



Bridgeway Center, Inc.

FINANCIAL STATEMENTS

June 30, 2025



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INDEPENDENT AUDITOR'S REPORT

To the Board of Trustees
Bridgeway Center, Inc.
Fort Walton Beach, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Bridgeway Center, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Bridgeway Center, Inc. as of June 30, 2025, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Bridgeway Center, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

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 Bridgeway Center, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Bridgeway Center, Inc.'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 Bridgeway Center, Inc.'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.

Report on Summarized Comparative Information

We have previously audited Bridgeway Center, Inc.'s June 30, 2024 financial statements, and our report dated March 24, 2025, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards and state projects, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.650, *Rules of the Auditor General* are presented for purposes of additional analysis and are not a required part of the financial statements. In addition, the *Schedule of State Earnings (CF-MH1034)* and *Schedule of Program/Cost Center Actual Expenses & Revenues (CF-MH1037)* are included in accordance with 65E-14.003 (F.A.C) and presented for additional analysis and are 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 information is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 23, 2026, on our consideration of Bridgeway Center, Inc.'s internal control over financial reporting and 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 Bridgeway Center, Inc.'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 the Bridgeway Center, Inc.'s internal control over financial reporting and compliance.



CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida
March 23, 2026

Bridgeway Center, Inc.
Statement of Financial Position

<i>June 30,</i>	2025	2024
Assets		
Current assets		
Cash and cash equivalents	\$ 5,833,988	\$ 6,090,830
Accounts receivable, net	55,439	132,483
Grant and contract receivables	732,625	1,116,444
Certificates of deposit	133,981	129,219
Prepaid expenses	643,677	661,623
Other assets	6,219	9,916
Total current assets	7,405,929	8,140,515
Non-current assets		
Operating lease right-of-use assets, net	81,028	-
Property and equipment, net	2,504,125	2,629,340
Construction in progress	524,254	424,392
Total non-current assets	3,109,407	3,053,732
Total assets	\$ 10,515,336	\$ 11,194,247
Liabilities and Net Assets		
Current liabilities		
Accounts payable	\$ 413,969	\$ 386,222
Salaries payable	369,289	333,740
Current portion of operating lease liabilities	12,681	-
Escrow deposits	30,198	39,667
Insurance finance agreement	427,133	538,238
Other liabilities	1,772,452	601,429
Current portion of notes payable	89,388	85,550
Total current liabilities	3,115,110	1,984,846
Long-term liabilities		
Operating lease liabilities, less current portion	68,347	-
Notes payable, less current portion	561,781	651,037
Total long-term liabilities	630,128	651,037
Total liabilities	3,745,238	2,635,883
Net Assets		
Without donor restrictions	6,770,098	8,558,364
With donor restrictions	-	-
Total net assets	6,770,098	8,558,364
Total liabilities and net assets	\$ 10,515,336	\$ 11,194,247

The accompanying notes are an integral part of these financial statements.

Bridgeway Center, Inc.
Statement of Activities

<i>For the year ended June 30, 2025</i>	Without Donor Restrictions	With Donor Restrictions	Total	2024 Summarized Total
Revenue and Other Support				
SAMH - Substance abuse and mental health funding:	\$ 4,314,987	\$ -	\$ 4,314,987	\$ 4,140,674
Local government funding	616,821	-	616,821	606,421
DUI revenue	-	335,237	335,237	354,084
Other state grants	-	-	-	354,062
Client service fees:				
Other contracts and grants	1,945,941	-	1,945,941	1,386,621
Medicaid/Medicare	3,969,506	-	3,969,506	6,924,241
First and third party fees	676,132	-	676,132	564,732
Contributions and donations	169,700	-	169,700	216,609
Other income	495,782	-	495,782	498,305
Net assets released from restrictions	335,237	(335,237)	-	-
Total revenue and other support	12,524,106	-	12,524,106	15,045,749
Expenses				
<i>Program services</i>				
SAMH - Substance abuse and Mental health funding:				
Adult Mental Health	3,379,493	-	3,379,493	3,821,253
Children's Mental Health	741,838	-	741,838	838,258
Adult Substance Abuse	1,485,629	-	1,485,629	1,171,557
Children's Substance Abuse	79,562	-	79,562	71,404
Other programs	5,938,269	-	5,938,269	5,173,724
Program support	1,146,650	-	1,146,650	1,041,355
Total program services	12,771,441	-	12,771,441	12,117,551
<i>Supporting services</i>				
General and administrative	1,540,931	-	1,540,931	1,473,314
Total supporting services	1,540,931	-	1,540,931	1,473,314
Total expenses	14,312,372	-	14,312,372	13,590,865
Change in Net Assets	(1,788,266)	-	(1,788,266)	1,454,884
Net assets at beginning of year	8,558,364	-	8,558,364	7,103,480
Net assets at end of year	\$ 6,770,098	\$ -	\$ 6,770,098	\$ 8,558,364

The accompanying notes are an integral part of these financial statements.

Bridgeway Center, Inc.
Statement of Functional Expenses

<i>For the year ended June 30,</i>	Program Services						Supporting Services	2025 Total	2024 Summarized Total
	Adult Mental Health	Children's Mental Health	Adult Substance Abuse	Children's Substance Abuse	Other Programs	Program Support	General and Administrative		
Salaries	\$ 2,271,912	\$ 498,712	\$ 1,019,629	\$ 53,665	\$ 1,981,375	\$ 482,875	\$ 707,765	\$ 7,015,933	\$ 6,679,958
Fringe Benefits	275,783	60,538	115,440	6,076	236,792	63,253	130,673	888,555	908,196
Building Occupancy	82,864	18,189	32,683	1,720	615,898	14,699	141,358	907,411	837,220
Professional Services	27,140	5,957	61,827	3,254	116,856	502,161	199,613	916,808	752,024
Travel	55,539	12,191	7,428	391	26,203	2,462	24,050	128,264	112,870
Equipment Costs	14,372	3,155	2,896	152	33,369	6,773	10,865	71,582	63,958
Client Transportation	50,411	11,066	4,336	-	3,556	-	29,097	98,466	106,676
Food Services	4,476	982	4,427	233	48,472	454	15,345	74,389	74,790
Medical and Pharmacy	162,397	35,648	143,619	7,559	9,735	4,677	775	364,410	393,155
Subcontracted Services	-	-	-	-	2,556,953	-	549	2,557,502	2,454,340
Insurance	143,908	31,590	64,346	3,387	139,379	21,987	32,671	437,268	431,733
Interest	-	-	-	-	-	-	46,430	46,430	35,649
Telephone and Connectivity	57,972	12,725	3,986	1,000	4,090	30,225	34,806	144,804	140,013
Client Services	59,321	13,022	4,079	1,023	4,185	109	1,766	83,505	150,537
Operating Supplies and Expenses	47,031	10,324	17,552	924	67,697	16,975	165,168	325,671	274,860
Credit losses (recovery)	126,367	27,739	3,381	178	93,709	-	-	251,374	174,886
Total Personnel and Expenses	3,379,493	741,838	1,485,629	79,562	5,938,269	1,146,650	1,540,931	14,312,372	13,590,865
Distributed Costs									
Program Support	502,461	132,522	210,451	13,404	287,812	(1,146,650)	-	-	-
General and Administrative	568,849	146,488	241,079	14,973	569,542	-	(1,540,931)	-	-
Total	\$ 4,450,803	\$ 1,020,848	\$ 1,937,159	\$ 107,939	\$ 6,795,623	\$ -	\$ -	\$ 14,312,372	\$ 13,590,865

The accompanying notes are an integral part of these financial statements.

