COMMUNITY AND ECONOMIC DEVELOPMENT ORANIZATION OF GADSDEN COUNTY, INC., D/B/A CROSSROAD ACADEMY CHARTER SCHOOL (A COMPONENT UNIT OF GADSDEN COUNTY SCHOOL DISTRICT)

FINANCIAL STATEMENTS

JUNE 30, 2025

COMMUNITY AND ECONOMIC DEVELOPMENT ORANIZATION OF GADSDEN COUNTY, INC., D/B/A CROSSROAD ACADEMY CHARTER SCHOOL

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JUNE 30, 2025

JAMESMOORE

INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
Community and Economic Development
Organization of Gadsden County, Inc.,
d/b/a Crossroad Academy Charter School:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Community and Economic Development Organization of Gadsden County, Inc., D/B/A Crossroad Academy Charter School (the "School") (a component unit of the Gadsden County School District) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the School's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to the financial audits contained in *Government Auditing Standards* (GAS), 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 the School and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Implementation of New Accounting Standard

As discussed in Note 11 to the financial statements, the School adopted the provisions of the Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences*, (GASB101). Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the School's ability to continue as a going concern for twelve months after the date of the financial statements 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 GAAS and GAS 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 judgement made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and GAS, we:

- Exercise professional judgement 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 the 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 the 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 and other required supplementary information as listed in the table of contents be presented to supplement the basic financial statements. Such information, although not a part of the basic 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 basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School's basic financial statements. The Schedule of Expenditures of Federal Awards, as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The Schedule of Expenditures of Federal Awards is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 December 1, 2025, on our consideration of the School'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 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 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 School's internal control over financial reporting and compliance.

James Moore & Co., P.L.

Tallahassee, Florida
December 1, 2025

This discussion and analysis (MD&A) of the Community and Economic Development Organization of Gadsden County, Inc., D/B/A Crossroad Academy Charter School's (the "School") financial condition provides an overview of financial activity, identifies changes in financial position and assists the reader in focusing on significant financial issues. The primary purpose of the School is to provide an educational program for approximately 612 students. It is important to the long-term existence of the School to maintain its financial health. Net position is accumulated only to the extent required to ensure that there are sufficient reserve funds for future operations and for new capital needs.

The MD&A provides summary level financial information; therefore, it should be read in conjunction with the accompanying financial statements.

SIGNIFICANT ACTIVITIES DURING FISCAL YEAR 2024-2025 ARE NOTED BELOW:

- The School's enrollment was 612 students as compared to 570 in the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Financial Statements

The financial statements presented herein include all of the activities of the School using the integrated approach as prescribed by GASB.

The government-wide financial statements present the financial picture of the School from the economic resources measurement focus using the accrual basis of accounting. They present governmental activities. These statements include all assets of the School as well as all liabilities. Additionally, certain eliminations have occurred as prescribed by the statement in regards to interfund activity, payables and receivables.

The fund financial statements include statements for the governmental activities. The governmental funds are prepared using the current financial resources measurement focus and modified accrual basis of accounting.

Reconciliations of the fund financial statements to the government-wide financial statements are provided to explain the differences created by the integrated approach.

The Primary unit of the government is the School Board of Gadsden County, Florida.

An overview of significant financial information from the current year includes:

- The School's net position was $11,981,705 at June 30, 2025.
- Total governmental funds have expenditures exceeding revenues and other financing uses by $848,348.
- Capital assets, net of depreciation, equaled $7,856,607.
- The School's governmental funds reported combined ending fund balances of $6,868,102.

REPORTING THE SCHOOL AS A WHOLE

The Statement of Net Position and the Statement of Activities

The *Statement of Net Position* and the *Statement of Activities* report information about the School as a whole and about its activities. These statements include *all* assets and liabilities of the School using the accrual basis accounting, which is similar to the accounting used by most private-sector companies. All of the current year revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the School's *net position* and changes in them. Net position is the difference between assets and liabilities and is one way to measure the School's financial health, or *financial position*. Over time, *increases or decreases* in the School's net position are one indicator of whether its financial health is improving or deteriorating. Other factors to consider are changes in the School's revenue base and the condition of the School's capital assets.

The relationship between revenues and expenses is the School's operating results. Since the Board's responsibility is to provide services to our students and not to generate profit as commercial entities do, one must consider other factors when evaluating the overall health of the School. The quality of the education and the safety of our schools will likely be an important component in this evaluation.

Net Position

The School's net position was $11,981,705 for the fiscal year ended June 30, 2025. Of this amount, $6,885,977 was unrestricted. Restricted net position is reported separately to show legal constraints from debt covenants, grantors, constitutional provisions and enabling legislation that limit the School's ability to use the net position for day-to-day operations. Our analysis below, in summary form, focuses on the net position and change in net position of the School's governmental activities.

	June 30, 2025	June 30, 2024
Current and other assets	$ 8,011,417	$ 8,399,630
Capital assets	7,856,607	5,368,838
Total assets	15,868,024	13,768,468
Deferred outlfows	632,851	-
Current liabilities	1,143,315	776,744
Long-term liabilities	3,335,062	1,403,739
Total Liabilities	4,478,377	2,180,483
Deferred inflows	40,793	-
Net position		
Net investment in capital assets	5,095,728	3,897,980
Unrestricted	6,885,977	7,690,005
Total Net Position	$ 11,981,705	$ 11,587,985

Changes in Net Position

The results of this year's operations for the School as a whole are reported in the Statement of Activities on page 10. The table below takes the information from the Statement and rearranges it slightly to more readily identify the total revenues for the year.

	June 30, 2025	June 30, 2024
Revenues		
Gasden County School District	$ 4,118,036	$ 3,768,845
Public education capital outlay program	316,224	295,564
Operating grants and contributions	1,024,770	2,450,955
Charges for services	375,888	284,966
Other general revenues	106,733	125,269
Interest	218,620	228,269
Total Revenues	6,160,271	7,153,868
Expenses		
Instructional services	3,129,005	3,141,708
Instructional support services	442,056	886,002
Board	394,834	277,334
School administration	893,679	719,532
Fiscal services	816	653
Food services	93,083	81,283
Central services	5,781	10,987
Operation of plant	266,541	233,885
Maintenance on plant	220,602	523,604
Interest	62,016	46,648
Depreciation (Unallocated)	198,619	-
Total expenses	5,707,032	5,921,636
Change in Net Position	$ 453,239	$ 1,232,232

The increase in net position is primarily a result of additional FEFP revenue recognized by the School due to an increase in the base allocation rate per student compared with prior year.

