

*Sheridan County School District #2*

# ***Board Meeting***



*Date: January 9, 2017*

*Time: 6:00 p.m.*

*Place: Central Office*

***Sheridan County School District #2***

**Board of Trustees Meeting**

Central Office – Board Room

January 9, 2017

6:00 p.m.

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**Agenda**

- I. Call to Order**
  - A. Pledge of Allegiance
- II. Recognition**
  - A. National Title I Distinguished School, Woodland Park - Mitch Craft
  - B. Gatorade Player of the Year, Coy Steel - Don Julian
  - C. Assistant Coach of the Year, Jeff Mowry - Don Julian
  - D. Activities Director & Head Coach of the Year, Don Julian - Scott Stults
  - E. Phillips 66 Grant, Woodland Park - Paige Sanders
- III. Approval of Agenda**
- IV. Welcome – Audience Comments**
- V. Consent Agenda Items**
  - A. Approval of Board Meeting Minutes - December 5, 2016
  - B. Approval of Bills for Payment
- VI. Old Business**
  - A. Capital Construction Update (*Information*) - Craig Dougherty
  - B. Next Level Update (*Information*) - Mitch Craft
  - C. Approval of Policies (*Action*) - Traci Turk
- VII. New Business**
  - A. Audit Report for FY 2015-16 (*Action*) - Alexandra Wilkensen
  - B. Bus Vendor Purchase Authorization (*Action*) - Andrew Conrad
  - C. Fiscal Year 2016-2017 Grant Awards (*Information*) - Mitch Craft
- VIII. Reports and Communication**
  - A. Board of Trustees
    - 1. Board Reports
      - a. Board Committee Appointments (*Information*) - Ann Perkins
    - 2. Committee Reports
    - 3. Other
  - B. PTO/Parents/Students/Organizations
  - C. Site Administration and Staff
- IX. District Reports**
  - A. Superintendent
    - 1. Board Goal Updates (*Information*) - Craig Dougherty

**X. Executive Session**

A. Personnel Matters, W.S. 16-4-405(a)(ii)

B. To Consider or Receive any Information Classified as Confidential by Law, W.S. 16-4-405(a)(ix)

**XI. Adjournment**

**All agenda items address board goals. The goals are as follows:**

**Teaching and Learning**

**Resource Utilization**

**Leadership Capacity**

# ***Sheridan County School District No. 2***

## **Board of Trustees Regular Monthly Meeting December 5, 2016**

Ann Perkins, Chairman

Craig Dougherty, Superintendent

### **MINUTES OF MEETING**

#### **I. Call to Order**

The regular monthly meeting of the Board of Trustees of Sheridan County School District #2 was called to order at 6:00 p.m., Monday, December 5, 2016, in the Board Room at the Central Administration Office. Tony Wendtland served as Chairman Pro-Tem, and then, once elected, Ann Perkins served as the presiding officer. A quorum was determined to be present with the following attendees:

#### **Trustees:**

Ann Perkins, Chairman  
Tony Wendtland, Vice-Chairman  
Marva Craft, Clerk  
Wayne Schatz, Treasurer  
Terry Burgess  
Shane Rader  
Molly Steel  
Mike Sweeney  
Sue Wilson

#### **Administrators:**

Craig Dougherty, Superintendent  
Scott Stults, Assistant Superintendent  
Mitch Craft, Assistant Superintendent  
Roxie Taft, Business Manager  
Traci Turk, Director of Special Services  
Julie Carroll, Facilities Director  
Coree Kelly, Technology Director

#### **Absent:**

#### **Absent:**

#### **A. Pledge of Allegiance**

#### **B. Election of Board Officers (*Action*) - Ann Perkins**

The election of the 2016 Board Officers was held immediately following the Pledge of Allegiance. Pro-Tem Chairman Tony Wendtland asked for Chair nominations.

**TRUSTEE WENDTLAND NOMINATED TRUSTEE PERKINS AS CHAIRMAN.  
THERE BEING NO FURTHER NOMINATIONS, NOMINATIONS CLOSED AND  
VOTING PROCEEDED WITH TRUSTEE PERKINS BEING ELECTED  
UNANIMOUSLY.**

Chairman Perkins asked for Vice-Chair nominations.

**TRUSTEE CRAFT NOMINATED TRUSTEE WENDTLAND AS**

**VICE-CHAIRMAN. THERE BEING NO FURTHER NOMINATIONS, NOMINATIONS CLOSED AND VOTING PROCEEDED WITH TRUSTEE WENDLTAND BEING ELECTED UNANIMOUSLY.**

Chairman Perkins asked for Treasurer nominations.

**TRUSTEE STEEL NOMINATED TRUSTEE SCHATZ AS TREASURER. THERE BEING NO FURTHER NOMINATIONS, NOMINATIONS CLOSED. TRUSTEE SCHATZ WAS ELECTED TREASURER BY A UNANIMOUS VOTE.**

Chairman Perkins asked for Clerk nominations.

**TRUSTEE STEEL NOMINATED TRUSTEE CRAFT AS CLERK. THERE BEING NO FURTHER NOMINATIONS, NOMINATIONS CLOSED AND VOTING PROCEEDED WITH TRUSTEE CRAFT BEING ELECTED UNANIMOUSLY.**

## **II. Recognition**

### **A. WSBA Awards, Board of Trustees - Craig Dougherty**

Superintendent Craig Dougherty presented Wyoming School Boards Association awards to the Board of Trustees. He said that Trustee Hollis Hackman received the Award of Distinction Level II, which is given after the board member has earned 300 Board Certification Points. Mr. Dougherty said that Trustee Hackman has received his plaque. Mr. Dougherty said that the Board of Trustees received the 2016 Standard of Excellence Award, which is presented to a district when a majority of its current members have received or are eligible for the Certified Master Board Member Award. He thanked the Board for all of their time and effort. Mr. Dougherty said that Trustee Molly Steel was selected as the new Area 7 Director and he noted that she will do a great job in this role.

### **B. Wyoming Health & Adaptive PE Teachers of the Year - Brent Leibach**

Sheridan High School Principal Brent Leibach first congratulated and welcomed the new board members. He then presented Sheridan High School PE and health teachers Mark Elliott and Helen Grutkowski. Mr. Leibach said that Mr. Elliott received the Wyoming Adaptive PE Teacher of the Year. He said that Mr. Elliott had been teaching in this position for twenty years. Mr. Leibach described Mr. Elliott's teaching style, stating that Mr. Elliott believes that relationships are the most important factor in teaching. Mr. Leibach said that Mr. Elliott helps students get prepared for success and failure while cultivating self-confidence and a strong work ethic. Mr. Leibach then said that Ms. Grutkowski received the Wyoming Health and PE Teacher of the Year. He said that she has been teaching at the district for thirty-seven years. Mr. Leibach said that Ms. Grutkowski teaches students about life. He said that she treats them with respect and holds high expectations

that students do follow. Mr. Leibach congratulated them both and invited each of them to speak.

Mr. Elliot thanked the Board of Trustees for recognizing him. He credited his success to the students. He said that the student peers who work one-on-one with the adaptive students know the expectation that for thirty minutes the most important thing is their partner. Mr. Elliott said that he has seen many of his students take this relationship beyond the classroom and school into their adult life. Ms. Grutkowski expressed her joy and comfort teaching the health curriculum. She thanked and credited Mr. Weaver as her role model. Ms. Grutkowski thanked the Board of Trustees for their support and the memories she has been able to have as a teacher in the district.

Trustee Perkins congratulated both of them and thanked them for all of their hard work.

**C. 4A Football State Champions - Don Julian**

Activities Director Don Julian thanked the Board of Trustees for the opportunity to speak of Sheridan High School's accolades. He said that the high school football team won the state football championship for the second year in a row. Mr. Julian said that in 4A history this is the first time there has been a back-to-back champion since 2001 and 2002. He said that we are excited about that accomplishment.

**D. Fall Sports Update and Recognition - Don Julian**

Mr. Julian then discussed the fall sports and activities update. He presented the fall team GPAs and said that these GPAs are of students who are missing the most class. Mr. Julian said that these students work very hard, and these results add to the statement that students involved in extracurricular activities receive a grade level higher than students who are not. Mr. Julian presented the fall all-state numbers and said that we are still number one in the state for All-State Music. He said that in January the students will participate in the All-State music festival in Cody. Mr. Julian presented the individual state champions (the girls swimming 200 Medley Relay) and listed off a handful of new records, including Coy Steel, a senior football player, who broke the receiving yards record by 120 yards. He noted that the girls' swimming team is made up of underclassmen, so they will all be returning next year. Mr. Julian discussed team finishes at state and said that the boys' golf team was 4th place, the boys' tennis team took 2nd place, the girls' swim team took 3rd place, and the football team were the champions. Mr. Julian announces several special awards: Drew Boedecker and Coy Steel are nominees for Football Gatorade Player of the Year and Hayden Hastings has signed a letter of intent to wrestle at the University of Wyoming. Mr. Julian said that next year we may be the smallest 4A football team. He said that we can never have the mindset that we are "too small to compete".

Trustee Perkins thanked Mr. Julian for the report and his leadership.

**III. Approval of Agenda**

**TRUSTEE WENDLTAND MADE A MOTION TO APPROVE THE AGENDA, AS PRESENTED. TRUSTEE SCHATZ SECONDED THE MOTION, AND IT CARRIED WITH A UNANIMOUS VOTE.**

**IV. Welcome--Audience Comments**

**V. Consent Agenda Items**

**A. Approval of Board Meeting Minutes - November 7, 2016**

**B. Approval of Legislative Roundtable Meeting Minutes - November 10, 2016**

**C. Approval of Bills for Payment**

General Clearing	\$1,114,546.09
Federal Fund	\$137,520.71
<b>TOTAL:</b>	<b>\$1,252,066.80</b>

**TRUSTEE WILSON MADE A MOTION TO APPROVE THE CONSENT AGENDA ITEMS, AS PRESENTED. TRUSTEE CRAFT SECONDED THE MOTION, AND IT CARRIED WITH A UNANIMOUS VOTE.**

**VI. Old Business**

**A. Capital Construction Update (*Information*) – Craig Dougherty**

Superintendent Craig Dougherty said that we are discussing the next phase of projects and future planning. He said that the initial facility plan summary will be presented to the whole Board in February. Mr. Dougherty said that our facilities have been well taken care of and we hope to be able to continue this tradition. Mr. Dougherty reported that the district will meet with the Wyoming State Construction Division of School Facilities in March 2017.

Mr. Dougherty said that the John C. Schiffer Collaborative School remains unfunded. He said that Senator Burns will be the co-chairman for the Joint Appropriations Committee (JAC) in the upcoming legislative session and he has been a tremendous advocate for the collaborative school. Mr. Dougherty said that the Old Highland Park building is listed as number one on the Needs Index List. He said it was only meant to be a transition facility and something needs to be done. Mr. Dougherty reminded everyone that we have worked with Sheridan College, Sheridan District 1, 3, and Johnson County to prepare for the John C. Schiffer Collaborative School. He said that all of these entities would be involved with it.

Mr. Dougherty said that the district continues to work for long term solutions for drainage at Henry A. Coffeen. He said that we will bring bid award recommendations to the Board in upcoming meetings.

**B. Next Level Update (*Information*) – Mitch Craft**

Assistant Superintendent Mitch Craft gave an update on Next Level's efforts to build its brand and promote the work across the community. Mr. Craft said that the goal is for all Sheridan community members to recognize the brand and understand the work of Next Level. He said that when we view successful, existing organizations that have used Next Level, we find that in every case the partnerships had strong, professional brands that sustained community support. Mr. Craft said that we are being purposeful about this. Mr. Craft said that we have been working closely with Flood Marketing to create the brand for Next Level. He said that to help promote the brand, Next Level will be present at various high school athletic contests and activities as a sponsor. Prizes, such as shirts and hats, will be given out and there will be halftime contests for students. Mr. Craft said that Flood Marketing has also been promoting Next Level through social media outlets such as Facebook and Snapchat. He said that the Next Level brand had its own Snapchat geotag at the 2016 graduation. He said that they plan to use that again at large future events. Mr. Craft said that Flood Marketing has also visited with elementary principals to help build the Next Level brand within schools and to add a building specific theme to the brand. He said the next thought is to start naming events, and he gave the example: "Next Level brings you Parent/Teacher Conferences". Mr. Craft said that Next Level has been presenting at Public Pulse and other speaking events. He said that Next Level internships take place under business teacher Kathleen Pilch and the participating business receives a plaque with a picture and Next Level logo at the completion of the internship. Mr. Craft said that within our own staff the high school knows about Curt Mayer and his work, and the elementary staff know about the Parent Liaisons and their work, but the knowledge does not cross over. He explained that after Christmas break the administration would like to host five to ten minute faculty meetings that describe Next Level in its entirety and give ideas of how staff can be a part of Next Level.

**C. Approval of Policies (*Action*) - Traci Turk**

**FIRST READING**

Special Services Director Traci Turk reminded the Board of Trustees and audience of the process for policy approval. Mrs. Turk said that for Policy IHBAD - Free Appropriate Public Education (FAPE) the recommendation is to correct the wording to read that we serve students in Kindergarten through the age of 21 when needed.

**TRUSTEE CRAFT MADE A MOTION TO APPROVE POLICY IHBAD - FREE APPROPRIATE PUBLIC EDUCATION (FAPE), ON FIRST READING, AS PRESENTED. TRUSTEE SCHATZ SECONDED THE MOTION, AND IT CARRIED WITH A UNANIMOUS VOTE.**

Mrs. Turk said that for Policy IHBAD-P - Free Appropriate Public Education Procedures (FAPE) the recommendation is correct the wording to read that we serve students in Kindergarten through the age of 21 when needed.

**TRUSTEE WILSON MADE A MOTION TO APPROVE POLICY IHBAD-P - FREE APPROPRIATE PUBLIC EDUCATION (FAPE), ON FIRST READING, AS PRESENTED.**

Trustee Schatz asked if the grammar and punctuation will be corrected on the final, approved policy. Mrs. Turk said that her copy is corrected and she will make sure the final copy is as well.

**TRUSTEE WENDTLAND SECONDED THE MOTION, AND IT CARRIED WITH A UNANIMOUS VOTE.**

Mrs. Turk said that the Wyoming School Boards Association (WSBA) recommends a change to Policy JIE/JIG - Married or Pregnant Students. The recommendation from the WSBA is that students who are pregnant or have given birth are not required to provide medical records to no greater extent than any student.

**TRUSTEE WENDTLAND MADE A MOTION TO APPROVE POLICY JIE/JIG - MARRIED OR PREGNANT STUDENTS, ON FIRST READING, AS PRESENTED. TRUSTEE STEEL SECONDED THE MOTION, AND IT CARRIED WITH A UNANIMOUS VOTE.**

Mrs. Turk said that there are five policies for second reading. There have been no major changes since first reading with the exception of one punctuation mark.

**TRUSTEE STEEL MADE A MOTION TO APPROVE POLICY BGAA - SCHOOL POLICIES ADVISORY COUNCIL, POLICY IA - EDUCATIONAL PHILOSOPHY, MISSION STATEMENT AND GOALS, POLICY IHB - SPECIAL INSTRUCTIONAL PROGRAMS FOR DISABLED STUDENTS, POLICY IHBA-P - CHILD FIND, AND POLICY IHBAB-P - SPECIAL EDUCATION - CONFIDENTIALITY REQUIREMENTS ON SECOND READING, AS PRESENTED. TRUSTEE SCHATZ SECONDED THE MOTION AND IT CARRIED WITH A UNANIMOUS VOTE.**

## **VII. New Business**

### **A. Approve the Sale of Surplus Vehicles (*Action*) - Andrew Conrad**

Transportation Director Andrew Conrad said that he requested approval to receive bids on

two surplus vehicles at November's meeting. He reported that eleven bids were received for the 1984 GMC Pickup and seven bids were received for the 1971 Chevrolet Suburban. Mr. Conrad recommend that the board take action on the approval of sale of the following vehicles:

- 1984 GMC  $\frac{3}{4}$  Ton Pickup with Plow, VIN 522570 to Joel Bailey for a bid price of \$1,665.00.
- 1971 Chevrolet Suburban with Plow, VIN 610516 to Joel Bailey for a bid price of \$915.00.

**TRUSTEE BURGESS MADE A MOTION TO APPROVE THE SALE OF THE 1984 GMC  $\frac{3}{4}$  TON PICKUP WITH PLOW TO JOEL BAILEY FOR A PRICE OF \$1,665.00, AND THE 1971 CHEVROLET SUBURBAN WITH PLOW TO JOEL BAILEY FOR A PRICE OF \$915.00. TRUSTEE SCHATZ SECONDED THE MOTION, AND IT CARRIED WITH A UNANIMOUS VOTE.**

**B. Approval of Donation to the District (*Action*) - Craig Dougherty**

Superintendent Dougherty said that we appreciate Java Moon for donating a coffee card to every staff member in the district. He requested the Board of Trustees to take action to accept this generous donation.

**TRUSTEE STEEL MADE A MOTION TO ACKNOWLEDGE AND ACCEPT THE DONATION OF COFFEE CARDS FOR DISTRICT EMPLOYEES FROM JAVA MOON. TRUSTEE SCHATZ SECONDED THE MOTION, AND IT CARRIED WITH A UNANIMOUS VOTE.**

Trustee Wendtland thanked Teresa Rice and Java Moon for the generous donation.

**VIII. Reports and Communications**

**A. Board of Trustees**

**1. Board Reports**

Trustee Steel reminded the Board of Trustees of the upcoming WSBA training to be held in Casper on January 7th. She said that another training will be held in Riverton on January 14th if that date would work better. Trustee Steel encouraged everyone to attend.

Trustee Schatz said he has been working with the Henry A. Coffeen librarian, Sher Oakes, to restore the original building plaque. He said he has been working with TSP and high school industrial tech teacher Dan Miller. Trustee Schatz said that he is excited to get the plaque up again.

Trustee Wilson said that she would like to see the district administration discuss the upcoming budget picture with the entire district staff. She said even though we don't have the final numbers yet it would be smart to get their input. Trustee Wilson suggested holding a thirty minute presentation to share with the entire staff and then to receive any thoughts from the staff. Superintendent Craig Dougherty said that there is a Superintendent's Cabinet that has a representative from most buildings and this topic has been discussed there. He said that he agrees that a unified message needs to be shared with all staff and he added that as a district we are all in this together. Mr. Dougherty added that there might not be any concrete information until January or February, but we always do our best to keep our employees informed. Mr. Dougherty said that he believes we have one of the best districts in the country. He said that our model should be replicated and sustained by the state, and he said that he has a sense of urgency in protecting a district like ours. Mr. Dougherty said that he appreciated the feedback from Trustee Wilson. He said that we don't want to have any of our staff agitated or worried about what programs might be in jeopardy. He assured that the district will protect as many programs for our students as possible. Trustee Wilson reiterated that it is important to make sure we get the same message to everyone within the district.

Trustee Wendtland invited everyone to go to Sheridan College to view the Gollings painting collection. He said the paintings are being well taken care of and the college has done a very nice job displaying them.

Trustee Perkins reported that history teacher Tyson Emborg gave a presentation about the Gollings family and their history with the school district on November 20. She said that it was very interesting and he did a nice job. Trustee Perkins thanked Trustee Molly Steel for taking on the WSBA Area 7 Director position. She said that Trustee Steel was elected unanimously at the WSBA conference. Trustee Perkins said that National School Boards Association (NSBA) Annual Conference is scheduled for March 25 through March 27 and is being held in Denver, CO. She explained that due to budget constraints the district will send three board members and one administrator, which is Business Manager Roxie Taft this year.

## **2. Committee Reports**

Trustee Perkins asked that each trustee consider which committees they would like to serve on for the year. She asked that the trustees turn in their preferences to her in the next couple of weeks.

## **3. Other**

There were no other reports.

**B. PTO/Parents/Students/Organizations**

Trustee Craft said that she is the Director of the Theater Program at the high school and she announced that auditions for the spring play are being held on Friday, December 9 and Monday, December 12. She encouraged all students to consider coming to the auditions and said that new students are always welcome.

**C. Site/Administration/Staff**

There were no Site/Administration/Staff reports.

**IX. District Administration Reports**

**A. Superintendent**

Superintendent Dougherty congratulated Woodland Park Elementary for being named a National Title I Distinguished School. Mr. Dougherty said that to earn this title the school has to produce exemplary student learning results. He said that we will be celebrating this accomplishment at the January meeting. Mr. Dougherty reported that Reading Recovery Teacher Leader Jeff Williams visited our elementary schools last week. Mr. Dougherty said that Mr. Williams looked at our K-5 literacy focus. He said it was wonderful to have such a great teacher from a high performing school district. Mr. Dougherty thanked Activities Director Don Julian for his presentation on the fall sports. Mr. Dougherty said that the principals continue to work on collaboration with their building and with each other. He reported that they are reading the book "Learning by Doing" for their book study. Mr. Dougherty said that the district continues the process to enlighten other school districts around us. He said that Jackson was due to be here this week but had to cancel because of weather. He was assured that we will be rescheduling their visit. Mr. Dougherty said that the district will be presenting to the local legislators on Wednesday, December 7. Mr. Dougherty said that in light of the recent budget discussions the district will work to protect the programs we have developed. He said that our results speak for themselves and we need to demonstrate that every dollar given to us will produce strong results. Mr. Dougherty said that we believe that our district could provide the instruction and host both a teachers' and administrators' college. He said that he thinks that could be a source of revenue for our district. He continued by saying that we need to find a way to protect the programs and classrooms. Mr. Dougherty said that the next Superintendent's Cabinet meeting is next week and he said there is a representative from almost every building on the cabinet. He added that he plans to invite the Sheridan County Education Association (SCEA) to attend this next meeting. Mr. Dougherty expressed his frustration with the statewide budget discussions because he believes our district should be rewarded, not punished. He said that he is working to schedule more meetings with the Governor in Cheyenne. Mr. Dougherty said that Sheridan County School District #2 is forty-eight out of forty-eight in spending money on administration, and in receiving money from the state, and yet, we are at the top in all results. Mr. Dougherty said that the budget discussions will take place at every legislative meeting until it is solved.

