Audit & Finance Committee

July 10, 2026

Workforce Solutions ALAMO
BUILDING BUSINESS • BUILDING CAREERS

ACTION ITEM

Meeting Minutes – May 29, 2026

BUILDING BUSINESS • BUILDING CAREERS

Procurement Update

Kristen Rodriguez, Director of Procurement and Contracts

ACTION ITEM

FY 27 Management and Operations of Adult Services Contract Renewal

Contract Overview

Renewal Term: October 1, 2026 – September 30, 2027

Renewal Option: Exercises the 3rd of 4 available renewals.

Contractor: C2 Global Professional Services, Inc.

Performance Overview

Comprehensive Evaluation was completed by Fiscal, Program and QA staff.

- Contractor met expectations with some areas of improvement

Fiscal Impact

The total expenditures under this contract renewal is estimated at $14,348,234.

A Fiscal Integrity was conducted by external monitor, based on results C2 Global Professional Services, Inc complies with the Fiscal Integrity requirements.

Recommendation

Approve the estimated contract amount of $14,348,234 and authorize staff to negotiate the contract renewal with C2 Global Professional Services, Inc for the Management and Operations of Adult and American Job Center Services from October 1, 2026 to September 30, 2027.

Questions

Workforce Solutions
ALAMO
BUILDING BUSINESS • BUILDING CAREERS

ACTION ITEM

FY 27 Management and Operations of Child Care Quality Services Contract Renewal

Contract Overview

Renewal Term: October 1, 2026 – September 30, 2027

Renewal Option: Exercises the 2nd of 4 available renewals.

Contractor: City of San Antonio

Performance Overview

Comprehensive Evaluation was completed by Fiscal, and Child Care staff.

- Contractor Exceeds expectations

Fiscal Impact

The total expenditures under this contract renewal is estimated at $9,230,584.

A Fiscal Integrity was conducted by external monitor, based on results The City of San Antonio complies with the Fiscal Integrity requirements.

Recommendation

Approve the estimated contract amount of $9,230,584 and authorize staff to negotiate the contract renewal with The City of San Antonio for the Management and Operations of Child Care Quality Services from October 1, 2026 to September 30, 2027.

Questions

Workforce Solutions ALAMO
BUILDING BUSINESS • BUILDING CAREERS

ACTION ITEM

FY 27 Management and Operations of Child Care Services Contract Renewal

Contract Overview

Renewal Term: October 1, 2026 – September 30, 2027

Renewal Option: Exercises the 1st of 4 available renewals.

Contractor: Aerbor E&T, LLC dba Equus Workforce

Performance Overview

Comprehensive Evaluation was completed by Fiscal and Child Care.

- Contractor Exceeds expectations with some areas of improvement

Fiscal Impact

The total expenditures under this contract renewal is estimated at $132,531,376.

A Fiscal Integrity was conducted by external monitor, based on results Aerbor E&T, LLC dba Equus Workforce complies with the Fiscal Integrity requirements.

Recommendation

Approve the estimated contract amount of $132,531,376 and authorize staff to negotiate the contract renewal with Aerbor E&T, LLC dba Equus Workforce for Management and Operations of Child Care Services from October 1, 2026 to September 30, 2027.

Questions

ACTION ITEM

FY 27 Cloud Hosting Services Contract

Purpose

To provide secure, reliable, and scalable cloud hosting services that ensure system availability, protect data, and support Workforce Solutions Alamo's operational and programmatic needs.

Fiscal Impact

The Annual expenditures under this contract is estimated $147,632.

The total expenditures under this contract is estimated at $590,528.

Contract Term

Anticipated contract start date of October 1, 2026 – September 30, 2027

Recommendation

Award a contract for Cloud Hosting Services to FreeIT Data Solutions for an initial term from October 1, 2026 through September 30, 2027 for an annual amount of $147,632 and estimated aggregate amount of $590,528 over a four (4) year period.

Questions

WorkforceSolutions
ALAMO
BUILDING BUSINESS • BUILDING CAREERS

ACTION ITEM

FY 27 Cyber Security Services Contract

Purpose

To provide proactive cybersecurity services that protect Workforce Solutions Alamo's systems, data, and technology infrastructure from cyber threats.

