



## MEMORANDUM

**To:** Audit and Finance Committee

**From:** Adrian Lopez, CEO

**Presented By:** Kristen Rodriguez – Director of Procurement and Contracts Management

**Date:** May 30, 2025

**Subject:** Business Services Strategy and Industry Sector Partnership RFP

**Summary:** The Workforce Solutions Alamo (WSA) - Board of Directors is presented with a proposal to award a contract to Viking Impact Advisors, LLC for the purchase of Business Services Strategy and Industry Sector Partnership Services in the estimated amount of \$ 164,000 over a two-year period. The contract term will be effective June 2025, through June 2026, with the option to renew for up to one (1) one-year periods upon written mutual consent of Workforce Solutions Alamo and the selected Contractor.

*Supporting Texas Talent and Economic Growth – Goal 2, Service Optimizers.*

### Scope of Work:

To support Workforce Solution Alamo (WSA) in meeting its strategic workforce development goals. The tasks outlined below will contribute directly to improving sector-based partnerships, optimizing the delivery of business services, and ensuring measurable impact in alignment with workforce engagement strategies. The objective is to enhance WSA's capacity to meet the evolving needs of employers, align with industry's best practices, and strengthen relationships with key partners.

#### 1. Support for WSA CEO Related to WSA Board Officer Goals

- **Work Plan Development:** The creation of a comprehensive work plan will support the strategic engagement of both WSA Board staff and contractors. This engagement will focus on developing partnerships that address workforce needs across multiple sectors, ensuring that stakeholders are aligned and mobilized for action.

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- **Industry Sector Strategies:** By reviewing and validating existing sector charters and strategies, we ensure that each partnership is aligned with the current business and workforce demands. This provides clarity and direction to the workforce's development efforts, ensuring that each sector's needs are being met in a meaningful and impactful way.
  - **Quarterly Reporting Templates:** The development of reporting templates will enable WSA to track progress against defined goals, providing transparency and accountability for each sector partnership. Regular reporting ensures that progress is monitored and enables the adjustment of strategies to stay aligned with workforce engagement goals.
  - **Partnership Goal Alignment:** Defining clear and measurable goals for each partnership ensures that the initiatives are meaningful and impactful for employers. This fosters a results-oriented approach to workforce engagement, where outcomes are directly tied to business needs and talent development.
  - **New Sector Partnership Development:** Developing new sector partnerships as needed will enable WSA to expand its reach and impact, engaging with sectors that require tailored workforce solutions and facilitating further alignment with industry-driven workforce engagement.
2. **Advising CEO and COO on Organizing Board and Career Center Contractor Business Services**
- **Roles and Responsibilities Definition:** Clarifying roles and responsibilities within the WSA Board and Career Center contractors will promote efficiency and effective service delivery. Clear roles also ensure that each entity involved in workforce engagement understands their contribution to meeting employer needs.
  - **Best Practices Research:** Conducting research on talent sourcing and management best practices, particularly in partnership with local Chambers of Commerce, will enable WSA to adopt strategies that are proven to drive success in the private sector. This aligns with our goal of improving workforce engagement by leveraging insights from those with expertise in managing talent pipelines.
  - **Partnership Proposal Development:** Developing partnership proposals for collaboration with local Chambers of Commerce will provide an actionable plan to strengthen relationships with key regional stakeholders. This collaboration will support the workforce engagement strategy by aligning workforce development efforts with the needs of local employers and businesses



These efforts will help ensure that WSA continues to play a leading role in meeting the workforce development challenges faced by local industries, while driving measurable and impactful outcomes for employers.

A Request for Proposals (RFP) notice was published on WSA's procurement portal in April 2025. WSA received four (4) proposals in response to the RFP, all proposals were evaluated by internal assessors in accordance with the RFP's specifications and requirements. One proposal was eliminated due to incompleteness of proposal.

**Fiscal Impact:** The contract will have an initial term of one (1) year with the option for up to one (1) additional renewal. The initial term will run from June 2025 through June 2026. The total contract expenditure under this agreement is estimated to be \$164,000 over a 2-year term unless adjusted by a signed amendment approved by all parties.

Below is the breakdown of the anticipated costs for the term of the contract:

Item	June 25' - June 26'	June 26' - June 27'
Estimated Annual Contract Amount	\$82,000	\$82,000
Contract Total		\$164,000

**Recommendation:** WSA recommends proceeding to award the contract to Viking Impact Advisors, LLC for the purchase of Business Services Strategy and Industry Sector Partnership Services for a 1-year term with the option of one (1) one-year renewal. The initial term will be effective June 2025, through June 2026 in the estimated aggregate amount of \$164,000, with annual amounts of \$82,000.

**Next Steps:** Once this action is approved, WSA Procurement and Contract Management (PCM), in collaboration with the CEO, will begin negotiations and oversee the execution of contracts for Business Services Strategy and Industry Sector Partnership Services.

**Attachments:** RFP 2025-010 Proposal Tabulation



## Active Submissions

	Total	A - QUALITY & EXPERIENCE	B - EXTENT TO WHICH THE VENDORS GOOD AND SERVICES MEET THE NEEDS OF THE ORGANIZATION	C - HUB/ PRICE
Supplier	/ 100 pts	/ 45 pts	/ 30 pts	/ 25 pts
Viking Impact Advisors, LLC	88.96	39	26.67	23.29
Civic Solutions Partnership	84.67	37	22.67	25
Workforce Consulting	70.33	25.33	20	25

## Eliminated Submissions

	A - QUALITY & EXPERIENCE	A-1 - Experience	B-1 - Approach	C-1 - Price
Supplier	/ 45 pts	/ 25 pts	/ 10 pts	/ 20 pts
Footright LLC	-	-	-	-



## MEMORANDUM

**To:** Audit and Finance Committee

**From:** Adrian Lopez, CEO

**Presented By:** Kristen Rodriguez – Director of Procurement and Contracts Management

**Date:** May 30, 2025

**Subject:** Childcare Curriculum and Professional Development RFP

**Summary:** The Workforce Solutions Alamo (WSA) - Board of Directors is presented with a proposal to award multiple contracts to Brightwill, Frog Street Press, HighScope Educational Research Foundation, Learning Beyond Paper, Rayz Kidz LLC, Teaching Strategies, LLC, The University of Texas Health Science Center at Houston, Children's Learning Institute, Solutions Group for the purchase of Childcare Curriculum and Professional development Services in the estimated amount of \$3,000,000 over a three-year period. The contract term will be effective June 2025, through June 2026, with the option to renew for up to two (2) one-year periods upon written mutual consent of Workforce Solutions Alamo and the selected Contractor.

### *Supporting Texas Talent and Economic Growth – Goal 2, Service Optimizers.*

#### **Scope of Work:**

Workforce Solutions Alamo (WSA) issued an RFP to identify qualified curriculum vendors capable of providing high-quality, developmentally appropriate educational materials and training resources for early childhood education settings. The RFP sought curriculum aligned with the Texas Early Learning Guidelines and supportive of the Texas Rising Star (TRS) quality rating standards.

The goal is to ensure that childcare providers in our region have access to curriculum that supports:

- Infants (0–17 months)
- Toddlers (18–35 months)
- Preschoolers (3–5 years)
- School-age children (5–11 years) – optional
- Family Home Programs

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All curriculums must offer opportunities for children to build upon mastered skills, be individualized to meet developmental needs, and be available in English, Spanish, or dual-language formats to serve the diverse needs of our region.

The RFP was issued on April 2, 2025, and closed on May 2, 2025, following all applicable procurement policies and procedures. An internal review panel evaluated all seven (7) proposals based on criteria such as:

- Alignment with Texas Early Learning Standards
- Developmental appropriateness across all age groups
- Capacity to individualize instruction
- Provider training and support
- Cost effectiveness and scalability

**Fiscal Impact:** The contract will have an initial term of one (1) year with the option for up to two (2) additional one-year renewals. The initial term will run from June 2025 through June 2026. The total contract expenditure under this agreement is estimated to be \$3,000,000 over a 3-year term unless adjusted by a signed amendment approved by all parties. Total contract values will vary by vendor and scope of implementation but will remain within the approved budget allocation for this initiative

Below is the breakdown of the anticipated costs for the term of the contract:

Item	June 25' - June 26'	June 26' - June 27'	June 27' - June 28'
Estimated Annual Contract Amount	\$1,000,000	\$1,000,000	\$1,000,000
Contract Total			\$3,000,0000

**Recommendation:** WSA recommends proceeding to awarding multiple contracts to Brightwill, Frog Street Press, HighScope Educational Research Foundation, Learning Beyond Paper, Rayz Kidz LLC, Teaching Strategies, LLC, The University of Texas Health Science Center at Houston, Children's Learning Institute, Solutions Group for the purchase of Childcare Curriculum and Professional Development Services to provide high-quality curriculum choices to WSA's contracted early learning providers for a 1-year term with the option of two (2) one-year renewal.



The initial term will be effective June 2025, through June 2026 in the estimated aggregate amount up to \$3,000,000, with annual amounts of \$1,000,000.

**Next Steps:** Once this action is approved, WSA Procurement and Contract Management (PCM), in collaboration with the Childcare staff, will begin negotiations and oversee the execution of contracts. Providers will receive communication regarding the approved curriculum options, and training.

**Attachments:** None.

## MEMORANDUM

To: Audit and Finance Committee  
 From: Brandee Perez, CFO  
 Presented by: Gabriela Navarro Garcia, Controller  
 Date: May 30, 2025  
 Regarding: **Financial Reports**

**SUMMARY:** Financial reports through March 31, 2025, have been prepared for the fiscal year October 1, 2024, through September 30, 2025; the straight-line expenditure benchmark is 50% of the budget. The board regularly analyzes Corporate and Facility Budgets in addition to the Grant Summary Report to monitor budgets against actual expenditures.

### CORPORATE BUDGET:

Expenditures	% Expensed	Comments
Personnel	43.13%	This is an acceptable variance. Staff have attended ongoing training and conferences to provide quality services within the organization.
Board Facility	51.57%	The WSA Board facility budget is acceptable and within the budget.
Equipment	43.75%	Cloud-based infrastructure expenses will continue to reflect in the following months.
General Office Expense	29.51%	The primary budget surplus is due to the insurance contingency.
Professional Services	29.79%	This variance consists in a timing difference in monitoring expenditures, expected to start in July. Legal and professional services related to temporary staffing are utilized as needed to support the agency.
Board Training & Development	36.09%	The board does not have any upcoming board conferences but will continue to track any available conferences that would benefit the board in the current fiscal year
<b>Total Expense</b>	<b>39.90%</b>	

Corporate expenditure represents 4.38% of overall expenditures, and demonstrating a budget surplus of approximately 10.10% through March 2025.



**FACILITIES AND INFRASTRUCTURE BUDGET:**

Expenditures	% Expensed	Comments
Overall	42.81%	The facility expenditures represent 3.12% of the overall expenditures and reflecting a 7.19% straight-line budget surplus. This is an acceptable variance.

**ACTIVE GRANTS ONLY (TWC):**

Grant	End date	Budget	% Expense	Comments
24WOR Rapid Response	06/30/2025	\$58,320	95.17%	The board is monitoring any critical changes in layoffs that may affect our current funds. We may request additional funds if needed based on ongoing projections.
25TRA Trade Act	09/30/2025	\$5,000	55.85%	The board was awarded \$22,000 less than historical funding. We are expecting to spend by the end of the contract.
25WPA Wagner-Peyser Employment Services	12/31/2025	\$523,317	35.97%	New grant received for 11-month period.
25CCQ – Child Care Quality	10/31/2025	\$4,412,859	23.20%	The board expects higher expenditures in the month of June with the purchase of supplies and materials for quality TRS providers. The board would continue to monitor projections to fully spend the grant.
25CQF – CCDF Quality Improvement Activity	10/31/2025	\$4,069,145	13.74%	The board expects expenditures up to 80% of the funds going to incentives and 20% got quality supplies and materials for quality TRS providers. The board would continue to monitor projections to fully spend the grant.

25REA-Reemployment Services	09/30/2025	\$1,446,281	11.73%	The board received an additional \$528,000 into the grant. The board will continue to monitor expenditures in the next months.
24MTC – Military to Civilian Employment Program	04/30/2026	\$225,085	0%	New grant awarded April 21, 2025, for a 12-month period. Expenditures are expected to be reflected in June.
25VR1 - SEAL	09/30/2025	\$900,000	6.21%	TWC has reduced the targets from 256 to 128, which reduces the expected utilization of the dollars. This grant will reflect higher expenditures in the summer.
24PWE – Paid Work Experience	9/30/2025	\$187,500	0%	Referrals have not been received by VR. As the program has not been launched, the board is not expecting to spend the funds.
24REO-PROWD	09/30/2027	\$1,174,500	10.64%	Training expenditures will reflect in April.
25EXT- Teacher Externship	03/31/2026	\$200,000	0%	New grant received for a 12-month period. Expenditures are expected to be reflected in the summer.