**TRUSTEE WILSON MADE A MOTION TO GO INTO EXECUTIVE SESSION AT 7:02 P.M. TO TO CONSIDER PERSONNEL MATTERS PERTAINING TO THE APPOINTMENT AND/OR EMPLOYMENT OF SCHOOL DISTRICT EMPLOYEES, PURSUANT TO W.S. 16-4-405(a)(ii) AND TO CONSIDER OR RECEIVE ANY INFORMATION CLASSIFIED AS CONFIDENTIAL BY LAW, PURSUANT TO W.S. 16-4-405(a)(ix). TRUSTEE SCHATZ SECONDED THE MOTION, AND IT CARRIED WITH A UNANIMOUS VOTE.**

**X. Executive Session:**

The Board went into Executive Session at 7:05 p.m. to address personnel matters.

**TRUSTEE BURGESS MADE A MOTION TO RETURN TO REGULAR SESSION AT 7:47 P.M. TRUSTEE WILSON SECONDED THE MOTION, AND IT CARRIED WITH A UNANIMOUS VOTE.**

The meeting reconvened at 7:47 p.m.

**TRUSTEE SWEENEY MADE A MOTION TO APPROVE THE REVISED PERSONNEL ACTION REPORT, AS PRESENTED. TRUSTEE BURGESS SECONDED THE MOTION, AND IT CARRIED WITH A UNANIMOUS VOTE.**

**TRUSTEE WENDTLAND MADE A MOTION TO APPROVE THE AGREEMENT WITH PETERSON CONTRACTORS, INC. AND AUTHORIZE THE SUPERINTENDENT TO PROCEED WITH THE AGREEMENT. TRUSTEE WILSON SECONDED THE MOTION, AND IT CARRIED WITH A UNANIMOUS VOTE.**

**TRUSTEE WILSON MADE A MOTION TO APPROVE THE AGREEMENT WITH THEODORE BONNEMA AND AUTHORIZE THE SUPERINTENDENT TO PROCEED WITH THE AGREEMENT. TRUSTEE SCHATZ SECONDED THE MOTION, AND IT CARRIED WITH A UNANIMOUS VOTE.**

**XI. Adjournment:**

**TRUSTEE RADER MADE A MOTION TO ADJOURN THE MEETING AT 7:49 P.M. TRUSTEE SCHATZ SECONDED THE MOTION, AND IT CARRIED WITH A UNANIMOUS VOTE.**

The meeting adjourned at 7:49 p.m.

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Chairman

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Clerk

**SHERIDAN COUNTY SCHOOL DISTRICT NO. 2  
REVISED PERSONNEL ACTION REPORT  
December 5, 2016**

**PROFESSIONAL STAFF:**

**Resignations:**

Susan Schatz-Benson Sheridan High School	Assistant Activities Director-Fine Arts .20 FTE (185 days)	Effective 1/31/2017
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**CERTIFIED STAFF:**

**APPROVALS:**

Andee Marcure Sheridan Junior High School	Teacher-English-7th Grade 1.0 FTE (120 days)	Effective 11/28/2016
Cody O'Dea Henry A. Coffeen School	Teacher-Classic Kindergarten 1.0 FTE (TBD days)	Effective TBD

**Changes/Transfers:**

Katie Medill Sheridan Junior High School	Teacher-English 7th Grade to English 6th Grade (.40)/Instructional Facilitator (.60) 1.0 FTE (185 days)	Effective 11/28/2016
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**CLASSIFIED STAFF:**

**APPROVALS:**

Katelyn Corcoran Sagebrush School	Cook-Second 6.0 hours/day (177 days)	Effective 11/21/2016
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Michael Drennen District	Bus Driver-Rotator 2 - 4 hours/day (175 days)	Effective 12/01/2016
Trena Hamilton Sheridan High School	Paraprofessional-Special Education 1:2 7.0 hours/day (176 days)	Effective 12/05/2016
Hailey Knape Sheridan Junior High School	Paraprofessional-Special Education 1:3 7.0 hours/day (176 days)	Effective 12/06/2016

**Changes/Transfers:**

Amanda Hamilton Henry A. Coffeen School	Paraprofessional-General (3.0 hours/day)/ Paraprofessional-Title 1 (5.0 hours/day) to Secretary-Principal 8.0 hours/day (195 days)	Effective 11/9/2016
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**Resignations:**

Katy Bly Sagebrush School	Cook-Second 6.0 hours/day (177 days)	Effective 11/18/2016
Elizabeth Sherrill Henry A. Coffeen School	Custodian (5.0 hours/day)/Cook's Helper (3.0 hours/day) 261 days	Effective 11/22/2016

**Retirement:**

Raymond Olson Sheridan High School	Technician-Learning Center 8.0 hours/day	Effective 06/05/2017
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**EXTRA DUTY 2016-2017****Approvals:**

<u>Name</u>	<u>Position</u>
Wendy Vigil	Swimming-Boys Assistant Coach-Diving
Michael Thomas	Basketball - Boys - Grade 8 - B Coach

**Resignations:**

<u>Name</u>	<u>Position</u>
Rebecca Adsit	Department Chair-English-SJHS
Ryan Fuhrman	Basketball-Boy-8 Grade-B Coach-SJHS

**Changes:**

<u>Name</u>	<u>Position</u>
Andrea Rice	Basketball - Girls - 9th Grade A Coach
Haley King	Basketball - Girls - 9th Grade B Coach

**SAGEBRUSH AFTER SCHOOL YEAR PROGRAM STAFF 2016-2017**

<u>Name</u>	<u>Position</u>
Darcie Achord	Teacher
Tyler Igo	Paraprofessional

**SHERIDAN JUNIOR HIGH SCHOOL EXTENDED SCHOOL YEAR (ESY) PROGRAM STAFF 2016-2017**

<u>Name</u>	<u>Position</u>
Amy Andrews	Teacher
Sarah Menth	Paraprofessional

**HENRY A. COFFEEN SCHOOL EXTENDED SCHOOL YEAR (ESY) PROGRAM STAFF 2016-2017**

<u>Name</u>	<u>Position</u>
Jessica Anderson	Teacher

**HENRY A. COFFEEN SCHOOL BRIDGES SCHOOL PROGRAM STAFF 2016-2017**

<u>Name</u>	<u>Position</u>
Merredith Smith	Tutoring (Substitute)

**WOODLAND PARK SCHOOL BRIDGES SCHOOL PROGRAM STAFF  
2016-2017**

<b><u>Name</u></b>	<b><u>Position</u></b>
Morgan Mines	Teacher

**HIGHLAND PARK BRIDGES SCHOOL PROGRAM STAFF 2016-2017**

<b><u>Name</u></b>	<b><u>Position</u></b>
Keliayn McGee	Teacher (substitute)
Kristopher Mull	Teacher (substitute)



**Excellence and Accountability**

Craig Dougherty, Superintendent

Administrative Offices  
201 N. Connor, Suite 100  
P.O. Box 919  
Sheridan, WY 82801  
Phone: 307-674-7405  
Fax: 307-674-5041

DATE: January 4, 2017

TO: Board of Trustees

FROM: Craig Dougherty, Superintendent

SUBJ: **Capital Construction Update** *(Information)*

### **District Projects and Future Planning**

We have met with the Board Capital Construction Committee and are discussing the next phase of projects and future planning. Our facility plan meeting with the Wyoming State Construction Division of School Facilities is scheduled for March of 2017. During upcoming board meetings, summaries of our facilities plan will be presented.

### **Collaborative School**

As it stands now, the construction of the John C. Schiffer Collaborative School remains unfunded. At the December 15th JAC meeting, the roughly \$85 million of supplemental funding ([see attached](#)) remained intact. However, proposed legislation does not include the John C. Schiffer Collaborative School. The primary projects being recommended for funding in the supplemental budget are Carey JHS in Cheyenne and a new elementary school in Jackson. In addition to discussions of Capital Construction, the JAC discussed Major Maintenance (MM) funding. The JAC has recommended a study to determine how districts spend MM funds and how the School Construction Department reviews and approves those expenditures. Members also discussed the concern of only being able to maintain facilities for 25-30 years instead of the desired 50-70 years.

### **Henry A. Coffeen Drainage**

We are continuing to work towards long term solutions for drainage at Henry A. Coffeen (HAC) and will be bringing bid award recommendations to the Board in upcoming meetings. This will be funded through the State from project funds appropriated toward the construction of HAC.

### **SHS Projects - Auditorium**

We plan to schedule a Capital Construction Committee meeting to review potential updates to the SHS auditorium. We would like to specifically discuss high priority needs, such as lighting, sound, curtains, fly system, and storage, and how to proceed in the short term.

## HOUSE BILL NO. HB0058

School facilities appropriations.

Sponsored by: Joint Appropriations Committee

A BILL

for

1 AN ACT relating to school facility projects; modifying  
2 appropriations for school facility projects for the  
3 biennial budget period July 1, 2016 through June 30, 2018;  
4 transferring funds; making conforming amendments; requiring  
5 reporting; and providing for an effective date.

6

7 *Be It Enacted by the Legislature of the State of Wyoming:*

8

9       **Section 1.** 2016 Wyoming Session Laws, Chapter 25  
10 Section 1(b)(ii), (c), (d), (f), (g)(ii)(A), (D), (iii)  
11 through (vi), by creating paragraphs (vii) through (ix) and  
12 Section 2 is amended as follows:

13

14       **Section 1.**

15

16       (b) As used in this section:

1

2 (ii) "Condition needs index priority"

3 means the condition needs index priority used by

4 the school facilities commission in developing

5 the remediation schedule for the 2017-2018

6 biennial budget recommendation and the 2017-20187 supplemental budget request, in accordance with

8 W.S. 21-15-117(a).

9

10 (c) The amounts appropriated from the

11 school capital construction account under this

12 section are for the biennial period commencing

13 July 1, 2016 and ending June 30, 2018. ~~As~~14 ~~authorized under W.S. 21-15-119(a)(iii), the~~15 ~~school facilities commission shall submit a~~16 ~~supplemental budget request for the period~~17 ~~beginning July 1, 2017 and ending June 30, 2018,~~18 ~~for any emergency or unanticipated need, or for~~19 ~~any refinement or modification of a project~~20 ~~funded under this section, subject to any~~21 ~~constraints and other requirements imposed by the~~22 ~~governor under W.S. 9-2-1013.~~

23

1           (d) An estimated schedule for deploying  
2 projects funded by amounts appropriated under  
3 this section and projects funded by previous  
4 appropriations, as adopted by the school  
5 facilities commission and as contained within the  
6 2017-2018 biennial budget, as modified by the  
7 2017-2018 supplemental budget request, submitted  
8 by the commission under W.S. 21-15-119, shall be  
9 used by the ~~school facilities~~ state construction  
10 department in guiding expenditure of appropriated  
11 funds. The estimated schedule developed under  
12 this subsection shall be based upon information,  
13 processes, events and expenditures and shall not  
14 be binding upon the department or the commission.

15  
16           (f) In addition to accounting requirements  
17 imposed under W.S. 28-11-301(c)(iv), the ~~school~~  
18 ~~facilities~~ state construction department shall  
19 report at least once each year, the deployment of  
20 amounts to fund projects under this section and  
21 previous appropriations in accordance with the  
22 deployment schedule, depicting project  
23 progression and, if applicable, the rationale for

1 deviation from the estimated schedule. The  
2 reports, as approved by the commission, shall be  
3 submitted by the department to the select  
4 committee on school facilities, the joint  
5 appropriations committee and the governor.  
6

7 (g) The following amounts are appropriated  
8 from the school capital construction account to  
9 the school facilities commission for the biennial  
10 period commencing July 1, 2016 and ending June  
11 30, 2018, for the specified purposes:  
12

13 (ii) For capital construction  
14 projects:  
15

16 (A) Up to ~~ten million four~~  
17 ~~hundred ninety four thousand six hundred~~  
18 ~~ninety four dollars (\$10,494,694.00)~~ eighty-five  
19 million sixteen thousand two hundred forty-two  
20 dollars (\$85,016,242.00), subject to the  
21 prescribed maximum amounts:  
22

1				
2	Condition			
3	Needs			
4	Index	School		Maximum
5	Priority	District	Project	Amount
6				
7	<u>Emergency</u>	<u>Big Horn #2</u>	<u>Elementary School</u>	<u>\$ 3,286,026</u>
8	Capacity	Campbell #1	High School	\$ 3,800,395*
9	Capacity	Laramie #1	Elementary School	\$ 2,214,953*
10	16	Big Horn #4	Elementary School	\$ 2,186,845*
11	<u>Capacity</u>	<u>Laramie #1</u>	<u>Elementary School</u>	<u>\$ 200,000</u>
12	<u>Capacity</u>	<u>Laramie #1</u>	<u>Modular lease</u>	<u>\$ 14,950</u>
13	<u>Capacity</u>	<u>Laramie #1</u>	<u>Modular lease</u>	<u>\$ 14,950</u>
14	<u>Capacity</u>	<u>Laramie #1</u>	<u>Modular lease</u>	<u>\$ 14,950</u>
15	<u>Capacity</u>	<u>Laramie #1</u>	<u>Modular lease</u>	<u>\$ 14,950</u>
16	<u>Capacity</u>	<u>Laramie #1</u>	<u>Modular lease</u>	<u>\$ 14,950</u>
17	<u>Capacity</u>	<u>Laramie #1</u>	<u>Modular lease</u>	<u>\$ 14,950</u>
18	<u>Capacity</u>	<u>Laramie #1</u>	<u>Modular lease</u>	<u>\$ 14,950</u>
19	<u>Capacity</u>	<u>Laramie #1</u>	<u>Modular lease</u>	<u>\$ 14,950</u>
20	<u>Capacity</u>	<u>Laramie #1</u>	<u>Modular lease</u>	<u>\$ 14,950</u>
21	<u>Capacity</u>	<u>Laramie #1</u>	<u>Modular lease</u>	<u>\$ 14,950</u>
22	<u>Capacity</u>	<u>Laramie #1</u>	<u>Modular lease</u>	<u>\$ 9,035</u>
23	<u>Capacity</u>	<u>Laramie #1</u>	<u>Modular lease</u>	<u>\$ 9,035</u>

1	Capacity	Big Horn #3	Modular lease	<del>\$ 16,800</del>
2				<u>\$ 26,550</u>
3	Capacity	Big Horn #3	Modular lease	<del>\$ 16,800</del>
4				<u>\$ 26,550</u>
5	Capacity	Carbon #1	Elementary School	\$ 657,581
6	Capacity	Sweetwater #2	Middle School	\$ 200,000**
7	<u>Capacity</u>	<u>Teton #1</u>	<u>Elementary School</u>	<u>\$29,028,636</u>
8	<u>18</u>	<u>Laramie #1</u>	<u>Junior High School</u>	<u>\$41,819,816</u>
9	77	Converse #1	Modular	\$ 334,176
10	93	Converse #1	Modular	\$ 334,176
11	100	Converse #1	Modular	\$ 334,176
12	332	Park #6	Elementary School	<u>\$ 398,792</u>
13	Total			<del>\$10,494,694</del>
14				<u>\$85,016,242</u>
15				

16 (D) In addition to the  
 17 appropriation under subparagraph (A) of this  
 18 paragraph denoted with two (2) asterisks, six  
 19 million six hundred ninety-eight thousand seven  
 20 hundred ninety dollars (\$6,698,790.00) as  
 21 contained in 2014 Wyoming Session Laws, Chapter  
 22 82, Section 1(e)(iii)(B) for the construction of  
 23 an elementary school in Sweetwater County School

1 District No. 2, is hereby reappropriated for the  
2 purpose of addressing the elementary school  
3 capacity issues as identified by the district and  
4 the proposed reconfiguration of grade levels as  
5 approved by the director of the ~~school facilities~~  
6 state construction department and the state  
7 superintendent pursuant to W.S. 21-13-309(m)(vi).  
8 The school facilities commission, through the  
9 department, shall provide for a separate  
10 accounting of those projects receiving funds  
11 under this paragraph, and separately report  
12 expenditures of those amounts to the select  
13 committee on school facilities and to the joint  
14 appropriations committee. In the event the cost  
15 of construction of the remedy or remedies  
16 identified under this subparagraph exceed the  
17 total amount identified, no funds shall be  
18 expended as appropriated under this subparagraph  
19 and shall only be available for expenditure as  
20 specifically authorized by the legislature.

21  
22 (iii) For land acquisitions, including  
23 land leases, up to ~~six hundred fifty four~~

1 ~~thousand six hundred dollars (\$654,600.00)~~ six  
2 hundred fifty-nine thousand two hundred dollars  
3 (\$659,200.00) for land acquisitions approved by  
4 the school facilities commission for the facility  
5 needs of Laramie County School District No. 1 and  
6 Washakie County School District No. 2;

7  
8 (iv) For unanticipated costs  
9 associated with the design and construction of  
10 projects funded under this section, up to ~~four~~  
11 ~~hundred fifty-nine thousand one hundred~~  
12 ~~seventy-four dollars (\$459,174.00)~~ three million  
13 four hundred forty-four thousand five hundred  
14 fifty-three dollars (\$3,444,553.00). The school  
15 facilities commission, through the state  
16 construction department, shall provide for a  
17 separate accounting of those projects receiving  
18 supplemental appropriations under this paragraph,  
19 and separately report expenditures of those  
20 amounts to the select committee on school  
21 facilities and to the joint appropriations  
22 committee;

23

1                   (v) In addition to the allowable  
2 expenditures pursuant to law of amounts  
3 appropriated for major maintenance expenses under  
4 2016 SF 0001, Section 2, Section 027, a school  
5 district may expend up to ten percent (10%) of the  
6 amount distributed under the major maintenance  
7 program for the period commencing July 1, 2016 and  
8 ending July 1, 2018 for safety and security  
9 building and facility needs. No expenditure shall  
10 be made under this paragraph without the approval  
11 of the director of the ~~school facilities~~ state  
12 construction department;

13  
14                   (vi) ~~In addition to allowable~~  
15 ~~expenditures~~ Pursuant to W.S. 21-3-110(a)(x), for  
16 ~~leases executed by school districts,~~ for the  
17 purposes of charter school leases, up to ~~four~~  
18 ~~hundred thousand dollars (\$400,000.00)~~ seven  
19 hundred ninety-nine thousand eight hundred fifty  
20 dollars (\$799,850.00) is appropriated to the  
21 ~~school facilities~~ state construction department,  
22 to distribute to each school district with a  
23 charter school in the district, approved and

1 operating during the 2014-2015 school year in  
2 accordance with W.S. 21-3-301 through 21-3-314,  
3 which requires a lease for the operation of the  
4 charter school's educational program in the  
5 applicable school year. The amounts to be  
6 distributed under this paragraph shall be reduced  
7 to the extent the amounts are duplicative of any  
8 costs funded or paid for by alternative  
9 mechanisms. The funds appropriated under this  
10 paragraph shall be distributed for expenses  
11 incurred during school ~~year~~years 2016-2017 and  
12 2017-2018 to qualifying school districts based  
13 upon the proration of the total qualifying costs  
14 of all qualifying school districts. The school  
15 facilities commission shall evaluate facility  
16 options for charter schools receiving funds  
17 appropriated under this paragraph and identify  
18 potential options of moving these charter schools  
19 within existing educational gross square footage  
20 of the school district in which the charter  
21 school operates. Not later than August 1, 2017,  
22 the school facilities commission shall report to  
23 the select committee on school facilities and the

1 joint appropriations committee on the options of  
2 moving charter schools within existing  
3 educational gross square footage of school  
4 districts;

5  
6 (vii) For demolition projects, up to  
7 one million forty-two thousand two hundred fifty-  
8 eight dollars (\$1,042,258.00) for the demolition  
9 needs of Crook County School District No. 1. In  
10 the event the cost of demolition as approved by  
11 the commission exceeds the total amount  
12 appropriated under this paragraph, no funds shall  
13 be expended under this paragraph and funds shall  
14 only be available for expenditure as specifically  
15 authorized by the legislature;

16  
17 (viii) For emergency projects, up to  
18 one million one hundred thirteen thousand two  
19 hundred fifty-four dollars (\$1,113,254.00) to  
20 address emergency projects identified and  
21 approved by the commission under W.S. 21-15-120  
22 and commission rule and regulation;  
23

1                    (ix) For professional consulting  
2                    expertise and other administrative costs three  
3                    hundred thousand dollars (\$300,000.00) to conduct  
4                    studies as approved by the commission to  
5                    determine the most cost effective and efficient  
6                    approach in order to deliver quality educational  
7                    services and address building and facility needs.

8  
9                    **Section 2.** ~~In addition to the amounts~~  
10                   ~~appropriated under Section 1 of this act, The~~  
11                   state auditor shall immediately transfer eighty  
12                   million dollars (\$80,000,000.00) ~~is appropriated~~  
13                   from the legislative stabilization reserve  
14                   account to the school ~~facilities commission.~~  
15                   ~~This appropriation shall be for the period~~  
16                   ~~beginning July 1, 2017 and ending June 30, 2018.~~  
17                   ~~This appropriation shall only be available for~~  
18                   ~~expenditure as specifically authorized by the~~  
19                   ~~legislature. As required under W.S.~~  
20                   ~~21-15-119(a), and not later than September 1,~~  
21                   ~~2016, the school facilities commission shall~~  
22                   ~~report proposed expenditures of the amounts~~  
23                   ~~appropriated under this section, along with a~~

~~prioritized list of projects pursuant to W.S.~~  
~~21-15-117 and the results of the condition needs~~  
~~assessment to be conducted over the 2016 interim~~  
~~by the school facilities department, to the~~  
~~select committee on school facilities and the~~  
~~joint appropriations committee~~ capital  
construction account.

