



# Audit & Finance Committee

November 14, 2025



# Meeting Minutes – July 2, 2025

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# Procurement Updates

Kristen Rodriguez  
Director of Procurement & Contracts



# Temporary Staffing Contract

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# Temporary Staffing Services Contract Amendment



- **Action:** Approve an increase of \$112,000 to the Temporary Staffing budget.
- **New Contract Total:** \$612,000 The allocated budget will be distributed among the four (4) selected vendors proportionate to the actual number of resources procured and the agreed-upon markup for each resource.

## Staffing Support

Administrative / Clerical	Finance / Accounting	Procurement/ Facilities	Program Operations	Marketing / Communications	IT Staffing
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# Questions



# Fiscal Monitoring Contract

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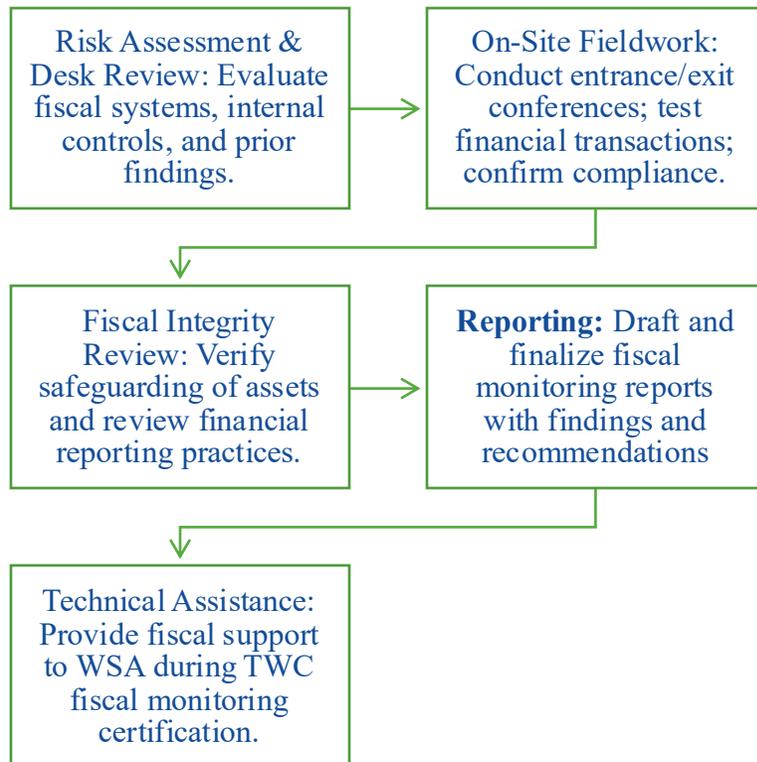


# Fiscal Monitoring Services Contract



## Purpose and Scope of Work

- Ensures contractors comply with Federal, State, and FMGC fiscal requirements.



## Overview of Contract

- Contractor:** Christine H Nguyen, CPA
- Contract term:** February 1, 2026- January 31, 2027 with 4 one-year renewal options.
- Estimated Total Amount:** \$924,000 over the 5 year term, annual amount \$184,800



# Questions





# Fiscal Updates

Gabriela Navarro Garcia, Controller



# Financials

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# Budget to Actual Expenditures

