Workforce Solutions Capital Area

MONTHLY FINANCIAL SUMMARY

June 2026 (Fiscal Year-End September 2026)
Prepared July 23, 2026 | Sandy Guzmán, YPTC

FINANCIAL DISCUSSIONS

FY2027 Budget Development
The FY2027 budget is in development and will be refined over the coming months through cross-department coordination to align program priorities, funding expectations, and operational needs. A final proposed budget will be presented to the Board for review and approval at the August board meeting.

Post-Audit Fiscal Priorities and Focus
With the financial audit completed, the fiscal team is focused on strengthening accountability among staff and contractors by reinforcing expectations for timely completion of deliverables. Key priorities include improving processes and reporting capabilities, enhancing MIP reporting, expanding electronic document management, increasing workflow efficiency, and strengthening grant management practices.

Travis County ReWorkNow Update
ReWorkNow is in its final closeout phase, with ongoing collaboration between the team and Travis County to address remaining questioned costs and formally complete the program.

HIGHLIGHTS AND ANALYSIS

- **Comparative Statements of Financial Position**
  - Travis County pre-funding through escrow accounts continues to drive year-over-year increases in Cash and Grant Refundable Advance. Current balances reflect funds received ahead of related program expenditures, contributing to the overall increase in total assets and liabilities.

- **Statements of Activities – Budget vs Actual**
  - Grant revenue continues to exceed the prior year, reflecting increased funding through Travis County Child Care Services contracts and sustained growth in program activity across multiple funding streams.
  - Payroll and related expenses remain in line with expectations, as key positions have been filled and staffing levels have largely stabilized, supporting ongoing program and operational needs.
  - Subrecipient expenditures remain higher than the prior year, driven primarily by expanded Child Care Services activity and increased program delivery through contracted partners.

  - Spending in discretionary categories, including Training, Consultants, and Contracts, continues to fluctuate throughout the year based on timing of project and program needs, while remaining consistent with overall budget expectations.

- **Statement of Cash Flows**
  - Cash growth year to date reflects ongoing pre-funding by Travis County through escrow accounts, aligned with anticipated program expenditures.

UPDATES AND RECOMMENDATIONS

- TWC's year-end reconciliation in KinderTrack is ongoing, with closeout now expected in July; the issue impacts multiple boards across the state.
- Audit submission to TWC is underway following completion of the financial audit, with closeout documentation being finalized amid complex, overlapping grant requirements.

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 JUNE 2026 AND 2025

	June 30, 2026	June 30, 2025
ASSETS		
Cash	$ 9,548,184	$ 2,012,251
Grants Receivables	1,766,041	225,714
Other Receivables	10,638,761	6,688,573
Prepaid Expenses	2,713,286	487,057
Other Assets	130	130
Property and Equipment, Net	547,537	438,680
ROU Assets, Net	4,845,553	6,418,538
TOTAL ASSETS	$ 30,059,492	$ 16,270,944
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts Payable	$ 2,300,801	$ 1,524,128
Grant Refundable Advance	21,857,206	7,307,885
Loan Payable	-	-
Other Liabilities	-	11,667
ROU Lease Liabilities	5,201,073	6,760,764
Total Liabilities	29,359,080	15,604,444
Net Assets		
Net Assets Without Donor Restrictions	95,014	286,397
Investment in Fixed Assets **[1]**	605,398	380,104
Total Net Assets	700,412	666,500
TOTAL LIABILITIES AND NET ASSETS	$ 30,059,492	$ 16,270,944

[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 NINE MONTHS ENDED JUNE 2026