**ACTIVE GRANTS ONLY (NON-TWC):**

Grant	End date	Budget	% Expense	Comments
DOL Building Pathways	09/30/2029	\$2,000,000	.84%	New grant received for a 4-year period. Expenditures will start increasing in April.
SAF22 Workforce Academy	05/15/2025	\$100,000	87.22%	The board is expecting to spend all funds by the end of the extended contract date.
CAP22 Capacity Building	12/31/2024	\$37,500	58.11%	This grant was intended for capacity building, focusing on staff performance, technology management, and strategic planning. We will be returning \$15,710 of unutilized funds.
TOY24 Toyotetsu	04/15/2025	\$16,100	21.74%	Funds were used to provide incentives to RTW participants with job

Pilot Program				placements. The board is expecting to spend all available funds.
22RTW	9/13/2025	\$65,554,565	49.14%	Expenditures will continue to be realized in the following months as enrollment and activities increase.

**ATTACHMENTS:**

Financial Statements – March 31, 2025

**Workforce Solutions Alamo**  
**Corporate Expenditure Report**  
**FY 2024 - 2025**  
**as of March 2025**

	Annual Budget	YTD Expenses	% Expensed	Balance
<b>PERSONNEL</b>				
Salaries/Wages	\$ 4,697,557	\$ 2,140,498	45.57%	\$ 2,557,059
Fringe Benefits	1,357,103	526,222	38.78%	830,881
Staff Travel	121,900	48,378	39.69%	73,522
Staff Training & Development	161,000	18,599	11.55%	142,401
<b>PERSONNEL SUBTOTAL:</b>	<b>\$ 6,337,560</b>	<b>\$ 2,733,696</b>	<b>43.13%</b>	<b>\$ 3,603,864</b>
<b>BOARD FACILITY</b>				
Rent	\$ 449,665	\$ 233,282	51.88%	\$ 216,383
Storage	\$ 15,000	\$ 6,840	45.60%	\$ 8,160
Maintenance and Repair	7,900	3,566	45.14%	4,334
<b>BOARD FACILITY SUBTOTAL:</b>	<b>\$ 472,565</b>	<b>\$ 243,688</b>	<b>51.57%</b>	<b>\$ 228,877</b>
<b>EQUIPMENT/RELATED COSTS</b>				
Equipment Purchases	\$ 65,000	\$ 12,577	19.35%	\$ 52,423
Equipment Rental	17,399	7,351	42.25%	10,048
Repair & Maintenance	-	-	0.00%	-
Software Licenses & Maintenance	150,000	81,745	54.50%	68,255
<b>EQUIPMENT/RELATED COSTS SUBTOTAL:</b>	<b>\$ 232,399</b>	<b>\$ 101,673</b>	<b>43.75%</b>	<b>\$ 130,726</b>
<b>GENERAL OFFICE EXPENSES</b>				
Communications	\$ 56,470	\$ 23,009	40.74%	\$ 33,461
Advertising	5,000	-	0.00%	5,000
Insurances	250,000	38,537	15.41%	211,463
Office Supplies	25,000	3,417	13.67%	21,583
Postage/Shipping/Other	7,500	1,006	13.41%	6,494
Printing, Binding & Reproduction	15,000	3,150	21.00%	11,850
Publications & Subscriptions	15,000	3,329	22.20%	11,671
Dues	15,000	6,202	41.35%	8,798
Marketing (External)	170,000	75,774	44.57%	94,226
Miscellaneous Costs	20,000	1,642	8.21%	18,358
Non Federal	100,000	44,282	44.28%	55,718
<b>GENERAL OFFICE EXP SUBTOTAL:</b>	<b>\$ 678,970</b>	<b>\$ 200,348</b>	<b>29.51%</b>	<b>\$ 478,622</b>
<b>PROFESSIONAL SERVICES</b>				
Legal Services-Corporate	\$ 125,000	\$ 36,252	29.00%	\$ 88,748
Legal Services-Other	50,000	13,417	26.83%	36,583
Audit	75,000	20,355	27.14%	54,645
Monitoring (Contractor)	450,000	129,313	28.74%	320,688
Professional Services	1,200,000	362,079	30.17%	837,921
Payroll Fees	50,000	19,579	39.16%	30,421
<b>PROFESSIONAL SERVICES SUBTOTAL:</b>	<b>\$ 1,950,000</b>	<b>\$ 580,994</b>	<b>29.79%</b>	<b>\$ 1,369,006</b>
<b>BOARD EXPENSES</b>				
Board Member Travel	\$ 15,000	\$ 7,241	48.27%	\$ 7,759
Board Member Training/Development	20,000	4,500	22.50%	15,500
Board Meetings & Misc. Costs	10,000	4,500	45.00%	5,500
<b>BOARD EXPENSES SUBTOTAL:</b>	<b>\$ 45,000</b>	<b>\$ 16,241</b>	<b>36.09%</b>	<b>\$ 28,759</b>
<b>TOTAL EXPENSES</b>	<b>\$ 9,716,494</b>	<b>\$ 3,876,641</b>	<b>39.90%</b>	<b>\$ 5,839,853</b>
<b>SUMMARY:</b>				
Personnel	\$ 6,337,560	\$ 2,733,696	43.13%	\$ 3,603,864
Board Facility	472,565	243,688	51.57%	228,877
Equipment/Related Costs	232,399	101,673	43.75%	130,726
General Office Expenses	678,970	200,348	29.51%	478,622
Professional Services	1,950,000	580,994	29.79%	1,369,006
Board Expenses	45,000	16,241	36.09%	28,759
<b>TOTAL CORPORATE EXPENSES</b>	<b>\$ 9,716,494</b>	<b>\$ 3,876,641</b>	<b>39.90%</b>	<b>\$ 5,839,853</b>

**Workforce Solutions Alamo  
Facilities & Infrastructure Report  
FY 2024 - 2025  
as of March 2025**

Facilities & Infrastructure	Annual Budget		YTD Expenses	% Expensed	Balance	
Workforce Facilities	\$	6,452,970	\$	2,762,583	42.81%	\$ 3,690,387
<b>TOTAL FACILITIES EXPENSES</b>	<b>\$</b>	<b>6,452,970</b>	<b>\$</b>	<b>2,762,583</b>	<b>42.81%</b>	<b>\$ 3,690,387</b>

Facilities	End of Lease	Note	Facilities	End of Lease	Note
Port SA	4/30/2034		S. Flores	7/31/2028	
O'Connor	10/5/2034		Kerrville	4/30/2029	
Pearsall	3/31/2030		Datapoint	3/31/2030	
Hondo	12/31/2027		Datapoint - Child Care	3/31/2030	
SA Foodbank	12/31/2025		E. Houston	8/16/2030	
Kenedy	1/31/2027		New Braunfels	1/31/2032	
Pleasanton	1/31/2028		Bandera	1/14/2028	
Floresville	7/31/2026				
Boerne	11/30/2026				
Seguin	1/15/2027				

