30 p.m. Monday through Friday and on weekends from 6:30 a.m. to 10:00 p.m., except for monthly cycle work and system maintenance. The SAO was able to complete routine annual fiscal year-end close processing in July 2022 without any system downtime or impact to users. Year-end work was completed over a weekend by the Technology Division. Accessibility to WOLFS was available to users 99.94% of the planned schedule during FY2022. The HRM system was available from 6:30 a.m. to 8:00 p.m. Monday through Friday and on weekends for the same time. When the monthly HRM pay cycle is processing, the system is unavailable to users for three working days each month. The HRM system was available 99.89% of the planned schedule during FY2022. The infoAdvantage® system was available to users from 6:30 a.m. to 6:30 p.m. Monday through Friday and on weekends from 6:30 a.m. to 10:00 p.m., except for monthly cycle work and system maintenance. The infoAdvantage® system was available 100% of the planned schedule during the FY2022. ESS and MSS was available to users twenty-four hours, seven days a week except for database refreshment cycles, during system maintenance weekends and for each monthly HRM pay cycle.
- b. Sub-measure: The number and dollar amount of vendor payments processed annually.** Between July 2021 and June 2022, the SAO processed \$7.2 billion in payments on behalf of the State of Wyoming. This consisted of 250,165 electronic payments totaling \$5,128,349,955 and 175,555 warrants (paper checks) totaling \$2,096,172,656.
- c. Sub-measure: The number and dollar amount of payroll records processed annually.** Between July 2021 and June 2022, the SAO processed payroll payments to approximately 8,941 unique employees for total of \$368 million; 98.48% by electronic payment and 1.52% by warrant.
- d. Sub-measure: The number of electronic accounting system and other technology enhancements deployed to improve system functionality, user experience, and transparency.**
 - i.** In May 2020, the SAO piloted and then implemented a low-cost ticketing system to track helpdesk tickets. The new ticketing system is now being used by all divisions within the agency to ensure that agencies and system users receive timely and accurate response. The SAO developed and implemented three (3) primary ticketing metrics in FY2022: (1) ticket volume; (2) response time; and (3) resolution time. Tickets that remain open for over 30 days are escalated and reviewed by the deputy auditor. In FY2022, the SAO received and processed approximately 26,281 tickets between all divisions and a majority of tickets were

responded to within the same day (in under 4 hours) and resolved in under 10 hours.

- ii. The SAO continued to evaluate, clean-up and modernize expenditure coding within the chart of accounts. In May 2022, the SAO published a new listing of expenditure and revenue codes.
 - iii. In FY2022, the SAO amended the existing contract with CGI to include a no-cost upgrade from the current 3.11 version to Advantage 4.0. The new version will go-live with Advantage 4.0 in March, 2023. As part of the upgrade project, a steering committee was organized in January, 2022 and meets monthly. The steering committee was formed to provide updates and gather input from key stakeholders about the status of the upgrade project. Three subcommittees report to the steering committee: (1) configuration and training; (2) communication and outreach; and (3) technical. A general project plan, including separate training, testing and communication subplans are being implemented as part of the upgrade. Integrated system testing (IST) was completed in June, 2022 and user acceptance testing (UAT) will begin in August, 2022. Upgrading the uniform electronic accounting system to Advantage 4.0 will provide users with a new, intuitive and modern interface and added functionality.
 - iv. In FY2022, the SAO, in collaboration with CGI, provided demonstrations to the Wyoming Department of Education on a "grants module" and the Wyoming State Budget Department and Legislative Service Office on a "budget module." The SAO continues to explore new functionality that could assist the State of Wyoming in identifying and achieving efficiencies. After the upgrade in March, 2023 has been completed, the SAO plans to identify and implement at least two (2) new system modules, components or functions each year.
- e. **Sub-measure: The number of interfaces developed and successfully operating to automatically process payment documents received from agencies.** Between July 2021 and June 2022, the technical division completed 9 unique payroll interfaces and 39 unique WOLFS interfaces, excluding temporary Coronavirus Aid, Relief, and Economic Security (CARES) Act, Emergency Rental Assistance Program (ERAP), Homeowners Assistance Fund (HAF) and American Rescue Plan Act (ARPA) interfaces. The influx of federal ERAP, HAF and ARPA funds has significantly impacted the SAO and other state agencies and the SAO has created temporary and custom interfaces to support some of these programs.

