



Foxborough Regional Charter School

Finance Committee Meeting

Published on October 6, 2022 at 6:34 AM EDT
Amended on October 6, 2022 at 9:21 AM EDT

Date and Time

Tuesday October 11, 2022 at 5:00 PM EDT

Location

Zoom

Meeting Format

Whether in person or online, the public is welcome to attend Board Meetings and have access to meeting minutes. Meetings are held once a month and additionally, as determined by the Board Chair. All meeting Agendas are posted to the school website at least 48 hours in advance of each public meeting.

During the meeting, the Board follows the published agenda and works through business. Audience members are not part of the formal discussion or deliberations, but may raise their hand to add brief comment or ask clarifying questions. Meetings start promptly on time as noted on the agenda.

Agenda

	Purpose	Presenter	Time
I. Opening Items			5:00 PM
A. Record Attendance			1 m
B. Call the Meeting to Order			
II. Finance Committee Business			5:01 PM
A. Welcome new Committee members	Vote	Matthew Yezukevich	
• Ensure everyone has a scope document for Finance Committee			
• Vote Adult member into the position of Clerk/Secretary (VOTE)			
◦ Adult Member responsible for OML compliance: Posting Meeting notices, Agendas & Minutes			

	Purpose	Presenter	Time
• Remind Committee Members to send BOT, and Secretary a copy of OML certificate of receipt			
B. Audit Draft Review Discussion	Discuss		
C. FY2023 Review FY2023 Budget to Actual	Discuss		
D. Pay Scale Discussion on next steps	Discuss		
III. Policy Review			
A. 1st Reading Nothing at this time	Discuss	Matthew Yezukevich	
B. 2nd Reading Nothing at this time	Vote	Matthew Yezukevich	
IV. Closing Items			
A. Privilege of the Floor	FYI	Matthew Yezukevich	
B. Approve Minutes August 29, 2022 Sept 2, 2022	Vote		
C. Vote to Adjourn Meeting	Vote		
D. Adjourn Meeting	Vote		

The listed matters are those reasonably anticipated by the Chair to be discussed at the meeting. Not all items listed may in fact be discussed and other items not listed may be brought up for discussion to the extent permitted by law.

Coversheet

Welcome new Committee members

Section: II. Finance Committee Business
Item: A. Welcome new Committee members
Purpose: Vote
Submitted by:
Related Material: Finance Committee Scope Approved 13SEP2022.pdf
Certificate of Receipt of Open Meeting Law Materials.pdf

FOXBOROUGH REGIONAL CHARTER SCHOOL

SCOPE OF THE FINANCE COMMITTEE

Reports to: The Board of Trustees

Term of Office:

- Board of Trustees and 12-month employees September to August.
- Staff, Adults/Guardians & Students for one school year from September to June.

Meeting Frequency

- This committee will meet at least every other month.
- The committee shall call additional meetings as needed.

Purpose

The finance committee is commissioned by and responsible to the Board of Trustees. It has the responsibility for working with the Executive Director and Director of Finance to create the upcoming fiscal year budget that ensures that Foxborough Regional Charter School is operating in a financially sustainable manner by balancing the district's short-term and long-term obligations and goals; presenting budget recommendations to the Board; monitoring implementation of the approved budget on a regular basis and recommending proposed budget revisions; recommending to the Board appropriate policies for the management of the charter district's assets.

Responsibilities

- Prepare an annual budget for the organization in collaboration with the Executive Director and Director of Finance
- Maintain a five-year plan and review it with the board of trustees annually.
- Arrange for an annual audit to be provided to the Board of Trustees.
- Provide oversight of the procurement process.
- Review monthly financial statements and variances from the budget and recommend action to the Board as appropriate.
- Create specific, measurable board-level goals for the year as part of the full board planning process.
- Develop and implement a board-level training program and reporting package to ensure that all trustees (especially those without a financial background) can be effective stewards of the organization's financial resources.

FOXBOROUGH REGIONAL CHARTER SCHOOL

SCOPE OF THE FINANCE COMMITTEE

- Review and recommend adequate financial policies to ensure the school district has adequate internal controls to safeguard assets
- Ensure the School has adequate controls in place to ensure compliance with bond agencies as well as State/Federal compliance requirements
- Manage annual budget calendar

Recommendations for Policy Review:

The committee will annually review and shall bring to the Board of Trustees recommendations to change the following policies when appropriate.

Investment Policy

Review/Support Operational Activities

- Annual Audit

Composition:

- The Treasurer of the Board of Trustees will serve as the finance committee chair and appointments shall be made at least annually in accordance with the FRCS Bylaws. Any other Trustee on the Committee will act as a Vice-Chair.
- Board of Trustee and District Administration appointments to the Committee shall be made at least annually in accordance with the FRCS Bylaws.
- The clerk/secretary to the committee is any adult member of the committee and is responsible for open meeting law compliance.
- Up to two additional members from the following stakeholders:
 - Staff Members
 - Parent/Guardians
 - Students

CERTIFICATE OF RECEIPT OF OPEN MEETING LAW MATERIALS

I, _____, who qualified as a member of the
(Name)

_____, on _____, certify pursuant
(Public Body) (Date)

to G.L. c. 30A, § 20(h) and 940 CMR 29.04, that I have received and reviewed copies of the following Open Meeting Law materials:

- 1) the Open Meeting Law, G.L. c. 30A, §§ 18-25;
- 2) the Attorney General’s Regulations, 940 CMR 29.00–29.11;
- 3) the Attorney General’s Open Meeting Law Guide, explaining the Open Meeting Law and its application; and
- 4) if applicable, a copy of each Open Meeting Law determination issued by the Attorney General within the last five (5) years to the public body of which I am a member and in which the Attorney General found a violation of the Open Meeting Law.

I have read and understand the requirements of the Open Meeting Law and the consequences of violating it. I further understand that the materials I have received may be revised or updated from time to time, and that I have a continuing obligation to implement any changes to the Open Meeting Law during my term of office.

(Name)

(Name of Public Body)

(Date)

Pursuant to G.L. c. 30A, § 20(h), an executed copy of this certificate shall be retained, according to the relevant records retention schedule, by the appointing authority, city or town clerk, or the executive director or other appropriate administrator of a state or regional body, or their designee.

Coversheet

Audit Draft Review

Section: II. Finance Committee Business
Item: B. Audit Draft Review
Purpose: Discuss
Submitted by:
Related Material: FRCS Revised Draft.pdf

Foxborough Regional Charter School
Financial Statements and
Independent Auditors' Report in Accordance with
Government Auditing Standards and the
Uniform Guidance

June 30, 2022 and 2021

Revised Draft For Discussion Only 10-2-22

Foxborough Regional Charter School

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Revised Draft For Discussion Only 10-2-22



DANIEL DENNIS & Co
Certified Public Accountants

Independent Auditors' Report

To the Board of Trustees of
Foxborough Regional Charter School

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying statements of net position of Foxborough Regional Charter School (a governmental entity), as of and for the years ended June 30, 2022 and 2021, and the related statements of revenues, expenses and changes in net position and cash flows for the years then ended and the related notes to the financial statements, which collectively comprise Foxborough Regional Charter School's financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of Foxborough Regional Charter School, as of June 30, 2022 and 2021, and the respective changes in financial position and cash flows thereof for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Foxborough Regional Charter School, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

Component Unit

As discussed in Note 1 to the financial statements, Foxboro Regional Charter School Foundation, Inc. (the Foundation), a related nonprofit organization, was evaluated in conformance with Government Accounting Standards Board Statement No. 80, *Blending Requirements for Certain Component Units* and it was determined that it should be reported as a blended component unit of Foxborough Regional Charter School and consequently, the financial information included within the School's financial statements. The nature and extent of the financial activity of the Foundation was not significant to the School overall, therefore it was excluded from the Foxborough Regional Charter School's financial statement presentation.

Change in Accounting Principle

As discussed in Note 3 to the financial statements, Foxborough Regional Charter School has adopted Governmental Accounting Standards Board Statement No. 87, *Leases*. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Foxborough Regional Charter School's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Foxborough Regional Charter School's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Foxborough Regional Charter School's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 5 through 9 be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the 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 the required supplementary 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 our audit of the 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Foxborough Regional Charter School's financial statements. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated September XX, 2022, on our consideration of the Foxborough Regional Charter School's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely 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 effectiveness of the Foxborough Regional Charter School's 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 Foxborough Regional Charter School's internal control over financial reporting and compliance.

September XX, 2022

Revised Draft For Discussion Only 10-2-22

Foxborough Regional Charter School
Management's Discussion and Analysis
 June 30, 2022 (Unaudited)

The following management's discussion and analysis of Foxborough Regional Charter School's (the School) financial performance provides an overview of the School's financial activities for the fiscal year ended June 30, 2022, with comparative information for the fiscal year ended June 30, 2021. Please read it in conjunction with the financial statements and the related notes, which begin on page 10.

The School as a Whole

The School received their charter on July 1, 1998 to operate as a public charter school in the Commonwealth of Massachusetts. The charter is awarded in five-year increments and is subject to renewal at the discretion of the Commonwealth of Massachusetts Board of Elementary and Secondary Education. The School's charter was most recently renewed for an additional five years effective July 1, 2018. During fiscal years 2022 and 2021, the School operated kindergarten through grade twelve and the enrollment was comprised of approximately 1,665 and 1,695 students, respectively.

The School's mission statement is: *to provide students a challenging academic program to prepare them for college by stressing achievement, discipline, hard work and accountability.*

Financial Reporting Entity

As required by generally accepted accounting principles, and in conformance with Government Accounting Standards Board (GASB) *Statement No. 14, The Financial Reporting Entity* and *GASB Statement No. 39, Determining Whether Certain Schools Are Component Units and subsequently amended by GASB No. 61, The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 34* and *GASB No. 80, Blending Requirements for Certain Component Units*, the School evaluated its potential component unit and determined that the Foxborough Regional Charter School Foundation, Inc. (the Foundation) is a component unit of the School and should be presented as blended component unit in the financial statements. Management determined that the nature and extent of the financial activity of the Foundation was not significant to the School as a whole, therefore it was not included as a blended component unit of the School.

Using This Annual Report

This annual report consists of a series of financial statements. In accordance with *GASB Statement No. 34 - Financial Statement – Management's Discussion and Analysis - for State and Local Governments* (GASB No. 34), the School is considered a special purpose government entity that engages in only business type activities. All of the financial activity of the School is recorded in an enterprise fund within the proprietary fund group in accordance with *GASB No. 34* and *GASB No. 63 Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, the School issues a *Statement of Net Position*, a *Statement of Revenues, Expenses and Changes in Net Position* and a *Statement of Cash Flows*. These statements provide information about the financial activities of the School, as a whole. This annual report also contains notes to the financial statements and other information that is essential to a full understanding of the financial statements and the schedule of expenditures of federal awards which identifies all of the School's Federal funding.

Foxborough Regional Charter School
Management's Discussion and Analysis - *Continued*
June 30, 2022 (Unaudited)

Financial Statements

The *Statement of Net Position* presents the assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position of the School as a whole, as of the end of the fiscal years. The *Statement of Net Position* is a point-in-time financial statement. The purpose of this statement is to present a fiscal snapshot of the School to the readers of the financial statements. Assets are resources with present service capacity that the School presently controls. A deferred inflow of resources is an acquisition of net assets by the School that is applicable to a future reporting period. Liabilities are present obligations to sacrifice resources that the School has little or no discretion to avoid. A deferred outflow of resources is a consumption of net assets by the School that is applicable to a future reporting period. Net position represents the difference between all other elements in a *Statement of Financial Position* and is displayed in three components—*net investment in capital assets*; *restricted* (distinguishing between major categories of restrictions); and *unrestricted*.

The *net investment in capital assets* component of net position, which consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those capital assets.

The *restricted* component of net position consists of restricted assets reduced by liabilities. Generally, a liability relates to restricted assets if the asset results from a resource flow that also results in the recognition of a liability or if the liability will be liquidated with the restricted assets reported.

The *unrestricted* component of net position is the net amount of the assets, liabilities, and deferred inflows of resources that are not included in the determination of net investment in capital assets or the restricted component of net position.

Over time, readers of the financial statements will be able to evaluate the School's fiscal health (liquidity and solvency) or financial position by analyzing the increases and decreases in net position to determine if the School's financial health is improving or deteriorating. The reader will also need to consider other non-financial factors such as changes in economic conditions and new or amended charter school legislation when evaluating the overall financial health of the School. This statement is also a good source for readers to determine how much the School owes to vendors and creditors and the available assets that can be used to satisfy those liabilities.

The *Statement of Revenues, Expenses and Changes in Net Position* reports the financial (revenue and expenses) activities of the School and divides it into two categories: *Operating activities* and *Non-operating activities*. Operating activities include all financial activities associated with the operation of the School and its related programs. Consequently, all non-operating activities include all financial activities not related to the operation of a charter school. Changes in total net position, as presented on the *Statement of Net Position*, are based on the activity presented in this statement. This statement helps to determine whether the School had sufficient revenues to cover expenses during the year and its net increase or decrease in net position based on current year operations.