**Section 2.** The school facilities commission, through the state construction department, shall study the allocation of funds for major maintenance under W.S. 21-15-109(c). The study shall include review of the process utilized by school districts in expending major maintenance funding and the process and procedures used by the state construction department to review and approve expenditures under W.S. 21-15-109(e) and (f) allocated for major maintenance, giving full consideration to the proper use and expenditure of other capital construction funding provided by the state in addressing building adequacy in the most efficient and cost effective manner. Not later than August 1, 2017, the school facilities commission shall report to the select committee on school facilities and the joint appropriations committee. The report shall include

1 recommendations for a process to ensure funds generated for  
2 major maintenance are expended on the most substantial and  
3 necessary aspects of building maintenance and in a way that  
4 optimizes the lifecycle of the school buildings across the  
5 state. The recommendations shall include any suggested  
6 modifications to the formula utilized to generate the  
7 funding allocated for major maintenance. The  
8 recommendations shall include any enabling legislation  
9 necessary to implement the recommendations of the  
10 commission.

11

12 **Section 3.** This act is effective immediately upon  
13 completion of all acts necessary for a bill to become law  
14 as provided by Article 4, Section 8 of the Wyoming  
15 Constitution.

16

17 (END)



**Excellence and Accountability**

Craig Dougherty, Superintendent

Administrative Offices  
201 N. Connor, Suite 100  
P.O. Box 919  
Sheridan, WY 82801  
Phone: 307-674-7405  
Fax: 307-674-5041

DATE: January 4, 2017  
TO: Board of Trustees  
FROM: Mitch Craft, Assistant Superintendent  
SUBJ: **Next Level Update** *(Information)*

At your January Board of Trustees meeting, I will provide information on our upcoming Next Level annual meeting.



**Excellence and Accountability**

Craig Dougherty, Superintendent

Administrative Offices  
201 N. Connor, Suite 100  
P.O. Box 919  
Sheridan, WY 82801  
Phone: 307-674-7405  
Fax: 307-674-5041

DATE: January 4, 2017  
TO: Board of Trustees  
FROM: Traci Turk, Special Services Director  
SUBJ: **Approval of Policies** (*Action*)

The following policies are being recommended for first reading:

<u><b>GCQA</b></u>	<u><b>Reduction in Professional Staff Work Force</b></u>
<u><b>JEA</b></u>	<u><b>Compulsory Attendance Ages</b></u>
<u><b>JEA-E</b></u>	<u><b>Consent to Withdrawal</b></u>
<u><b>JRA</b></u>	<u><b>Student Records</b></u>
<u><b>JRA-E</b></u>	<u><b>Request for Disclosure of Student Educational Records</b></u>

The following policies are being recommended for second reading:

<u><b>IHBAD</b></u>	<u><b>Free Appropriate Public Education (FAPE)</b></u>
<u><b>IHBAD-P</b></u>	<u><b>Free Appropriate Public Education (FAPE)</b></u>
<u><b>JIE/JIG</b></u>	<u><b>Married or Pregnant Students</b></u>

*Policies -  
First Reading*

## ~~REDUCTION IN CERTIFIED STAFF WORK FORCE~~

~~If the Board of Trustees determines that a reduction in force ("RIF") is necessary to reduce the certified staff in the district, the board and administrators shall be guided by the following procedures.~~

~~The events that may provide conditions necessary for reduction of certified staff are:~~

- ~~1. Reduced enrollment (significant decline in student enrollment that correspondingly reduces the number of teachers or other certified employees needed by the school district);~~
- ~~2. Financial conditions (any significant decline in financial resources of the school district that is brought about by a decline in enrollment, or other action or events that compel a reduction in the district's current operating budget); or~~
- ~~3. Program change (any elimination, curtailment or reorganization of the curriculum offering, program, school operation, or a reorganization or consolidation of two or more individual schools or school districts determined by the Board of Trustees to be necessary to promote the best interests of the school district).~~

~~If the Board of Trustees determines that a reduction in force ("RIF") is necessary and that such reduction cannot be accomplished by normal, current attrition, the Board shall direct that the Superintendent:~~

- ~~1. Investigate, seek, and report to the Board the status and effects of:~~
  - ~~a. current, normal attrition;~~
  - ~~b. possible early retirement incentives;~~
  - ~~c. solicitation of voluntary resignations; and~~
  - ~~d. reductions of non certified employees or support staff.~~
- ~~2. Report to the Board as specifically as circumstances permit any options or available alternatives that are readily apparent, which programs, functions, classes or schools, if any, may be eliminated or reduced and any apparent~~

~~alternatives.¶~~

- ~~3. After consultations with the principals and other supervisors, recommend the particular school(s) or area(s) of school operation in which a RIF should be affected. ¶~~

- ~~4. Give to the faculty of the school district notice of the time and place of the meeting of the Board of which the report and recommendations will be presented, together with, when time permits, a summary of this report and recommendations. ¶~~

~~¶ Thereafter the Board, after considering the recommendations of the Superintendent and feedback from the faculty and community members, shall determine the specific school(s) or area(s) of school operation in which the RIF should be affected, together with the approximate number of persons involved. The Superintendent shall be requested to recommend the individual teachers who should be terminated. ¶~~

~~¶ The criteria to be used and considered by the Superintendent in making the recommendation and thereafter to be considered by the Board are (in order of priority): ¶~~

- ~~1. Length of service as a certified staff member in the district in the area(s) in which the teacher has actually instructed in the classroom considering the first such working day in the district. ¶~~

- ~~1. Job performance, including relative skill, ability, competence (based upon prior written evaluations and professional growth plans) and qualifications to perform the teaching assignment(s) required. ¶~~

- ~~3. Versatility or the ability and certification to teach in more than one area, if needed. (The district will not consider transitional certificates that were obtained for the purpose of meeting the criteria of this portion of the policy). ¶~~

- ~~4. The Superintendent may consider such other criteria as he/she determines is relevant to the decision regarding recommendation of the employee for a RIF. ¶~~

~~¶ Each teacher whose termination is recommended shall be given notice of such termination on or before April 15 and their~~

~~termination shall be effective at the end of the current school year. The notice shall include a summary statement of the conditions requiring the RIF.~~ ¶

¶  
¶

~~In the event that a RIF should require a dismissal (the termination of employment to take effect prior to the end of contract period) the teacher shall be given notice within a reasonable time after the recommendation of the Superintendent is made and a hearing shall be granted as provided in W.S. 21-7-110, unless such hearing is waived in writing.~~ ¶

¶

~~For all professional staff that have been reduced as a result of this policy the following will apply.~~ ¶

¶

~~1. If teaching vacancies occur within a two year period after a teacher has been reduced, the district will: notify by registered mail all "reduced" teachers who have maintained a current address with the district office and who are qualified for the new vacancy.~~ ¶

¶

~~2. The sick leave and prior years of service of a teacher who has been reduced will not be canceled for two (2) years. Should that teacher be re employed by the district within the two year period, prior sick leave and years of service shall be credited to that teacher. Sick leave and years of service will not accrue during the time of reduction.~~ ¶

¶

~~3. Teachers who have been reduced will be placed on the substitute list if they so desire.~~ ¶

¶

~~4. If job vacancies occur in classified areas, reduced teachers will be given consideration for those vacancies, provided they are interested and qualified.~~ ¶

¶

~~5. Neither contractual nor preferential rights to re employment are being expressed or implied by this policy.~~ ¶

¶

## **STAFF REDUCTION IN FORCE**

In the unfortunate circumstance that it is necessary to reduce the number of teaching staff employed by the District, the Board of Trustees will make decisions on staffing pursuant to the guidelines set forth in this policy.

The Board of Trustees may, in its sole discretion, terminate the contract of a teacher at the end of any school year because of (1) a decrease in the size of faculty due to decreased enrollment in the District, (2) combining of school districts, or (3) an event beyond the control of the Board that requires a reduction in force. In the event of a need to reduce the number of instructional staff, notice shall be given to the teachers whose contracts will not be renewed no later than April 15 of the relevant school year pursuant to W.S. 21-7-105 (Lexis Nexis 2016) and 21-7-106(a) (Lexis Nexis 2016), except the request for a hearing does not apply.

If the Board of Trustees for any reason elects to grant a teacher being terminated a hearing, or is required to do so by applicable law, such hearing shall be before the Board of Trustees unless the Board elects to appoint a hearing officer to act on its behalf and otherwise as required by applicable law.

The Board's determination as to which teacher contract(s) will be terminated under this policy shall be made after receiving a recommendation from the Superintendent. In making his/her recommendation, the Superintendent shall consult with the principal and other District administrative staff involved in the programs where the reduction will occur. Criteria which may be used and considered by the Superintendent in making the recommendation and thereafter to be considered by the Board of Trustees include, but are not necessarily limited to:

The District's actual teacher staffing needs.

Job performance, including ability and competence (based upon actual observed performance, written evaluations, Professional Learning Community program participation and performance and professional growth plans) to perform the teaching assignment(s) required.

The Board and the Superintendent may consider such other additional or different criteria as each of them determines to be relevant to the decision and recommendation with respect to the reduction in force.

Years of service, in and of itself, will not be a factor when determining a reduction in force.

The Superintendent shall make each recommendation to the Board of Trustees for any reduction in force of teaching staff based upon what he/she believes will result in providing the best educational program for the students of the School District.

This policy shall not be applicable to initial contract teachers whose contracts may be non-renewed without applying this policy.

Reference: W.S. 21-7-111 (Lexis Nexis 2016)

First Reading: 1-9-17 ~~1/10/11~~  
Second Reading: 2-6-17 ~~2/7/11~~

~~COMPULSORY ATTENDANCE AGES~~ **COMPULSORY ATTENDANCE AGES AND  
PROCEDURE FOR WITHDRAWAL OF A MINOR STUDENT**

Ages for attendance in Wyoming are set by the laws of the state, viz:

Every child attaining the age of seven (7) years on or before September 15, and under the age of sixteen (16) years who has not completed the tenth (10) grade, shall be required to attend a public or a private school each year during the entire time that the public school shall be in session in the district in which the child resides, unless excluded by provisions of law which are:

- a. Compulsory attendance in school, in the judgment of the Board of Trustees, would be detrimental to the mental or physical health of such child, or of other children in the school.
- b. Compulsory attendance in school, in the judgment of the Board of Trustees, might ~~-cause work~~ **work** undue hardship on the child. The Board may, at its option, conduct a hearing on this issue.
- c. The child has been legally excluded from regular school.
- d. ~~The child has completed the twelfth (12th) grade. ¶~~
- e. ~~The child has such a mental or physical disability that, based upon a physician's certificate, the Board believes such child could not reasonably benefit from programs available. ¶~~
- f. ~~The attendance of the child would be detrimental to the health, safety or welfare of other pupils; provided that the Board shall make the best provisions possible for the suitable and adequate education for the child in accordance with the laws of the state.~~

The parent, guardian or other person having control or charge of any child under the age of eighteen (18), who has not otherwise notified the District of enrolling that child in a different school district or in a private school or home-based educational program, shall be required to meet in person with a School District counselor or administrator to provide the School

**COMPULSORY ATTENDANCE AGES (contd.)**

District with written consent to the withdrawal of that child from school attendance. The written consent to withdrawal shall include a separate provision authorizing the release of the student's identity and address to the Wyoming National Guard Youth Challenge Program as established by W.S. 19-9-701 or as may be amended, for the sole purpose of recruitment into the Wyoming National Guard Youth Challenge Program.

W.S. 19-9-701

W.S. 21-4-102

First Reading: 1-9-17 ~~6/16/14~~

Second Reading: 2-6-17 ~~7/16/14~~

**CONSENT TO WITHDRAWAL**

I/We, being the parent, guardian or person having control of the following named child: \_\_\_\_\_, who is under the age of eighteen (18), but who is either at least sixteen (16) years old or has completed the tenth (10<sup>th</sup>) grade, do/does hereby give my/our consent to allow the above-named child to withdraw from school. I/We do hereby authorize the school district to release the above-named child's identity and address to the Wyoming National Guard Youth Challenge Program as established by W.S. 19-9-701.

Student (if 18) or Parent/Guardian Name (print):

\_\_\_\_\_

Student (if 18) or Parent/Guardian Signature/Date:

\_\_\_\_\_

W.S. 19-9-701

W.S. 21-4-102

First Reading: 1-9-17 ~~6/16/14~~

Second Reading: 2-6-17 ~~7/16/14~~

**STUDENT RECORDS**

An accurate cumulative record shall be maintained for every child enrolled in the schools of this district. Data in the cumulative record shall be factual and objective. The cumulative records shall include identifying data, proficiency level, grade level achievement, attendance data, health data, standardized test scores, and family information.

Parents shall have an opportunity for a hearing to challenge the content of their child's school records, to insure that the records are not inaccurate, misleading, or otherwise in violation of the privacy or other rights of students, and to provide an opportunity for the correction or deletion of any inaccurate, misleading, or otherwise inappropriate data contained therein.

Access to a student's cumulative record shall be limited to authorized school personnel, eligible students, parents and legal guardians of the student. Access may also be granted pursuant to court order, a lawful subpoena, or upon the written permission of the parent or legal guardian.

Whenever a student has attained eighteen years of age, or is attending an institution of post-secondary education, the permission or consent required of and the rights accorded the parents/guardians of the student shall be accorded to the student.

Transcripts and disciplinary records involving suspension or expulsion will be transferred upon the request of an educational institution of which the student intends to enroll, in accordance with federal law.

All materials in the student's cumulative folder deemed permanent by Wyoming State Archives shall be kept permanently by the school district or transferred to the Wyoming State Archives if so required. ~~the state records management manual #97-127 will be transferred to the Wyoming State Archives.~~ School District #2 will maintain transcript records and high school attendance records for a minimum of 10 years.

See also policies:

BEE Board Hearing/Appeal Procedures  
BEE-E Rules of Practice Governing Hearings and Contested Cases Before the Board of Trustees of Sheridan County School District Number Two and Procedures to Consider Recommended Findings from an Independent Hearing Officer

**STUDENT RECORDS**First Reading: ~~10/7/13~~Second Reading: ~~11/4/13~~

~~REQUEST FOR DISCLOSURE OF STUDENT EDUCATIONAL RECORDS~~  
~~(Completed form to be retained, on file with student~~  
~~records, by appropriate school district administrator~~  
~~cooperating in this disclosure request).~~

~~Name of Organization or Agency Making~~  
~~Disclosure Request~~

~~Signature of Representative or Person Making~~  
~~Disclosure Request~~

~~Date of Report~~

~~Student Name~~

~~Description of Student Records for which~~  
~~Disclosure Request is Made~~

~~Statement of Relationship or Description of Legitimate Educational Interest~~  
~~of Person Making Disclosure Request:~~

~~AUTHORIZATION FOR DISCLOSURE~~

~~Permission is hereby granted to~~ \_\_\_\_\_ ~~to~~  
~~(school official)~~

~~disclose the educational records of~~ \_\_\_\_\_ ~~I~~  
~~(student name)~~

~~understand that the educational records will be examined by~~ \_\_\_\_\_

~~, and certify that I am fully authorized~~  
~~to grant permission for this disclosure. My relationship with the named~~  
~~student is:~~ \_\_\_\_\_

~~(Signature of Person Authorizing Disclosure)~~

~~(Date)~~

~~RECORD/REPORT OF DISCLOSURE OF STUDENT EDUCATIONAL RECORDS~~

~~Date of Disclosure~~

~~Statement of Examiner: "I certify that I have, this date, examined the~~  
~~educational records of~~ \_\_\_\_\_ ~~(name of~~  
~~student), and that I have been advised that the disclosure of the information~~  
~~to a third party, without prior consent, is prohibited."~~

~~(Signature of Examiner)~~

~~(Date)~~

First Reading: 2/11/97

Second Reading: 8/26/97

Reviewed: 9/30/13

**REQUEST FOR DISCLOSURE OF STUDENT EDUCATIONAL RECORDS**

(Completed form to be retained, on file with student records, by appropriate school district administrator cooperating in this disclosure request).

\_\_\_\_\_  
Name of Person, Organization or Agency Making Disclosure Request (Examiner)

\_\_\_\_\_  
Date of Request

\_\_\_\_\_  
Student Name

\_\_\_\_\_  
Description of student records for which disclosure request is made:  
\_\_\_\_\_.

Statement of Examiner: "I certify that I have been informed and agree that the educational records I have requested to be reviewed may not be disclosed nor may the information therein be disclosed to a third party without prior consent."

\_\_\_\_\_  
(Signature of Representative or Person  
Making Disclosure Request)

\_\_\_\_\_  
(Date)

**AUTHORIZATION FOR DISCLOSURE**

Permission is hereby granted to \_\_\_\_\_ to disclose  
the educational records (school official)

of \_\_\_\_\_. I understand that the educational  
(student name)  
records will be examined by:

\_\_\_\_\_, and certify that I am fully  
authorized to grant permission for this disclosure. My relationship with the  
named student is: \_\_\_\_\_.

\_\_\_\_\_  
Signature of Person Authorizing Disclosure

\_\_\_\_\_  
Date

**RECORD/REPORT OF DISCLOSURE OF STUDENT EDUCATIONAL RECORDS**

\_\_\_\_\_  
Date of Disclosure

First Reading:

Second Reading:

*Policies -  
Second Reading*

**FREE APPROPRIATE PUBLIC EDUCATION (FAPE)**

Sheridan County School District No. 2 shall make a free appropriate public education available to all children residing within its jurisdiction ~~between the ages of t3 and~~ **from Kindergarten through** the conclusion of the year in which the student turns 21 years of age, including children with disabilities who have been suspended or expelled from school as provided for in 34 C.F.R. §300.530(d).

~~34 C.F.R. §300.17~~

34 C.F.R. §300.101

First Reading: 12-5-16 ~~4/12/11~~

Second Reading: 1-9-16 ~~5/16/11~~

**FREE APPROPRIATE PUBLIC EDUCATION (FAPE)**

## FREE APPROPRIATE PUBLIC EDUCATION

- A. The District shall make FAPE available to each eligible child within its jurisdiction ~~from Kindergarten through the end of the school year in which the child turns 21 years of age; and beginning no later than the child's third birthday; and~~
- B. An IEP is in effect for the child by that date, in accordance with 34 C.F.R. §300.323(b).
- C. ~~If an eligible child's third birthday occurs during the summer, the child's IEP team shall determine the date when services under the IEP will begin. ¶~~
- D. The District shall ensure that FAPE is available to any individual child with a disability who needs special education and related services, even though the child has not failed or been retained in a course or grade and is advancing from grade to grade.
- E. The determination that a child is eligible for and in need of special education must be made on an individual basis by the group responsible within the District for making eligibility determinations.

## ASSISTIVE TECHNOLOGY

- A. The District shall ensure that assistive technology devices or services or both will be available to a child with a disability, if required, as a part of:
  - 1. Special education
  - 2. Related services
  - 3. Supplementary aids and service.

**FREE APPROPRIATE PUBLIC EDUCATION (FAPE) (contd.)**

- B. On a case-by-case basis, the District shall ensure the use of school-purchased assistive technology devices in a child's home or other setting if the child's IEP team determines that the child needs access to those devices in order to receive FAPE.

**EXTENDED SCHOOL YEAR SERVICES (ESY)**

- A. The District shall make extended school year services available as necessary to provide FAPE to children with disabilities.
- B. ESY services will be provided only if a child's IEP team determines, in accordance with §§300.320 - 300.324, that the services are necessary for the provision of FAPE.
- C. Services will not be limited to a particular category of disability, or unilaterally limited to the type, amount, or duration of services.
- D. The ESY services that are provided to a child with a disability will:
  - 1. Be provided beyond the normal school year of the agency;
  - 2. Be provided in accordance with the child's IEP;
  - 3. Be provided at no cost to the parents of the child; and
  - 4. Meet the ESY standards of Wyoming.

**NONACADEMIC SERVICES**

- A. The District shall afford children with disabilities an equal opportunity for participation in nonacademic and extracurricular services and activities including, as determined appropriate and necessary by the child's IEP team, the provision of supplementary aids and services.

**FREE APPROPRIATE PUBLIC EDUCATION (FAPE) (contd.)**

- B. Nonacademic and extracurricular services and activities may include counseling services, athletics, transportation, health services, recreational activities, special interest groups or clubs sponsored by the public agency, referrals to agencies that provide assistance to individuals with disabilities, and employment of students, including both employment by the District and assistance in making outside employment available.

**PHYSICAL EDUCATION**

- A. The District shall make regular physical education services available to children with disabilities to the same extent that the District provides those services to children without disabilities, unless:
1. The child is enrolled full time in a separate facility; or
  2. The child needs specially designed physical education as prescribed in the child's IEP.
- B. If a child is enrolled in a separate facility, the District shall ensure that the child receives appropriate physical education services.
- C. If special physical education is prescribed in a child's IEP, the District shall provide for those services, either directly or through other public or private programs.

