



Foxborough Regional Charter School

Finance & Facilities Committee Meeting

Published on September 29, 2026 at 2:08 PM EDT

Date and Time

Friday October 2, 2026 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.

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Agenda

	Purpose	Presenter	Time
I.	Opening Items		8:00 AM

	Purpose	Presenter	Time
A. Record Attendance	Discuss	Matthew Yezukevich	1 m
B. Call the Meeting to Order	Discuss	Matthew Yezukevich	1 m
C. Privilege of the Floor	Discuss	Matthew Yezukevich	1 m
II. Finance & Facilities			8:03 AM
A. FY2026 Audit Review	Discuss	Sean Alexander	20 m
Auditors to review FY2026 financials			
B. Update on Union Negotiations and possible Budget Impact & Enrollment Update	Discuss	Toby Romer	10 m
C. FY2027 First Quarter Projections	Discuss	Karen Calvert	10 m
D. Enrollment Update	Discuss	Toby Romer	20 m
III. Other Business			9:03 AM
A. Approve Minutes	Approve Minutes	Matthew Yezukevich	11 m
<i>Executive Session</i>		<i>Regular Minutes</i>	
March 4, 2024		December 17, 2025	
March 19, 2024		December 18, 2025	
March 22, 2024		January 9, 2026	
June 11, 2024		February 6, 2026	
		February 13, 2026	
		March 6, 2026	
		April 7, 2026	
		April 16, 2026	
		May 1, 2026	
		May 12, 2026	
		June 5, 2026	
		September 3, 2026	
IV. Closing Items			9:14 AM

	Purpose	Presenter	Time
A. 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

FY2026 Audit Review

Section:	II. Finance & Facilities
Item:	A. FY2026 Audit Review
Purpose:	Discuss
Submitted by:	
Related Material:	FRCS FY26 Draft Financial Statements 9.22.26.pdf Finance Committee Presentation.pdf CURRENT - FRCS 15-Year Capital Plan (updated 9-28-26).xlsx FRCS Facilities and Program Planning.docx FRCS_Staff_Surveys_Build_Sheets_Revised_v2 1.docx

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

June 30, 2026 and 2025

Foxborough Regional Charter School

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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, 2026 and 2025, 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, 2026 and 2025, 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 Foxborough Regional Charter 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 7 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 an opinion 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 September XX, 2026, 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, 2026

Foxborough Regional Charter School
Management's Discussion and Analysis
June 30, 2026 (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, 2026, with comparative information for the fiscal year ended June 30, 2025. Please read it in conjunction with the financial statements and the related notes, which begin on page 8.

Overview of the Financial Statements

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. 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.

The School's basic financial statements consist of the following:

The *Statement of Net Position* presents information on all the School's assets plus deferred outflows of resources, and liabilities plus deferred inflows of resources, with the difference between the two reported as net position. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the School is improving or deteriorating.

The *Statement of Revenues, Expenses and Changes in Net Position* presents information showing how the School's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The *Statement of Cash Flows* presents information about the School's cash receipts and cash payments during the fiscal year. Cash flows are classified as operating, noncapital financing, capital and related financing, and investing activities, providing information about how the School generates and uses cash.

The *Notes to the Financial Statements* provide additional information that is essential to a full understanding of the amounts and disclosures presented in the basic financial statements. They include information about the School's significant accounting policies and additional detail regarding certain financial statement balances and activities.

Foxborough Regional Charter School
Management's Discussion and Analysis - *Continued*
June 30, 2026 (Unaudited)

Financial Summary and Analysis

The chart and analyses below focus on the summary of Statement of Net Position for the years ended June 30, 2026 and 2025:

Summary of Statements of Net Position				
	<i>2026</i>	<i>2025</i>	<i>Increase (Decrease)</i>	<i>Percentage Change</i>
<i>Assets and Deferred Outflows of Resources:</i>				
Current and other assets	\$ 13,133,043	\$ 14,654,628	\$ (1,521,585)	-10.4%
Capital assets, net	<u>41,622,795</u>	<u>41,486,110</u>	<u>136,685</u>	0.3%
Total assets	<u>\$ 54,755,838</u>	<u>\$ 56,140,738</u>	<u>\$ (1,384,900)</u>	-2.5%
Deferred outflows of resources	<u>\$ 2,503,486</u>	<u>\$ 2,665,001</u>	<u>\$ (161,515)</u>	-6.1%
<i>Liabilities:</i>				
Current and other liabilities	\$ 5,871,929	\$ 5,725,641	\$ 146,288	2.6%
Noncurrent liabilities	<u>23,182,183</u>	<u>24,382,901</u>	<u>(1,200,718)</u>	-4.9%
Total liabilities	<u>\$ 29,054,112</u>	<u>\$ 30,108,542</u>	<u>\$ (1,054,430)</u>	-3.5%
Deferred inflows of resources	<u>\$ 178,257</u>	<u>\$ 181,291</u>	<u>\$ (3,034)</u>	-1.7%
<i>Net Position:</i>				
Net investment in capital assets	\$ 20,091,552	\$ 18,887,239	\$ 1,204,313	6.4%
Unrestricted	<u>7,935,403</u>	<u>9,628,667</u>	<u>(1,693,264)</u>	-17.6%
Total net position	<u>\$ 28,026,955</u>	<u>\$ 28,515,906</u>	<u>\$ (488,951)</u>	-1.7%

Current and other assets decreased by \$1,521,585 or 10%, which is primarily attributable to a decrease in cash as result of the purchase of capital assets in the current fiscal year.

Noncurrent liabilities decreased by \$1,200,718 or 5%, which is primarily due to scheduled principal payments on the School's outstanding debt during the current fiscal year.

Unrestricted net position decreased by \$1,693,264 or 18%, primarily as a result of capital asset additions during the current fiscal year, which increased the portion of the School's net position classified as net investment in capital assets.

Net position decreased by \$488,951 or 2%, attributable to the deficit in the current fiscal year.

Foxborough Regional Charter School
Management's Discussion and Analysis - *Continued*
June 30, 2026 (Unaudited)

Financial Summary and Analysis – *Continued*

The chart and analyses below focus on the summary of Statement of Changes in Net Position for the years ended June 30, 2026 and 2025:

Summary of Statements of Revenues, Expenses, and Changes in Net Position				
	<i>2026</i>	<i>2025</i>	<i>Increase (Decrease)</i>	<i>Percentage Change</i>
<i>Revenues:</i>				
Tuition	\$ 28,011,634	\$ 27,679,519	\$ 332,115	1.2%
Federal and state grants	1,099,119	884,748	214,371	24.2%
Other operating	2,063,752	2,060,808	2,944	0.1%
Total operating revenue (excluding on-behalf)	<u>\$ 31,174,505</u>	<u>\$ 30,625,075</u>	<u>\$ 549,430</u>	1.8%
Nonoperating revenue	<u>\$ 703,379</u>	<u>\$ 584,101</u>	<u>\$ 119,278</u>	20.4%
Total revenue (excluding on-behalf)	<u>\$ 31,877,884</u>	<u>\$ 31,209,176</u>	<u>\$ 668,708</u>	2.1%
<i>Expenses:</i>				
Personnel costs	\$ 19,991,453	\$ 19,863,971	\$ 127,482	0.6%
Occupancy costs	3,041,167	2,882,673	158,494	5.5%
Student costs	5,616,138	5,165,049	451,089	8.7%
Other operating costs	2,385,902	2,428,864	(42,962)	-1.8%
Total operating expenses (excluding on-behalf)	<u>\$ 31,034,660</u>	<u>\$ 30,340,557</u>	<u>\$ 694,103</u>	2.3%
Nonoperating expenses	<u>\$ 1,332,175</u>	<u>\$ 1,356,511</u>	<u>\$ (24,336)</u>	-1.8%
Total expenses (excluding on-behalf)	<u>\$ 32,366,835</u>	<u>\$ 31,697,068</u>	<u>\$ 669,767</u>	2.1%
<i>Change in Net Position</i>				
Change in net position	\$ (488,951)	\$ (487,892)	\$ (1,059)	0.2%
Net position - beginning	<u>28,515,906</u>	<u>29,003,798</u>	<u>(487,892)</u>	-1.7%
Net position - ending	<u>\$ 28,026,955</u>	<u>\$ 28,515,906</u>	<u>\$ (488,951)</u>	-2%

Tuition increased by \$332,115 or 1% in the current year despite a decrease in enrollment compared to the prior year of 63 students. The increase in tuition is a result of an increase in the per pupil tuition rate from the Massachusetts Department of Elementary and Secondary Education.