	ACTUALS	BUDGET COMPARATIVE		PRIOR YEAR COMPARATIVE	
	Year-To-Date	**Annual**	**% of Budget**	**Year-To-Date**	**$ Variance**
REVENUES		**[1]**			
Grant Revenue	$ 57,371,357			$ 49,311,753	$ 8,059,604
Interest Income	21,497			22,455	(958)
Other Income	198,832			312,579	(113,747)
TOTAL REVENUES	57,591,686			49,646,787	7,944,899
EXPENSES					
WORKFORCE BOARD					
Payroll and Related Expenses					
Salaries	2,566,488	$ 3,696,809	69%	2,293,882	272,606
Employee Benefits	288,140	580,944	50%	265,621	22,519
Workers Compensation	-	2,770	0%	(1,258)	1,258
Workforce Pension Plan	91,391	147,872	62%	87,900	3,492
Unemployment Insurance	25,205	25,350	99%	17,860	7,344
FICA Matching	189,578	282,806	67%	168,745	20,833
Payroll and Related Expenses Subtotal	3,160,802	4,736,551	67%	2,832,750	328,052
Consultants and Contracts	217,118	345,300	63%	321,565	(104,447)
Office Supplies	4,196	46,000	9%	8,629	(4,433)
Printing	293	3,000	10%	-	293
Postage and Freight	590	1,500	39%	1,291	(700)
Dues, Memberships, and Subscriptions	15,930	25,935	61%	38,960	(23,030)
Travel - Staff	4,995	18,000	28%	13,939	(8,944)
Training - Staff	45,940	45,850	100%	29,876	16,064
Training - Board	14,273	30,970	46%	18,637	(4,364)
Advertising/Legal	83	100	83%	-	83
Equipment Rental/Maintenance	5,961	6,000	99%	5,660	302
Data and Phones	17,028	28,500	60%	18,949	(1,922)
Insurance	63,019	66,889	94%	55,658	7,361
Software Licensing and Upgrades	21,611	65,185	33%	70,731	(49,120)
Other Operating Expenses	48,176	34,630	139%	21,695	26,481
Outreach	-	-		27,168	(27,168)
Building Lease/Occupancy	193,424	214,851	90%	124,493	68,930
TOTAL EXPENSES WORKFORCE BOARD	3,813,438	5,669,261	67%	3,590,001	223,437
SUBRECIPIENT/INITIATIVES EXPENSES					
Career Centers - C2GPS	6,127,935	8,773,866	70%	4,509,523	1,618,412
Child Care Services - BakerRipley	44,361,215	75,588,365	59%	36,879,910	7,481,305
Youth - Goodwill	1,171	-		1,703,517	(1,702,346)
WERC Partners	-	-		(7,188)	7,188
Community Workforce Plan**[2]**	60,915	-		87,272	(26,358)
Special Projects**[2]**	489,699	897,731	55%	518,738	(29,040)
Occupancy Centers	969,255	1,572,783	62%	1,124,500	(155,246)
Occupancy Child Care	233,312	317,500	73%	184,112	49,200
Occupancy Vocational Rehabilitation	219,550	309,717	71%	202,751	16,799
Outreach/Comms	358,907	275,000	131%	161,781	197,125
Network/IT	1,068,789	1,554,631	69%	718,661	350,128
Contingencies	-	1,434,265	0%	-	-
TOTAL SUBRECIPIENT/INITIATIVES EXPENSES	53,890,747	90,723,858	59%	46,083,578	7,807,168
TOTAL EXPENSES	57,704,185	$ 96,393,119	60%	49,673,579	8,030,606
ADJUSTED NET INCOME (LOSS)	$ (112,499)			$ (26,792)	$ (85,707)

[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 NINE MONTHS ENDED JUNE 2026

	June 30, 2026	
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net Income (Loss) Before Adjustments	$ 112,796	
Investment in Fixed Asset Adjustments	(225,295)	**[1]**
Adjusted Net Income (Loss)	(112,499)	
Adjustments to Reconcile Total Net Income (Loss) to Net Cash Provided/(Used) by Operating Activities:		
Changes in Assets and Liabilities:		
Grants Receivables	(1,201,377)	
Other Receivables	(4,406,557)	
Prepaid Expenses	(1,904,128)	
Other Assets	-	
ROU Assets, Net	1,178,959	
Accounts Payable	(1,562,919)	
Grant Refundable Advance	15,785,107	
Other Liabilities	(35,611)	
ROU Liabilities	(1,178,323)	
Net Cash Provided/(Used) by Operating Activities	6,562,652	
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payments on Loan Payable	-	
Net Cash Provided/(Used) by Financing Activities	-	
CHANGE IN CASH	6,562,652	
Cash, Beginning of Period	2,985,533	
Cash, End of Period	$ 9,548,184	

[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.*