Bridgeway Center, Inc.
Statement of Cash Flows

<i>For the year ended June 30,</i>	2025	2024
Cash Flows from Operating Activities		
Change in net assets	\$ (1,788,266)	\$ 1,454,884
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	149,641	189,800
Provision for credit losses	251,375	174,887
(Gain) Loss on disposal of assets	(3,359)	(15,138)
Change in operating assets and liabilities		
Accounts receivable	(174,331)	(168,296)
Grants and contracts receivable	383,819	71,370
Prepaid expenses	17,946	(62,451)
Other assets	3,697	(4,692)
Accounts payable	27,747	(159,346)
Salaries payable	35,549	(11,916)
Escrow deposits	(9,469)	5,779
Insurance finance agreement	(111,105)	213,756
Other liabilities	1,171,023	(561,179)
Net cash provided by (used in) operating activities	(45,733)	1,127,458
Investing activities		
Investment earnings reinvested	(4,762)	(5,114)
Purchase of property and equipment	(120,929)	(422,413)
Net cash provided by (used in) investing activities	(125,691)	(427,527)
Financing activities		
Lease		
Payments on note payable	(85,418)	(81,531)
Net cash provided by (used in) financing activities	(85,418)	(81,531)
Net increase in cash and cash equivalents	(256,842)	618,400
Cash and cash equivalents at beginning of year	6,090,830	5,472,430
Cash and cash equivalents at end of year	\$ 5,833,988	\$ 6,090,830
SUPPLEMENTAL CASH FLOW INFORMATION		
Cash paid for interest	\$ 46,430	\$ 35,649

The accompanying notes are an integral part of these financial statements.

NOTE 1: DESCRIPTION OF THE ORGANIZATION

Bridgeway Center, Inc. (“the Center”) is a tax-exempt 501(c)(3) non-profit organization. The Center is one of Okaloosa County’s largest non-profit organizations. Since 1966, the Center has provided care to clients and patients in both Fort Walton Beach and Crestview. The Center is nationally accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF) and licensed by the Florida Department of Children and Families for outpatient services for all ages. BCI offers a sliding scale fee for services based on total family income and number of dependents. The Center’s services are provided to clients experiencing issues such as depression, anxiety, bipolar disorder, schizophrenia, PTSD, substance abuse and addiction, behavioral problems, poor impulse control, and thoughts of harming oneself or others. The Center offers a therapeutic, supportive, and nurturing environment from a team of therapists, case managers, physicians, nurse practitioners, and nurses.

The Center provides the following programs:

Adult mental health – assessment, evaluation and case management; care coordination; psychiatric medication management: group, individual, and family therapy; aftercare and discharge planning; psycho-social wellness; and family strengthening and support services; mental health pre-trial program.

Children’s mental health – assessment, evaluation, and case management; care coordination; psychiatric medication management: group, individual, and family therapy; aftercare and discharge planning; psycho-social wellness; family strengthening and support services; children’s action team services; and child parent psychotherapy.

Adult Substance abuse – assessment, evaluation, and case management; care coordination; and outpatient detoxification.

Children’s substance abuse – assessment, evaluation, and case management; care coordination; and intensive substance use outpatient program

Other programs - supportive housing; mental health pre-trial program; primary care services; and DUI school.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to contributions of non-financial assets, allocation of functional expenses, and allowance for credit losses.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less.

Comparative Financial Information

The financial statements include certain prior year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Center's financial statements for the year ended June 30, 2024 from which the summarized information was derived.

Accounts Receivable

Accounts receivable are shown at unpaid balances, less an allowance for doubtful accounts. The Center provides for losses on accounts receivable using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of members to meet their obligations. Collections are impacted by the economic ability of patients to pay and the effectiveness of the Center's collection efforts.

Allowance for Credit Losses

Management evaluates its receivables on an ongoing basis by analyzing customer relationships and previous payment histories. The allowance for credit losses is management's best estimate of the amount of expected credit losses in the existing accounts based on current market conditions. Historically, losses on uncollectible accounts have been within management's expectations. The allowance for credit losses is reviewed on a periodic basis to ensure there is sufficient reserve to cover any potential credit losses. When receivables are considered uncollectible, they are charged against the allowance for credit losses. Collections on accounts previously written off are included in the change in net assets as received. The allowance for credit losses was \$38,695 at June 30, 2025.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Grant, Contract, and Other Receivables

Grant, contract and other receivables are stated at unpaid balances, less an allowance for doubtful accounts, if any. The Center provides for losses on these receivables using the allowance method. The allowance is based on experience, third-party contracts, and other circumstances, which may affect the ability of the donors to meet their obligation.

Grant, contract, and other receivables are considered impaired if full principal payments are not received in accordance with the contractual terms. It is the Center's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. At June 30, 2025, the Center considers all grant, contract, and other receivables fully collectible.

Certificates of Deposit

At June 30, 2025, the Center had \$133,981 funds held in two certificates of deposit at local financial institutions. The carrying value of these certificates of deposit are based on costs plus accrued interest which approximates fair value.

Prepaid Expenses

The Center has prepaid insurance premiums and other prepaid expenses as of June 30, 2025 with a future benefit of \$643,677. Expenses will be recognized in the period July 1, 2025, through June 30, 2026.

Property and Equipment

All acquisitions of property and equipment in excess of \$1,000 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of assets ranging from 5 to 7 years for equipment and 15 to 40 years for buildings and leasehold improvements.

Leases

The Center leases office space and equipment. The Center determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets, other current liabilities, and operating lease liabilities the statements of financial position. Finance leases are included in property and equipment, other current liabilities, and other long-term liabilities on the statements of financial position.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (continued)

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As most of the leases do not provide an implicit rate, the Organization uses [its incremental borrowing rate or a risk-free rate] based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the Organization will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

Our lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Escrow Deposits

The Center acts as an intermediary collecting and remitting funds from certain clients on behalf of various governmental agencies. The balance consists of the amount of monies collected, but not yet remitted at June 30, 2025. The balance also includes amounts held on behalf of patients at June 30, 2025.

Paid Time Off

The Center's policy for paid time off (PTO) permits all regular full and part-time employees to earn paid leave for each hour of pay received. These hours are to be used for any leave of absence such as sickness, bereavement, personal business and vacation. Paid leave earned is based on employees' hire date and length of service. The Center does not pay out accumulated PTO hours at termination; therefore no liability has been recorded for paid time off as of June 30, 2025.

Net Assets

The Center reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the Center, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets (continued)

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature, such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Revenue Recognition

Revenues are recorded during the period the Center's obligations for patient care services are satisfied. The Center's performance obligations for these outpatient services are generally satisfied over a period of less than one day. The contractual relationships with clients, in most cases, also involve a third-party payer (Medicare, Medicaid, managed health care plans and commercial insurance companies) and the transaction prices for the services provided are dependent upon the terms provided by (Medicare and Medicaid) or negotiated with (managed care health plans and commercial insurance companies) the third-party payers. The payment arrangements with third-party payers for the services the Center provides to the related clients typically specify payments at amounts less than our standard charges.