Non-operating revenue increased by \$119,278 or 20%, which is primarily attributable to a \$200,000 contribution from the Foundation.

Student costs increased by \$451,089 or 9%, which is primarily attributable to an increase in transportation of approximately \$400,000.

Foxborough Regional Charter School
Management's Discussion and Analysis - *Continued*
June 30, 2026 (Unaudited)

Significant Capital Asset and Long-Term Financing Activity

As of June 30, 2026, the School has a board designated capital reserve of \$5,856,041 held for future capital projects. The School currently has planned capital projects for the next five years covering fiscal year 2027 through fiscal year 2031 and the estimated total costs of the projects is \$5,756,650.

Current Known Facts, Decisions, and Conditions

The Massachusetts Department of Elementary and Secondary Education has released projected tuition information for fiscal year 2027 based on projected student enrollment. Based on this information, the School's tuition revenue is projected to be \$32,165,242, compared with tuition revenue of \$28,011,634 in the current fiscal year. The projected tuition is based on a projected enrollment of 1500 students compared to enrollment in the current fiscal year of 1,381.

The School's fiscal year 2027 budgeted tuition of \$28,985,310 is based on a conservative enrollment estimate of 1,395 students, an increase of 14 students from fiscal year 2026.

Foxborough Regional Charter School
Statements of Net Position
June 30, 2026 and 2025

Assets and Deferred Outflows of Resources		
	<i>2026</i>	<i>2025</i>
<i>Current Assets:</i>		
Cash and cash equivalents	\$ 7,454,528	\$ 10,748,981
Grants and accounts receivable	2,220,676	265,151
Prepaid expenses	276,228	449,923
Debt service reserve fund - current	1,814,375	1,813,125
Total current assets	11,765,807	13,277,180
<i>Noncurrent Assets:</i>		
Capital assets, net	41,622,795	41,486,110
Debt service reserve fund - net of current portion	1,367,236	1,377,448
Total noncurrent assets	42,990,031	42,863,558
<i>Deferred Outflows of Resources:</i>		
Deferred charge on refunding	2,503,486	2,665,001
Total assets and deferred outflows of resources	\$ 57,259,324	\$ 58,805,739
Liabilities, Deferred Inflows of Resources and Net Position		
	<i>2026</i>	<i>2025</i>
<i>Current Liabilities:</i>		
Accounts payable and accrued expenses	\$ 1,414,355	\$ 1,389,827
Accrued compensation	2,407,278	2,390,771
Accrued interest payable	519,625	538,500
Lease liability - current	163,254	82,194
Note payable - current	-	15,909
Bonds payable - current	1,367,417	1,308,440
Total current liabilities	5,871,929	5,725,641
<i>Noncurrent Liabilities:</i>		
Lease liability - net of current portion	480,899	227,185
Bonds payable - net of current portion	22,701,284	24,155,716
Total noncurrent liabilities	23,182,183	24,382,901
Total liabilities	29,054,112	30,108,542
<i>Deferred Inflows of Resources:</i>		
Advances for future periods	178,257	181,291
<i>Net Position:</i>		
Net investment in capital assets	20,091,552	18,887,239
Unrestricted	7,935,403	9,628,667
Total net position	28,026,955	28,515,906
Total liabilities, deferred inflows of resources and net position	\$ 57,259,324	\$ 58,805,739

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, 2026 and 2025

	2026	2025
<i>Operating revenues:</i>		
Tuition	\$ 28,011,634	\$ 27,679,519
Federal and state grants	1,099,119	884,748
Food service program	1,029,613	1,025,088
Transportation	735,346	713,895
Other program fees	298,793	321,825
On-behalf pension	1,603,230	2,521,459
Total operating revenues	<u>32,777,735</u>	<u>33,146,534</u>
<i>Personnel costs:</i>		
Salaries	16,926,535	17,071,812
Payroll taxes	583,771	573,980
Fringe benefits	2,309,888	2,100,807
Professional development	171,259	117,372
On-behalf pension	1,603,230	2,521,459
Total personnel costs	<u>21,594,683</u>	<u>22,385,430</u>
<i>Occupancy costs:</i>		
Occupancy costs	710,330	570,387
Depreciation	2,330,837	2,312,286
Total occupancy costs	<u>3,041,167</u>	<u>2,882,673</u>
<i>Student costs:</i>		
Field trips and competitions	78,771	90,399
Contracted services	628,154	779,325
Food services program expenses	1,098,177	1,196,540
Student life programs	153,788	113,357
Student supplies and materials	631,573	358,225
Transportation	3,025,675	2,627,203
Total student costs	<u>5,616,138</u>	<u>5,165,049</u>
<i>Other operating costs:</i>		
Amortization	165,265	101,389
Dues and fees	258,161	244,824
Furniture, equipment and software	149,291	133,970
Insurance	207,383	194,582
Maintenance and supplies	1,033,471	1,163,691
Miscellaneous	150,740	226,746
Office supplies, printing and postage	192,161	116,484
Professional services	148,056	164,773
Telephone	81,374	82,405
Total other operating costs	<u>2,385,902</u>	<u>2,428,864</u>
Total operating expenses	<u>32,637,890</u>	<u>32,862,016</u>
Net operating income	<u>139,845</u>	<u>284,518</u>
<i>Non-operating revenues (expenses):</i>		
Interest expense	(1,332,175)	(1,356,511)
Interest income	503,379	584,101
Private grants and contributions	200,000	-
Net non-operating expenses	<u>(628,796)</u>	<u>(772,410)</u>
Change in net position	<u>(488,951)</u>	<u>(487,892)</u>
Net position, beginning of the year	<u>28,515,906</u>	<u>29,003,798</u>
Net position, end of the year	<u>\$ 28,026,955</u>	<u>\$ 28,515,906</u>

See accompanying notes to the financial statements

Foxborough Regional Charter School
Statements of Cash Flows
For the Years Ended June 30, 2026 and 2025

	2026	2025
Cash flows from operating activities:		
Receipts from per student tuition	\$ 26,135,549	\$ 27,679,519
Receipts from federal and state grants	1,085,270	1,249,155
Receipts from educational fees	1,747,187	1,736,751
Other receipts	247,940	241,898
Payments to employees	(18,200,457)	(19,049,668)
Payments to suppliers and vendors	(10,024,746)	(9,414,309)
Net cash provided by operating activities	<u>990,743</u>	<u>2,443,346</u>
Cash flows from capital and related financing activities:		
Purchases of capital assets	(2,256,807)	(3,710,767)
Principal payments on bonds	(1,308,440)	(1,255,092)
Principal reduction on leases	(164,369)	(78,183)
Principal payments on note payable	(15,909)	(14,756)
Interest paid on bonds	(1,130,707)	(1,167,930)
Interest paid on leases	(34,290)	(23,066)
Net cash used in capital and related financing activities	<u>(4,910,522)</u>	<u>(6,249,794)</u>
Cash flows from investing activities:		
Non-operating revenue	616,364	577,013
Non-operating expenses	-	(21,205)
Net cash provided by investing activities	<u>616,364</u>	<u>555,808</u>
Net change in cash and cash equivalents	(3,303,415)	(3,250,640)
Cash and cash equivalents, beginning of year	<u>13,939,554</u>	<u>17,190,194</u>
Cash and cash equivalents, end of year	<u><u>\$ 10,636,139</u></u>	<u><u>\$ 13,939,554</u></u>
Reconciliation of net operating income to net cash provided by operating activities:		
Operating income	\$ 139,845	\$ 204,591
<i>Adjustments to reconcile the income from operations to net cash provided by operating activities</i>		
Depreciation	2,330,837	2,312,286
Amortization	165,265	101,389
<i>Changes in operating assets:</i>		
Grants and accounts receivable	(1,955,525)	289,107
Prepaid expense	173,695	(431,001)
<i>Changes in operating liabilities:</i>		
Accounts payable and accrued expenses	142,028	(785,025)
Accrued compensation and interest	(2,368)	678,931
Advances	(3,034)	73,068
Net cash provided by operating activities	<u><u>\$ 990,743</u></u>	<u><u>\$ 2,443,346</u></u>
Noncash Transactions:		
Capital assets financed by accounts payable	<u><u>\$ 117,500</u></u>	<u><u>\$ 550,331</u></u>

See accompanying notes to the financial statements

Foxborough Regional Charter School

Notes to Financial Statements

June 30, 2026 and 2025

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, 2026 and 2025, 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 2026 and 2025, the School served approximately 1,381 and 1,444 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, 2026 and 2025

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, 2026 and 2025, the School held \$2,824,924 and \$6,545,917, respectively of cash equivalents.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2026 and 2025

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, 2026 and 2025, 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, 2026 and 2025

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.

