



Foxborough Regional Charter School

Finance and Facilities Meeting

Published on March 3, 2026 at 3:37 PM EST
Amended on March 4, 2026 at 1:28 PM EST

Date and Time

Friday March 6, 2026 at 8:00 AM EST

Meeting Format

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

During the meeting, the Board and its committees follow the published agenda. Gallery members are not part of the formal discussion or deliberations. Those wishing to speak at a meeting are asked to follow our [Privilege of the Floor Policy](#). To request to speak at a meeting, please complete the following [google form](#) before the start of the meeting.

Join Zoom Meeting

<https://foxboroughrcs-org.zoom.us/j/81832478545?pwd=yhcyFOgTnWB5uCqgah8kR2qazA5CER.1>

Agenda

	Purpose	Presenter	Time
I.	Opening Items		8:00 AM

	Purpose	Presenter	Time
A. Record Attendance			1 m
B. Call the Meeting to Order			
C. Privilege of the Floor	Discuss	Matthew Yezukevich	1 m
II. Finance & Facilities			8:02 AM
A. Discuss Eastern Bank	Discuss	Matthew Yezukevich	15 m
B. FY2027 Budget Assumptions	Discuss	Karen Calvert	10 m
C. Investment Policy	Discuss	Ryan Higgins	10 m
D. HVAC	Discuss	Lesly Michelot	5 m
III. Other Business			8:42 AM
A. Approve Minutes	Approve Minutes	Matthew Yezukevich	5 m
<i>Executive Session</i>	<i>Regular Minutes</i>		
March 4, 2024	December 17, 2025		
March 19, 2024	December 18, 2025		
March 22, 2024	January 9, 2026		
June 11, 2024	February 6, 2026		
	February 13, 2026		
IV. Closing Items			8:47 AM
A. 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

Discuss Eastern Bank

Section: II. Finance & Facilities
Item: A. Discuss Eastern Bank
Purpose: Discuss
Submitted by:
Related Material: Eastern Bank Covenants and Information.docx

To: Board of Directors, Foxborough Regional Charter School
From: Finance Director
Date: 03/06/2026
Re: Key Ongoing *Affirmative* Obligations in the 2017 Bond Agreement with Eastern Bank

I. Purpose of this Memo

This memo summarizes the major **affirmative covenants** (i.e., what the School is required to *do*) under the **Bond Purchase Agreement** with Eastern Bank in connection with the 2017 bond financing.

These obligations remain in effect for as long as the Bonds are outstanding. A material failure to perform them can constitute an Event of Default, giving Eastern Bank the right to accelerate the Bonds and pursue remedies.

II. Big Picture – What These Positive Obligations Are Designed To Do

The affirmative covenants are intended to ensure that the School:

- **Pays debt on time** and maintains a stable banking relationship.
 - **Preserves its Charter and educational mission** and maintains sound operations.
 - **Protects the value of the facilities** securing the Bonds (through maintenance and insurance).
 - **Maintains financial discipline**, including minimum cash levels and coverage ratios.
 - **Provides transparency to Eastern Bank** through reporting and access to information.
 - **Preserves the tax-exempt status of the Bonds** and complies with MassDevelopment and Charter requirements.
-

III. Key Ongoing Obligations for the School

1. Core Financial and Banking Commitments

- **Timely payment of debt**
 - Make all principal, interest, and other payments on the Bonds and related loan documents when due.
 - **Primary banking relationship with Eastern Bank**
 - As long as Eastern Bank (or its successor) holds a majority of the Bonds, the School must:
 - Maintain its primary operating bank accounts at Eastern Bank, and
 - Use Eastern Bank for core cash-management services (ACH, wires, remote deposit, lockbox, etc.).
 - **Debt Service Coverage Ratio (DSCR)**
 - Target each fiscal year: maintain DSCR of at least 1.20x, based on audited financials.
 - If the coverage ratio falls too low, the School may be required to:
 - Prepay a portion of principal (which may involve prepayment costs), or
 - Provide additional collateral acceptable to Eastern Bank.
 - **Unrestricted Cash Balance**
 - At each fiscal year-end, maintain Unrestricted Cash of at least 5% of prior-year operating expenses.
 - If this minimum is not met:
 - The School must obtain a consultant's report diagnosing the issue and recommending corrective actions, which are then reviewed with Eastern Bank.
 - If the School implements the agreed corrective actions, the shortfall itself is not automatically treated as a default.
-