A significant portion of the Center's grants and contracts are derived from government agencies passed through various not-for-profits. These benefits received by the public as a result of the assets transferred is not equivalent to commensurate value received by the government and not-for-profit pass-through agencies and are therefore not considered exchange transactions. Grants and contracts are analyzed for measurable performance-related barriers or other barriers. Revenue is recognized as barriers are met. Funds received from non-exchange transactions in advance of barriers being met are recorded as refundable advances.

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Except for DUI restricted revenues, contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Center earns capitation income under risk agreement contracts with certain Health Maintenance Organizations (“HMOs”) and other payors in which a monthly funding amount is paid by the HMO to the Center for each covered member. The funding amount may vary depending on the demographics and health status of each member. Under these risk agreement contracts, the Center assumes the economic risk of the covered members’ healthcare services, which is limited to the covered members’ behavioral health care services and related administrative costs. Capitation income is recognized in the period in which the Center’s covered members are entitled to receive behavioral healthcare services.

Donor Restricted Revenues

Donor restricted revenues are residual receipts restricted for use in the DUI and Medicaid Capitated programs. For fiscal year 2025, DUI restricted revenues totaled \$335,237. The Center incurred total related DUI program expenses of \$378,654; however, the Center has a deficit fund balance as of June 30, 2025, totaling \$272,678, therefore the restrictions have been satisfied.

The Center receives donor restricted cash with Lakeview Center which is utilized to reduce the related IBNR payable for the Medicaid Capitated expenses. The IBNR estimated liability of \$270,095 as of June 30, 2025 exceeds the funded available cash of \$41,132 by \$228,963. As a result, there are no donor restricted net assets for the year ended June 30, 2025.

Third Party Reimbursement

Patient service revenue is reported at the estimated net realizable amount from patients, third parties, and others for services rendered. Revenues include amounts estimated by management to be reimbursable by Medicare and Medicaid under prospective payment systems, provisions of cost-reimbursements, and other payment methods. Approximately 50% of revenues, net of contractual allowances (but before the provision for bad debts), for the year ended June 30, 2025 are related to services rendered from Medicare and Capitated Medicaid programs. Adjustments to previous program reimbursement estimates are accounted for as contractual allowance adjustments and reported in the period that such adjustments become known.

Charity Care

The Center provides care to clients who meet certain criteria, either without charge or at amounts less than its established rates. The amounts classified as charity care are not reported as revenue or receivables and have been netted against First- and Third-Party Fees in the Statement of Activities.

Donated Assets

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance non-financial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the Center. Volunteers also provided fund-raising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Employee salaries and other expenses that benefit more than one program are allocated between multiple programs using historical and estimated units of time an employee works for each program. Building occupancy, utilities, and insurance expense are allocated via square footage or full-time equivalency ("FTE") percentages when applicable. General and administrative expenses including program expenses are allocated using FTE percentage allocations. General administrative bad debt expense derived from the notes receivable from related party has not been allocated to program expense.

Advertising

The Center uses advertising to promote its programs among the clients it serves. The production costs of advertising are expensed as incurred. During the year ended June 30, 2025, advertising costs totaled \$30,501.

Income Taxes

Under section 501(c)(3) of the Internal Revenue Code, the Center is exempt from taxes on income other than unrelated business income when applicable.

The Center utilizes the accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more-likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2025, the Center has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements.

Bridgeway Center, Inc.
Notes to Financial Statements

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 23, 2026. See Note 19 for related disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

NOTE 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY

The Center maintains its financial assets primarily in cash and cash equivalents to provide liquidity to ensure funds are available as the Center's expenditures come due. The following reflects the Center's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions.

<i>June 30,</i>	2025
Financial assets, at year-end	\$ 6,756,033
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions	
Cash restricted for Medicaid Capitated expenses	(41,132)
Financial assets available to meet cash needs for general expenditures within one year	\$ 6,714,901

The Center is primarily supported by its fees charged for the services it provides and reimbursed with grantors, insurance providers, and Medicaid/Medicare. The goal of the Center is to maintain available financial assets to meet its next 180 days of operating expenses.

NOTE 4: ACCOUNTS RECEIVABLE

<i>June 30,</i>	2025
Individuals	\$ 59,452
Third party insurance companies	8,777
Medicaid/Medicare	25,905
Total accounts receivable	94,134
Less: Allowance for credit losses	(38,695)
Accounts receivable, net	\$ 55,439

Bridgeway Center, Inc.
Notes to Financial Statements

NOTE 4: ACCOUNTS RECEIVABLE (Continued)

Changes in the allowance for credit losses during the year were as follows:

<i>For the year ended June 30,</i>	2025
Balance, beginning of year	\$ (43,000)
Provision for credit losses	(120,851)
Write-offs	125,156
Balance, end of year	\$ (38,695)

NOTE 5: GRANT AND CONTRACT RECEIVABLES

<i>June 30,</i>	2025
HUD	\$ 36,993
Northwest Florida Healthcare Networks	429,533
Okaloosa County	110,518
Substance Abuse and Mental Health Services Administration	130,460
Other	25,121
	\$ 732,625

Bridgeway Center, Inc.
Notes to Financial Statements

NOTE 6: PROPERTY AND EQUIPMENT

Property and equipment of land, buildings, building improvements and equipment as of June 30, 2025 are as follows:

<u>June 30,</u>	<u>Estimated Useful Lives (in years)</u>	<u>2025</u>
Land	-	\$ 1,699,684
Buildings	40	1,513,002
Building improvements	5 - 40	2,292,499
Equipment and software	3 - 10	1,500,446
Total property and equipment		7,005,631
Less accumulated amortization		(496,258)
Less accumulated depreciation		(4,005,248)
<u>Property and equipment, net</u>		<u>\$ 2,504,125</u>
<u>Construction in progress</u>		<u>\$ 524,254</u>

Grant funded capital assets may be restricted by the fund source program that originally purchased the asset. Custody of these assets could revert to the grantor upon completion or termination of the contract. Equipment purchased with agency funds is recorded at cost and depreciated on a straight-line basis over the estimated useful lives of the assets, primarily five to seven years. Included in the June 30, 2025 equipment totals are assets purchased with state and federal grants totaling \$54,516 that are fully depreciated. In addition, the Center has approximately \$354,000 of construction in progress from state grant funds as of June 30, 2025.

Note 7: LEASES

The Center has an operating lease for equipment. The lease has a remaining lease term of 5 years. As of June 30, 2025, operating lease right-of-use assets recorded under operating leases were 81,028.

The components of lease expense consist of the following:

<u>For the year ended June 30,</u>	<u>2025</u>
Operating lease cost	\$ 4,871
Short-term lease cost	\$ 1,205

Bridgeway Center, Inc.
Notes to Financial Statements

Note 7: LEASES (Continued)

Other information related to leases was as follows:

For the year ended June 30,	2025
Supplemental Cash Flow Information:	
Cash paid for amounts included in the measurement of lease liabilities:	
Operating cash flows from operating leases	\$ 4,871

Weighted average remaining lease term and discount rates consist of the following:

For the year ended June 30,	2025
Right-of-use assets obtained in exchange for lease obligations	\$ 84,865
Operating leases	
Weighted average remaining lease term	
Operating leases	5 years
Weighted average discount rate	
Operating leases	7.50%

Future minimum lease payments under non-cancellable leases as of December 31, 2025, were as follows:

For the years ending June 30,	Operating Leases
2026	\$ 17,860
2027	19,484
2028	19,484
2029	19,484
2030	19,484
Thereafter	1,624
Total future minimum lease payments	97,418
Less imputed interest	(16,390)
Present value of lease liabilities	\$ 81,028
Reported as of June 30, 2025	
Current operating lease liabilities	\$ 12,681
Long-term lease liabilities	68,347
Total	\$ 81,028

Bridgeway Center, Inc.
Notes to Financial Statements

NOTE 8: INSURANCE FINANCE AGREEMENT

The Center has obtained a short-term insurance finance agreement with a financial institution to finance its annual insurance policy premiums. The agreement is payable in monthly installments of \$43,270, bears interest at 7.89%, and matures in April 2026. The balance of the note at June 30, 2025 totaled \$427,133.