**Workforce Solutions Alamo**  
**Grant Summary Report**  
**FY 2024 - 2025**  
**as of March 2025**

Grant	Grant Awards	Remaining Balance as 9/30/24	FY25 Budget	FY25 Budget Adjustments	Expenses FY 24 - 25	Total Grant Expenses	Balance	Grant Expended	Months Remaining
2023 WIOA ADULT SERVICES	\$ 5,522,731.00	\$ 2,514.79	\$ -	\$ 2,514.79	\$ (23,375.35)	\$ 5,496,464.43	\$ 26,266.57	99.52%	3
2024 WIOA ADULT SERVICES	\$ 5,576,777.00	\$ 5,407,680.97	\$ 5,574,422.00	\$ (166,741.03)	\$ 1,718,064.99	\$ 1,887,161.02	\$ 3,689,615.98	33.84%	15
2023 WIOA DISLOCATED WORKER	\$ 4,774,833.00	\$ 866,476.89	\$ 747,100.50	\$ 119,376.39	\$ 399,965.99	\$ 4,308,055.09	\$ 466,777.91	90.22%	3
2024 WIOA DISLOCATED WORKER	\$ 4,670,305.00	\$ 4,670,305.00	\$ 4,468,382.00	\$ 201,923.00	\$ 1,585,949.71	\$ 1,585,949.71	\$ 3,084,355.29	33.96%	15
2023 WIOA YOUTH SERVICES	\$ 5,861,245.00	\$ 871,793.58	\$ 610,000.00	\$ 261,793.58	\$ 157,177.10	\$ 5,146,628.52	\$ 714,616.48	87.81%	3
2024 WIOA YOUTH SERVICES	\$ 5,910,587.00	\$ 5,550,976.46	\$ 5,907,469.00	\$ (356,492.54)	\$ 2,334,744.47	\$ 2,694,355.01	\$ 3,216,231.99	45.59%	15
WIOA RAPID RESPONSE	\$ 58,320.00	\$ 32,403.59	\$ 58,295.00	\$ (25,891.41)	\$ 29,584.99	\$ 55,501.40	\$ 2,818.60	95.17%	3
TEMPORARY ASST FOR NEEDY FAMILIES-TANF	\$ 6,851,831.00	\$ (219.41)	\$ -	\$ -	\$ 939.08	\$ 6,851,963.79	\$ (132.79)	100.00%	
TEMPORARY ASST FOR NEEDY FAMILIES-TANF	\$ 6,590,722.00	\$ -	\$ 6,775,722.00	\$ (185,000.00)	\$ 2,555,764.95	\$ 2,555,764.95	\$ 4,034,957.05	38.78%	7
SUPPLEMENTAL NUTRITION ASST PRGRM - SNAP	\$ 945,544.00	\$ -	\$ 945,544.00	\$ -	\$ 848,561.90	\$ 848,561.90	\$ 96,982.10	89.74%	6
SUPPLEMENTAL NUTRITION ASST PRGRM - SNAP	\$ 513,000.00	\$ -	\$ 357,747.00	\$ 155,253.00	\$ 0	\$ -	\$ 513,000.00	0.00%	6
NON CUSTODIAL PARENT	\$ 437,578.00	\$ 432,269.85	\$ 437,578.00	\$ (5,308.15)	\$ 165,269.25	\$ 170,577.40	\$ 267,000.60	38.98%	6
CC SRVCS FORMULA ALLOCATION-CCF	\$ 103,860,758.00	\$ 1,193,418.23	\$ 3,585,310.00	\$ (2,391,891.77)	\$ 1,194,089.38	\$ 103,861,429.15	\$ (671.15)	100.00%	
CC SRVCS FORMULA ALLOCATION-CCF	\$ 120,566,722.00	\$ -	\$ 107,049,004.86	\$ 13,517,717.14	\$ 55,422,965.32	\$ 55,422,965.32	\$ 65,143,756.68	45.97%	9
CC DVLPMNT FUND LOCAL MATCH - CCM	\$ 7,584,186.00	\$ 7,584,186.00	\$ 7,539,884.00	\$ 44,302.00	\$ 7,584,186.00	\$ 7,584,186.00	\$ -	100.00%	
CC DVLPMNT FUND LOCAL MATCH - CCM	\$ 7,595,230.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,595,230.00	0.00%	9
CC TEXAS DEPT FAMILY PROTECTIVE SRVCS-CCP	\$ 7,657,313.93	\$ 30,041.12	\$ -	\$ -	\$ 0	\$ 7,627,272.81	\$ 30,041.12	99.61%	
CC TEXAS DEPT FAMILY PROTECTIVE SRVCS-CCP	\$ 5,556,000.00	\$ 4,958,082.12	\$ 4,898,465.00	\$ 59,617.12	\$ 3,777,404.58	\$ 4,375,322.46	\$ 1,180,677.54	78.75%	9
TRADE ACT SERVICES	\$ 5,000.00	\$ -	\$ 27,000.00	\$ (22,000.00)	\$ 2,792.35	\$ 2,792.35	\$ 2,207.65	55.85%	6
WAGNER-PEYSER EMPLOYMENT SERVICES-WPA	\$ 1,017,695.00	\$ 275,281.21	\$ 342,746.00	\$ (67,464.79)	\$ 275,306.35	\$ 1,017,720.14	\$ (25.14)	100.00%	
WAGNER-PEYSER EMPLOYMENT SERVICES-WPA	\$ 523,317.00	\$ -	\$ 676,578.65	\$ (153,261.65)	\$ 188,238.41	\$ 188,238.41	\$ 335,078.59	35.97%	9
RESOURCE ADMIN GRANT	\$ 11,857.00	\$ -	\$ 11,857.00	\$ -	\$ 5,676.99	\$ 5,676.99	\$ 6,180.01	47.88%	6
TEXAS VETERANS COMMISSION	\$ 255,178.00	\$ -	\$ 255,178.00	\$ -	\$ 111,031.88	\$ 111,031.88	\$ 144,146.12	43.51%	6
CC QUALITY - CCQ	\$ 6,249,935.30	\$ 848,602.72	\$ 200,000.00	\$ 648,602.72	\$ 623,055.70	\$ 6,024,388.28	\$ 225,547.02	96.39%	
CC QUALITY - CCQ	\$ 4,412,859.00	\$ -	\$ 7,031,976.84	\$ (2,619,117.84)	\$ 1,023,779.98	\$ 1,023,779.98	\$ 3,389,079.02	23.20%	7
QUALITY IMPROVEMENT ACTIVITY	\$ 4,069,145.00	\$ -	\$ -	\$ 4,069,145.00	\$ 559,000.00	\$ 559,000.00	\$ 3,510,145.00	13.74%	7
WORKFORCE COMMISSION INITIATIVES	\$ 100,250.00	\$ -	\$ 94,250.00	\$ 6,000.00	\$ 72,195.00	\$ 72,195.00	\$ 28,055.00	72.01%	6
REEMPLOYMENT SERVICES - REA	\$ 1,057,573.00	\$ 212,963.05	\$ -	\$ 212,963.05	\$ 213,012.17	\$ 1,057,597.19	\$ (24.19)	100.00%	
REEMPLOYMENT SERVICES - REA	\$ 1,446,281.00	\$ -	\$ 920,073.00	\$ 526,208.00	\$ 169,719.33	\$ 169,719.33	\$ 1,276,561.67	11.73%	6
PARTNERS FOR REENTRY OPPORTUNITIES IN WD (PROWD)	\$ 1,174,500.00	\$ 1,136,951.80	\$ 1,034,100.00	\$ (625,743.00)	\$ 87,455.68	\$ 125,003.88	\$ 1,049,496.12	10.64%	30
MILITARY FAMILY SUPPORT PROGRAM	\$ 221,896.00	\$ 40,522.48	\$ 266,471.00	\$ (225,948.52)	\$ 40,545.81	\$ 221,909.37	\$ (13.37)	100.01%	
MILITARY TO CIVILIAN EMPLOYMENT PROGRAM	\$ 225,085.00	\$ -	\$ -	\$ 225,085.00	\$ 0	\$ 0	\$ 225,085.00	0.00%	13
TEACHER EXTERNSHIP	\$ 200,000.00	\$ -	\$ -	\$ 200,000.00	\$ 0	\$ 0	\$ 200,000.00	0.00%	12
STUDENT HIREABILITY NAVIGATOR	\$ 210,000.00	\$ 193,920.80	\$ 210,000.00	\$ -	\$ 93,154.99	\$ 109,234.19	\$ 100,765.81	52.02%	5
VOCATIONAL REHABILITATION-VR INFRA SPRT	\$ 821,838.34	\$ 778,924.26	\$ 562,676.00	\$ 216,248.26	\$ 283,276.26	\$ 326,190.34	\$ 495,648.00	39.69%	5
PAID WORK EXPERIENCE (PWE)	\$ 187,500.00	\$ -	\$ 187,500.00	\$ (187,500.00)	\$ 0	\$ 0	\$ 187,500.00	0.00%	6
TRAINING & EMPLOYMENT NAVIGATOR PILOT	\$ 195,856.00	\$ 146,055.46	\$ 128,057.03	\$ 17,998.43	\$ 54,545.73	\$ 104,337.86	\$ 91,518.14	53.27%	7
SUMMER EARN & LEARN (SEAL)	\$ 900,000.00	\$ -	\$ 900,000.00	\$ -	\$ 55,927.43	\$ 55,927.43	\$ 844,072.57	6.21%	6
SAN ANTONIO AREA FOUNDATION-WORKFORCE ACADEMY	\$ 100,000.00	\$ 21,298.59	\$ 14,582.00	\$ 6,716.59	\$ 8,518.48	\$ 87,219.89	\$ 12,780.11	87.22%	2
SAN ANTONIO AREA FOUNDATION-CAPACITY BUILDING	\$ 37,500.00	\$ 15,710.45	\$ -	\$ 15,710.45	\$ 0	\$ 21,789.55	\$ 15,710.45	58.11%	
ADAM SCRIPPS FOUNDATION FUND	\$ 187,500.00	\$ 175,633.00	\$ -	\$ 175,633.00	\$ 6,546.33	\$ 18,413.33	\$ 169,086.67	9.82%	7
KRONKOWSKY FOUNDATION FUND	\$ 21,000.00	\$ 14,630.59	\$ -	\$ 14,630.59	\$ 2,510.04	\$ 8,879.45	\$ 12,120.55	42.28%	2
TOYOTETSU PILOT PROGRAM (RTW)	\$ 16,100.00	\$ 15,000.00	\$ -	\$ 15,000.00	\$ 2,400.00	\$ 3,500.00	\$ 12,600.00	21.74%	1
READY TO WORK-COSA	\$ 65,554,565.00	\$ 40,196,337.05	\$ 20,069,891.00	\$ -	\$ 6,852,384.26	\$ 32,210,612.21	\$ 33,343,952.79	49.14%	2
DOL BUILDING PATHWAYS	\$ 2,000,000.00	\$ -	\$ -	\$ 400,000.00	\$ 16,823.34	\$ 16,823.34	\$ 1,983,176.66	0.84%	55
TEXAS MUTUAL INS COMPANY CHARITABLE GRANT	\$ 100,000.00	\$ -	\$ -	\$ 100,000.00	\$ 0	\$ 0	\$ 100,000.00	0.00%	7
LIFT FUND	\$ 3,600.00	\$ -	\$ -	\$ 3,600.00	\$ 0	\$ 0	\$ 3,600.00	0.00%	
RESTORE EDUCATION	\$ 95,000.00	\$ -	\$ -	\$ 95,000.00	\$ 0	\$ 0	\$ 95,000.00	0.00%	5
<b>GRAND TOTAL</b>	<b>\$ 391,934,713.57</b>	<b>\$ 75,671,760.65</b>	<b>\$ 181,887,859.88</b>	<b>\$ 14,278,677.41</b>	<b>\$ 88,499,188.87</b>	<b>\$ 254,014,139.35</b>	<b>\$ 137,920,574.22</b>		

## MEMORANDUM

To: Audit and Finance Committee  
From: Adrian Lopez, CEO  
Through: Brandee Perez, CFO  
Presented by: Gabriela Navarro Garcia, Controller  
Date: May 30, 2025  
Regarding: Financial Analysis – SA Ready to Work – 2<sup>nd</sup> Qtr Update

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**SUMMARY:** On November 3, 2020, City of San Antonio (COSA) voters approved the SA: Ready to Work ballot initiative, authorizing a 1/8th cent sales and use tax for four years to provide workforce development training and higher education to unemployed, underemployed, or underserved residents to obtain high-demand, well-paid careers, by Chapter 379A of the Texas Local Government Code ("the Better Jobs Act"). No further action has been requested at this time.

**ANALYSIS:** Under this initiative, Workforce Solutions Alamo (WSA) executed an agreement with the city of San Antonio to provide the services necessary to the SA Ready to Work program (the "Program"), which includes the following objectives: increase access to industry-recognized certification training and college; provide wraparound services and emergency funding to ensure successful completion of training and career placement; increase collaboration within the workforce ecosystem; and promote accountability and adaptability throughout the process.

**FISCAL IMPACT:** The award amount for this contract is One Hundred Five Million, Seven Hundred Eighty-One Thousand, Nine Hundred Fifty-Three Dollars (\$105,781,953), and it is funded through a grant by COSA. The term of this agreement began on May 13, 2022, with a three (3) year period. The term of the agreement has been extended to an additional 90 days.

**FISCAL UPDATE:** The WSA fiscal department has served as a fiscal agent for Ready to Work partners. This memo is intended to provide an update on the current program's financial performance and challenges.

Expenditure Update:

WSA has budgeted \$65,554,565 through May 13, 2025. WSA has expended \$32,210,612 through March 31, 2025

Board Reserves in FY25 quarter two have decreased by \$118,917 since FY24. The significant difference is in Board expenses and decrease in Intake participants. Board expenditure has increased since FY24 by \$389,002. High expenditure is reflected mostly in salaries and temporary staffing services. The increase in allocated hours to the program is an impact of the new software data compliance issues and the increase in volume of training invoicing.

**The board currently has a surplus of \$23,351 reserved for monitoring disallowed costs.**

<b>Ready to Work Rollforward</b>			
	<b>FY22 &amp; FY23</b>	<b>FY24</b>	<b>FY25 Q2</b>
<b>BOARD COST</b>			
Revenue Fees Earned	\$ 628,967	\$ 1,323,365	\$ 1,593,451
Expenditures	\$ 575,735	\$ 1,181,098	\$ 1,570,101
<b>Net Surplus</b>	<b>\$ 53,232</b>	<b>\$ 142,267</b>	<b>\$ 23,351</b>
<b>SUBRECIPIENT COST</b>			
Revenue Fees Earned	\$ 5,033,040	\$ 11,119,697	\$ 12,976,702
Expenditures	\$ 5,033,040	\$ 11,119,697	\$ 12,976,702
<b>Net</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>CLIENT COST</b>			
Revenue-Cost- Reimbursement	\$ 6,649,175	\$ 13,009,412	\$ 17,663,810
Expenditures-Cost Reimbursement	\$ 6,649,175	\$ 13,009,412	\$ 17,663,810
<b>Net</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

WSA has forecasted to spend \$38,454,078 though the inception of the 3-year contract, leaving a budget surplus of \$27,100,487

<b>3-Year Contract Budget</b>	<b>Forecasted Expenditures</b>	<b>Unused Funds</b>
\$65,554,565.00	\$38,255,853	\$27,100,487

### Program Challenges and Opportunities

Ready to Work is an evolving program, and the board continues to work through any program challenges by presenting solutions, focusing on opportunities to strengthen the program and achieve success for program recipients, providers, partners, and COSA.

One of the most significant challenges WSA faced was cash flow management.

1. To alleviate this challenge, fiscal staff working together with the Ready to Work team provide cash advances of \$3,610,731. WSA has paid in full on February 15, 2025.
2. COSA approved submission of accrual invoices to receive payment earlier than the historical 60-90 days. In April 2025, COSA discontinued the submission of accrual invoicing with an explanation that the contract was in the last 60 days. This impacted WSA and training providers since WSA does not have set aside funds to pay advance.
3. With the 90-day extension of the contract, COSA recently approved WSA to submit accrual invoices starting May 15, 2025. The delay of accrual submission between April 30 and May 15 caused an increase in unpaid training invoices totaling \$900,000. WSA has received an additional \$1M in training invoices that are under review by our fiscal department and expects to submit for payment on May 30<sup>th</sup>.



The board staff looks forward to continually working with the city to proactively identify and work through any challenges that may occur and will work to strengthen the financial and programmatic program performance.

## MEMORANDUM

To: Audit and Finance Committee  
 From: Brandee Perez, CFP  
 Presented by: Gabriela Navarro Garcia, Controller  
 Date: May 30, 2025  
 Regarding: **Client Expenditure Analysis**

**SUMMARY:** *Update and Possible Discussion on Support Services with TWC Programs and Ready to Work Funds.*

The Board continues to monitor and analyze client support services for the fiscal year to identify the most common barriers for job training and job placement. The analysis will be utilized to have ongoing discussions with our partners to identify additional resources for our clients.

### ANALYSIS:

In the current Fiscal Year through March 2025, a total of \$488,930 has been expensed for support services to assist our clients.

TWC Programs – There is a significant increase of \$14,920 in work related cost. Overall expenses total \$359,101 and will continue to increase in the next 6 months of the fiscal year expecting to be higher than FY24. Rent, transportation and work-related items are the highest costs for support services.