Leases

For leases with a maximum possible term of 12 months or less at commencement, including any options, the School recognizes the expense based on the provisions of the lease contract. For all other leases, the School recognizes a lease liability and an intangible right-to-use lease asset.

At lease commencement, the School initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, less lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the lease asset is amortized into amortization expense on a straight-line basis over the shorter of the lease term or useful life of the underlying asset. If the Organization is reasonably certain of exercising a purchase option contained in a lease, the lease asset will be amortized over the useful live of the underlying asset.

The School uses its estimated incremental borrowing rate as the discount rate for leases unless the rate that the lessor/vendor charges is known. The Organization monitors changes in circumstances that may require remeasurement of a lease. When certain changes occur that are expected to significantly affect the amount of the lease, the liability is remeasured and a corresponding adjustment is made to the lease asset.

Lease assets are reported with capital assets and lease liability is reported with the noncurrent liability section of the *Statements of Net Position*, net of the current portion of the lease liability reported as a current liability.

Subscription-Based Information Technology Arrangements

For subscription-based information technology arrangements with a maximum possible term of 12 months or less at commencement, including any options, the School recognizes the expense based on the provisions of the subscription. For all other subscriptions, the School recognizes a subscription liability and an intangible right-to-use subscription asset.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2026 and 2025

2. *Summary of Significant Accounting Policies – Continued*

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 *Statements 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. 103, *Financial Reporting Model Improvements* (GASB No. 103), effective for the fiscal year ended June 30, 2026. GASB No. 103 establishes improvement to key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing accountability. The adoption of GASB No. 103 did not have a material effect on the School's financial statements for the year ended June 30, 2026.

The School adopted GASB Statement No. 104, *Disclosure of Certain Capital Assets* (GASB No. 104), effective for the fiscal year ended June 30, 2026. GASB No. 104 establishes additional disclosure requirements for certain capital assets by major. The adoption of GASB No. 104 did not have a material effect on the School's financial statements for the year ended June 30, 2026.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2026 and 2025

3. *Deferred Outflows/Inflows of Resources*

In addition to assets, the *Statements 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, 2026 and 2025 consist of unamortized bond refunding charges of \$3,876,364. Accumulated amortization at June 30, 2026 and 2025 was \$1,372,878 and \$1,211,363, respectively.

In addition to liabilities, the *Statements 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 “measurable” 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, 2026 and 2025 consist of the following:

	2026	2025
Advanced program fees	\$ 169,147	\$ 178,654
Other advances	<u>9,110</u>	<u>2,637</u>
Total	<u>\$ 178,257</u>	<u>\$ 181,291</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.

As required by GASB Statement No. 40, *Deposits and Investment Risk Disclosures* at June 30, 2026 and 2025 are as follows:

	2026	2025
Fully insured deposits	\$ 4,043,016	\$ 4,924,299
Uncollateralized	<u>6,824,974</u>	<u>9,513,108</u>
Total	<u>\$ 10,867,990</u>	<u>\$ 14,437,407</u>

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2026 and 2025

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, 2026 and 2025. The following are descriptions of the valuation methodologies used for assets measured at fair value.

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

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2026 and 2025

5. Fair Value Measurements – Continued

The following table sets forth by level, within the fair value hierarchy, the School's assets at fair value as of June 30, 2026 and 2025:

<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, 2026	Debt service reserve fund	<u>\$ 3,181,611</u>	<u>\$ 3,181,611</u>	<u>\$ -</u>	<u>\$ -</u>
June 30, 2025	Debt service reserve fund	\$ 3,190,573	\$ 3,115,431	\$ 75,142	\$ -

6. Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses at June 30, 2026 and 2025 are as follows:

	<i>2026</i>	<i>2025</i>
Payables to vendors	\$ 1,414,355	\$ 1,389,827
Accrued salaries and benefits	<u>2,407,278</u>	<u>2,390,771</u>
Total	<u>\$ 3,821,633</u>	<u>\$ 3,780,598</u>

7. Grants and Accounts Receivables

Grants and accounts receivable for the School at June 30, 2026 and 2025 are as follows:

	<i>2026</i>	<i>2025</i>
MA DESE - Federal and state grants	\$ 88,879	\$ 80,557
MA DESE - Nutrition	97,143	77,469
MA DESE - Tuition	1,876,085	-
Other receivables	<u>158,569</u>	<u>107,125</u>
Total	<u>\$ 2,220,676</u>	<u>\$ 265,151</u>

Foxborough Regional Charter School
Notes to Financial Statements – Continued
June 30, 2026 and 2025

8. Capital Assets

Changes in capital assets of the School for the years ended June 30, 2026 and 2025 are as follows:

	<i>Balance</i> <i>July 1, 2025</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance</i> <i>June 30, 2026</i>
<i>Capital assets not being depreciated</i>				
Land	\$ 5,379,146	\$ -	\$ -	\$ 5,379,146
Construction in progress	<u>550,331</u>	<u>-</u>	<u>550,331</u>	<u>-</u>
Total capital assets not being depreciated	<u>5,929,477</u>	<u>-</u>	<u>550,331</u>	<u>5,379,146</u>
<i>Capital assets being depreciated and amortized</i>				
Building	46,004,813	1,175,046	-	47,179,859
Building improvements	5,333,823	8,000	-	5,341,823
Equipment	1,952,575	1,423,170	-	3,375,745
Intangible right to use lease - equipment	427,265	423,972	-	851,237
Computers and software	4,216,550	83,422	-	4,299,972
Classroom equipment	296,631	-	-	296,631
Furniture and fixtures	<u>800,405</u>	<u>-</u>	<u>-</u>	<u>800,405</u>
Total capital assets being depreciated and amortized	<u>59,032,062</u>	<u>3,113,610</u>	<u>-</u>	<u>62,145,672</u>
<i>Less accumulated depreciation and amortization</i>				
Building	14,061,818	1,500,886	-	15,562,704
Building improvements	3,288,676	303,753	-	3,592,429
Equipment	1,358,419	216,725	-	1,575,144
Intangible right to use lease - equipment	128,500	165,265	69,508	224,257
Computers and software	3,804,644	223,844	-	4,028,488
Classroom equipment	203,890	26,754	-	230,644
Furniture and fixtures	<u>629,482</u>	<u>58,875</u>	<u>-</u>	<u>688,357</u>
Total accumulated depreciation and amortization	<u>23,475,429</u>	<u>2,496,102</u>	<u>69,508</u>	<u>25,902,023</u>
Capital assets, net	<u>\$ 41,486,110</u>	<u>\$ 617,508</u>	<u>\$ 480,823</u>	<u>\$ 41,622,795</u>
	<i>Balance</i> <i>July 1, 2024</i>	<i>Additions</i>	<i>Deletions</i>	<i>Balance</i> <i>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>
	<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	<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>

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2026 and 2025

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.

9. Leases

The School's lease agreements at June 30, 2026 and 2025 are as follows:

<i>Description</i>	<i>Date</i>	<i>Payment Terms</i>	<i>Yearly</i>		<i>Total Lease Liability</i>	<i>Balance</i>	
			<i>Payment Amount</i>	<i>Interest Rate</i>		<i>June 30, 2026</i>	<i>June 30, 2025</i>
Vehicle	8/26/2021	60 months	\$ 13,774	5.00%	\$ 60,823	\$ 2,253	\$ 14,495
Postage machine	4/5/2022	60 months	\$ 2,162	5.00%	\$ 9,510	1,106	3,600
Postage machine	11/7/2022	60 months	\$ 2,162	5.50%	\$ 9,393	3,091	4,545
Office equipment	11/19/2025	48 months	\$ 45,142	5.50%	\$ 158,229	121,790	-
Office equipment	7/1/2025	48 months	\$ 61,349	5.50%	\$ 215,037	165,516	-
Copiers	7/21/2024	80 months	\$ 88,560	6.50%	\$ 347,539	350,397	286,739
						<u>\$ 644,153</u>	<u>\$ 309,379</u>

The School leased various equipment including vehicles, postage machine, copiers and office equipment for a term of 4-7 years at rate of 5%-6.50% and expiring at various dates through March 2031. These leases are not renewable and the School will not acquire the equipment at the end of the lease terms.