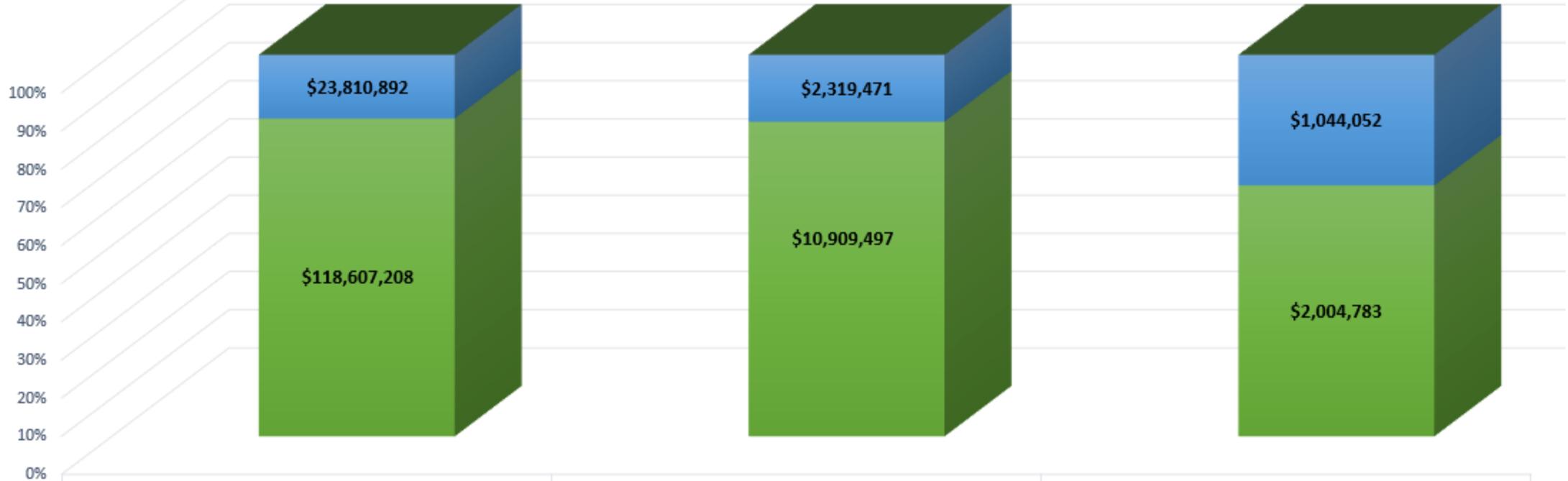
September 2025 Budget to Actual Variance Analysis					
Budget Category	FY25 Budget	FY25 Actuals	% Expensed	Straight-Line Target (100%)	YTD Variance %
<b>Corporate Total</b>	\$ 9,716,494	\$ 7,861,751	80.91%	\$ 9,716,494	19.09%
<b>Facilities</b>	\$ 5,983,010	\$ 5,741,923	95.97%	\$ 5,983,010	4.03%
<b>Projects - Special Initiatives</b>	\$ 966,148	\$ 545,736	56.49%	\$ 966,148	43.51%
Service Delivery - TWC	\$ 18,439,306	\$ 16,901,881	91.66%	\$ 18,439,306	8.34%
Service Delivery - TWC Child Care	\$ 145,792,912	\$ 143,928,993	98.72%	\$ 145,792,912	1.28%
Service Delivery - Non TWC	\$ 19,145,298	\$ 13,144,421	68.66%	\$ 19,145,298	31.34%
<b>Service Delivery Total</b>	\$ 183,377,516	\$ 173,975,295	94.87%	\$ 183,377,516	5.13%
<b>Reserve</b>	\$ 11,097,209	\$ -	0.00%	\$ 11,097,209	100.00%
<b>Total Budget</b>	\$ 211,140,377	\$ 188,124,705	89.10%	\$ 211,140,377	10.90%

\* Fiscal year expenses are preliminary and remain subject to change as we continue finalizing year-end close activities.

# Service Delivery Comparison – Rural & Urban Counties



FY25 Service Delivery Urban - Rural



	Child Care	Adult Services	Youth
Rural (%)	17%	18%	34%
Urban (%)	83%	82%	66%
Rural	\$23,810,892	\$2,319,471	\$1,044,052
Urban	\$118,607,208	\$10,909,497	\$2,004,783



# Key Variances – Childcare

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Childcare Quality- Contract ends 10/31/2025 and we have expensed 86.86%.

The board expects to finalize the purchase of supplies and materials for Quality TRS providers and has already allocated some funds in October to ensure the grant funds are fully utilized.

Childcare Quality Improvement- Contract ends 10/31/2025 and we have 89.30% expensed.

The Board plans to allocate the remaining funds toward incentive payments in October to ensure full utilization of the grant.



# Key Variances – TWC Programs

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Rapid Response 23.55% Expensed– New grant of \$51,557 for a 12-month period. The board will continue to monitor for any unforeseen layoffs affecting the community for possible request of additional dollars.

Non-Custodial Parent 84.12% Expensed- The board is expecting to return funds. The expenses are not finalized but estimating at least \$70,000

Employment Services 91.70% Expensed– The board expects to finalize the purchase of supplies and materials for Quality TRS providers and has already allocated some funds in October to ensure the grant funds are fully utilized.



# Key Variances – TWC Programs

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TANF– New 89.87% Expensed - The board continues to closely monitor expenditures to spent all funds by the end of the contract period.

Military to Civilian Employment Program– New \$225,085 grant awarded for a 12-month period. Expenditures are expected to be reflected in the next fiscal year.