Foxborough Regional Charter School
 Management's Discussion and Analysis - *Continued*
 June 30, 2022 (Unaudited)

Financial Statements – *Continued*

The *Statement of Cash Flows* provides information about the School's cash receipts and cash payments during the fiscal year. The statement reports cash receipts, cash payments, and net changes in cash resulting from *operations, investing, and capital and noncapital financing activities* and provides answers to such questions as "from where did cash come?," "for what was cash used?," and "what was the change in the cash balance during the reporting period?" This statement also is an important tool in helping users assess the School's ability to generate future net cash flows, its ability to meet its obligations as they come due, and its need for external financing.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the information provided in the School's financial statements.

Supplemental Information

The *Schedule of Expenditures of Federal Awards* is presented for the purposes of additional analysis as required by the Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The schedule of expenditures of federal awards can be found on page 28 of this report.

Financial Highlights

The following financial highlights are for the School for fiscal year 2022 and include comparative information from fiscal year 2021:

- The School held total assets of \$53,644,308 and \$54,491,097 at June 30, 2022 and 2021, respectively, of which \$37,442,502 and \$38,548,168 were net capital assets. The majority of the remaining assets consisted of cash, receivables and debt service reserve funds. The decrease in total assets was largely due to a decrease in cash and capital assets, net offset by an increase in accounts receivable.
- The School held total liabilities of \$33,094,021 and \$38,474,551 at June 30, 2022 and 2021, respectively. In 2022, the School held \$4,725,122 in current liabilities and \$28,368,899 in noncurrent liabilities. In 2021, the School held \$3,798,612 in current liabilities and \$34,675,939 in noncurrent liabilities. The decrease in liabilities is largely due to the annual payments made on the bonds and also an additional \$5 million payment made against the bonds in fiscal year 2022.
- Total net position for the School was \$23,608,958 and \$19,222,042 at June 30, 2022 and 2021, respectively, of which \$12,635,104 and \$13,179,291 were unrestricted and \$10,973,854 and \$6,042,751 were for net investment in capital assets, respectively. As of June 30, 2022 and 2021, the Board of Trustees has designated \$5,165,006 of unrestricted net assets for future capital purchases.

Foxborough Regional Charter School
 Management's Discussion and Analysis - *Continued*
 June 30, 2022 (Unaudited)

Financial Highlights – Continued

- The School earned total revenues (excluding on-behalf pension) of \$32,622,645 and \$27,527,751 for the years ended June 30, 2022 and 2021, of which, 99% were operating revenues and 1% were from non-operating revenues for the fiscal years ended June 30, 2022 and 2021, respectively. The increase is attributable to an increase in the sending districts foundation rated and above foundation rates.
- The School had a total expenses (excluding on-behalf pension) of \$28,235,729 and \$25,558,632 for the years ended June 30, 2022 and 2021, respectively, and 95% and 94% were operating expenses and 5% and 6% for were from non-operating expenses for the fiscal years ended June 30, 2022 and 2021, respectively.
- The School had a change in net position of \$4,386,916 and \$1,969,119 for the years ended June 30, 2022 and 2021, respectively. In fiscal year 2022, the change in net position was comprised of operating income of \$5,912,002 and a non-operating loss of \$1,525,086. The non-operating loss is largely due to interest expense. In fiscal year 2021, the change in net position was comprised of operating income of \$3,564,322 and a non-operating loss of \$1,595,203. The non-operating loss is partially due to current interest expense relating to bonds issued for the construction of new classrooms in 2017.

Budgetary Highlights

For the fiscal year ended June 30, 2022, the School incurred \$28,235,729 in actual expenditures excluding \$2,365,163 of on-behalf expenses, which was consistent with budgeted expenditures of \$28,277,797.

For fiscal year 2022, the School budgeted tuition revenue of \$24,287,500, compared to actual revenue of \$26,082,687. The increase is due to an increase in tuition rates from the sending districts.

School's Financial Activities

The majority of the School's funding is received from the Commonwealth of Massachusetts Department of Elementary and Secondary Education and is based on the standard rate per pupil. The School received \$26,082,687 in per pupil funding in fiscal year 2022, versus \$24,431,842 in per pupil funding in fiscal year 2021. This represents 80% and 89% of the School's revenue, excluding on-behalf revenue, for the years ended June 30, 2022 and 2021, respectively. In addition, the School received various Federal and Commonwealth of Massachusetts grants, which totaled \$3,415,593 and \$1,662,686 for fiscal years 2022 and 2021, respectively.

Foxborough Regional Charter School
Management's Discussion and Analysis - *Continued*
June 30, 2022 (Unaudited)

Current Known Facts, Decisions, and Conditions

Coronavirus

On March 11, 2020, the World Health Organization characterized the outbreak of a novel strain of coronavirus as a pandemic. As a result, the School was in a remote working and learning environment for the start of fiscal year 2021. The extent to which the coronavirus may impact the School's activities will depend on future developments, which are highly uncertain and cannot be predicted, including new information, which may emerge concerning the severity of the coronavirus, and the actions required to contain the virus.

Contacting the School's Financial Management

This financial report is designed to provide the reader with a general overview of the School's finances and to show accountability of the funds received. If you have any questions about this report or need additional financial information, contact the Business Office of the School.

Revised Draft For Discussion Only 10-2-22

Foxborough Regional Charter School
Statements of Net Position
For The Years Ended June 30, 2022 and 2021

Assets and Deferred Outflows of Resources		
	2022	2021
Current Assets:		
Cash and cash equivalents	\$ 11,849,680	\$ 12,528,628
Grants and accounts receivable	1,209,915	222,630
Prepaid expenses	759	-
Total current assets	<u>13,060,354</u>	<u>12,751,258</u>
Noncurrent Assets:		
Capital assets, net	37,442,502	38,548,168
Debt service reserve fund	3,141,452	3,191,671
Total noncurrent assets	<u>40,583,954</u>	<u>41,739,839</u>
Deferred Outflows of Resources:		
Deferred charge on refunding	3,149,546	3,311,061
Total assets and deferred outflows of resources	<u>\$ 56,793,854</u>	<u>\$ 57,802,158</u>
Liabilities, Deferred Inflows of Resources and Net Position		
	2022	2021
Current Liabilities:		
Accounts payable and accrued expenses	\$ 1,198,759	\$ 718,013
Accrued compensation	1,698,437	1,460,225
Accrued interest payable	586,725	599,225
Lease liability - current	72,441	69,104
Note payable - current	13,551	12,900
Bonds payable - current	1,155,209	939,145
Total current liabilities	<u>4,725,122</u>	<u>3,798,612</u>
Noncurrent Liabilities:		
Lease liability - net of current	141,635	80,816
Note payable - net of current portion	44,900	58,451
Bonds payable - net of current portion	28,182,364	34,536,672
Total noncurrent liabilities	<u>28,368,899</u>	<u>34,675,939</u>
Total liabilities	<u>33,094,021</u>	<u>38,474,551</u>
Deferred Inflows of Resources:		
Revenues for future periods	90,875	105,565
Net Position:		
Net investment in capital assets	10,973,854	6,042,751
Unrestricted	12,635,104	13,179,291
Total net position	<u>23,608,958</u>	<u>19,222,042</u>
Total liabilities, deferred inflows of resources and net position	<u>\$ 56,793,854</u>	<u>\$ 57,802,158</u>

See accompanying notes to the financial statements

Foxborough Regional Charter School
Statements of Revenues, Expenses, and Changes in Net Position
For The Years Ended June 30, 2022 and 2021

	2022	2021
<i>Operating revenues:</i>		
Tuition	\$ 26,082,687	\$ 24,431,842
Federal and state grants	3,415,593	1,662,686
Food service program	995,992	174,659
Transportation	1,807,634	1,053,196
Other program fees	128,910	30,184
Extended care program	2,590	17,568
On-behalf pension	2,365,163	4,553,691
	<u>34,798,569</u>	<u>31,923,826</u>
Total operating revenues		
<i>Operating expenses:</i>		
Salaries	15,390,417	14,482,925
Payroll taxes	506,572	483,641
Fringe benefits	1,542,909	1,681,003
	<u>17,439,898</u>	<u>16,647,569</u>
Total salaries, taxes and related benefits		
Contracted services	842,365	404,509
Depreciation	2,442,353	2,323,752
Amortization	71,807	54,936
Dues and fees	235,723	231,530
Field trips and competitions	37,918	14,327
Food services program expenses	813,233	191,268
Furniture, equipment and software	193,948	161,568
Insurance	166,457	161,592
Maintenance and supplies	988,881	619,043
Miscellaneous	87,197	140,899
Occupancy costs	521,167	495,783
Office supplies, printing and postage	156,312	178,626
On-behalf pension	2,365,163	4,553,691
Professional development	39,871	57,574
Professional services	72,875	62,383
Student life programs	64,006	3,367
Student supplies and materials	693,524	653,510
Telephone	34,476	35,557
Transportation	1,618,919	1,359,533
Bad debt	476	8,487
	<u>28,886,567</u>	<u>28,359,504</u>
Total operating expenses		
Net operating income	<u>5,912,002</u>	<u>3,564,322</u>
<i>Non-operating revenues (expenses):</i>		
Interest expense	(1,599,604)	(1,708,398)
Interest income	142,239	156,616
Loss on investments	(114,721)	(44,421)
Rental income	47,000	1,000
	<u>(1,525,086)</u>	<u>(1,595,203)</u>
Net non-operating expenses		
Change in net position	<u>4,386,916</u>	<u>1,969,119</u>
Net position, beginning of the year	<u>19,222,042</u>	<u>17,252,923</u>
Net position, end of the year	<u>\$ 23,608,958</u>	<u>\$ 19,222,042</u>

See accompanying notes to the financial statements

Foxborough Regional Charter School
Statements of Cash Flows
For The Years Ended June 30, 2022 and 2021

	2022	2021
Cash flows from operating activities:		
Receipts from per student tuition	\$ 26,082,687	\$ 24,431,842
Receipts from federal and state grants	2,472,552	1,622,992
Receipts from educational fees	2,802,739	1,254,194
Other receipts	73,453	31,004
Payments to employees	(17,201,686)	(16,672,875)
Payments to suppliers and vendors	(6,099,859)	(5,122,661)
Net cash provided by operating activities	<u>8,129,886</u>	<u>5,544,496</u>
Cash flows from capital and related financing activities:		
Purchases of capital assets	(1,275,241)	(1,109,167)
Principal payments on bonds	(6,051,229)	(903,730)
Principal reduction on leases	(69,107)	(40,984)
Interest paid on bonds	(1,385,743)	(1,532,517)
Interest paid on leases	(10,243)	(13,952)
Interest paid on note payable	(12,900)	(12,280)
Net cash used in capital and related financing activities	<u>(8,804,463)</u>	<u>(3,612,630)</u>
Cash flows from investing activities:		
Non-operating revenue	102,224	26,180
Non-operating expenses	(156,814)	(5,464)
Net cash (used in)/provided by investing activities	<u>(54,590)</u>	<u>20,716</u>
Net change in cash and cash equivalents	(729,167)	1,952,582
Cash, beginning of year	<u>15,720,299</u>	<u>13,767,717</u>
Cash, end of year	<u>\$ 14,991,132</u>	<u>\$ 15,720,299</u>
Reconciliation of net operating income to net cash provided by operating activities:		
Operating income	\$ 5,912,002	\$ 3,559,016
<i>Adjustments to reconcile the income from operations to net cash provided by operating activities</i>		
Depreciation	2,442,353	2,323,752
Amortization	71,807	54,936
<i>Changes in operating assets:</i>		
Grants and accounts receivable	(987,285)	3,867
Prepaid expense	(759)	73,483
<i>Changes in operating liabilities:</i>		
Accounts payable and accrued expenses	480,746	(399,282)
Accrued compensation and interest	225,712	(37,306)
Deferred grant revenue	(14,690)	(33,970)
Net cash provided by operating activities	<u>\$ 8,129,886</u>	<u>\$ 5,544,496</u>

See accompanying notes to the financial statements

Foxborough Regional Charter School

Notes to Financial Statements

June 30, 2022 and 2021

1. *Nature of School*

Foxborough Regional Charter School was established on July 1, 1998 after receiving their charter from the Commonwealth of Massachusetts under Chapter 71 Section 89 of the General Laws of Massachusetts. The School's charter is awarded in five year increments and is subject to renewal at the discretion of the Massachusetts Department of Elementary and Secondary Education (DESE). The School's charter expires June 30, 2023. The DESE provided 93% and 95% of funding to the School for the years ended June 30, 2022 and 2021 respectively, through per pupil tuition and federal grants.

The School has one location in Foxborough, Massachusetts and offers children in the towns of Easton, Canton, Foxborough, Mansfield, Medway, Millis, Norfolk, North Attleboro, Norton, Norwood, Plainville, Raynham, Sharon, Stoughton, Walpole, West Bridgewater and Wrentham, and the cities of Attleboro, Avon and Brockton, in grades kindergarten through twelve, a publicly supported academic education. During fiscal years 2022 and 2021, the School served 1,688 and 1,688 children, respectively.

The Foxborough Regional Charter School Foundation, Inc., (the Foundation) was established during fiscal year 2019 and is a legally separate, tax-exempt organization that acts primarily as a fundraising organization to supplement the resources of the School. The Foundation is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Because these resources can only be used by or for the benefit of the School, the Foundation is considered a component unit of the School. However, management determined that the nature and extent of the financial activity of the Foundation was not significant to the School as a whole, therefore it was not included as a blended component unit of the School.