NOTE 9: NOTES PAYABLE

<i>June 30,</i>	2025
Lender and Terms	Outstanding Principal Balance
Loan with Hancock Bank; interest rates of 4.49%; monthly payments of principal and interest in the amount of \$9,765; secured with land and buildings with a net book value of \$306,181; matures August 2031	\$ 651,169
Less current maturities	(89,388)
Total	\$ 561,781

Principal maturities for each of the next five years and thereafter follow:

<i>For the years ending June 30,</i>	Amount
2026	89,388
2027	93,543
2028	97,841
2029	102,440
2030	107,202
Thereafter	160,755
Total	\$ 651,169

As a condition of notes payable, the Center is required to maintain unencumbered liquid assets of no less than \$650,000. See Note 3 for the Center's liquidity and availability of financial assets.

NOTE 10: LINE OF CREDIT

The Center has an open-end line of credit with a bank in the amount of \$450,000. The line of credit bears interest at the WSJ prime rate 8.5% as of June 30, 2025. The line of credit has no outstanding balance as of June 30, 2025. The line of credit is secured with current and future accounts receivables, requires monthly interest-only payments, and matures July 2026.

NOTE 11: REVENUE

Approximately 90% of the Center’s revenue consists of contributions, grants, and donated services. These items are not subject to ASC Topic 606. The remaining amount of revenue is from client fees.

Grants and Contracts

The Center receives a substantial portion of its grant funding, directly or indirectly, in the form of pass-through funding from Northwest Florida Healthcare Network (“NWFHN”). During the year ended June 30, 2025, the Center received approximately \$4.3 million from NWFHN for substance abuse and mental health (SAMH) services. This funding source represents 34% of total revenue for the Center.

Medicaid/Medicare Income

The Center receives a substantial portion of its funding as the exclusive behavioral healthcare provider in Okaloosa County with certain Health Maintenance Organizations (“HMOs”). During the year ended June 30, 2025, the Center recognized revenues for approximately \$3.3 million through Medicaid capitated contracts and \$629,000 from Medicaid/Medicare fee for services which represents 32% of total revenues. This funding source is dependent upon federal and state Medicaid funding for HMOs and Medicaid/Medicare fee for services. The managing entity for the HMO, Access Behavioral Health (“ABH”), is currently in negotiation with one of the insurance agencies providing capitated funds. As a result, the Center has received but not recognized cumulative revenues from the Medicaid capitated contract for \$1,728,886. The Center has established a correlating, contingent liability for anticipated repayment of funds back to ABH. The Center will recognize revenues to the extent the contingency is resolved in favor of the Center.

Disaggregated Revenue

<i>June 30,</i>	<i>2025</i>
Recognized at a point in time	
DUI revenue	\$ 335,237
Client, first and third party fees	1,304,932
Not subject to ASC Topic 606	
SAMH - Substance abuse and mental health funding	4,314,987
Local government funding	616,821
Other contracts and grants	1,945,941
Medicaid capitation funding	3,340,706
Contributions and donations	169,700
Other income	495,782
Total	\$ 12,524,106

The Center’s primary sources of funding are primarily from not-for-profits located in the Panhandle of Florida, the State of Florida, and the Federal government.

Note 12: CONTRIBUTIONS OF NON-FINANCIAL ASSETS

All donated goods were utilized by the Center’s program services. There were no donor-imposed restrictions associated with the contributed goods and there were no donated spaces or services for the year ended June 30, 2025.

The components of donated goods contributed to the Center consists of the following for the year ended June 30, 2025:

<i>For the year ended June 30, 2025</i>	Donated Goods
Program services:	
Mental Health (Adult and Children's)	\$ 145,512
Total	\$ 145,512

NOTE 13: CONCENTRATIONS OF CREDIT RISK

The Center places its cash and certificates of deposit with federally insured financial institutions. At times, the balances at these financial institutions may exceed the FDIC insured limits.

NOTE 14: CONTINGENCIES

The Center receives federal and state grants, Medicare, Medicaid, Capitated Medicaid funds, and other service fees. These funds may be subject to compliance audits or performance of service calculations by the federal or state government, community-based care providers (managing entities), or insurance companies. Ongoing, open audits of these programs have not yet been finalized. Accordingly, the amount, if any, of billings and expenditures which may be disallowed are not fully determined as of June 30, 2025.

NOTE 15: RETIREMENT PLAN

Upon hire, employees may, at their option, contribute a percentage of their salary to a Center-sponsored, defined contribution retirement plan. After one year of service, the Center will contribute 50% match for the benefit of any employee who makes a contribution up to 2%. Employees are fully vested in their contributions at all times. Vesting for employer contributions is based on years of service. Employees are fully vested in employer contributions after five years of service. For the year ended June 30, 2025, the Center utilized forfeitures held within the retirement plan to fund employer contributions.

NOTE 16: DRIVING UNDER THE INFLUENCE PROGRAM

The following information is provided to comply with State of Florida requirements related to the Driving Under the Influence (DUI) Program:

- a. As required by Section 322.293, Florida Statutes, and Administrative Code 15A-10.012, Bridgeway Center collects a state assessment fee of \$15 from every client enrolling in its DUI program and remits the fees to the State of Florida. State assessment fees collected and distributed to the State of Florida for the respective fiscal years ended June 30 are summarized as follows:

<i>June 30,</i>	2025	2024
DUI fees due from prior year	\$ 1,080	\$ 1,200
DUI fees collected current year	12,435	11,955
DUI fees remitted current year	(12,825)	(12,075)
Total DUI fees due to State	\$ 690	\$ 1,080

- b. The DUI program at the Center has established and maintained procedures which adequately account for all fees received and for all receipts created and/or issued by the program.
- c. There were no amounts due from participants at June 30, 2025.
- d. The allocation of indirect administrative costs to the DUI program is logical, fair, and equitable.

