Workforce Solutions Capital Area

MONTHLY FINANCIAL SUMMARY

March 2026 (Fiscal Year-End September 2026)
Prepared April 17, 2026 | Sandy Guzmán, YPTC

FINANCIAL DISCUSSIONS

Year-End Close and Financial Audit Update
The fiscal team is actively supporting audit fieldwork that commenced in early April. Collaboration with the auditors is proceeding smoothly, and all requested materials are being provided in a timely manner. A draft audit report is expected by mid-May.

Travis County Escrow Accounts and ReWorkNow Update
Travis County escrow accounts remain fully funded, with billings submitted on schedule and replenishments operating smoothly. ReWorkNow is nearing completion. Following a meeting with the County, questioned costs have been reduced from approximately $39k to $16k. We are continuing to work with the County to further resolve the remaining amount by the end of April.

HIGHLIGHTS AND ANALYSIS

The financial statements are subject to change pending completion of the financial audit, as beginning balances may be adjusted.

- **Comparative Statements of Financial Position**
  - Pre-funding Travis County initiatives through escrow accounts has driven year-over-year changes in several balance sheet categories, including Cash and Grant Refundable Advance.

- **Statements of Activities – Budget vs Actual**
  - Grant revenue is higher than the same period last year, primarily driven by new Travis County childcare contracts implemented during the current fiscal year.
  - Payroll and related expenses are slightly below budget, reflecting prior staff vacancies. Several key positions have now been filled, and payroll expenses are expected to trend more closely in line with budget in upcoming months.
  - Spending in discretionary categories, such as Training and Consultants and Contracts, occurs on a periodic basis and does not reflect evenly distributed monthly expenditures.

- **Statement of Cash Flows**
  - Cash has increased year to date, reflecting Travis County's pre-funding of escrow accounts for anticipated program expenses.

UPDATES AND RECOMMENDATIONS

- Giovanna Escalante-Vela has joined the organization as Chief Financial Officer. She brings extensive relevant experience, and the team is actively supporting her onboarding and transition into the role.
- TWC's year-end reconciliation in KinderTrack is ongoing, with closeout now expected in May. KinderSystems is addressing a duplicate payment issue and has implemented interim controls, including enhanced review of flagged payments, while a permanent solution is developed.

ATTACHMENTS

- **Comparative Statements of Financial Position**
- **Statements of Activities – Budget vs Actual**
- **Statement of Cash Flows**

WORKFORCE SOLUTIONS CAPITAL AREA
COMPARATIVE STATEMENTS OF FINANCIAL POSITION
AS OF MARCH 2026 AND 2025

	March 31, 2026	March 31, 2025
ASSETS		
Cash	$ 10,083,796	$ 2,479,781
Grants Receivables	670,152	173,661
Other Receivables	8,769,232	8,094,438
Prepaid Expenses	2,552,375	4,407,475
Other Assets	130	150,940
Property and Equipment, Net	397,537	371,817
ROU Assets, Net	5,230,493	6,808,339
TOTAL ASSETS	$ 27,703,715	$ 22,486,452
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts Payable	$ 2,127,387	$ 6,605,960
Grant Refundable Advance	19,332,801	8,020,769
Loan Payable	-	-
Other Liabilities	35,611	11,667
ROU Lease Liabilities	5,597,705	7,132,030
Total Liabilities	27,093,504	21,770,425
Net Assets		
Net Assets Without Donor Restrictions	154,813	402,786
Investment in Fixed Assets **[1]**	455,398	313,240
Total Net Assets	610,211	716,027
TOTAL LIABILITIES AND NET ASSETS	$ 27,703,715	$ 22,486,452

[1] *Investment in Fixed Assets is a component of net assets without donor restrictions, broken out here as it is in the Statement of Cash Flows.*