The following summarizes the lease obligations of the School for the fiscal years ending June 30, 2026 and 2025:

<i>Fiscal Year</i>	<i>Beginning Balance</i>	<i>Additions</i>	<i>Reductions</i>	<i>Ending Balance</i>	<i>Amounts Due Within One Year</i>
2026	<u>\$ 309,379</u>	<u>\$ 423,971</u>	<u>\$ 89,197</u>	<u>\$ 644,153</u>	<u>\$ 163,254</u>
2025	<u>\$ 77,155</u>	<u>\$ 347,539</u>	<u>\$ 115,315</u>	<u>\$ 309,379</u>	<u>\$ 82,194</u>

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

<i>Fiscal Year</i>	<i>Principal</i>	<i>Interest</i>
2027	\$ 163,254	\$ 36,727
2028	\$ 169,918	\$ 27,062
2029	\$ 178,102	\$ 16,949
2030	\$ 82,330	\$ 6,230
2031	\$ 50,549	\$ 1,111

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2026 and 2025

10. 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, 2026 and 2025. At June 30, 2026 and 2025, the outstanding loan balance was \$20,785,000 and \$21,540,000, respectively. Interest expense totaled \$1,039,250 and \$1,077,000 for fiscal years ended June 30, 2026 and 2025, respectively. Accrued interest totaled \$519,625 and \$538,500 for fiscal years ended June 30, 2026 and 2025, 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, 2026 and 2025. At June 30, 2026 and 2025 the outstanding loan balance was \$1,847,958 and \$2,401,398, respectively. Interest costs totaled \$72,582 and \$90,930, respectively, for the fiscal years ended June 30, 2026 and 2025.

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, 2026 and 2025, the bond premium was \$2,175,371 and accumulated amortization on the premium was \$739,628 and \$652,613, respectively. Interest income totaled \$87,015 for the fiscal years ended June 30, 2026 and 2025.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2026 and 2025

10. Bonds Payable – Continued

The loan balance and the related activity for the fiscal years ended June 30, 2026 and 2025 is as follows:

	<i>Balance</i> <i>July 1, 2025</i>	<i>Additions</i>	<i>Reductions</i>	<i>Balance</i> <i>June 30, 2026</i>	<i>Amounts Due</i> <i>Within One Year</i>
Bonds payable	\$ 23,941,398	\$ -	\$ 1,308,440	\$ 22,632,958	\$ 1,367,417
Plus: Bond premium	<u>1,522,758</u>	<u>-</u>	<u>87,015</u>	<u>1,435,743</u>	<u>-</u>
Bonds payable, net	<u>\$ 25,464,156</u>	<u>\$ -</u>	<u>\$ 1,395,455</u>	<u>\$ 24,068,701</u>	<u>\$ 1,367,417</u>

	<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>

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>
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	975,000	818,750	1,793,750
2032-2036	5,655,000	3,273,250	8,928,250
2037-2041	7,265,000	1,627,250	8,892,250
2042-2043	<u>3,455,000</u>	<u>88,500</u>	<u>3,543,500</u>
Total	<u>\$ 22,632,958</u>	<u>\$ 9,647,845</u>	<u>\$ 32,280,803</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, 2026 and 2025

11. 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, 2025 measurement date was determined by an actuarial valuation prepared as of January 1, 2025 and rolled forward to June 30, 2025. At June 30, 2026 and 2025, the School's allocation of MTRS's net pension liability was \$29,342,456 and \$30,547,725, respectively.

12. 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, 2026 and 2025, the School recognized \$1,603,230 and \$2,521,459 of on-behalf revenues and expenses, respectively.

13. Board Designated Net Position

As of June 30, 2026 and 2025, the Board of Trustees has designated \$5,856,041 and \$6,387,041, respectively, of unrestricted net position for future capital expenditures, respectively.

Foxborough Regional Charter School
Notes to Financial Statements – *Continued*
June 30, 2026 and 2025

14. Related Party Transactions

During fiscal year 2026, the School received a \$200,000 contribution from the Foundation and is recorded as non-operating revenue on the *Statements of Revenues, Expenses, and Changes in Net Position*. There were no related party transactions for the year ended June 30, 2025.

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 2026.

MTRS Liability

During fiscal year 2025, management identified an error related to contributions owed to MTRS for two employees. The School's share of the contributions totaled \$173,190 and is recorded as accrued compensation on the *Statements of Net Position* as of June 30, 2025. As of June 30, 2026, there was no accrued MTRS liability.

16. Subsequent Events

The School has evaluated subsequent events through September XX, 2026, 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**

Foxborough Regional Charter School
Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2026

<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	240-000558-2026-0446	\$ 356,834
Special Education - Grants to States (IDEA, Part B)	84.027	240-000558-2025-0446	118,154
Special Education - Grants to States (IDEA, Part B)	84.027	240-000558-2024-0446	627
Special Education - Grants to States (IDEA, Part B)	84.027	274-000559-2025-0446	10,000
Special Education - Preschool Grants (IDEA Preschool)	84.173	262-000559-2026-0446	2,680
Special Education - Preschool Grants (IDEA Preschool)	84.173	262-000559-2025-0446	<u>1,506</u>
		Total Special Education Cluster	<u>489,801</u>
Title I Grants to Local Educational Agencies (LEAs)	84.010	305-000549-2026-0446	308,128
Title I Grants to Local Educational Agencies (LEAs)	84.010	305-000549-2025-0446	185,516
Supporting Effective Instruction State Grant	84.367	140-000546-2026-0446	43,524
Supporting Effective Instruction State Grant	84.367	140-000546-2025-0446	9,285
Supporting Effective Instruction State Grant	84.367	140-698874-2024-0446	1,829
English Language Acquisition Grants	84.365	180-000547-2026-0446	2,634
English Language Acquisition Grants	84.365	180-000547-2025-0446	15,817
English Language Acquisition Grants	84.365	180-707169-2024-0446	2,800
Student Support and Academic Enrichment Program	84.424	309-000548-2026-0446	20,501
Student Support and Academic Enrichment Program	84.424	309-000548-2025-0446	<u>19,284</u>
		Total U.S. Department of Education	<u>1,099,119</u>
<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	DOENUT2026SL	188,356
National School Lunch Program	10.555	DOENUT2026SL	<u>561,824</u>
		Total Child Nutrition Cluster	<u>750,180</u>
		Total U.S. Department of Agriculture	<u>750,180</u>
Total expenditures of federal awards			<u>\$ 1,849,299</u>

See accompanying notes to schedule of federal expenditures

Foxborough Regional Charter School
Notes to the Schedule of Expenditures of Federal Awards
For the Year Ended June 30, 2026

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, 2026. 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 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 2026.

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



*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, 2026, 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 August XX, 2026.

Report on 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 or significant deficiencies 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.

August XX, 2026

**REPORT IN ACCORDANCE
WITH
THE UNIFORM GUIDANCE**



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, 2026. 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, 2026.

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.

August XX, 2026

**SCHEDULE OF FINDINGS
QUESTIONED COSTS**

Foxborough Regional Charter School
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2026

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	_____ <u>X</u> _____ no	
--	-----------	-------------------------	--

Identification of major programs:

<i>Federal Assistance Listing Number</i>	<i>Name of Program</i>
	<u>Child Nutrition Cluster</u>
10.553	School Breakfast Program (SBP)
10.555	National School Lunch Program (NSLP)

Dollar threshold used to distinguish between type A and type B programs: \$ 1,000,000

Auditee qualified as low-risk auditee?	_____ <u>X</u> _____ yes	_____ _____ no	
--	--------------------------	----------------	--

Foxborough Regional Charter School
Schedule of Findings and Questioned Costs – *Continued*
For the Year Ended June 30, 2026

Section II - FINANCIAL STATEMENT FINDINGS

None

Section III - FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None

Foxborough Regional Charter School
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2026

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

BOARD ACCEPTANCE LETTER

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, 2026.

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, 2026.