Client Expenditure Comparison - TWC Programs as of March 2025				
Category	FY24	FY24 Allocation %	FY25 Year-to-Date	FY25 Allocation %
Work Related	\$ 30,205	5.59%	\$ 45,125	12.57%
Rent	\$ 201,270	37.27%	\$ 148,881	41.46%
Utilities	\$ 31,049	5.75%	\$ 27,251	7.59%
Transportation	\$ 194,106	35.95%	\$ 102,911	28.66%
Incentives	\$ 45,056	8.34%	\$ 22,250	6.20%
Youth - Support Services	\$ 38,313	7.10%	\$ 12,684	3.53%
<b>TOTAL:</b>	<b>\$ 539,999</b>	<b>100.00%</b>	<b>\$ 359,101</b>	<b>100.00%</b>

Ready to Work – There is a significant increase of \$2,706 in Medical, Legal, Food, and Daycare costs. Overall expenses total \$129,829 and will continue to increase in the next 6 months of the fiscal year expecting to be higher than FY24. Rent and Utilities continue to be the highest costs for support services.

Client Expenditure Comparison- Ready to Work as of March 2025				
Category	FY24	FY24 Allocation %	FY25 Year-to-Date	FY25 Allocation %
Rent	\$ 121,209	52.67%	\$ 60,082	46.28%
Utilities	\$ 52,095	22.64%	\$ 33,072	25.47%
Transporation	\$ 15,123	6.57%	\$ 13,361	10.29%
Laptops/Computers	\$ 28,019	12.18%	\$ 7,259	5.59%
Training Related	\$ 2,113	0.92%	\$ 1,785	1.37%
Other: Medical, Legal, Food, Daycare	\$ 11,565	5.03%	\$ 14,271	10.99%
<b>TOTAL:</b>	<b>\$ 230,125</b>	<b>100.00%</b>	<b>\$ 129,829</b>	<b>100.00%</b>

## MEMORANDUM

To: Audit and Finance Committee  
 From: Brandee Perez, CFP  
 Presented by: Gabriela Navarro Garcia, Controller  
 Date: May 30, 2025  
 Regarding: **County by County Expenditure Analysis**

**SUMMARY:** *Update and Possible Discussion on Service Delivery Expenditure by County.* The preparation of the annual budget considers allocation factors, under Texas Administrative Code, Chapter 800, Chapter B, Allocations. These allocations provide guidance in allocating funds by each county within the Service Delivery Area. TWC awards contracts in aggregate amounts to the Alamo region, requiring the board to serve participants throughout the region.

Upon request of local officials, the board continues to analyze expenditures by County to ensure that each county is receiving a fair share of the fund's allocation by state allocation factors.

**ANALYSIS:** The board has evaluated the initial budget allocation, year-to-date expenditures, and year-to-date variance analysis for each county. The budget and actual expenditures percentages through March 31, 2025, for Bexar and Rural Counties can be found in Table 1.

Table 1:

	TWC Programs			Child Care Funds			Other Funding		
	Actuals	Budget	Actuals %	Actuals	Budget	Actuals %	Actuals	Budget	Actuals %
<b>Urban</b>	7,078,215	9,569,087	74%	58,693,259	54,339,043	84%	1,157,387	1,568,036	79%
<b>Rural</b>	2,513,283	3,153,253	26%	11,497,769	10,813,278	16%	308,332	487,354	21%

Bexar County has a slight decrease from budget to actual for the TWC Programs. WSA's allocations are based on guidance from the TAC 800, actual expenditures are based on needs of a community.

There was a slight increase in the percentage allocated to Bexar County for Child Care. Overall 82% expenditures were allocated to Bexar county and 18% to the Rural counties, representing less than 1% variance from the straight-line budget.

**FISCAL IMPACT:** The board will continue to monitor expenditure by county and work collaboratively with service providers to ensure proper outreach is being conducted in all counties to make funds and services available.

### ATTACHMENTS:

YTD County by County Expense to Budget Comparison Report

**Workforce Solutions Alamo**  
**County by County Expense Report - TWC Programs**  
**FY 2024 - 2025**

**As of March 2025**

County	Annual Budget		Straight-line Budget		YTD Expenditures		Over/Under Budget
	Amount	%	Amount	%	Amount	%	
Atascosa	\$ 646,734	2.54%	\$ 323,367	2.54%	\$ 326,670	3.41%	\$ 320,065
Bandera	\$ 283,365	1.11%	\$ 141,682	1.11%	\$ 144,180	1.50%	\$ 139,185
Bexar	\$ 19,138,175	75.21%	\$ 9,569,087	75.21%	\$ 7,078,215	73.80%	\$ 12,059,960
Comal	\$ 1,228,555	4.83%	\$ 614,277	4.83%	\$ 731,373	7.63%	\$ 497,182
Frio	\$ 432,720	1.70%	\$ 216,360	1.70%	\$ 295,244	3.08%	\$ 137,477
Gillespie	\$ 250,973	0.99%	\$ 125,487	0.99%	\$ 127,207	1.33%	\$ 123,766
Guadalupe	\$ 1,253,836	4.93%	\$ 626,918	4.93%	\$ 160,511	1.67%	\$ 1,093,325
Karnes	\$ 323,219	1.27%	\$ 161,610	1.27%	\$ 97,366	1.02%	\$ 225,853
Kendall	\$ 542,467	2.13%	\$ 271,234	2.13%	\$ 148,445	1.55%	\$ 394,022
Kerr	\$ 445,278	1.75%	\$ 222,639	1.75%	\$ 222,637	2.32%	\$ 222,641
McMullen	\$ 82,194	0.32%	\$ 41,097	0.32%	\$ 5,206	0.05%	\$ 76,988
Medina	\$ 390,384	1.53%	\$ 195,192	1.53%	\$ 93,241	0.97%	\$ 297,143
Wilson	\$ 426,780	1.68%	\$ 213,390	1.68%	\$ 161,203	1.68%	\$ 265,578
<b>TOTAL</b>	<b>\$ 25,444,682</b>	<b>100.00%</b>	<b>\$ 12,722,341</b>	<b>100.00%</b>	<b>\$ 9,591,498</b>	<b>100.00%</b>	<b>\$ 15,853,184</b>

**SUMMARY:**

Location	Annual Budget		Straight-line Budget		YTD Expenditures		Over/Under Budget
	Amount	%	Amount	%	Amount	%	
Urban	\$ 19,138,175	75%	\$ 9,569,087	75%	\$ 7,078,215	74%	\$ 12,059,960
Rural	\$ 6,306,507	25%	\$ 3,153,253	25%	\$ 2,513,283	26%	\$ 3,793,224
<b>TOTAL</b>	<b>\$ 25,444,682</b>	<b>100.00%</b>	<b>\$ 12,722,341</b>	<b>100.00%</b>	<b>\$ 9,591,498</b>	<b>100.00%</b>	<b>\$ 15,853,184</b>

**Workforce Solutions Alamo**  
**County by County Expense Report - Child Care**  
**FY 2024 - 2025**  
**as of March 2025**

County	Annual Budget		Straight-line Budget		YTD Expenditures		Over/Under Budget
	Amount	%	Amount	%	Amount	%	
Atascosa	\$ 2,335,161	1.79%	\$ 1,167,581	1.79%	\$ 1,526,699	2.18%	\$ 808,462
Bandera	\$ 543,644	0.42%	\$ 271,822	0.42%	\$ 341,326	0.49%	\$ 202,318
Bexar	\$ 108,678,085	83.40%	\$ 54,339,043	83.40%	\$ 58,693,259	83.62%	\$ 49,984,826
Comal	\$ 3,298,186	2.53%	\$ 1,649,093	2.53%	\$ 2,101,170	2.99%	\$ 1,197,016
Frio	\$ 1,100,983	0.84%	\$ 550,491	0.84%	\$ 663,995	0.95%	\$ 436,988
Gillespie	\$ 829,561	0.64%	\$ 414,780	0.64%	\$ 320,409	0.46%	\$ 509,152
Guadalupe	\$ 6,155,146	4.72%	\$ 3,077,573	4.72%	\$ 2,971,338	4.23%	\$ 3,183,807
Karnes	\$ 865,247	0.66%	\$ 432,624	0.66%	\$ 179,306	0.26%	\$ 685,941
Kendall	\$ 1,038,310	0.80%	\$ 519,155	0.80%	\$ 500,481	0.71%	\$ 537,829
Kerr	\$ 2,432,830	1.87%	\$ 1,216,415	1.87%	\$ 946,209	1.35%	\$ 1,486,620
McMullen	\$ 42,772	0.03%	\$ 21,386	0.03%	\$ -	0.00%	\$ 42,772
Medina	\$ 1,865,221	1.43%	\$ 932,610	1.43%	\$ 1,329,209	1.89%	\$ 536,012
Wilson	\$ 1,119,496	0.86%	\$ 559,748	0.86%	\$ 617,625	0.88%	\$ 501,871
<b>TOTAL</b>	<b>\$ 130,304,641</b>	<b>100.00%</b>	<b>\$ 65,152,320</b>	<b>100.00%</b>	<b>\$ 70,191,027</b>	<b>100.00%</b>	<b>\$ 60,113,613</b>

SUMMARY:							
Location	Annual Budget		Straight-line Budget		YTD Expenditures		Over/Under Budget
	Amount	%	Amount	%	Amount	%	
Urban	\$ 108,678,085	83%	\$ 54,339,043	83%	\$ 58,693,259	84%	\$ 49,984,826
Rural	\$ 21,626,556	17%	\$ 10,813,278	17%	\$ 11,497,769	16%	\$ 10,128,787
<b>TOTAL</b>	<b>\$ 130,304,641</b>	<b>100%</b>	<b>\$ 65,152,320</b>	<b>100%</b>	<b>\$ 70,191,027</b>	<b>100%</b>	<b>\$ 60,113,613</b>

**Workforce Solutions Alamo**  
**County by County Expense Report - Other Funding**  
**FY 2024 - 2025**  
**as of March 2025**

County	Annual Budget		Straight-line Budget		YTD Expenditures		Over/Under Budget
	Amount	%	Amount	%	Amount	%	
Atascosa	\$ 80,456	1.96%	\$ 40,228	1.96%	\$ 12,717	0.87%	\$ 67,738
Bandera	\$ 47,473	1.15%	\$ 23,736	1.15%	\$ 8,357	0.57%	\$ 39,116
Bexar	\$ 3,136,071	76.29%	\$ 1,568,036	76.29%	\$ 1,157,387	78.96%	\$ 1,978,684
Comal	\$ 208,528	5.07%	\$ 104,264	5.07%	\$ 87,473	5.97%	\$ 121,055
Frio	\$ 48,882	1.19%	\$ 24,441	1.19%	\$ 16,843	1.15%	\$ 32,039
Gillespie	\$ 45,240	1.10%	\$ 22,620	1.10%	\$ -	0.00%	\$ 45,240
Guadalupe	\$ 184,449	4.49%	\$ 92,225	4.49%	\$ 73,551	5.02%	\$ 110,898
Karnes	\$ 41,995	1.02%	\$ 20,998	1.02%	\$ -	0.00%	\$ 41,995
Kendall	\$ 84,958	2.07%	\$ 42,479	2.07%	\$ 22,497	1.53%	\$ 62,461
Kerr	\$ 69,523	1.69%	\$ 34,761	1.69%	\$ 49,697	3.39%	\$ 19,825
McMullen	\$ 16,593	0.40%	\$ 8,296	0.40%	\$ -	0.00%	\$ 16,593
Medina	\$ 69,766	1.70%	\$ 34,883	1.70%	\$ 18,651	1.27%	\$ 51,116
Wilson	\$ 76,846	1.87%	\$ 38,423	1.87%	\$ 18,546	1.27%	\$ 58,299
<b>TOTAL</b>	<b>\$ 4,110,779</b>	<b>100.00%</b>	<b>\$ 2,055,390</b>	<b>100.00%</b>	<b>\$ 1,465,719</b>	<b>100.00%</b>	<b>\$ 2,645,060</b>

SUMMARY:						
Location	Annual Budget		Straight-line Budget		YTD Expenditures	
	Amount	%	Amount	%	Amount	%
Urban	\$ 3,136,071	76%	\$ 1,568,036	76%	\$ 1,157,387	79%
Rural	\$ 974,708	24%	\$ 487,354	24%	\$ 308,332	21%
<b>TOTAL</b>	<b>\$ 4,110,779</b>	<b>100%</b>	<b>\$ 2,055,390</b>	<b>100%</b>	<b>\$ 1,465,719</b>	<b>100%</b>

\*Expenditures exclude Bexar County only funds which include: City of San Antonio, Non Custodial Parent, Military Family,



## MEMORANDUM

**To:** Audit and Finance Committee

**From:** Adrian Lopez, Chief Executive Officer

**Presented By:** Brandee Perez, Chief Financial Officer

**Date:** May 30, 2025

**Subject:** Childcare System Updates

### ***Supporting Texas Talent and Economic Growth – Goal 2, Service Optimizers.***

**Summary:** The Texas Workforce Solutions (TWC) launched TX Child Care Connection (TX3C) software January 2025. Since the launch the staff have been working through many challenges such as payments to providers, reporting and program requirements.