Governmental Activities

All of the School's services are reported in this category. This includes the education of kindergarten through eighth grade students, and the on-going effort to improve and maintain capital assets. Revenues received from the Florida Education Finance Program through the Gadsden County Public School system, Federal grants and miscellaneous local revenues finance these activities.

REPORTING THE SCHOOL'S MOST SIGNIFICANT FUNDS

Fund Financial Statements

The fund financial statements provide detailed information about the most significant funds – not the School as a whole. Some funds are required to be established by State law. However, management may establish various funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other monies that it receives.

Governmental funds—The School's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using the modified accrual accounting method, which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the School's general government operations and the basic services it provides. Governmental fund information helps determine whether there are more or fewer financial resources that can be spent in the near future to finance the School's programs. The differences between the governmental fund financial statements and the government-wide financial statements are explained in reconciliations following each governmental fund financial statement.

THE SCHOOL'S FUNDS

For the year ended June 30, 2025, the governmental funds reported a combined fund balance of $6,818,581.

	Fund Balance June 30, 2025	Fund Balance June 30, 2024
General Fund	$ 6,868,102	$ 7,716,450
Total	$ 6,868,102	$ 7,716,450

The general fund is the chief operating fund of Crossroad Academy Charter School. At the end of the current fiscal year, unassigned fund surplus of the general fund was $6,823,810. The total general fund balance decreased by $848,348 during the current fiscal year. The capital fund monies are required to be spent on certain things set forth in the Florida Statutes. At the end of the current fiscal year, restricted fund balance surplus of the capital projects fund was $0, a $0 change from the prior year. The special revenue fund is used to account for receipts and expenditures for grants. All of the monies in the special revenue fund were spent as of June 30, 2025, and June 30, 2024.

General Fund Budgetary Highlights

During the course of the fiscal year, the School revises its General Fund Budget in order to deal with unexpected changes in revenue and expenditures. The Governing Board adopts its initial budget based on projected enrollment and the corresponding projected revenues. Amendments are primarily required to reflect changes in revenue estimates from the State of Florida Education Finance Program (FEFP) as actual enrollments are determined. A schedule showing the School's original and final General Fund budget amounts compared with actual amounts paid and received is provided in the required supplementation information. No amendments to budget noted the current fiscal year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets and Debt

Information on the School's debt can be found in Note 10, see table of contents for notes to the financials.

At June 30, 2025, the School had $7,856,607 invested in depreciable capital assets (net of depreciation), including furniture, equipment and building improvements.

	Governmental Activities June 30, 2025
Capital assets, being depreciated	
Audio and visual equipment	$ 151,138
Building improvements	5,371,912
Computer equipment	585,156
Furniture	112,609
Vehicles	55,497
Accumulated Depreciation	(2,416,035)
Totals	$ 3,860,277

In addition, the School had $3,996,330 in non-depreciable capital assets.

ECONOMIC FACTORS

The economic position of the school for general operating is closely tied to that of the State. The formula for determining funding for education is set by Statute. State funds to charter schools are provided primarily by legislative appropriations from the State's general revenue funds under the Florida Education Finance Program (FEFP), and the State funding for operations is primarily from sales, gasoline, and corporate income taxes. Additionally, the level of tourism in the State heavily influences the amount of taxes collected. Significant changes in State revenue collections could directly impact future School revenue allocations.

CONTACTING THE SCHOOL'S FINANCIAL MANAGEMENT

This financial report is designed to provide citizens, taxpayers, parents and creditors with a general overview of the School's finances, and to demonstrate the School's accountability for the money it receives. If readers have any questions about this report or need additional financial information, contact the Principal, at the School, 470 Strong Road, Quincy, Florida 32351.

COMMUNITY AND ECONOMIC DEVELOPMENT ORGANIZATION OF GADSDEN COUNTY, INC., D/B/A CROSSROAD ACADEMY CHARTER SCHOOL
STATEMENT OF NET POSITION
JUNE 30, 2025

		Governmental Activities
Assets		
Cash and cash equivalents	$	6,084,283
Certificate of deposit		272,417
Due from other agencies		1,610,425
Prepaid items		44,292
Capital assets, not being depreciated		3,996,330
Capital assets, being depreciated, net		3,860,277
Total Assets	$	15,868,024
Deferred Outflows		
Related to changes in the net pension liability	$	632,851
Liabilities		
Accounts payable and accrued expenses	$	1,113,956
Accrued interest		29,359
Long-term liabilities:		
Net pension liability		476,851
Compensated absences		97,332
Due within one year - notes payable		1,674,200
Due within more than one year - notes payable		1,086,679
Total Liabilities	$	4,478,377
Deferred Inflows		
Related to changes in the net pension liability	$	40,793
Net Position		
Net investment in Capital Assets	$	5,095,728
Unrestricted		6,885,977
Total Net Position	$	11,981,705

The accompanying notes are an integral part of this financial statement.

COMMUNITY AND ECONOMIC DEVELOPMENT ORGANIZATION OF GADSDEN COUNTY, INC., D/B/A CROSSROAD ACADEMY CHARTER SCHOOL
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

		Program Revenues			Net (Expenses) Revenues and Changes in Net Position
Functions/Programs	**Expenses**	**Charges For Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**
Governmental Activities					
Instructional services	$ 3,129,005	$ 375,888	$ 1,024,770	$ -	$ (1,728,347)
Instructional support services	442,056	-	-	-	(442,056)
Board	394,834	-	-	-	(394,834)
School administration	893,679	-	-	-	(893,679)
Fiscal services	816	-	-	-	(816)
Food services	93,083	-	-	-	(93,083)
Central services	5,781	-	-	-	(5,781)
Operation of plant	266,541	-	-	-	(266,541)
Maintenance on plant	220,602	-	-	316,224	95,622
Interest	62,016	-	-	-	(62,016)
Depreciation (Unallocated)	198,619	-	-	-	(198,619)
Total Governmental Activities	$ 5,707,032	$ 375,888	$ 1,024,770	$ 316,224	(3,990,150)

General revenues:	
Gasden County School District	4,118,036
Other State revenue	92,963
Other Local revenue	13,770
Interest	218,620
Total General Revenues	4,443,389
Change in Net Position	453,239
Net Position - Beginning of year	11,586,435
Adoption of GASB 101	(57,969)
Net Position - Beginning of year, as restated	11,528,466
Net Position - Ending of year	$ 11,981,705

The accompanying notes are an integral part of this financial statement.