Bridgeway Center, Inc.
Notes to Financial Statements

NOTE 16: DRIVING UNDER THE INFLUENCE PROGRAM (Continued)

- e. Special Supervision Services for the year ended June 30 are summarized as follows:

<i>Year ended June 30,</i>	2025	2024
Revenues:		
Special supervision fees	\$ 38,810	\$ 38,982
Total revenues	38,810	38,982
Expenses:		
Salaries and related expenses:		
Salaries	55,708	55,771
FICA	3,971	3,872
Workers Compensation	665	648
Unemployment	467	455
Life Insurance	23	23
Total salaries and related expenses	60,834	60,769
Program and related expenses:		
Building occupancy	55	67
Professional services	648	193
Travel	24	12
Equipment cost	40	64
Insurance	167	106
Phone/connectivity	33	44
Operating supplies and expense	473	595
Total program and related expenses	1,440	1,081
Allocation of administration expenses	850	727
Total expenses	63,124	62,577
Net change	\$ (24,314)	\$ (23,595)

Bridgeway Center, Inc.
Notes to Financial Statements

NOTE 16: DRIVING UNDER THE INFLUENCE PROGRAM (Continued)

- f. The following are the DUI program's summarized financial statements as of and for the year ended June 30:

STATEMENT OF FINANCIAL POSITION - DUI PROGRAM

<i>June 30,</i>	2025	2024
Assets		
Cash	\$ 100	\$ 100
Equipment (net of accumulated depreciation)	2,989	5,870
Total assets	\$ 3,089	\$ 5,970
Liabilities		
Due to Bridgeway Center, Inc.	\$ 268,277	\$ 227,194
Salaries payable	7,490	8,037
Total liabilities	275,767	235,231
Net assets		
Net assets (deficit)	(269,689)	(223,391)
DUI fixed assets	(2,989)	(5,870)
Net assets (deficit)	(272,678)	(229,261)
Total liabilities and net assets	\$ 3,089	\$ 5,970

Bridgeway Center, Inc.
Notes to Financial Statements

NOTE 16: DRIVING UNDER THE INFLUENCE PROGRAM (Continued)

STATEMENT OF ACTIVITIES - DUI PROGRAM

<i>Year ended June 30,</i>	2025	2024
Revenues		
Fees	\$ 335,237	\$ 354,084
Total revenues	335,237	354,084
Expenses		
Salaries	175,943	178,178
Employee health and retirement benefits	18,205	18,640
Payroll taxes	11,941	12,196
Total salaries and related expenses	206,089	209,014
Building occupancy	4,080	4,971
Professional services	48,020	14,274
Travel	1,802	864
Equipment cost	2,969	4,755
Client transportation	29	271
Food services	373	554
Medical and pharmacy	2,072	4,027
Subcontracted services	27,896	30,002
Insurance	12,387	7,874
Phone/connectivity	2,427	3,271
Operating supplies and expense	4,631	9,255
Total direct expenses	106,686	80,118
Allocation of administrative expenses	62,998	53,837
Total expenses	375,773	342,969
Change in net assets	(40,536)	11,115
Change in DUI fixed assets (restricted equipment)	(2,881)	(1,920)
Total change in net assets	(43,417)	9,195
Net assets (deficit), beginning of year	(229,261)	(238,456)
Net assets (deficit), end of year	\$ (272,678)	\$ (229,261)

NOTE 17: COMMITMENT

In January 2024, the Center contracted with a local vendor for the construction of a transitional house totaling \$1,326,958 representing the cost of the work plus the contractor's fee. During the year ended June 30, 2024, the Center incurred project charges totaling \$353,774, which are included in construction in progress on the accompanying statement of financial position.

Subsequent to commencement of the project, the Center determined that the existing structure could not be renovated as originally planned due to the presence of mold and, as a result, the building was fully demolished using project funds. No construction activity occurred during the year ended June 30, 2025. Accordingly, at June 30, 2025, the remaining commitment under the construction contract totaled \$973,184. The Center has an appropriation for additional funding pending with the State of Florida for completion of the project. The project has an anticipated completion date in 2027.

NOTE 18: RENTAL REVENUE

The Center leases office space in Crestview and Fort Walton Beach to Genoa Healthcare, LLC. to use as an on-site pharmacy. The base rental rate is \$466 per month and \$697 per month beginning in 2020 and 2023, respectively, for the Crestview and Fort Walton Beach locations. The rent for each annual renewal term is calculated as the monthly rent in effect for the preceding term plus the annual cumulative percentage increase, if any, from the base period, in the Consumer Price Index (CPI). For the year ended June 30, 2025, total rental revenue related to these agreements totaled approximately \$19,000, which is included in other income on the accompanying statement of activities. The leases are renewable on an annual basis. The Center anticipates receiving \$22,194 of rental income for fiscal year 2026.

NOTE 19: SUBSEQUENT EVENT

In July 2025, the Center entered into an amended and restated 75-year ground lease with Willow Way Village, LLC, under which the Center, as landlord, leases land recorded on its books to Willow Way Village for annual base rent of \$1 and a one-time capital lease payment of \$940,000.

In January 2024, the Center requested federal and state tax credit and SAIL funding to support the development of the Willow Way Village project, which is a 72-unit permanent supportive housing development for individuals transitioning out of homelessness and individuals experiencing mental health and substance use disorders, with a preference to serve veterans. The Center participated in the development of the project through its involvement in planning, funding support, and service design. To facilitate its development role, the Center formed Bridgeway Housing Development ("BHD"), a separate legal entity, which served as a co-developer of the project. The Project financing was finalized in July 2025. Construction is on-going and is scheduled to be completed in the Fall 2026. The Center will provide supportive services on-site one operational.

SUPPLEMENTARY INFORMATION

Bridgeway Center, Inc.
Schedule of State Earnings - CF-MH1034
For the Year Ended June 30, 2025

1	Total Expenditures	\$ 14,312,372
2	Less Other State and Federal Funds	(6,840,780)
3	Less Non-Match SAMH Funds	(2,255,674)
4	Less Unallowable Costs per 65E-14, F.A.C.	<u>(251,374)</u>
5	Total Allowable Expenditures (Sum of lines 1, 2, 3, and 4)	4,964,544
6	Maximum Available Earnings (Line 5 times 75%)	3,723,408
7	Amount of State Funds Requiring Match	<u>450,511</u>
8	Amount Due to Department ** (Subtract line 7 from line 6)	<u><u>\$ 3,272,897</u></u>

** If this amount is negative, the amount of the difference is due to the Florida Department of Children and Families up to the amount of Line 7.

NOTE: The following schedules are not included as they do not apply to Bridgeway Center, Inc. for the year ended June 30, 2025.

- CF-MH1035 Schedule of Related Party Transaction Adjustments
- CF-MH1036 Schedule of Bed-Day Availability Payments

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PART I: ACTUAL FUNDING SOURCES & REVENUES