TWC meets twice a week with the Boards to discuss concerns with reporting, provider and contractor feedback, status updates to the software and payments. While these meetings are beneficial there continues to be limited progress on system updates which has led to manual processes being implemented.

**Fiscal Impact:** TWC continues to track the issues and potential fixes that have been identified by the Board (table below).

Issues/Fixes - Outstanding	
Description	Status
Unit issues on 245 (incorrect number of units displaying on 245 related to adjustments) – New report (240) in to address this issue and address	NOTE: This issue was incorrectly removed from the last update – this is still an open issue and has been escalated as critical.

[workforcesolutionsalamo.org](http://workforcesolutionsalamo.org)  
[communications@wsalamo.org](mailto:communications@wsalamo.org)

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performance management needs	<p>KinderSystems is proposing a new report that with units adjusted. Report mock-up provided to TWC 4/17/2025 was incomplete. TWC working with KinderSystems to firm and finalize requirements.</p> <p>The KS Product team continues to work on report design. TWC is reviewing report design and mock-up and soliciting input from Board users before finalizing.</p>
TRS and TSR quality designations are missing or incorrect (CLI long-term fix)	<p>Long-term fix decided and under development. This fix will support maintenance of historical ratings.</p> <p>Additionally, this work will include corrections to payments for quality ratings that changed between 1/7/2025 and 2/26/2025.</p> <p>Work in progress. Assigned to 4.29 sprint, scheduled for UAT 5/7/2025. Pending successful TWC validation, deployment targeted for 5/20/2025.</p>
Duplicate payments on the 245	<p>KinderSystems will clean up these duplicated timesheets every night to avoid duplicate payments from appearing on the 245. Permanent fix planned for release 4.29, scheduled to go to UAT 5/7/2025. Pending successful TWC validation, deployment targeted for 5/20/2025 (two-week slip).</p>
Payment inaccuracies related to recertifications	<p>UAT the week of 4/21/2025; pending successful validation, will be deployed to production 4/25/2025. Validation failed; KinderSystems researching and new deployment date TBD – likely in 5.30 release scheduled for deployment early June.</p>
Payment inaccuracies related to duplicate payments associated with payment periods crossing months and mixed rate types on schedules	<p>Fix scheduled in KT release 4.29. Scheduled for UAT 5/12/25, and pending successful validation, deployment 5/25/2025.</p>
KinderConnect Provider payment screen (payment proof) provides inadequate information	<p>New KinderConnect payment proof screen with full payment details.</p> <p>Release scheduled for 5/6/2025.</p>



Payment adjustments needed: For the first 2 payment cycles, providers that are under a different managing board were paid the rates of the non-managing Board.	Reported by Capital Area and Texoma. KinderSystems investigating this to see why the payment was made using the wrong RMR.  <i>KinderSystems provide TWC with a report of affected payments 5/1/2025; CC&amp;EL reviewing. Fix TBD.</i>
“Spring Break” payment issue when shortening a schedule – Paid both providers for the same time frame (should have adjusted to take shortened schedule days out).	Root cause identified. KS to change provider transfer logic to handle auto adjustments for these scenarios. Likely to be included in the 4.31 release (dates TBD).  NOTE: For a temporary workaround, Boards can go into each child and adjust schedules versus using the “transfer” feature.
Missing adjustment payment amounts of the 245	Issue identified by Capital Area. KinderSystems investigating. Fix TBD.
245 Adjustments – do not match the payment calculator	Calculator issue – non-service days were calculated. More research needed. KinderSystems investigating. Fix TBD.

Lastly, WSA received an email from TWC on May 14, 2025, informing the Board of potential delays in funding due to new requirements from the federal government.

**Message from TWC to Local Boards – May 14, 2025**

**IMPORTANT UPDATE: Potential for Federal Funding Delays**

*We want to make you aware that new requirements from federal agencies are resulting in some delays as the federal government reviews and approves our daily request for funds which includes your funds for providing TWC child care services. These delays, which can be up to five days, can in turn lead to delays in your payments. TWC is working closely with our Local Workforce Solutions partners to do everything possible to minimize disruptions and the potential for delayed payments. We are monitoring this situation closely and will continue to update you as we learn more. We hop the efficiency of these federal processes improve over time.*



**Next Steps:** Staff will continue to attend the TWC meetings to receive updates and communicate ongoing challenges. In addition, staff will closely monitor the potential delays in funding and notify all impacted parties.

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## MEMORANDUM

To: Audit and Finance Committee  
From: Adrian Lopez, Chief Executive Officer  
Through: Brandee Perez, Chief Financial Officer  
Presented by: Janet Pitman, CPA, ABIP Partner  
Date: May 30, 2025  
Regarding: **Annual Audit Approval**

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### SUMMARY:

The audit for Alamo Workforce Development, Inc. DBA Workforce Solutions Alamo (WSA) for the fiscal year ended September 30, 2024, has been performed and completed by ABIP, PC. ABIP has performed its audit following auditing standards generally accepted in the United States and those applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States and the Uniform Guidance. The audit process involved interviews with staff, observation of processes to develop a risk assessment over internal controls, and the development of audit procedures they felt necessary to provide evidence for their audit opinions.

ABIP reports provided:

- Financial Audit-Opinion-Unmodified (clean opinion)
- Compliance Audits-Childcare Development Funds (CCDF), Child Care Family and Protective Services (DFPS) and Workforce Innovation Opportunity Act (WIOA)-Unmodified (clean opinion)

### STRATEGIC OBJECTIVE:

ABIP performed the following activity during their audit:

#### Financial Audit

- Established an audit approach based on risk assessment and tailored programs to guide the audit process for efficiency and completeness.
- Performed analytical reviews on account balances to aid in the extent of audit procedures needed to provide reasonable assurance of overactivity and account balances.
- Reviewed and mailed WSA-prepared confirmations to related parties, legal counsel, and financial institutions,
- Reviewed approval processes over individual transactions and tested allowability for grants and contracts.
- Performed substantive procedures for the various financial statement account balances as of year-end, including cash, accounts receivable, prepaid expenses, fixed assets, accounts payable, accrued liabilities, and deferred revenues.

- Worked with management to assist in preparing the financial statement and ensure up-to-date disclosures were included.

Compliance Audit-Childcare Development Funds, Child Care Family and Protective Services and Workforce Innovation Opportunity Act Clusters

- Established an audit approach based on risk assessment and tailored programs to guide the audit process for efficiency and completeness.
- Interviewed staff from the Childcare Development Funds (CCDF)/Child Care Family and Protective Services (DFPS) and Workforce Innovation Opportunity Act (WIOA) Clusters to understand processes over disbursements, payroll, and cash reimbursement processes.
- Performed a risk assessment of the compliance requirements over the CCDF, DFPS and WIOA Clusters and planned a test of controls and compliance for each.
- Sampled individual transactions for allowability with CCDF, DFPS and WIOA Clusters and staff approvals before vendors' payments.
- Sampled reimbursement draws (cash receipts) over allowable costs charged to the grants for proper approvals from staff and recording into the general ledger.
- Reviewed completeness and accuracy of Texas Workforce Commission reporting compliance requirements over CCDF, DFPS and WIOA Clusters.

**RECOMMENDATION:**

Discussion and approval request for the Alamo Workforce Development's Independent Financial Annual Audit Performed by ABIP from October 1, 2023, to September 30, 2024. Once approved, the audit report will be finalized and shared with the relevant stakeholders, including the Chief Elected Officials and the regulatory authorities.

**ATTACHMENT(S):**

FY24 Draft Audit

DRAFT

ALAMO WORKFORCE DEVELOPMENT, INC.  
DBA WORKFORCE SOLUTIONS - ALAMO

FINANCIAL STATEMENTS AND  
FEDERAL AND STATE AWARDS REPORTS

FOR THE YEAR ENDED SEPTEMBER 30, 2024



CLIENT **FOCUSED.** RELATIONSHIP **DRIVEN.**



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September 30, 2024

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
Alamo Workforce Development, Inc.  
dba Workforce Solutions–Alamo  
San Antonio, Texas

**Report on the Audit of the Financial Statements*****Opinion***

We have audited the accompanying financial statements of Alamo Workforce Development, Inc. dba Workforce Solutions–Alamo (the Corporation) (a nonprofit organization), which comprise the statement of financial position as of September 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Corporation, as of September 30, 2024, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinion***

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

***Responsibilities of Management for the Financial Statements***

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Corporation'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.

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal and state awards, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *State of Texas Single Audit Circular*, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal and state awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

## **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated June 13, 2025, on our consideration of the Corporation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Corporation's internal control over financial reporting and compliance.

San Antonio, Texas  
June 13, 2025



**FINANCIAL SECTION**



**ALAMO WORKFORCE DEVELOPMENT, INC.  
DBA WORKFORCE SOLUTIONS – ALAMO**

**DRAFT**

**STATEMENT OF FINANCIAL POSITION**

**September 30, 2024**

**ASSETS**

**CURRENT ASSETS**

Cash	\$ 3,067,068
Grants receivable	15,780,891
Account receivable - other	4,232,372
Prepaid expenses and deposits	<u>1,292,198</u>
Total current assets	<u>24,372,529</u>

**PROPERTY AND EQUIPMENT**

Property and equipment	26,185,431
Less accumulated depreciation	<u>(12,703,478)</u>
Net property and equipment	<u>13,481,953</u>

Total assets	<u><u>\$ 37,854,482</u></u>
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**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable	\$ 8,578,144
Accrued liabilities	15,007,056
Deferred revenue	377,430
Lease liability	<u>2,524,152</u>
Total current liabilities	<u>26,486,782</u>

**NONCURRENT LIABILITIES**

Lease liability	<u>10,417,990</u>
Total liabilities	<u>36,904,772</u>

**NET ASSETS**

Without donor restrictions	
Undesignated	409,899
Investment in property and equipment, net	<u>539,811</u>
Total net assets	<u>949,710</u>

Total liabilities and net assets	<u><u>\$ 37,854,482</u></u>
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The accompanying notes are an integral part of the financial statements.



**ALAMO WORKFORCE DEVELOPMENT, INC.  
DBA WORKFORCE SOLUTIONS – ALAMO**

**DRAFT**

**STATEMENT OF ACTIVITIES**

**For the year ended September 30, 2024**

	WITHOUT DONOR RESTRICTIONS		
		INVESTMENT IN PROPERTY AND EQUIPMENT /	
	UNDESIGNATED	LEASE LIABILITY	TOTAL
REVENUE			
Grant contracts - federal	\$ 142,908,485	\$ -	\$ 142,908,485
Grant contracts - state	12,817,483	-	12,817,483
Vocational Rehabilitation			
Student Hireability Navigator	176,444	-	176,444
Summer Earn and Learn Program (SEAL)	667,229	-	667,229
Infrastructure Cost Reimbursement	530,416	-	530,416
Non-federal initiatives			
City of San Antonio - Ready to Work	13,142,832	-	13,142,832
San Antonio Area Foundation	64,422	-	64,422
Aspen Institute	34,033	-	34,033
Other	50,125	-	50,125
Service fees	43,586	-	43,586
Program income	25,831	-	25,831
Total revenue	<u>170,460,886</u>	<u>-</u>	<u>170,460,886</u>
EXPENSES			
Program services	166,641,654	(2,395,453)	164,246,201
Supporting services	<u>3,873,751</u>	<u>(126,076)</u>	<u>3,747,675</u>
Total expenses	<u>170,515,405</u>	<u>(2,521,529)</u>	<u>167,993,876</u>
Increase (decrease) in net assets	(54,519)	2,521,529	2,467,010
OTHER REVENUES AND (EXPENSES)			
Fixed assets/right to use - additions	-	4,675,607	4,675,607
Right to use lease liability - additions	-	(3,896,309)	(3,896,309)
Depreciation/amortization	-	(2,652,031)	(2,652,031)
Loss on disposal of asset	<u>-</u>	<u>(50,684)</u>	<u>(50,684)</u>
Change in net assets	(54,519)	598,112	543,593
NET ASSETS AT BEGINNING OF YEAR	<u>464,418</u>	<u>(58,301)</u>	<u>406,117</u>
NET ASSETS AT END OF YEAR	<u>\$ 409,899</u>	<u>\$ 539,811</u>	<u>\$ 949,710</u>