COMMUNITY AND ECONOMIC DEVELOPMENT ORGANIZATION OF GADSDEN COUNTY, INC., D/B/A CROSSROAD ACADEMY CHARTER SCHOOL
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2025

	General Fund	Capital Projects Fund	Special Revenue Fund	Other Governmental Fund	Total Governmental Funds
Assets					
Current Assets					
Cash and cash equivalents	$ 6,081,497	$ -	$ -	$ 2,786	$ 6,084,283
Certificate of deposit	272,417	-	-	-	272,417
Due from other agencies	1,610,425	-	-	-	1,610,425
Due from other funds	2,786	-	-	-	2,786
Prepaid items	44,292	-	-	-	44,292
Total Assets	$ 8,011,417	$ -	$ -	$ 2,786	$ 8,014,203
Liabilities and Fund Balances					
Current Liabilities					
Accounts payable and accrued expense	$ 1,113,956	$ -	$ -	$ -	$ 1,113,956
Accrued interest	29,359	-	-	-	29,359
Due to other funds	-	-	-	2,786	2,786
Total Liabilities	1,143,315	-	-	2,786	1,146,101
Fund Balances					
Nonspendable for prepaid items	44,292	-	-	-	44,292
Unrestricted	6,823,810	-	-	-	6,823,810
Total Fund Balances	6,868,102	-	-	-	6,868,102
Total Liabilities and Fund Balances	$ 8,011,417	$ -	$ -	$ 2,786	$ 8,014,203

The accompanying notes are an integral part of this financial statement.

COMMUNITY AND ECONOMIC DEVELOPMENT ORGANIZATION OF GADSDEN COUNTY, INC., D/B/A CROSSROAD ACADEMY CHARTER SCHOOL GOVERNMENTAL FUNDS RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION JUNE 30, 2025

Total Fund Balance - Governmental Funds		$ 6,868,102
Amounts reported for Governmental Activities in the Statement of Net Position are Different Because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in governmental funds:		
Capital assets	10,272,642	
Accumulated depreciation	(2,416,035)	
		7,856,607
Long term debt not due and payable in the current period and, therefore, are not reported in the funds.		
Compensated absences	(97,332)	
Notes payable	(2,760,879)	
		(2,858,211)
Net pension liability and related deferred inflows/outflows are not due and payable in the current period and, therefore, are not reported in the funds.		
Net pension liability	(476,851)	
Deferred outflows related to net pension liability	632,851	
Deferred inflows related to net pension liability	(40,793)	
		115,207
Total Net Position - Governmental Activities		$ 11,981,705

The accompanying notes are an integral part of this financial statement.

**COMMUNITY AND ECONOMIC DEVELOPMENT
ORGANIZATION OF GADSDEN COUNTY, INC.,
D/B/A CROSSROAD ACADEMY CHARTER SCHOOL
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2025**

	General Fund	Capital Projects Fund	Special Revenue Fund	Other Governmental Fund	Total Governmental Funds
Revenues					
Gasden County School District	$ 4,118,036	$ -	$ -	$ -	$ 4,118,036
Federal through state	500	-	1,024,270	-	1,024,770
Other State	92,963	-	-	-	92,963
Local	262,770	316,224	-	126,888	705,882
Interest Income	218,620	-	-	-	218,620
Total revenues	4,692,889	316,224	1,024,270	126,888	6,160,271
Expenditures					
Instructional services	3,104,406	-	-	126,888	3,231,294
Instructional support services	442,056	-	-	-	442,056
Board	394,834	-	-	-	394,834
School administration	893,679	-	-	-	893,679
Fiscal services	816	-	-	-	816
Food services	93,083	-	-	-	93,083
Central services	5,781	-	-	-	5,781
Operation of plant	266,541	-	-	-	266,541
Maintenance of plant	220,602	-	-	-	220,602
Facilities acquisition	2,687,938	-	-	-	2,687,938
Debt service:					
Principal	93,564	-	-	-	93,564
Interest	62,016	-	-	-	62,016
Total expenditures	8,265,316	-	-	126,888	8,392,204
Excess (Deficiency) of Revenues Over Expenditures	(3,572,427)	316,224	1,024,270	-	(2,231,933)
Other Financing Sources (Uses)					
Notes payable issued	1,383,585	-	-	-	1,383,585
Transfers In	1,340,494	-	-	-	1,340,494
Transfers Out	-	(316,224)	(1,024,270)	-	(1,340,494)
Total Other Financing Sources (Uses)	2,724,079	(316,224)	(1,024,270)	-	1,383,585
Net Changes in Fund Balances	(848,348)	-	-	-	(848,348)
Fund Balances, Beginning of year	7,716,450	-	-	-	7,716,450
Fund Balances, Ending of year	$ 6,868,102	$ -	$ -	$ -	$ 6,868,102

The accompanying notes are an integral
part of this financial statement.

COMMUNITY AND ECONOMIC DEVELOPMENT ORGANIZATION OF GADSDEN COUNTY, INC., D/B/A CROSSROAD ACADEMY CHARTER SCHOOL
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2025

Total Net Change in Fund Balances - Governmental Funds		$ (848,348)
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:		
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures, however, for governmental activities, those costs are shown in the statement of net position and allocated over their estimated useful lives as annual depreciation expenses in the statements of activities.		
Capital outlays	2,687,938	
Depreciation expense	(198,619)	
		2,489,319
The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds.		
Principal paid of long term debt	93,564	
Notes payable issued	(1,383,585)	
		(1,290,021)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		
Change in compensated absences	(12,918)	
Change in net pension liability	(476,851)	
Change in deferred outflows related to net pension liability	632,851	
Change in deferred inflows related to net pension liability	(40,793)	
		102,289
Change in Net Position of Governmental Activities		$ 453,239

The accompanying notes are an integral part of this financial statement.

COMMUNITY AND ECONOMIC DEVELOPMENT ORANIZATION OF GADSDEN COUNTY, INC., D/B/A CROSSROAD ACADEMY CHARTER SCHOOL NOTES TO FINANCIAL STATEMENTS JUNE 30, 2025

(1) **Summary of Significant Accounting Policies:**

The following is a summary of the more significant accounting policies of the Community and Economic Development Organization of Gadsden County, Inc., D/B/A Crossroad Academy Charter School (the "School"), which affect significant elements of the accompanying basic financial statements:

(a) **Reporting entity**—The School operates as a charter school under Florida Statutes. The current charter was approved and effective beginning July 1, 2021 granted for fifteen years through June 30, 2036. The School entered into a contract with Gadsden County District School Board (the "District") to provide an educational program for elementary, middle, and high school public school students. The School receives a majority of its funding through the District based on a formula of student attendance which is identical to that of other Gadsden County, Florida public schools. At the end of the term of the charter, the District may choose not to renew the charter under grounds specified in the charter, in which case the District is required to notify the School in writing at least 90 days prior to the charter's expiration. The School is considered a component unit of the Gadsden County District School Board.

