

# **STATE OF WYOMING**

## **STATE AUDITOR'S OFFICE**

**Agency 003**



## **ANNUAL REPORT**

**FY 2023**

**Prepared August 2023**

**KRISTI J. RACINES**

**STATE AUDITOR**

**Wyoming Annual Report**  
FY 2023

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Websites

[sao.wyo.gov](http://sao.wyo.gov)

[wyopen.gov](http://wyopen.gov)

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.  
W.S. 9-1-507 – Examination of books of state institutions, agencies and certain districts and entities; independent audit authorized; guidelines.

## 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 FY2024, the SAO anticipates eliminating one (1) lower level accounting position as this position may no longer be needed due to efficiencies achieved through the electronic accounting system upgrade.

## Clients Served

The SAO serves Wyoming residents, vendors doing business with the state, State of Wyoming employees, and approximately 91 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 \$16 million dollars due to legislatively directed salary increases (Senate File 0001, Section 319 (2022) and House Bill 0001, Section 329 (2023)) and state officials salary increases (House Bill 0096, Section 1 (2022)).

## 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.

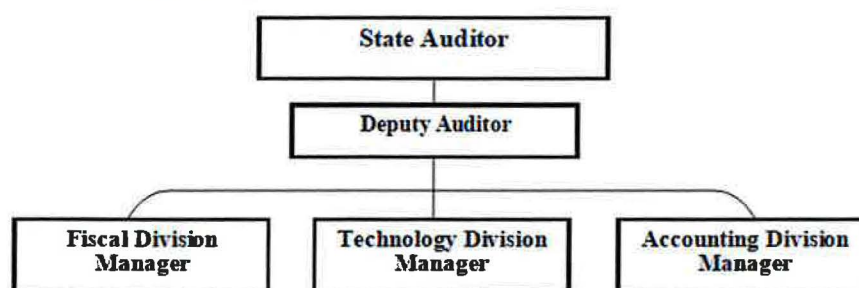
Additionally, this division maintains and supports the development of reports within the system. The reporting component of the system is called infoAdvantage®. Reports generated in infoAdvantage® are used by state agencies to review and analyze financial data. The fiscal division is responsible for 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.

The fiscal division is also 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.gov.

**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 April 2023, the SAO successfully upgraded the system from version 3.11 to Advantage 4.0 (ADV4).

As mentioned above, the electronic accounting system consists of three major components: WOLFS, HRM, and infoAdvantage®. There are 786 WOLFS users, 242 HRM users and 703 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 and participates in an external IT audit of the system each year. 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, 2022 and June 30, 2023. 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 system was unavailable March 30<sup>th</sup> through April 4<sup>th</sup> for the ADV4 upgrade. The SAO was able to complete routine annual fiscal year-end close processing in July 2023 without any system downtime or impact to users. Year-end work was completed over a weekend by the Technology Division. WOLFS was available to users 99.68% of the planned schedule during FY2023. 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 99.69% of the planned schedule during FY2023. 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 99.81% of the planned schedule during the FY2023. ESS and MSS were 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 2022 and June 2023, the SAO processed \$7.9 billion in payments on behalf of the State of Wyoming. This consisted of 263,416 electronic payments totaling \$5,308,437,830 and 179,302 warrants (paper checks) totaling \$2,564,146,875.
  - c. **Sub-measure: The number and dollar amount of payroll records processed annually.** Between July 2022 and June 2023, the SAO processed payroll payments to approximately 8,758 unique employees for a total of \$398 million; 98.49% by electronic payment and 1.51% 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. The SAO utilizes an electronic ticketing system to track end-user (helpdesk) questions and requests. The ticketing system is used by all divisions within the agency to ensure that agencies and system users receive timely and accurate responses. The SAO tracks three (3) primary ticketing metrics: (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 FY2023, the SAO received and processed approximately 27,473 tickets between all divisions and a majority of tickets were responded to (in under 3 hours) and resolved (in under 5 hours) on the same day. The SAO experienced an abnormally high volume of tickets during the ADV4 upgrade (e.g. 300 tickets were submitted on April 5, 2023). During the upgrade, SAO deployed additional resources and ticket

response and resolution times remained consistent (with response and resolution times occurring with 24 hours) during the transition to the new system.

- ii. The SAO continued to evaluate, clean-up and modernize expenditure coding within the chart of accounts. On July 3, 2023, the SAO published an updated 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 ADV4. The new version went live on April 5, 2023. The upgrade went very smooth with limited downtime and impact to end users. ADV4 has provided users with a new, intuitive and modern interface and added functionality. Additionally, the infoAdvantage system was upgraded to leverage the newest version of the SAS Business Intelligence Reporting Tool.
  - iv. The SAO continues to explore new functionality that could assist the State of Wyoming in identifying and achieving efficiencies. Now that the system has been upgraded and leverages the ADV4 platform, the SAO will receive new feature sets in April, August and November of each year. Each feature set will be evaluated and tested to identify new functionality that can be released to agencies – moving forward the SAO will consistently and routinely roll-out new features for agency utilization. Additionally, the SAO is working with CGI to “pilot” time clocks in several agencies; this pilot project will begin in October 2023.
- e. **Sub-measure: The number of interfaces developed and successfully operating to automatically process payment documents received from agencies.**
- i. Between July 2022 and June 2023, the technology division completed 11 unique payroll interfaces and 48 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. In FY2023, the influx of federal ERAP, HAF and ARPA funds continued to impact the SAO as the SAO had to create and operate temporary and custom interfaces to support these time limited programs. However, many of these programs are now winding down and will close upon the expiration of federal funds.
  - ii. In FY2023, several state agencies deployed new systems that required additional interface development, specifically, the Wyoming Administration and Information Department's "NeoGov" system, the Wyoming Department of Revenue, Liquor Division's "Liquor365" system and the Department of Health's "efilecabinet." The SAO is working closely with these agencies to ensure that these new systems interfaced seamlessly with the SAO's electronic accounting system. Additionally, as part of the ADV4 upgrade, the technology division implemented AdvantageConnect, a module within the system that allows vendor and payment interfaces to be efficiently uploaded, verified and processed. The technology division continues to work to modify and update existing agency interfaces (removing outdated code) and train agencies on how to use and leverage AdvantageConnect.

