



Foxborough Regional Charter School

Finance & Facilities Committee Meeting

Published on September 30, 2025 at 3:15 PM EDT

Date and Time

Friday October 3, 2025 at 8:00 AM EDT

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.

Agenda

	Purpose	Presenter	Time
I. Opening Items			8:00 AM
A. Record Attendance		Matthew Yezukevich	1 m
B. Call the Meeting to Order		Matthew Yezukevich	1 m

	Purpose	Presenter	Time
C. Privilege of the Floor		Matthew Yezukevich	1 m
II. Finance			8:03 AM
A. FY25 Audit Draft Review	Discuss	Matthew Yezukevich	15 m
III. Closing Items			8:18 AM
A. Review and Approval of Minutes	Vote	Matthew Yezukevich	15 m
			<ul style="list-style-type: none">• March 7, 2025• March 13, 2025• April 11. 2025• May 2, 2025• May 8, 2025• September 12, 2025
B. Adjourn Meeting	Vote	Matthew Yezukevich	1 m

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

FY25 Audit Draft Review

Section:	II. Finance
Item:	A. FY25 Audit Draft Review
Purpose:	Discuss
Submitted by:	
Related Material:	FRCS FY25 Draft Financial Statements 9.30.25.pdf FRCS Finance Committee Presentation.pdf

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

June 30, 2025 and 2024

DRAFT

Foxborough Regional Charter School

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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, 2025 and 2024, 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, 2025 and 2024, 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 audits 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 audits. 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, Foxborough 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.

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 opinion. 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 4 through 8 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 Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated August XX, 2025, 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, 2025

Foxborough Regional Charter School Management's Discussion and Analysis June 30, 2025 (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, 2025, with comparative information for the fiscal year ended June 30, 2024. Please read it in conjunction with the financial statements and the related notes, which begin on page 9.

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 current charter is for the five year period July 1, 2023 through June 30, 2028. During fiscal years 2025 and 2024, the School operated kindergarten through grade twelve and the enrollment was comprised of approximately 1,444 and 1,500 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 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, 2025 (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, 2025 (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 26 of this report.

Financial Highlights

The following financial highlights are for the School for fiscal year 2025 and include comparative information from fiscal year 2024:

- The School held total assets of \$56,140,738 and \$57,624,780 at June 30, 2025 and 2024, respectively, of which \$41,486,110 and \$39,861,406 were net capital assets. The majority of the remaining assets consisted of cash and cash equivalents, grants and accounts receivables and debt service reserve funds. The decrease in total assets was due to the increase in accumulated depreciation in net capital assets.
- The School held total liabilities of \$29,935,352 and \$31,339,275 at June 30, 2025 and 2024, respectively. In 2025, the School held \$5,552,451 in current liabilities and \$24,382,901 in noncurrent liabilities. In 2024, the School held \$5,728,222 in current liabilities and \$25,611,053 in noncurrent liabilities. The decrease in liabilities is largely due to the annual payments made on the bonds.
- Total net position for the School was \$28,689,096 and \$29,003,798 at June 30, 2025 and 2024, respectively, of which \$9,801,857 and \$12,907,765 were unrestricted and \$18,887,239 and \$16,096,033 were for net investment in capital assets, respectively. As of June 30, 2025 and 2024, the Board of Trustees has designated \$6,387,041 and \$5,165,006, respectively, of unrestricted net assets for future capital purchases.

Foxborough Regional Charter School
Management's Discussion and Analysis - *Continued*
June 30, 2025 (Unaudited)

Financial Highlights – Continued

- The School earned total revenues (excluding on-behalf pension) of \$31,209,176 and \$31,633,613 for the years ended June 30, 2025 and 2024, of which, 98% were operating revenues and 2% were from non-operating revenues for the fiscal years ended June 30, 2025 and 2024. The decrease in revenue is due to a decrease in enrollment in fiscal year 2025 resulted in less per-pupil tuition received compared to fiscal year 2024.
- The School had a total expenses (excluding on-behalf pension) of \$31,523,878 and \$29,434,227 for the years ended June 30, 2025 and 2024, respectively, and 96% were operating expenses and 4% were non-operating expenses for the fiscal years ended June 30, 2025 and 2024. The increase in total expenses is primarily a result of an increase in salaries, taxes, and related benefits.
- The School had a change in net position of (\$314,702) and \$2,199,386 for the years ended June 30, 2025 and 2024, respectively. In fiscal year 2025, the change in net position was comprised of operating income of \$377,781 and a non-operating loss of \$692,483. In fiscal year 2024, the change in net position was comprised of operating income of \$2,802,206 and a non-operating loss of \$602,820. The non-operating losses are due to interest expense relating to the School's bonds payable.

Budgetary Highlights

For the fiscal year ended June 30, 2025, the School incurred \$31,523,878 in actual expenditures excluding \$2,521,459 of on-behalf expenses, which was under the budgeted expenditures of \$33,095,991 due to conservative budgeting, unfilled positions, and cost savings.

For fiscal year 2025, the School budgeted tuition revenue of \$29,069,550, compared to actual revenue of \$27,679,519. The decrease is due to decrease in the number of students enrolled compared to the number of students budgeted for.

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 \$27,679,519 in per pupil funding in fiscal year 2025, versus \$28,156,607 in per pupil funding in fiscal year 2024. This represents 89% of the School's revenue, excluding on-behalf revenue, for the years ended June 30, 2025 and 2024. In addition, the School received various Federal and Commonwealth of Massachusetts grants, which totaled \$884,748 and \$789,429 for fiscal years 2025 and 2024, respectively.

Foxborough Regional Charter School
Management's Discussion and Analysis - *Continued*
June 30, 2025 (Unaudited)

Current Known Facts, Decisions, and Conditions

The School began a project to replace the elementary school's roof during fiscal year 2024. The total cost of the project was \$3,151,388 and was completed in November 2024. At June 30, 2025 and 2024, construction in progress was \$550,331 and \$1,377,511, respectively and is included in capital assets on the *Statements of Net Position*.

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.