Board President or Treasurer
Or Other Designated Person

Date



Finance Committee Presentation
October 2, 2026



DANIEL DENNIS & Co
Certified Public Accountants

990 Washington Street, Suite 203
Dedham, MA 02026
Telephone: (617) 262-9898
Fax: (617) 279-0837
Website: <http://www.danieldennis.com>

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Discussion Items	8

Foxborough Regional Charter School June 30, 2026

Summary of Audit Results

Foxborough Regional Charter School

Description

- Audited Financial Statements

Status

Issued draft

Independent Auditors' Report

- Unmodified Opinion on the Financial Statements
- Management's Discussion and Analysis
 - No opinion or assurance is expressed

Report on Compliance and Internal Control Over Financial Reporting in Accordance with *Government Auditing Standards*

- No significant deficiencies or 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 significant deficiencies or material weaknesses in internal control over compliance

Major Program

- Child Nutrition Cluster – National School Lunch Program

Foxborough Regional Charter School

June 30, 2026

Financial Ratios

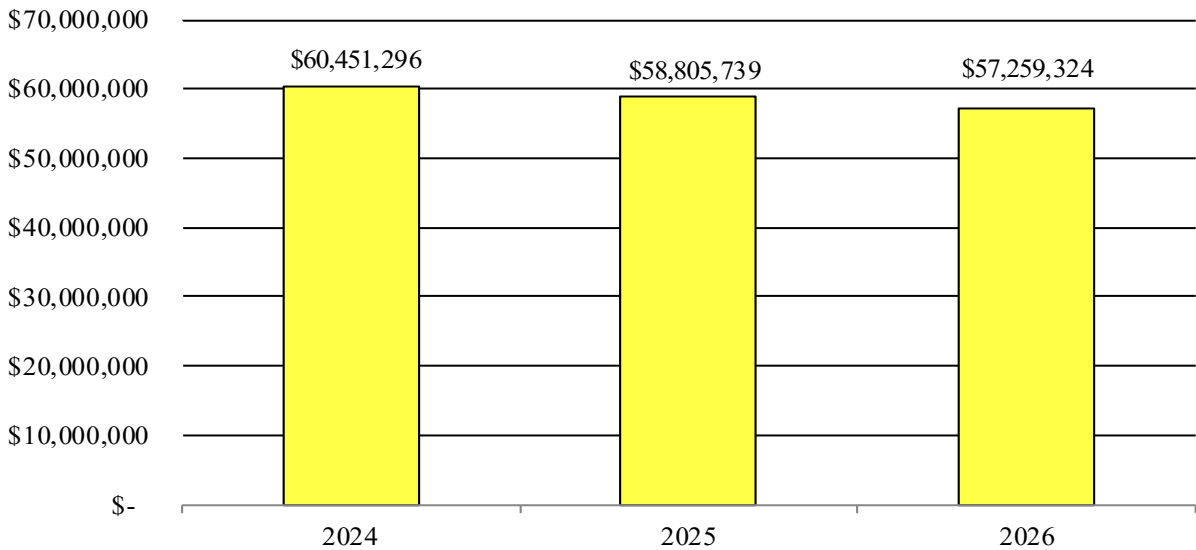
Description	2026	2025	2025 State Average	DESE BENCHMARK*		
				Low Risk	Moderate Risk	High Risk
Current ratio <i>(current assets divided by current liabilities)</i>	2:1	2.3:1	5.3:1	>=1.5	Between 1.0 and 1.5	< 1.0
Unrestricted Days Cash <i>(cash divided by (total expenses less depreciation and on-behalf)/365))</i>	91 days	134 days	122 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>	87%	88%	90%	>=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>	93%	94%	95%	>=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%	16%	13%	<= 15%	Between 15% and 30%	> 30%
Change in Net Assets % <i>(changes in net assets divided by total revenue)</i>	-1.46%	-1.45%	1.80%	Positive %	Between -2% and 0%	< -2%
Debt to Asset <i>(total liabilities divided by total assets)</i>	0.51	0.51	0.45	< = .9	Between .9 and 1	> 1
Enrollment	1,381	1,444				

* The risk levels are set by DESE

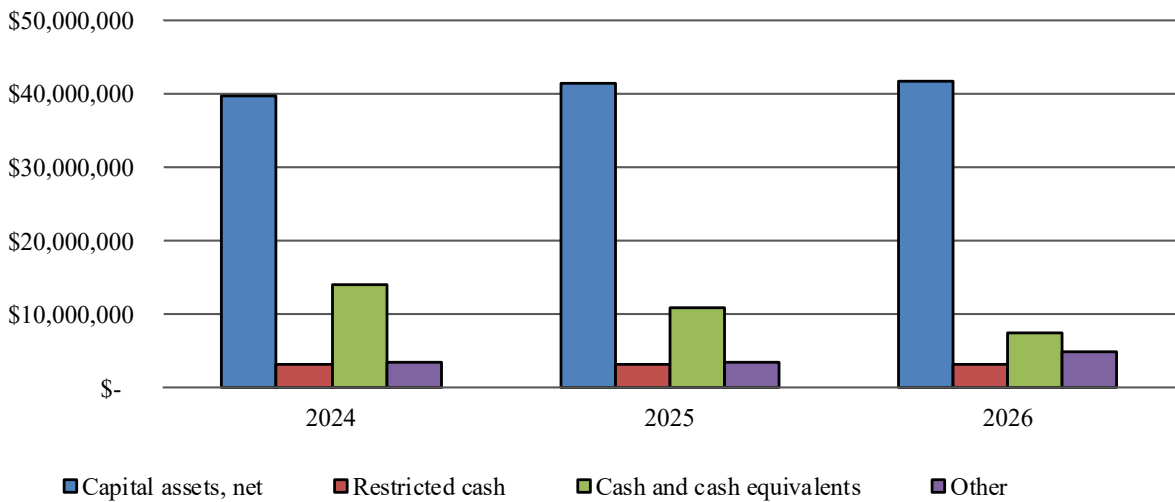
Foxborough Regional Charter School
June 30, 2026

Historical Results

TOTAL ASSETS



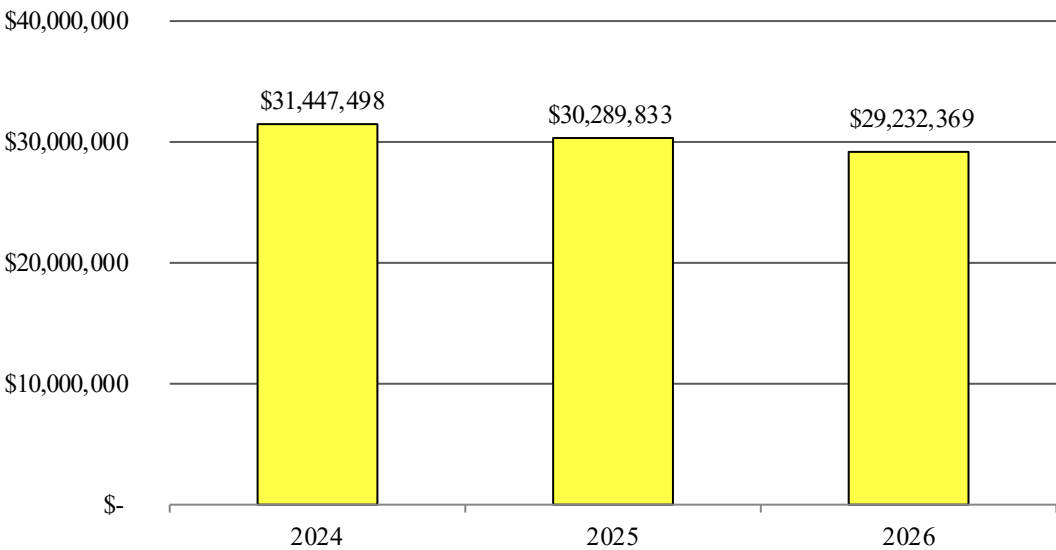
ASSETS DETAIL



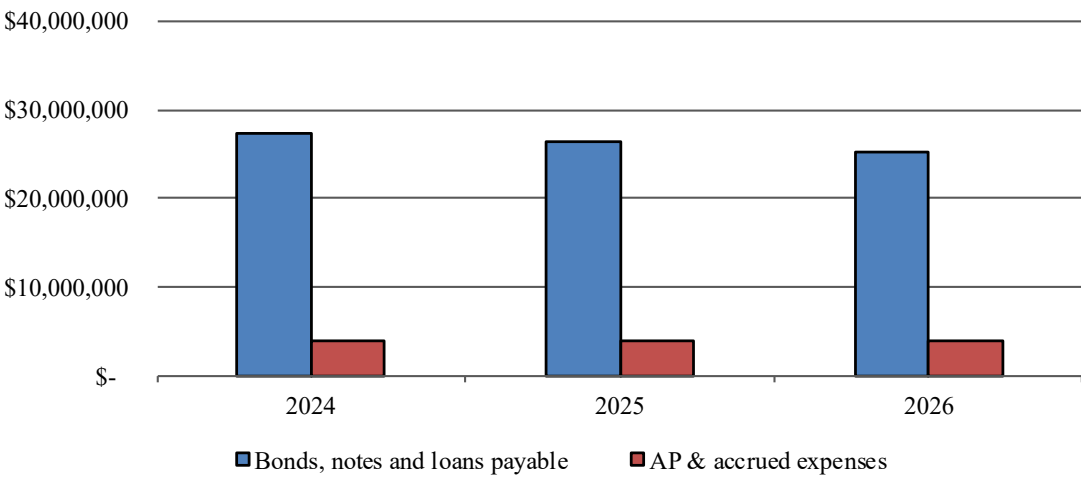
Foxborough Regional Charter School
June 30, 2026