(b) **Description of government wide financial statements—**The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government. Governmental activities are normally supported by intergovernmental revenues and other nonexchange transactions.

(c) **Basis of presentation – government wide financial statements**—While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds. Separate financial statements are provided for governmental funds.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Amounts reported as program revenues include operating grants and contributions. Items not properly included among program revenues, such as monies received from the Gadsden County District School Board, are reported as general revenues.

(d) **Basis of presentation – fund financial statements—**The fund financial statements provide information about the government's funds. Separate statement for the fund category, governmental, is presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. Major individual governmental funds are reported as separate columns in the fund financial statements.

The School reports the following major governmental funds:

General Fund—The general fund is used to record the general operations of the School pertaining to education and those operations not provided for in other funds.

Capital Projects Fund—The capital projects fund is used to account for financial resources to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, and major maintenance projects.

(1) **Summary of Significant Accounting Policies:** (Continued)

Special Revenue Fund—The special revenue fund is used to account for the activities related to grant activities related to the Cares Act and Title I, II, and IV, which are typically cost reimbursement.

During the course of operations, the School has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

(e) **Measurement focus and basis of accounting—**The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized in the period earned and expenses are recognized when a liability is incurred, regardless of the timing of related cash flows. Amounts reported as program revenues include charges for services, operating grants and contributions, and capital grants and contributions. Items not properly included among program revenues, such as monies received from the Gadsden County School Board, are reported as general revenues.

All governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues, except for certain grant revenues, are recognized in the accounting period in which they become both measurable and available. Available means collectible within the current period, or soon enough thereafter to be used to pay liabilities of the current period. For this purpose, the School considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, state, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recorded when the related fund liability is incurred. The principal exceptions to this are: principal and interest on general long-term debt, which are recorded as expenditures only when payment is due.

(f) **Budgetary data**—The budgetary process is prescribed by provisions of the laws of Florida and requires the governing board to adopt an operating budget each year. The School's governing board satisfied these requirements. The adopted budget is subject to amendment throughout the year to give consideration to unanticipated revenue and expenditures primarily resulting from events unknown at the time of budget adoption.

(1) **Summary of Significant Accounting Policies:** (Continued)

(g) **Demand and time deposits**—Cash and cash equivalents include amounts in demand and time deposits that are readily convertible to known amounts of cash. The school considers investments in time certificates of deposit with an original maturity of three months or less to be cash equivalents. Certificates of deposit are valued at cost plus accrued interest.

(h) **Income taxes**—The School is exempt from the payment of income taxes on its exempt activities under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the accompanying financial statements.

The School files income tax returns in the U.S. Federal jurisdiction. The School's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

The School has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements of the School.

(i) **Capital assets and depreciation**—Capital assets are defined by the School as assets with an initial individual cost of $5,000 or more and an estimated useful life of more than one year. Such assets are recorded at historical cost. Donated capital assets are recorded at their estimated fair market values at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Property, plant and equipment of the School is depreciated using the straight-line method over the following estimated useful lives:

Asset Class	Estimated Useful Lives
Furniture and equipment	3 – 5
Vehicles	5
Buildings and improvements	40

(j) **Use of estimates**—The process of preparing financial statements in conformity with accounting principles generally accepted in the United States of America requires the use of estimates and assumptions regarding certain types of assets, liabilities, revenues and expenses. Such estimates primarily relate to unsettled transactions and events as of the date of the financial statements. Accordingly, upon settlement, actual results may differ from estimated amounts.

(k) **Prepaid items**—Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

(1) **Summary of Significant Accounting Policies:** (Continued)

(l) **Pensions**—For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) and additions to/deductions from FRS's fiduciary net position have been determined on the same basis as they are reported by FRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

(m) **Deferred outflows/inflows of resources**—In addition to assets and liabilities, the statement of financial position will, if required, report a separate section for deferred outflows of resources and deferred inflows of resources, respectfully. These separate financial statement elements, deferred outflows/inflows of resources, represents a consumption or acquisition of net assets that applies to a future period(s) and so will not be recognized as an outflow/inflow of resources (expense/expenditure or revenue) until then. Currently, the only item in this category consisted of deferred amounts related to pension, as discussed further in Note 7 related to the Florida Retirement System.

(n) **Compensated absences**—It is the School's policy to permit employees to accumulate sick leave. The school recognizes a liability for sick leave that (1) has been earned for services previously rendered, (2) accumulates and is allowed to be carried over to subsequent years, and (3) is more likely than not to be used as time off or settled.

(o) **Revenue sources**—Revenues for current operations are received primarily from the Gadsden County District School Board pursuant to the funding provisions included in the School's charter. In accordance with the funding provisions of the charter and Section 1002.33(17), Florida Statutes, the School reports the number of full-time equivalent (FTE) students and related data to the Gadsden County District School Board.

Under the provisions of Section 1011.62, Florida Statutes, the Gadsden County District School Board reports the number of FTE students and related data to the Florida Department of Education (FDOE) for funding through the Florida Education Finance Program. Funding for the School is adjusted during the year to reflect revised calculations by the FDOE under the Florida Education Finance Program and the actual weighted FTE students reported by the School during designated FTE student survey periods.

(p) **Fund balance and net position**—

Net position flow assumption—Sometimes the School will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

(1) **Summary of Significant Accounting Policies:** (Continued)

Fund balance flow assumptions—Sometimes the School will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the School's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies—Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The government itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

(2) **Deposits:**

(a) **Custodial credit risk**—In the case of deposits, this is the risk that in the event of a bank failure, the School's deposits may not be returned. The School's deposits are covered by Federal depository insurance or by collateral held by the School's custodial bank which is pledged to a state trust fund that provides security for amounts held in excess of FDIC coverage in accordance with the Florida Security for Deposits Act Chapter 280, Florida Statutes. The Florida Security for Public Deposits Act established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral.

The Florida Security for Public Deposits Act established guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral.

(3) **Significant Funding Source:**

The School receives approximately 90% of its funding from the Gadsden County District School Board. A significant reduction in the level of this funding, if this were to occur, could have an adverse effect on the School's programs and activities.

(4) **Risk Management:**

The School is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters for which the School carries commercial insurance.

(5) Commitments and Contingencies:

The School is currently involved in upgrades and renovations to the gymnasium and a new access road. As of June 30, 2025, the School had outstanding uncompleted contract commitments of approximately $1,450,000.