The School's mission is as follows:

The Foxborough Regional Charter School will provide students a challenging academic program to prepare them for college by stressing achievement, discipline, hard work and accountability. We will continually challenge all of our students, regardless of ability, so that we will lead the Commonwealth of Massachusetts in all statewide standards and assessments.

The Foxborough Regional Charter School will promote positive ethical, moral, and civic values and prepare students to serve their respective communities as leaders and good citizens. We will present students with projects and issues requiring critical thinking, problem-solving, decision-making, and real life applications of their academic studies through our Student Life and Community Service Learning programs which are integral components of the overall educational experience at Foxborough Regional Charter School.

The Foxborough Regional Charter School will commit itself to providing a supportive, professional, and challenging environment for its teachers and staff which recognizes the value of professional development, creativity, and initiative. We will constantly seek new ways to allow our teachers and staff to perform to the best of their potential in a collegial atmosphere which recognizes unique talents and the commitment to excel.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2022 and 2021

2. Summary of Significant Accounting Policies

The accounting policies of the School conform to accounting principles generally accepted in the United States of America, as applicable to governmental units. The following is a summary of the School's significant accounting policies:

Financial Reporting Entity

As required by generally accepted accounting principles, and in conformance with the *Government Accounting Standards Board (GASB) Statements No. 14, The Financial Reporting Entity* and *GASB Statement No. 39, Determining Whether Certain Organizations Are Component Units* and subsequently amended by *GASB No. 61, The Financial Reporting Entity: Omnibus – an amendment of GASB Statements No. 14 and No. 3*, and *GASB No. 80, Blending Requirements for Certain Component Units*, the School evaluated its potential component unit to determine the reporting entity. The nature and extent of the financial activity of the Foundation was not significant to the School as a whole, therefore it was not included as a blended component unit in the reporting entity.

Financial Statement Presentation

The School, in accordance with *GASB Statement No. 34 - Basic Financial Statement – and Management's Discussion and Analysis - for State and Local Governments*, is considered a special purpose governmental entity that engages in only business type activities and is not a component unit of another governmental entity. Therefore, the financial statements are prepared using the accrual basis of accounting and all of the activity is recorded in the enterprise fund.

Basis of Accounting

The accrual basis of accounting is used for all governmental entities that operate as business type entities. Accordingly, revenue is recognized when earned and capital assets and expenditures are recorded when received and incurred, respectively. Grants and contributions are recognized when all eligible requirements are met.

Pursuant to *GASB Statement No. 62, Codification of Accounting and Financial Reporting Guidance Contained in Pre-November 1989 FASB and AICPA Pronouncements*, the School has elected to apply the provisions of all relevant pronouncements of Financial Accounting Standards Board (FASB) that do not conflict with or contradict GASB pronouncements.

Tax Status

The School was established under a charter granted by the Commonwealth of Massachusetts' DESE and operates as a part of the Commonwealth of Massachusetts and is therefore, generally exempt from income taxes under Section 115 of the Internal Revenue Code.

Cash and Cash Equivalents

For the purpose of the *Statements of Net Position* and the *Statements of Cash Flows*, the School considers all short-term investments with an original maturity of three months or less to be cash equivalents. As of June 30, 2022 and 2021, the School held \$7,609,102 and \$8,837,381, respectively of cash equivalents.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2022 and 2021

2. *Summary of Significant Accounting Policies – Continued*

Grants and Accounts Receivable

Grants and accounts receivables are presented net of the allowance for doubtful accounts. Management's periodic evaluation of the adequacy of the allowance is based on its past experience. These receivables are written off when deemed uncollectible. At June 30, 2022 and 2021, no allowance for doubtful accounts had been recorded, as management considers all receivables to be fully collectible.

Capital Assets

Capital assets are recorded at cost or at fair market value at the date of donation. Capital assets purchased with a cost or value greater than \$5,000 are capitalized. Depreciation is computed on a straight-line basis using estimated useful lives of 40 years for the building, 10-20 years for the building improvements, 3-5 years for equipment, computers and software, 4-10 years for furniture and fixtures, or the remaining life of the lease for equipment under capital lease.

Construction in Progress

Construction in progress includes costs associated with the renovation of the elementary school building. These costs are capitalized when incurred.

Operating Revenue and Expenses

Operating revenue and expenses generally result from providing educational and instructional services in connection with the School's principal ongoing operations. The principal operating revenues include Federal and Commonwealth of Massachusetts grants. Operating expenses include educational costs, administrative expenses and depreciation on capital assets. All other revenue and expenses not meeting this definition are reported as non-operating revenues and expenses.

Bonds and Related Premiums and Debt Issuance Costs

Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium. Pursuant to GASB Statement No. 65, *Items Previously Reported as Assets and Liabilities*, debt issuance costs are expensed when incurred.

Deferred Inflows and Outflows or Resources

In addition to assets and liabilities, the *Statement of Net Position* will sometimes report a separate section for deferred inflows and outflows of resources. These separate financial statement elements represent an acquisition or disbursement of net position that applies to a future period(s) and so will not be recognized until that time.

Compensated Absences

Employees of the School are entitled to paid vacations and paid holidays, depending on the job classification, length of service, and other factors. The School accrues for these compensated absences.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2022 and 2021

2. Summary of Significant Accounting Policies – Continued

Classification of Net Position

The following are the net position classifications:

- Net Investment in Capital Assets – book value of capital assets net of any related debt.
- Restricted – amounts that can be spent only for specific purposes because of externally imposed restrictions by grantors and contributors.
- Unrestricted – portion of funds to support operations.

The School applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available.

Fair Value

In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*; the School's investments are measured at fair value on a recurring basis. The School categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

On-Behalf Payments

The School recognizes its proportional share of pension revenue and expense, as reported by Massachusetts Teachers' Retirement System (the MTRS), as on-behalf payments in the *Statement of Revenues, Expenses, and Changes in Net Position*.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America 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. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Reclassifications

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations.

Adoption of Accounting Standard

In fiscal year 2022, the School implemented GASB Statement No. 87, Leases. GASB Statement No. 87 enhances the relevance and consistency of information of the School's leasing activities. It establishes requirements for lease accounting based on the principle that leases are financings of the right to use an underlying asset. A lessee is required to recognize a lease liability and an intangible right to use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2022 and 2021

3. Change in Accounting Principle and Restatement

In fiscal year 2022, the School implemented GASB Statement No. 87, *Leases*. These changes were incorporated in the June 30, 2022 financial statements and had an effect on the beginning net position of the School. The School recognized \$146,329 in net book value for the intangible right to use and a lease liability of \$149,920 for equipment leased by the School.

The implementation of GASB Statement No. 87 had the following effect on net position as reported June 30, 2021:

	<i>Business-Type Activities</i>
Net position - June 30, 2021	\$ 19,225,633
Adjustments:	
Net book value leased asset	146,329
Lease liability	<u>(149,920)</u>
Restated net position - June 30, 2021	<u>\$ 19,222,042</u>

4. Deferred Outflows/Inflows of Resources

In addition to assets, the *Statement of Net Position* will sometimes report a separate section for deferred outflows of resources. This separate financial statement element represents a consumption of net position that applies to a future period and thus, will not be recognized as an outflow of resources (expense/expenditure) until then. The School has only one item that qualifies for reporting in this category, deferred charge on refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows of resources at both June 30, 2022 and 2021 consist of unamortized bond refunding charges of \$3,876,364. Accumulated amortization at June 30, 2022 and 2021 was \$726,818 and \$565,303, respectively.

In addition to liabilities, the *Statement of Net Position* will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents revenue that applies to a future period and will not be recognized until that time. Unearned revenues arise when potential revenue does not meet both the “measureable” and “available” criteria for recognition in the current period. Unearned revenues also arise when resources are unearned by the School and received before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the School has a legal claim to the resources, the deferred inflow of resources is removed and revenue is recognized.

Deferred inflows of resources at June 30, 2022 and 2021 consists of the following:

	2022	2021
Unearned program fees	\$ 89,251	\$ 105,508
Other unearned revenues	<u>1,624</u>	<u>57</u>
Total	<u>90,875</u>	<u>105,565</u>

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2022 and 2021

5. Deposits with Financial Institutions

The School maintained its cash accounts at four financial institutions. These balances at times may exceed the Federal Deposit Insurance Corporation (FDIC) insured limit per financial institution. Management acknowledges the possibility of risk in this arrangement; however, the size and longevity of the depository institutions minimizes such risk.

As required by GASB Statement No. 40, *Deposits and Investment Risk Disclosures* at June 30, 2022 and 2021 are as follows:

	2022	2021
Fully insured deposits	\$ 1,000,000	\$ 1,000,000
Uncollateralized	<u>14,034,329</u>	<u>14,034,329</u>
Total	<u>\$ 15,034,329</u>	<u>\$ 15,825,349</u>

6. Fair Value Measurements

In accordance with GASB Statement No. 72, *Fair Value Measurement and Application*; the School's investments are measured at fair value on a recurring basis. The School categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The three levels of the fair value hierarchy are described as follows:

- Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets
- Level 2 - Inputs to the valuation methodology include:
 - Quoted prices for similar assets or liabilities in active markets;
 - Quoted prices for identical or similar assets or liabilities in inactive markets;
 - Inputs other than quoted prices that are observable for the asset or liability;
 - Inputs that are derived principally from or corroborated by observable market data by correlation or other means.
- Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The assets or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2022 and 2021

6. Fair Value Measurements – Continued

There have been no changes in the methodologies used at June 30, 2022 and 2021. The following are descriptions of the valuation methodologies used for assets measured at fair value.

Debt service reserve fund - Invested at least 99.5% of the fund's total assets in cash, U.S. Government securities and/or repurchase agreements that are collateralized fully (i.e., collateralized cash or government securities). Certain issuers of U.S. Government securities are sponsored or chartered by Congress but their securities are neither issued nor guaranteed by the U.S. Treasury. Investing in compliance with industry-standard regulatory requirements for money market funds for the quality, maturity, liquidity and diversification of investments. The agreement suggests maintaining a stable \$1 share price, liquidity, and income. Normally at least 80% of the fund's assets are invested in the U.S. Government securities and repurchase agreements for those securities.

The following table sets forth by level, within the fair value hierarchy, the School's assets at fair value as of June 30, 2022 and 2021:

<i>Investments</i>	<i>Fair Value</i>	<i>Fair Value Measurements Using</i>		
		<i>Level 1 Inputs</i>	<i>Level 2 Inputs</i>	<i>Level 3 Inputs</i>
June 30, 2022 Debt service reserve fund	\$ 3,141,452	\$ -	\$ 3,141,452	\$ -
June 30, 2021 Debt service reserve fund	\$ 3,191,671	\$ -	\$ 3,191,671	\$ -

7. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at June 30, 2022 and 2021 are as follows:

	2022	2021
Payables to vendors	\$ 1,198,759	\$ 718,013
Accrued salaries and benefits	<u>1,698,437</u>	<u>1,460,225</u>
Total	<u>\$ 2,897,196</u>	<u>\$ 2,178,238</u>

8. Grants and Accounts Receivables

Grants and accounts receivable for the School at June 30, 2022 and 2021 are as follows:

	2022	2021
Federal and state grants	\$ 1,151,261	\$ 222,630
Other receivables	<u>58,654</u>	<u>-</u>
Total	<u>\$ 1,209,915</u>	<u>\$ 222,630</u>

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2022 and 2021

9. On-Behalf Payments

In accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, the School is required to recognize its proportional share of pension revenue and expenses, as reported by MTRS, as on-behalf payments in their financial statements. For the years ended June 30, 2022 and 2021, the School recognized \$2,365,163 and \$4,553,691 of on-behalf revenues and expenses, respectively.