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Foxborough Regional Charter School
Statements of Net Position
June 30, 2025 and 2024

Assets and Deferred Outflows of Resources		
	<i>2025</i>	<i>2024</i>
<i>Current Assets:</i>		
Cash and cash equivalents	\$ 10,748,981	\$ 14,041,484
Grants and accounts receivable	265,151	554,258
Prepaid expenses	449,923	18,922
Debt service reserve fund - current	1,813,125	1,815,000
Total current assets	13,277,180	16,429,664
<i>Noncurrent Assets:</i>		
Capital assets, net	41,486,110	39,861,406
Debt service reserve fund - net of current portion	1,377,448	1,333,710
Total noncurrent assets	42,863,558	41,195,116
<i>Deferred Outflows of Resources:</i>		
Deferred charge on refunding	2,665,001	2,826,516
Total assets and deferred outflows of resources	\$ 58,805,739	\$ 60,451,296
Liabilities, Deferred Inflows of Resources and Net Position		
	<i>2025</i>	<i>2024</i>
<i>Current Liabilities:</i>		
Accounts payable and accrued expenses	\$ 1,389,827	\$ 2,174,852
Accrued compensation	2,217,581	1,693,840
Accrued interest payable	538,500	556,500
Lease liability - current	82,194	32,984
Note payable - current	15,909	14,954
Bonds payable - current	1,308,440	1,255,092
Total current liabilities	5,552,451	5,728,222
<i>Noncurrent Liabilities:</i>		
Lease liability - net of current	227,185	44,171
Note payable - net of current portion	-	15,711
Bonds payable - net of current portion	24,155,716	25,551,171
Total noncurrent liabilities	24,382,901	25,611,053
Total liabilities	29,935,352	31,339,275
<i>Deferred Inflows of Resources:</i>		
Advances for future periods	181,291	108,223
<i>Net Position:</i>		
Net investment in capital assets	18,887,239	16,096,033
Unrestricted	9,801,857	12,907,765
Total net position	28,689,096	29,003,798
Total liabilities, deferred inflows of resources and net position	\$ 58,805,739	\$ 60,451,296

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, 2025 and 2024

	2025	2024
<i>Operating revenues:</i>		
Tuition	\$ 27,679,519	\$ 28,156,607
Federal and state grants	884,748	789,429
Food service program	1,025,088	1,063,929
Transportation	713,895	701,378
Other program fees	241,898	132,492
On-behalf pension	<u>2,521,459</u>	<u>2,928,609</u>
Total operating revenues	<u>33,066,607</u>	<u>33,772,444</u>
<i>Operating expenses:</i>		
Salaries	17,071,812	15,684,881
Payroll taxes	573,980	575,863
Fringe benefits	<u>1,927,617</u>	<u>1,777,129</u>
Total salaries, taxes and related benefits	19,573,409	18,037,873
Contracted services	779,325	575,352
Depreciation	2,312,286	2,355,554
Amortization	101,389	70,108
Dues and fees	244,824	402,502
Field trips and competitions	90,399	83,152
Food services program expenses	1,196,540	1,060,397
Furniture, equipment and software	133,970	126,400
Insurance	194,582	180,764
Maintenance and supplies	1,163,691	1,057,782
Miscellaneous	226,746	256,284
Occupancy costs	570,387	492,007
Office supplies, printing and postage	116,484	228,095
On-behalf pension	2,521,459	2,928,609
Professional development	117,372	119,563
Professional services	164,773	125,713
Student life programs	113,357	84,080
Student supplies and materials	358,225	285,177
Telephone	82,405	79,377
Transportation	<u>2,627,203</u>	<u>2,421,449</u>
Total operating expenses	<u>32,688,826</u>	<u>30,970,238</u>
Net operating income	<u>377,781</u>	<u>2,802,206</u>
<i>Non-operating revenues (expenses):</i>		
Interest expense	(1,356,511)	(1,392,598)
Interest income	576,200	696,817
Gain on investments	7,901	27,311
Private grants and contributions	-	5,650
Rental income	<u>79,927</u>	<u>60,000</u>
Net non-operating expenses	<u>(692,483)</u>	<u>(602,820)</u>
Change in net position	<u>(314,702)</u>	<u>2,199,386</u>
Net position, beginning of the year	<u>29,003,798</u>	<u>26,804,412</u>
Net position, end of the year	<u>\$ 28,689,096</u>	<u>\$ 29,003,798</u>

See accompanying notes to the financial statements

Foxborough Regional Charter School
Statements of Cash Flows
For the Years Ended June 30, 2025 and 2024

	2025	2024
Cash flows from operating activities:		
Receipts from per student tuition	\$ 27,679,519	\$ 28,156,607
Receipts from federal and state grants	1,249,155	750,421
Receipts from educational fees	1,736,751	2,786,042
Other receipts	241,898	132,398
Payments to employees	(19,049,668)	(17,894,849)
Payments to suppliers and vendors	(9,414,309)	(7,261,037)
Net cash provided by operating activities	<u>2,443,346</u>	<u>6,669,582</u>
Cash flows from capital and related financing activities:		
Purchases of capital assets	(3,710,767)	(5,137,458)
Principal payments on bonds	(1,255,092)	(1,202,071)
Principal reduction on leases	(78,183)	(72,622)
Principal payments on note payable	(14,756)	(14,235)
Interest paid on bonds	(1,167,930)	(1,221,951)
Interest paid on leases	(23,066)	(5,865)
Net cash used in capital and related financing activities	<u>(6,249,794)</u>	<u>(7,654,202)</u>
Cash flows from investing activities:		
Non-operating revenue	577,013	558,021
Non-operating expenses	(21,205)	(89,719)
Net cash provided by investing activities	<u>555,808</u>	<u>468,302</u>
Net change in cash and cash equivalents	(3,250,640)	(516,318)
Cash, beginning of year	<u>17,190,194</u>	<u>17,706,512</u>
Cash, end of year	<u>\$ 13,939,554</u>	<u>\$ 17,190,194</u>
Reconciliation of net operating income to net cash provided by operating activities:		
Operating income	\$ 377,781	\$ 2,802,206
<i>Adjustments to reconcile the income from operations to net cash provided by operating activities</i>		
Depreciation	2,312,286	2,355,554
Amortization	101,389	70,108
<i>Changes in operating assets:</i>		
Grants and accounts receivable	289,107	993,070
Prepaid expense	(431,001)	(18,273)
<i>Changes in operating liabilities:</i>		
Accounts payable and accrued expenses	(785,025)	352,455
Accrued compensation and interest	505,741	125,899
Advances	73,068	(11,437)
Net cash provided by operating activities	<u>\$ 2,443,346</u>	<u>\$ 6,669,582</u>
Noncash Transactions:		
Capital assets financed by accounts payable	<u>\$ 550,331</u>	<u>\$ 1,116,097</u>

See accompanying notes to the financial statements

Foxborough Regional Charter School
Notes to Financial Statements
June 30, 2025 and 2024

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 current charter was renewed for an additional five years ending June 30, 2028. The DESE provided 95% of funding to the School for the years ended June 30, 2025 and 2024, 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 2025 and 2024, the School served approximately 1,444 and 1,500 students, 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, 2025 and 2024

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 eligibility 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, 2025 and 2024, the School held \$6,545,917 and \$8,829,228, respectively of cash equivalents.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2025 and 2024

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, 2025 and 2024, 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 \$8,000 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. Depreciation will be recorded beginning when the asset is placed in service.