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

**ALAMO WORKFORCE DEVELOPMENT, INC.  
DBA WORKFORCE SOLUTIONS – ALAMO**

**DRAFT**

**STATEMENT OF FUNCTIONAL EXPENSES**

**For the year ended September 30, 2024**

	PROGRAM SERVICES	SUPPORTING SERVICES	
	ALL PROGRAMS	MANAGEMENT AND GENERAL	TOTAL
EXPENSES			
Salaries and related expenses			
Salaries	\$ 2,185,015	\$ 2,114,135	\$ 4,299,150
Payroll taxes	156,038	148,573	304,611
Employee benefits	374,484	280,083	654,567
Total salaries and related expenses	2,715,537	2,542,791	5,258,328
Advertising/outreach	157,598	65,838	223,436
Client services	25,622,166	-	25,622,166
Professional fees	563,665	673,010	1,236,675
Supplies and equipment	1,974,872	167,889	2,142,761
Facility rental	4,418,423	222,864	4,641,287
Insurance	96,344	41,927	138,271
Training/support services	11,453,860	-	11,453,860
Child care	117,795,062	-	117,795,062
Travel	60,517	38,699	99,216
Staff development	181,986	17,619	199,605
Communication	540,361	28,598	568,959
Software related	540,405	74,516	614,921
Profit	520,858	-	520,858
Total expenses before depreciation	166,641,654	3,873,751	170,515,405
Depreciation and amortization	2,652,031	-	2,652,031
Loss on disposal of asset	50,684	-	50,684
Total expenses	<u>\$ 169,344,369</u>	<u>\$ 3,873,751</u>	<u>\$ 173,218,120</u>

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

**ALAMO WORKFORCE DEVELOPMENT, INC.  
DBA WORKFORCE SOLUTIONS – ALAMO**

**DRAFT**

**STATEMENT OF CASH FLOWS**

**For the year ended September 30, 2024**

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets	\$ 543,593
Adjustments to reconcile change in net assets to cash provided by (used in) operating activities	
Depreciation/amortization expense	2,652,031
Loss on disposal of assets	50,684
(Increase) decrease in operating assets	
Grants receivable	(5,668,547)
Other receivables	2,852,589
Prepaid and deposits	(29,619)
Increase (decrease) in operating liabilities	
Accounts payable	980,706
Accrued liabilities	4,031,547
Deferred revenue	<u>(387,621)</u>
Net cash provided by operating activities	<u>5,025,363</u>

**CASH FLOWS FROM INVESTING ACTIVITIES**

Purchase of property and equipment	<u>(779,298)</u>
Net cash used in investing activities	<u>(779,298)</u>

**CASH FLOWS FROM FINANCING ACTIVITIES**

Payment of right to use leases	<u>(2,521,528)</u>
Net cash used by financing activities	<u>(2,521,528)</u>
Net increase in cash	1,724,537

CASH AT BEGINNING OF YEAR	<u>1,342,531</u>
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CASH AT END OF YEAR	<u><u>\$ 3,067,068</u></u>
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**NONCASH INVESTING AND FINANCING ACTIVITIES**

Right to use assets acquired under lease	<u><u>\$ 3,896,309</u></u>
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The accompanying notes are an integral part of the financial statements.

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies

A summary of the significant accounting policies applied in the preparation of the accompanying financial statements is as follows:

Reporting entity

Alamo Workforce Development, Inc. dba Workforce Solutions–Alamo (the Corporation) is a nonprofit corporation organized to provide guidance, exercise oversight duties, manage workforce development activities, and promote social welfare and other charitable purposes in the Alamo service delivery area comprised of the thirteen (13) counties of Atascosa, Bandera, Bexar, Comal, Frio, Gillespie, Guadalupe, Karnes, Kendall, Kerr, Medina, McMullen, and Wilson.

The agency has been designated a local workforce development board to plan and implement employment and training programs. Most of the entity’s funding is derived from contracts awarded by the Texas Workforce Commission (TWC), a state agency receiving pass-through funds from the U.S. Department of Labor, the U.S. Department of Health and Human Services, and the U.S. Department of Agriculture. The following describes the programs the Corporation administered during the year.

“Programs” can be classified in different ways based on the way that they come about. These include “*Formula-Funded Grants*,” “*Fee-for-Service Grants*,” “*Other TWC Grants*,” and “*Other Local Programs*”.

**Formula-Funded Grants**

Funds for services are allocated to state and local areas based on a formula. These grants are the Board’s ‘bread and butter’ and are part of our primary or core programs.

**CHILD CARE FORMULA FUNDED GRANTS**

**Child Care Development Funds (CCDF).** Child Care Service (CCS) funds come from multiple streams and have different goals, supporting multiple CCS initiatives described below:

Mandatory Children In-Care.

This program supports children who formerly received general child protective services (CPS); these funds provide continuity of care for children and stability for the family. For children of parents who are mandated to participate in the TANF/Choices and SNAP E&T programs (see below). Children are referred to by Texas Health & Human Services (HHS). CCS must be provided to these families (they receive priority over participants on the waiting list for subsidized CCS).

Discretionary Children In-Care.

To support low-income parents/caregivers while they participate in initial job searches, eligible work activities, and school or training to help them become economically self-sufficient, while providing stability for the children through continuity of care. Depending on funding availability, children are enrolled on a waitlist, and the Board has the discretion to prioritize enrollment into services.

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies (continued)

Reporting entity (continued)

**CHILD CARE FORMULA FUNDED GRANTS (continued)**

**Child Care Local Match.** The CCS provider contributes a required match to subsidized childcare for low-income families.

**Child Care Quality Improvement Activities (QIA).** Child Care Development funds initiatives that help promote the quality of childcare, including training, professional development, and technical assistance. These initiatives are primarily geared to benefit childcare facilities working toward Texas Rising Star (TRS) certification or TRS providers working toward a higher certification level. The board has secured unrestricted operational funds through the Adam R. Scripps Foundation Fund to assist in the supplemental support of the delivery of QIA.

**Contracted Slots Pilot Program.** The program creates a supply of quality childcare slots reserved for infants and toddlers by high-quality childcare providers.

**Texas Department of Family & Protective Services (DFPS) Child Care.** Funds purchase childcare services for children deemed eligible (e.g., due to abuse and/or neglect) by DFPS. DFPS refers the children to CCS for services.

**FORMULA-FUNDED WORKFORCE DEVELOPMENT GRANTS**

**Supplemental Nutrition & Assistance Program Employment & Training (SNAP).** This program helps recipients gain skills, training, or work experience and increases their ability to obtain regular employment.

**TANF/Choices.** This program offers job preparation and educational services to help parents dependent on public assistance (Temporary Assistance for Needy Families/TANF) transition into economic self-sufficiency through employment.

**Non-Custodial Parent Choices (NCP).** The program targets low-income, unemployed, or underemployed noncustodial parents who are behind on their child support payments and whose children are current or former public assistance recipients. The goal is to help NCP participants become economically self-sufficient while making consistent child support payments. The project collaborates with TWC, the Office of the Attorney General (OAG), WSA, and the Bexar County court system. The court system refers to NCP clients and will either participate in the project or be subject to court orders.

**Wagner-Peyser / Employment Services.** As amended, federal legislation established the ‘Employment Service’ and ancillary functions in 1935. Employer, job matching, and other related services offered at the Centers are partly funded using Wagner-Peyser grant funds. The funds cover the salaries of state staff and supplies.

**Training and Employment Navigator Pilot (PAB).** This program reaches out to victims of sex trafficking to assist them with training and employment support systems, providing employment, wrap-around support services, and work experience opportunities.

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies (continued)

Reporting entity (continued)

**Workforce Commission Initiatives (WCI)**

TWC issues Workforce Commission Initiative (WCI) grant awards to Boards to fund specific project initiatives. The focus and timeframes of these grants vary. These initiatives support the delivery of services to workers and employers and help fund projects that strengthen and add value to the delivery system.

**Hiring, Red, White, and You! Job Fair.** Employment Service (ES) funds to support the annual job fair event (virtual or in person) for Transitioning Service Members, Veterans, Military Spouses, and the Public.

**Youth Career Fair Events.** TANF funds support TWC's Jobs Y'all events for middle, high, and postsecondary students. These events will invite employers to participate in a relevant way to help students explore career opportunities in their industries. Student participation will encourage the exploration of career opportunities, including understanding pathways to in-demand careers, networking, internships, and other applied learning opportunities. Parents will also be invited to attend with their children to discuss their unique role in career exploration.

**Texas Veterans Leadership Program (TVLP).** The Board utilizes Wagner-Peyser Employment Service funds to support TWC's Texas Veterans Leadership Program (TVLP) staff. The Board shall ensure that Agency TVLP staff have access to and use shared equipment, software, or hardware platforms, consumables, and telecommunications networks in shared facilities. The Board may acquire goods or services to support the Agency's TVLP staff.

**Foster Care Youth Conference.** Utilize TANF funds to cover travel costs for the Foster Care Youth Conference.

**Veterans Services.** Contract with the Texas Veterans Commission (TVC) to provide space, technical, and administrative support to TVC staff co-located at WSA Career Centers. TVC provides enhanced services to veterans and can only work with veterans. Additional services may be provided using WIOA funds.

**Trade Adjustment Assistance (TAA).** This initiative provides job training and employment services to workers who lost their jobs due to international trade. Although this program is currently sunset, eligible participants will continue to be served through Dislocated Worker funds.

**Workforce Investment & Opportunity Act (WIOA).** WIOA has three central "formula" grants serving Adults, Dislocated Workers, and Youth. However, other smaller grants are funded through WIOA, such as Rapid Response. WIOA funds can also be used for Incumbent Workers and Customized Training, which only require 'basic' WIOA eligibility (e.g., being eligible to work in the U.S., being employed, and, for males, being registered in Selective Service). The following grants have additional eligibility requirements that individuals must meet for funding.

**WIOA Adult.** The program serves economically disadvantaged adults, assisting them in obtaining the skills needed to obtain, retain, and/or advance in employment.

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies (continued)

Reporting entity (continued)

**Workforce Investment & Opportunity Act (WIOA) (continued)**

**WIOA Dislocated Worker.** The program serves individuals who have lost their jobs due to a layoff or closure (e.g., through no fault of their own). It assists dislocated workers in returning to the workforce as quickly as possible.

**WIOA Youth.** The program serves in-school and out-of-school youth ages 16-24, supporting them so they may enter or complete educational/training opportunities and gain the skills and credentials needed to obtain and retain employment. Under Title I of the Workforce Innovation and Opportunity Act of 2014, the WIOA Youth program funds states and outlying areas. States provide local workforce development areas resources to deliver comprehensive youth services that focus on assisting out-of-school youth and in-school youth with one or more barriers to employment, preparing for employment and post-secondary education opportunities, attaining educational skills training credentials, and securing employment with career/promotional opportunities.

**Military Family Support Pilot Program.** This program is designed to meet the needs of military spouses entering the job market at military installations. It assists displaced military spouses in finding employment, education, and training.

**Middle Skills Employment Supplies Pilot Program.** The Board partners with non-profit entities, community programs, and other state agencies that provide training and certifications for middle-skill occupations but have insufficient funds to purchase the required supplies. This program provides funds to assist individuals trained by partner entities by allowing them to purchase specific items required by the employer and support services needed as a condition of employment.

**Externship for Teachers.** This grant collaborates with employers and independent school districts (ISDs) to provide externships for middle school and high school teachers, counselors, and school administrators. WSA assists in developing and submitting a proposal in partnership with the Alliance for Technology Education in Applied Math and Science (ATEAMS). The project requires matching funds (e.g., non-federal funds from partners and private donors).

**Workforce Innovation and Opportunity Act – Upskilling and Training to Address Skills Gaps.** TWC funded grant intended to support Local Workforce Development Boards in connecting individuals with employers in high-demand industries by funding upskilling and job training that leads to industry-recognized credentials in high-demand occupations to support in-need industries, including health care, transportation, semiconductor and technology, broadband development, and construction.

**Rapid Response.** Rapid response is a proactive, business-focused strategy designed to help growing companies access a pool of skilled workers. Workers generally result from downsizing companies; the agency supports job seekers during layoffs and plant closings. Services provided during this transitional period include immediate on-site assistance to transition workers into their subsequent employment as soon as possible.

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies (continued)

Reporting entity (continued)

**Other Federally Funded Grants:**

**Reemployment Services and Eligibility Assessment (RESEA).** Grant programs funded by Title I of WIOA and the federal-state Unemployment Insurance (UI) program are required partners in a comprehensive, integrated workforce system. This program targets claimants most likely to exhaust benefits and require reemployment services.

**Partners for Reentry Opportunities in Workforce Development (PROWD).** TWC founded a grant to align better job training and skills development services provided to program participants with the specific labor market needs of the communities where they will reside. In so doing, the program will improve both the employment outcomes of returning citizens and public safety of all community members while increasing the capacity of justice and workforce system partnerships.