Summer Earn and Learn 44.18%– TWC reduced the targets from 256 to 128, which reduces the expected utilization of the dollars.



# Key Variances – Other Funding

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## DOL Building Pathways

- \$2M grant received for a 4-year period ending 09/30/2029
- 2.77% Expensed
- Expenditures will start increasing in next fiscal year.

## Ready to Work

- 3- Year Contract: 57.43% Expensed - Expenditures will continue to be realized in the following months as outstanding invoices come in for training started in the contract period.
- 1-Year Renewal 22% Expensed - Expenditures will be reflected in the coming months as subrecipient contracts are finalized and outstanding invoices come in for training started in the contract period.



# Questions



# Ready to Work Update

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# Budget to Actual Expenditures

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## 2022-2025 RTW Contract

WSA has budgeted \$65,554,565 through May 2025. To date, \$37,647,930 has been expended. Final reconciliation is underway for training and emergency services costs, which are not yet reflected in the current reporting period.

3-Year Contract Budget	Expenditures	Budget Balance
\$65,554,565.00	\$37,647,930	\$27,906,635

## 2025-2026 RTW Contract Renewal

WSA has executed a 1-year renewal with COSA beginning June 1, 2025, for \$11,114,758. WSA has expended \$2,445,079 through September 30, 2025

1-Year Contract Budget	Expenditures	Budget Balance
\$11,114,758	\$2,445,079	\$8,669,679



# Expenditures and Reserves

As of 09/30/2025		
	3- Year Contract	1-Year Renewal
<b>Operations</b>		
Earned Fees	\$ 1,823,815	\$ 423,703
Corporate Cost	\$ 1,607,335	\$ 277,247
<b>Operational Reserve</b>	<b>\$ 216,479</b>	<b>\$ 146,456</b>
<b>Program Expenditures</b>		
Intake Fees	\$ 3,164,238	\$ 282,848
Case Management Fees	\$ 11,456,931	\$ 508,398
Tuition	\$ 20,734,911	\$ 1,541,396
Emergency Services	\$ 584,747	\$ 61,647
<b>Total Program Expenditures</b>	<b>\$ 35,940,826.68</b>	<b>\$ 2,394,288.68</b>



# Key updates

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## Contract Renewals

All subcontractors have successfully executed contract renewals.  
Exceptions: Texas A&M and Serco are still pending renewal.



## Budget & Expenditures

Current expenditures are at 26% of the total budget.  
There is a 7% straight-line variance, which is within an acceptable range.



## Cashflow & Billing

No cashflow issues reported.  
The board has adopted accrual-based billing, improving financial predictability and aligning revenue recognition with service delivery.



# Questions



# Client Expenditure Analysis

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# Client Expenditures

## TWC Funding

Client Expenditure Comparison - TWC Programs as of September 2025				
Category	FY24	FY24 Allocation %	FY25 Year-to-Date	FY25 Allocation %
Work Related	\$ 30,205	5.59%	\$ 105,239	11.63%
Rent	\$ 201,270	37.27%	\$ 389,776	43.08%
Utilities	\$ 31,049	5.75%	\$ 66,829	7.39%
Transportation	\$ 194,106	35.95%	\$ 250,067	27.64%
Incentives	\$ 45,056	8.34%	\$ 61,400	6.79%
Youth - Support Services	\$ 38,313	7.10%	\$ 31,500	3.48%
<b>TOTAL:</b>	<b>\$ 539,999</b>	<b>100.00%</b>	<b>\$ 904,811</b>	<b>100.00%</b>



# Client Expenditures

## Ready to Work Funding

Client Expenditure Comparison- Ready to Work as of September 2025				
Category	FY24	FY24 Allocation %	FY25 Year-to-Date	FY25 Allocation %
Rent	\$ 121,209	52.67%	\$ 77,630	33.43%
Utilities	\$ 52,095	22.64%	\$ 70,441	30.34%
Transportation	\$ 15,123	6.57%	\$ 26,634	11.47%
Laptops/Computers	\$ 28,019	12.18%	\$ 22,918	9.87%
Training Related	\$ 2,113	0.92%	\$ 7,619	3.28%
Other: Medical, Legal, Food, Daycare	\$ 11,565	5.03%	\$ 26,948	11.61%
<b>TOTAL:</b>	<b>\$ 230,125</b>	<b>100.00%</b>	<b>\$ 232,191</b>	<b>100.00%</b>