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 and this method does not vary significantly from the effective interest 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 and so will not be recognized until that time.

Compensated Absences

Employees of the School are entitled to paid sick time, paid vacations and paid holidays, depending on the job classification, length of service, and other factors. The School accrues for these compensated absences based on management's assessment of the likelihood the amount would be utilized by employees.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2025 and 2024

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 Standards

The School adopted GASB Statement No. 101, *Compensated Absences* (GASB No. 101), effective for the fiscal year ended June 30, 2025. GASB No. 101 establishes a single recognition and measurement model related to compensated absences and clarifies disclosure requirements. These changes were incorporated in the 2025 financial statements and did not have a material effect on the School's beginning net position or any material adjustments to the *Statement of Net Position* related to compensated absences.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2025 and 2024

2. Summary of Significant Accounting Policies – Continued

Adoption of Accounting Standards – Continued

The School adopted GASB Statement No. 102, *Certain Risk Disclosures* (GASB No. 102), effective for the fiscal year ended June 30, 2025. GASB No. 102 establishes disclosure requirements related to events associated with certain concentrations and constraints that may have a substantial impact on the School. The adoption of GASB No. 102 did not result in any material changes to the School's financial statements for the year ended June 30, 2025.

3. 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, 2025 and 2024 consist of unamortized bond refunding charges of \$3,876,364. Accumulated amortization at June 30, 2025 and 2024 was \$1,211,363 and \$1,049,848, 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, 2025 and 2024 consist of the following:

	2025	2024
Advanced program fees	\$ 178,654	\$ 107,199
Other advances	<u>2,637</u>	<u>1,024</u>
Total	<u>\$ 181,291</u>	<u>\$ 108,223</u>

4. 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.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2025 and 2024

4. Deposits with Financial Institutions – Continued

As required by GASB Statement No. 40, *Deposits and Investment Risk Disclosures* at June 30, 2025 and 2024 are as follows:

	2025	2024
Fully insured deposits	\$ 1,000,000	\$ 1,000,000
Uncollateralized	<u>13,437,407</u>	<u>16,546,770</u>
Total	<u>\$ 14,437,407</u>	<u>\$ 17,546,770</u>

5. 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.

There have been no changes in the methodologies used at June 30, 2025 and 2024. The following are descriptions of the valuation methodologies used for assets measured at fair value.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2025 and 2024

5. Fair Value Measurements – Continued

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, 2025 and 2024:

<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, 2025 Debt service reserve fund	\$ 3,190,573	\$ 3,115,431	\$ 75,142	\$ -
June 30, 2024 Debt service reserve fund	\$ 3,148,710	\$ 2,046,232	\$ 1,102,478	\$ -

6. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at June 30, 2025 and 2024 are as follows:

	<i>2025</i>	<i>2024</i>
Payables to vendors	\$ 1,389,827	\$ 2,174,852
Accrued salaries and benefits	2,217,581	1,693,840
Total	<u>\$ 3,607,408</u>	<u>\$ 3,868,692</u>

7. Grants and Accounts Receivables

Grants and accounts receivable for the School at June 30, 2025 and 2024 are as follows:

	<i>2025</i>	<i>2024</i>
MA DESE - Federal and state grants	\$ 80,557	\$ 345,439
MA DESE - Nutrition	77,469	197,217
Other receivables	107,125	11,602
Total	<u>\$ 265,151</u>	<u>\$ 554,258</u>

Foxborough Regional Charter School
Notes to Financial Statements – Continued
June 30, 2025 and 2024

8. Capital Assets

Changes in capital assets of the School for the years ended June 30, 2025 and 2024 are as follows:

	<i>Balance July 1, 2024</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance June 30, 2025</i>
<i>Capital assets not being depreciated</i>				
Land	\$ 5,379,146	\$ -	\$ -	\$ 5,379,146
Construction in progress	<u>1,377,511</u>	<u>550,331</u>	<u>1,377,511</u>	<u>550,331</u>
Total capital assets not being depreciated	<u>6,756,657</u>	<u>550,331</u>	<u>1,377,511</u>	<u>5,929,477</u>
<i>Capital assets being depreciated and amortized</i>				
Building	42,049,604	3,955,209	-	46,004,813
Building improvements	5,324,923	8,900	-	5,333,823
Equipment	1,689,978	262,597	-	1,952,575
Intangible right to use lease - equipment	324,662	347,539	244,936	427,265
Computers and software	4,105,733	110,817	-	4,216,550
Classroom equipment	200,692	95,939	-	296,631
Furniture and fixtures	<u>695,920</u>	<u>104,485</u>	<u>-</u>	<u>800,405</u>
Total capital assets being depreciated and amortized	<u>54,391,512</u>	<u>4,885,486</u>	<u>244,936</u>	<u>59,032,062</u>
<i>Less accumulated depreciation and amortization</i>				
Building	12,769,826	1,291,992	-	14,061,818
Building improvements	2,984,392	304,284	-	3,288,676
Equipment	1,150,876	207,543	-	1,358,419
Intangible right to use lease - equipment	252,120	101,389	225,009	128,500
Computers and software	3,359,655	444,989	-	3,804,644
Classroom equipment	181,211	22,679	-	203,890
Furniture and fixtures	<u>588,683</u>	<u>40,799</u>	<u>-</u>	<u>629,482</u>
Total accumulated depreciation and amortization	<u>21,286,763</u>	<u>2,413,675</u>	<u>225,009</u>	<u>23,475,429</u>
Capital assets, net	<u>\$ 39,861,406</u>	<u>\$ 3,022,142</u>	<u>\$ 1,397,438</u>	<u>\$ 41,486,110</u>
	<i>Balance July 1, 2023</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance June 30, 2024</i>
<i>Capital assets not being depreciated</i>				
Land	\$ 5,379,146	\$ -	\$ -	\$ 5,379,146
Construction in progress	<u>884,903</u>	<u>1,377,511</u>	<u>884,903</u>	<u>1,377,511</u>
	<u>6,264,049</u>	<u>1,377,511</u>	<u>884,903</u>	<u>6,756,657</u>
<i>Capital assets being depreciated and amortized</i>				
Building	37,484,010	4,565,594	-	42,049,604
Building improvements	5,324,923	-	-	5,324,923
Equipment	1,477,614	212,364	-	1,689,978
Intangible right to use lease - equipment	324,662	-	-	324,662
Computers and software	4,084,350	21,383	-	4,105,733
Classroom equipment	178,666	22,026	-	200,692
Furniture and fixtures	<u>641,243</u>	<u>54,677</u>	<u>-</u>	<u>695,920</u>
Total capital assets being depreciated	<u>49,515,468</u>	<u>4,876,044</u>	<u>-</u>	<u>54,391,512</u>
<i>Less accumulated depreciation and amortization</i>				
Building	11,537,994	1,231,832	-	12,769,826
Building improvements	2,680,476	303,916	-	2,984,392
Equipment	898,153	252,723	-	1,150,876
Intangible right to use lease - equipment	182,012	70,108	-	252,120
Computers and software	2,855,866	503,789	-	3,359,655
Classroom equipment	150,676	30,535	-	181,211
Furniture and fixtures	<u>555,924</u>	<u>32,759</u>	<u>-</u>	<u>588,683</u>
Total accumulated depreciation and amortization	<u>18,861,101</u>	<u>2,425,662</u>	<u>-</u>	<u>21,286,763</u>
Capital assets, net	<u>\$ 36,918,416</u>	<u>\$ 3,827,893</u>	<u>\$ 884,903</u>	<u>\$ 39,861,406</u>