2. **A well-informed, trained, and supported user base of the electronic accounting system (Performance Measure #2)**

The SAO continues to operate a comprehensive training program and has continued to expand and develop trainings through June 2022. The SAO primarily offered virtual trainings in FY2022 with some small in-person trainings.

- a. **Sub-measure: The average number of attendees at each training.**
 - i. The average number of registered attendees per training is 9.
- b. **Sub-measure: The number and variety of trainings developed and delivered to users.**
 - i. The SAO staff conducted a total of 91 training classes to over 30 agencies and 845 unique individuals.
 - ii. The fiscal division conducted a total of 34 classes that included WOLFS Navigation, General Accounting Expenditures, Vendor Management, WOLFS

infoAdvantage®, Stop Payments, Procurement Documents, Do This, Not That: Modifications, Cancellations and Corrections, Refunds and Revenue and Paying Encumbrances.

- iii. The accounting division conducted 34 classes on Fixed Assets, Object and Sub-Object Expenditure Coding, Schedule of Expenditures of Federal Awards, Introduction to Budget, Intermediate Budget, Advanced Budget, Internal Exchange Transactions, Travel Reimbursements, Reversions, Write-Off Training and Agency Year-End Training. Agency Year-End Trainings help prepare agencies for what will be reported in the Annual Comprehensive Financial Report (ACFR).
- iv. The payroll division conducted 23 varying classes from ESS Navigation and Timesheet Lifecycle, MSS Supervisor's Perspective, Navigation and Introduction to Payroll, Payroll infoAdvantage®, Payroll Survival and Advanced Payroll. The payroll division saw a decline in participants due to the statewide human resources consolidation.
- v. In FY2022, the SAO updated their training room with new learning stations in anticipation of providing additional in-person trainings and conducting UAT.
- vi. The SAO is currently working to develop a more advanced and structured training course targeting new state agency chief financial officers (CFO). This new CFO training will launch in July 2023.

- c. **Sub-measure: The number of superior ratings on training surveys completed by training attendees.** Satisfaction surveys are distributed at the end of every class. While completion of the survey is not required, the SAO received great feedback, including 257 superior ratings over the course of the year. Feedback is utilized to evaluate and alter class structure and content, as well as for employee development.

3. **Timely and accurate vendor and payroll payments (Performance Measure #3)**

- a. **Sub-measure: The number of days between the time when an agency requests a new vendor be added and becomes eligible to receive a payment in the WOLFS system.** The fiscal division averages one (1) day between the time a vendor document is submitted by the user in WOLFS (vendor requested) and the vendor is ready to be used by an agency (vendor document is approved). In FY2022, the division processed an average of 1,189 vendor additions and changes per month and approximately 5,589 new vendors were added to WOLFS. Over 900 of these new vendors were added as part of the ERAP program.
- b. **Sub-measure: The number and dollar amount of vendor payments processed timely.** In FY2022, the SAO processed \$7.2 billion in payments on behalf of the State of Wyoming. This total consisted of 425,720 vendor payments, 59% of which were distributed by electronic fund transfers and 41% distributed by warrants (paper checks).
- c. **Sub-measure: The number and dollar amount of payroll records processed timely.** The SAO made 127,744 payroll payments for the year, which is an average of 10,645 per month. Of those payments 98.48% were electronic and 1.52% were warrants (paper checks). The dollar total of these payments was \$367,985,456.

4. **Timely issuance of the Annual Comprehensive Financial Report (ACFR) with a clean audit opinion (Performance Measure #4)**

- a. **Sub-measure: The submission of the ACFR by December 31st of each calendar year.** The preliminary ACFR was completed by December 31, 2021. The fiscal year 2021 ACFR was dated May 31, 2022 and released on June 20, 2022. Delays in the receipt

of cash and investment information from the Wyoming State Treasurer's Office contributed to a significantly later 2021 ACFR issuance and release date.