# Questions



# County by County Expenditure Analysis

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# County by County Comparison

## TWC Programs

County	Annual Budget		YTD Expenditures		
	Amount	%	Amount	%	Over/Under Budget
Atascosa	\$ 654,586	2.57%	\$ 723,991	3.53%	\$ (69,405)
Bandera	\$ 290,051	1.14%	\$ 304,601	1.49%	\$ (14,550)
Bexar	\$ 19,058,805	74.87%	\$ 15,100,143	73.65%	\$ 3,958,662
Comal	\$ 1,233,238	4.84%	\$ 1,411,613	6.89%	\$ (178,375)
Frio	\$ 435,250	1.71%	\$ 520,043	2.54%	\$ (84,793)
Gillespie	\$ 261,397	1.03%	\$ 229,634	1.12%	\$ 31,763
Guadalupe	\$ 1,264,015	4.97%	\$ 621,490	3.03%	\$ 642,525
Karnes	\$ 328,762	1.29%	\$ 213,448	1.04%	\$ 115,314
Kendall	\$ 547,033	2.15%	\$ 329,721	1.61%	\$ 217,313
Kerr	\$ 452,176	1.78%	\$ 467,124	2.28%	\$ (14,949)
McMullen	\$ 87,256	0.34%	\$ 16,162	0.08%	\$ 71,094
Medina	\$ 403,478	1.58%	\$ 235,445	1.15%	\$ 168,033
Wilson	\$ 440,323	1.73%	\$ 328,635	1.60%	\$ 111,688
<b>TOTAL</b>	<b>\$ 25,456,370</b>	<b>100.00%</b>	<b>\$ 20,502,049</b>	<b>100.00%</b>	<b>\$ 4,954,320</b>

	Budget	Actual
Urban	75%	74%
Rural	25%	26%



# County by County Comparison

## Childcare

County	Annual Budget		YTD Expenditures		Over/Under Budget
	Amount	%	Amount	%	
Atascosa	\$ 2,778,880	1.80%	\$ 3,267,801	2.22%	\$ (488,921)
Bandera	\$ 650,916	0.42%	\$ 605,393	0.41%	\$ 45,523
Bexar	\$ 128,334,666	83.13%	\$ 123,523,166	83.78%	\$ 4,811,500
Comal	\$ 4,121,966	2.67%	\$ 4,441,165	3.01%	\$ (319,199)
Frio	\$ 1,288,158	0.83%	\$ 1,345,498	0.91%	\$ (57,341)
Gillespie	\$ 993,256	0.64%	\$ 691,315	0.47%	\$ 301,941
Guadalupe	\$ 7,400,951	4.79%	\$ 6,052,503	4.11%	\$ 1,348,448
Karnes	\$ 1,012,360	0.66%	\$ 386,064	0.26%	\$ 626,296
Kendall	\$ 1,273,550	0.82%	\$ 1,058,499	0.72%	\$ 215,050
Kerr	\$ 2,859,886	1.85%	\$ 1,947,414	1.32%	\$ 912,472
McMullen	\$ 49,597	0.03%	\$ -	0.00%	\$ 49,597
Medina	\$ 2,230,367	1.44%	\$ 2,733,121	1.85%	\$ (502,754)
Wilson	\$ 1,384,931	0.90%	\$ 1,379,588	0.94%	\$ 5,344
<b>TOTAL</b>	<b>\$ 154,379,484</b>	<b>100.00%</b>	<b>\$ 147,431,526</b>	<b>100.00%</b>	<b>\$ 6,947,957</b>