**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. The SAO continued to offer both in-person and virtual trainings in FY2023.

- 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 122 training classes to over 50 agencies and 1,074 unique individuals.
    - ii. The fiscal division conducted a total of 32 fiscal related classes that included WOLFS Navigation, General Accounting Expenditures, Vendor Management, Procurement Processes and Transactions, Refunds and Revenues, Paying Encumbrances and Business Intelligence.
    - iii. The accounting division conducted 24 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 fiscal division conducted 66 payroll related classes including ESS Navigation and Timesheet Lifecycle, MSS Supervisor's Perspective, Payroll Onboarding, Payroll Offboarding and Payroll Business Intelligence.
    - v. In addition to offering standard trainings, the fiscal division developed new user manuals and offered numerous ADV4 trainings throughout the year to help users transition to the upgraded electronic accounting system. Between July 1, 2022 and September 1, 2022, 12 "sneak peek" sessions were offered and 337 attendees participated. There were also 4 "sneak peek" sessions offered for InfoAdvantage and 133 participants attended. "Sneak peek" sessions included short demonstrations of the new ADV4 system and highlighted basic navigation through the new system.
    - vi. As part of the ADV upgrade, the fiscal division also sponsored and supported numerous user acceptance testing trainings and workshops. Between August 17, 2022 and December 8, 2022, there were 21 user acceptance testing sessions held for financial users and 16 sessions held for payroll users. A total of 242 users attended user acceptance testing.
    - vii. The SAO is continuing to work 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 2024.
  - 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 296 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: Timely processing of agency requests to add new vendors.** In FY2023, the fiscal division processed an average of 1,143 vendor additions and changes per month and approximately 5,481 new vendors were added to WOLFS. The SAO continues to monitor vendor management timeframes with a focus on reducing vendor enrollment timeframes while still maintaining critical controls to protect against vendor fraud. The SAO recently added additional controls related to vendor banking change requests.
  - b. **Sub-measure: The number and dollar amount of vendor payments processed timely.** In FY2023, the SAO processed \$7.9 billion in payments on behalf of the State of Wyoming. This total consisted of 263,416 vendor payments, 59% of which were

distributed by electronic fund transfers and 41% distributed by warrants (paper checks). SAO processed significantly less individual vendor payments in FY2023 as compared to FY2022 which coincides with the phase out and discontinuation of several federal pandemic related programs, like ERAP.

- c. **Sub-measure: The number and dollar amount of payroll records processed timely.** The SAO made 125,364 payroll payments for the year, which is an average of 10,447 per month. Of those payments 98.49% were electronic and 1.51% were warrants (paper checks). The dollar total of these payments was \$398,167,613.

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, 2022. The fiscal year 2022 ACFR was dated January 31, 2023 and released on February 27, 2023.
- b. **Sub-measure: The attainment of a certificate of achievement from the Government Finance Officers Association.** The SAO received their 26th achievement award for excellence in financial reporting, which is given by the Government Finance Officers Association (GFOA), for its June 30, 2021 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, 2022 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 FY2023, including GASB 87 (governmental leases) and GASB 96 (subscription-based information technology arrangements (SBITAs)). GASB 87 implementation has been completed and GASB 96 implementation is going well.
- d. **Sub-measure: Routine review of accounts and funds.** The SAO continues to encourage agencies, where appropriate, to utilize segregated accounts (like the FED, 301, and REV accounts) to assist with accurate ACFR reporting. Additionally, SAO performs routine reviews of "old" accounts and funds to determine whether or not dissolution or segregation is appropriate.

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 FY2023, the accounting division requested and reviewed 2,213 individual transactions from 65 unique agencies, totaling \$36,564,305. The accounting division reviewed 540 pandemic-related transactions between July 1, 2022 through June 30, 2023 totaling \$12,041,183 (e.g. American Rescue Plan Act). In January, 2023, the SAO updated statewide travel-related purchasing card policies. In order to ensure the new policies were being followed, the accounting division increased the number of travel-related expenditures reviewed as part of the routine pre-audit process. Additionally, the fiscal division automated several pre-audit payroll processes to verify accurate data is entered by agencies prior to each monthly payroll run. In FY2023, these automated processes and monthly payroll pre-audit examinations prevented multiple over and underpayments to employees and identified and corrected inconsistent policy and procedural application at the agency level. In FY2024, the fiscal division will continue to pre-audit payroll data to ensure complete and accurate payroll processing.