10. Capital Assets

Changes in capital assets of the School for the years ended June 30, 2022 and 2021 are as follows:

	<i>Balance</i> <i>July 1, 2021</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance</i> <i>June 30, 2022</i>
<i>Capital assets not being depreciated</i>				
Land	\$ 5,379,146	\$ -	\$ -	\$ 5,379,146
Total capital assets not being depreciated	<u>5,379,146</u>	<u>-</u>	<u>-</u>	<u>5,379,146</u>
<i>Capital assets being depreciated and amortized</i>				
Building	36,449,353	489,852	-	36,939,205
Building improvements	5,228,560	9,646	-	5,238,206
Equipment	1,079,756	149,484	-	1,229,240
Intangible right to use lease - equipment	201,265	133,260	-	334,525
Computers and software	3,317,259	600,084	-	3,917,343
Classroom equipment	178,666	-	-	178,666
Furniture and fixtures	572,369	26,175	-	598,544
Total capital assets being depreciated and amortized	<u>47,027,228</u>	<u>1,408,501</u>	<u>-</u>	<u>48,435,729</u>
<i>Less accumulated depreciation and amortization</i>				
Building	9,234,813	1,130,461	-	10,365,274
Building improvements	2,058,009	319,829	-	2,377,838
Equipment	497,344	195,164	-	692,508
Intangible right to use lease - equipment	54,936	71,807	-	126,743
Computers and software	1,543,302	630,457	-	2,173,759
Classroom equipment	71,845	41,115	-	112,960
Furniture and fixtures	397,957	125,334	-	523,291
Total accumulated depreciation and amortization	<u>13,858,206</u>	<u>2,514,160</u>	<u>-</u>	<u>16,372,373</u>
Capital assets, net	<u>\$ 38,548,168</u>	<u>\$ (1,105,659)</u>	<u>\$ -</u>	<u>\$ 37,442,502</u>

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2022 and 2021

10. Capital Assets – Continued

	<i>Balance</i> <i>July 1, 2020</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance</i> <i>June 30, 2021</i>
<i>Capital assets not being depreciated</i>				
Land	\$ 5,379,146	\$ -	\$ -	\$ 5,379,146
Construction in progress	29,281	-	29,281	-
	<u>5,408,427</u>	<u>-</u>	<u>29,281</u>	<u>5,379,146</u>
<i>Capital assets being depreciated and amortized</i>				
Building	36,070,922	383,403	4,972	36,449,353
Building improvements	5,228,560	-	-	5,228,560
Equipment	1,047,622	32,134	-	1,079,756
Intangible right to use lease - equipment	201,265	-	-	201,265
Computers and software	2,623,466	693,793	-	3,317,259
Classroom equipment	179,172	29,118	29,624	178,666
Furniture and fixtures	572,369	-	-	572,369
Total capital assets being depreciated	<u>45,923,376</u>	<u>1,138,448</u>	<u>34,596</u>	<u>47,027,228</u>
<i>Less accumulated depreciation and amortization</i>				
Building	8,145,893	1,093,894	4,974	9,234,813
Building improvements	1,738,340	319,669	-	2,058,009
Equipment	308,548	188,796	-	497,344
Intangible right to use lease - equipment	-	54,936	-	54,936
Computers and software	989,010	554,292	-	1,543,302
Classroom equipment	70,881	30,588	29,624	71,845
Furniture and fixtures	261,444	136,513	-	397,957
Total accumulated depreciation and amortization	<u>11,514,116</u>	<u>2,378,688</u>	<u>34,598</u>	<u>13,858,206</u>
Capital assets, net	<u>\$ 39,817,687</u>	<u>\$ (1,240,240)</u>	<u>\$ 29,279</u>	<u>\$ 38,548,168</u>

The equipment lease amortization is presented as amortization expenses on the *Statements of Revenues, Expenses, and Changes in Net Position* related to the School's intangible assets of equipment, which is included in the above table as Intangible Right to Use Lease. With implementation of GASB No. 87, *Leases*, a lease meeting the criteria of this Statement requires the lessee to recognize a lease liability and an intangible right to use asset.

11. Leases

The School's lease agreements at June 30, 2022 and 2021 are as follows:

<i>Description</i>	<i>Date</i>	<i>Payment Terms</i>	<i>Yearly</i>		<i>Total Lease Liability</i>	<i>Balance June 30, 2022</i>	<i>Balance June 30, 2021</i>
			<i>Payment Amount</i>	<i>Interest Rate</i>			
Vehicle	8/26/2021	60 months	\$ 13,774	5%	\$ 60,823	\$ 50,777	\$ -
Vehicle	10/1/2018	60 months	\$ 5,957	5%	\$ 17,834	7,204	12,652
Vehicle	8/25/2017	60 months	\$ 9,752	5%	\$ 19,256	809	10,263
Postage machine	4/5/2022	60 months	\$ 2,162	5%	\$ 9,510	9,089	-
Seven copiers	8/4/2019	60 months	\$ 44,533	5%	\$ 164,175	87,936	127,005
Two copiers	2/1/2022	60 months	\$ 14,250	5%	\$ 62,926	58,261	-
						<u>\$ 214,076</u>	<u>\$ 149,920</u>

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2022 and 2021

11. Leases – Continued

The School leased various equipment including vehicles, postage machine, and copiers for a term of 5 years at rate of 5% and expiring at various dates through September 2027. These leases are not renewable and the School will not acquire the equipment at the end of the lease terms.

Annual requirements to amortize long-term obligations and related interest are as follows:

<i>Fiscal Year</i>	<i>Principal</i>	<i>Interest</i>
2023	\$ 72,441	\$ 9,047
2024	\$ 70,753	\$ 5,455
2025	\$ 31,137	\$ 2,759
2026	\$ 28,845	\$ 1,341
2027	\$ 10,900	\$ 181

12. Bonds Payable

Massachusetts Development Finance Agency (MDFA) Revenue Bonds, Foxborough Regional Charter School Issue, Series 2017B, were issued on December 27, 2017, in the original principal amount of \$25,735,000 to advance refund \$24,915,000 of outstanding 2010 Series bonds with an average interest rate of 6.5%. The net proceeds of \$27,318,627 after payment of \$272,406 in underwriting fees, plus insurance and other issuance costs totaling \$319,337, were used to purchase U.S. government securities. Those securities were deposited into an irrevocable trust with an escrow agent to provide for all future debt service payments on the 2010 Series bonds. As a result, the 2010 Series bonds are considered to be defeased and the liability for those bonds has been removed from the *Statement of Net Position*. The bond is payable in annual principal installments and interest payments made semi-annually. The bond bears interest at 3% through 2019, 4% through 2026, and 5% through 2042. The bond agreement contains provisions that upon the occurrence and continuance of any event of default, as defined in the note agreement, the principal amount of the note together with accrued interest may be declared due and payable immediately. The School is required to maintain a historical debt service coverage ratio of at least 1.10 measured for each fiscal year and maintain an unrestricted cash balance as of the end of each fiscal year of at least 5% of its operating expenses for the prior fiscal year. The bonds also require a loan to value ratio of no greater than 83% commencing July 1, 2019. The School was in compliance with these covenants at June 30, 2022 and 2021. At June 30, 2022 and 2021, the outstanding loan balance was \$23,600,000 and \$24,225,000, respectively. Interest expense totaled \$1,173,450 and \$1,198,450 for fiscal years ended June 30, 2022 and 2021, respectively. Accrued interest totaled \$586,725 and \$599,225 for fiscal years ended June 30, 2022 and 2021, respectively.

Foxborough Regional Charter School
 Notes to Financial Statements – *Continued*
 June 30, 2022 and 2021

12. Bonds Payable – Continued

MDFR Revenue Bond, Foxborough Regional Charter School Issue, Series 2017, were issued on May 19, 2017, in the original principal amount of \$10,000,000. The note is payable monthly with interest only payments due from June 19, 2017 through May 19, 2019, and principal and interest payments due monthly thereafter in the amount of \$52,168. The note bears interest at 3.33% and matures on May 19, 2042. The note is collateralized by the land and building located at 131 Central Street, Foxborough, Massachusetts. The note agreement contains provisions that upon the occurrence and continuance of any event of default, as defined in the note agreement, the principal amount of the note together with accrued interest may be declared due and payable immediately. The School is required to maintain a historical debt service coverage ratio of at least 1.20 measured for each fiscal year and to maintain an unrestricted cash balance as of the end of each fiscal year of at least 5% of its operating expenses for the prior fiscal year. The bonds also require a loan to value ratio of no greater than 83%. The School was in compliance with these covenants at June 30, 2022 and 2021. At June 30, 2022 and 2021 the outstanding loan balance was \$3,953,770 and \$9,379,999, respectively. Interest costs totaled \$199,793 and \$322,292, respectively, for the fiscal years ended June 30, 2022 and 2021.

The Series 2017B bonds were issued at a premium. The premium is amortized on a straight-line basis over the life of the loan and recorded as interest income in the statement of revenue, expenses and changes in net position. At June 30, 2022 and 2021, the bond premium was \$2,175,371 and accumulated amortization on the premium was \$391,568 and \$304,553, respectively. Interest income at June 30, 2022 and 2021 was \$87,015 for both years then ended.

The loan balance and the related activity for the fiscal years ended June 30, 2022 and 2021 is as follows:

	<i>Balance</i> <i>July 1, 2021</i>	<i>Additions</i>	<i>Reductions</i>	<i>Balance</i> <i>June 30, 2022</i>	<i>Amounts Due</i> <i>Within One Year</i>
Bonds payable	\$ 33,604,999	\$ -	\$ 6,051,229	\$ 27,553,770	\$ 1,155,209
Plus: Bond premium	1,870,818	-	87,015	1,783,803	-
Bonds payable, net	<u>\$ 35,475,817</u>	<u>\$ -</u>	<u>\$ 6,138,244</u>	<u>\$ 29,337,573</u>	<u>\$ 1,155,209</u>
	<i>Balance</i> <i>July 1, 2020</i>	<i>Additions</i>	<i>Reductions</i>	<i>Balance</i> <i>June 30, 2021</i>	<i>Amounts Due</i> <i>Within One Year</i>
Bonds payable	\$ 34,508,729	\$ -	\$ 903,730	\$ 33,604,999	\$ 939,145
Plus: Bond premium	1,957,833	-	87,015	1,870,818	-
Bonds payable, net	<u>\$ 36,466,562</u>	<u>\$ -</u>	<u>\$ 990,745</u>	<u>\$ 35,475,817</u>	<u>\$ 939,145</u>

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2022 and 2021

12. Bonds Payable – Continued

The following is the debt service payments on the School's bonds payable.

<i>Fiscal Year</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2023	\$ 1,155,209	\$ 1,273,063	\$ 2,428,272
2024	1,202,071	1,221,951	2,424,022
2025	1,255,092	1,167,930	2,423,022
2026	1,308,440	1,111,832	2,420,272
2027	1,367,417	1,053,105	2,420,522
2028-2032	5,915,541	4,373,240	10,288,781
2033-2037	5,940,000	2,976,250	8,916,250
2038-2042	7,640,000	1,245,250	8,885,250
2043	1,770,000	-	1,770,000
Total	\$ 27,553,770	\$ 14,422,621	\$ 41,976,391

The School has a Debt Service Reserve Fund being held by the Trustee. Any earnings from the fund will be used to reduce future principal and interest payments.

13. Retirement Plan

Massachusetts Teachers Retirement System

The Commonwealth of Massachusetts provides for retirement benefits to the School's eligible teachers through the Massachusetts Teachers' Retirement System (MTRS), a contributory retirement system administered by the Massachusetts Teachers' Retirement Board. MTRS is governed by Massachusetts General Laws (M.G.L.), Chapter 32, as well as regulations contained in the Code of Massachusetts Regulations (CMR). Oversight is provided by a seven-member board. MTRS issues a publicly available annual report that includes financial statements and required supplementary information, which may be obtained by writing to Public Employee Retirement Administration Commission (PERAC), 5 Middlesex Avenue, Suite 304, Somerville, Massachusetts, 02145.

This retirement plan requires an employee contribution of five, seven, eight, or eleven percent (depending on the plan and the employment date) of the employee's compensation. The School is not assessed under this plan. This retirement system is a contributory defined benefit plan covering all the employees deemed eligible. Members of the plan become vested after 10 years of creditable service. A retirement allowance may be received upon reaching age 55 and upon attaining 20 years of service.

The plan also provides for retirement at age 55 if the participant (1) has a record of 10 years of creditable service, (2) was first employed by the School after January 1, 1978, (3) voluntarily left School employment on or after that date, and (4) left an accumulated annuity deduction in the fund.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2022 and 2021

13. Retirement Plan – Continued

MTRS retirement plan, under GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, is required by statute to determine the net pension liability for all participants. The net pension liability for the retirement plan at the June 30, 2021 measurement date was determined by an actuarial valuation prepared as of January 1, 2021 and rolled forward to June 30, 2021. At June 30, 2022 and 2021, the School's allocation of MTRS's net pension liability was \$29,473,967 and \$36,867,714, respectively.

14. Board Designated Net Position

As of June 30, 2022 and 2021, the Board of Trustees has designated \$5,165,006 and \$5,165,006, respectively, of unrestricted net position for future capital expenditures, respectively. They have also designated \$44,400 and \$120,598 for the self-insured dental program as of June 30, 2022 and 2021, respectively.

15. Contingencies

Grant Funding

The School is subject to an audit of its Commonwealth of Massachusetts and Federal funding and as such, if determined that funds are not expended in accordance with the grant agreements, the grantor agency has the right to recapture these funds. Therefore, final acceptance of costs incurred under these grants and contracts resides with the grantors. As of the date of these statements, the materiality of adjustments to final costs, if any, cannot be determined and management does not anticipate any adjustments.

Cumulative Surplus Revenue

Effective July 1, 2010 any cumulative surplus revenue generated by the School must comply with M.G.L. c. 71, §89 (as amended by Chapter 12 of the Acts of 2010 under §7 (hh)). In accordance with this legislation and subsequent DESE regulations, if the School's cumulative surplus revenue, as defined, exceeds 20% of its operating budget and its budgeted capital costs for the succeeding fiscal year, the amount in excess of said 20% shall be returned by the School to the sending district or districts and the Commonwealth in proportion to their share of tuition paid during the fiscal year. Management does not anticipate any repayment for fiscal year 2022.

Coronavirus

A novel strain of coronavirus has surfaced and spread around the world, with resulting business and social disruption. The coronavirus was declared a Public Health Emergency of International Concern by the World Health Organization on January 30, 2020. The operations and business results of the School could be materially adversely affected. The extent to which the coronavirus (or any other disease or epidemic) may impact business activity will depend on future developments. The future developments are highly uncertain and cannot be predicted, including new information which may emerge concerning the severity of the coronavirus and the actions required to contain the coronavirus or treat its impact, among others.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2022 and 2021

16. Subsequent Events

The School has evaluated subsequent events through September XX, 2022, which is the date the financial statements were issued. There are no recognized subsequent events that provide additional evidence about conditions that existed at the *Statement of Net Position* date, or non-recognized subsequent events, or events that provide evidence about conditions that did not exist at the *Statement of Net Position* date, which are necessary to disclose to keep the financial statements from being misleading.