~~34 C.F.R. §300.17~~

34 C.F.R. §300.101

First Reading: 12-5-16 ~~4/12/11~~

Second Reading: 1-9-17 ~~5/16/11~~

**MARRIED OR PREGNANT STUDENTS**

The marriage or pregnancy of a student shall not affect his/her **right** to receive a public education or his/her privileges as a student of the district. These events shall also not affect his/her opportunities to take part in any extracurricular activities or honors offered by the school. However, in such cases, the following shall apply:

1. Any student who becomes married shall report the marriage to the **building administration principal** to update their **registration information**;
2. A student who is pregnant or who has given birth will not be required to submit medical certification for school participation except to the extent such certification is also required for all other students with physical or emotional conditions requiring the attention of a physician. ~~Female students who become pregnant and wish to remain in school will be permitted to do so with the approval of their physician. The physician shall state whether or not attendance and full participation in the regular school program is advisable. If continued attendance is not advised by the physician, the principal is authorized to make special arrangements for the instruction of the student and to provide an educational program designed to meet her special needs. ¶~~

First Reading: 12-5-16 ~~11/5/12~~  
Second Reading: 1-9-17 ~~12/3/12~~



**Excellence and Accountability**

Craig Dougherty, Superintendent

Administrative Offices  
201 N. Connor, Suite 100  
P.O. Box 919  
Sheridan, WY 82801  
Phone: 307-674-7405  
Fax: 307-674-5041

DATE: January 4, 2017

TO: Board of Trustees

FROM: Roxie Taft, Business Manager

SUBJ: **Acceptance of 2015-16 Audit Report** *(Action)*

Alexandra Wilkinsen with Porter, Muirhead, Cornia & Howard will present the audit for the 2015-16 school year. The entire audit report is attached for your review. Also attached for your review is the management letter.

The audit resulted in no findings for the 2015-16 school year. This is a result of how hard staff works district wide to assure our district demonstrates fiscal responsibility.

At the end of the presentation, I will ask that you accept the 2015-16 audit report as presented.

**SHERIDAN COUNTY SCHOOL DISTRICT #2**

**FINANCIAL REPORT**

**June 30, 2016**

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**PORTER, MUIRHEAD, CORNIA & HOWARD**

(A Corporation of Certified Public Accountants)

123 West First Street Suite 800 P.O. Box 2750 Casper, Wyoming 82602 (307) 265-4311 Fax (307) 265-5180

## INDEPENDENT AUDITOR'S REPORT

Honorable Superintendent and  
Board of Trustees  
Sheridan County School District #2  
Sheridan, Wyoming

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sheridan County School District #2, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Sheridan County School District #2's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

## ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sheridan County School District #2, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison, and changes in net pension liability and related ratios and pension contributions information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

We have applied certain limited procedures to management's discussion and analysis and changes in net pension liability and related ratios and pension contributions information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during the audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison information as listed in the table of contents is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied during the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

### ***Other Supplementary Information and Schedule of Expenditures of Federal Awards***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Sheridan County School District #2's basic financial statements. The other supplementary information as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. Additionally, the accompanying schedule of expenditures of federal awards as listed in the table of contents is presented as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and is not a required part of the basic financial statements of Sheridan County School District #2.

The other supplementary information and schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The other supplementary information and the schedule of expenditures of federal awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 6, 2016, on our consideration of Sheridan County School District #2's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Sheridan County School District #2's internal control over financial reporting and compliance.



Porter, Muirhead, Cornia & Howard

Certified Public Accountants

Casper, WY  
December 6, 2016

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## SHERIDAN COUNTY SCHOOL DISTRICT #2

### MANAGEMENT'S DISCUSSION & ANALYSIS

June 30, 2016

(Unaudited)

---

As management of Sheridan County School District #2 ("District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2016. We encourage readers to consider the information presented here in conjunction with the District's financial statements, notes to the financial statements, and various supplementary information which follow this section.

#### ***FINANCIAL HIGHLIGHTS***

- The District's total combined net position was \$86,215,966 on June 30, 2016 which compares to \$86,245,479 on June 30, 2015, a decrease of \$29,513.
- The District had a total of \$58,841,741 in expenses related to governmental and business-type activities, with \$9,578,050 of these expenses being offset by program specific charges for services or grants and contributions. General revenues were adequate to provide for the remaining costs of these programs.
- Among the major funds, the General Fund had \$49,575,320 in fiscal year (FY) 2016 revenues which primarily consisted of the Wyoming State Foundation Program entitlement and property taxes. The General Fund's fund balance increased by \$1,405,016 during the year due to increased enrollment and the receipt of FY15 tax shortfall monies.
- In FY 2016, the General Fund transferred \$110,000 to the Food Service Fund to cover the deficit in that program. Charges for services in the Food Service Fund do not cover all of the expenses, so the transfer from the General Fund was necessary. The General Fund also transferred \$194,389 to the Capital Construction Fund and \$280,601 to the Early Retirement Fund.
- The District's student enrollment continued to increase for the tenth year in a row. Average Daily Membership (ADM), the basis for state funding, increased by 495.29 students over the past ten years. Over the past 29 years, however, ADM has decreased by 455.233 students, or 11.71%.
- The assessed valuation for the State, County and the District continues to be volatile due to the ties to the mineral industry. The 17-18 State biennium budget contained a 1% statewide budget reduction in school funding for FY17 and a 1.4% reduction in FY18.
- The District made its final payment on bonded debt on June 1, 2003. The only debt remaining for the District is for the net pension liability, accrued compensated absences, early retirement benefits, and retainage payable.
- The District participates in the Public Employees' Pension Plan ("PEPP"), a statewide cost-sharing multiple-employer public employee retirement plan administered by the State of Wyoming Retirement System. Implementation of GASB 68 and 71 requires the District to record its proportional share of the overall plan's net position. This resulted in recording a net pension liability of \$38,529,358 and \$30,210,805 as of June 30, 2016 and 2015, respectively. All plan components, including the major components of participation, eligibility, investment strategy, benefit structure, contribution rates and plan administration are overseen by the Wyoming Retirement System Board. The District has no control of the plan elements that affect the net position.

## SHERIDAN COUNTY SCHOOL DISTRICT #2

### MANAGEMENT'S DISCUSSION & ANALYSIS

June 30, 2016

(Unaudited)

---

#### **OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The *statement of net position* presents information on all of the assets, deferred outflow, liabilities, and deferred inflows of the District, with the difference between them reported as net position. Over time, increases or decreases in net positions may serve as a useful indicator of whether the financial position of the District is improving or deteriorating. However, fluctuations from year to year need to be reviewed in light of the timing of funding.

The *statement of activities* presents information showing how the net positions of the District changed during the most recent fiscal year. All changes in net positions are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences).

The government-wide financial statements distinguish the functions of the District as being principally supported by taxes and intergovernmental revenues (*governmental activities*) as opposed to *business-type activities* that are intended to recover all or a significant portion of their costs through user fees and charges. The District has only one business-type activity, the Enterprise Fund for the food service program.

**Fund Financial Statements.** A *fund* is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The fund financial statements provide more detailed information about the District's most significant funds, but not the District as a whole. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

- **Governmental Funds.** *Governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating the government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

## SHERIDAN COUNTY SCHOOL DISTRICT #2

### MANAGEMENT'S DISCUSSION & ANALYSIS

June 30, 2016

(Unaudited)

---

The District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, the Federal and State Grants Fund, the Major Maintenance Fund, the Capital Construction Fund, the Depreciation and School Building Repair Reserve Fund and the Early Retirement Fund. All but the Early Retirement Fund are considered to be major funds.

- **Proprietary Funds.** Proprietary funds are used to account for services for which the District charges participants a fee. These funds, like the government-wide statements, provide both long and short-term financial information. The District maintains two proprietary funds which are the Food Service Fund and Child Nutrition Co-op Fund. A proprietary fund is operated similar to a business.
- **Fiduciary Funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are *not* reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The District is the trustee or fiduciary for these funds and is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. The District uses a trust fund to account for the resources held for student scholarships. The District uses agency funds to account for the resources held for student activities and groups and for contractor retainage.

***Notes to the Financial Statements.*** The notes provide additional information that is essential for a complete understanding of the data provided in the government-wide and fund financial statements.

***Other Information.*** In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the District's budget process and net pension liability and contributions. The District adopts an annual budget for all governmental funds. A budgetary comparison statement has been provided for the General Fund, the Federal and State Grants Fund, the Major Maintenance Fund, the Capital Construction Fund, and the Depreciation and School Building Repair Reserve Fund.

## SHERIDAN COUNTY SCHOOL DISTRICT #2

### MANAGEMENT'S DISCUSSION & ANALYSIS

June 30, 2016

(Unaudited)

---

#### ***FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE***

The Statement of Net Position provides the perspective of the District as a whole. Following is a summary of the District's total net position as of June 30, 2016 compared to June 30, 2015. Net position may serve over time as a useful indicator of a government's financial situation.

#### ***Condensed Statement of Total Net Position***

	Governmental Activities		Business-type Activities		Total District Activities	
	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016
<b>Assets</b>						
Current assets	\$ 26,610,444	\$ 27,119,145	\$ 320,713	\$ 296,123	\$ 26,931,157	\$ 27,415,268
Capital assets, net	97,379,538	99,941,240	52,895	46,012	97,432,433	99,987,252
<b>Total assets</b>	<b>123,989,982</b>	<b>127,060,385</b>	<b>373,608</b>	<b>342,135</b>	<b>124,363,590</b>	<b>127,402,520</b>
<b>Deferred Outflows of Resources</b>	<b>5,315,045</b>	<b>12,389,783</b>	<b>79,378</b>	<b>183,924</b>	<b>5,394,423</b>	<b>12,573,707</b>
<b>Liabilities</b>						
Current liabilities	1,773,895	1,914,981	34,458	39,896	1,808,353	1,954,877
Noncurrent liabilities	31,831,033	40,416,078	390,362	519,448	32,221,395	40,935,526
<b>Total liabilities</b>	<b>33,604,928</b>	<b>42,331,059</b>	<b>424,820</b>	<b>559,344</b>	<b>34,029,748</b>	<b>42,890,403</b>
<b>Deferred Inflows of Resources</b>	<b>9,482,786</b>	<b>10,847,984</b>	<b>-</b>	<b>21,874</b>	<b>9,482,786</b>	<b>10,869,858</b>
<b>Net Position</b>						
Net investment in capital assets	97,379,538	99,941,240	52,895	46,012	97,432,433	99,987,252
Restricted	2,451,114	2,289,204	-	-	2,451,114	2,289,204
Unrestricted	(13,613,339)	(15,959,319)	(24,729)	(101,171)	(13,638,068)	(16,060,490)
<b>Total net position</b>	<b>\$ 86,217,313</b>	<b>\$ 86,271,125</b>	<b>\$ 28,166</b>	<b>\$ (55,159)</b>	<b>\$ 86,245,479</b>	<b>\$ 86,215,966</b>

The net investment in capital assets as of June 30, 2016 is \$99,987,252, which is the net book value of capital assets (e.g., land, buildings and improvements, vehicles, property and equipment, and construction in progress) less any related outstanding debt used to acquire those assets. The District uses these capital assets to provide services to its students; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the District's net position in the amount of \$2,289,204 represents resources that are subject to external restrictions on how they may be used.

On a comparative basis, the District's combined net position decreased from June 30, 2015 to June 30, 2016.

## **SHERIDAN COUNTY SCHOOL DISTRICT #2**

### **MANAGEMENT'S DISCUSSION & ANALYSIS**

June 30, 2016

(Unaudited)

---

#### ***Changes in the District's Total Net Position***

The District's financial position is the product of several financial transactions including the net results of activities, the acquisition and payment of debt, the acquisition and disposal of capital assets, and the depreciation of capital assets. The following table presents a summary of the District's total net position for the fiscal year ended June 30, 2016 compared to the fiscal year ended June 30, 2015.

The District's total net position decreased by \$29,513 from June 30, 2015 to June 30, 2016, which is considerably less than the prior year's increase

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# SHERIDAN COUNTY SCHOOL DISTRICT #2

## MANAGEMENT'S DISCUSSION & ANALYSIS

June 30, 2016

(Unaudited)

	Governmental Activities		Business-type Activities		Total District Activities	
Revenues	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016	June 30, 2015	June 30, 2016
Program revenues						
Charges for services	\$ 177,930	\$ 281,241	\$ 608,390	\$ 567,157	\$ 786,320	\$ 848,398
Operating grants and contributions	4,787,093	4,993,145	753,497	785,328	5,540,590	5,778,473
Capital grants and contributions	3,486,692	2,951,179	-	-	3,486,692	2,951,179
General Revenues						
Property taxes	14,144,632	13,124,621	-	-	14,144,632	13,124,621
State Foundation Program payments	32,436,042	35,941,904	-	-	32,436,042	35,941,904
Unrestricted investment earnings	38,127	78,266	350	1,054	38,477	79,320
Insurance recovery	1,036,684	-	-	-	1,036,684	-
Miscellaneous	70,681	88,333	(4,241)	-	66,440	88,333
Special item - gain on sale of works of art	3,237,500	-	-	-	3,237,500	-
Transfer to fiduciary fund	(1,237,500)	-	-	-	(1,237,500)	-
Transfers	(110,000)	(110,000)	110,000	110,000	-	-
<b>Total revenues</b>	<b>58,067,881</b>	<b>57,348,689</b>	<b>1,467,996</b>	<b>1,463,539</b>	<b>59,535,877</b>	<b>58,812,228</b>
<b>Expenses</b>						
Instruction	32,908,237	35,062,003	-	-	32,908,237	35,062,003
Instructional support	6,231,111	6,942,217	-	-	6,231,111	6,942,217
General administration services	1,400,707	1,212,267	-	-	1,400,707	1,212,267
School administration services	2,242,426	2,363,297	-	-	2,242,426	2,363,297
Business services	473,897	553,527	-	-	473,897	553,527
Staff relations and negotiations services	389,077	290,117	-	-	389,077	290,117
Operation and maintenance of plant services	7,467,634	7,393,131	-	-	7,467,634	7,393,131
Pupil transportation services	2,233,456	2,012,693	-	-	2,233,456	2,012,693
Central services	2,530,007	1,366,334	-	-	2,530,007	1,366,334
Community services	14,500	8,246	-	-	14,500	8,246
Other support services	-	91,045	-	-	-	91,045
Food service expenditures	-	-	1,567,170	1,540,321	1,567,170	1,540,321
Child nutrition co-op expenditures	-	-	-	6,543	-	6,543
<b>Total expenses</b>	<b>55,891,052</b>	<b>57,294,877</b>	<b>1,567,170</b>	<b>1,546,864</b>	<b>57,458,222</b>	<b>58,841,741</b>
<b>Change in net position</b>	<b>2,176,829</b>	<b>53,812</b>	<b>(99,174)</b>	<b>(83,325)</b>	<b>2,077,655</b>	<b>(29,513)</b>
<b>Net position beginning of year</b>	<b>84,040,484</b>	<b>86,217,313</b>	<b>127,340</b>	<b>28,166</b>	<b>84,167,824</b>	<b>86,245,479</b>
<b>Net position end of year</b>	<b>\$ 86,217,313</b>	<b>\$ 86,271,125</b>	<b>\$ 28,166</b>	<b>\$ (55,159)</b>	<b>\$ 86,245,479</b>	<b>\$ 86,215,966</b>

## SHERIDAN COUNTY SCHOOL DISTRICT #2

### MANAGEMENT'S DISCUSSION & ANALYSIS

June 30, 2016

(Unaudited)

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#### ***Governmental Funds***

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds (General Fund, Federal and State Grants Fund, Major Maintenance Fund, Capital Construction Fund, Depreciation and School Building Repair Reserve Fund, and Early Retirement Fund) reported a combined fund balance of \$13,546,113.

#### ***BUDGETARY HIGHLIGHTS***

Total General Fund revenues were 100% of the budgeted revenue. General Fund expenditures were 96.22% of the amount budgeted. A schedule showing the original and final budget amounts compared to the District's actual financial activity is provided in this report as required supplementary information.

#### ***CAPITAL ASSETS AND DEBT ADMINISTRATION***

***Capital Assets.*** As of June 30, 2016, the District had a net investment of \$99,941,240 in governmental capital assets, including school buildings, athletic facilities, buses and other vehicles, furniture and equipment, and library collections. Construction in progress as of June 30, 2016 was \$5,275,329, an increase of \$4,243,160 from the previous fiscal year due to the ongoing construction projects around the District. Depreciation expense for the year was \$3,353,787.

The following schedule shows capital asset balances net of depreciation for the fiscal years ended June 30, 2016 compared to June 30, 2015 for governmental activities. Additional information on the District's capital assets can be found in Note 3 to the basic financial statements.

	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>Change</u>
Land	\$ 3,089,013	\$ 3,166,218	\$ 77,205
Buildings and improvements	90,387,440	88,706,594	(1,680,846)
Vehicles	1,867,143	1,879,544	12,401
Machinery and equipment	1,003,773	913,555	(90,218)
Construction in progress	<u>1,032,169</u>	<u>5,275,329</u>	<u>4,243,160</u>
<b>Total net capital assets</b>	<u><u>\$ 97,379,538</u></u>	<u><u>\$ 99,941,240</u></u>	<u><u>\$ 2,561,702</u></u>

***Debt Administration.*** The District has no outstanding bonded debt obligations. Additional information on the District's long-term debt can be found in Note 3 to the basic financial statements.

#### ***ECONOMIC FACTORS FOR THE 2016-2017 BUDGET***

For FY 2017, the County assessed valuation decreased by 4.9% and the District assessed valuation decreased by 4.3%. While an increase in assessed valuation would indicate improvement in the local economy, any tax revenue received by the school district is subtracted from the amount calculated under the School Funding Model.

All staff did receive salary increases for FY 2016 however all salary movement was frozen in FY 2016-17.

#### ***REQUESTS FOR INFORMATION***

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Superintendent, Sheridan County School District #2, P.O. Box 919, Sheridan, WY 82801.

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## **BASIC FINANCIAL STATEMENTS**

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**SHERIDAN COUNTY SCHOOL DISTRICT #2**

**STATEMENT OF NET POSITION**

June 30, 2016

	Primary Government		
	Governmental	Business-type	
	Activities	Activities	Total
<b>ASSETS</b>			
Cash and cash equivalents	\$ 12,604,770	\$ 278,852	\$ 12,883,622
Cash held by county treasurer	194,759	-	194,759
Investments	1,505,628	-	1,505,628
Property taxes receivable	11,218,736	-	11,218,736
Internal balances	15,744	(15,744)	-
Due from other governments	1,579,508	15,290	1,594,798
Inventory	-	17,725	17,725
Land	3,166,218	-	3,166,218
Construction in progress	5,275,329	-	5,275,329
Capital assets, net of accumulated depreciation			
Buildings and improvements	88,706,594	-	88,706,594
Vehicles	1,879,544	-	1,879,544
Property and equipment	913,555	46,012	959,567
Total assets	<u>127,060,385</u>	<u>342,135</u>	<u>127,402,520</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension plan items	12,389,783	183,924	12,573,707
Total deferred outflows of resources	<u>12,389,783</u>	<u>183,924</u>	<u>12,573,707</u>
<b>LIABILITIES</b>			
Accounts payable	94,302	8,003	102,305
Accrued wages payable	673,364	-	673,364
Accrued payroll liabilities	1,147,315	14,879	1,162,194
Unearned lunch revenue	-	17,014	17,014
Noncurrent liabilities			
Due within one year	890,261	933	891,194
Due in more than one year	1,497,244	17,730	1,514,974
Net pension liability	38,028,573	500,785	38,529,358
Total liabilities	<u>42,331,059</u>	<u>559,344</u>	<u>42,890,403</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Deferred property tax revenues	9,372,324	-	9,372,324
Pension plan items	1,475,660	21,874	1,497,534
Total deferred inflows of resources	<u>10,847,984</u>	<u>21,874</u>	<u>10,869,858</u>
<b>NET POSITION</b>			
Net investment in capital assets	99,941,240	46,012	99,987,252
Restricted for			
Major maintenance W.S. 21-15-109	136,271	-	136,271
Depreciation and school building repair			
reserve fund W.S. 21-13-504	2,152,933	-	2,152,933
Unrestricted	(15,959,319)	(101,171)	(16,060,490)
Total net position	<u>\$ 86,271,125</u>	<u>\$ (55,159)</u>	<u>\$ 86,215,966</u>

See accompanying notes to financial statements

# SHERIDAN COUNTY SCHOOL DISTRICT #2

## STATEMENT OF ACTIVITIES

Year Ended June 30, 2016

Function/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities				
Instruction				
Regular instruction	\$ 25,060,262	\$ 269,024	\$ 2,177,565	\$ -
Special education instruction	7,552,694	-	901,792	-
Vocation education	1,138,792	-	84,613	-
Other instruction	1,310,255	-	-	-
Support services				
Pupil services	3,811,575	12,217	-	-
Instructional staff services	3,130,642	-	1,820,929	-
General administration services	1,212,267	-	-	-
School administration services	2,363,297	-	-	-
Business services	553,527	-	-	-
Staff relations and negotiations services	290,117	-	-	-
Operation and maintenance of plant services	7,393,131	-	-	1,839,219
Pupil transportation services	2,012,693	-	-	-
Central services	1,366,334	-	-	1,111,960
Community services	8,246	-	8,246	-
Other support services	91,045	-	-	-
Total governmental activities	<u>57,294,877</u>	<u>281,241</u>	<u>4,993,145</u>	<u>2,951,179</u>
Business-type activities				
Food service fund	1,540,321	567,157	785,328	-
Child nutrition co-op fund	6,543	-	-	-
Total business-type activities	<u>1,546,864</u>	<u>567,157</u>	<u>785,328</u>	<u>-</u>
Total school district	<u>\$ 58,841,741</u>	<u>\$ 848,398</u>	<u>\$ 5,778,473</u>	<u>\$ 2,951,179</u>