- b. Sub-measure: The attainment of a certificate of achievement from the Government Finance Officers Association.** The SAO received their 25th achievement award for excellence in financial reporting, which is given by the Government Finance Officers Association (GFOA), for its June 30, 2020 ACFR. The GFOA Certificate of Achievement is the highest form of recognition in the area of governmental accounting and financial reporting and receipt of this award represents a significant accomplishment for the State of Wyoming. The state has submitted its June 30, 2021 ACFR for consideration as well.
 - c. Sub-measure: The successful implementation of Governmental Accounting Standards Boards requirements.** The accounting division continued implementation of several significant Governmental Accounting Standards Boards (GASB) requirements in FY2022, including GASB 84 (fiduciary activities) and GASB 87 (governmental leases). GASB 84 implementation has been completed and GASB 87 implementation is going well.
 - d. The SAO continues to encourage agencies, where appropriate, to utilize segregated accounts (like the FED account and 301 account) to assist with accurate ACFR reporting.**
- 5. Issuance of, and adherence to, strong internal controls and policies in order to protect state assets and records (Performance Measure #5)**
- a. Sub-measure: The number and dollar amount of transactions reviewed as part of the pre-audit process.** In FY2022, the accounting division requested and reviewed 2,125 individual transactions from 59 unique agencies, totaling \$16,116,530. Additionally, in an attempt to ensure the state will receive maximum COVID-19 related federal funding, the accounting division added COVID related expenses to their pre-audit process verifying the expenses are accurately reported. The accounting division reviewed 875 CARES Act transactions between July 1, 2021 through June 30, 2022 totaling \$11,987,111. Additionally, the payroll division piloted a payroll pre-audit process in 2021 and expanded this process in 2022. The process involves an examination of pay and leave events as well as verification of several payroll entries and processes entered by agencies. In FY2022, the payroll division audited 90 agencies to ensure proper payroll procedures and personnel rules were being followed. Through the monthly examinations, the payroll pre-audit was able to prevent several over and underpayments to employees as well as policy and procedural corrections within the agencies.
 - b. Sub-measure: The number of agencies using cost accounting to monitor and leverage the expenditure of federal funds.** There were 28 agencies that filed a federal Schedule of Expenditure of Federal Awards (SEFA) report in FY2022. Of those 28 agencies, 18, or 64%, are using cost accounting to track federal funds. An additional four agencies are using cost accounting to track various funding specific to their agency needs. The SAO continues to work closely with additional agencies in an effort to expand cost accounting throughout the state.
 - c. The SAO manages the state's purchasing card program, which provides state agencies access to credit cards to make various purchases. In FY2022, the SAO executed a new contract with the existing purchasing card contract with the vendor (UMB), which now requires additional monthly and annual reporting requirements which will assist in monitoring p-card expenditures. In FY2022, the State of Wyoming leveraged p-cards to make approximately \$18.7 million in expenditures. The SAO continually evaluates p-card policies and processes to ensure adherence to strong internal controls and processes.**

6. Promotion of transparency through readily available access to the state's financial information (Performance Measure #6)

- a. In July 2019, the technical division launched the transparency platform, WyOpen, and released a new version on July 15, 2021. The goal of the site is to post non-confidential payments online, i.e. the state's "checkbook". The site has seen steady traffic each year and received over 110,000 visits between July 1, 2021 and June 30, 2022 averaging approximately 9,169 hits per month. SAO technology staff created special sections on the website to provide additional transparency related to CARES Act and ARPA expenditures.

7. Support and assistance in the expenditure and reporting of federal stimulus funds (Performance Measure #7)

- a. The SAO continued to support agencies in operating and developing ARPA programs, specifically assisting with vendor enrollment, adding additional expenditure codes (for reporting), developing interfaces and making payments. For example, the SAO continued to support DFS in their operation of ERAP and helped with the launch of HAF in FY2022. In March, 2022 the legislature passed Senate File 66, *American Rescue Plan Act Recovery Funds Appropriations*, and will support agencies in the implementation of Senate File 66 programs and grants.
- b. The SAO assisted with the final federal reporting of CARES Act funds, submitting federally required reports in July 2020, October 2020, January 2021, April 2021, July 2021, October 2021, January 2022 and April 2022.

Conclusion

The State Auditor's Office has made significant achievements between July 1, 2021 through June 30, 2022. The SAO's primary focus for the next year will be the timely and accurate submission of the 2022 ACFR and successfully upgrading the accounting system to Advantage 4.0.