	Budget	Actual
Urban	83%	84%
Rural	17%	16%



# County by County Comparison

## Other Funding

County	Annual Budget		YTD Expenditures		Over/Under Budget
	Amount	%	Amount	%	
Atascosa	\$ 79,805	1.57%	\$ 46,875	1.07%	\$ 32,930
Bandera	\$ 41,140	0.81%	\$ 45,786	1.04%	\$ (4,645)
Bexar	\$ 4,038,903	79.21%	\$ 3,713,080	84.41%	\$ 325,822
Comal	\$ 277,955	5.45%	\$ 178,330	4.05%	\$ 99,625
Frio	\$ 45,337	0.89%	\$ 34,631	0.79%	\$ 10,706
Gillespie	\$ 33,635	0.66%	\$ 9	0.00%	\$ 33,625
Guadalupe	\$ 236,216	4.63%	\$ 145,951	3.32%	\$ 90,266
Karnes	\$ 32,918	0.65%	\$ 2,201	0.05%	\$ 30,717
Kendall	\$ 88,819	1.74%	\$ 55,390	1.26%	\$ 33,429
Kerr	\$ 72,023	1.41%	\$ 99,561	2.26%	\$ (27,538)
McMullen	\$ 7,169	0.14%	\$ -	0.00%	\$ 7,169
Medina	\$ 69,959	1.37%	\$ 35,343	0.80%	\$ 34,616
Wilson	\$ 74,992	1.47%	\$ 41,512	0.94%	\$ 33,480
<b>TOTAL</b>	<b>\$ 5,098,870</b>	<b>100.00%</b>	<b>\$ 4,398,667</b>	<b>100.00%</b>	<b>\$ 700,202</b>

	Budget	Actual
Urban	76%	84%
Rural	24%	16%

*\*Expenditures exclude Bexar County only funds which include: City of San Antonio, Non-Custodial Parent, Military Family, Student Hireability Navigator, and Training and Employment Navigator.*



# Questions



# Fiscal Monitoring

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# Financial Monitoring

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- TWC's Financial Manual for Grants and Contracts (FMGC) requires boards to complete a Financial Monitoring review for all subrecipients of TWC grants. The reviews are conducted by Christine Nguyen, CPA.
- The Financial Monitoring reports for C2 GPS and SERCO have been completed and closed for FY 24-25.
- Financial Monitoring review for COSA is ongoing and expected to be finalized by the end of the calendar year.



# Questions



# Childcare System Updates

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# Background

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- **January 2025**, TWC launched the new Childcare System, TX Child Care Connection (TX3C)
- The **new system features** includes
  - A new statewide application for families
  - An easy-to-use interface that works with mobile devices
  - A common user experience for all Texans
- What **changed** with the new system?
  - **One standardized** Parent Share of Cost (PSoC) fee - statewide
  - Families relocating to a new area within the state, **the PSoC remains** the same until they recertify.
  - The fee scale has **more gradual increases** for families with rising incomes **between certification periods.**
  - Childcare providers will receive **payments in advance.**



# Status Update

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Since the launch of TX3C there have been ongoing challenges related to payments, reporting, and program requirements.

- Payment report (245)
- Payments and adjustments to Providers made it hard to reconcile.
- System and workflow inefficiencies

Staff continue to meet with TWC twice a week to discuss the ongoing challenges with the launch of the TX3C.

# Releases Deployed – TWC 10/23/2025



## Releases Deployed

### KinderTrack Release 4.33 and 4.33.1 – deployed 10/20/2025

Issue Type	Issue key	Summary	Priority
Enhancement	KTTX-1310	Update recertification notice email language	Critical
Bug Fix	KTTX-1348	Issued Date and Date of Distribution - map and label correctly on Recert Notice	High
Bug Fix	KTTX-1414	Expiration Date difference between KT and Parent Central preventing standard application submittal	High
Bug Fix	KTTX-1165	JAWS/accessibility - modal dialogs from select links in KT don't have keyboard shortcuts to close	High
Bug Fix	KTTX-1163	JAWS/accessibility - date picker dialogs missing keyboard shortcut to close in KT	High
Bug Fix	KTTX-1162	JAWS/accessibility - difficult to close date picker dialogue in KT	High
Bug Fix	KTTX-1157	JAWS/accessibility - KT pages missing headings	High

# Upcoming Release Plan – TWC 10/23/2025



## Upcoming Release Plan

Below are the current plans for KinderTrack releases 4.34, 4.35, and 4.36. Note that items in italics were moved out of an earlier release due to failed UAT or changed priorities. This sprint has also been extended a week to allow for the large number of items in scope.