### General revenues

Taxes
Property taxes, levied for general purposes
Federal, state and local aid not restricted to specific purposes
State Foundation Program
Unrestricted investment earnings
Miscellaneous
Transfers
Total general revenues and transfers
Change in net position
Net position - beginning of year
Net position - end of year

See accompanying notes to financial statements

Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
\$ (22,613,673)	\$ -	\$ (22,613,673)
(6,650,902)	-	(6,650,902)
(1,054,179)	-	(1,054,179)
(1,310,255)	-	(1,310,255)
(3,799,358)	-	(3,799,358)
(1,309,713)	-	(1,309,713)
(1,212,267)	-	(1,212,267)
(2,363,297)	-	(2,363,297)
(553,527)	-	(553,527)
(290,117)	-	(290,117)
(5,553,912)	-	(5,553,912)
(2,012,693)	-	(2,012,693)
(254,374)	-	(254,374)
-	-	-
(91,045)	-	(91,045)
<u>(49,069,312)</u>	<u>-</u>	<u>(49,069,312)</u>
-	(187,836)	(187,836)
-	(6,543)	(6,543)
<u>-</u>	<u>(194,379)</u>	<u>(194,379)</u>
<u>(49,069,312)</u>	<u>(194,379)</u>	<u>(49,263,691)</u>
13,124,621	-	13,124,621
35,941,904	-	35,941,904
78,266	1,054	79,320
88,333	-	88,333
(110,000)	110,000	-
<u>49,123,124</u>	<u>111,054</u>	<u>49,234,178</u>
53,812	(83,325)	(29,513)
<u>86,217,313</u>	<u>28,166</u>	<u>86,245,479</u>
<u>\$ 86,271,125</u>	<u>\$ (55,159)</u>	<u>\$ 86,215,966</u>

**SHERIDAN COUNTY SCHOOL DISTRICT #2**

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

June 30, 2016

	Major Funds		
	General Fund	Federal and State Grants Fund	Major Maintenance Fund
<b>ASSETS</b>			
Cash and cash equivalents	\$ 8,464,552	\$ 379,616	\$ 136,271
Cash held by County Treasurer	194,759	-	-
Investments	-	-	-
Property taxes receivable	11,218,736	-	-
Due from other governments	541,092	1,033,636	-
Due from other funds	1,434,259	-	-
Total assets	<u>\$ 21,853,398</u>	<u>\$ 1,413,252</u>	<u>\$ 136,271</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities			
Accounts payable	\$ 80,658	\$ 13,644	\$ -
Accrued wages payable	549,622	123,742	-
Accrued payroll liabilities	1,039,964	107,351	-
Due to other funds	-	1,168,515	-
Total liabilities	<u>1,670,244</u>	<u>1,413,252</u>	<u>-</u>
Deferred inflows of resources			
Deferred due from other government	541,092	-	-
Deferred property tax revenues	<u>11,116,959</u>	<u>-</u>	<u>-</u>
Total deferred inflows of resources	<u>11,658,051</u>	<u>-</u>	<u>-</u>
Fund balances			
Restricted			
Major maintenance W.S. 21-15-109	-	-	136,271
Depreciation and school building repair reserve fund W.S. 21-13-504	-	-	-
Committed			
Capital construction fund	-	-	-
Early retirement fund	-	-	-
Unassigned	<u>8,525,103</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>8,525,103</u>	<u>-</u>	<u>136,271</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 21,853,398</u>	<u>\$ 1,413,252</u>	<u>\$ 136,271</u>

See accompanying notes to financial statements

Major Funds		Nonmajor Fund	
Depreciation and School Building Repair Reserve Fund	Capital Construction Fund	Early Retirement Fund	Total Governmental Funds
\$ 2,152,933	\$ 797,958	\$ 673,440	\$ 12,604,770
-	-	-	194,759
-	1,505,628	-	1,505,628
-	-	-	11,218,736
-	4,780	-	1,579,508
-	-	-	1,434,259
<u>\$ 2,152,933</u>	<u>\$ 2,308,366</u>	<u>\$ 673,440</u>	<u>\$ 28,537,660</u>
\$ -	\$ -	\$ -	\$ 94,302
-	-	-	673,364
-	-	-	1,147,315
-	250,000	-	1,418,515
<u>-</u>	<u>250,000</u>	<u>-</u>	<u>3,333,496</u>
-	-	-	541,092
-	-	-	11,116,959
<u>-</u>	<u>-</u>	<u>-</u>	<u>11,658,051</u>
-	-	-	136,271
2,152,933	-	-	2,152,933
-	2,058,366	-	2,058,366
-	-	673,440	673,440
-	-	-	8,525,103
<u>2,152,933</u>	<u>2,058,366</u>	<u>673,440</u>	<u>13,546,113</u>
<u>\$ 2,152,933</u>	<u>\$ 2,308,366</u>	<u>\$ 673,440</u>	<u>\$ 28,537,660</u>

## SHERIDAN COUNTY SCHOOL DISTRICT #2

### RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION Year Ended June 30, 2016

Amounts reported for governmental activities in the statement of net position  
are different because:

Total fund balances - governmental funds		\$ 13,546,113
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		99,941,240
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Deferred property tax revenues		2,285,727
Deferred outflows and inflows are not available to pay for current period  expenditures and therefore the underlying resources are not reported in the governmental funds.		
Pension plan items - Deferred outflows of resources	\$ 12,389,783	
Pension plan items - Deferred inflows of resources	<u>(1,475,660)</u>	10,914,123
Long-term liabilities, including lease purchase obligations and compensated absences, are not due and payable in the current period and, therefore, are not reported in the funds.		
Early retirement benefits	(670,395)	
Retainage payable	(491,135)	
Accrued compensated absences	(1,225,975)	
Net pension liability	<u>(38,028,573)</u>	<u>(40,416,078)</u>
Net position of governmental activities		<u>\$ 86,271,125</u>

See accompanying notes to financial statements

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**SHERIDAN COUNTY SCHOOL DISTRICT #2**  
**STATEMENT OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
Year Ended June 30, 2016

	Major Funds		
	General Fund	Federal and State Grants Fund	Major Maintenance Fund
Revenues			
Taxes	\$ 12,802,866	\$ -	\$ -
Intergovernmental revenues	36,430,618	4,504,430	1,839,219
Charges for services	281,241	-	-
Foundation contribution	-	-	-
Miscellaneous	60,595	-	3,847
Total revenues	<u>49,575,320</u>	<u>4,504,430</u>	<u>1,843,066</u>
Expenditures			
Instruction			
Regular instruction	22,089,016	1,397,965	-
Special education instruction	6,305,071	901,792	-
Vocation education	999,609	84,613	-
Other instruction	1,767,154	-	-
Total instruction	<u>31,160,850</u>	<u>2,384,370</u>	<u>-</u>
Support services			
Pupil services	3,484,077	109,868	-
Instructional staff services	1,157,309	1,820,929	-
General administration services	1,127,538	181,017	-
School administration services	2,187,852	-	-
Business services	489,005	-	-
Staff relations and negotiations services	-	-	-
Operation and maintenance of plant services	4,603,684	-	1,963,662
Pupil transportation services	1,968,388	-	-
Central services	1,320,847	-	-
Facilities, acquisitions and construction services	-	-	-
Community services	-	8,246	-
Other support services	91,045	-	-
Total support services	<u>16,429,745</u>	<u>2,120,060</u>	<u>1,963,662</u>
Total expenditures	<u>47,590,595</u>	<u>4,504,430</u>	<u>1,963,662</u>
Excess (deficiency) of revenues over expenditures	<u>1,984,725</u>	<u>-</u>	<u>(120,596)</u>
Other financing sources (uses)			
Proceeds from sale of assets	5,281	-	-
Transfers in	-	-	-
Transfers out	(584,990)	-	-
Total other financing sources (uses)	<u>(579,709)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	1,405,016	-	(120,596)
Fund balances - beginning of year	7,120,087	-	256,867
Fund balances - end of year	<u>\$ 8,525,103</u>	<u>\$ -</u>	<u>\$ 136,271</u>

See accompanying notes to financial statements

Major Funds		Nonmajor Fund	
Depreciation and School Building Repair Reserve Fund	Capital Construction Fund	Early Retirement Fund	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 12,802,866
-	761,960	-	43,536,227
-	-	-	281,241
-	350,000	-	350,000
9,482	7,556	2,635	84,115
9,482	1,119,516	2,635	57,054,449
-	-	-	23,486,981
-	-	-	7,206,863
-	-	-	1,084,222
-	-	-	1,767,154
-	-	-	33,545,220
-	-	-	3,593,945
-	-	-	2,978,238
-	-	-	1,308,555
-	-	-	2,187,852
-	-	-	489,005
-	-	301,780	301,780
-	-	-	6,567,346
-	-	-	1,968,388
-	-	-	1,320,847
50,796	2,382,144	-	2,432,940
-	-	-	8,246
-	-	-	91,045
50,796	2,382,144	301,780	23,248,187
50,796	2,382,144	301,780	56,793,407
(41,314)	(1,262,628)	(299,145)	261,042
-	-	-	5,281
-	194,389	280,601	474,990
-	-	-	(584,990)
-	194,389	280,601	(104,719)
(41,314)	(1,068,239)	(18,544)	156,323
2,194,247	3,126,605	691,984	13,389,790
\$ 2,152,933	\$ 2,058,366	\$ 673,440	\$ 13,546,113

## SHERIDAN COUNTY SCHOOL DISTRICT #2

### RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES Year Ended June 30, 2016

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances-total governmental funds	\$	156,323
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Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay and loss on disposal exceeded depreciation in the current period:

Capital outlay	\$	1,672,329	
Additions to construction in progress		5,331,142	
Less completed construction in progress		(1,087,982)	
Depreciation expense		<u>(3,353,787)</u>	2,561,702

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Compensated absences - current year	(1,225,975)	
Compensated absences - prior year	1,317,451	
Early retirement benefits - current year	(670,395)	
Early retirement benefits - prior year	682,058	
Net pension liability - prior year	29,831,524	
Net pension liability - current year	<u>(38,028,573)</u>	
Deferred outflows - pension items - prior year	(5,315,045)	
Deferred outflows - pension items - current year	12,389,783	
Deferred inflows - pension items - current year	(1,475,660)	
Retainage payable - current year	<u>(491,135)</u>	(2,985,967)

Some revenues reported in the statement of activities do not provide current financial resources and, therefore, are not reported as revenues in the governmental funds:

Deferred revenue - other - current year	541,092	
Deferred revenue - other - prior year	(827,903)	
Deferred property tax revenue - current year	1,744,635	
Deferred property tax revenue - prior year	<u>(1,136,070)</u>	321,754

Change in net position of governmental activities	\$	<u><u>53,812</u></u>
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See accompanying notes to financial statements

**SHERIDAN COUNTY SCHOOL DISTRICT #2**

**STATEMENT OF NET POSITION  
PROPRIETARY FUNDS**

June 30, 2016

	<b>Business-type Activity - Enterprise Funds</b>		
	<b>Food Service Fund</b>	<b>Child Nutrition Co-op Fund</b>	<b>Total Enterprise Funds</b>
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	\$ 269,644	\$ 9,208	\$ 278,852
Due from other governments	15,290	-	15,290
Inventory	17,725	-	17,725
Total current assets	<u>302,659</u>	<u>9,208</u>	<u>311,867</u>
Capital assets, net of accumulated depreciation	<u>46,012</u>	<u>-</u>	<u>46,012</u>
Total assets	<u>348,671</u>	<u>9,208</u>	<u>357,879</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension plan items	183,924	-	183,924
Total deferred outflows of resources	<u>183,924</u>	<u>-</u>	<u>183,924</u>
<b>LIABILITIES</b>			
Current liabilities			
Accounts payable	8,003	-	8,003
Accrued payroll liabilities	14,879	-	14,879
Due to other funds	-	15,744	15,744
Unearned lunch revenue	17,014	-	17,014
Total current liabilities	<u>39,896</u>	<u>15,744</u>	<u>55,640</u>
Noncurrent liabilities			
Due within one year	933	-	933
Due in more than one year	17,730	-	17,730
Net pension liability	500,785	-	500,785
Total noncurrent liabilities	<u>519,448</u>	<u>-</u>	<u>519,448</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension plan items	21,874	-	21,874
Total deferred inflows of resources	<u>21,874</u>	<u>-</u>	<u>21,874</u>
<b>NET POSITION</b>			
Net investment in capital assets	46,012	-	46,012
Unrestricted	<u>(94,635)</u>	<u>(6,536)</u>	<u>(101,171)</u>
Total net position	<u>\$ (48,623)</u>	<u>\$ (6,536)</u>	<u>\$ (55,159)</u>

See accompanying notes to financial statements

**SHERIDAN COUNTY SCHOOL DISTRICT #2**

STATEMENT OF REVENUES, EXPENSES  
AND CHANGES IN FUND NET POSITION  
PROPRIETARY FUNDS  
Year Ended June 30, 2016

	Business-type Activity - Enterprise Funds		
	Food Service Fund	Child Nutrition Co-op Fund	Total Enterprise Funds
Operating revenues			
Charges for services	\$ 567,157	\$ -	\$ 567,157
Total operating revenues	<u>567,157</u>	<u>-</u>	<u>567,157</u>
Operating expenses			
Salaries	471,688	4,764	476,452
Benefits	251,686	1,312	252,998
Contractual services	13,130	433	13,563
Supplies	69,313	34	69,347
Direct food costs	604,772	-	604,772
Cost of commodities	122,139	-	122,139
Miscellaneous	710	-	710
Depreciation	6,883	-	6,883
Total operating expenses	<u>1,540,321</u>	<u>6,543</u>	<u>1,546,864</u>
Operating loss	<u>(973,164)</u>	<u>(6,543)</u>	<u>(979,707)</u>
Nonoperating revenues			
Federal subsidy	785,328	-	785,328
Interest income	1,047	7	1,054
Total nonoperating revenues	<u>786,375</u>	<u>7</u>	<u>786,382</u>
Net loss before transfers	(186,789)	(6,536)	(193,325)
Transfers in	<u>110,000</u>	<u>-</u>	<u>110,000</u>
Change in net position	(76,789)	(6,536)	(83,325)
Net position - beginning of year	<u>28,166</u>	<u>-</u>	<u>28,166</u>
Net position - end of year	<u><u>\$ (48,623)</u></u>	<u><u>\$ (6,536)</u></u>	<u><u>\$ (55,159)</u></u>

See accompanying notes to financial statements

# SHERIDAN COUNTY SCHOOL DISTRICT #2

## STATEMENT OF CASH FLOWS

### PROPRIETARY FUND

Year Ended June 30, 2016

	Business-type Activity - Enterprise Funds		
	Food Service Fund	Child Nutrition Co-op Fund	Total Enterprise Funds
Cash flows from operating activities			
Cash receipts from customer	\$ 549,371	\$ -	\$ 549,371
Cash payments to suppliers for goods and services	(694,002)	(467)	(694,469)
Cash payments to employees for services	(677,029)	(6,076)	(683,105)
Net cash used in operating activities	(821,660)	(6,543)	(828,203)
Cash flows from noncapital financing activities			
Advance from general fund	(3,512)	15,744	12,232
Transfers	110,000	-	110,000
Federal subsidy	691,555	-	691,555
Net cash provided by noncapital financing activities	798,043	15,744	813,787
Cash flows from investing activities			
Interest income	1,047	7	1,054
Net cash provided by investing activities	1,047	7	1,054
Net decrease in cash and cash equivalents	(22,570)	9,208	(13,362)
Cash and cash equivalents - beginning of year	292,214	-	292,214
Cash and cash equivalents - end of year	\$ 269,644	\$ 9,208	\$ 278,852
Reconciliation of operating loss to net cash used in operating activities			
Operating loss	\$ (973,164)	\$ (6,543)	\$ (979,707)
Adjustments to reconcile operating loss to net cash used in operating activities			
Depreciation	6,883	-	6,883
Amortization of differences on pension plan investment earnings	29,436	-	29,436
Commodities - share of federal subsidies	93,773	-	93,773
Increase (decrease) in cash and cash equivalents resulting from changes in operating assets, deferred outflows and inflows, and liabilities			
Due from other governments	(15,290)	-	(15,290)
Inventory	14,286	-	14,286
Deferred outflow - pension plan items	(133,982)	-	(133,982)
Accounts payable	8,003	-	8,003
Accrued payroll liabilities	(69)	-	(69)
Accrued compensated absences	7,582	-	7,582
Unearned lunch revenue	(2,496)	-	(2,496)
Net pension liability	121,504	-	121,504
Deferred inflow - pension plan items	21,874	-	21,874
Net cash used in operating activities	\$ (821,660)	\$ (6,543)	\$ (828,203)
Non-cash transactions			
Received USDA commodities valued at	\$ 93,773	\$ -	\$ -

See accompanying notes to financial statements

**SHERIDAN COUNTY SCHOOL DISTRICT #2**

**STATEMENT OF FIDUCIARY NET POSITION**

June 30, 2016

		Agency Funds	
	Private- Purpose Trust Fund	Student Activities Funds	Contractors Retainage Fund
<b>ASSETS</b>			
Cash	\$ 1,349,809	\$ 385,296	\$ 24,500
Investments, at fair value	10,539	-	-
Total assets	1,360,348	\$ 385,296	\$ 24,500
<b>LIABILITIES</b>			
Due to student groups	-	\$ 385,296	\$ -
Retainage payable	-	-	24,500
Total liabilities	-	\$ 385,296	\$ 24,500
<b>NET POSITION</b>			
Held in trust for scholarships	\$ 1,360,348		

See accompanying notes to financial statements

**SHERIDAN COUNTY SCHOOL DISTRICT #2**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**Year Ended June 30, 2016**

	Private- Purpose Trust Fund
Additions	
Scholarship donations	\$ 26,929
Increase in the value of stock	1,323
Interest earnings	4,764
Total additions	33,016
Deductions	
Scholarship awards	21,100
Total deductions	21,100
Change in net position	11,916
Net position - beginning of year	1,348,432
Net position - end of year	\$ 1,360,348

See accompanying notes to financial statements

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## SHERIDAN COUNTY SCHOOL DISTRICT # 2

### NOTES TO FINANCIAL STATEMENTS

June 30, 2016

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#### **Note 1. Summary of Significant Accounting Policies**

##### ***Reporting Entity***

The Board of Trustees (Board) has governance responsibilities over all activities related to public elementary and secondary school education within the jurisdiction of Sheridan County School District #2 ("District"). The Board receives funding from local, state and federal government sources and must comply with the concomitant requirements of these funding source entities. However, the District serves as the nucleus for the reporting entity under the provisions of GASB Statements No. 14, No. 39, and No. 61 for its basic financial statements. Using this premise, the District is not financially accountable for any other organizations and thus, includes only the financial statements of the District. Sheridan County School District #2 has no component units nor is it considered a component unit of any other government.

##### ***Related Organization***

The Sheridan Recreation District is a legally-separate related organization which is governed by a five-member board consisting of two District-appointed members, two City of Sheridan, Wyoming-appointed members, and one at-large member appointed by the District and the City of Sheridan, Wyoming in alternating years, for which the District has no significant financial accountability. The District imposes a one mill levy on its assessed valuation to be expended by the Sheridan Recreation District, as outlined in Wyoming Statute §18-9-201, in addition to its other sources of revenue. This jointly established system of public recreation operates, maintains, and assists with improving parks located in the City of Sheridan, Wyoming, and surrounding areas in Sheridan County, Wyoming, as well as providing recreational services to youths and adults. For the year ended June 30, 2016, the District paid the Sheridan Recreation District \$8,700 for services associated with an intramural program. Further financial information is available from the Sheridan Recreation District.

##### ***Government-Wide and Fund Financial Statements***

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

## SHERIDAN COUNTY SCHOOL DISTRICT # 2

### NOTES TO FINANCIAL STATEMENTS

June 30, 2016

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#### **Note 1. Summary of Significant Accounting Policies (Continued)**

##### ***Measurement Focus, Basis of Accounting, and Financial Statement Presentation***

The District's financial statements are meant to present District financial information in a format more closely resembling that of the private sector and to provide the user with more managerial analysis regarding the financial results and the Board's financial outlook.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes and interest associated with the current fiscal period are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The *federal and state grants fund* accounts for the proceeds of specific revenue sources that are legally restricted to expenditure for specified purposes and is reported as a special revenue fund.

The *major maintenance fund* accounts for the proceeds of specific revenue sources from capital maintenance property taxes levied on the District's behalf and the State's matching funds for major maintenance or major capital projects that are restricted to expenditures for specified purposes.

The *depreciation and school building repair reserve fund* accounts for proceeds transferred in from the general fund for capital projects designated specifically for the purpose of funding potential future building repair expenditures and asset replacement.

The *capital construction fund* accounts for the proceeds of specific revenue sources for capital projects that are restricted to expenditures for the construction and renovation of schools and buildings.

The District reports the following nonmajor governmental fund:

The *early retirement fund* is a debt service fund that accounts for the liability associated with early retirement benefits.

The District reports the following major proprietary funds:

The *food service fund* accounts for the activities of the District's breakfast and lunch programs.

## SHERIDAN COUNTY SCHOOL DISTRICT # 2

### NOTES TO FINANCIAL STATEMENTS

June 30, 2016

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#### **Note 1. Summary of Significant Accounting Policies (Continued)**

##### ***Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)***

The *child nutrition co-op fund* accounts for the activities associated with the District's administering of the Child Nutrition Cooperative.

Additionally, the District reports the following fund types:

*Private-purpose trust fund* – This fund is used to account for donations for scholarship funds that are received by the District that are to be awarded to current and former students for post-secondary education purposes.