The School is party to routine legal proceedings and litigation arising in the ordinary course of business. In the opinion of management, the outcome of such actions will have no material impact on the School's financial condition.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by grantors cannot be determined at this time although the School expects such amounts, if any, to be immaterial.

(6) Capital Assets:

Capital asset activity for the year ended June 30, 2025, was as follows:

	Balance July 01, 2024	Additions	Deletions	Balance June 30, 2025
Capital assets, not being depreciated:				
Land	$ 459,022	$ -	$ -	$ 459,022
Construction in Process	849,370	2,687,938	-	3,537,308
Total capital assets, not being depreciated	1,308,392	2,687,938	-	3,996,330
Capital assets, being depreciated:				
Audio and Visual Materials	151,138	-	-	151,138
Building Improvements	5,371,912	-	-	5,371,912
Computer Equipment	585,156	-	-	585,156
Furniture	112,609	-	-	112,609
Vehicles	55,497	-	-	55,497
Total capital assets, being depreciated	6,276,312	-	-	6,276,312
Less accumulated depreciation:				
Audio and Visual Materials	79,931	17,802	-	97,733
Building Improvements	1,476,922	145,919	-	1,622,841
Computer Equipment	513,144	27,596	-	540,740
Furniture	91,921	7,302	-	99,223
Vehicles	55,498	-	-	55,498
Total accumulated depreciation	2,217,416	198,619	-	2,416,035
Total capital assets, being depreciated, net	4,058,896	(198,619)	-	3,860,277
Total capital assets, net	$ 5,367,288	$ 2,489,319	$ -	$ 7,856,607

For the year ended June 30, 2025, unallocated depreciation expense was $198,619.

(7) Florida Retirement System:

Plan Description and Administration

The School participates in the Florida Retirement System (FRS), a multiple-employer, cost sharing defined public employee retirement system which covers all of the School's full-time employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the School are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. Eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by $7.50. The minimum payment is $45 and the maximum payment is $225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided and Employees Covered

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of both Plans may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

(7) **Florida Retirement System:** (Continued)

Deferred Retirement Option Program (DROP), subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 96 months after electing to participate, except that certain instructional personnel may participate for up to 120 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Employees may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. The Investment Plan is funded by employer and employee contributions that are based on salary and membership class (Regular, DROP, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Employees in the Investment Plan vest at one year of service.

Financial Statements

Financial statements and other supplementary information of the FRS are included in the State's Comprehensive Annual Financial Report, which is available from the Florida Department of Financial Services, Bureau of Financial Reporting Statewide Financial Reporting Section by mail at 200 E. Gaines Street, Tallahassee, Florida 32399-0364; by telephone at (850) 413-5511; or at the Department's Web site (www.myfloridacfo.com). An annual report on the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from:

Florida Department of Management Services
Division of Retirement, Research and Education Services
P.O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706 or toll free at 877-377-1737

Contributions

The School participates in certain classes of FRS membership. Each class had descriptions and contribution rates in effect during the year ended June 30, 2024, as follows (contribution rates are in agreement with the actuarially determined rates):

FRS Membership Plan & Class	Through June 30, 2024	After June 30, 2024
Regular Class	13.57%	13.63%
DROP	21.13%	21.13%
Senior Management	34.52%	34.52%

(7) **Florida Retirement System:** (Continued)

Current-year employer HIS contributions were made at a rate of 2.00% of covered payroll, which are included in the above rates.

For the plan year ended June 30, 2024, actual contributions made for employees participating in FRS and HIS were as follows:

School Contributions – FRS	$ 45,228
School Contributions – HIS	9,475
Employee Contributions – FRS	14,202

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At June 30, 2025, the School reported a net pension liability related to FRS and HIS as follows:

Plan	Net Pension Liability
FRS	$ 308,976
HIS	167,875
Total	$ 476,851

The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer proportion of the net pension liability was based on a projection of the School's long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, as actuarially determined. At June 30, 2024 and June 30, 2023, the School's proportionate share of the FRS and HIS net pension liabilities were as follows:

Plan	2024	2023
FRS	.000798702%	-
HIS	.001119096%	-

For the plan year ended June 30, 2024, pension expense was recognized related to the FRS and HIS plans as follows:

FRS	$ 94,827
HIS	36,388
Total	$ 131,215

(7) **Florida Retirement System:** (Continued)

At June 30, 2025, the School reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 31,215	$ -	$ 1,621	$ (322)
Changes of assumptions	42,348	-	2,971	(19,874)
Net difference between projected and actual investment earnings	-	(20,536)	-	(61)
Change in proportionate share	206,350	-	156,627	-
Contributions subsequent to measurement date	157,846	-	33,873	-
Total	$ 437,759	$ (20,536)	$ 195,092	$ (20,257)

The above amounts for deferred outflows of resources for contributions related to pensions resulting from employer contributions subsequent to the measurement date and will be recognized as a reduction of the net pension liability in the year ended June 30, 2026.

Other amounts reported as deferred outflows and deferred inflows of resources related to pensions being amortized for a period of greater than one year will be recognized in pension expense in succeeding years as follows:

	FRS	HIS	Total
2026	$ 43,291	$ 27,011	$ 70,302
2027	99,015	26,416	125,431
2028	51,708	24,984	76,692
2029	48,164	26,358	74,522
2030	17,199	27,812	45,011
Thereafter	-	8,381	8,381
	$ 259,377	$ 140,962	$ 400,339

Actuarial assumptions:

The actuarial assumptions for both defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS was completed in 2024 for the period July 1, 2018 through June 30, 2023. Because HIS is funded on a pay-as-you-go basis, no experience study has been completed.

(7) **Florida Retirement System:** (Continued)

The total pension liability for each of the defined benefit plans was determined by an actuarial valuation, using the entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.50%. Both the discount rate and the long-term expected rate of return used for FRS investments is 6.70%. This rate is unchanged from the prior year rate of 6.70%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.93% was used to determine the total pension for the program. This rate increased from the prior year rate, which was 3.65%. Mortality assumptions for both plans were based on the PUB2010 base table varies by member category and sex, projected generationally with Scale MP-2021 details.