Revised Draft For Discussion Only 10-2-22

**SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS**

Revised Draft For Discussion Only 10-2-22

Foxborough Regional Charter School
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

<i>Federal Grantor (Pass-Through Grantor) Program Title or Cluster</i>	<i>Federal Assistance Listing Number</i>	<i>Pass-Through Entity Identifying Number</i>	<i>Total Federal Expenditures</i>
U.S. Department of Education			
Passed through the Massachusetts Department of Elementary and Secondary Education			
Special Education Cluster			
Special Education - Grants to States (IDEA, Part B)	84.027	240-532054-2022-0446	\$ 327,331
Special Education - Grants to States (IDEA, Part B)	84.027	240-412000-2021-0446	18,040
Special Education - Grants to States (IDEA, Part B)	84.027	240-317584-2020-0446	790
Special Education - Improvements	84.027	252-566059-2022-0446	55,821
Special Education - Preschool Grants (IDEA Preschool)	84.173	262-532055-2022-0446	1,845
Special Education - Preschool Grants (IDEA Preschool)	84.173	264-566060-2022-0446	2,615
		Total Special Education Cluster	<u>406,442</u>
Title I Grants to Local Educational Agencies (LEAs)	84.010	305-556058-2022-0446	196,069
Supporting Effective Instruction State Grant	84.367	140-556059-2022-0446	43,373
English Language Acquisition Grants	84.365	180-534029-2022-0446	12,011
English Language Acquisition Grants	84.365	180-412001-2021-0446	3,200
Student Support and Academic Enrichment Grants	84.424	309-556060-2022-0446	13,337
COVID - Elementary and Secondary Education Relief Funds	84.425D	115-528059-2022-0446	630,031
COVID - Elementary and Secondary Education Relief Funds	84.425D	119-532152-2022-0446	1,447,651
COVID - Elementary and Secondary Education Relief Funds	84.425D	120-510470-2022-0446	100,000
COVID - Elementary and Secondary Education Relief Funds	84.425D	121-510668-2022-0446	42,200
COVID - Elementary and Secondary Education Relief Funds	84.425U	719-670963-2022-0446	120,456
		Total U.S. Department of Education	<u>3,014,770</u>
U.S. Department of Agriculture			
Passed through the Massachusetts Department of Elementary and Secondary Education			
Child Nutrition Cluster			
School Breakfast Program (SBP)	10.553	DOENUT2021SL	198,084
National School Lunch Program	10.555	DOENUT2021SL	702,089
		Total Child Nutrition Cluster	<u>900,173</u>
		Total U.S. Department of Agriculture	<u>900,173</u>
Total expenditures of federal awards			<u>\$ 3,914,943</u>

See accompanying notes to schedule of federal expenditures

Foxborough Regional Charter School
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2022

1. *Basis of Presentation*

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal awards activity of Foxborough Regional Charter School (the School), under programs of the Federal government for the year ended June 30, 2022. The information in the 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). Because the Schedule presents only a selected portion of the operations of the School, it is not intended to and does not present the financial position, changes in net position or cash flows of the School.

2. *Summary of Significant Accounting Policies*

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The School has elected not to use the 10 percent de minimus indirect cost rate allowed under the Uniform Guidance.

3. *Subrecipients*

There were no pass through federal awards to subrecipients by the School during fiscal year 2022.

Revised Draft For Discussion Only 10/2/22

**REPORT ON COMPLIANCE AND
INTERNAL CONTROL IN ACCORDANCE
WITH
GOVERNMENT AUDITING STANDARDS**

Revised Draft For Discussion Only 10-2-22



*Independent Auditor's 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*

The Board of Trustees of
Foxborough Regional Charter School

We have audited, in accordance with the 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 statement of net position of Foxborough Regional Charter School, (the School) as of and for the year ended June 30, 2022, and the statement of revenues, expenses and changes in net position, and cash flows, and the related notes to the financial statements, which comprise Foxborough Regional Charter School's financial statements and have issued our report thereon dated September XX, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Foxborough Regional Charter School's internal control. Accordingly, we do not express an opinion on the effectiveness of Foxborough Regional Charter School'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 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 were not identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Foxborough Regional Charter School's financial statements are free from 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 financial statements. 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 School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Foxborough Regional Charter School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

September XX, 2022

Revised Draft For Discussion Only 10-2-22

**REPORT IN ACCORDANCE
WITH
THE UNIFORM GUIDANCE**

Revised Draft For Discussion Only 10-2-22



DANIEL DENNIS & Co
Certified Public Accountants

Independent Auditors' Report On Compliance For Each Major Program And On Internal Control Over Compliance Required by the Uniform Guidance

The Board of Trustees of
Foxborough Regional Charter School

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Foxborough Regional Charter School's (the School) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on Foxborough Regional Charter School's major federal programs for the year ended June 30, 2022. Foxborough Regional Charter School's major federal program are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, Foxborough Regional Charter School 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, 2022.

Basis for Opinion on Each Major Federal Program

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)*. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Foxborough Regional Charter School and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of Foxborough Regional Charter School's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Foxborough Regional Charter School's federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Foxborough Regional Charter School's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Foxborough Regional Charter School's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Foxborough Regional Charter School's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of School's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Foxborough Regional Charter School's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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.

Report on Internal Control over Compliance – Continued

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

September XX, 2022

Revised Draft For Discussion Only 10-2-22

**SCHEDULE OF FINDINGS
QUESTIONED COSTS**

Revised Draft For Discussion Only 10-2-22

Foxborough Regional Charter School
 Schedule of Findings and Questioned Costs
 For the Year Ended June 30, 2022

Section I - SUMMARY OF AUDITORS' RESULTS

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_____ yes	_____ <u>X</u> none reported
Noncompliance material to financial statements noted?	_____ yes	_____ <u>X</u> no

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	_____ yes	_____ <u>X</u> no
Significant deficiency(ies) identified that are not considered to be material weakness(es)?	_____ yes	_____ <u>X</u> none reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with section 200.516(a) of the Uniform Guidance? _____ yes _____ X no

Identification of major programs:

Federal Assistance Listing Number

Name of Program

10.553

Child Nutrition Cluster

10.555

School Breakfast Program (SBP)

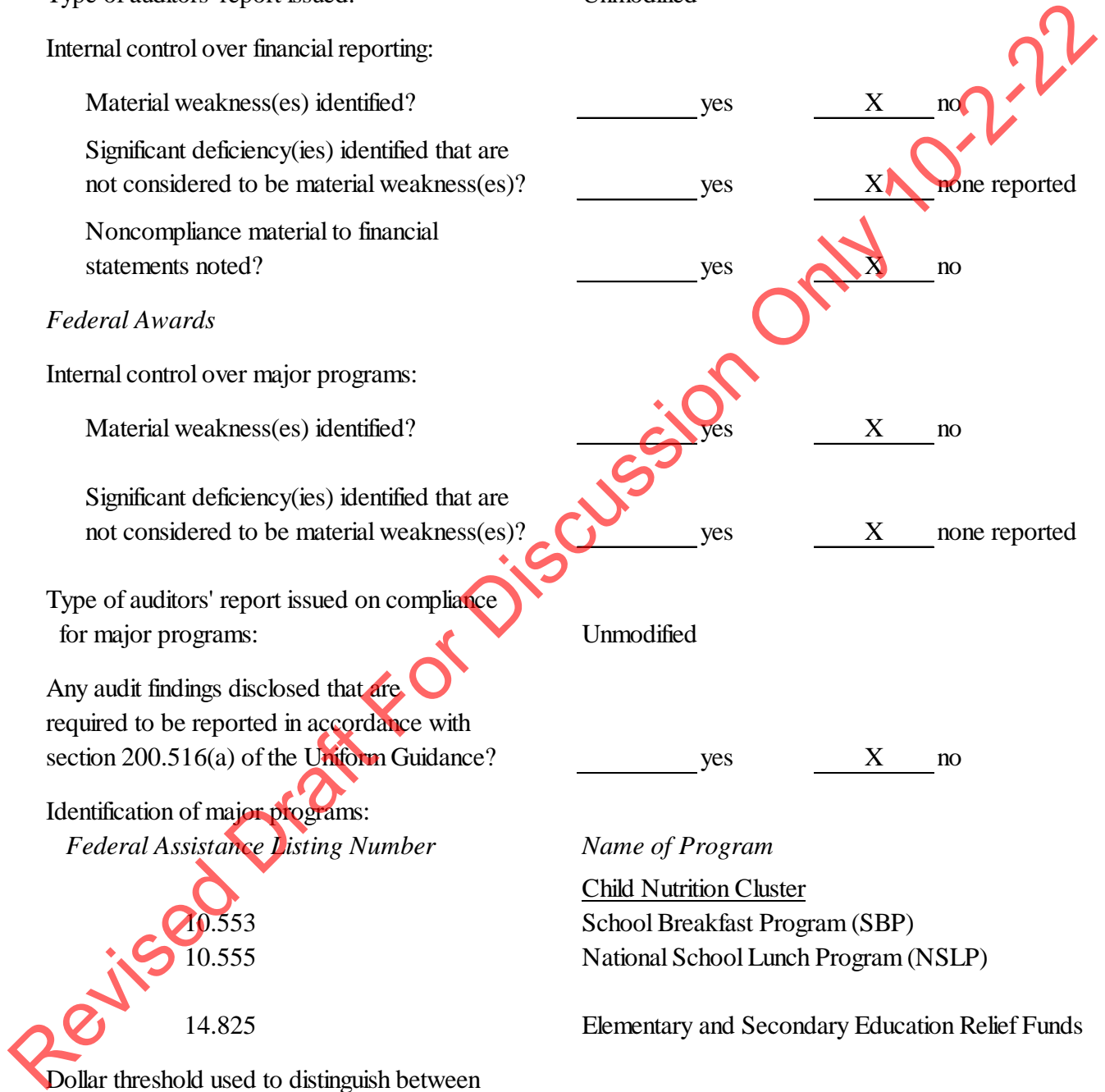
National School Lunch Program (NSLP)

14.825

Elementary and Secondary Education Relief Funds

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

Auditee qualified as low-risk auditee? _____ X yes _____ no



Foxborough Regional Charter School
Schedule of Findings and Questioned Costs – *Continued*
For the Year Ended June 30, 2022

Section II - FINANCIAL STATEMENT FINDINGS

None

Section III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

Revised Draft For Discussion Only 10-2-22

Foxborough Regional Charter School
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2022

There were no unresolved audit findings from prior year's audit.

Revised Draft For Discussion Only 10-2-22

BOARD ACCEPTANCE LETTER

Revised Draft For Discussion Only 10-2-22

ACCEPTANCE OF THE BOARD OF TRUSTEES

We, the Board of Trustees of Foxborough Regional Charter School have voted to accept the representations of management and the expression of the opinions made by Daniel Dennis & Company LLP as embodied in the combined financial statements and independent auditors reports for the year ended June 30, 2022.

We also certify that the representations made by management and the disclosures in the combined financial statements are accurate and have been correctly and completely disclosed as required by accounting principles generally accepted in the United States of America and the Commonwealth of Massachusetts Charter School Audit Guide for the year ended June 30, 2022.

Board President or Treasurer
Or Other Designated Person

Date

Revised Draft For Discussion Only 10-2-22

Coversheet

FY2023

Section: II. Finance Committee Business
Item: C. FY2023
Purpose: Discuss
Submitted by:
Related Material: Budget to Actual Detail Sep 2022.pdf

September 30, 2022 - Financial Report - Budget to Actual (Detail)