**Fee-for-Service/Reimbursement Grants**

TWC has begun issuing funding for Vocational Rehabilitation Services (VRS). These funds ensure that Texas effectively prepares students with disabilities to obtain competitive and integrated employment through participation in employability skills and work readiness training, career exploration activities, work experience, post-secondary education, and other activities.

**Summer Earn & Learn (SEAL).** This program provided summer work readiness training and paid work experience for students with disabilities.

**Student Hire Ability Navigator Project.** Funding for two positions to serve as resources in the WDA to support, expand, and enhance pre-employment transition services to students with disabilities in the early phases of preparing for the transition to postsecondary education, employment, and life skills opportunities.

**Vocational Rehabilitation – Co-location.** Funding for the co-location of Vocational Rehabilitation TWC team members into WSA’s American Job Centers to offer various pre-vocational and vocational services for individuals with disabilities.

**OTHER LOCAL PROGRAMS**

Programs that are funded by non-TWC funds that support local general funding.

**Ready to Work San Antonio.** The City of San Antonio’s Economic Development Department funds the Ready to Work program to assist residents within city limits. The program provides workforce upskill opportunities through education and training to increase residents’ chances of employment. This program is also supported by the Toyota Finish Line Grant, which incentivizes post-training and job placement reporting.

**Kronkosky Foundation Fund.** The Kronkosky Charitable Foundation provides unrestricted funds to support supplemental activities for the Ready to Work program, including outreach activities and recruitment events.



NOTES TO FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies (continued)

Reporting entity (continued)

**Aspen Institute.** The Aspen Institute funds support the Workforce Leadership Academy, which identifies local and regional systems to encourage economic opportunities with community advocates. Academy alums become part of the Aspen Institute's Economic Opportunity Fellows Network.

**San Antonio Area Foundation.** The San Antonio Area Foundation has provided a grant to support the Workforce Academy and the board's capacity.

Workforce Academy: The Workforce Academy educated local nonprofit agencies and employers to increase outreach throughout the community. Workforce Ambassadors are provided with outreach materials that promote the brand and services.

Capacity Building: These funds support learning, managing, and planning for board members and staff.

Basis of accounting

The financial statements of the Corporation have been prepared on the accrual basis of accounting. The accompanying statements of financial position and activities focus on the Corporation as a whole and report the amounts of total assets, liabilities, net assets, and changes in net assets.

The Corporation classifies its financial statements to present two (2) classes of net assets:

- *Net assets without donor restrictions* include those net assets whose use is not restricted by donor-imposed stipulations. Restricted grant proceeds or contributions whose restrictions are met in the same reporting period are reported as revenue without donor restrictions.
- *Net assets with donor restrictions* include net assets subject to donor-imposed restrictions that may or will be satisfied by the actions of the Corporation or the passage of time. The Corporation had no net assets with donor restrictions at September 30, 2024.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Income tax

The Corporation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. The Corporation had no unrelated business income during the year ended September 30, 2024. Accordingly, no provision for income taxes were made in the accompanying financial statements.

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies (continued)

Pension plan

The Corporation has adopted an employee retirement plan, which is a money purchase pension plan. It covers all employees who have met certain service requirements.

The Corporation may contribute to the plan. During the fiscal year, the Corporation matched up to 6.0% for employees who elected to participate in the plan. Plan expense for the year ended September 30, 2024 was \$126,596.

Compensated absences

Employees of the Corporation earn annual leave on a bi-weekly basis. The maximum amount that will be paid upon separation of employment varies based upon years of employment. The Corporation had an accrued liability at September 30, 2024 of \$250,758.

Receivables

The allowance for doubtful accounts is established as losses are estimated to have occurred through a provision for bad debts charged to earnings. Losses are charged against the allowance when management believes the uncollectability of a receivable is confirmed. Subsequent recoveries, if any, are credited to the allowance. The allowance for doubtful accounts is evaluated on a regular basis by management and is based on historical experience and specifically identified questionable receivables. The evaluation is inherently subjective as it requires estimates that are susceptible to significant revision as more information becomes available.

At September 30, 2024, no allowance for future bad debts had been established as it is management's opinion that losses, if incurred, would not materially affect the financial statements.

Grants receivable primarily represent balances due from grantees for funds billed under the terms of the contract. The Corporation does not record an allowance for uncollectibles against the grants receivable because management believes the receivables are considered to be 100% collectible.

Revenue recognition and deferred revenue

Contracts that are entered into by the Corporation are recognized as grant revenue when expenditures are incurred in accordance with the terms of the contract. Amounts received but not yet earned on continuing contracts are recorded as deferred revenue.

In-kind contributions and donated services

Donated services are valued at their estimated fair market value at the time of donation and are included in the statements of activities. During the year ended September 30, 2024, there were none noted to be significant to the financial statements.

NOTES TO FINANCIAL STATEMENTS

September 30, 2024

(1) Summary of significant accounting policies (continued)

Property and equipment

Fixed assets are valued at historical cost or estimated cost if historical cost is not available. Contributed fixed assets are valued at their estimated fair market value at the time of donation. Depreciation of property and equipment is provided over the estimated useful lives of the respective assets using the straight-line method. Expenses for betterments that materially extend the useful life of an asset are capitalized at cost.

The useful lives by type of asset are as follows:

<u>ASSET CLASS</u>	<u>USEFUL LIFE</u>
Information and technology	3- 5 years
Furniture and fixtures	5 years
Leasehold improvements	4-10 years
Right to use leases	3-10 years

Title to equipment is vested with the Corporation; however, TWC reserves the right to transfer title or issue disposition instructions for property with a unit cost of \$5,000 or greater.

Cost allocation plan

The Corporation uses an administrative cost pool to allocate administrative costs which cannot be identified by a workforce funding title. These costs are allocated based on some acceptable measure of benefits received. Only actual, not budgeted, unassignable direct costs are pooled and distributed to the various titles. The Corporation has the following cost pools to be used to distribute costs: Bexar County Workforce Centers, Rural Workforce Centers, Workforce Center Cost, Program, and Administrative. Administrative costs which benefit all programs are allocated to each grant using the administrative cost pool. The cost allocation plan is prepared by the Chief Financial Officer (CFO) and submitted to the Chief Executive Officer (CEO) for approval. The plan may be modified as necessary by the CFO to ensure compliance with the TWC regulations.

The plan is reviewed for modification for addition/deletion of funding sources, significant changes in programs or cost pool expenditures, or other events which could affect the reliability of the cost allocation plan.

Functional allocation of expenses

Certain salaries, employee benefits, and other expenses benefiting programs and administrative activities are allocated on a functional basis in the statements of activities and the schedule of functional expenses.

**ALAMO WORKFORCE DEVELOPMENT, INC.  
DBA WORKFORCE SOLUTIONS – ALAMO**

**DRAFT**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2024**

**(2) Cash and cash equivalents**

The Corporation's funds are required to be deposited and invested under the terms of a depository contract. The depository bank deposit for safekeeping and trust with the Corporation's agent bank approved pledged securities in an amount sufficient to protect the Corporation's funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) Insurance.

The Corporation's cash deposits at September 30, 2024, were entirely covered by FDIC insurance or by pledged collateral held by the Corporation's agent bank. The deposits were collateralized in accordance with Texas law.

For purposes of the statements of cash flows, all highly liquid instruments with a maturity of approximately 90 days or less are considered to be cash equivalents.

**(3) Property and equipment**

Property and equipment held by the Corporation at September 30, 2024, consist of the following:

	COST OR BASIS OF PROPERTY			
	BALANCE SEPTEMBER 30, 2023	ADDITIONS	DELETIONS AND RETIREMENTS	BALANCE SEPTEMBER 30, 2024
Information and technology	\$ 968,520	\$ -	\$ 44,620	\$ 923,900
Furniture and fixtures	421,113	-	14,038	407,075
Vehicle	22,327	497,838	-	520,165
Leasehold improvements	2,172,091	281,460	461,494	1,992,057
Right to use asset - equipment	317,451	-	-	317,451
Right to use asset - buildings	<u>22,522,304</u>	<u>3,896,309</u>	<u>4,393,830</u>	<u>22,024,783</u>
Total	<u>\$ 26,423,806</u>	<u>\$ 4,675,607</u>	<u>\$ 4,913,982</u>	<u>\$ 26,185,431</u>

	ACCUMULATED DEPRECIATION/AMORTIZATION			
	BALANCE SEPTEMBER 30, 2023	ADDITIONS	DELETIONS AND RETIREMENTS	BALANCE SEPTEMBER 30, 2024
Information and technology	\$ 922,157	\$ 30,689	\$ 44,620	\$ 908,226
Furniture and fixtures	316,117	33,347	13,677	335,787
Vehicle	22,327	8,297	-	30,624
Leasehold improvements	1,909,997	72,865	411,171	1,571,691
Right to use asset - equipment	204,173	65,079	-	269,252
Right to use asset - buildings	<u>11,539,974</u>	<u>2,441,754</u>	<u>4,393,830</u>	<u>9,587,898</u>
Total	<u>\$ 14,914,745</u>	<u>\$ 2,652,031</u>	<u>\$ 4,863,298</u>	<u>\$ 12,703,478</u>

Depreciation/amortization expense for the year ended September 30, 2024, amounted to \$2,652,031.

**ALAMO WORKFORCE DEVELOPMENT, INC.  
DBA WORKFORCE SOLUTIONS – ALAMO**

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**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2024**

**(4) Leases**

The Corporation leases office facilities and equipment under leases expiring in various years through 2034. The Corporation determined to use the 10-year treasury rate in effect at the inception of each lease as discount rates.

Minimum future rental payments under operating leases, which have remaining terms beyond September 30, 2024, are in the aggregate, as follows:

YEAR ENDED SEPTEMBER 30,	AMOUNT
2025	\$ 2,524,152
2026	2,504,270
2027	2,300,381
2028	2,054,119
2029	1,749,153
Thereafter	3,148,734
	<u>14,280,809</u>
Less interest:	<u>(1,338,667)</u>
Total	<u>\$ 12,942,142</u>

During the year ended September 30, 2024, the Corporation incurred \$2,521,529 of lease expense which is included in the accompanying statement of functional expenses.

**(5) Concentration of credit risk**

Management believes concentrations of credit risk in grants receivable are limited due to contracts with state governmental agencies which management believes are credit-quality. Also, management believes the receivables from these contracts are collectible.

**(6) Contingent liabilities**

The Corporation receives a majority of its funding from federally assisted, pass-through grants from the U.S. Department of Labor, Health and Human Services, and Agriculture through TWC. Program expenditures are subject to program compliance audits by the grantor. Any liability reimbursement, which may arise as a result of these audits, would require reimbursement from non-federal sources. It is the position of the Corporation that all costs incurred and charged against these funds for the year ended September 30, 2024, are considered eligible under the terms of the contracts and grants.

The Corporation could potentially be a defendant in legal actions from transactions and activities conducted in the ordinary course of business. Management, after consultation with legal counsel, believes the aggregate liabilities, if any, will not be material to the financial statements.

Risk related to grantor concentration – The Corporation’s funding is concentrated in government grants. If funding were discontinued, it would have a severe impact on operations. Services would be curtailed or discontinued, and uncertainty would exist in continuing operations.

**ALAMO WORKFORCE DEVELOPMENT, INC.  
DBA WORKFORCE SOLUTIONS – ALAMO**

**DRAFT**

**NOTES TO FINANCIAL STATEMENTS**

**September 30, 2024**

**(7) Risk management**

The Corporation 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 all such risks, the Corporation has purchased commercial insurance in varying amounts to mitigate the risk of loss.

**(8) Evaluation of subsequent events**

Management has evaluated subsequent events through June 13, 2025 the date which the financial statements were available to be issued. No significant subsequent events occurred.



**FEDERAL AND STATE AWARDS SECTION**





INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING  
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS  
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors  
Alamo Workforce Development, Inc.  
dba Workforce Solutions–Alamo  
San Antonio, Texas

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 Alamo Workforce Development, Inc. dba Workforce Solutions–Alamo (the Corporation) (a nonprofit organization), which comprise the statement of financial position as of September 30, 2024, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated June 13, 2025.

### **Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the Corporation'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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Corporation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Corporation's internal control.