Historical Results – Continued

TOTAL LIABILITIES



LIABILITIES DETAIL

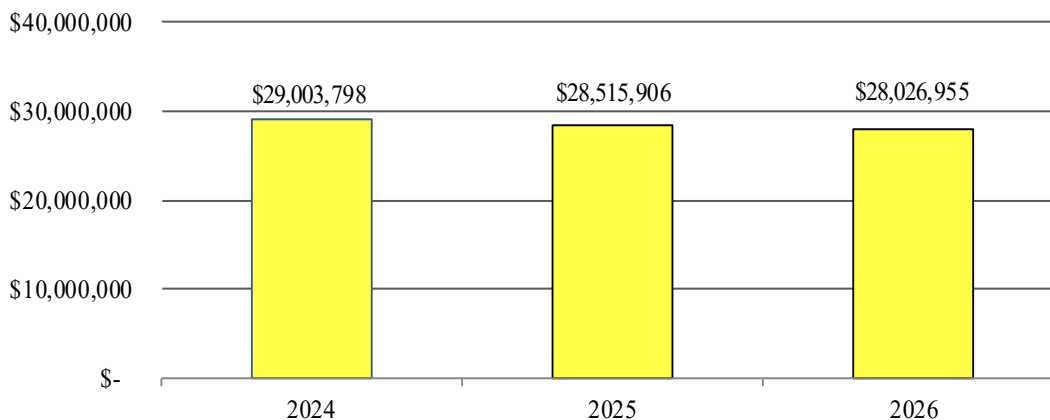


Foxborough Regional Charter School

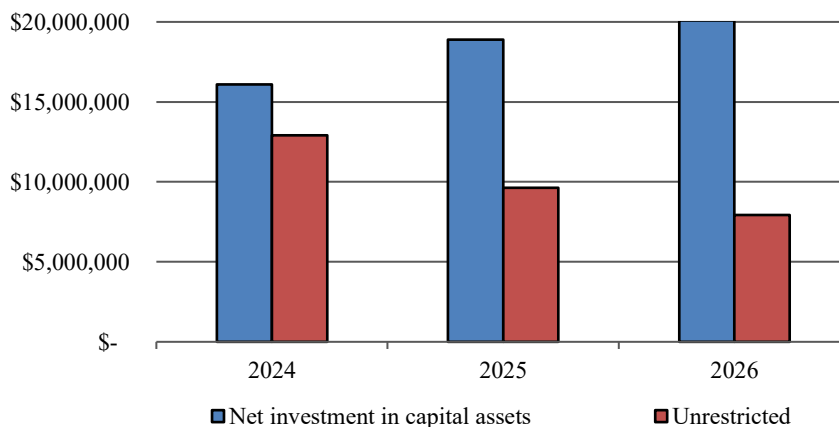
June 30, 2026

Historical Results – Continued

TOTAL NET POSITION



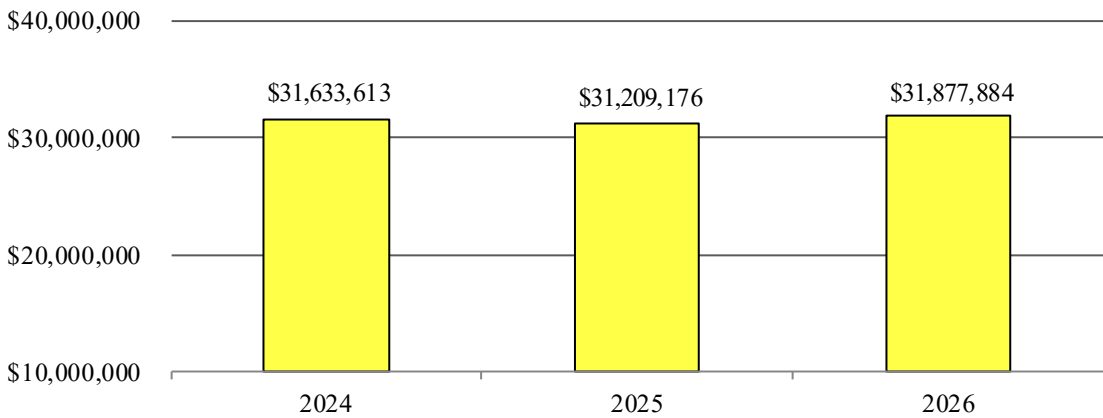
TOTAL NET POSITION DETAIL



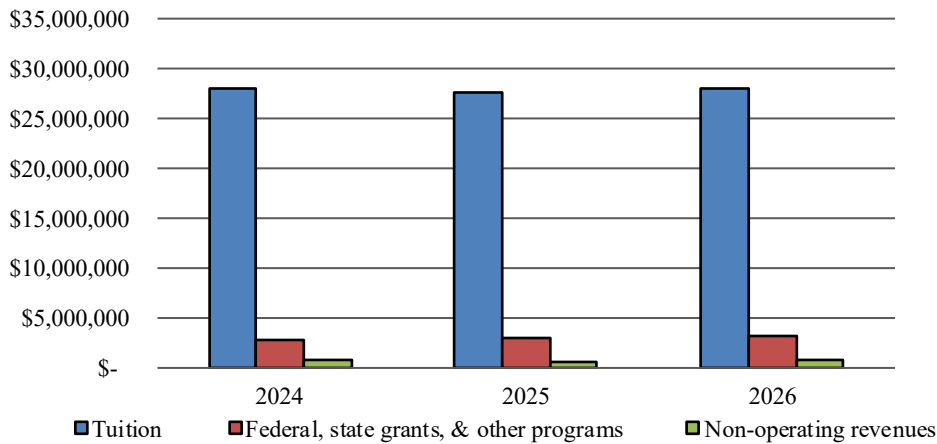
Foxborough Regional Charter School
June 30, 2026

Historical Results – Continued

TOTAL REVENUE



REVENUE DETAIL

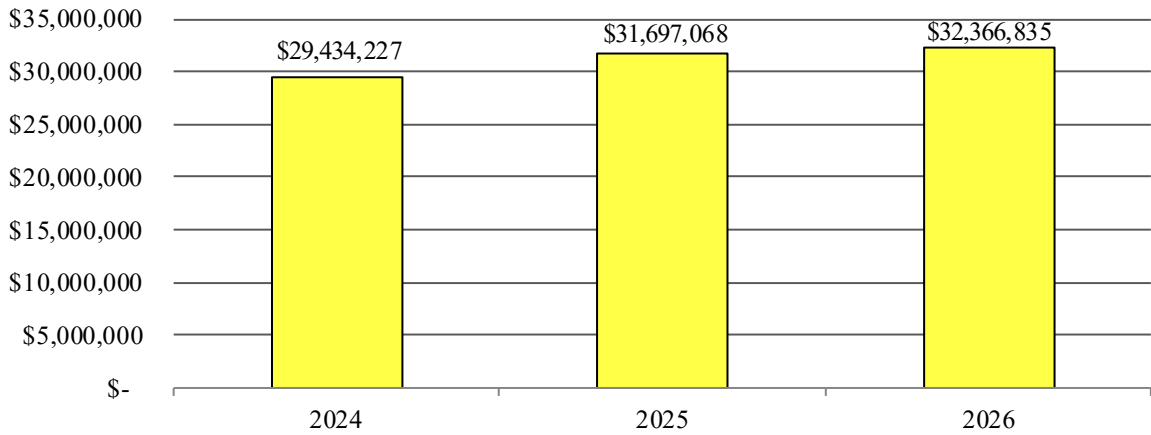


	2024	2025	2026
Tuition	\$ 28,156,607	\$ 27,679,519	\$ 28,011,634
Enrollment	1,500	1,444	1,381

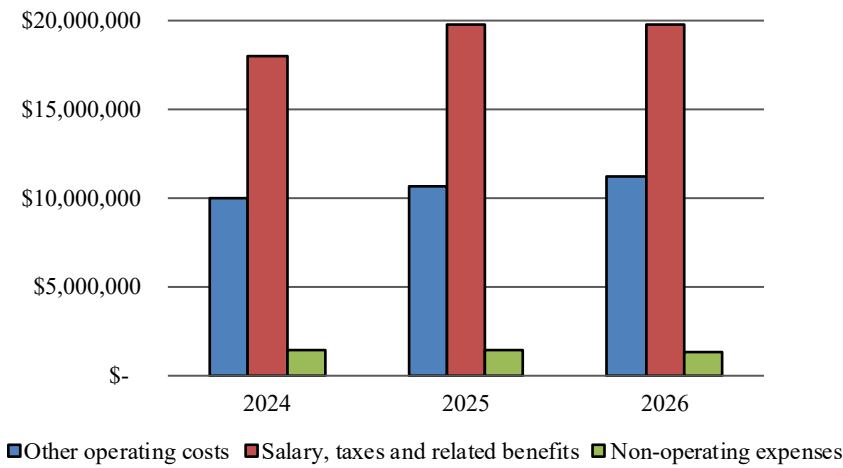
Foxborough Regional Charter School
June 30, 2026