2. Operational and Corporate Obligations

- **Preserve Charter and legal existence**
- **Continue the core charter-school mission**
- **Maintain competent management**
- **Maintain and repair facilities**

3. Insurance and Risk Management

- **Comprehensive insurance program**
- **Protecting the Bank's interests in the policies**

1% premium to prepay

This bond is prepayable in whole or in part, upon thirty (30) days written notice to the Bondowner, at the option of the Borrower at any time, at a price equal to the principal amount to be prepaid plus interest accrued to the prepayment date, plus a prepayment fee (the "Prepayment Fee") calculated according to the following schedule:

Redemption Period	Prepayment Fee
Date of this bond through May 18, 2018	5% of the redeemed principal
May 19, 2018 through May 18, 2019	4% of the redeemed principal
May 19, 2019 through May 18, 2020	3% of the redeemed principal
May 19, 2020 through May 18, 2021	2% of the redeemed principal
May 19, 2021 through May 18, 2027	1% of the redeemed principal
May 19, 2027 through Maturity Date	None

With respect to remedies if you trip the DSCR covenant, Jenn believes what the AI model was saying is that prepaying debt is a way to help with a potential DSCR issue. If there's less debt, the denominator goes down. The cash you use impacts the numerator, so it might be a wash. To be clear, however, under the documents, failure to meet 1.2x is not an Event of Default (EoD) so long as you bring in a consultant. DSCR below 1.0x is an EoD. Prepayment of debt is not a remedy for an EoD; if the Bank wants, it could accelerate all of it. But in my experience, the Bank would work with you on a waiver/forbearance.

Loan Balance as of 2/6/2026 \$2,081,041.86

Principal: \$2,034,840.76

Interest: \$2,635.12

Prepayment Penalty: \$20,348.41

Late Charges: \$0.00

Total Payoff: \$2,057,824.29

Coversheet

FY2027 Budget Assumptions

Section: II. Finance & Facilities
Item: B. FY2027 Budget Assumptions
Purpose: Discuss
Submitted by:
Related Material: FY2027 Budget Assumptions.docx

FY2027 Budget Assumptions

Revenue

- Tuition
 - Enrollment Budget FTE 1395
 - Working on per pupil amount
- Grants
 - Level Fund

Personnel

- FRCSTA bring up to next step
- Nonaligned starting at 2.5% increase across the board
- Turnover savings 3% of total personnel budget amount
- Open Positions budget at Position Average

Operating Expenses

- Healthcare benefits – exploring options with a slight increase in the amount of the deductible amount resulting in lower overall premium – deductibles in the \$1,500 range
 - There was a headcount shift of approximately 24% away from the 0\$ deductible plan after the large premium increase in July. The shift appears to indicate that employees focused more on electing a plan with lower premium cost vs. lower deductible exposure.

Capital

- HVAC High School
-

Coversheet

Investment Policy

Section: II. Finance & Facilities
Item: C. Investment Policy
Purpose: Discuss
Submitted by:
Related Material: 2025.12 - FRCS Investment Policy - DRAFT.docx

*Foxborough Regional Charter School
Investment Policy
December 2025*

Purpose

From time-to-time Foxborough Regional Charter School (“FRCS”) will have more funds available than are needed to meet current obligations. Such excess funds may be invested in various financial instruments. The purpose of this policy is to set the parameters, responsibilities and controls for the investment of FRCS’s funds into cash, cash equivalents and marketable securities. Such investments shall comply with all federal, state law and any applicable rules.

A. General Principles

The Treasurer on the Board of Trustees will routinely and actively monitor the FRCS investment portfolio, relative values of available competing investments, and will recommend adjusting the portfolio. FRCS may engage with an outside investment advisor to provide re-investment options for maturing securities and to purchase securities on behalf on the School, under the direction from the Board of Trustees. FRCS shall avoid any transactions which could give rise to a conflict of interest or impair public confidence.