All

	<u>Budget</u>	<u>Actual</u>	<u>\$ Variance</u>	<u>% Variance</u>
REVENUES	0.00	0.00	0.00	0.00
<u>Per Pupil Tuition</u>	0.00	0.00	0.00	0.00
10 000 4120 0000 DOE PER PUPIL TUITION	27462500	7253577	20,208,923.00	(26.41)
<u>Per Pupil Tuition</u>	<u>27,462,500.00</u>	<u>7,253,577.00</u>	<u>20,208,923.00</u>	<u>(26.41)</u>
<u>Federal Grants/Reimbursements</u>	0.00	0.00	0.00	0.00
10 610 4210 0000 OTHER GRANTS	905472	0	905,472.00	0.00
10 610 4210 3321 YEAR I SEL MENTAL HEALTH GRANT	212500	21250	191,250.00	(10.00)
10 610 4210 7191 YEAR I ACCELERATED LIT LEARNING FED	0	3072	(3,072.00)	0.00
10 410 4370 0000 FEDERAL E-RATE REIMBURSEMENT	70000	56614.3	13,385.70	(80.88)
<u>Federal Grants/Reimbursements</u>	<u>1,187,972.00</u>	<u>80,936.30</u>	<u>1,107,035.70</u>	<u>(6.81)</u>
<u>State Grants/Reimbursements</u>	0.00	0.00	0.00	0.00
<u>Other Grant Revenues</u>	0.00	0.00	0.00	0.00
<u>Food Service Program</u>	0.00	0.00	0.00	0.00
10 350 4310 0000 FOOD PROGRAM FEES	210000	703.75	209,296.25	(0.34)
10 350 4320 0000 STATE FOOD SERVICE SUBSIDY	11000	192.06	10,807.94	(1.75)
10 350 4325 0000 FEDERAL FOOD SERVICE SUBSIDY	300000	0	300,000.00	0.00
<u>Food Service Program</u>	<u>521,000.00</u>	<u>895.81</u>	<u>520,104.19</u>	<u>(0.17)</u>
<u>Extended Day Program</u>	0.00	0.00	0.00	0.00
<u>Transportation Program</u>	0.00	0.00	0.00	0.00
10 360 4350 0000 TRANSPORTATION REIMBURSEMENT	300000	0	300,000.00	0.00
10 360 4860 0000 TRANSPORTATION PROGRAM FEES	601072	351129.98	249,942.02	(58.42)
<u>Transportation Program</u>	<u>901,072.00</u>	<u>351,129.98</u>	<u>549,942.02</u>	<u>(38.97)</u>
<u>Building Rental Revenue</u>	0.00	0.00	0.00	0.00
10 420 4360 0000 BUILDING RENTAL REVENUE	60000	6000	54,000.00	(10.00)
<u>Building Rental Revenue</u>	<u>60,000.00</u>	<u>6,000.00</u>	<u>54,000.00</u>	<u>(10.00)</u>
<u>Other Revenues</u>	0.00	0.00	0.00	0.00
10 110 4815 0000 APPLICATION & ADMIN FEES	6500	13000	(6,500.00)	(200.00)
10 130 4820 0000 INTEREST INCOME	9000	2109.84	6,890.16	(23.44)
10 130 4822 0000 DEBT SERVICE RESERVE INTEREST	0	2407.19	(2,407.19)	0.00
10 130 4825 0000 CHANGE IN MARKET VALUE-DSRF	0	-10965.24	10,965.24	0.00
10 320 4853 0000 ATHLETIC FEES	20000	10900	9,100.00	(54.50)
10 200 4870 0000 FIELD TRIP INCOME	25000	0	25,000.00	0.00
10 242 4877 0000 MUSIC INSTRUMENT RENTAL FEE	0	30	(30.00)	0.00
10 110 4890 0000 MISCELLANEOUS INCOME	15000	16756.11	(1,756.11)	(111.71)
<u>Other Revenues</u>	<u>75,500.00</u>	<u>34,237.90</u>	<u>41,262.10</u>	<u>(45.35)</u>
Total Revenues	30,208,044.00	7,726,776.99	22,481,267.01	(25.58)
EXPENSES	0.00	0.00	0.00	0.00
Personnel	0.00	0.00	0.00	0.00
<u>Administration & Finance</u>	0.00	0.00	0.00	0.00
10 110 5110 0000 EXECUTIVE DIRECTOR	190000	11850	178,150.00	6.24
10 110 5169 0000 PERSONNEL COMP PLAN	204210	0	204,210.00	0.00
10 130 5111 0000 DIRECTOR OF FINANCE	167200	41800.02	125,399.98	25.00
10 130 5115 0000 PAYROLL PROJECT MANAGER	202000	43103	158,897.00	21.34
10 130 5123 0000 BUSINESS OFFICE SPECIALIST SALARIES	55385	13846.26	41,538.74	25.00
10 140 5111 0000 DIRECTOR OF HUMAN RESOURCES	114950	20391.51	94,558.49	17.74
10 140 5115 0000 HUMAN RESOURCES MANAGER	80000	19999.98	60,000.02	25.00
10 140 5123 0000 SUBSTITUTE COORDINATOR	50000	11350.63	38,649.37	22.70
10 170 5111 0000 CHIEF OF STAFF	172425	43106.28	129,318.72	25.00
10 170 5120 0000 O&D ADMIN SUPPORT SALARY	107910	20217.23	87,692.77	18.74

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	<u>Budget</u>	<u>Actual</u>	<u>\$ Variance</u>	<u>% Variance</u>
10 170 5122 0000 ADMIN AND VOLUNTEER COORDINATOR	56555	7069.44	49,485.56	12.50
10 170 5125 0000 OUTREACH COORDINATOR	64336	13618.96	50,717.04	21.17
10 170 5169 0000 PERSONNEL COMP PLAN	4	0	4.00	0.00
Administration & Finance	<u>1,464,975.00</u>	<u>246,353.31</u>	<u>1,218,621.69</u>	<u>16.82</u>
Teaching & Learning	0.00	0.00	0.00	0.00
10 200 5111 0000 DEPUTY DIRECTOR	292425	73106.28	219,318.72	25.00
10 200 5115 0000 INSTRUCTIONAL TECHNOLOGY MANAGER	163610	31731.66	131,878.34	19.39
10 200 5120 0000 ADMINISTRATIVE SUPPORT SUMMER	23000	0	23,000.00	0.00
WORK/OVERTIME SALARIES				
10 200 5123 0000 PROFESSIONAL DEVELOPMENT COORDINATOR	157700	14860.42	142,839.58	9.42
10 200 5125 0000 INSTRUCTIONAL COACH (ES)	75000	0	75,000.00	0.00
10 200 5129 0000 INTERVENTIONIST TEACHER	104500	13062.48	91,437.52	12.50
10 200 5139 0000 SUBSTITUTE TEACHERS SALARIES	307000	24202.5	282,797.50	7.88
10 200 5140 0000 STIPEND-CURRICULUM REVISION	18200	1800	16,400.00	9.89
10 200 5146 0000 DETENTION STIPEND	3000	0	3,000.00	0.00
10 200 5158 0000 DRIVER SALARY FIELD TRIPS	2132	0	2,132.00	0.00
10 200 5169 0000 PERSONNEL COMP PLAN	58230	0	58,230.00	0.00
10 210 5112 0000 SCHOOL PRINCIPAL (ES)	119846	31484.41	88,361.59	26.27
10 210 5114 0000 ASSISTANT SCHOOL PRINCIPAL (ES)	95000	11874.99	83,125.01	12.50
10 210 5120 0000 ADMINISTRATIVE SUPPORT ELEMENTARY	53070	13267.56	39,802.44	25.00
10 210 5130 0000 K-4 TEACHERS SALARIES	2734983	311860.32	2,423,122.68	11.40
10 210 5132 0000 PARAPROFESSIONALS SALARIES	193219	24152.49	169,066.51	12.50
10 210 5139 0000 BUILDING SUBSTITUTE ES	70000	7244.68	62,755.32	10.35
10 210 5141 0000 STIPEND - ES COVERAGE	18000	1250	16,750.00	6.94
10 210 5142 0000 KINDERGARTEN SCREENING	5400	5500	(100.00)	101.85
10 210 5145 0000 K-4 TUTORING HOME & HOSPITAL	1200	0	1,200.00	0.00
10 210 5169 0000 PERSONNEL COMP PLAN	9598	0	9,598.00	0.00
10 215 5133 0000 SERVICE LEADERSHIP/CHARACTER ED ES (1)	143228	10515.3	132,712.70	7.34
10 220 5112 0000 SCHOOL PRINCIPAL (MS)	130625	32656.26	97,968.74	25.00
10 220 5114 0000 ASSISTANT SCHOOL PRINCIPAL (MS)	90000	11250	78,750.00	12.50
10 220 5120 0000 ADMINISTRATIVE SUPPORT MIDDLE SCHOOL	61928	15481.92	46,446.08	25.00
10 220 5130 0000 MS TEACHERS SALARIES	1661663	155780.26	1,505,882.74	9.37
10 220 5139 0000 BUILDING SUBSTITUTE MS	70000	0	70,000.00	0.00
10 220 5140 0000 MS TEAM LEADER STIPEND	4000	4000	0.00	100.00
10 220 5145 0000 MS TUTORING HOME & HOSPITAL	1200	0	1,200.00	0.00
10 220 5169 0000 PERSONNEL COMP PLAN	65453	0	65,453.00	0.00
10 225 5133 0000 SERVICE LEADERSHIP/CHARACTER ED MIDDLE SCHOOL	56000	5494.69	50,505.31	9.81
10 230 5112 0000 SCHOOL PRINCIPAL (HS)	144962	36240.6	108,721.40	25.00
10 230 5114 0000 ASSISTANT SCHOOL PRINCIPAL (HS)	90000	11250	78,750.00	12.50
10 230 5120 0000 HS ADMIN SUPPORT SALARIES	45000	6400.43	38,599.57	14.22
10 230 5130 0000 HS TEACHERS SALARIES	2165138	256638.89	1,908,499.11	11.85
10 230 5139 0000 BUILDING SUBSTITUTE HS	70000	0	70,000.00	0.00
10 230 5140 0000 HS DEPARTMENT HEAD STIPEND	25000	0	25,000.00	0.00
10 230 5141 0000 TEST MONITOR STIPEND	2000	0	2,000.00	0.00
10 230 5142 0000 YEARBOOK ADVISOR STIPEND	1000	0	1,000.00	0.00
10 230 5145 0000 HS TUTORING HOME & HOSPITAL	1500	0	1,500.00	0.00
10 230 5146 0000 NATIONAL HONOR STIPEND	3000	0	3,000.00	0.00
10 230 5147 0000 CLASS COUNCIL ADVISOR STIPEND	4200	0	4,200.00	0.00

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	<u>Budget</u>	<u>Actual</u>	<u>\$ Variance</u>	<u>% Variance</u>
10 230 5148 0000 HS TEACHER STIPEND	2250	0	2,250.00	0.00
10 230 5169 0000 PERSONNEL COMP PLAN	89553	0	89,553.00	0.00
10 260 5112 0000 PUPIL SERVICES INSTRUCTIONAL DIRECTOR	151764	37941.06	113,822.94	25.00
10 260 5114 0000 PUPIL SERVICES ASSISTANT DIRECTOR	102541	12817.59	89,723.41	12.50
10 260 5120 0000 ADMINISTRATIVE SUPPORT PUPIL SERVICES	56399	14099.64	42,299.36	25.00
10 260 5130 0000 PUPIL SERVICES TEACHERS SALARIES	1249114	94298.66	1,154,815.34	7.55
10 260 5131 0000 SPECIALISTS SALARIES	465146	59642.73	405,503.27	12.82
10 260 5132 0000 PUPIL SERVICES PARAPROFESSIONALS SALARIES	33440	4179.99	29,260.01	12.50
10 260 5169 0000 PERSONNEL COMP PLAN	74853	0	74,853.00	0.00
10 262 5114 0000 ELE ASSISTANT DIRECTOR	87153	10894.14	76,258.86	12.50
10 262 5130 0000 TEACHER ELE(1)	448123	48134.64	399,988.36	10.74
10 265 5134 0000 COUNSELORS SALARIES	96874	9999.99	86,874.01	10.32
Teaching & Learning	<u>12,198,220.00</u>	<u>1,403,114.58</u>	<u>10,795,105.42</u>	<u>11.50</u>
Student Activities	0.00	0.00	0.00	0.00
10 300 5111 0000 DIRECTOR OF SCHOOL CULTURE & DISCIPLINE	125000	31249.98	93,750.02	25.00
10 300 5120 0000 ADMINISTRATIVE ASSISTANT SCHOOL CULTURE & DISCIPLINE	47025	5878.14	41,146.86	12.50
10 300 5123 0000 SEL COORDINATOR	70000	0	70,000.00	0.00
10 300 5133 0000 K-12 DEAN OF STUDENT LIFE	76933	17096.22	59,836.78	22.22
10 300 5134 0000 SCHOOL ADJUSTMENT COUNSELOR ELEMENTARY (1)	724767	68004.45	656,762.55	9.38
10 300 5135 0000 BEHAVIOR INTERVENTIONIST ES SALARY	357760	39216.81	318,543.19	10.96
10 300 5144 0000 CULTURE & DISCIPLINE SUMMER STIPENDS	2100	2100	0.00	100.00
10 300 5169 0000 PERSONNEL COMP PLAN	9435	0	9,435.00	0.00
10 310 5136 0000 NURSING SERVICES SALARIES	286761	35468.43	251,292.57	12.37
10 310 5139 0000 NURSING SERVICES SUBSTITUTES	7500	240	7,260.00	3.20
10 310 5140 0000 NURSE LEADER STIPEND	8000	0	8,000.00	0.00
10 320 5140 0000 ATHLETICS STIPEND	60000	0	60,000.00	0.00
10 325 5140 0000 ACADEMIC COMPETITIONS/STUDENT ACTIVITIES STIPEND	58000	0	58,000.00	0.00
10 350 5155 0000 FOOD SERVICE SALARIES	277327	29802.11	247,524.89	10.75
10 360 5115 0000 TRANSPORTATION MANAGER	72502	18125.52	54,376.48	25.00
10 360 5158 0000 CROSSING GUARD & DRIVER SALARIES	10500	175.23	10,324.77	1.67
10 360 5159 0000 PUPIL SERVICES DRIVER SALARIES	20503	0	20,503.00	0.00
Student Activities	<u>2,214,113.00</u>	<u>247,356.89</u>	<u>1,966,756.11</u>	<u>11.17</u>
Operations	0.00	0.00	0.00	0.00
10 410 5111 0000 DIRECTOR OF OPERATIONS	135000	33750	101,250.00	25.00
10 410 5115 0000 OPERATIONS MANAGER/AFTERSCHOOL PROGRAM MANAGER	86024	19116.42	66,907.58	22.22
10 410 5120 0000 ADMINISTRATIVE SUPPORT OPERATIONS	63243	15810.84	47,432.16	25.00
10 420 5150 0000 BUILDING SERVICES SALARIES	293071	59873.72	233,197.28	20.43
10 420 5151 0000 OVERTIME BUILDING SERVICES SALARIES	17500	0	17,500.00	0.00
10 420 5160 0000 SEASONAL BUILDING SERVICES SALARIES	16000	2452.5	13,547.50	15.33
10 450 5137 0000 TECHNOLOGY SALARY	210525	51881.22	158,643.78	24.64
Operations	<u>821,363.00</u>	<u>182,884.70</u>	<u>638,478.30</u>	<u>22.27</u>
Grants	0.00	0.00	0.00	0.00
10 610 5115 3051 YEAR I TITLE I ADMINISTRATOR OF DATA ANALYTICS	72000	0	72,000.00	0.00
10 610 5132 2401 PARAPROFESSIONALS SPED (1)	325365	30805.59	294,559.41	9.47
10 610 5132 3321 YEAR I SEL GRANT PARAPROFESSIONAL	35000	0	35,000.00	0.00