Long-term expected rate of return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in October 2024, the FRS Actuarial Assumptions conference reviewed long-term assumptions developed by both Milliman's capital market assumptions team and by a capital market assumptions team from Aon Hewitt Investment Consulting, which consults to the Florida State Board of Administration. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Long-Term Arithmetic Expected Rate of Return
Cash	1.0%	3.3%
Fixed income	29.0%	5.7%
Global equities	45.0%	8.6%
Real estate	12.0%	8.1%
Private equity	11.0%	12.4%
Strategic investments	2.0%	6.6%
Total	100.0%	

(7) **Florida Retirement System:** (Continued)

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the proportionate shares of the FRS and HIS net pension liability of the School calculated using the current discount rates, as well as what the School's net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

Plan	Current Discount Rate	NPL with 1% Decrease	NPL at Current Discount Rate	NPL with 1% Increase
FRS	6.70%	$ 543,477	$ 308,976	$ 112,531
HIS	3.93%	191,105	167,875	148,591

(8) **Pension:**

The School offers a defined contribution pension plan set up under IRC401(a). The maximum contribution is 25% of eligible compensation. For the year ended June 30, 2025, the amount of retirement expense was $150,000.

(9) **Interfund Balances and Transfers:**

The following is a summary of inter-fund amounts related to agency fund expenditures paid out of the general fund account at June 30, 2025:

Receivable Fund	Payable Fund	Amount
General Fund	Other Governmental Fund	$ 2,786

Transfers from/to other funds for the year ended June 30, 2025, were as follows:

Recipient Fund	Amount	Reason for Transfer
General Fund	$ 316,224	Transfer from Capital Project Fund to aid in operation cost for General Fund for the current year.
General Fund	$ 1,024,270	Transfer from Special Revenue Fund to aid in operation cost for General Fund for the current year.

(10) **Long-Term Liabilities:**

Governmental Activities

Note Payable

4.25% note payable to USDA Rural Development in 25 annual payments of $147,870, including interest. The loan is collateralized by real property.	$ 1,184,220
6.95% draw-down note payable to a bank in 17 monthly interest payments with one balloon payment upon maturity. The loan is collateralized by real property and matures in April 2026.	1,576,659
Total	2,760,879
Less: Current portion	1,674,200
Notes payable, less current portion	$ 1,086,679

Future maturities of note payable are as follows:

Year	Principal	Interest	Debt Service
2026	$ 1,674,200	$ 50,329	$ 1,724,529
2027	101,686	46,184	147,870
2028	106,008	41,862	147,870
2029	110,513	37,357	147,870
2030	115,210	32,660	147,870
2031-2035	653,262	85,557	738,819
Total	$ 2,760,879	$ 293,949	$ 3,054,828

Long-term liability activity or the year ended June 30, 2025, was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance	Due within one year
Governmental Activities:					
Notes payable	$ 1,470,858	$ 1,383,585	$ 93,564	$ 2,760,879	$ 1,674,200
Compensated absences*	84,414	12,918	-	97,332	-
Total Governmental Activities:	$ 1,555,272	$ 1,396,503	$ 93,564	$ 2,858,211	$ 1,674,200

*The change in compensated absences above is a net change for the year.

(11) **Recent Accounting Pronouncements:**

The Governmental Accounting Standard Board (GASB) issued GASB Statement No. 101, Compensated Absences, in June 2022. GASB Statement No. 101 amends various provisions regarding the calculation methodology and required disclosures related to the liability for compensated absences. The provisions for GASB 101 are effective for fiscal years beginning after December 15, 2023. The School implemented GASB No. 101 in fiscal year 2025. As a result, the School included in their compensated absences liability the estimated leave to be used while the employee is employed plus the estimate for leave that would be paid out upon termination. Previously, GASB only required reporting the estimate for the leave paid upon termination. GASB 101 dictates that this implementation be treated as a change in an accounting principle and requires the School's beginning net position to be restated. This resulted in a $57,969 reduction of beginning net position from $11,586,435 to $11,528,466.

GASB issued Statement No. 102, Certain Risk Disclosures, in December 2023. GASB Statement No. 102 amends GASB Statement No. 62 regarding the disclosure of a government's vulnerability to risks related to certain concentrations and constraints that limit its ability to acquire resources or control spending. The provisions for GASB 102 are effective for fiscal years beginning after June 15, 2024. The School implemented GASB No. 102 in fiscal year 2025, however, its adoption did not have a material impact on the School's financial statements.

GASB issued Statement No. 103, Financial Reporting Model Improvements, in April 2024. The objective of GASB 103 is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The effective date for implementation is fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

GASB issued Statement No. 104, Disclosure of Certain Capital Assets, in September 2024. GASB Statement No. 104 requires governments to disclose separate information about specific types of capital assets and establishes criteria for identifying and reporting capital assets held for sale. The objective of GASB 104 is to enhance transparency and improve the usefulness of financial statements for stakeholders by providing more detailed information on these assets. The provisions are effective for fiscal years beginning after June 15, 2025.

REQUIRED SUPPLEMENTARY INFORMATION

COMMUNITY AND ECONOMIC DEVELOPMENT ORGANIZATION OF GADSDEN COUNTY, INC., D/B/A CROSSROAD ACADEMY CHARTER SCHOOL
GENERAL FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2025

	Budget			Variances - Over (Under) Final
	Original	Final	Actual	to Actual
Revenues				
Florida education finance program	$ 4,000,000	$ 4,000,000	$ 4,118,036	$ 118,036
Federal through state	-	-	500	500
State	10,000	10,000	92,963	82,963
Local	224,000	224,000	262,770	38,770
Interest income	200,000	200,000	218,620	18,620
Total Revenues	4,434,000	4,434,000	4,692,889	258,889
Expenditures				
Instructional services	2,667,700	2,667,700	3,104,406	(436,706)
Instructional support services	390,000	390,000	442,056	(52,056)
Board	496,500	496,500	394,834	101,666
School administration	949,500	949,500	893,679	55,821
Fiscal services	2,000	2,000	816	1,184
Food services	106,000	106,000	93,083	12,917
Central services	-	-	5,781	(5,781)
Operation of plant	213,500	213,500	266,541	(53,041)
Maintenance of plant	210,000	210,000	220,602	(10,602)
Facilities acquisition	30,000	30,000	2,687,938	(2,657,938)
Debt service:				
Principal	-	-	93,564	(93,564)
Interest	-	-	62,016	(62,016)
Total Expenditures	5,065,200	5,065,200	8,265,316	(3,200,116)
Excess (Deficiency) of Revenues Over Expenditures	(631,200)	(631,200)	(3,572,427)	(2,941,227)
Other Financing Sources (Uses)				
Proceeds from issuance of debt			1,383,585	1,383,585
Transfers in	-	-	1,340,494	1,340,494
Transfers out	-	-	-	-
Total Other Financing Sources (Uses)	-	-	2,724,079	1,340,494
Net Change in Fund Balance	(631,200)	(631,200)	(848,348)	(1,600,733)
Fund balance, Beginning of year	7,716,450	7,716,450	7,716,450	-
Fund balance, Ending of year	$ 7,085,250	$ 7,085,250	$ 6,868,102	$ (1,600,733)

The accompanying notes to required supplementary information are an integral part of this schedule.