**KinderTrack Release 4.34** (UAT on 10/22/25; Prod ≈ 10/31/25 pending successful UAT)

Issue Type	Issue key	Summary	Priority
Bug Fix	KTTX-1392	"Regular Hours" Disappearing from Child's Schedule After Being Discontinued	Critical
Bug Fix	KTTX-1378	Middle Adjustment Not Flagged as "XX" in Performance Report in Case Payment has More than 2 Adjustments	Critical
Bug Fix	KTTX-1354	Nonexistent Family Fee Deducted by Auto-Adjustment	Critical
Bug Fix	KTTX-1315	245 Report Does Not Match KT Payment Amount for Fund_Paid_Amt Field	Critical
Enhancement	KTTX-1338	Create Proof of Absence Notification Document on Family Summary page for 15/30/40 messages	Critical
Bug Fix	KTTX-1116	Fees being reverted when authorizing a pending notice	Critical
Enhancement	KTTX-1519	245 Report Fixes (from JIRA KTTX-1329)	Critical
Enhancement	KTTX-1518	Performance Report fixes (from JIRA KTTX-1329)	Critical
Enhancement	KTTX-1201	Discontinue Date to be displayed on the Referral Page	High
Enhancement	KTTX-1110	Referrer information to be displayed on the Referral Page	High

# Upcoming Release Plan – TWC 10/23/2025



Enhancement	KTTX-1022	Update Program Transfer to include Allocation Transfer	High
Bug Fix	KTTX-1378	New Performance Report: Middle adjustment not flagged as "XX" in cases where payment has more than 2 adjustments	High
Bug Fix	KTTX-1388	New Performance Report: incorrect number of units displayed in case QR changed	High
Bug Fix	KTTX-1389	New Performance Report: amounts are missing for some lines	High
Bug Fix	KTTX-1390	New Performance Report: Incorrect number of units displayed for some payments (attendance type changed)	High
Bug Fix	KTTX-1160	JAWS/accessibility - collapsible item not reporting the item is expanded/collapsed in KT	High
Bug Fix	KTTX-1158	JAWS/accessibility - KT collapsible items create multiple elements for screen reader	High
Bug Fix	KTTX-1156	JAWS/accessibility - KT pages missing ARIA landmarks	High
Bug Fix	KTTX-1164	JAWS - KT Does Not Warn User Before Signing Them Out	High
Bug	KTTX-1161	JAWS - Calendar Days Are Not Associated <u>to</u> Weekday Labels in KT	High

# Upcoming Release Plan – TWC 10/23/2025



**KinderTrack Release 4.35** (UAT on 11/5/25; Prod ≈ 11/13/25 pending successful UAT)

Issue Type	Issue key	Summary	Priority
Report	KTTX-1535	Add Babel TX and EO Language (English Only) to Family and Provider Notices/Authorizations	High
Bug	KTTX-1484	Payment statement not reflecting rate change	High
Enhancement	KTTX-1419	Lock Down Editing Schedules Once Authorized	High
Report	KTTX-1410	Create Report - Provider Messages	Critical
Bug	KTTX-1404	Absence Alert Emails Sent to Multiple Families/Sponsors for Children who Transferred Boards	Critical
Enhancement	KTTX-1359	Create Child and Parent CIN on Referrals When Blank	High
Bug	KTTX-1159	JAWS - Expanding/Collapsing Left Menu Moves Screen Reader Focus to Top of Page in KT	High

# Upcoming Release Plan – TWC 10/23/2025



**KinderTrack Release 4.36** (UAT on 12/1/25; Prod ≈ 12/10/25 pending successful UAT)

Note this release will include the new fields and functionality to support the new Child Care Worker Priority (as required by SB 642, 89<sup>th</sup> Texas Legislature).

Issue Type	Issue key	Summary	Priority
Bug Fix	KTTX-1200	Cannot create Discontinue Notice after creating adjusted payments	High
Enhancement	KTTX-1468	Add Babel and Equal Opportunity Language to TX Absence and Application Messages	High
Bug Fix	KTTX-1449	Sponsor not found under assigned provider in KinderConnect	High
Enhancement	KTTX-1331	Add New Priority Group - Childcare Worker Parent - FM BridgeCare to Intake	Critical
Enhancement	KTTX-1551	One-time update of existing waiting list applications with child care worker priority data	Critical
Enhancement	KTTX-1208	Add Parent Contact info to Intake Search Results Grid and CSV	High
Bug Fix	KTTX-1058	Error when shortening Schedule	High
Enhancement	KTTX-1034	TRS Rating on Payment Statement Report – <a href="#">dbo.spReportStatementDetails</a>	High
Bug Fix	KTTX-1015	Schedule Save Needs to check future agreements – User get the WPI that the provider does not have an agreement when saving a schedule.	High
Enhancement	KTTX-1079	Update Family Notes sizing	Medium



# Questions





# CEO Report

Adrian Lopez, Chief Executive Officer





# Questions





# Chair Report

Mary Batch, Committee Chair





# Questions



**Thank you!**