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2025 and 2024

8. Capital Assets – Continued

The equipment lease amortization is presented as amortization expenses on the *Statements of Revenues, Expenses, and Changes in Net Position* and is 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.

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, 2025 and 2024, the School recognized \$2,521,459 and \$2,928,609 of on-behalf revenues and expenses, respectively.

10. Leases

The School's lease agreements at June 30, 2025 and 2024 are as follows:

<i>Description</i>	<i>Date</i>	<i>Payment Terms</i>	<i>Yearly Payment Amount</i>	<i>Interest Rate</i>	<i>Total Lease Liability</i>	<i>Balance June 30, 2025</i>	<i>Balance June 30, 2024</i>
Vehicle	8/26/2021	60 months	\$ 13,774	5.00%	\$ 60,823	\$ 14,495	\$ 27,197
Vehicle	10/1/2018	60 months	\$ 5,957	5.00%	\$ 17,834	-	494
Postage machine	4/5/2022	60 months	\$ 2,162	5.00%	\$ 9,510	3,600	5,062
Seven copiers	8/4/2019	60 months	\$ 44,533	5.00%	\$ 164,175	-	31,713
Two copiers	2/1/2022	60 months	\$ 14,250	5.00%	\$ 62,926	-	4,925
Postage machine	11/7/2022	60 months	\$ 2,162	5.50%	\$ 9,393	4,545	7,764
Copiers	7/21/2024	60 months	\$ 81,600	6.50%	\$ 347,539	286,739	-
						<u>\$ 309,379</u>	<u>\$ 77,155</u>

The School leased various equipment including vehicles, postage machine, and copiers for a terms of 5 years at rate of 5%-6.50% and expiring at various dates through June 2029. 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>
2026	\$ 82,194	\$ 17,502
2027	\$ 74,002	\$ 12,529
2028	\$ 74,385	\$ 7,755
2029	\$ 78,798	\$ 2,802

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2025 and 2024

11. 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, 2025 and 2024. At June 30, 2025 and 2024, the outstanding loan balance was \$21,540,000 and \$22,260,000, respectively. Interest expense totaled \$1,077,000 and \$1,113,000 for fiscal years ended June 30, 2025 and 2024, respectively. Accrued interest totaled \$538,500 and \$556,500 for fiscal years ended June 30, 2025 and 2024, respectively.

MDFA 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, 2025 and 2024. At June 30, 2025 and 2024 the outstanding loan balance was \$2,401,398 and \$2,936,490, respectively. Interest costs totaled \$90,930 and \$108,951, respectively, for the fiscal years ended June 30, 2025 and 2024.

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, 2025 and 2024, the bond premium was \$2,175,371 and accumulated amortization on the premium was \$652,613 and \$565,598, respectively. Interest income at June 30, 2025 and 2024 was \$87,015 for both years then ended.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2025 and 2024

11. Bonds Payable – Continued

The loan balance and the related activity for the fiscal years ended June 30, 2025 and 2024 is as follows:

	<i>Balance</i> <i>July 1, 2024</i>	<i>Additions</i>	<i>Reductions</i>	<i>Balance</i> <i>June 30, 2025</i>	<i>Amounts Due</i> <i>Within One Year</i>
Bonds payable	\$ 25,196,490	\$ -	\$ 1,255,092	\$ 23,941,398	\$ 1,308,440
Plus: Bond premium	<u>1,609,773</u>	<u>-</u>	<u>87,015</u>	<u>1,522,758</u>	<u>-</u>
Bonds payable, net	<u>\$ 26,806,263</u>	<u>\$ -</u>	<u>\$ 1,342,107</u>	<u>\$ 25,464,156</u>	<u>\$ 1,308,440</u>

	<i>Balance</i> <i>July 1, 2023</i>	<i>Additions</i>	<i>Reductions</i>	<i>Balance</i> <i>June 30, 2024</i>	<i>Amounts Due</i> <i>Within One Year</i>
Bonds payable	\$ 26,398,561	\$ -	\$ 1,202,071	\$ 25,196,490	\$ 1,255,092
Plus: Bond premium	<u>1,696,788</u>	<u>-</u>	<u>87,015</u>	<u>1,609,773</u>	<u>-</u>
Bonds payable, net	<u>\$ 28,095,349</u>	<u>\$ -</u>	<u>\$ 1,289,086</u>	<u>\$ 26,806,263</u>	<u>\$ 1,255,092</u>

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

<i>Fiscal</i> <i>Year</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2026	\$ 1,308,440	\$ 1,111,832	\$ 2,420,272
2027	1,367,417	1,053,105	2,420,522
2028	1,426,963	991,809	2,418,772
2029	1,492,344	927,428	2,419,772
2030	996,234	867,753	1,863,987
2031-2035	5,385,000	3,556,000	8,941,000
2036-2040	6,905,000	1,990,500	8,895,500
2041-2043	<u>5,060,000</u>	<u>261,250</u>	<u>5,321,250</u>
Total	<u>\$ 23,941,398</u>	<u>\$ 10,759,677</u>	<u>\$ 34,701,075</u>

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.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2025 and 2024

12. 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.

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, 2024 measurement date was determined by an actuarial valuation prepared as of January 1, 2024 and rolled forward to June 30, 2024. At June 30, 2025 and 2024, the School's allocation of MTRS's net pension liability was \$30,547,725 and \$31,365,582, respectively.

13. Board Designated Net Position

As of June 30, 2025 and 2024, the Board of Trustees has designated \$6,387,041 and \$5,165,006, respectively, of unrestricted net position for future capital expenditures, respectively.

14. Related Party Transactions

There were no related party transactions for the years ended June 30, 2025 and 2024.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2025 and 2024

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 2025.

16. Subsequent Events

The School has evaluated subsequent events through September XX, 2025, 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.

**SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS**

DRAFT

Foxborough Regional Charter School
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2025

<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>
<i>U.S. Department of Education</i>			
Passed through the Massachusetts Department of Elementary and Secondary Education			
Special Education Cluster			
Special Education - Grants to States (IDEA, Part B)	84.027	240-000558-2025-0446	\$ 294,764
Special Education - Grants to States (IDEA, Part B)	84.027	240-000558-2024-0446	61,997
Special Education - Grants to States (IDEA, Part B)	84.027	240-707169-2023-0446	16,458
Special Education - Preschool Grants (IDEA Preschool)	84.173	262-000559-2025-0446	1,227
Special Education - Preschool Grants (IDEA Preschool)	84.173	262-000559-2024-0446	2,181
		Total Special Education Cluster	376,627
Title I Grants to Local Educational Agencies (LEAs)	84.010	305-000549-2025-0446	143,850
Title I Grants to Local Educational Agencies (LEAs)	84.010	305-000549-2024-0446	78,693
Supporting Effective Instruction State Grant	84.367	140-000546-2025-0446	33,357
Supporting Effective Instruction State Grant	84.367	140-000546-2024-0446	33,114
English Language Acquisition Grants	84.365	180-000547-2025-0446	2,083
English Language Acquisition Grants	84.365	180-000547-2024-0446	6,361
English Language Acquisition Grants	84.365	180-698874-2023-0446	180
Student Support and Academic Enrichment Program	84.424	309-000548-2025-0446	2,200
Student Support and Academic Enrichment Program	84.424	309-000548-2024-0446	20,240
Student Support and Academic Enrichment Program	84.424	309-698876-2023-0446	4,817
COVID - Elementary and Secondary Education Relief Funds	84.425U	332-788747-2024-0446	2,320
		Total U.S. Department of Education	703,842
<i>U.S. Department of Agriculture</i>			
Passed through the Massachusetts Department of Elementary and Secondary Education			
Child Nutrition Cluster			
School Breakfast Program (SBP)	10.553	DOENUT2025SL	194,601
National School Lunch Program	10.555	DOENUT2025SL	570,117
		Total Child Nutrition Cluster	764,718
		Total U.S. Department of Agriculture	764,718
<i>U.S. Department of the Treasury</i>			
Passed through the Massachusetts Department of Elementary and Secondary Education			
COVID - Coronavirus State and Local Fiscal Recovery Funds	21.027	209-000623-2024-0446	155,329
		Total U.S. Department of the Treasury	155,329
Total expenditures of federal awards			\$ 1,623,889

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, 2025

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, 2025. 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 2025.

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

DRAFT



*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, as of and for the year ended June 30, 2025, 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, 2025.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foxborough Regional Charter 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 Foxborough Regional Charter School'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.

Report on 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 Foxborough Regional Charter 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, 2025

DRAFT

**REPORT IN ACCORDANCE
WITH
THE UNIFORM GUIDANCE**

DRAFT



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 the Major Federal Program

Opinion on the Major Federal Program

We have audited Foxborough Regional Charter School's compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on Foxborough Regional Charter School's major federal program for the year ended June 30, 2025. Foxborough Regional Charter School's major federal program is 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 the major federal program for the year ended June 30, 2025.

Basis for Opinion on the 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 the 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 the 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 Foxborough Regional Charter 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, 2025

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**SCHEDULE OF FINDINGS
QUESTIONED COSTS**

DRAFT

Foxborough Regional Charter School
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2025

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)

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, 2025

Section II - FINANCIAL STATEMENT FINDINGS

None

Section III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

DRAFT

Foxborough Regional Charter School
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2025

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

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BOARD ACCEPTANCE LETTER

DRAFT

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, 2025.

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, 2025.

Board President or Treasurer
Or Other Designated Person

Date



Finance Committee Presentation
October 3, 2025



DANIEL DENNIS & Co
Certified Public Accountants

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Dedham, MA 02026
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Website: <http://www.danieldennis.com>

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Foxborough Regional Charter School June 30, 2025

Summary of Audit Results

Foxborough Regional Charter School

Description

- Audited Financial Statements

Status

Issued draft

Independent Auditors' Report

- Unmodified Opinion on the Financial Statements
 - Emphasis of Matter – Component unit not included
- No Opinion on MD&A (Unaudited Information)

Report on Compliance and 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

- No material weaknesses over financial reporting
- No reportable instances of non-compliance

Report on Compliance for the Major Program and on Internal Control Over Compliance Required by the Uniform Guidance

- Unmodified opinion on the major program
- No material weaknesses in internal control over compliance

Major Program

- Child Nutrition Cluster – National School Lunch Program

Foxborough Regional Charter School

June 30, 2025

Financial Ratios

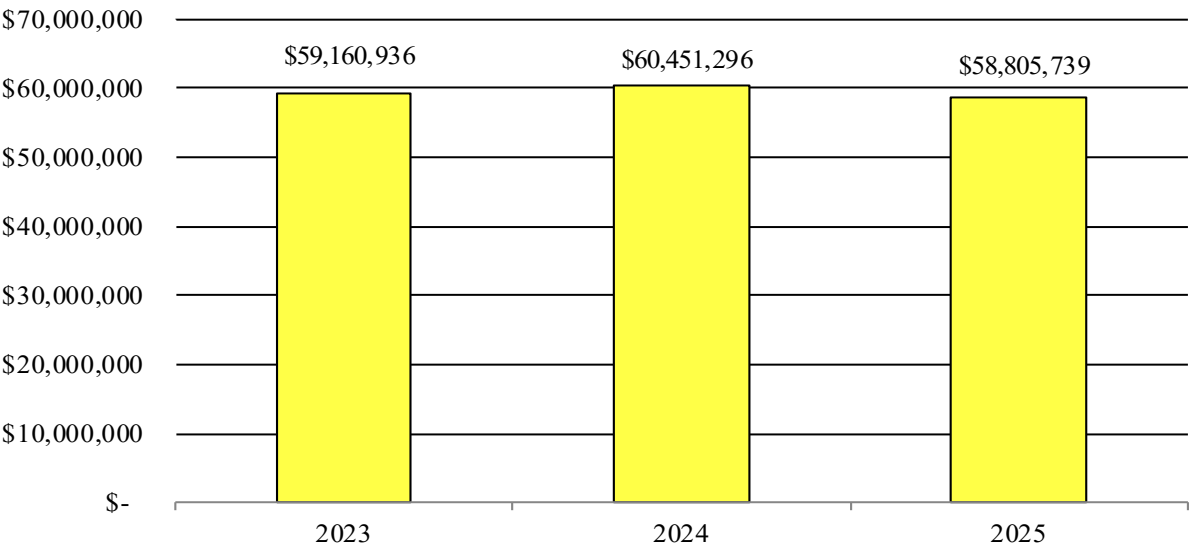
Description	2025	2024	2024 State Average	DESE BENCHMARK*		
				Low Risk	Moderate Risk	High Risk
Current ratio <i>(current assets divided by current liabilities)</i>	2.4:1	2.9:1	4.5:1	>=1.5	Between 1.0 and 1.5	< 1.0
Unrestricted Days Cash <i>(cash divided by (total expenses less depreciation and on-behalf)/365))</i>	134 days	189 days	113 days	>=60 days	Between 30 and 60 days	< 30 days
Percentage of Program Paid by Tuition <i>(tuition + on-behalf) divided by total expenses</i>	89%	96%	88%	>=90%	Between 75% and 90%	< 75%
Percentage of Program Paid by Tuition & Federal Grants <i>(tuition + federal grants+on-behalf) divided by total expenses</i>	94%	102%	96%	>=90%	Between 75% and 90%	< 75%
Percentage of Total Revenue Expended on Facilities <i>(operating and maintenance plus financing expenses divided by total revenues)</i>	16%	15%	12%	<= 15%	Between 15% and 30%	> 30%
Change in Net Assets % <i>(changes in net assets divided by total revenue)</i>	-1%	6%	5%	Positive %	Between -2% and 0%	< -2%
Debt to Asset <i>(total liabilities divided by total assets)</i>	0.51	0.52	0.49	< = .9	Between .9 and 1	> 1
Enrollment	1,444	1,500				