*Agency funds* – The agency funds account for resources held in a custodial capacity by the District, and consists of funds that are the property of students or construction contractors.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's enterprise fund are charges to students for food services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

##### ***Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Net Position/Fund Balance***

##### ***Deposits and Investments***

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the types of investments in which the District may invest. Among these authorized investments are certificates of deposit, money market funds, commercial paper, obligations of the U.S. Treasury, agencies and instrumentalities of the U.S. Government, mortgage backed securities, guaranteed investment contracts, mutual funds and repurchased agreements with banks with the underlying securities being obligations of the U.S. Treasury or agencies and instrumentalities of the U.S. Government.

Investments for the District are reported at fair value. Fair value is determined using the latest bid price or by the closing exchange price at the statements of net position date.

##### ***Accounts Receivable***

The District considers all accounts receivable to be fully collectible at June 30, 2016 and, therefore, no allowance for doubtful accounts is deemed necessary.

## SHERIDAN COUNTY SCHOOL DISTRICT # 2

### NOTES TO FINANCIAL STATEMENTS

June 30, 2016

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#### **Note 1. Summary of Significant Accounting Policies (Continued)**

##### ***Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Net Position/Fund Balance (Continued)***

##### ***Interfund Balances***

On the fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Due from other funds/Due to other funds". These amounts are eliminated in the governmental and business-type activities columns of the statement of activities columns of the statement of net assets, except for the net residual amounts due between governmental and business-type activities.

##### ***Property Taxes***

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on or about August 1 and payable in two installments on September 1 and March 1. The County bills and collects its own property taxes and also taxes for all municipalities and political subdivisions within the County, including Sheridan County School District #2. District property tax revenues are recognized when levied to the extent that they result in current receivables, which means when collected within the current period or expected to be collected within 60 days of the fiscal year end to be used to pay liabilities of the current period. Property taxes which are not current receivables are offset by deferred revenues on the fund financials, but are reported on the government-wide financial statements as revenue and receivables, with no amount being deferred when levied. Property taxes receivable are recognized as of the lien date; however, revenue is not recognized until the levy date.

The District is permitted by Wyoming Statutes to levy taxes of twenty-five mills of assessed valuation for all school purposes, exclusive of bond interest and redemption. In addition, a county-wide school property tax of six mills is levied and a recreation district for one mill. The combined tax related to finance general school services other than the payment of principal and interest on long-term debt for the year ended June 30, 2016 was thirty-one mills, not including the one mill for the recreation district.

##### ***Inventories***

Inventory is valued at the lower of cost (first-in, first-out) or market. Governmental fund type inventories are recorded using the purchase method whereby they are recorded as expenditures when purchased. Supply inventories for the general fund at June 30, 2016 were not material and, therefore, were not recorded at year end.

Enterprise fund inventories are accounted for using the consumption method by which inventory acquisitions are recorded in inventory accounts when purchased or received by other means and are charged to expense when consumed or sold. Inventory in the food service fund consists of purchased food items, as well as USDA food commodities held for consumption.

##### ***Capital Assets***

Capital assets, which include property, plant, equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

## SHERIDAN COUNTY SCHOOL DISTRICT # 2

### NOTES TO FINANCIAL STATEMENTS

June 30, 2016

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#### Note 1. Summary of Significant Accounting Policies (Continued)

##### *Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Net Position/Fund Balance (Continued)*

##### *Capital Assets (Continued)*

Property, plant, and equipment of the District are depreciated using the straight line method over the following estimated useful lives.

Assets	Years
Buildings and improvements	20-50
Property and equipment	10
Vehicles	5

##### *Compensated Absences*

Classified employees who work on 9 month contracts are granted either 3 or 10 days leave of absence for illness each year without loss of salary. The leave is cumulative up to 18 or 60 days depending upon the job classification. The leave covers personal illness or illness in the immediate family (as outlined in District Policy GCC/GDC) requiring the employee's presence. Ten month employees are granted 11 days a year, cumulative to 66 days. Twelve month employees are granted 12 days a year cumulative to 72 days.

Professional staff members who are on nine-month contracts accumulate sick leave at the rate of 10 days per year accumulative to 60 days. Those on ten-month contracts accumulate 11 days of sick leave per year accumulative to 66 days. Staff members on eleven or twelve month contracts accumulate 12 days of sick leave per year accumulative to 72 days. Sick leave is to be used for the illness of a staff member or members of his or her family. Family members are defined in the District's policy as indicated in the prior paragraph.

Once all accumulated leave has been used, eligible classified and certified employees with family members that have extended illnesses may receive their regular salary less the cost of a substitute with board approval. Certified and classified employees can apply for additional sick leave days from their respective sick leave banks in the case of their own illness. Twelve month salaries staff can apply for extended sick leave, but do not have access to a sick leave bank.

Classified employees on a 12 month basis with less than five years of employment are granted 12 days (accumulated at the rate of 1 day/month) of vacation annually with full pay. Employees with more than five years but less than ten on a twelve-month basis are granted 15 days (accumulated at the rate of 1¼ days/month) of vacation annually with full pay. Employees with more than ten years on a twelve-month basis are granted 18 days (accumulated at the rate of 1½ days/month) of vacation annually with full pay. Twelve month exempt employees receive 21 days of vacation. Vacation leave beyond the maximum annual carryover is paid in the December payroll at the June 30th pay rate. At the end of employment, vacation is paid at the current rate.

Employees who retire after ten (10) consecutive years of full-time employment with Sheridan County School District #2 are paid, at the current substitute rate (currently \$96 per day for certified staff) for unused sick leave. Intention to retire must be indicated, in writing, to the Superintendent of Schools by March 15 during the fiscal year prior to actual retirement in order to assure payment at the time of retirement. In the event of the death of an employee while under contract, the beneficiaries of staff employed for ten or more years are entitled to the unused sick leave at the current substitute rate. The maximum number of days to be used in computing the payment is either 18, 60, 66, or 72 days depending on the maximum number of days of sick leave that can be accumulated by the employee. Total accrued compensated absences at June 30, 2016 were \$1,244,638.

## SHERIDAN COUNTY SCHOOL DISTRICT # 2

### NOTES TO FINANCIAL STATEMENTS

June 30, 2016

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#### **Note 1. Summary of Significant Accounting Policies (Continued)**

##### ***Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Net Position/Fund Balance (Continued)***

##### ***Deferred Outflows and Deferred Inflows of Resources***

In addition to assets, the financial statements may include a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a decrease of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to the liabilities, the financial statements may include a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District reports deferred outflows and deferred inflows of resources as follows:

*Unavailable Revenues* – Unavailable revenue is reported in the governmental funds balance sheet. The governmental funds report unavailable revenues from property taxes. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In the government-wide statement of net position, property tax revenue is reported as a deferred inflow of resources in the year the taxes are levied.

*Pension-Related Revenues* – In the government-wide and proprietary funds statement of net position, a deferred outflow or deferred inflow or resources is reported for the unrecognized items not yet charged to pension expense related to the net pension liability. This includes the unamortized portion of the net difference between projected and actual earnings on pension plan investments and other differences between expected and actual experience. Deferred outflows for the net difference between projected and actual investment earnings are recognized over a period of five years, while the deferred inflows or deferred outflows for the differences between expected and actual experience for economic/demographic assumptions are recognized over the remaining service life for all active and inactive members.

##### ***Use of Estimates***

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

##### ***Fund Balances***

Governmental fund equity is classified as fund balance. Fund balance is further classified as nonspendable, restricted, committed, assigned, or unassigned. Nonspendable fund balance cannot be spent because of its form. Restricted fund balance has limitations imposed by creditors, grantors, or contributors or by enabling legislation or constitutional provisions. Committed fund balance is a limitation imposed by the District's Board through approval of resolutions and minutes. Assigned fund balances is a limitation imposed by the District's Board. Unassigned fund balance in the general fund is the net resources in excess of what can be properly classified in one of the above four categories. Negative unassigned fund balance in other governmental funds represents excess expenditures incurred over the amounts restricted, committed, or assigned to those purposes. Proprietary fund equity is classified the same as in the government-wide statements.

If, in any given year, expenditures exceed revenues, it is the intent of the District's Board of Trustees to draw on unassigned fund balances first, followed in order by assigned, then committed, and then restricted, unless otherwise determined by Board motion.

## SHERIDAN COUNTY SCHOOL DISTRICT # 2

### NOTES TO FINANCIAL STATEMENTS

June 30, 2016

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#### **Note 1. Summary of Significant Accounting Policies (Continued)**

##### ***Assets, Liabilities, Deferred Outflows and Inflows of Resources, and Net Position/Fund Balance (Continued)***

##### ***Restricted Net Position***

For the government-wide financial statements, net position is reported as restricted when constraints placed on the net position are either: (1) Externally imposed by creditors (such as debt covenants), grantors, contributors, or laws or regulations of other governments or (2) imposed by law through constitutional provisions or enabling legislation.

##### ***Pensions***

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Wyoming Retirement System ("WRS") plans and additions to/deductions from WRS's fiduciary net position have been determined on the same basis as they are reported by WRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

#### **Note 2. Stewardship, Compliance, and Accountability**

##### ***Budgets and Budgetary Accounting***

The District follows these procedures in establishing the budgetary data reflected in the financial statements:

Prior to May 15, the Superintendent submits to the Board of Trustees a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them. A public hearing is conducted by the third Wednesday in July to obtain public comments. The budget is adopted by the third Wednesday of July.

At the request of the Superintendent or upon its own motion after publication of notice, the Board of Trustees may by resolution transfer any unencumbered or unexpended appropriation balance or part thereof from one fund, department or account to another. All appropriations, excluding appropriations for capital projects, lapse at the close of the budget year to the extent they are not expended or encumbered. The level of expenditure control for budget purposes is the department level.

Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue funds, capital projects funds, and debt service fund.

Budgets for the general fund, special revenue funds, capital projects funds, debt service fund, and enterprise fund are adopted on a cash basis (NON-GAAP). Such basis is not consistent with generally accepted accounting principles (GAAP).

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration during the year. Encumbrances outstanding at year end are immaterial.

As of the year ended June 30, 2016, the only amendment made to an original budget was a \$40,000 increase to instructional support and training expenditures for the student activities fund.

## SHERIDAN COUNTY SCHOOL DISTRICT # 2

### NOTES TO FINANCIAL STATEMENTS

June 30, 2016

#### **Note 3. Detailed Notes on All Funds**

##### ***Deposits and Investments***

As of June 30, 2016, the District had the following investments:

Investment Type	Fair Value	Interest Rate	Investment Maturity (in Years)				Investment Rating
			Less Than 1	1-5	6-10	More Than 10	
Governmental Funds							
Capital Construction Fund							
Certificate of Deposit	\$ 1,505,628	0.31%	\$1,505,628	\$ -	\$ -	\$ -	Not rated
Total	<u>\$ 1,505,628</u>		<u>\$1,505,628</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	
Fiduciary Funds							
Private-Purpose Trust Fund							
Stocks (Donated)	\$ 10,539	N/A	\$ -	\$ -	\$ -	\$ 10,539	A3 - B3/Caa1 (Moody's)
Total	<u>\$ 10,539</u>		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,539</u>	

##### ***Credit risk***

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. State statutes limit the type of investments the District can use. Statutes limit investments primarily to securities issued or guaranteed by the U.S. Treasury or agencies of the United States government, with the exception of funds held in a fiduciary capacity, which may include stocks. At June 30, 2016, the District's investments were donated stocks held in the fiduciary fund for scholarships.

##### ***Concentration of credit risk***

The District does not have a formal policy that allows or limits an investment in any one issuer that is in excess of a specified percentage of the district's total investments. At June 30, 2016, the District held investments in trust that are in stocks. These investments were donated to the District to be held in a fiduciary fund with the proceeds to be used for student scholarships.

##### ***Custodial credit risk – deposits***

In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. State statutes require that the District's deposits in excess of the Federal depository insurance amount be collateralized. At June 30, 2016, the District's deposits were fully insured or collateralized as required by State statutes.

##### ***Custodial credit risk – investments***

For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The fiduciary fund's donated stocks are held in a brokerage account which is covered by the Securities Investment Protection Corporation up to a ceiling of \$500,000.

# SHERIDAN COUNTY SCHOOL DISTRICT # 2

## NOTES TO FINANCIAL STATEMENTS

June 30, 2016

### **Note 3. Detailed Notes on All Funds (Continued)**

#### ***Capital Assets***

A summary of changes in capital assets follows:

	Beginning Balance July 1, 2015	Transfers and Additions	Transfers and Deletions	Ending Balance June 30, 2016
Governmental activities				
Capital assets, not being depreciated				
Land (*)	\$ 3,089,013	\$ 77,205	\$ -	\$ 3,166,218
Construction in progress	1,032,169	5,331,142	1,087,982	5,275,329
Total capital assets, not being depreciated	4,121,182	5,408,347	1,087,982	8,441,547
Capital assets, being depreciated				
Buildings and improvements	116,557,953	1,087,982	-	117,645,935
Vehicles	4,250,748	382,062	158,947	4,473,863
Property and equipment	2,739,679	125,080	5,969	2,858,790
Total capital assets, being depreciated	123,548,380	1,595,124	164,916	124,978,588
Less accumulated depreciation				
Buildings and improvements	26,170,513	2,768,828	-	28,939,341
Vehicles	2,383,605	369,661	158,947	2,594,319
Property and equipment	1,735,906	215,298	5,969	1,945,235
Total accumulated depreciation	30,290,024	3,353,787	164,916	33,478,895
Total capital assets, being depreciated, net	93,258,356	(1,758,663)	-	91,499,693
Governmental activities capital assets, net	<u>\$ 97,379,538</u>	<u>\$ 3,649,684</u>	<u>\$ 1,087,982</u>	<u>\$ 99,941,240</u>
Business-type activities				
Capital assets, being depreciated				
Property and equipment	\$ 325,644	\$ -	\$ -	\$ 325,644
Less accumulated depreciation	272,749	6,883	-	279,632
Business-type activities capital assets, net	<u>\$ 52,895</u>	<u>\$ (6,883)</u>	<u>\$ -</u>	<u>\$ 46,012</u>

(\*) Included in the value of land is a vacant lot for which the District owns shares in the Burn Cleuch Ditch Company in a proportion equivalent to its acreage of water rights. The District owns these shares in order to obtain an adequate supply of water for the District.

**SHERIDAN COUNTY SCHOOL DISTRICT # 2****NOTES TO FINANCIAL STATEMENTS**

June 30, 2016

**Note 3. Detailed Notes on All Funds (Continued)*****Capital Assets (Continued)***

Depreciation expense was charged to functions/programs of the District as follows:

Governmental activities	
Instruction	
Regular instruction	\$ 215,298
Support services	
Pupil transportation services	369,661
Operation and maintenance of plant services	2,768,828
Total depreciation expense - governmental activities	<u>\$3,353,787</u>
Business-type activities	
Food service fund	\$ 6,883
Total depreciation expense - business-type activities	<u>\$ 6,883</u>

***Individual Interfund Receivables, Payable and Transfers***

Individual interfund receivable and payable balances are as follows:

	Receivable	Payable
Governmental funds		
General fund	\$ 1,434,259	\$ -
Federal and state grants fund	-	1,168,515
Capital construction fund	-	250,000
Proprietary fund		
Child nutrition co-op fund	-	15,744
	<u>\$ 1,434,259</u>	<u>\$ 1,434,259</u>

These balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursed expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

Operating transfers during the year were as follows:

	Transfers In	Transfers Out
Governmental funds		
General fund	\$ -	\$ 584,990
Capital construction fund	194,389	-
Early retirement fund	280,601	-
Enterprise fund		
Food service fund	110,000	-
	<u>\$ 584,990</u>	<u>\$ 584,990</u>

# SHERIDAN COUNTY SCHOOL DISTRICT # 2

## NOTES TO FINANCIAL STATEMENTS

June 30, 2016

### Note 3. Detailed Notes on All Funds (Continued)

#### *Individual Interfund Receivables, Payable and Transfers (Continued)*

Transfers are used to (1) move revenue from the fund that statute or budget required to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

#### *Long-term Debt*

Long-term liability activity for the year ended June 30, 2016 was as follows:

	Balance June 30, 2015	New Debt Incurred	Debt Retired	Balance June 30, 2016	Due Within One Year
<b>Governmental Activities</b>					
Accrued compensated absences	\$ 1,317,451	\$ -	\$ 91,476	\$ 1,225,975	\$ 48,356
Early retirement benefits	682,058	290,117	301,780	670,395	350,770
Retainage payable	-	491,135	-	491,135	491,135
Net pension liability	29,831,524	8,197,049	-	38,028,573	-
	<u>\$ 31,831,033</u>	<u>\$ 8,978,301</u>	<u>\$ 393,256</u>	<u>\$ 40,416,078</u>	<u>\$ 890,261</u>
<b>Business-type Activities</b>					
Accrued compensated absences	\$ 11,081	\$ 7,582	\$ -	\$ 18,663	\$ 933
Net pension liability	379,281	121,504	-	500,785	-
	<u>\$ 390,362</u>	<u>\$ 129,086</u>	<u>\$ -</u>	<u>\$ 519,448</u>	<u>\$ 933</u>

In order to be eligible for early retirement benefits, the employee applicant must have been employed by the District for a minimum of 15-20 years, depending upon employee classification, and must have ten total years and five years of continuous/consecutive employment in the District immediately preceding the date of application for participation in the early retirement plan. The employee will receive an incentive based on their average FTE and hours worked over the last ten years and other fixed amounts, depending upon employee classification, and is payable in equal monthly installments for a period not exceeding two years. The employee receiving benefits under this plan will be responsible for all taxes accruing from such benefits. The cost of these benefits to the District is \$670,395 over the next three years. The present value of the benefits is \$662,414 calculated using the current interest rate paid by the District's primary investment. Since the difference between the actual cost and discounted costs is \$7,981, an immaterial amount to the District's financial statements, the District has recorded the actual cost in the financial statements. During the current year, expenditures of \$301,780 were recognized as retirement payments in the Early Retirement Fund to cover one hundred (100) participants.

Long term debt related to governmental activities is generally liquidated by the general fund except for the retainage payable which is liquidated by the capital construction fund and early retirement benefits by the early retirement fund.

## SHERIDAN COUNTY SCHOOL DISTRICT # 2

### NOTES TO FINANCIAL STATEMENTS

June 30, 2016

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#### Note 3. Detailed Notes on All Funds (Continued)

##### *Public Employees' Pension Plan*

The District participates in the Public Employees' Pension Plan ("PEPP"), a statewide cost-sharing multiple-employer public employee retirement system administered by the State of Wyoming Retirement System Board. Substantially all District full-time employees are eligible to participate. The PEPP provides retirement, disability and death benefits according to predetermined formulas. Benefits are established by Title 9, Chapter 3 of the Wyoming Statutes.

PEPP members are required to contribute 8.25% of their annual covered salary and the District is required to contribute 8.37% of the annual covered payroll. Legislation enacted in 1979 allows the employer to pay any or all of the employees' contribution in addition to the matching contribution. The District currently pays 14.565% of the required employee's contribution and the employees pay 2.055%. Contribution rates are established by Title 9, Chapter 3 of the Wyoming Statutes. The District's contributions to the PEPP for the years ended June 30, 2016, 2015 and 2014 were \$4,334,136, \$4,077,796, and \$4,127,310, while the employees' portion was \$621,071, \$602,978, and \$523,508, respectively, equal to the required contributions for each year.

##### *Pension Plan Fiduciary Net Position*

The Wyoming Retirement System issues a publicly available financial report which includes audited financial statements and required supplementary information for each plan. Detailed information about the pension plan's fiduciary net position is available in separately issued Wyoming Retirement System financial report. The report may be obtained from the Wyoming Retirement System website at <http://retirement.state.wy.us>.

##### *Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions*

At June 30, 2016, the District reported a total liability of \$38,529,358 for its proportionate share of the net pension liability. The net pension liability was measured as of December 31, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation January 1, 2016. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, actuarially determined.

At December 31, 2015, the District's liability as well as their proportion and increase from its proportion measured at December 31, 2015 was as follows:

	Pension liability at December 31, 2015	Proportion at December 31, 2015	Increase (decrease) from December 31, 2014
Public Employees' Pension Plan	<u>\$ 38,529,358</u>	1.654083521%	-0.057875385%

**SHERIDAN COUNTY SCHOOL DISTRICT # 2****NOTES TO FINANCIAL STATEMENTS**

June 30, 2016

**Note 3. Detailed Notes on All Funds (Continued)*****Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (Continued)***

For the year ended June 30, 2016, the District recognized pension expense of \$7,592,007. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Net difference between projected and actual earnings on pension plan investments	\$ 9,498,066	\$ -
Difference between actual and expected experience	-	815,107
Change in employer's proportion	-	682,427
Amortizing deferred outflows and deferred inflows	9,498,066	1,497,534
District's contributions subsequent to the measurement date	3,075,641	-
Total	\$ 12,573,707	\$ 1,497,534

The District reported \$3,075,641 as deferred outflows of resources related to the pension resulting from the District's contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the year ended June 30, 2017. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized in pension expense as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Year ended June 30,		
2017	\$ 2,529,330	\$ 513,980
2018	2,529,331	513,980
2019	2,529,331	469,574
2020	1,910,074	-
	\$ 9,498,066	\$ 1,497,534

# SHERIDAN COUNTY SCHOOL DISTRICT # 2

## NOTES TO FINANCIAL STATEMENTS

June 30, 2016

### Note 3. Detailed Notes on All Funds (Continued)

#### Actuarial Assumptions

The total pension liability in the December 31, 2015 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Actuarial Assumptions and Methods	
Valuation Date	1/1/2016
Actuarial cost method	Individual Entry Age Normal
Amortization method	Level percent open
Remaining amortization period	30 years
Asset valuation method	5-year
Actuarial assumptions:	
Investment net rate of return	7.75%
Projected salary increases (includes inflation)	4.25% to 6.00%
Assumed inflation rate	3.25%
Mortality	RP-2000 Combined Mortality Table, fully generational

The current actuarial assumptions and methods used in the January 1, 2016 valuation were based upon an experience study that covered a five-year period ending December 31, 2011. Differences between assumptions and actual experience since the prior valuation are identified as actuarial gains and losses. These gains and losses impact the unfunded actuarial liability and future funding requirements determined in subsequent valuations.