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	<u>Budget</u>	<u>Actual</u>	<u>\$ Variance</u>	<u>% Variance</u>
10 610 5134 3111 YEAR I SEL CLINICAL COUNSELOR SALARIES	0	5399.16	(5,399.16)	0.00
10 610 5134 3321 YEAR I SEL CLINICAL COUNSELOR SALARIES	64790	2699.58	62,090.42	4.17
10 610 5141 2402 YEAR II IDEA SPECIAL ED STIPENDS	0	22800	(22,800.00)	0.00
10 610 5141 2522 YEAR II 252 GRANT STIPENDS	0	10000	(10,000.00)	0.00
10 610 5141 3321 YEAR I SEL GRANT STIPENDS	30000	0	30,000.00	0.00
Grants	<u>527,155.00</u>	<u>71,704.33</u>	<u>455,450.67</u>	<u>13.60</u>
Subtotal Personnel	<u>17,225,826.00</u>	<u>2,151,413.81</u>	<u>15,074,412.19</u>	<u>12.49</u>
Operating Costs	0.00	0.00	0.00	0.00
<u>Administration & Finance</u>	0.00	0.00	0.00	0.00
10 110 5270 0000 COPIER MAINTENANCE	36000	3143.56	32,856.44	8.73
10 110 5275 0000 COPIER RENTALS/LEASES	58785	3711.12	55,073.88	6.31
10 110 5276 0000 POSTAGE METER RENTAL EXPENSE	4120	0	4,120.00	0.00
10 110 5305 0000 BAD DEBT EXPENSE	7500	0	7,500.00	0.00
10 110 5317 0000 PAYROLL SERVICES	35000	5722.25	29,277.75	16.35
10 110 5318 0000 BANK CHARGES	1750	791.13	958.87	45.21
10 110 5320 0000 SCHOOL RESOURCE OFFICER	46350	0	46,350.00	0.00
10 110 5345 0000 PRINTING EXPENSE	500	0	500.00	0.00
10 110 5350 0000 ADVERTISING/PUBLIC RELATIONS	3000	0	3,000.00	0.00
10 110 5355 0000 POSTAGE/SHIPPING	20000	3080.87	16,919.13	15.40
10 120 5310 0000 LEGAL	26214	7920.2	18,293.80	30.21
10 130 5314 0000 CREDIT REVIEW SERVICES	4600	0	4,600.00	0.00
10 130 5315 0000 BUSINESS CONSULTING SERVICES	18500	1117.5	17,382.50	6.04
10 130 5316 0000 AUDIT SERVICES	30900	0	30,900.00	0.00
10 140 5320 0000 HR CONTRACTED SERVICES	22500	3750	18,750.00	16.67
10 140 5350 0000 HR ADVERTISING/RECRUITING	6850	3962.8	2,887.20	57.85
10 170 5386 0000 O&D WEBSITE	7210	499.98	6,710.02	6.93
10 110 5420 0000 A&F OFFICE SUPPLIES	4000	1537.34	2,462.66	38.43
10 110 5425 0000 A&F COPIER SUPPLIES	500	0	500.00	0.00
10 110 5450 0000 A&F FURNITURE & EQUIPMENT	1500	0	1,500.00	0.00
10 130 5420 0000 FINANCE OFFICE SUPPLIES	2000	0	2,000.00	0.00
10 130 5435 0000 SOFTWARE MAINTENANCE	30000	8007.15	21,992.85	26.69
10 140 5420 0000 HR OFFICE SUPPLIES	300	0	300.00	0.00
10 170 5420 0000 O&D OFFICE SUPPLIES	2060	0	2,060.00	0.00
10 170 5450 0000 OUTREACH & DEVELOPMENT FURNITURE & EQUIPMENT	515	0	515.00	0.00
10 140 5515 0000 HR MATERIALS	1000	0	1,000.00	0.00
10 170 5515 0000 O&D OUTREACH MATERIALS	1545	0	1,545.00	0.00
10 100 5770 0000 SCHOOL BOARD LIABILITY INSUR	13039	13039	0.00	100.00
10 100 5780 0000 BOARD EXPENSES	200000	23223.78	176,776.22	11.61
10 100 5781 0000 RESERVE FUND	15000	0	15,000.00	0.00
10 110 5710 0000 TRAVEL EXPENSE	300	0	300.00	0.00
10 110 5715 0000 TRAVEL ALLOWANCE	4326	0	4,326.00	0.00
10 110 5725 0000 A&F DUES & SUBSCRIPTIONS	89500	87043	2,457.00	97.25
10 110 5726 0000 A&F FEES & LICENSES	3760	1200	2,560.00	31.91
10 110 5730 0000 A&F MEETINGS & CONFERENCES	1000	0	1,000.00	0.00
10 130 5730 0000 FINANCE PROFESSIONAL DEVELOPMENT	3000	0	3,000.00	0.00
10 140 5730 0000 HR PROFESSIONAL DEVELOPMENT	1000	0	1,000.00	0.00
10 150 5771 0000 GENERAL LIABILITY INSUR	32470	29231	3,239.00	90.02
10 150 5772 0000 PROPERTY INSUR	46824	43206	3,618.00	92.27

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	<u>Budget</u>	<u>Actual</u>	<u>\$ Variance</u>	<u>% Variance</u>
10 150 5773 0000 VEHICLE INSURANCE	6724	6724	0.00	100.00
10 150 5775 0000 UMBRELLA INSUR	15303	15303	0.00	100.00
10 170 5725 0000 O&D DUES	515	0	515.00	0.00
10 170 5730 0000 O&D PROFESSIONAL DEVELOPMENT	3090	0	3,090.00	0.00
10 170 5782 0000 O&D OPEN HOUSE	1030	0	1,030.00	0.00
10 170 5783 0000 O&D OTHER EXPENSES	4635	300	4,335.00	6.47
Administration & Finance	<u>814,715.00</u>	<u>262,513.68</u>	<u>552,201.32</u>	<u>32.22</u>
Teaching & Learning	0.00	0.00	0.00	0.00
10 210 5375 0000 ES TUTORING HOME & HOSPITAL	2060	0	2,060.00	0.00
10 220 5375 0000 MS TUTORING HOME & HOSPITAL	5150	0	5,150.00	0.00
10 230 5362 0000 YEARBOOK EXPENSE	1545	0	1,545.00	0.00
10 230 5370 0000 VIRTUAL HIGH SCHOOL	13390	0	13,390.00	0.00
10 230 5375 0000 HS TUTORING HOME & HOSPITAL	1030	0	1,030.00	0.00
10 260 5360 0000 PUPIL SRVCS OUTSOURCED SERVICES	183213	2606.81	180,606.19	1.42
10 200 5420 0000 T&L OFFICE SUPPLIES	2060	1310.14	749.86	63.60
10 200 5425 0000 T&L COPIER SUPPLIES	30000	5096	24,904.00	16.99
10 200 5450 0000 T&L FURNITURE & EQUIPMENT	1442	1059.9	382.10	73.50
10 210 5420 0000 K-4 OFFICE SUPPLIES	2060	0	2,060.00	0.00
10 210 5450 0000 K-4 FURNITURE & EQUIPMENT	1545	746.96	798.04	48.35
10 220 5420 0000 MS OFFICE SUPPLIES	3000	964.96	2,035.04	32.17
10 220 5450 0000 MS FURNITURE & EQUIPMENT	3000	94.53	2,905.47	3.15
10 230 5420 0000 HS OFFICE SUPPLIES	1250	509.23	740.77	40.74
10 230 5450 0000 HS FURNITURE & EQUIPMENT	6400	3786.41	2,613.59	59.16
10 260 5420 0000 PUPIL SERVICES OFFICE SUPPLIES	1545	427.26	1,117.74	27.65
10 260 5438 0000 PUPIL SERVICES INSTRUCTIONAL SOFTWARE	3090	36	3,054.00	1.17
10 260 5440 0000 PUPIL SRVCS INSTRUCTIONAL TECHNOLOGY	2575	110.94	2,464.06	4.31
10 260 5450 0000 PUPIL SRVCS FURNITURE & EQUIPMENT	2575	0	2,575.00	0.00
10 200 5514 0000 ASSESSMENTS & TESTING	15000	0	15,000.00	0.00
10 200 5515 0000 T&L CURRICULUM MATERIALS	200000	6482	193,518.00	3.24
10 210 5515 0000 K-4 MATERIALS	45000	8854.01	36,145.99	19.68
10 210 5528 0000 K-4 LIBRARY SUPPLIES	1545	0	1,545.00	0.00
10 210 5535 0000 K-4 HOMEWORK JOURNALS	1339	0	1,339.00	0.00
10 215 5520 0000 COUNSELING SUPPLIES	515	0	515.00	0.00
10 220 5510 0000 MS TEXTBOOKS	5150	0	5,150.00	0.00
10 220 5514 0000 MS ASSESSMENTS & TESTING	1030	0	1,030.00	0.00
10 220 5515 0000 MS INSTRUCTIONAL MATERIALS	13000	1275.8	11,724.20	9.81
10 220 5535 0000 MS HOMEWORK JOURNALS	1650	1569.47	80.53	95.12
10 230 5510 0000 HS TEXTBOOKS	9500	9192.6	307.40	96.76
10 230 5514 0000 HS ASSESSMENTS & TESTING	2100	0	2,100.00	0.00
10 230 5515 0000 HS INSTRUCTIONAL MATERIALS	11600	10888.56	711.44	93.87
10 230 5535 0000 HS HOMEWORK JOURNALS	1030	0	1,030.00	0.00
10 260 5514 0000 PUPIL SRVCS ASSESSMENTS & TESTING	5150	0	5,150.00	0.00
10 260 5515 0000 PUPIL SRVCS INSTRUCTIONAL MATERIALS	5150	6.35	5,143.65	0.12
10 260 5520 0000 BEHAVIOR INTERVENTION SUPPLIES	2575	0	2,575.00	0.00
10 200 5720 0000 T&L RECOGNITION & RETENTION	20600	149.34	20,450.66	0.72
10 200 5730 0000 T&L PROFESSIONAL DEVELOPMENT	35000	1206.12	33,793.88	3.45
10 200 5731 0000 TUITION & TUITION REIMBURSEMENT	45000	0	45,000.00	0.00
10 200 5735 0000 T&L EVENTS	2060	0	2,060.00	0.00
10 210 5730 0000 K-4 PROFESSIONAL DEVELOPMENT	5000	377.5	4,622.50	7.55