* The risk levels are set by DESE

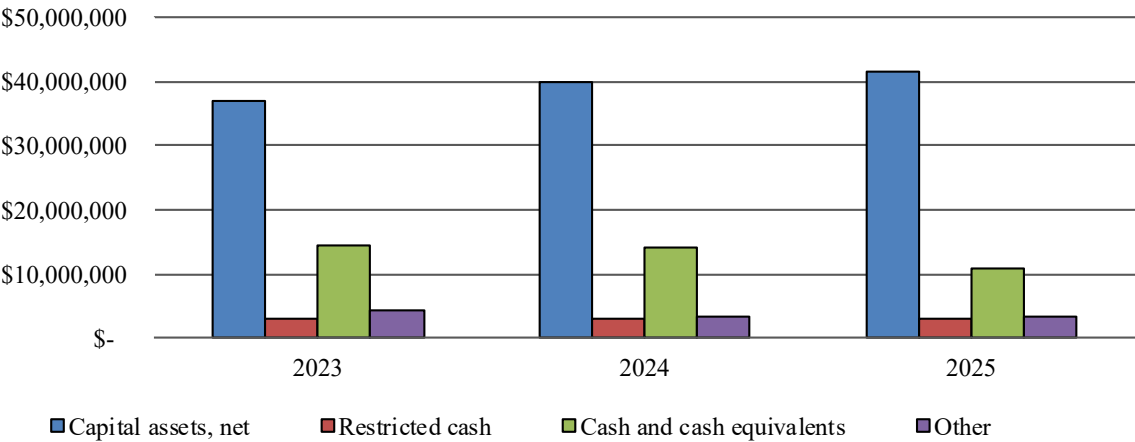
Foxborough Regional Charter School
June 30, 2025