The long term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and adding expected inflation.

For each major asset class that is included in the pension plan's target allocation as of January 1, 2016, these best estimates are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Cash	2.50%	0.25%
Fixed income	15.00%	0.87%
Equity	59.00%	5.13%
Marketable alternatives	15.50%	4.75%
Private markets	8.00%	5.84%
Total	100.00%	

## SHERIDAN COUNTY SCHOOL DISTRICT # 2

### NOTES TO FINANCIAL STATEMENTS

June 30, 2016

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#### Note 3. Detailed Notes on All Funds (Continued)

##### *Discount Rate*

The discount rate used to measure the total pension liability was 7.75 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions for participating governmental entities will be made at contractually required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

##### *Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate*

The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate.

Pension Plan	1% Decrease (6.75)%	Current Discount Rate (7.75)%	1% Increase (8.75)%
Public Employees' Pension Plan	\$ 55,314,527	\$ 38,529,358	\$ 24,338,980

##### *Payables to the Pension Plan*

At June 30, 2016, the District had no amount payable to the pension plan.

##### *Deficit Fund Equity*

At June 30, 2016 the following funds had a deficit net position:

###### Proprietary Funds

Food Service Fund	\$ 63,913
Child Nutrition Co-op Fund	6,536
Total proprietary funds	<u>\$ 70,449</u>

The deficit net position for the Food Service Fund was the direct result of recognizing the net pension liability associated with the implementation of GASB Statement No. 68. The deficit net position for the Child Nutrition Co-op Fund is the result of the initial start-up of this fund's activity during the fiscal year and will be cleared through future revenue streams.

## SHERIDAN COUNTY SCHOOL DISTRICT # 2

### NOTES TO FINANCIAL STATEMENTS

June 30, 2016

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#### **Note 3. Detailed Notes on All Funds (Continued)**

##### ***Risk Management***

##### ***General Liability***

The District is exposed to various risks of loss related to torts, theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. During the year ended June 30, 2016, the District contracted with various insurance companies for property insurance (including boiler and machinery), general liability insurance, professional insurance and vehicle insurance. The coverage's under each type of insurance policy vary in amounts and deductibles. The District has not had significant settlements exceeding insurance coverage in any of the past three fiscal years. The District also participates in two other risk management programs: Workers' Compensation Act and Unemployment Compensation Act.

Wyoming Statute §27-14-101 created the Wyoming Workers' Compensation Act, which is administered as an Enterprise Fund by the State of Wyoming. All employers within the State of Wyoming are participants of this plan unless the employer elects not to be covered under the plan. This act requires the District to obtain liability coverage for payment of benefits to employees for job-related injuries and diseases through the Workers' Compensation Fund. This act provides general protection from suits filed by employees against the District. The District makes monthly payments to the Department of Employment, State of Wyoming. This amount is based on salaries and a split rate between hazardous and non-hazardous positions. Amounts paid by the District to the State for Worker's Compensation for the year ended June 30, 2016 was \$481,279.

Wyoming Statute §27-3-101 created the Unemployment Compensation Act. This act requires the District to pay the cost of actual claims incurred. During the fiscal year, the District paid approximately \$13,790 in claims under the Unemployment Compensation Act Program.

##### ***Commitments and Contingencies***

As of the year ended June 30, 2016, the District's only on-going construction project was the Sheridan High School locker room. The locker room is funded from capital construction, major maintenance, and private donations. At June 30, 2016, the remaining construction contract for this project was approximately \$1,243,000. The project is expected to be completed in the summer of 2017.

##### ***Implementation of Governmental Accounting Standards Board Statement 72 and 82***

Governmental Accounting Standards Board Statement No. 72, *Fair Value Measurement and Application*, defines fair value and describes how fair value should be measured, what assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements.

Governmental Accounting Standards Board Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68, and No. 73*, is designed to improve consistency in the application of the pension standards by clarifying or amending related areas of existing guidance. The District early implemented this standard.

## **REQUIRED SUPPLEMENTARY INFORMATION**

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**SHERIDAN COUNTY SCHOOL DISTRICT #2**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
COMPARED TO BUDGET (NON-GAAP BASIS)**

General Fund

Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amount	Final Budget
				Positive
				(Negative)
<b>REVENUES</b>				
Taxes				
Special district taxes	\$ 7,500,000	\$ 7,500,000	\$ 7,122,927	\$ (377,073)
6-mill county taxes	1,930,000	1,930,000	1,823,899	(106,101)
Motor vehicle taxes	1,850,000	1,850,000	2,131,863	281,863
Car company taxes	17,000	17,000	17,320	320
County motor vehicle taxes	450,000	450,000	474,054	24,054
Delinquent county taxes	5,000	5,000	6,996	1,996
Fines and forfeitures	325,000	325,000	384,714	59,714
Forest reserve revenue	5,000	5,000	5,580	580
Taylor grazing income	5,000	5,000	3,232	(1,768)
State shortfall grant	827,902	827,902	827,903	1
Other local taxes	50,000	50,000	31,190	(18,810)
Total taxes	12,964,902	12,964,902	12,829,678	(135,224)
Intergovernmental revenues				
State foundation program	35,416,000	35,416,000	35,939,760	523,760
Audit adjustment - state foundation	2,000	2,000	2,144	144
State revenue legislative salary appropriation	525,950	525,950	488,714	(37,236)
Total intergovernmental revenues	35,943,950	35,943,950	36,430,618	486,668
Charges for services				
Tuition	40,000	40,000	41,217	1,217
Rent	27,000	27,000	41,747	14,747
Student activities and fines	115,000	115,000	198,277	83,277
Total charges for services	182,000	182,000	281,241	99,241
Miscellaneous				
Earnings on investments	30,000	30,000	53,423	23,423
Sale of fixed assets	5,000	5,000	5,281	281
Miscellaneous	-	-	5,843	5,843
Total miscellaneous	35,000	35,000	64,547	29,547
Total revenues	49,125,852	49,125,852	49,606,084	480,232

(Continued)

See accompany notes to required supplementary information

## SHERIDAN COUNTY SCHOOL DISTRICT #2

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE COMPARED TO BUDGET (NON-GAAP BASIS)

General Fund (Continued)

Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
<b>EXPENDITURES</b>				
<b>Instruction</b>				
Elementary instruction	\$ 11,411,846	\$ 11,396,846	\$ 11,064,568	\$ 332,278
Middle/Junior high school instruction	4,961,932	4,998,057	5,055,051	(56,994)
Senior high instruction	6,053,361	6,040,640	5,964,903	75,737
Special education	5,449,852	5,349,852	4,846,566	503,286
Gifted and talented	194,400	194,400	108,756	85,644
Special education - tuition	500,000	600,000	903,656	(303,656)
Limited English Proficiency	287,700	287,700	193,675	94,025
Homebound programs	39,950	39,950	9,015	30,935
Behavior center	316,435	316,435	230,111	86,324
Junior high activities	283,804	283,804	256,772	27,032
Junior high intramurals	22,500	22,500	13,335	9,165
High school activities	1,109,139	1,109,139	1,512,194	(403,055)
High school vocational instruction	1,019,669	1,011,265	999,185	12,080
Total instruction	31,650,588	31,650,588	31,157,787	492,801
<b>Instructional Support</b>				
Guidance services	845,096	520,715	500,229	20,486
Student strategic planning	136,850	821,326	801,599	19,727
Student information systems	272,200	272,200	237,576	34,624
Assessment services	109,900	109,900	105,014	4,886
Social services	456,000	95,905	95,422	483
Health services	332,329	332,329	308,568	23,761
Psychological services	462,100	462,100	458,803	3,297
Speech services	467,300	467,300	481,493	(14,193)
Audiology services	79,050	79,050	68,125	10,925
Occupational therapy	131,200	131,200	125,447	5,753
Physical therapy	60,000	60,000	59,096	904
Other support services	300,000	300,000	155,186	144,814
Staff development	226,150	226,150	224,038	2,112
Education media services	644,711	644,711	592,847	51,864
Special education supervision	205,000	205,000	195,924	9,076
Technology integration	190,400	190,400	152,210	38,190
Total instructional support	4,918,286	4,918,286	4,561,577	356,709

(Continued)

See accompany notes to required supplementary information

**SHERIDAN COUNTY SCHOOL DISTRICT #2**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
COMPARED TO BUDGET (NON-GAAP BASIS)**

General Fund (Continued)

Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
EXPENDITURES (Continued)				
General Support				
Central administration	\$ 575,407	\$ 575,407	\$ 561,770	\$ 13,637
Asst. Superintendent - Curriculum	497,010	497,010	432,582	64,428
School administration	2,255,115	2,255,115	2,196,454	58,661
Business administration	550,700	550,700	513,477	37,223
Board of education services	160,000	160,000	131,490	28,510
Supervisor of operations and maintenance of plant services	530,891	530,891	525,867	5,024
Operating building services	4,164,950	4,164,950	3,746,659	418,291
Care/Upkeep of grounds services	339,600	339,600	303,502	36,098
Security services	64,200	64,200	64,778	(578)
Pupil transportation	2,072,100	2,047,100	1,766,127	280,973
Transportation activities	201,800	201,800	167,394	34,406
Transportation other	30,900	55,900	108,011	(52,111)
Assistant Superintendent				
Instruction/Personnel	457,600	457,600	421,716	35,884
Technology coordination	914,100	914,100	856,077	58,023
Total general support	<u>12,814,373</u>	<u>12,814,373</u>	<u>11,795,904</u>	<u>1,018,469</u>
Total expenditures	<u>49,383,247</u>	<u>49,383,247</u>	<u>47,515,268</u>	<u>1,867,979</u>
Excess (deficiency) of revenues over expenditures	(257,395)	(257,395)	2,090,816	2,348,211
Other financing uses				
Transfers out	<u>(584,990)</u>	<u>(584,990)</u>	<u>(584,990)</u>	<u>-</u>
Net change in fund balance	(842,385)	(842,385)	1,505,826	2,348,211
Fund balance - beginning of year	<u>7,536,672</u>	<u>7,536,672</u>	<u>7,536,672</u>	<u>-</u>
Fund balance - end of year	<u>\$ 6,694,287</u>	<u>\$ 6,694,287</u>	<u>\$ 9,042,498</u>	<u>\$ 2,348,211</u>

See accompany notes to required supplementary information

**SHERIDAN COUNTY SCHOOL DISTRICT #2**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
COMPARED TO BUDGET (NON-GAAP BASIS)**

Federal and State Grants Fund  
Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
Revenues				
Federal sources	\$ 4,300,000	\$ 4,300,000	\$ 2,308,110	\$ (1,991,890)
Local sources	600,000	600,000	135,677	(464,323)
State sources	1,100,000	1,100,000	1,364,840	264,840
Total revenues	<u>6,000,000</u>	<u>6,000,000</u>	<u>3,808,627</u>	<u>(2,191,373)</u>
Expenditures				
Instruction	3,000,000	3,000,000	2,347,529	652,471
Instructional support	2,100,000	2,100,000	1,956,928	143,072
General support	850,000	850,000	188,358	661,642
Community support	50,000	50,000	8,246	41,754
Total expenditures	<u>6,000,000</u>	<u>6,000,000</u>	<u>4,501,061</u>	<u>1,498,939</u>
Excess (deficiency) of revenues over expenditures	-	-	(692,434)	(692,434)
Fund deficit - beginning of year	<u>(174,426)</u>	<u>(174,426)</u>	<u>(174,426)</u>	<u>-</u>
Fund deficit - end of year	<u><u>\$ (174,426)</u></u>	<u><u>\$ (174,426)</u></u>	<u><u>\$ (866,860)</u></u>	<u><u>\$ (692,434)</u></u>

See accompany notes to required supplementary information

**SHERIDAN COUNTY SCHOOL DISTRICT #2**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
COMPARED TO BUDGET (NON-GAAP BASIS)**

Major Maintenance Fund  
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 1,839,219	\$ 1,839,219	\$ 1,839,219	\$ -
Miscellaneous	700	700	3,845	3,145
Total revenue	1,839,919	1,839,919	1,843,064	3,145
Expenditures				
Facilities, acquisitions and construction services	2,096,786	2,096,786	1,963,662	133,124
Total expenditures	2,096,786	2,096,786	1,963,662	133,124
Excess (deficiency) of revenues over expenditures	(256,867)	(256,867)	(120,598)	136,269
Fund balance - beginning of year	256,867	256,867	256,867	-
Fund balance - end of year	\$ -	\$ -	\$ 136,269	\$ 136,269

See accompany notes to required supplementary information

## SHERIDAN COUNTY SCHOOL DISTRICT #2

### SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS

Last 10 fiscal years  
(Unaudited)

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Public Employees' Pension Plan</b>			
District's proportion of the net pension liability	1.654083521%	1.711958906%	*
District's proportionate share of the net pension liability	\$ 38,529,358	\$ 30,210,805	*
District's covered-employee payroll	28,848,439	29,264,439	*
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	133.56%	103.23%	*
Plan fiduciary net position as a percentage of the total pension liability	73.40%	79.08%	*

The amounts presented for each fiscal year were determined as of 12/31.

\* Information for years prior to 2015 is not available; the schedule will be completed as information becomes available.

2013	2012	2011	2010	2009	2008	2007
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*

## SHERIDAN COUNTY SCHOOL DISTRICT #2

### SCHEDULE OF PENSION CONTRIBUTIONS

Last 10 fiscal years  
(Unaudited)

	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b>Public Employees' Pension Plan</b>			
Contractually required contribution	\$ 4,955,207	\$ 4,680,774	*
Contributions in relations to the contractually required contributions	<u>(4,955,207)</u>	<u>(4,680,774)</u>	<u>*</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>*</u>
District's covered-employee payroll	\$ 29,814,723	\$ 29,494,480	*
Contributions as a percentage of covered-employee payroll	16.62%	15.87%	*

\* Information for years prior to 2015 is not available; the schedule will be completed as information becomes available.

2013	2012	2011	2010	2009	2008	2007
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*
*	*	*	*	*	*	*

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**SHERIDAN COUNTY SCHOOL DISTRICT #2****NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

June 30, 2016

**Note 1. Explanation of Differences Between Budgetary Basis and GAAP Basis**

	General Fund	Federal and State Grants Fund	Major Maintenance Fund
<b>Revenues</b>			
Actual amounts (budgetary basis) from the Budgetary Comparison Schedule	\$ 49,606,084	\$ 3,808,627	\$ 1,843,064
<b>Differences - Budgetary Basis to GAAP</b>			
Property taxes receivable	(25,483)	-	-
Sale of fixed assets	(5,281)	-	-
Due from other governments	-	695,803	-
Miscellaneous	-	-	2
<b>Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds</b>	<b>\$ 49,575,320</b>	<b>\$ 4,504,430</b>	<b>\$ 1,843,066</b>
<b>Expenditures</b>			
Actual amounts (budgetary basis) from the Budgetary Comparison Schedule	\$ 47,515,268	\$ 4,501,061	\$ 1,963,662
<b>Differences - Budgetary Basis to GAAP</b>			
Accounts payable	47,217	(2,847)	-
Accrued wages payable	28,110	6,216	-
<b>Total expenditures as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds</b>	<b>\$ 47,590,595</b>	<b>\$ 4,504,430</b>	<b>\$ 1,963,662</b>

**Note 2. Basis of Budgeting**

Annual budgets are adopted on the cash basis for all governmental funds.

Legal spending control for the District monies is at the functional level. The District may amend the budget after it is appropriated using the same procedures necessary to approve the original budget at the functional level. During the year, no significant appropriations were necessary. Management monitors expenditures at budgetary line items levels within each fund to enhance the accounting control system and may amend the budget at this level as long as the functional level budget is maintained.

**SHERIDAN COUNTY SCHOOL DISTRICT #2**

**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (CONTINUED)**

June 30, 2016

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**Note 3.            Explanation of Changes to Pension Plan**

***Changes of assumptions*** – There have been no changes of assumptions in the Public Employees' Pension Plan since the prior valuation.

***Changes in benefits*** – There have been no changes in the benefit provisions in the Public Employees' Pension Plan since the prior valuation.

## **OTHER SUPPLEMENTARY INFORMATION**

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## SHERIDAN COUNTY SCHOOL DISTRICT #2

### SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE COMPARED TO BUDGET (NON-GAAP BASIS)

Capital Construction Fund  
Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental revenues	\$ 8,500,000	\$ 8,500,000	\$ 607,180	\$ (7,892,820)
Private donations	1,500,000	1,500,000	500,000	(1,000,000)
Miscellaneous	2,000	2,000	7,555	5,555
Total revenue	10,002,000	10,002,000	1,114,735	(8,887,265)
Expenditures				
Instruction	250,000	250,000	-	250,000
Construction	8,500,000	8,500,000	2,382,144	6,117,856
Total expenditures	8,750,000	8,750,000	2,382,144	6,367,856
Deficiency of revenue over expenditures	1,252,000	1,252,000	(1,267,409)	(2,519,409)
Other financing sources				
Transfers in	224,990	224,990	194,389	(30,601)
Net change in fund balance	1,476,990	1,476,990	(1,073,020)	(2,550,010)
Fund balance - beginning of year	3,126,606	3,126,606	3,126,606	-
Fund balance - end of year	\$ 4,603,596	\$ 4,603,596	\$ 2,053,586	\$ (2,550,010)

**SHERIDAN COUNTY SCHOOL DISTRICT #2**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
COMPARED TO BUDGET (NON-GAAP BASIS)**

**Depreciation and School Building Repair Reserve Fund**

Year Ended June 30, 2016

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Miscellaneous	\$ -	\$ -	\$ 7,526	\$ 7,526
Total revenue	-	-	7,526	7,526
Expenditures				
Technology/building repair	1,500,000	1,500,000	50,796	1,449,204
Total expenditures	1,500,000	1,500,000	50,796	1,449,204
Deficiency of revenues over expenditures	(1,500,000)	(1,500,000)	(43,270)	1,456,730
Fund balance - beginning of year	2,194,791	2,194,791	2,194,791	-
Fund balance - end of year	\$ 694,791	\$ 694,791	\$ 2,151,521	\$ 1,456,730

## **FEDERAL FINANCIAL ASSISTANCE REPORTS**

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# SHERIDAN COUNTY SCHOOL DISTRICT #2

## SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended June 30, 2016

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Passed Through to Subrecipients	Total Federal Expenditures
<i>U.S. Department of Agriculture</i>				
Passed through State of Wyoming				
Department of Education				
<i>Child Nutrition Cluster</i>				
School Breakfast Program	10.553	None	\$ -	\$ 111,692
National School Lunch Program	10.555	None	-	504,233
Federal Share of USDA Commodities	10.555	None	-	93,773
Total Child Nutrition Cluster			-	709,698
Fresh Fruit and Vegetable Program	10.582	None	-	74,183
Total U.S. Department of Agriculture			-	783,881
<i>U. S. Department of Education</i>				
Passed through State of Wyoming				
Department of Education				
Title I Grants to Local Educational Agencies	84.010A	1417024T1A00	-	80
Title I Grants to Local Educational Agencies	84.010A	1517025T1A00	-	244,856
Title I Grants to Local Educational Agencies	84.010A	1617025T1A00	-	835,776
Title I Grants to Local Educational Agencies	84.010A	1517025T1D00	-	7,768
Title I Grants to Local Educational Agencies	84.010A	1617025T1D00	-	13,412
Title I Grants to Local Educational Agencies	84.010A	14170244A1A0	-	31,778
Total Title I Grants to Local Educational Agencies			-	1,133,670
<i>Special Education Cluster (IDEA)</i>				
Special Education - Grants to States	84.027A	1517025T6100	-	478,246
Special Education - Grants to States	84.027A	1617025T6100	-	411,265
Special Education - Preschool Grants	84.173A	1617025T6900	-	6,129
Total Special Education Cluster (IDEA)			-	895,640
Career and Technical Education - Basic Grants to States	84.048A	1617025VEA00	-	87,856
Total Career and Technical Education - Basic Grants to States			-	87,856
Education for Homeless Children & Youth	84.196A	141702HOMA0	-	921
Total Education for Homeless Children and Youth			-	921
Twenty-First Century Community Learning Centers	84.287C	1417024CCA8	-	(1,105)
Twenty-First Century Community Learning Centers	84.287C	1517024CCA8	-	90,320
Twenty-First Century Community Learning Centers	84.287C	1517025CCA9	-	187,477
Total Twenty- First Century Community Learning Centers			-	276,692
Supporting Effective Instruction State Grant	84.367A	1517025T2A00	-	109,814
Supporting Effective Instruction State Grant	84.367A	1617025T2A00	-	281,227
Total Improving Teacher Quality State Grants			-	391,041
Total U.S. Department of Education			-	2,785,820
<b>Total Expenditures of Federal Awards</b>			\$ -	\$ 3,569,701

See notes to the schedule of expenditures of federal awards

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## SHERIDAN COUNTY SCHOOL DISTRICT NO. 2

### NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

June 30, 2016

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#### **Note 1. Basis of Presentation**

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Sheridan County School District #2 and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

#### **Note 2. Commodities**

Sheridan County School District #2 purchases commodities from the United States Department of Agriculture at discounted prices. The District purchased \$122,139 of commodities for \$28,366. The difference of \$93,773 is shown as federal assistance on the Schedule of Expenditures of Federal Awards.