SAMH COVERED SERVICES or PROJECTS															
STATE-FUNDED															
FUNDING SOURCES & REVENUES	Mental Health											Assessment	Case Management		
	Assessment	Case Management	Medical Services	Outpatient (Indiv.)	Supportive Housing/Living	Incidental Expenses	Outpatient Group	Care Coordination	CAT Team	Other Bundled Projects	Mental Health Total				
	01	02	12	14	26	28	35	A4	B4	C0	B				
A												01	02		
IA. STATE SAMH FUNDING															
Current Year Funding															
Expenditure Report OCA#	Provider Subcontract #	Funding Source: F-Federal S-State F/S-Federal and State													
MH009	A0080	F/S	\$ 27,840	\$ 143,724	\$ 544,538	\$ 298,111	\$ 304,160	\$ -	\$ 238	\$ -	\$ -	\$ -	\$ 1,318,611	\$ -	\$ -
MH009	A0802	F/S		63,981									63,981		
MH076	A0080	S						8,967					8,967		
MH0CN	A0400	S						11,908		178,469			190,377		
MHCAT	A0230	S								742,855			742,855		
MHCJ4	A0802	F		82,500									82,500		
MHMDT	A0400	S									215,000		215,000		
MHTRV	A0080	S						12,819					12,819		
MS011	A0080	F/S											-	22,320	37,160
MS021	A0803	F/S											-		
MS0CN	A0400	S											-		
MSOCR	A0803	S											-		
MSOTR	A0080	S											-		
Total Current Year Funding			27,840	290,205	544,538	298,111	304,160	33,694	238	178,469	742,855	215,000	2,635,110	22,320	37,160
Carry Forward Funding													88,761		
Expenditure Report OCA#	Provider Subcontract #	Funding Source: F-Federal S-State F/S-Federal and State													
MHTRV	A0080	S						2,694					2,694		
MS925	A0080	S											-		
MSOCR	A0803	S											-		
MSOTR	A0080	S											-		
Total Carry Forward Funding			-	-	-	-	-	2,694	-	-	-	-	2,694	88,761	-
TOTAL STATE SAMH FUNDING =			27,840	290,205	544,538	298,111	304,160	36,388	238	178,469	742,855	215,000	2,637,804	111,081	37,160
IB. OTHER GOVERNMENT FUNDING															
(1) Other State Agency Funding					23,636								23,636		
(2) Medicaid			36,425	122,047	484,125	368,302	484,393						1,495,291	4,061	
(3) Local Government					2,768								2,768		
(4) Federal Grants and Contracts			587			5,935							6,522	2,665	
(5) In-kind from local govt. only													-		
TOTAL OTHER GOVERNMENT FUNDING			37,012	122,047	510,529	374,237	484,393	-	-	-	-	-	1,528,217	6,726	-
IC. ALL OTHER REVENUES															
(1) 1st & 2nd Party Payments			4,527		110,804	31,516	12,166						159,012	6,026	
(2) 3rd Party Payments (except Medicare)			3,352		45,937	33,897							83,186	50	
(3) Medicare			3,438		49,719	34,762	10,355						98,274		
(4) Contributions and Donations					145,512		5,120						150,632		
(5) Other			9			91							100		
(6) Client Fees													-		
TOTAL ALL OTHER REVENUES =			11,326	-	351,972	100,266	27,641	-	-	-	-	-	491,204	6,076	-
TOTAL FUNDING =			\$ 76,178	\$ 412,252	\$ 1,407,039	\$ 772,614	\$ 816,194	\$ 36,388	\$ 238	\$ 178,469	\$ 742,855	\$ 215,000	\$ 4,657,225	\$ 123,883	\$ 37,160

(Continued)

Bridgeway Center, Inc.
Program/Cost Center Actual Expenses & Revenues Schedule - CF-MH1037
For the Year Ended June 30, 2025

Substance Abuse										Total for State SAMH-Funded Covered Services or Projects (B+C) D	Total for Non-State-Funded Covered Services or Projects E	Total for All Covered Services or Projects (D+E) F	Non-SAMH Covered Services or Projects G	Total Funding (F+G) H
Medical Services 12	Outpatient (Indiv.) 14	TASC 27	Incidental Expenses 28	Aftercare (Indiv.) 29	Outpatient Detoxification 32	Outpatient Group 35	Care Coordination A4	Other Bundled Projects C0	Substance Abuse Total C					
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,318,611		\$ 1,318,611		\$ 1,318,611
										63,981		63,981		63,981
										8,967		8,967		8,967
										190,377		190,377		190,377
										742,855		742,855		742,855
										82,500		82,500		82,500
										215,000		215,000		215,000
										12,819		12,819		12,819
56,502	26,475	9,548				39,966			191,971	191,971		191,971		191,971
								655,095	655,095	655,095		655,095		655,095
			3,100				52,145		55,245	55,245		55,245		55,245
								102,686	102,686	102,686		102,686		102,686
61,120									61,120	61,120		61,120		61,120
117,622	26,475	9,548	3,100	-	-	39,966	52,145	757,781	1,066,117	3,701,227		3,701,227		3,701,227
										2,694		2,694		2,694
			67,091						67,091	67,091		67,091		67,091
								513,430	513,430	513,430		513,430		513,430
6,909									6,909	6,909		6,909		6,909
6,909	-	-	67,091	-	-	-	-	513,430	587,430	590,124		590,124		590,124
124,531	26,475	9,548	70,191	-	-	39,966	52,145	1,271,211	1,653,547	4,291,351		4,291,351		4,291,351
114,163									114,163	137,799		137,799		137,799
23,234	4,874					7,311			39,480	1,534,771	3,334,755	4,869,527	52,246	4,921,772
50,466									50,466	53,233	541,133	594,366	22,455	616,821
1,494	3,198					4,797			12,154	18,677		18,677	1,813,100	1,831,777
189,357	8,072	-	-	-	-	12,108	-	-	216,263	1,744,480	3,875,888	5,620,369	1,887,801	7,508,169
8,355	7,231					10,847			32,459	191,471		191,471	310,704	502,176
12,721	60					90			12,921	96,107		96,107	77,848	173,955
2,572									2,572	100,846		100,846	41,675	142,521
									-	150,632		150,632	19,068	169,701
									-	100		100	495,685	495,785
									-	-		-	335,237	335,237
23,648	7,291	-	-	-	-	10,937	-	-	47,952	539,156		539,156	1,280,217	1,819,375
\$ 337,536	\$ 41,838	\$ 9,548	\$ 70,191	\$ -	\$ -	\$ 63,011	\$ 52,145	\$ 1,271,211	\$ 1,917,762	\$ 6,574,987	\$ 3,875,888	\$ 10,450,876	\$ 3,168,018	\$ 13,618,895

PART II: ACTUAL EXPENSES

SAMH COVERED SERVICES

STATE-FUNDED

EXPENSE CATEGORIES	Mental Health											Assessment 1	Case Management 2	Medical Services 12
	Assessment	Case Management	Medical Services	Outpatient (Indiv.)	Supportive Housing/Living	Incidental Expenses	Outpatient Group	Care Coordination	CAT Team	Other Bundled Projects	Mental Health Total			
	1	2	12	14	26	28	35	A4	B4	C0	B			

IIA. PERSONNEL EXPENSES

(1) Salaries	\$ 44,910	\$ 292,264	\$ 921,985	\$ 439,797	\$ 341,964	\$ -	\$ 238	\$ 127,736	\$ 448,448	\$ 153,283	\$ 2,770,625	\$ 25,893	\$ 22,936	\$ 116,167
(2) Fringe Benefits	5,062	41,780	97,904	49,927	49,341			14,515	60,373	17,418	336,320	3,250	5,783	12,018
TOTAL PERSONNEL EXPENSES =	49,972	334,044	1,019,889	489,724	391,305	-	238	142,251	508,821	170,701	3,106,945	29,143	28,719	128,185

