Workforce Solutions Capital Area

MONTHLY FINANCIAL SUMMARY

January 2026 (Fiscal Year-End September 2026)
Prepared February 19, 2026 | Sandy Guzmán, YPTC

FINANCIAL DISCUSSIONS

Year-End Close and Audit Preparation Update
The fiscal team continues to advance year-end close activities, including finalizing grant closeouts and completing required accounting system entries in preparation for year-end reporting and the upcoming financial audit. Audit fieldwork is scheduled to begin in early April.

Travis County Escrow Accounts and ReWorkNow Update
Travis County escrow accounts remain fully funded, and WFSCA continues to submit billing on schedule. The escrow replenishment process runs smoothly with minimal issues. ReWorkNow is nearing completion, with only a small balance still outstanding.

HIGHLIGHTS AND ANALYSIS

The financial statements will remain in draft form and will not be considered final until the completion of the financial audit, as beginning balances may change.

- **Comparative Statements of Financial Position**
  - Pre-funding Travis County initiatives through escrow accounts has shifted several categories this period, including Cash, Prepaid Expense, and Grant Refundable Advance, compared with the same time last year.

- **Statements of Activities – Budget vs Actual**
  - Payroll and related expenses are trending slightly below budget at this point in the year. WFSCA continues to monitor staffing levels and is working to fill key budgeted positions.
  - Certain categories—such as Training and Consultants and Contracts—are discretionary in nature, and as a result, expenditures in these areas tend to occur periodically rather than on a consistent month-to-month basis.

- **Statement of Cash Flows**
  - Cash has increased since the beginning of the year as Travis County has pre-funded its escrow accounts in advance of anticipated program expenses.

UPDATES AND RECOMMENDATIONS

- The organization continues its search for a new CFO, taking the necessary time to secure a candidate with the experience and qualifications to lead the fiscal team effectively.
- TWC is still completing their year-end reconciliation in KinderTrack, and the childcare contractor has yet to finalize prior-year claims. These ongoing items continue to delay the TXC3 grant closeout, which is now expected to extend through the end of April.

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 JANUARY 2026, AND 2025

	January 31, 2026	January 31, 2025
ASSETS		
Cash	$ 10,507,660	$ 3,317,410
Grants Receivables	438,484	188,754
Other Receivables	7,135,415	6,695,375
Prepaid Expenses	2,377,713	758,802
Other Assets	130	150,940
Property and Equipment, Net	397,537	371,817
ROU Assets, Net	5,492,377	7,065,849
TOTAL ASSETS	$ 26,349,316	$ 18,548,948
LIABILITIES AND NET ASSETS		
Liabilities		
Accounts Payable	$ 1,818,141	$ 1,028,384
Grant Refundable Advance	18,536,877	9,342,735
Loan Payable	-	-
Other Liabilities	35,611	11,667
ROU Lease Liabilities	5,860,018	7,462,261
Total Liabilities	26,250,648	17,845,046
Net Assets		
Net Assets Without Donor Restrictions	(356,730)	390,662
Investment in Fixed Assets **[1]**	455,398	313,240
Total Net Assets	98,668	703,902
TOTAL LIABILITIES AND NET ASSETS	$ 26,349,316	$ 18,548,948

[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 FOUR MONTHS ENDED JANUARY 2026