#### **Note 3. Indirect Cost Rate**

Sheridan County School District #2 has elected not to use the 10-percent de minimus indirect cost rate allowed under the Uniform Guidance.

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND  
OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

**INDEPENDENT AUDITOR'S REPORT**

Honorable Superintendent and  
Board of Trustees  
Sheridan County School District #2  
Sheridan, Wyoming

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sheridan County School District #2, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise Sheridan County School District #2's basic financial statements, and have issued our report thereon dated December 6, 2016.

***Internal Control Over Financial Reporting***

In planning and performing our audit of the financial statements, we considered Sheridan County School District #2's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Sheridan County School District #2's internal control. Accordingly, we do not express an opinion on the effectiveness of Sheridan County School District #2's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether Sheridan County School District #2's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### ***Purpose of this Report***

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Porter, Muirhead, Cornia & Howard

Certified Public Accountants

Casper, WY  
December 6, 2016



**REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL  
CONTROL OVER COMPLIANCE**

**INDEPENDENT AUDITOR'S REPORT**

Honorable Superintendent and  
Board of Trustees  
Sheridan County School District #2  
Sheridan, Wyoming

**Report on Compliance for Each Major Federal Program**

We have audited Sheridan County School District #2's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Sheridan County School District #2's major federal programs for the year ended June 30, 2016. Sheridan County School District #2's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

***Management's Responsibility***

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of Sheridan County School District #2's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Sheridan County School District #2's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Sheridan County School District #2's compliance.

***Opinion on Each Major Federal Program***

In our opinion, Sheridan County School District #2 complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

## Report on Internal Control Over Compliance

Management of Sheridan County School District #2 is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Sheridan County School District #2's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Sheridan County School District #2's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



Porter, Muirhead, Cornia & Howard  
Certified Public Accountants

Casper, WY  
December 6, 2016

## SHERIDAN COUNTY SCHOOL DISTRICT #2

### SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended June 30, 2016

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#### Section I - Summary of Auditor's Results

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##### *Financial Statements*

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP: Unmodified

Internal control over financial reporting:

Material weaknesses identified? No

Significant deficiencies identified? None reported

Noncompliance material to financial statements noted? No

##### *Federal Awards*

Internal control over major federal programs:

Material weaknesses identified? No

Significant deficiencies identified? None reported

Type of auditor's report issued on compliance for major federal programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? No

Identification of major federal programs:

##### CFDA Numbers

##### Name of Federal Programs or Cluster

84.027A  
84.173A

Special Education Cluster (IDEA)  
Special Education – Grants to States  
Special Education – Preschool Grants

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? Yes

**SHERIDAN COUNTY SCHOOL DISTRICT #2**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)**

Year Ended June 30, 2016

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**Section II – Financial Statement Findings**

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No matters were reported.

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**Section III - Federal Award Findings and Questioned Costs**

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No matters were reported.

**SHERIDAN COUNTY SCHOOL DISTRICT #2**

**SCHEDULE OF PRIOR AUDIT FINDINGS**

June 30, 2016

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There were no audit findings reported for the year ended June 30, 2015.

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December 6, 2016

To the Honorable Board of Trustees  
Sheridan County School District #2

We have audited the financial statements of Sheridan County School District #2 as of and for the year ended June 30, 2016, and have issued our report thereon dated December 6, 2016. Professional standards require that we advise you of the following matters relating to our audit.

#### **Our Responsibility in Relation to the Financial Statement Audit**

As communicated in our engagement letter dated April 25, 2016, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of Sheridan County School District #2 solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

#### **Planned Scope and Timing of the Audit**

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

#### **Compliance with All Ethics Requirements Regarding Independence**

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

To eliminate threats to independence associated with the nonattest services performed by us (the preparation of the financial statements and related notes to the financial statements, data collection form, and proposal of journal entries), Sheridan County School District #2, has confirmed they have assumed all management responsibilities.

Roxie Taft, Business Manager, has been designated as the individual to oversee the nonattest services, evaluate the adequacy of the nonattest services, and accept responsibility for the results of the nonattest services. We have determined she possesses the skills, knowledge, and experience necessary for these tasks.

## **Qualitative Aspects of the Entity's Significant Accounting Practices**

### *Significant Accounting Policies*

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Sheridan County School District #2 is included in Note 1 to the financial statements. During the year ended June 30, 2016, Sheridan County School District #2 adopted the provisions of Government Accounting Standards Board (GASB) Statements No. 72, *Fair Value Measurement and Application*, which defines fair value and describes how fair value should be measured, what assets and liabilities should be measured at fair value, and what information about fair value should be disclosed in the notes to the financial statements. Additionally, Sheridan County School District #2 adopted the provisions of Government Accounting Standards Board (GASB) Statements No. 82, *Pension Issues*, which is designed to improve consistency in the application of the pension standards by clarifying or amending related areas of existing guidance. Other than changes for these implementations there have been no other changes in significant accounting policies or their application during the year ended June 30, 2016. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

### *Significant Accounting Estimates*

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are as follows:

<b>Estimates</b>	<b>Basis of Estimate</b>
Depreciable lives and estimated residual value of capital assets	Management historical experience with similar capital assets.
Collectability of property taxes	Management's best judgement and confirmation of unbilled levy with the county treasurer.
Unfunded pension liability and related pension items	Actuarial calculations provided by the Wyoming Retirement System's actuaries.

We evaluated the key factors and assumptions used to develop these estimates and determined that they are reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

### *Financial Statement Disclosures*

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Sheridan County School District #2's financial statements relate to the District's significant accounting policies and disclosures relating to commitments and contingencies and pension plan items.

The financial statement disclosures are neutral, consistent and clear.

### **Identified or Suspected Fraud**

We have not identified or obtained information that indicates that fraud may have occurred.

### **Significant Difficulties Encountered during the Audit**

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

### **Uncorrected and Corrected Misstatements**

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. There were no uncorrected financial statement misstatements this period.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The most significant adjustments arose from converting the District's budgetary basis of accounting to modified accrual and accrual basis of accounting and were as follows:

- Record property taxes receivable and associated deferred inflows of resources
- Record accounts payable and accrued wages and benefits
- Record retainage payable on construction contracts
- Record current year depreciation
- Record the disposition of capital assets
- Record grants receivable and deferred revenue
- Record early retirement benefit payments
- Record liability for compensated absences
- Record net pension liability and related deferred inflows and outflows of resources

### **Disagreements with Management**

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Sheridan County School District #2's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

### **Representations Requested from Management**

We have requested certain written representations from management in a letter dated November 28, 2016.

### **Management's Consultations with Other Accountants**

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

### **Other Significant Matters, Findings, or Issues**

In the normal course of our professional association with Sheridan County School District #2, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Sheridan County School District #2's auditors.

The District will need to have a procurement policy that is compliant with audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), as applicable, in place and operational by July 1, 2017.

This report is intended solely for the information and use of the Board of Trustees and management of Sheridan County School District #2 and is not intended to be and should not be used by anyone other than these specified parties.



Porter, Muirhead, Cornia & Howard  
Certified Public Accountants



**Excellence and Accountability**

Craig Dougherty, Superintendent

Administrative Offices  
201 N. Connor, Suite 100  
P.O. Box 919  
Sheridan, WY 82801  
Phone: 307-674-7405  
Fax: 307-674-5041

DATE: January 4, 2017

TO: Board of Trustees

FROM: Andrew Conrad, Transportation Director

SUBJ: **Bus Vendor/Purchase Authorization for the 2017-2018 School Year** *(Action)*

The Wyoming Department of Education (WDE) recently responded to our request to purchase four new buses as established by the *State Bid/District Buy Program*. The state has authorized the purchase of the new buses, as specified on WDE-621 Vehicle Forms.

After reviewing the bids received from the Wyoming bus vendors, it is recommend that the bid be awarded as follows (see vendor bid comparison charts):

#### **Preferred Vendor Recommendation**

Vendor: Elder Equipment Leasing of WY, Inc., Casper, WY, for both propane and diesel powered buses

- |  |  |
|--|--|
| 1) Bus type: C; 72 passenger (Route)     | 2) Bus type: C; 72 passenger (Route)     |
| Quantity: One (Propane)                  | Quantity: Three (Diesel)                 |
| Price: \$100,000.00 per bus ##           | Price: \$98,575.00 per bus ##            |
| State Base Price: \$100,024.33 *         | State Base Price: \$98,592.00 *          |
| Options (WY State approved):             | Options (WY State approved):             |
| Chains: \$3,400.00                       | Chains: \$3,400.00                       |
| Book racks (tubular): \$2,050.00         | Book racks (tubular): \$2,050.00         |
| Heated steps: \$450.00                   | Heated steps: \$450.00                   |
| Total price: <i>\$105,900.00 per bus</i> | Total price: <i>\$104,475.00 per bus</i> |

#### **Vendor Choice Explanation**

This year the decision is to choose Elder Equipment Leasing of WY, Inc. (Blue Bird dealer) of Casper as the preferred bus vendor. The selection of Elder as our preferred vendor is based on the following criteria:

- ✓ Excellent after sale support
- ✓ History of Blue Bird reliability after delivery
- ✓ Pricing for the selected buses is slightly under the state base bid price for buses in each category; therefore they qualify for 100% reimbursement from the WDE.
- ✓ Dealership located within Wyoming
- ✓ On time delivery; consistently delivered when promised
- ✓ Competitive pricing of replacement parts compared to other vendors

✓ Warranty work done in a timely fashion at Steve's Truck in Sheridan

### **Total Order Summary**

The total Elder Equipment bus order for the 2017-18 school year is summarized as follows:

\$105,900.00 X ONE = \$105,900.00 (Type C – 72 pass PROPANE order)

\$104,475.00 X THREE = \$313,425.00 (Type C – 72 pass DIESEL order)

**Grand Total** = **\$419,325.00**

## **Vendor Bid Comparison Charts**

Type C, 72 Passenger Route bus - **DIESEL** (Replacing buses 10,14 & 26) / State Base Price = \$98,592.00 \*

Vendor	Chassis/Body	Engine	HP	Bid Price	Price including Options **
Elder Equipment (Casper)	2018 Blue Bird	Cummins, ISB	250	\$98,575.00 ##	\$104,475.00
Harlow's (Bismarck)	2018 International	Cummins, ISB	250	\$95,919.00	\$101,894.00
I State Truck (Billings)	2018 Thomas/C2	Cummins, ISB	250	\$97,882.00	\$102,682.00

Type C, 72 Passenger Route bus - **PROPANE** (Replacing bus 6) / State Base Price = \$100,024.33 \*

Vendor	Chassis/Body	Engine	HP	Bid Price	Price including Options **
Elder Equipment (Casper)	2018 Blue Bird	Ford V10	362	\$100,000.00 ##	\$105,900.00
Harlow's (Bismarck)	2018 International	PSI 8.8L V8	270	\$101,014.00	\$106,989.00
I State Truck (Billings)	2018 Thomas/C2	GM, 8.0L V8	350	\$97,309.00	\$102,109.00

Note: Yellow highlighted entries show District 2 Transportation Department preferred vendor choice.

\* The Wyoming Department of Education (WDE) establishes a "State base price" by averaging all vendor basic bid price quotes for a specific bus type/size combination. If the bus selected by a district is less than or equal to this figure, the state will reimburse 100% of the district bus purchase. If the "bid price" exceeds the "State base price", the district must pay the difference between the actual price and the "State base price". However, the district is still reimbursed for the full amount.

\*\* Price including Options is the figure used to compare Vendors for buses that have the identical option packages as our district has been pre-approved by the WDE to order.

## Price with preferred customer discount.



**Excellence and Accountability**

Craig Dougherty, Superintendent

Administrative Offices  
201 N. Connor, Suite 100  
P.O. Box 919  
Sheridan, WY 82801  
Phone: 307-674-7405  
Fax: 307-674-5041

DATE: January 4, 2017

TO: Board of Trustees

FROM: Mitch Craft, Assistant Superintendent for Curriculum and Assessment

SUBJ: **Fiscal Year 2016-2017 Grant Awards** *(Information)*

As required by Board Policy DEB/DEC, this report provides a breakdown of grants tied to the current fiscal year. The district received a grand total of \$4,631,975 in grant funding as represented in the tables below. You will recognize many of these grants, as they have been shared with the Board separately as part of program reports.

**Federal Formula Grants (aka Consolidated Grant, allocated by formula)**

Title I-A (Compensatory Education)	\$1,106,020
Title II-A (Teacher Quality)	\$372,512
Title I-D Subpart 2 (Neglected and Delinquent Students)	\$33,519
Perkins Secondary (Career and Technical Education)	\$88,039
IDEA Part B	\$976,405

**Federal Competitive Grants**

Title IV-B (21st Century Community Learning Centers Cohort 8)	\$97,920
Title IV-B (21st Century Community Learning Centers Cohort 9)	\$173,858
Career & Technical Education Demonstration Grant	\$42,000

**State Grants**

Bridges (Remedial Summer School & After School Programming)	\$536,814
Instructional Facilitators	\$833,243
Wyoming Trust Fund Grant (Arts Collaboration w/ WYO Theater)	\$25,484

**Private Grants**

Sheridan College/Whitney Benefits (Computer Programming Pilot)	\$115,171
Sheridan College/Whitney Benefits (Computer Programming Pilot)	\$68,490

Ellbogen Foundation (Next Level Graduation Coach)	\$40,000
Scott Foundation (Next Level Parent Liaison Program)	\$35,000
Kibbee Foundation (Next Level Parent Liaison Program)	\$35,000
Perkins Foundation (Next Level Parent Liaison Program)	\$17,500
Watt Foundation (Dining for a Cause Matching Grant)	\$10,000
Phillips 66 Grant (Woodland Park)	\$25,000



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P.O. Box 919  
Sheridan, WY 82801  
Phone: 307-674-7405  
Fax: 307-674-5041

DATE: January 4, 2017

TO: Board of Trustees

FROM: Ann Perkins, Board Chairman

SUBJ: **Board Committee Appointments** *(Information)*

I am making the following committee appointments for 2017:

Committee	Trustee(s)	Current Members
Budget	4	Marva Craft Ann Perkins Wayne Schatz Tony Wendtland
Calendar	2	Wayne Schatz Molly Steel
Capital Construction	4	Terry Burgess Marva Craft Ann Perkins Mike Sweeney
Endowment Fund	2	Wayne Schatz Sue Wilson
Next Level	4	Ann Perkins Shane Rader Molly Steel Sue Wilson
Policy	4	Terry Burgess Mike Sweeney Tony Wendtland Sue Wilson
Scholarship	1	Marva Craft
Sick Leave Bank	1	Shane Rader

**Related Representation:**

WSBA Region 7 Director: Molly Steel  
Sheridan Recreation District Board: Molly Steel  
SCEF: Shane Rader



**Excellence and Accountability**

Craig Dougherty, Superintendent

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P.O. Box 919  
Sheridan, WY 82801  
Phone: 307-674-7405  
Fax: 307-674-5041

DATE: January 4, 2017  
TO: Board of Trustees  
FROM: Craig Dougherty, Superintendent  
SUBJ: **Board Goal Updates** *(Information)*

I will be reporting on the status of your Board Goals at each Board meeting leading up to the Board Retreat. During your January meeting, I will report on the Teaching and Learning board goal.

## **TEACHING AND LEARNING BOARD GOAL**

**Teaching and Learning Goal:** SCSD2 will continuously promote student learning as the primary focus of every staff member in the school district.

**Discussion:** The Board of Trustees is committed to helping all students reach their potential both academically and in many other aspects of human endeavor. This goal is at the center of the board's philosophy, policy, and action.

While each goal is important, student learning is the most important goal for the school district. It is the essence and prime mover of everything in which the school district engages. The Board sets policy to promote and actualize student learning. The Board prioritizes expenditures based on opportunities to maximize student learning. The Board hires all staff with an eye towards optimizing student learning. The Board regularly expects and anticipates reports from the central office and site administration on the degree to which students learn the core and elective curricula.

### **2016-2017 Projections:**

1. The District will maintain its ordinal position as first among large (4A) school districts in the state in 2016.\*  
Milestones: For the fifth consecutive year, SCSD2 performance on all PAWS and ACT indicators were first among all 4A Wyoming districts.
2. The District will make progress towards reaching its academic (SMART) goals in 100% of the schools in 2016.\*  
Milestones: All schools in the district met expectations in the Wyoming Accountability in Education Act statewide accountability model; all elementary schools exceeded expectations according to this metric.
3. The District will make progress towards reaching its 100% graduation rate goal in 2016.\*  
Milestones: Preliminary data indicates an increase in graduation rate from 2015 to 2016. Official data will be released by the WDE on January 17.
4. District administrators will report to the Board on programs and interventions that improve student achievement in the core academic subjects.
5. The Board will continue its advocacy with the state legislature to fund school districts that demonstrate the priority for student learning.
6. The Board will monitor the effectiveness of district administration in evaluating teachers based on effective measures of student learning.

\*SMART Goals

*Draft*  
*Personnel*  
*Action*  
*Report*

**SHERIDAN COUNTY SCHOOL DISTRICT NO. 2**  
**PERSONNEL ACTION REPORT**  
**January 9, 2017**

**CLASSIFIED STAFF:**

**APPROVALS:**

April Bocek Transportation Department	Bus Driver 2 - 4 hours/day (175 days)	Effective 11/15/2016
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Cynthia Oedekoven Henry A. Coffeen School	Custodian (5.0 hours/day)/Cook's Helper- Lunch (3.0 hours/day) 8.0 hours/day (261 days/177 days)	Effective 12/08/2016
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**Changes/Transfers:**

Danielle Arrants Woodland Park School	Leave of Absence to Paraprofessional- ESL 6.0 hours/day (176 days)	Effective 12/12/2016
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Robert LaPier District/Maintenance Shop to Fort Mackenzie/the Wright Place Schools	Custodian-Maintenance Helper/ Replacement Head Custodian to Custodian 8.0 hours/day (261 days)	Effective 12/08/2016
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**Resignations:**

Michael Drennen Transportation Department	Bus Driver-Rotator 4.0 hours/day (175 days)	Effective 12/01/2016
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Mark Kirkham Transportation Department	Bus Driver 4.0 hours/day (175 days)	Effective 01/04/2017
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Lance Long Sheridan High School	Paraprofessional-Special Education 7.0 hours/day (176 days)	Effective 12/17/2016
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**SHERIDAN COUNTY SCHOOL DISTRICT NO. 2**  
**PERSONNEL ACTION REPORT**  
**January 9, 2017**

**Terminations:**

Lance Andresen Sheridan Junior High School	Custodian 8.0 hours/day (261 days)	Effective 01/09/2017
Cheryl Kennedy Woodland Park School	Paraprofessional-ESL 6.0 hours/day (176 days)	Effective 12/09/2016
Judy Sawyer Transportation Department	Paraprofessional-Special Education/Bus 4.25 hours/day (175 days)	Effective 01/09/2017
Shirly Wimmer Transportation Department	Bus Driver/Bus Washer/Bus Garage Custodian 7.5 hours/day (175 days)	Effective 01/09/2017

**Leave of Absences:**

Leslea Hunt Sheridan Junior High School	Paraprofessional-Special Education 1:3 7.0 hours/day (176 days)	Effective 1/9/2017- 4/17/17
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**Retirement:**

William Harrison Meadowlark School	Custodian 8 hours/day (261 days)	Effective 1/9/2017
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**EXTRA DUTY 2016-2017**

**Approvals:**

**Name**

**Position**

Aaron Cleare  
Eugene Leath

Track-Indoor-Assistant Coach-SHS  
Soccer-Boys-Assistant Coach-SHS

**SHERIDAN COUNTY SCHOOL DISTRICT NO. 2**  
**PERSONNEL ACTION REPORT**  
**January 9, 2017**

Cory Pickett	Soccer-Boys-Assistant Coach-SHS
Hunter Reece	Soccer-Boys-Assistant Coach-SHS
Leon Schatz	Music-Musical Set Designer
Cathy Storm	Music-Musical Accompanist
Stephanie Zukowski	Music-Musical Director

**Resignations 2016-2017:**

<u>Name</u>	<u>Position</u>
Stephen "Luke" Sommers	Track - Grade 6-8 - B Coach

**Resignations 2017-2018:**

<u>Name</u>	<u>Position</u>
Stephanie Penrose	Volleyball-9th Grade A Coach

**SPECIAL PROGRAMS EXTRA DUTY 2016-2017**

**Approvals:**

<u>Name</u>	<u>Position</u>
Melissa Condos	Mentor

**DISTRICT STAFFING FOR WYOMING TRUST FUND GRANT 2016-2017**

<u>Name</u>	<u>Position</u>
Julianne Blaha	Teacher
Michael Clift	Teacher
Stephanie Martinson	Teacher
Tony Sawyer	Teacher
Allison Voigt	Teacher
Alison Vold	Teacher

**HENRY A. COFFEEN SCHOOL BRIDGES SCHOOL PROGRAM STAFF  
2016-2017**

<u>Name</u>	<u>Position</u>
Debra Williams	Teacher

**SHERIDAN COUNTY SCHOOL DISTRICT NO. 2**  
**PERSONNEL ACTION REPORT**  
**January 9, 2017**

**WOODLAND PARK SCHOOL AFTER SCHOOL PROGRAM STAFF 2016-2017**

**Name**

Angela Covolo

**Position**

Paraprofessional (Substitute)

DRAFT