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

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

## Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Corporation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Corporation'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 Corporation's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

San Antonio, Texas  
June 13, 2025

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR  
FEDERAL AND STATE PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE  
REQUIRED BY THE UNIFORM GUIDANCE AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

To the Board of Directors  
Alamo Workforce Development, Inc.  
dba Workforce Solutions–Alamo  
San Antonio, Texas

## **Report on Compliance for Each Major Federal and State Program**

### ***Opinion on Each Major Federal and State Program***

We have audited Alamo Workforce Development, Inc. dba Workforce Solutions–Alamo's (the Corporation) (a nonprofit organization) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the *State of Texas Single Audit Circular* that could have a direct and material effect on each of the Corporation's major federal and state programs for the year ended September 30, 2024. The Corporation's major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Corporation complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2024.

### ***Basis for Opinion on Each Major Federal and State Program***

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and the *State of Texas Single Audit Circular*. Our responsibilities under those standards, the Uniform Guidance and the *State of Texas Single Audit Circular*, are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

### ***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Corporation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the *State of Texas Single Audit Circular*, 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 Corporation's compliance with the requirements of each major federal and state program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and the *State of Texas Single Audit Circular*, 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 Corporation'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 Corporation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and the *State of Texas Single Audit Circular*, but not for the purpose of expressing an opinion on the effectiveness of the Corporation'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 or state 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 or state 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 or state 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses 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 and the *State of Texas Single Audit Circular*. Accordingly, this report is not suitable for any other purpose.

San Antonio, Texas  
June 13, 2025



**ALAMO WORKFORCE DEVELOPMENT, INC.  
DBA WORKFORCE SOLUTIONS – ALAMO**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

**For the year ended September 30, 2024**

GRANTOR/PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL ALN NUMBER	PASS-THROUGH GRANTOR'S NUMBER	EXPENDITURES	PASS-THROUGH EXPENDITURES
<b><u>FEDERAL PROGRAMS</u></b>				
<b><u>U.S. Department of Labor</u></b>				
Passed Through Texas Workforce Commission and Texas Veteran's Commission:				
<b>Employment Service Cluster</b>				
Wagner Peyser-Employment Services	17.207	2023WPA001	\$ 265,942	\$ -
Wagner Peyser-Employment Services	17.207	2024WPA001	742,394	-
Training & Employment Navigator	17.207	2022WPB002	23,650	23,650
Training & Employment Navigator	17.207	2024WPB001	49,800	46,204
Resource Administration Grant - Employment Services	17.207	2024RAG001	6,996	-
Wagner Peyser - Workforce Commission Initiatives	17.207	2024WCI001	56,979	-
Veterans Service- DVOP	17.801	2023TVC001	(2,092)	-
Veterans Service- DVOP	17.801	2024TVC001	273,964	-
<b>Total Employment Service Cluster</b>			<b>1,417,633</b>	<b>69,854</b>
Trade Adjustment Assistance Training Program	17.245	2023TRA001	21,828	21,399
Trade Adjustment Assistance Training Program	17.245	2024TRA001	1,385	1,319
<b>Total ALN #17.245</b>			<b>23,213</b>	<b>22,718</b>
<b>WIOA Cluster</b>				
Adult Services	17.258	2022WOA001	58,091	-
Adult Services	17.258	2022WOA001	17,556	(16,251)
Adult Services	17.258	2023WOA001	601,281	-
Adult Services	17.258	2023WOA001	4,242,950	3,175,006
Adult Services	17.258	2024WOA001	169,096	-
Military Family Support	17.258	2023WOS001	67,056	66,448
Middle Skills Employment Supplies Prog	17.258	2023WOS002	51,386	51,386
Upskills and Training	17.258	2024WOZ001	113,983	111,149
Externship for Teachers	17.258	2023EXT001	7,752	9
Externship for Teachers	17.258	2023EXT002	60,017	52,713
Youth Services	17.259	2022WOY001	594,599	414,692
Youth Services	17.259	2023WOY001	4,715,690	3,061,274
Youth Services	17.259	2024WOY001	359,611	219,728
Military Family Support	17.278	2024WOS001	181,363	167,810



**ALAMO WORKFORCE DEVELOPMENT, INC.  
DBA WORKFORCE SOLUTIONS – ALAMO**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

**For the year ended September 30, 2024**

GRANTOR/PASS-THROUGH GRANTOR PROGRAM TITLE	ALN NUMBER	GRANTOR'S NUMBER	EXPENDITURES	PASS-THROUGH EXPENDITURES
<b><u>FEDERAL PROGRAMS (CONTINUED)</u></b>				
<b>WIOA Cluster (continued)</b>				
Dislocated Services	17.278	2022WOD001	\$ 604,921	\$ -
Dislocated Services	17.278	2022WOD001	100,000	(43,674)
Dislocated Services	17.278	2023WOD001	713,997	299,965
Dislocated Services	17.278	2023WOD001	3,167,247	2,828,079
Rapid Response	17.278	2023WOR001	56,813	50,970
Rapid Response	17.278	2024WOR001	25,916	24,720
<b>Total WIOA Cluster</b>			<u>15,909,325</u>	<u>10,464,024</u>
UI-Administration Reemployment Services and Eligibility Assessment	17.225	2023REA001	116,248	79,193
UI-Administration Reemployment Services and Eligibility Assessment	17.225	2024REA001	844,586	687,555
<b>Total ALN #17.225</b>			<u>960,834</u>	<u>766,748</u>
UI-Administration Reemployment Services and Eligibility Assessment	17.273	2023RAG001	(80)	-
UI-Administration Reemployment Services and Eligibility Assessment	17.273	2024RAG001	1,807	-
<b>Total ALN #17.273</b>			<u>1,727</u>	<u>-</u>
Partners for Reentry Employment Opportunities	17.270	2024REO001	37,547	-
<b>Total U.S. Department of Labor</b>			<u>18,350,279</u>	<u>11,323,344</u>
<b><u>U.S. Department of Agriculture</u></b>				
Passed Through Texas Workforce Commission:				
SNAP - E&T	10.561	2023SNE001	(16,273)	(7,485)
SNAP - E&T	10.561	2024SNE001	1,064,352	829,475
<b>Total U.S. Department of Agriculture</b>			<u>1,048,079</u>	<u>821,990</u>

**ALAMO WORKFORCE DEVELOPMENT, INC.  
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**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

**For the year ended September 30, 2024**

GRANTOR/PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL ALN NUMBER	PASS-THROUGH GRANTOR'S NUMBER	EXPENDITURES	PASS-THROUGH EXPENDITURES
<b><u>FEDERAL PROGRAMS (CONTINUED)</u></b>				
<b><u>U.S. Department of Health and Human Services</u></b>				
Passed Through Texas Workforce Commission:				
<b>CCDF Cluster</b>				
Child Care Development Funds	93.575	2023CCF001	\$ 3,433,094	\$ 3,351,462
Child Care Development Funds	93.575	2024CCF001	80,531,625	80,532,296
Child Care Quality Funds	93.575	2023CCQ001	1,720,928	682,910
Child Care Quality Funds	93.575	2024CCQ001	5,401,332	3,869,632
Child Care-TRS Contracted Slots	93.575	2022CSL001	71,113	69,737
Child Care Development Funds	93.596	2024CCF001	18,005,734	18,005,734
Child Care Development Funds-Mandatory & Matching	93.596	2023CCM001	7,539,884	7,539,884
<b>Total CCDF Cluster</b>			<u>116,703,710</u>	<u>114,051,655</u>
 Title XX - Social Services Block Grant	 93.667	 2024CCF001	 <u>183,401</u>	 <u>183,401</u>
<b>TANF Cluster</b>				
Temporary Assistance for Needy Families (TANF)	93.558	2023TAF001	334,987	221,118
Temporary Assistance for Needy Families (TANF)	93.558	2024TAF001	6,039,583	5,145,356
Workforce Commission Initiatives	93.558	2024WCI001	20,168	-
Wagner Peyser-Employment Services	93.558	2023WPA001	7,814	-
TANF-Non Custodial	93.558	2024NCP001	220,464	140,199
<b>Total TANF Cluster</b>			<u>6,623,016</u>	<u>5,506,673</u>
 <b>Total U.S. Department of Health and Human Services</b>			 <u>123,510,127</u>	 <u>119,741,729</u>
 <b>TO TAL FEDERAL FUNDS</b>			 <u>142,908,485</u>	 <u>131,887,063</u>

**ALAMO WORKFORCE DEVELOPMENT, INC.  
DBA WORKFORCE SOLUTIONS – ALAMO**

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS**

**For the year ended September 30, 2024**

GRANTOR/PASS-THROUGH GRANTOR PROGRAM TITLE	FEDERAL ALN NUMBER	PASS-THROUGH GRANTOR'S NUMBER	EXPENDITURES	PASS-THROUGH EXPENDITURES
<b><u>STATE PROGRAMS</u></b>				
<b><u>Texas Workforce Commission</u></b>				
Passed Through Texas Workforce Commission:				
Child Care Development Funds	NA	2024CCF001	\$ 3,945,909	\$ 1,849,437
Child Care DFPS	NA	2023CCP001	839	978
Child Care DFPS	NA	2024CCP001	7,080,340	6,753,649
Child Care DFPS	NA	2025CCP001	597,918	569,419
RAG- Employment Services	NA	2024RAG001	3,055	-
SNAP E&T	NA	2024SNE001	218,837	-
TANF	NA	2024TAF002	812,248	-
TANF- Non Custodial	NA	2024NCP001	153,029	153,029
TANF- Non Custodial	NA	2025NCP001	5,308	-
<b>Total Texas Workforce Commission</b>			<u>12,817,483</u>	<u>9,326,512</u>
<b>TOTAL STATE FUNDS</b>			<u>12,817,483</u>	<u>9,326,512</u>
<b>TOTAL FEDERAL AND STATE FUNDS</b>			<u>\$ 155,725,968</u>	<u>\$ 141,213,575</u>

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

For the year ended September 30, 2024

(1) Basis of presentation

The accompanying schedule of expenditures of federal and state awards (the Schedule) includes federal and state grant activity of the Corporation under programs of the federal and state government for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance and *State of Texas Single Audit Circular*. Because the Schedule presents only a selected portion of the operations of the Corporation, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the Corporation.

Federal and state grant funds are considered to be earned to the extent of expenditures were made under the provisions of the grant and, accordingly, when such funds are received, they are recorded as deferred revenue until earned.

(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 and the State of Texas Single Audit Circular, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

Pass-through entity identifying numbers are presented where available.

Workforce Solutions Alamo elected not to use the 10 percent de minimis indirect cost rate.

ALAMO WORKFORCE DEVELOPMENT, INC.  
DBA WORKFORCE SOLUTIONS – ALAMO

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SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended September 30, 2024

SECTION I – SUMMARY OF AUDITOR’S RESULTS

FINANCIAL STATEMENTS

Type of auditor’s report issued: Unmodified

Internal control over financial reporting:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiency(ies) identified that is (are) not considered to be material weakness(es)?      Yes   X   None Reported

Noncompliance material to financial statements noted?      Yes   X   No

FEDERAL AND STATE AWARDS

Internal control over major programs:

- Material weakness(es) identified?      Yes   X   No
- Significant deficiency(ies) identified that is (are) not considered to be material weakness(es)?      Yes   X   None Reported

Type of auditor’s report issued on compliance for Major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 200.516(a) and the *State of Texas Single Audit Circular*?      Yes   X   No

IDENTIFICATION OF MAJOR FEDERAL PROGRAMS

<u>ALN Number(s)</u>	<u>Name of Federal Program or Cluster</u>
93.575/93.596	Child Care Development Funds Cluster
17.258/17.259/17.278	Workforce Innovation and Opportunity Act Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000

Auditee qualified as low-risk auditee?   X   Yes      No

ALAMO WORKFORCE DEVELOPMENT, INC.  
DBA WORKFORCE SOLUTIONS – ALAMO

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the year ended September 30, 2024

SECTION I – SUMMARY OF AUDITOR’S RESULTS (CONTINUED)

IDENTIFICATION OF MAJOR STATE PROGRAMS

<u>ALN Number(s)</u>	<u>Name of State Program or Cluster</u>
N/A	Child Care Development Funds Cluster
N/A	Child Care Family and Protective Services (DFPS)

Dollar threshold used to distinguish between Type A and Type B programs: \$750,000

Auditee qualified as low-risk auditee for State Programs?   X   Yes        No

SECTION II – FINANCIAL STATEMENT FINDINGS

None were noted

SECTION III – FEDERAL AND STATE AWARDS FINDINGS AND QUESTIONED COSTS

None were noted

ALAMO WORKFORCE DEVELOPMENT, INC.  
DBA WORKFORCE SOLUTIONS – ALAMO

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For the year ended September 30, 2024

<u>PROGRAM</u>	<u>CORRECTIVE ACTION PLAN</u>
No prior audit findings	N/A