COMMUNITY AND ECONOMIC DEVELOPMENT ORGANIZATION OF GADSDEN COUNTY, INC., D/B/A CROSSROAD ACADEMY CHARTER SCHOOL
SPECIAL REVENUE FUND
BUDGETARY COMPARISON SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2025

	Budget			Variances - Over (Under) Final
	Original	Final	Actual	to Actual
Revenues				
Federal through state	$ 420,000	$ 420,000	$ 1,024,270	$ 604,270
Total Revenues	420,000	420,000	1,024,270	604,270
Expenditures				
Instructional services	420,000	420,000	-	420,000
Total Expenditures	420,000	420,000	-	420,000
Excess (Deficiency) of Revenues Over Expenditures	-	-	1,024,270	1,024,270
Other Financing Sources (Uses)				
Transfers out	-	-	(1,024,270)	(1,024,270)
Total Other Financing Sources (Uses)	-	-	(1,024,270)	(1,024,270)
Net Change in Fund Balance	-	-	-	-
Fund balance, Beginning of year	-	-	-	-
Fund balance, Ending of year	$ -	$ -	$ -	$ -

The accompanying notes to required supplementary information are an integral part of this schedule.

COMMUNITY AND ECONOMIC DEVELOPMENT
ORANIZATION OF GADSDEN COUNTY, INC.,
D/B/A CROSSROAD ACADEMY CHARTER SCHOOL
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED JUNE 30, 2025

(1) Summary of Significant Accounting Policies:

The Statements of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual are presented using the School's budget format for all major governmental funds.

(2) Budgetary Basis of Accounting:

Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America. Annual budgets are adopted for the entire operations at the combined governmental level and may be amended by the Board of Directors (the "Board"). The budget presented for fiscal year ended June 30, 2025, was not amended.

Budgets are presented on the modified accrual basis of accounting. The legal level of budgetary control is the fund level. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts after all budget amendments have been accounted for.

**COMMUNITY AND ECONOMIC DEVELOPMENT
ORGANIZATION OF GADSDEN COUNTY, INC.,
D/B/A CROSSROAD ACADEMY CHARTER SCHOOL
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LABILITY -
LAST 10 PLAN FISCAL YEARS AS OF JUNE 30**

Florida Retirement System (FRS)	**2024**
Proportion of the net pension liability (asset)	0.000798702%
Proportionate share of the net pension liability (asset)	$ 308,976
Covered-employee payroll	473,730
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	65.22%
Plan fiduciary net position as a percentage of the total pension liability	83.70%
Health Insurance Subsidy Program (HIS)	
Proportion of the net pension liability (asset)	0.001119096%
Proportionate share of the net pension liability (asset)	$ 167,875
Covered-employee payroll	473,730
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	35.44%
Plan fiduciary net position as a percentage of the total pension liability	4.80%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the School will present information for only those years for which information is available. Data prior to 2025 is unavailable as the School was not officially accepted into the FRS until September 29, 2023.

The accompanying notes to required supplementary information are an integral part of this schedule.

COMMUNITY AND ECONOMIC DEVELOPMENT
ORGANIZATION OF GADSDEN COUNTY, INC.,
D/B/A CROSSROAD ACADEMY CHARTER SCHOOL
LAST 10 FISCAL YEARS AS OF JUNE 30

		2025
Florida Retirement System (FRS)		
Contractually required contribution	$	157,846
Contributions in relation to the contractually required contribution		(157,846)
Contribution deficiency (excess)	$	-
Covered-employee payroll	$	1,693,641
Contributions as a percentage of covered payroll		9.32%
Health Insurance Subsidy Program (HIS)		
Contractually required contribution	$	33,873
Contributions in relation to the contractually required contribution		(33,873)
Contribution deficiency (excess)	$	-
Covered payroll	$	1,693,641
Contributions as a percentage of covered payroll		2.00%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the School will present information for only those years for which information is available. Data prior to 2025 is unavailable as the School was not officially accepted into the FRS until September 29, 2023.

The accompanying notes to required supplementary information are an integral part of this schedule.

JAMESMOORE

INDEPENDENT AUDITORS' 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 Directors,
Community and Economic Development
Organization of Gadsden County, Inc.,
d/b/a Crossroad Academy 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 financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Community and Economic Development Organization of Gadsden County, Inc., D/B/A Crossroad Academy Charter School (the "School) as of and for the year ended June 30, 2025, and related notes to the financial statements, which collectively comprise the School's basic financial statements and have issued our report thereon dated December 1, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the School's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the School's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified the deficiency described in the Schedule of Findings and Questioned Costs as item 2025-001 to be a material weakness.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the School's financial statements are free of 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*.

Community and Economic Development Organization of Gadsden County, Inc., D/B/A Crossroad Academy Charter School's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the School's response to the findings identified in our audit and described in the accompanying *schedule of findings and questioned costs*. The School's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the School's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

James Moore & Co., P.L.

Tallahassee, Florida
December 1, 2025

MANAGEMENT LETTER OF INDEPENDENT AUDITORS REQUIRED BY CHAPTER 10.850, RULES OF THE STATE OF FLORIDA, OFFICE OF THE AUDITOR GENERAL

To the Board of Directors,
Community and Economic Development
Organization of Gadsden County, Inc.,
d/b/a Crossroad Academy Charter School:

Report on the Financial Statements

We have audited the financial statements of the Community and Economic Development Organization of Gadsden County, Inc., D/B/A Crossroad Academy Charter School (the "School"), as of and for the fiscal year ended June 30, 2025, and have issued our report thereon dated December 1, 2025

Auditors' 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 and Chapter 10.850, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in that report, which is dated December 1, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.854(1)(e)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report except as noted in the table below.

Tabulation of Uncorrected Audit Findings			
Description	**Current Year Finding #**	**2023-24 FY Finding #**	**2022-23 FY Finding #**
Material Adjustments	2025-001	2024-001	2023-001
Journal Entry Approval	N/A	2024-002	2023-002

Official Title

Section 10.854(1)(e)5, Rules of the Auditor General, requires the name or official title of the entity and the school code assigned by the Florida Department of Education be disclosed in this management letter. The official title and the school code assigned by the Florida Department of Education of the entity are Community and Economic Development Organization of Gadsden County, Inc., D/B/A Crossroad Academy Charter School, 209104.