Historical Results

TOTAL ASSETS



ASSETS DETAIL

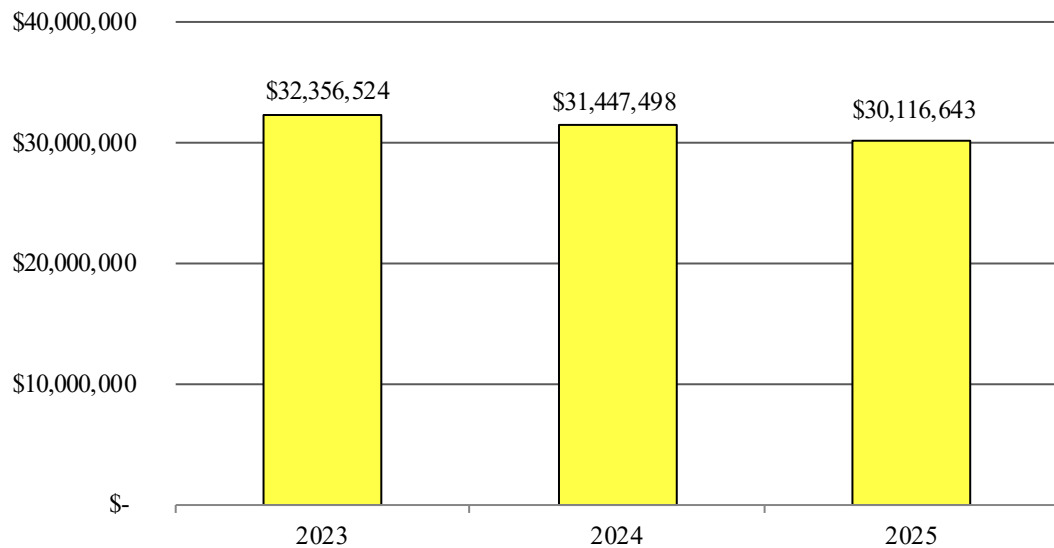


Foxborough Regional Charter School

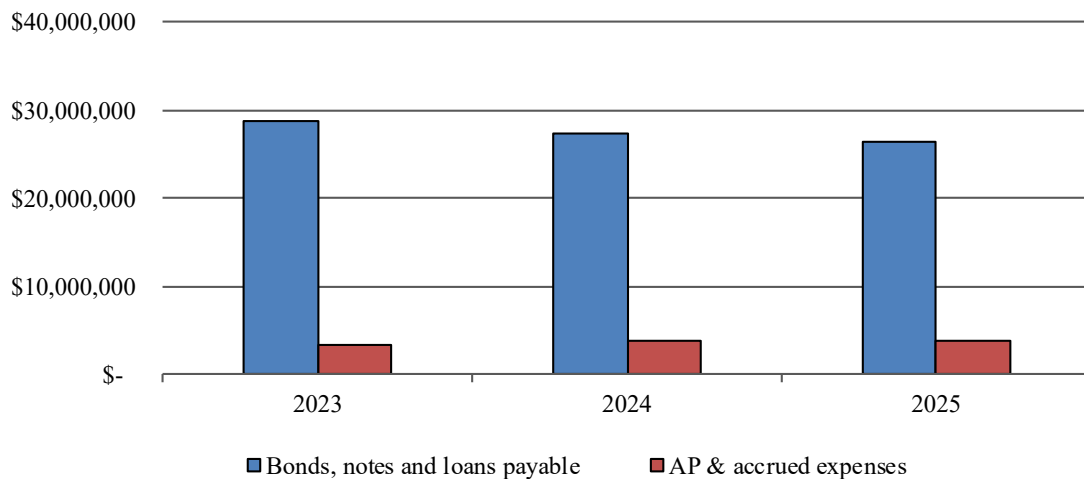
June 30, 2025

Historical Results – Continued

TOTAL LIABILITIES



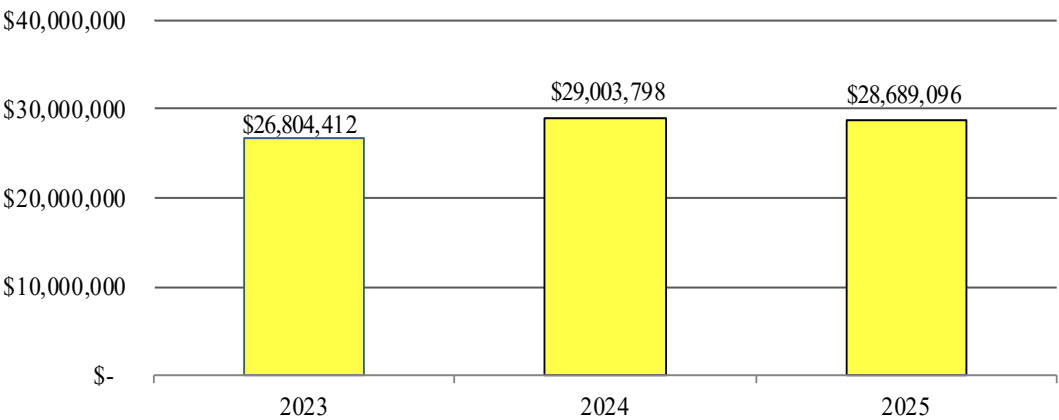
LIABILITIES DETAIL



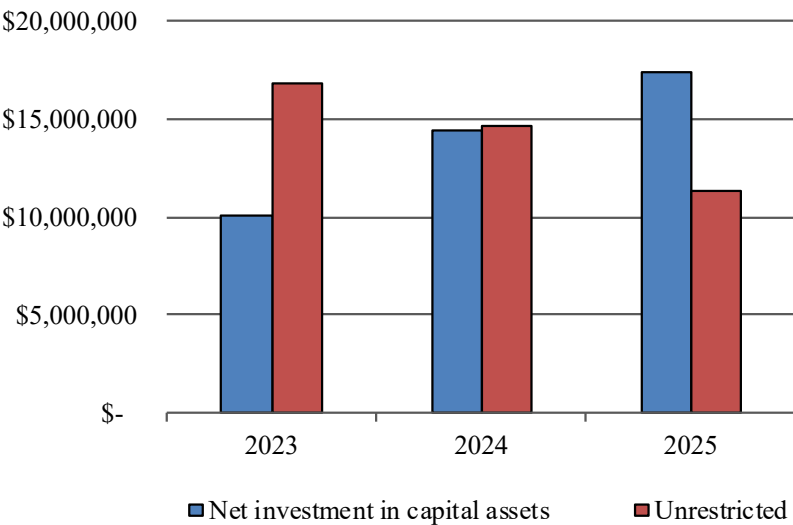
Foxborough Regional Charter School
June 30, 2025

Historical Results – Continued

TOTAL NET POSITION

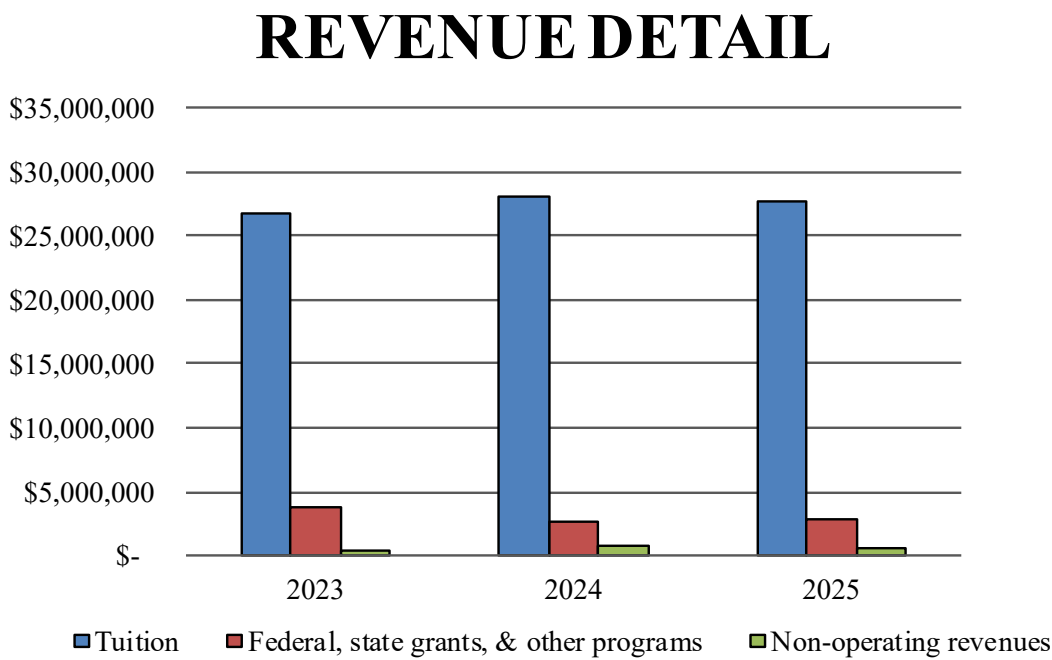
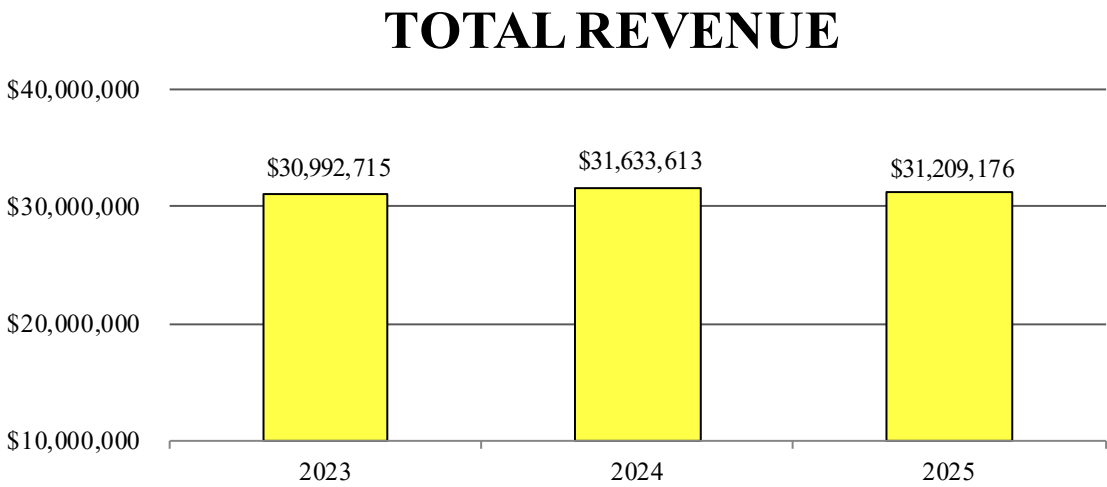