B. Objective

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The Treasurer on the Board of Trustees shall consider safety, liquidity and yield when evaluating investment opportunities. Thus FRCS's investment objectives (by order of priority) are:

- Ensure the safety and preservation of principal*
- Maintain adequate liquidity to meet cash flow requirements*
- Obtain the best available return consistent with safety and liquidity*

C. Investment Instruments

The Treasurer on the Board of Trustees shall choose such investment instruments consistent with the general principles and objectives with the FRCS's investment policy. In all cases, the FRCS investment portfolio may invest in any type of security as allowed by federal and Massachusetts law and regulations. Such instruments may include:

- Term deposits or certificates of deposit having a maturity date from date of purchase of up to 3 years*
- Trust companies, national banks, savings banks, banking companies or cooperative banks*
- Obligations issued or unconditionally guaranteed by the United States government or any agency thereof, having a maturity from date of purchase of 1 year or less*
- United States government securities or securities of United States government agencies purchased under an agreement with a trust*

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company, national bank or banking company to repurchase at not less than the original purchase price of said securities on a fixed date, not to exceed 90 days

- Shares of beneficial interest issued by money market funds registered with the Securities and Exchange Commission under the Investment Company Act of 1940, as amended, operated in accordance with Section 270.2a-7 of Title 17 of the Code of Federal Regulations, that have received the highest possible rating from at least 1 nationally recognized statistical rating organization and the purchase price of shares of beneficial interest purchased pursuant to this section shall not include any commission that these companies may charge*
- Participation units in a combined investment fund under section 38A of chapter 29; provided, however, that no temporary notes in anticipation of revenue shall be issued under section 4 as long as any revenue cash, exclusive of revenue sharing or other revenue cash the use of which is restricted to purposes other than current maintenance expenses, remains so invested*

D. Debt Service Reserve Fund

FRCS currently maintains a debt service reserve fund with U.S. Bank (Trustee) to provide security to investors of the Series 2017B Revenue Bonds. Investment strategies for debt service reserve funds shall have

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as the primary objective the ability to generate a dependable revenue stream from securities with a low degree of volatility. As a default, the funds are invested into a government money market fund by the Trustee, but FRCS is able to invest these funds into other eligible securities, under direction from the Board, which include the following:

- Government or equivalent obligations including direct general obligations or obligations with principal and interest payments unconditionally guaranteed by the federal government*
- Tax-exempt bonds as defined in IRC §150(a)(6), other than "specified private activity bonds" as defined in IRC §57(a)(5)(C), rated at least "AA" or "Aa2" by S&P and Moody's, respectively*
- Obligations of any state or political subdivision thereof rated at least "AA-" and "Aa3" by S&P and Moody's, respectively*
- Senior debt obligations and participation certificates issued by an agency or instrumentality established by an act of Congress, including but not limited to the Federal National Mortgage Association, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal Farm Credit Bank System, Student Loan Marketing Association, World Bank or Federal Agricultural Mortgage Corporation, in each case rated not lower*

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than the second highest category, at the time of acquisition thereof, by at least one nationally recognized rating agency

- Notes issued by corporate entities rated at least "AA-" and "Aa3" by S&P and Moody's, respectively*

E. Diversification

FRCS shall maintain a diverse investment portfolio to minimize the risk of loss resulting from over investment in any given instrument, unless the Board prudently determines that, because of special circumstances, the purposes of the funds are better served without diversification.

F. Custody of Securities

FRCS may choose to purchase investments directly from or through selected financial institutions. In these situations, such institutions are authorized to hold FRCS's investments in custody on behalf of the FRCS, as long as the FRCS has reasonably determined that such holdings are distinct from the bank's operating accounts and are reasonably protected against any claims or bankruptcy proceedings involving such bank.

G. Roles and Responsibilities

The Treasurer of the Board will be responsible for the following:

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- *Ensuring that investments are made in accordance with this policy*
- *Review investment activities, allocations, and overall compliance with the Board at least annually*

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H. Exception Management

The Treasurer is responsible for the implementation and adherence to this policy, criteria, and procedures herein. Any exceptions, revisions or amendments to this policy or its parameters must be approved by the Board.

I. Ethics and Conflict of Interest

FRCS shall engage in socially responsible investment choices. The Treasurer on the Board of Trustees shall present the holdings of the FRCS investment portfolio to the Board of Trustees from time to time but, at a minimum, annually.

All FRCS officers and employees involved in the investment process shall refrain from personal business activity that may conflict with the investment process or which could impair their ability to make impartial investment decisions. No officer or Board of Trustee member shall have any interest in, or receive compensation from, any investments which FRCS invests with.