	ACTUALS	BUDGET COMPARATIVE		PRIOR YEAR COMPARATIVE	
	Year-To-Date	Annual	% of Budget	Year-To-Date	$ Variance
REVENUES		[1]			
Grant Revenue	$ 21,757,610			$ 18,741,613	$ 3,015,997
Interest Income	10,540			10,526	15
Other Income	157,538			212,224	(54,686)
TOTAL REVENUES	21,925,689			18,964,363	2,961,326
EXPENSES					
WORKFORCE BOARD					
Payroll and Related Expenses					
Salaries	1,133,764	3,696,809	31%	1,074,698	59,066
Employee Benefits	123,914	580,944	21%	124,821	(908)
Workers Compensation	-	2,770	0%	-	-
Workforce Pension Plan	42,753	147,872	29%	42,206	547
Unemployment Insurance	18,588	25,350	73%	605	17,982
FICA Matching	85,059	282,806	30%	80,017	5,042
Payroll and Related Expenses Subtotal	1,404,077	4,736,551	30%	1,322,348	81,730
Consultants and Contracts	73,623	345,300	21%	71,393	2,231
Office Supplies	2,605	46,000	6%	(475)	3,079
Printing	-	3,000	0%	-	-
Postage and Freight	433	1,500	29%	899	(466)
Dues, Memberships, and Subscriptions	6,780	25,935	26%	8,340	(1,560)
Travel - Staff	1,843	18,000	10%	6,279	(4,436)
Training - Staff	15,787	45,850	34%	15,026	762
Training - Board	1,123	30,970	4%	7,515	(6,392)
Advertising/Legal	65	100	65%	-	65
Equipment Rental/Maintenance	4,161	6,000	69%	1,246	2,915
Data and Phones	9,686	28,500	34%	8,133	1,553
Insurance	27,634	66,889	41%	23,177	4,457
Software Licensing and Upgrades	39,922	65,185	61%	31,191	8,732
Other Operating Expenses	20,837	34,630	60%	7,017	13,820
Outreach	-	-		165	(165)
Building Lease/Occupancy	96,642	214,851	45%	94,004	2,637
TOTAL EXPENSES WORKFORCE BOARD	1,705,219	5,669,261	30%	1,596,256	108,962
SUBRECIPIENT/INITIATIVES EXPENSES					
Career Centers - C2GPS	2,432,167	8,773,866	28%	1,990,662	441,505
Child Care Services - BakerRipley	16,314,440	75,588,365	22%	13,257,580	3,056,859
Youth - Goodwill	(1,269)	-		684,485	(685,753)
WERC Partners	-	-		(7,188)	7,188
Community Workforce Plan**[2]**	30,813	-		56,330	(25,518)
Special Projects**[2]**	143,044	897,731	16%	325,243	(182,199)
Occupancy Centers	490,690	1,572,783	31%	469,727	20,963
Occupancy Child Care	84,998	317,500	27%	91,808	(6,809)
Occupancy Vocational Rehabilitation	97,316	309,717	31%	90,079	7,237
Outreach/Comms	137,044	275,000	50%	63,835	73,209
Network/IT	483,301	1,554,631	31%	268,073	215,228
Contingencies	-	1,434,265	0%	-	-
TOTAL SUBRECIPIENT/INITIATIVES EXPENSES	20,212,544	90,723,858	22%	17,290,634	2,921,910
TOTAL EXPENSES	21,917,763	96,393,119	23%	18,886,890	3,030,873
ADJUSTED NET INCOME (LOSS)	$ 7,926			$ 77,473	$ (69,547)

[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 FOUR MONTHS ENDED JANUARY 2026

		January 31, 2026	
CASH FLOWS FROM OPERATING ACTIVITIES:			
Net Income (Loss) Before Adjustments	$	83,221	
Investment in Fixed Asset Adjustments		(75,295)	**[1]**
Adjusted Net Income (Loss)		7,926	
Adjustments to Reconcile Total Net Income (Loss) to Net Cash Provided/(Used) by Operating Activities:			
Changes in Assets and Liabilities:			
Grants Receivables		126,181	
Other Receivables		(5,874,911)	
Prepaid Expenses		(2,120,636)	
Other Assets		-	
ROU Assets, Net		532,134	
Accounts Payable		(1,287,363)	
Grant Refundable Advance		16,658,176	
Other Liabilities		-	
ROU Liabilities		(519,378)	
Net Cash Provided/(Used) by Operating Activities		7,522,127	
CASH FLOWS FROM FINANCING ACTIVITIES:			
Payments on Loan Payable		-	
Net Cash Provided/(Used) by Financing Activities		-	
CHANGE IN CASH		7,522,127	
Cash, Beginning of Period		2,985,533	
Cash, End of Period	$	10,507,660	

[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.*