TOTAL NET POSITION DETAIL



Foxborough Regional Charter School
June 30, 2025

Historical Results – Continued

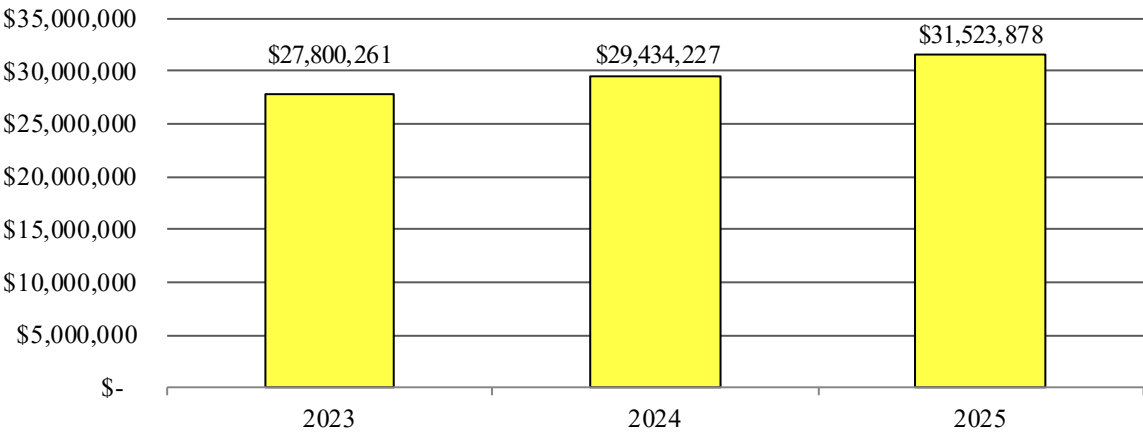


	2023	2024	2025
Tuition	\$ 26,704,806	\$ 28,156,607	\$ 27,679,519
Enrollment	1,550	1,500	1,444

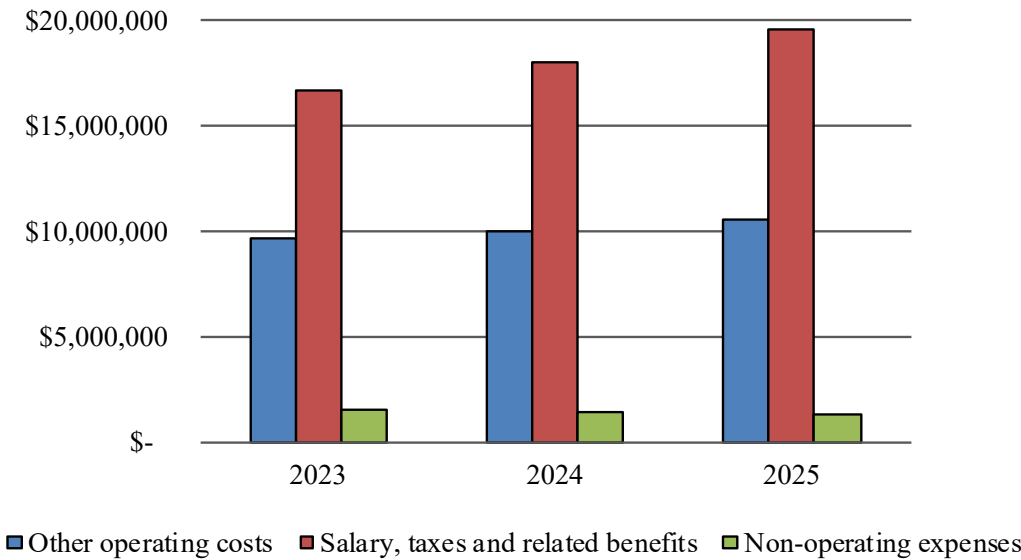
Foxborough Regional Charter School
June 30, 2025

Historical Results – Continued

TOTAL EXPENSES



EXPENSE DETAIL



Foxborough Regional Charter School June 30, 2025

Discussion Items

Future Considerations

- Continue monitoring debt covenants required by the bonds
- GASB Statement 103 – *Financial Reporting Model Improvements*
- GASB Statement 104 – *Disclosure of Certain Capital Assets*
- Single audit threshold increased to \$1 million in federal expenditures effective for fiscal year 2026

Due Dates

- Audit Report – November 1st
 - OMB Compliance Supplement - Draft
- Data Collection Form – 30 days after issuance of the audit report
- End of Year Report – November 21st
- Form 990 and Form PC for the Foundation – November 15th
 - Automatic 6-month extension is available



DANIEL DENNIS & Co
Certified Public Accountants

October 3, 2025

To the Board of Trustees of
Foxborough Regional Charter School

We have audited the financial statements of Foxborough Regional Charter School (the School), for the year ended June 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, *Government Auditing Standards* and the Uniform Guidance, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated July 21, 2025. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Matters

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the School are described in Note 2 to the financial statements. As described in Note 2 to the financial statements, the School adopted GASB Statement No. 101, *Compensated Absences* (GASB No. 101), effective for the fiscal year ended June 30, 2025. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the combined financial statements in the proper period.

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

The most sensitive estimates affecting the School's financial statements were:

- Management's allocation of expenditures to grants. The allocation methodology used is based on management's estimate of the equitable share of expenditures applicable to each grant. We evaluated the key factors and assumptions used to develop the allocation of expenditures in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimate of useful lives of fixed assets. We evaluated the key factors and assumptions used to develop the useful lives in determining that it is reasonable in relation to the financial statements taken as a whole

- The measurement of the right of use asset and associated lease liability calculated in accordance with GASB 87, *Leases*.
- The measurement of the liability calculated in accordance with GASB 101, *Compensated Absences*.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosure of treatment of non-profit component unit in Note 2 to the financial statements

The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to each opinion unit's financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We will request certain representations from management that will be included in the management representation letter.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the School's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Management Discussion and Analysis (MD&A), which is required supplementary information (RSI) that supplements the financial statements. Our procedures consisted of inquiries of management regarding 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 basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

We were engaged to report on *Schedule of Expenditures of Federal Awards*, which accompanies the combined financial statements but is not RSI. With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the combined financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the combined financial statements or to the combined financial statements themselves.

Very truly yours,

Daniel Dennis & Company LLP