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	<u>Budget</u>	<u>Actual</u>	<u>\$ Variance</u>	<u>% Variance</u>
10 210 5735 0000 K-4 EVENTS & COMPETITIONS	515	0	515.00	0.00
10 210 5740 0000 K-4 FIELD TRIPS	20000	0	20,000.00	0.00
10 220 5730 0000 MS PROFESSIONAL DEVELOPMENT	5150	0	5,150.00	0.00
10 220 5735 0000 MS EVENTS & COMPETITIONS	5150	1937.5	3,212.50	37.62
10 220 5740 0000 MS FIELD TRIPS	13000	0	13,000.00	0.00
10 220 5785 0000 MS ACADEMIC HONORS SOCIETIES	2000	385	1,615.00	19.25
10 230 5730 0000 HS PROFESSIONAL DEVELOPMENT	5000	300	4,700.00	6.00
10 230 5735 0000 HS EVENTS & COMPETITIONS	6489	536.93	5,952.07	8.27
10 230 5740 0000 HS FIELD TRIPS	4500	0	4,500.00	0.00
10 230 5785 0000 HS ACADEMIC HONORS SOCIETIES	1545	0	1,545.00	0.00
10 260 5730 0000 PUPIL SRVCS PROFESSIONAL DEVELOPMENT	3090	299	2,791.00	9.68
10 260 5784 0000 SEPAC	515	499	16.00	96.89
Teaching & Learning	<u>762,878.00</u>	<u>60,708.32</u>	<u>702,169.68</u>	<u>7.96</u>
Student Activities	0.00	0.00	0.00	0.00
10 320 5280 0000 FACILITY/FIELD RENTAL	22000	0	22,000.00	0.00
10 360 5285 0000 LEASE STUDENT ACTIVITY VAN	6000	992.8	5,007.20	16.55
10 300 5360 0000 SCHOOL CULTURE & CLIMATE OUTSOURCED SERVICES	10000	0	10,000.00	0.00
10 310 5380 0000 SCHOOL PHYSICIAN FEE	1000	0	1,000.00	0.00
10 320 5330 0000 ATHLETICS TRANSPORTATION	40000	868.75	39,131.25	2.17
10 320 5385 0000 ATHLETICS UMPIRES & REFEREES	15000	936	14,064.00	6.24
10 360 5330 0000 OPS TRANSPORTATION	1685492	166050	1,519,442.00	9.85
10 360 5335 0000 SPED TRANSPORTATION	304000	9627.05	294,372.95	3.17
10 300 5420 0000 SCHOOL CULTURE & CLIMATE OFFICE SUPPLIES	4000	0	4,000.00	0.00
10 300 5450 0000 SCHOOL CULTURE & CLIMATE FURNITURE & FIXTURES	5000	0	5,000.00	0.00
10 310 5420 0000 NURSING OFFICE SUPPLIES	1545	0	1,545.00	0.00
10 310 5450 0000 NURSING FURNITURE & EQUIPMENT	3090	1994.94	1,095.06	64.56
10 330 5420 0000 SERVICE LEARNING OFFICE SUPPLIES	1500	23.49	1,476.51	1.57
10 350 5420 0000 FOOD SERVICE OFFICE SUPPLIES	515	0	515.00	0.00
10 350 5490 0000 FOOD	510880	-1803.49	512,683.49	(0.35)
10 360 5420 0000 TRANSPORTATION OFFICE SUPPLIES	2060	1473.68	586.32	71.54
10 300 5515 0000 SCHOOL CLIMATE & CULTURE SUPPLIES & MATERIALS	20000	1070.24	18,929.76	5.35
10 300 5520 0000 COUNSELING SUPPLIES	20000	7055.06	12,944.94	35.28
10 310 5500 0000 NURSING HEALTH SUPPLIES	10000	462	9,538.00	4.62
10 320 5580 0000 ATHLETICS SUPPLIES & EQUIPMENT	10000	924.83	9,075.17	9.25
10 320 5585 0000 ATHLETICS UNIFORMS	5000	0	5,000.00	0.00
10 330 5515 0000 SERVICE LEARNING MATERIALS	6500	0	6,500.00	0.00
10 350 5515 0000 FOOD SERVICE MATERIALS & SUPPLIES	10300	1105.8	9,194.20	10.74
10 360 5515 0000 TRANSPORTATION MATERIALS & SERVICE	5000	3496	1,504.00	69.92
10 300 5730 0000 SCHOOL CULTURE & CLIMATE PROFESSIONAL DEVELOPMENT	10000	4009	5,991.00	40.09
10 300 5740 0000 CULTURE & DISCIPLINE FIELDTRIPS	1000	0	1,000.00	0.00
10 310 5725 0000 NURSING DUES & CONFERENCES	4325	0	4,325.00	0.00
10 320 5725 0000 ATHLETICS DUES & FEES	5000	2450	2,550.00	49.00
10 325 5735 0000 ACADEMIC EVENTS & COMPETITIONS	25750	385	25,365.00	1.50
10 330 5735 0000 SERVICE LEARNING EVENTS & COMPETITIONS	20000	0	20,000.00	0.00
10 330 5740 0000 SERVICE LEARNING FIELD TRIPS	2500	0	2,500.00	0.00

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	<u>Budget</u>	<u>Actual</u>	<u>\$ Variance</u>	<u>% Variance</u>
10 350 5726 0000 FOOD SERVICE PERMITS	1000	0	1,000.00	0.00
10 350 5735 0000 FOOD SERVICE EVENTS & ACTIVITIES	30000	10930.57	19,069.43	36.44
Student Activities	<u>2,798,457.00</u>	<u>212,051.72</u>	<u>2,586,405.28</u>	<u>7.58</u>
Operations	0.00	0.00	0.00	0.00
10 420 5210 0000 ELECTRIC	390000	106755.45	283,244.55	27.37
10 420 5215 0000 GAS	100000	8911.57	91,088.43	8.91
10 420 5220 0000 WATER	30240	-2391.53	32,631.53	(7.91)
10 420 5225 0000 OIL	8000	2139.5	5,860.50	26.74
10 420 5240 0000 HVAC	130000	14879.91	115,120.09	11.45
10 420 5241 0000 PLUMBING	20000	15582.21	4,417.79	77.91
10 420 5242 0000 ELECTRICAL	35000	7738.93	27,261.07	22.11
10 420 5243 0000 FIRE ALARM SYSTEM SERVICES	20600	5474.03	15,125.97	26.57
10 420 5245 0000 SECURITY SYSTEM	17000	8630	8,370.00	50.76
10 420 5250 0000 GROUNDS MAINTENANCE	65000	15532.83	49,467.17	23.90
10 420 5260 0000 TRUCK LEASE	24000	4088.9	19,911.10	17.04
10 420 5290 0000 CLEANING SERVICES	350000	97522	252,478.00	27.86
10 420 5295 0000 RUBBISH REMOVAL	43260	11369.76	31,890.24	26.28
10 420 5297 0000 SNOW PLOWING	20000	0	20,000.00	0.00
10 410 5360 0000 OPS OUTSOURCED SERVICES	20000	20000	0.00	100.00
10 420 5340 0000 TELEPHONE SERVICES	23690	8040.41	15,649.59	33.94
10 420 5341 0000 COMMUNICATION MAINTENANCE	12360	2620	9,740.00	21.20
10 420 5390 0000 AUTO REPAIR SERVICES	7210	518.91	6,691.09	7.20
10 450 5365 0000 IT OUTSOURCED SERVICES	40000	17003.6	22,996.40	42.51
10 450 5367 0000 IT PRINTER SERVICE/SUPPLIES	41200	9570	31,630.00	23.23
10 450 5386 0000 IT COMMUNICATION SERVICES	180000	43224.29	136,775.71	24.01
10 410 5410 0000 PPE SUPPLIES - COVID-19	5200	0	5,200.00	0.00
10 410 5420 0000 OPS OFFICE SUPPLIES	2575	1606.55	968.45	62.39
10 410 5450 0000 OPERATIONS FURNITURE & EQUIPMENT	3605	2097.67	1,507.33	58.19
10 420 5460 0000 BUILDING SERVICES/SUPPLIES	82500	42482.53	40,017.47	51.49
10 420 5470 0000 CUSTODIAL SUPPLIES	40000	12867.7	27,132.30	32.17
10 420 5480 0000 TOOLS	2060	0	2,060.00	0.00
10 450 5420 0000 IT OFFICE SUPPLIES	3090	0	3,090.00	0.00
10 450 5430 0000 IT NETWORK SERVER SUPPLIES	48410	7608.69	40,801.31	15.72
10 450 5435 0000 IT LICENSES & RENEWALS	200850	42567.88	158,282.12	21.19
10 450 5436 0000 MICROSOFT SOFTWARE	17510	0	17,510.00	0.00
10 450 5437 0000 IT INSTRUCTIONAL SOFTWARE	56650	0	56,650.00	0.00
10 450 5439 0000 SIS SOFTWARE	32960	32767	193.00	99.41
10 410 5730 0000 OPS PROFESSIONAL DEVELOPMENT	2060	275	1,785.00	13.35
10 420 5726 0000 LICENSE & REGISTRATION RENEWALS	1400	65	1,335.00	4.64
10 450 5725 0000 IT MEMBERSHIPS/DUES	1250	0	1,250.00	0.00
10 450 5730 0000 IT TRAINING SEMINARS	5150	0	5,150.00	0.00
10 450 5744 0000 IT INSTRUCTIONAL HARDWARE	10300	1173.26	9,126.74	11.39
Operations	<u>2,093,130.00</u>	<u>540,722.05</u>	<u>1,552,407.95</u>	<u>25.83</u>
Employee Benefits	0.00	0.00	0.00	0.00
10 510 5175 0000 EMPLOYER FICA	434100	70029.28	364,070.72	16.13
10 510 5177 0000 EMPLOYER SUTA	101988	3576.24	98,411.76	3.51
10 510 5178 0000 MA UNEMPLOYMENT HEALTH INSUR	25625	950.05	24,674.95	3.71
10 510 5179 0000 PAID FAMILY MEDICAL LEAVE	40715	9062.27	31,652.73	22.26
10 510 5180 0000 HEALTH INSURANCE	1691165	238001.31	1,453,163.69	14.07

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	<u>Budget</u>	<u>Actual</u>	<u>\$ Variance</u>	<u>% Variance</u>
10 510 5181 0000 DENTAL INSURANCE	83360	10236.64	73,123.36	12.28
10 510 5182 0000 LIFE INSURANCE	26655	4876.11	21,778.89	18.29
10 510 5183 0000 DISABILITY INSURANCE (LTD)	8200	-162.01	8,362.01	(1.98)
10 510 5184 0000 ADMIN FEES-FLEXIBLE SPENDING & 403B	5638	758.64	4,879.36	13.46
10 510 5185 0000 WORKERS COMP INSURANCE	85000	81498	3,502.00	95.88
10 510 5186 0000 EMPLOYEE ASSISTANT PROGRAM	3075	0	3,075.00	0.00
10 510 5188 0000 403B EMPLOYER CONTRIBUTIONS	41000	0	41,000.00	0.00
10 510 5189 0000 OTHER EMPLOYEE INSURANCE BENEFITS	0	-355.74	355.74	0.00
10 510 5190 0000 OTHER EMPLOYEE BENEFITS	46125	0	46,125.00	0.00
Employee Benefits	<u>2,592,646.00</u>	<u>418,470.79</u>	<u>2,174,175.21</u>	<u>16.14</u>
Grants	0.00	0.00	0.00	0.00
10 610 5320 2402 YEAR II SPED ED CONTRACTED SERVICES	0	8397.9	(8,397.90)	0.00
10 610 5320 3051 YEAR I TITLE I CONTRACTED SERVICES	0	15834	(15,834.00)	0.00
10 610 5320 3321 YEAR I SEL GRANT CONTRACTED SERVICES	67000	13913.38	53,086.62	20.77
10 610 5515 3321 YEAR I SEL SUPPLIES AND MATERIALS	9879	0	9,879.00	0.00
10 610 5515 7191 YEAR I ACCELERATED LIT SUPPLIES AND MATERIALS	0	3071.93	(3,071.93)	0.00
10 610 5730 1151 YEAR I ESSER II TRAVEL (PD)	0	237.84	(237.84)	0.00
10 610 5780 0000 OTHER GRANT EXPENSES	423472	0	423,472.00	0.00
10 610 5780 3321 YEAR I SEL OTHER EXPENSE	5831	0	5,831.00	0.00
Grants	<u>506,182.00</u>	<u>41,455.05</u>	<u>464,726.95</u>	<u>8.19</u>
Subtotal Operating Costs	<u>9,568,008.00</u>	<u>1,535,921.61</u>	<u>8,032,086.39</u>	<u>16.05</u>
Capital Outlay	0.00	0.00	0.00	0.00
10 710 5821 0000 HVAC IMPROVEMENTS	125000	0	125,000.00	0.00
10 710 5823 0000 FLOORING REPLACEMENT	312684	312683.43	0.57	100.00
10 710 5829 0000 OTHER INTERIOR IMPROVEMENTS	131816	38969.26	92,846.74	29.56
10 710 5830 0000 PARKING/EXTERIOR IMPROVEMENTS	75000	0	75,000.00	0.00
10 710 5860 0000 TECHNOLOGY PLAN	245500	0	245,500.00	0.00
Capital Outlay	<u>890,000.00</u>	<u>351,652.69</u>	<u>538,347.31</u>	<u>39.51</u>
Debt Service	0.00	0.00	0.00	0.00
10 770 5910 0000 DEBT BONDS-PRINCIPAL	655000	0	655,000.00	0.00
10 770 5915 0000 DEBT LOAN-PRINCIPAL	324917	0	324,917.00	0.00
10 770 5920 0000 DEBT BONDS-INTEREST	1160350	0	1,160,350.00	0.00
10 770 5925 0000 LOAN-INTEREST	301105	33292.9	267,812.10	11.06
10 770 5930 0000 DEBT BONDS-ADMIN FEE	4944	0	4,944.00	0.00
10 770 5935 0000 LOAN-ADMIN FEE & INSURANCE	30900	0	30,900.00	0.00
Debt Service	<u>2,477,216.00</u>	<u>33,292.90</u>	<u>2,443,923.10</u>	<u>1.34</u>
Depreciation	0.00	0.00	0.00	0.00
10 790 5891 0000 BUILDING DEPRECIATION	0	288992.93	(288,992.93)	0.00
10 790 5893 0000 SITE IMPROVEMENTS DEPREC	0	80158.25	(80,158.25)	0.00
10 790 5894 0000 FURNITURE & FIXTURE DEPREC	0	9423.5	(9,423.50)	0.00
10 790 5895 0000 MATERIALS & EQUIPMENT DEPREC	0	221956.1	(221,956.10)	0.00
10 790 5896 0000 SOFTWARE DEPREC	0	9475.32	(9,475.32)	0.00
Depreciation	<u>0.00</u>	<u>610,006.10</u>	<u>(610,006.10)</u>	<u>0.00</u>
Board Capital Reserve	0.00	0.00	0.00	0.00
Total Expenses	30,161,050.00	4,682,287.11	25,478,762.89	15.52
NET BUDGET RESERVED	<u>46,994.00</u>	<u>3,044,489.88</u>	<u>(2,997,495.88)</u>	<u>(6,478.47)</u>