Historical Results – Continued

TOTAL EXPENSES



EXPENSE DETAIL



Foxborough Regional Charter School June 30, 2026

Discussion Items

Future Considerations

- Continue monitoring debt covenants required by the bonds
- GASB Statement 105 – *Subsequent Events*

Due Dates

- Audit Report – October 30th (pending issuance of the 2026 OMB Compliance Supplement)
- Data Collection Form – 30 days after issuance of the audit report
- Form 990 and Form PC for the Foundation – November 15th
 - Automatic 6-month extension is available

Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. [Adobe Reader](#):

CURRENT - FRCS 15-Year Capital Plan (updated 9-28-26).xlsx

FRCS Facilities and Program Planning

Working Outline

September 2026 | Draft for discussion

Planning framework

For this work, we will use the MSBA planning process as the basic framework. Although FRCS cannot access MSBA funding or resources, the process itself provides a solid and well established structure for school facilities planning. We will adapt it to fit FRCS rather than attempt to follow it step by step. The immediate focus will be on gathering the right information, understanding our educational and facility needs, looking at how we are using the space we already have, and developing realistic options before determining what should move into long range capital planning.

Working planning structure

Phase 1 | Gather the evidence

Purpose: Build a common picture of where we are before defining projects or solutions.

- Existing lifecycle and capital needs already on our radar
- Building condition and day-to-day experience for students and staff
- Current academic/program needs and possible future needs
- Functional capacity and utilization: how rooms and buildings are actually being used
- Enrollment, waitlists, open seats, and family demand where relevant
- Financial context and the level of capital FRCS can realistically support

Phase 2 | Interpret the evidence and narrow the work

Purpose: Move from information gathering to the questions that need deeper work.

- Identify the strongest themes, gaps, and areas that need additional study
- Separate lifecycle/condition needs from program or opportunity questions
- If the evidence raises academic or program questions, narrow that work to a smaller core leadership group
- Where the evidence raises academic or program questions, begin defining what FRCS wants students to be able to experience and do and what that may require from curriculum, staffing, technology, scheduling, and space

Phase 3 | Develop and test options

Purpose: Determine what the evidence points toward before assuming a capital project is the answer.

- Test better use of existing space, scheduling, furniture, technology, partnerships, shared/off-site space, renovation, or construction
- Look at educational value, building impact, functional capacity, affordability, and implementation challenges
- Bring in Terva or other technical support only if and when the work requires it
- Develop a small number of realistic options rather than a long wish list
- Sequence options across multiple years rather than assembling them into a single capital request

Phase 4 | Priorities and long-range capital direction

Purpose: Translate the work into priorities that can inform FRCS capital planning and Board discussion.

- Identify recommended priorities and sequencing
- Develop cost information only after an option is real enough to price
- Stage recommended work across fiscal years, sized to what FRCS can support annually
- Connect approved priorities to the existing capital plan rather than create a competing capital document
- Bring Board-level decisions forward when there is enough educational, facilities, capacity, and financial evidence to support them, and when the timing works for the organization

If the work moves into a capital project

The first four phases are focused on getting us from information gathering to a clear capital direction. If that work results in a project FRCS wants to move forward, the process would continue into project development and implementation.

- Develop the preferred option far enough to establish scope, cost, and schedule
- Determine the funding approach and Board authorization needed
- Complete design and engineering, then move through bidding and construction
- Close out the project and evaluate whether the completed work accomplished what we expected
- If Terva is engaged during the planning work and the process moves into a capital project, they would likely continue as OPM, with architects, engineers, and other technical partners added as the scope requires

Current work underway

Workstream	Current status / thought
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Enrollment / withdrawal analysis	Initial analysis completed; useful context, not the sole driver.
Staff surveys	Draft ES, MS, and HS instruments built for leadership review.
Family input	Draft Grade 8 and Grades 4-5 instruments built; use only if they test a question we want answered.
Facilities / condition	Existing capital and lifecycle information still needs to be organized into the broader plan.
Functional capacity	Not yet built; should show how rooms and specialized spaces are actually being used.
Academic / program review	Not yet defined; becomes more important after the first evidence is gathered.
Outside support	Not committed; could be limited later if the E Team sees value.

Still open / not decided

- How broad the first phase should be and how quickly we want to move
- Which evidence is essential now versus useful later
- At what point the work should narrow from broad input to a smaller planning structure
- Whether and when outside planning support, a formal prioritization rubric, or recurring Board reporting would add value
- How to pace this work alongside the other major priorities the E Team is carrying
- How this work connects to the FRCS strategic plan, so that facilities and program priorities support the strategic direction rather than run alongside it

FRCS Staff Surveys

Google Forms build sheets | Working draft, revised

FRCS Elementary School Staff Survey

FRCS is gathering staff input as part of long-range facilities and program planning. We want to understand what works well, what gets in the way, and what students need from our buildings in the future. Nothing has been selected and this is not a vote on a project. This takes about five minutes and responses are anonymous.

Q1. What best describes your role? *(Multiple choice, required)*

- Classroom teacher
- Specialist / related arts
- Student support / special education
- Instructional support / paraprofessional
- School leadership / administrative
- Operations / support
- Other

Q2. Which building or space issues most interfere with the day-to-day experience of students or staff? *(Checkboxes, required)*

- Temperature / comfort
- Noise / acoustics
- Lighting / daylight
- Bathrooms
- Furniture / room flexibility
- General physical condition / finishes
- Storage
- Technology / power / data access
- Cleanliness
- Room size / layout
- Small-group / student-support space
- Playground, PE, movement, and recess space
- Arts, music, or other specialized classroom space
- Windows / ability to open them / access to fresh air
- None of these is a significant problem
- Other

Select no more than three. Set this in Forms under Response validation, not as text only.

Q3. How well does the current playground and outdoor play area meet student needs? *(Multiple choice, required)*

- Very well
- Mostly well
- Somewhat
- Not well
- I am not familiar enough to say

Q4. How well do the current indoor spaces support physical education and movement? *(Multiple choice, required)*

- Very well
- Mostly well
- Somewhat
- Not well
- I am not familiar enough to say

Q5. In the spaces you use, how often does the inability to open windows or get fresh air affect comfort or use of the space? *(Multiple choice, required)*

- Never
- Rarely
- Sometimes
- Often
- Not sure / not applicable

Q6. What does the current Elementary School building most often make difficult to do well? *(Multiple choice, required)*

- Flexible grouping / centers
- Small-group intervention / student support
- Hands-on science / STEM / project work
- Movement, play, physical education, and recess
- Arts / music / specials
- Student collaboration outside the classroom
- Private meetings with students or families
- Storage / organization of materials
- Nothing significant
- Other

Q7. What space, feature, or part of the building currently works especially well and should be preserved or built on? *(Paragraph, optional)*

Q8. Looking ahead 5 to 10 years, which student learning experiences should the Elementary School be better able to support? *(Checkboxes, required)*

- More flexible classroom learning
- Stronger small-group / intervention support
- Hands-on science / STEM
- Technology access and digital learning
- Movement, play, physical education, and outdoor learning
- Arts / music / specials
- Better student-support / family meeting space
- Other

Select no more than three. Set this in Forms under Response validation.

Q9. If FRCS could address only ONE type of need at the Elementary School first, which should come first? *(Multiple choice, required)*

- Classroom flexibility / furniture
- Small-group / student-support spaces
- Science / STEM / hands-on learning
- Technology / computer-learning space
- Playground, PE, and movement spaces
- Arts / music / specials
- Bathrooms / corridors / lighting / finishes
- Storage / organization
- I am not sure

Q10. If your first priority were addressed, which ONE of the other areas could reasonably wait longer? *(Multiple choice, required)*

- Classroom flexibility / furniture
- Small-group / student-support spaces
- Science / STEM / hands-on learning
- Technology / computer-learning space
- Playground, PE, and movement spaces
- Arts / music / specials
- Bathrooms / corridors / lighting / finishes
- Storage / organization
- I would not postpone any of these

- I am not sure

Please do not select the same option you selected in Q9.