IIB. OTHER EXPENSES

								3,359						
(1) Building Occupancy	1,540	15,088	19,817	15,574	22,098			1,527	23,577	1,832	101,053	1,885	1,515	3,004
(2) Professional Services	959	5,276	7,678	9,692	5,030			831	2,634	998	33,098	300	102	12,953
(3) Travel	363	18,632	3,617	3,666	1,877			5,920	26,552	7,104	67,731	191	490	1,896
(4) Equipment	291	3,393	3,093	2,941	4,187			744	1,985	893	17,527	46	96	90
(5) Food Services	155	434	304	1,563	1,518			483	423	579	5,459	21	109	63
(6) Medical and Pharmacy	5	47	197,792	52	46			25	49	30	198,046	6	8	71,287
(7) Subcontracted Services		0						0	0		0			
(8) Insurance	3,030	27,871	37,913	30,637	25,349			8,706	31,543	10,448	175,497	2,101	1,239	7,255
(9) Interest Paid	0	0	0		0			0	0		0			
(10) Operating Supplies & Expenses	713	6,567	17,616	7,208	10,715			2,182	9,735	2,618	57,354	1,009	688	2,005
(11) Other	746	14,893	2,492	7,541	65,102	36,388		307	13,099	14,658	155,226	823	72	2,365
(12) Bad Debt	5,384	8,156	67,442	54,442	18,681						154,105	492		1,592
TOTAL OTHER EXPENSES =	13,186	100,357	357,764	133,316	154,603	36,388	-	20,725	109,597	39,160	965,096	6,874	4,319	102,510
TOT. PERSONNEL & OTH. EXP. =	63,158	434,401	1,377,653	623,040	545,908	36,388	238	162,976	618,418	209,861	4,072,041	36,017	33,038	230,695

IIC. DISTRIBUTED INDIRECT COSTS

(a) Other Support Costs (Optional)	13,413	105,795	198,983	136,549	102,656			30,998		37,197	625,591	11,152	4,362	26,253
(b) Administration	13,505	111,717	198,865	135,623	101,866			37,890	149,999	45,468	794,933	11,586	4,329	26,307
TOT. DISTR'D INDIRECT COSTS =	26,918	217,512	397,848	272,172	204,522	-	-	68,888	149,999	82,665	1,420,524	22,738	8,691	52,560

TOTAL ACTUAL OPER. EXPENSES =

	90,076	651,913	1,775,501	895,212	750,430	36,388	238	231,864	768,417	292,526	5,492,565	58,755	41,729	283,255
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IID. UNALLOWABLE COSTS

	5,384	8,156	67,442	54,442	18,681	-	-	-	-	-	154,105	492	-	1,592
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TOT. ALLOWABLE OPER. EXP. =

	\$ 84,692	\$ 643,757	\$ 1,708,059	\$ 840,770	\$ 731,749	\$ 36,388	\$ 238	\$ 231,864	\$ 768,417	\$ 292,526	\$ 5,338,460	\$ 58,263	\$ 41,729	\$ 281,663
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III. CAPITAL EXPENDITURES

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III. UNEARNED FUNDS, FUNDING ALLOCATIONS, AND EXCESS FUNDS

IIIA. Unearned Funds	\$ (56,852)	\$ (353,552)	\$ (1,163,521)	\$ (542,659)	\$ (427,589)	\$ -	\$ -	\$ (53,395)	\$ (25,562)	\$ (77,526)	\$ (2,700,656)	\$ 52,818	\$ (4,569)	\$ (157,132)
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(Continued)

Bridgeway Center, Inc.
Program/Cost Center Actual Expenses & Revenues Schedule - CF-MH1037
For the Year Ended June 30, 2025

Substance Abuse									Total for State SAMH-Funded Covered Services (B+C) D	Total for Non-State-Funded Covered Services E	Total for All Covered Services (D+E) F	Non-SAMH Covered Services G	Other Support Costs (optional) H	Administration I	Total Expenses (F+G+H+I*) J
Outpatient (Indiv.) 14	TASC 27	Incidental Expenses 28	Aftercare (Indiv.) 29	Outpatient Detoxification 32	Outpatient Group 35	Care Coordination A4	Other Bundled Projects C0	Substance Abuse Total C							
\$ 31,072	\$ 23,112	\$ -	\$ 10,926	\$ -	\$ 40,582	\$ 38,321	\$ 764,284	\$ 1,073,293	\$ 3,843,918	\$ 312,833	\$ 4,156,751	\$ 1,668,541	\$ 482,876	\$ 707,765	\$ 7,015,933
3,900	4,105		1,580		5,160	4,355	81,366	121,517	457,837	35,780	493,617	201,012	63,253	130,673	888,555
34,972	27,217	-	12,506	-	45,742	42,676	845,650	1,194,810	4,301,755	348,613	4,650,368	1,869,553	546,129	838,438	7,904,488
2,262	2,123		1,178		3,352	463	18,622	34,404	135,457	112,834	248,291	503,063	14,699	141,358	907,411
360	178		91		479	249	50,369	65,081	98,179	5,524	103,703	111,331	502,161	199,613	916,808
229	506		52		432	1,776	2,246	7,818	75,549	921	76,470	25,282	2,462	24,050	128,264
55	70		9		101	223	2,358	3,048	20,575	2,083	22,658	31,286	6,773	10,865	71,582
25	22		10		32	145	4,233	4,660	10,119	40,132	50,251	8,339	454	15,345	74,389
8	6	68,000	4		11	7	11,840	151,177	349,223	1,795	351,018	7,940	4,677	775	364,410
								-	-		-	2,556,953		549	2,557,502
2,522	2,168		929		2,986	2,612	45,921	67,733	243,230	25,837	269,067	113,543	21,987	32,671	437,268
								-	-		-			46,430	46,430
1,211	482		237		1,832	696	10,316	18,476	75,830	11,194	87,024	56,504	16,975	165,168	325,671
1,211	741	3,100	461		1,221	564	3,811	14,369	169,595	21,171	190,766	40,009	30,333	65,669	326,777
590			-10		895			3,559	157,664	11,477	169,141	82,231			251,372
8,473	6,296	71,100	2,961	-	11,341	6,735	149,716	370,325	1,335,421	232,968	1,568,389	3,536,481	600,521	702,493	6,407,884
43,445	33,513	71,100	15,467	-	57,083	49,411	995,366	1,565,135	5,637,176	581,581	6,218,757	5,406,034	1,146,650	1,540,931	14,312,372
13,383	8,046			140,531	20,074	9,299	140,531	373,631	999,222		999,222	147,428	-1,146,650		-
13,903	9,589			169,539	20,854	11,367	169,540	437,014	1,231,947	59,128	1,291,075	249,856		-1,540,931	-
27,286	17,635	-	-	310,070	40,928	20,666	310,071	810,645	2,231,169	59,128	2,290,297	397,284	-1,146,650	-1,540,931	
70,731	51,148	71,100	15,467	310,070	98,011	70,077	1,305,437	2,375,780	7,868,345	640,709	8,509,054	5,803,318	-	-	14,312,372
590	-	-	-10	-	895	-	-	3,559	157,664	11,477	169,141	82,231			251,372
\$ 70,141	\$ 51,148	\$ 71,100	\$ 15,477	\$ 310,070	\$ 97,116	\$ 70,077	\$ 1,305,437	\$ 2,372,221	\$ 7,710,681	\$ 629,232	\$ 8,339,913	\$ 5,721,087			\$ 14,061,000
\$ (43,666)	\$ (41,600)	\$ (909)	\$ (15,477)	\$ (310,070)	\$ (57,150)	\$ (17,932)	\$ (34,226)	\$ (718,674)	\$ (3,419,330)						

Bridgeway Center, Inc.
Schedule of Expenditures of Federal Awards and State Projects