WORKFORCE SOLUTIONS CAPITAL AREA
STATEMENTS OF ACTIVITIES – BUDGET VS ACTUAL
FOR THE SIX MONTHS ENDED MARCH 2026

	ACTUALS	BUDGET COMPARATIVE		PRIOR YEAR COMPARATIVE	
	Year-To-Date	Annual	% of Budget	Year-To-Date	$ Variance
REVENUES		**[1]**			
Grant Revenue	$ 33,506,840			$ 29,786,618	$ 3,720,222
Interest Income	15,128			15,357	(229)
Other Income	162,559			250,524	(87,965)
TOTAL REVENUES	33,684,527			30,052,499	3,632,029
EXPENSES					
WORKFORCE BOARD					
Payroll and Related Expenses					
Salaries	1,661,355	$ 3,696,809	45%	1,573,674	87,681
Employee Benefits	188,957	580,944	33%	181,856	7,101
Workers Compensation	-	2,770	0%	-	-
Workforce Pension Plan	62,072	147,872	42%	60,591	1,481
Unemployment Insurance	22,999	25,350	91%	785	22,214
FICA Matching	124,905	282,806	44%	115,982	8,923
Payroll and Related Expenses Subtotal	2,060,287	4,736,551	43%	1,932,888	127,399
Consultants and Contracts	103,396	345,300	30%	136,903	(33,507)
Office Supplies	19,841	46,000	43%	519	19,322
Printing	293	3,000	10%	-	293
Postage and Freight	495	1,500	33%	1,115	(620)
Dues, Memberships, and Subscriptions	8,880	25,935	34%	23,460	(14,580)
Travel - Staff	3,062	18,000	17%	9,438	(6,377)
Training - Staff	28,469	45,850	62%	20,055	8,414
Training - Board	9,170	30,970	30%	11,755	(2,585)
Advertising/Legal	69	100	69%	-	69
Equipment Rental/Maintenance	6,088	6,000	101%	2,001	4,088
Data and Phones	13,379	28,500	47%	12,756	623
Insurance	41,788	66,889	62%	35,631	6,157
Software Licensing and Upgrades	47,506	65,185	73%	32,676	14,830
Other Operating Expenses	39,842	34,630	115%	15,587	24,254
Outreach	-	-		4,668	(4,668)
Building Lease/Occupancy	138,696	214,851	65%	55,288	83,408
TOTAL EXPENSES WORKFORCE BOARD	2,521,259	5,669,261	44%	2,294,739	226,520
SUBRECIPIENT/INITIATIVES EXPENSES					
Career Centers - C2GPS	3,990,600	8,773,866	45%	2,967,053	1,023,547
Child Care Services - BakerRipley	25,160,535	75,588,365	33%	21,746,473	3,414,063
Youth - Goodwill	(30)	-		1,047,004	(1,047,034)
WERC Partners	-	-		(7,188)	7,188
Community Workforce Plan**[2]**	60,665	-		56,330	4,335
Special Projects**[2]**	171,484	897,731	19%	371,962	(200,478)
Occupancy Centers	683,145	1,572,783	43%	739,250	(56,106)
Occupancy Child Care	144,753	317,500	46%	136,027	8,726
Occupancy Vocational Rehabilitation	145,831	309,717	47%	134,611	11,220
Outreach/Comms	199,451	275,000	73%	95,868	103,582
Network/IT	659,535	1,554,631	42%	380,772	278,763
Contingencies	-	1,434,265	0%	-	-
TOTAL SUBRECIPIENT/INITIATIVES EXPENSES	31,215,968	90,723,858	34%	27,668,162	3,547,806
TOTAL EXPENSES	33,737,227	$ 96,393,119	35%	29,962,901	3,774,326
ADJUSTED NET INCOME (LOSS)	$ (52,700)			$ 89,598	$ (142,298)

[1] *WFSCA does not budget revenue .*

[2] *Subrecipient/Initiative Expenses have been difficult to validate given the chart of accounts structure and how budgets have historically been tracked outside of the accounting system. These numbers are based on the best information we have available from WFSCA staff .*

WORKFORCE SOLUTIONS CAPITAL AREA
STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED MARCH 2026

	March 31, 2026	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss) Before Adjustments	$ 22,594	
Investment in Fixed Asset Adjustments	(75,295)	**[1]**
Adjusted Net Income (Loss)	(52,700)	
Adjustments to Reconcile Total Net Income (Loss) to Net Cash Provided/(Used) by Operating Activities:		
Changes in Assets and Liabilities:		
Grants Receivables	(105,488)	
Other Receivables	(2,339,326)	
Prepaid Expenses	(1,743,217)	
Other Assets	-	
ROU Assets, Net	794,019	
Accounts Payable	(1,736,333)	
Grant Refundable Advance	13,062,999	
Other Liabilities	-	
ROU Liabilities	(781,691)	
Net Cash Provided/(Used) by Operating Activities	7,098,264	
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on Loan Payable	-	
Net Cash Provided/(Used) by Financing Activities	-	
CHANGE IN CASH	7,098,264	
Cash, Beginning of Period	2,985,533	
Cash, End of Period	$ 10,083,796	

[1] *Due to grant billing requirements - fixed asset purchases are coded against net assets as investments in net assets when purchased. YPTC will continue to work on presentation of this unique treatment to be in accordance with GAAP.*