Q11. Is there a specific space we should look at more closely during the planning process? If so, what should we understand about it? (Paragraph, optional)

Q12. What is one thing we have not asked that FRCS should understand before making future facility or program decisions? (Paragraph, optional)

FRCS Middle School Staff Survey

FRCS is gathering staff input as part of long-range facilities and program planning. We want to understand what works well, what gets in the way, and what students need from our buildings in the future. Nothing has been selected and this is not a vote on a project. This takes about five minutes and responses are anonymous.

Q1. What best describes your role? *(Multiple choice, required)*

- Classroom teacher
- Specialist / related arts
- Student support / special education
- Instructional support / paraprofessional
- School leadership / administrative
- Operations / support
- Other

Q2. Which building or space issues most interfere with the day-to-day experience of students or staff? *(Checkboxes, required)*

- Temperature / comfort
- Noise / acoustics
- Lighting / daylight
- Bathrooms
- Furniture / room flexibility
- General physical condition / finishes
- Storage
- Technology / power / data access
- Cleanliness
- Room size / layout
- Small-group / student-support space
- Student common / collaboration space
- Athletic, PE, recess, and outdoor activity facilities
- Arts, music, or other specialized classroom space
- Windows / ability to open them / access to fresh air
- None of these is a significant problem
- Other

Select no more than three. Set this in Forms under Response validation.

Q3. How well do the current athletic and outdoor facilities support physical education and student activities? *(Multiple choice, required)*

- Very well
- Mostly well
- Somewhat
- Not well
- I am not familiar enough to say

Q4. In the spaces you use, how often does the inability to open windows or get fresh air affect comfort or use of the space? *(Multiple choice, required)*

- Never
- Rarely
- Sometimes
- Often
- Not sure / not applicable

Q5. What does the current Middle School building most often make difficult to do well? *(Multiple choice, required)*

- Flexible grouping / collaborative instruction
- Small-group intervention / student support
- Hands-on science / STEM / project work
- Technology / coding / computer-based learning
- Arts / music / performance
- Physical education, athletics, and recess
- Student collaboration outside classrooms
- Clubs / activities / community-building
- Private meetings with students or families
- Nothing significant
- Other

Q6. What space, feature, or part of the building currently works especially well and should be preserved or built on? *(Paragraph, optional)*

Q7. Looking ahead 5 to 10 years, which student learning experiences should the Middle School be better able to support? *(Checkboxes, required)*

- Hands-on science / STEM
- Technology / coding / computer science
- Collaborative project work
- Arts / music / performance
- Athletics and physical education
- Student common / collaboration experiences

- Intervention / student support
- Clubs / enrichment / after-school activities
- Other

Select no more than three. Set this in Forms under Response validation.

Q8. If FRCS could address only ONE type of need at the Middle School first, which should come first? (Multiple choice, required)

- Classroom flexibility / furniture
- Small-group / student-support spaces
- Science / STEM / hands-on learning
- Technology / computer-learning space
- Student common / collaboration space
- Arts / music / performance
- Athletic, PE, and outdoor activity facilities
- Clubs, enrichment, and activity space
- Bathrooms / corridors / lighting / finishes
- I am not sure

Q9. If your first priority were addressed, which ONE of the other areas could reasonably wait longer? (Multiple choice, required)

- Classroom flexibility / furniture
- Small-group / student-support spaces
- Science / STEM / hands-on learning
- Technology / computer-learning space
- Student common / collaboration space
- Arts / music / performance
- Athletic, PE, and outdoor activity facilities
- Clubs, enrichment, and activity space
- Bathrooms / corridors / lighting / finishes
- I would not postpone any of these
- I am not sure

Please do not select the same option you selected in Q8.

Q10. Is there a specific space we should look at more closely during the planning process? If so, what should we understand about it? (Paragraph, optional)

Q11. What is one thing we have not asked that FRCS should understand before making future facility or program decisions? (Paragraph, optional)

FRCS High School Staff Survey

FRCS is gathering staff input as part of long-range facilities and program planning. We want to understand what works well, what gets in the way, and what students need from our buildings in the future. Nothing has been selected and this is not a vote on a project. This takes about five minutes and responses are anonymous.

Q1. What best describes your role? *(Multiple choice, required)*

- Classroom teacher
- Specialist / related arts
- Student support / special education
- Instructional support / paraprofessional
- School leadership / administrative
- Operations / support
- Other

Q2. Which building or space issues most interfere with the day-to-day experience of students or staff? *(Checkboxes, required)*

- Temperature / comfort
- Noise / acoustics
- Lighting / daylight
- Bathrooms
- Furniture / room flexibility
- General physical condition / finishes
- Storage
- Technology / power / data access
- Cleanliness
- Room size / layout
- Small-group / student-support space
- Student common / collaboration space
- Sports fields / outdoor athletic facilities
- Arts, music, or other specialized classroom space
- Windows / ability to open them / access to fresh air
- None of these is a significant problem
- Other

Select no more than three. Set this in Forms under Response validation.

Q3. How well do the current sports fields and outdoor athletic facilities support student athletic and program needs? *(Multiple choice, required)*

- Very well
- Mostly well
- Somewhat
- Not well
- I am not familiar enough to say

Q4. What does the current High School building most often make difficult to do well? *(Multiple choice, required)*

- Flexible grouping / collaborative instruction
- Small-group intervention / student support
- Hands-on science / laboratory / project work
- Technology / coding / AI / computer-based learning
- Career-connected / applied learning
- Arts / music / media / performance
- Student collaboration outside classrooms
- College / career / internship advising
- Private meetings with students or families
- Athletics / outdoor sports programming
- Nothing significant
- Other

Q5. What space, feature, or part of the building currently works especially well and should be preserved or built on? *(Paragraph, optional)*

Q6. Looking ahead 5 to 10 years, which student learning experiences should the High School be better able to support? *(Checkboxes, required)*

- Advanced / hands-on science
- Technology / coding / AI / computer science
- Career-connected or applied learning
- Collaborative project work
- Arts / music / media / performance
- College-credit / advanced coursework
- Internships / employer-connected experiences
- Student support / advising
- Student common / collaboration experiences
- Athletics / outdoor sports opportunities
- Other

Select no more than three. Set this in Forms under Response validation.

Q7. Are there programs, courses, or student opportunities you believe FRCS should explore that we do not currently offer, or cannot offer well because of our current program or facilities? (Paragraph, optional)

Q8. If FRCS could address only ONE type of need at the High School first, which should come first? (Multiple choice, required)

- Classroom flexibility / furniture
- Small-group / student-support spaces
- Science / laboratory spaces
- Technology / computer science / coding / AI
- Student common / collaboration space
- Career-connected / applied-learning spaces
- Arts / music / media / performance
- Sports fields / outdoor athletic facilities
- Bathrooms / corridors / lighting / finishes
- I am not sure

Q9. If your first priority were addressed, which ONE of the other areas could reasonably wait longer? (Multiple choice, required)

- Classroom flexibility / furniture
- Small-group / student-support spaces
- Science / laboratory spaces
- Technology / computer science / coding / AI
- Student common / collaboration space
- Career-connected / applied-learning spaces
- Arts / music / media / performance
- Sports fields / outdoor athletic facilities
- Bathrooms / corridors / lighting / finishes
- I would not postpone any of these
- I am not sure

Please do not select the same option you selected in Q8.

Q10. Is there a specific space we should look at more closely during the planning process? If so, what should we understand about it? (Paragraph, optional)

Q11. What is one thing we have not asked that FRCS should understand before making future facility or program decisions? (Paragraph, optional)

Build and analysis notes

- Use Forms' built-in "Other" option rather than listing Other as a choice, so the write-in text is captured.
- The three-item caps on the checkbox questions must be set under Response validation. Text alone will not enforce them.
- Forms cannot prevent someone from repeating their Q8 answer in Q9. Decide in advance whether to clean those responses or report them as received.
- Score the priority pair rather than counting it. First choice 3 points, could wait minus 1 point. "I am not sure" and "I would not postpone any of these" are findings rather than non-answers and should be reported as counts.
- The Middle School and High School share a building. Condition results from those two instruments describe the same physical plant from two vantage points, so differences between them reflect how each program experiences the space rather than differences between buildings. The Elementary School is the only genuinely separate comparison.
- Set the minimum response rate before looking at results. Fifty percent per building is a reasonable bar.

Coversheet

FY2027 First Quarter Projections

Section:	II. Finance & Facilities
Item:	C. FY2027 First Quarter Projections
Purpose:	Discuss
Submitted by:	
Related Material:	Budget Projections FY27 Q1 - Detail1.xlsx

Notice

The following file is attached to this PDF. You will need to open this packet in an application that supports attachments to pdf files, e.g. [Adobe Reader](#):

Budget Projections FY27 Q1 - Detail1.xlsx