Year ended June 30, 2025

Grantor/Program Title	Assistance Listing Number	Grant Contract Number	Amount Provided to Subrecipients	Amount of Expenditures
Not Clustered				
U.S Department of Health and Human Services				
Direct Programs:				
Certified Community Behavioral Health Clinic Expansion Grants	93.696	5H79SM086492	\$ -	\$ 1,206,061
Substance Abuse and Mental Health Services Projects of Regional and National Significance	93.243	5H79SM088360	-	214,996
Indirect Programs:				
Passed Through Florida Department of Children and Families:				
Passed Through Northwest Florida Health Network Community Based Care:				
Block Grants for Community Mental Health Services	93.958	A0080	-	186,754
		A0230	-	38,156
		A0802	-	91,502
Subtotal for ALN 93.958 - Block Grants for Community Mental Health Services				316,412
Block Grants for Prevention and Treatment of Substance Abuse	93.959	A0080	-	93,500
		A0803	-	319,066
Passed Through Florida Alcohol and Drug Abuse Association:				
Block Grants for Prevention and Treatment of Substance Abuse	93.959	N/A	-	45,720
Subtotal for ALN 93.959 - Block Grants for Prevention and Treatment of Substance Abuse				458,286
Opioid STR	93.788	N/A	-	7,350
Total U.S. Department of Health and Human Services			-	2,203,105
U.S Department of Housing and Urban Development				
Direct Program:				
Continuum of Care	14.267	FL0887L4H052301	-	392,073
Total U.S. Department of Housing and Urban Development			-	392,073
U.S Department of Treasury				
Indirect Program:				
Passed Through Okaloosa County, Florida				
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	NP 19320	-	16,282
Total U.S. Department of Treasury			-	16,282
Total Expenditures of Federal Awards			\$ -	\$ 2,611,460

(Continued)

Bridgeway Center, Inc.

Schedule of Expenditures of Federal Awards and State Projects (Continued)

Year ended June 30, 2025

Grantor/Program Title	CSFA Number	Grant Contract Number	Amounts Provided to Subrecipients	Amount of Expenditures
STATE FINANCIAL ASSISTANCE/PROJECTS:				
Florida Department of Children and Families				
Indirect Programs:				
Passed Through Northwest Florida Health Network				
Community Based Care				
State Opioid Settlement Trust Fund Services	60.355	A0080	\$ -	\$ 61,120
		A0803	-	616,115
Subtotal for CSFA 60.355 - State Opioid Settlement Trust Fund Services				677,235
Substance Abuse and Mental Health - Community Services	60.153	A0280	-	325,000
Total Florida Department of Children and Families				1,002,235
Florida State Courts System				
Indirect Programs:				
Passed through Florida Alcohol and Drug				
Abuse Association				
Naltrexone	22.022	N/A	-	19,389
Medically Assisted Drug Treatment Program	22.030	N/A	-	49,713
Total Florida State Courts System				69,102
Total Expenditures of State Financial Assistance/ Projects			\$ -	\$ 1,071,337

Bridgeway Center, Inc.

Notes to Schedule of Expenditures of Federal Awards and State Projects

NOTE 1: BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state projects (“the Schedule”) represents amounts expended from federal award programs and state projects during the fiscal year as determined on the accrual basis of accounting. The federal awards 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). The state projects information in the Schedule is presented in accordance with the requirements of the Department of Financial Services Rules, Chapter 69I-5, Florida Administrative Code, State Financial Assistance. Funds that are not subject to Uniform Guidance or the Florida Single Audit Act (F.S. 215.97) and Chapter 10.650, Rules of the Auditor General are not included in the Schedule.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The amounts reported on the Schedule have been reconciled to and are in material agreement with amounts recorded in the Center’s accounting records from which the basic financial statements have been reported. Federal funds that are not subject to the Uniform Guidance are not included on this schedule. The Center does not have any federal loans, loan guarantees, or noncash assistance relating to federal awards or state projects.

NOTE 3: INDIRECT COST RATE

The Center has elected to use the de minimis indirect cost rate of 10% from July 1, 2024, through March 2025. Effective April 2025, the Center utilized an indirect cost rate of 31% as approved by the Department of Health & Human Services.



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**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***

To the Board of Trustees
Bridgeway Center, Inc.
Fort Walton Beach, Florida

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 financial statements of Bridgeway Center, Inc. ("the Center") (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 23, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Bridgeway Center, Inc.'s internal control over financial reporting (internal control) as a basis for designing the 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 the Center's internal control. Accordingly, we do not express an opinion on the effectiveness of the Center's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Center'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 Center's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Center's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida

March 23, 2026



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**INDEPENDENT AUDITOR’S REPORT ON COMPLIANCE FOR
EACH MAJOR PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL
OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER
10.650, RULES OF THE AUDITOR GENERAL**

To the Board of Trustees
Bridgeway Center, Inc.
Fort Walton Beach, Florida

Report on Compliance for Each Major Federal Program and State Projects

Opinion on Each Major Federal Program and State Projects

We have audited Bridgeway Center Inc.’s (“the Center”) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the Department of Financial Services’ *State Projects Compliance Supplement* that could have a direct and material effect on each of the Center’s major federal programs and state projects for the year ended June 30, 2025. The Center’s major federal program and state projects are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

In our opinion, Bridgeway Center, Inc. complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program and State Projects

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); and Chapter 10.650, Rules of the Auditor General. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General are further described in the Auditor’s Responsibilities for the Audit of Compliance section of our report.

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

Auditor's 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 the Center'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*, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General 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 the Center's compliance with the requirements of each major federal program and state projects as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, Rules of the Auditor General, 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 the Center'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 the Center'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 and Chapter 10.650, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the Center'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 or state project 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 or state project 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 or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's 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 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 and Chapter 10.650, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida

March 23, 2026

Bridgeway Center, Inc.
Schedule of Findings and Questioned Costs
June 30, 2025

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified? yes no
- Significant deficiency(es) identified? yes none noted

Noncompliance material to financial statements noted? yes no

Federal Awards and State Financial Assistance

Internal control over major federal programs and major state projects:

- Material weakness(es) identified? yes no
- Significant deficiency(es) identified? yes none noted

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

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Part 200.516(a) of the Uniform Guidance or Chapter 10.650, Rules of the Auditor General? yes none noted

Identification of major federal programs:

- ALN #93.696 Certified Community Behavioral Health Clinic Expansion Grants

Identification of major state projects:

- State CSFA #60.355 State Opioid Settlement Trust Fund Services

The dollar threshold used to distinguish between type A and B programs was \$750,000 for major federal programs and \$321,401 for major state projects.

Auditee qualified as a low-risk auditee? yes no

FINANCIAL STATEMENT FINDINGS

None noted

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FINDINGS

None noted

Bridgeway Center, Inc.
Prior Year Schedule of Findings and Questioned Costs
June 30, 2025

PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None noted

PRIOR YEAR FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE FINDINGS

None noted



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MANAGEMENT LETTER

To the Board of Trustees
Bridgeway Center, Inc.
Fort Walton Beach, Florida

Report on the Financial Statements

We have audited the financial statements of Bridgeway Center, Inc. (“the Center”) as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated March 23, 2026.

Auditor’s Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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); and Chapter 10.650, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor’s Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; and Schedule of Findings and Questioned Costs. Disclosures in those reports, which are dated March 24, 2025, should be considered in conjunction with this management letter.

Additional Matters

10.654(1)(e), Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Florida Highway Safety and Motor Vehicles, the Board of Trustees, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Miramar Beach, Florida
March 23, 2026