Financial Condition and Management

Sections 10.854(1)(e)2. and 10.855(11), Rules of the Auditor General, require that we report the results of our determination as to whether or not the School has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the School did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.854(1)(e)6.a. and 10.855(12), Rules of the Auditor General, we applied financial condition assessment procedures for the School. It is management's responsibility to monitor the School's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.854(1)(e)3., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we noted the following recommendation:

2025-002 Check Signature Policy

We recommend the Organization ensure compliance with its written policy requiring two authorized signatures on checks exceeding $2,000 to strengthen oversight and reduce the risk of unauthorized disbursements.

Transparency

Sections 10.854(1)(e)7. and 10.855(13), Rules of the Auditor General, require that we apply appropriate procedures to determine whether the School maintains on its web site the information specified in Section 1002.33(9)(p), Florida Statutes. In connection with our audit, we determined that the School did maintain all of the required information on its website as specified in Section 1002.33(9)(p), Florida Statutes.

Additional Matters

Section 10.854(1)(e)4., Rules of the Auditor General, requires that we address 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 which warrants the attention of those charged with governance. In connection with our audit, we had no such recommendations.

Crossroad Academy Charter School's Response to Finding

The School's response to the findings identified in our audit are outlined as listed in the table of contents. The School's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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, Federal and other granting agencies, Gadsden County District School Board, the Board of Directors, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

James Moore & Co., P.L.

Tallahassee, Florida
December 1, 2025

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE

To the Board of Directors,
Community and Economic Development
Organization of Gadsden County, Inc.,
d/b/a Crossroad Academy Charter School:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Community and Economic Development Organization of Gadsden County, Inc., D/B/A Crossroad Academy Charter School's (the "School") 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 each of the School's major federal programs for the year ended June 30, 2025. The 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, the School complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the 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 qualified and unmodified opinions on compliance for each major federal program. Our audit does not provide a legal determination of the 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 the 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 the 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 GAAS, *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 the School's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *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 the 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 the 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 the 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.

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.

James Moore & Co., P.L.

Tallahassee, Florida
December 1, 2025

COMMUNITY AND ECONOMIC DEVELOPMENT ORGANIZATION OF GADSDEN COUNTY, INC., D/B/A CROSSROAD ACADEMY CHARTER SCHOOL
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

Federal Grantor/State Grantor/Pass Through Grantor/ Program Title	Assistance Listing Number	Pass-Through Entity Identifying Contract Number	Expenditures
FEDERAL AWARDS			
U.S Department of Education			
Passed through Gadsden County School District:			
COVID-19 - Education Stabilization Fund	84.425U	-	$ 485,179
Title I Grants to Local Educational Agencies	84.010	-	539,091
Total U.S Department of Education			1,024,270
Total Expenditures of Federal Awards			$ 1,024,270

The accompanying notes to the Schedule of Expenditures of Federal Awards is an integral part of this schedule.

COMMUNITY AND ECONOMIC DEVELOPMENT
ORANIZATION OF GADSDEN COUNTY, INC.,
D/B/A CROSSROAD ACADEMY CHARTER SCHOOL
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2025

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the Federal awards activity of the School under programs of the federal and state government for the year ended June 30, 2025, 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 assets, or cash flows of the School.

Note 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 allowed or are limited as to reimbursement.

Note 3. De Minimis Indirect Cost Rate Election

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

Note 4. Subrecipients

For the year ended June 30, 2025, there were no amounts passed through to subrecipients.

COMMUNITY AND ECONOMIC DEVELOPMENT
ORANIZATION OF GADSDEN COUNTY, INC.,
D/B/A CROSSROAD ACADEMY CHARTER SCHOOL
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2025

I. **Summary of Auditors' Results**:

Financial Statements

Type of audit report issued:		*Unmodified*
Internal control over financial reporting:		
• Material weakness(es) identified?	_X_ yes	_____ no
• Significant deficiencies identified?	_____ yes	_X_ no
Noncompliance material to financial statements noted?	_____ yes	_X_ no

Federal Awards

Internal control over major Federal programs:		
• Material weakness(es) identified?	_____ yes	_X_ no
• Significant deficiencies identified?	_____ yes	_X_ none reported
Types of auditors' report issued on compliance for major Federal programs:		*Unmodified*
Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)?	_____ yes	_X_ no

Identification of major Federal programs:

Federal Program	Federal Assistance Listing Number
Education Stabilization Fund	84.425U

Dollar threshold used to distinguish between type A and type B Federal programs:		$ 750,000
Auditee qualified as low-risk auditee	_____ yes	_X_ no

II. Financial Statement Findings:

Finding 2025-001: **Material Adjustments**

Condition and Criteria: The internal controls of the School have focused primarily on the objective of effectiveness and efficiency of operations (i.e., performance and mission goals and safeguarding of resources). However, the system of internal control over the objectives of reliability of financial reporting contains certain deficiencies. A key element of financial reporting is the ability of management to select and apply the appropriate accounting principles to prepare the financial statements in accordance with generally accepted accounting principles.

Cause: For the year ended June 30, 2025, certain adjustments were required to be made to the accounting records subsequent to the start of the audit process. Since these adjustments resulted in a material misstatement of the financial statements, this deficiency is deemed to be a material weakness.

Effect: Financial statements would be materially misstated if significant adjustments were not made.

Recommendation: We recommend management select and apply the appropriate accounting principles to prepare the financial statements in accordance with generally accepted accounting principles.

III. Federal Award Findings and Questions Costs:

None for the year ended June 30, 2025.

CROSSROAD ACADEMY
CHARTER SCHOOL OF BUSINESS
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Ms. Tireshia Galloway, Principal

December 1, 2025

James Moore & Co., P.L.
2477 Tim Gamble Place, Suite 200
Tallahassee, FL 32308

Re: 2025 Financial Statement Findings

To whom it may concern:

Please find below our response to the June 30, 2025 financial statement finding:

Finding 2025-001: Material Adjustments

Response: The process for identifying transactions has been reviewed, and for fiscal year 2026 we will have our accountant enter adjustments quarterly.

Finding 2025-002: Check Signature Policy

Response: Management reviewed the prior policy requiring two signatures for checks over $2,000 and determined that since Crossroad utilizes Purchase Control as the payment authorization platform, which requires multiple levels of authorization (including the school administrator or Executive Director) before a check can be issued, that requiring 2 authorized signers on checks was not necessary.

The Board of Directors will amend the policy to reflect the new procedure.

Summary of Prior Year Findings

Finding 2024-001: Material Adjustments - Unresolved – see current year finding 2025-001.

Finding 2024-002: Journal Entry Approval – Resolved – Corrective action taken.

Sincerely,

Al Gunn
Executive Director

Roxanne Johnson
Compliance Officer