Fiscal Impact

The Annual expenditures under this contract is estimated $103,792.61.

The total expenditures under this contract is estimated at $415,170.44.

Contract Term

Anticipated contract start date August 18, 2026 – August 17, 2027

Recommendation

Award a contract for Cyber Security Services to FreeIT Data Solutions for an initial term from August 18, 2026 through August 17, 2027 for an annual amount of $103,792.61 and estimated aggregate amount of $415,170.44 over a four (4) year period.

Questions

Workforce Solutions
ALAMO
BUILDING BUSINESS • BUILDING CAREERS

FY 27 Management and Operations of Youth Services Contract - AGENDA ITEM PULLED

- *No Board action is requested.*

Questions

Workforce Solutions
ALAMO
BUILDING BUSINESS • BUILDING CAREERS

Proposed FY27 Budget

Gabriela Navarro-Garcia, Controller

Workforce Solutions ALAMO
BUILDING BUSINESS • BUILDING CAREERS

Mission, Vision, and Values

Mission

To strengthen the Alamo regional economy by growing and connecting talent pipelines to employers.

Vision

To lead the most integrated workforce network in the region.

Values

- Accountability
- Collaboration
- Excellence
- Innovation
- Integrity

Statewide Action Plan

The board aligns its strategic vision with TWC's state-wide action plan as a testament to our commitment to our stakeholders. This ensures our efforts are focused and effective, instilling confidence in our mission. We focus on three key pillars:

- **Texas Talent Experts-** As Workforce Solutions Alamo, we play a unique and pivotal role as Texas Talent Experts. Our expertise lies in connecting employers and job seekers, creating opportunities for residents to develop new skills.
- **Service Optimizer**—Connecting opportunities and initiatives. Employers have a thorough menu of services, including recruitment, job fairs, posting, and special grants.
- **Partnership Managers-** We have developed additional Memorandums of Understanding (MOUs) with various community organizations.

WSA Accomplishments

- Over 64K visitors to our 16 Career Centers
- Over 28K registered job seekers in the region
- Over 107K units of service at job centers
- Awarded $200K for Teacher Externships
- Served over 13K children daily through child care
- Clean Audit for 9th consecutive year.

Child Care Accomplishments

TRS Maintenance Incentive: ***Awarded 454*** (354-Bexar and 100-Rural) Early Learning programs incentive to assist in the maintenance of:

- Texas Rising Star: ***$984,500 (potential child reach based on max capacity with Child Care regulations: 46,980)***
- Wage Supplement Support: ***Approximately $914,600,*** to recognize the importance of supporting Early Childhood Professionals through quarterly bonuses.
- **Provided 73** (59 – Bexar, 14-Rural) Providers with retention bonuses for approximately **1,076 professionals**. (potential child reach based on max capacity with Child Care regulations: 8, 657)

Child Care Accomplishments Continued

Professional Development:

- <u>**CDA Initial Assessments:**</u> Supporting Early Childhood professionals in strengthening their knowledge and skills to provide high-quality care for young children. This incentive award covers the fees for renewing CDA credentials: ***$4,200 for 8 staff members***.

- ***Professional Development Training:*** To provide professional development opportunities to the early childhood field through monthly virtual and in person trainings. The offered topics align with Texas Rising Star measures and Child Care regulations: ***63 Professional Development opportunities have been offered from October 2025 through June 2026.***

Ready to Work Accomplishments

Applicants Interviewed: **10,501**

Enrolled in approved training: **7,200**

Training in Progress: **1,212**

Completed Training: **3,501**

Placed in jobs (within 6-month period): **3,008**

Approved Job Placement: **2,572**

Mean Hourly Wage in New Job: **$20.66**

**Data as of June 29, 2026*

2026 Unemployment Rates – as of May 2026

Alamo Region has a 4.1% Unemployment Rate.

57,648 people actively looking and available for work.

Alamo Region is lower than the 4.3% Unemployment Rate for the State of Texas.

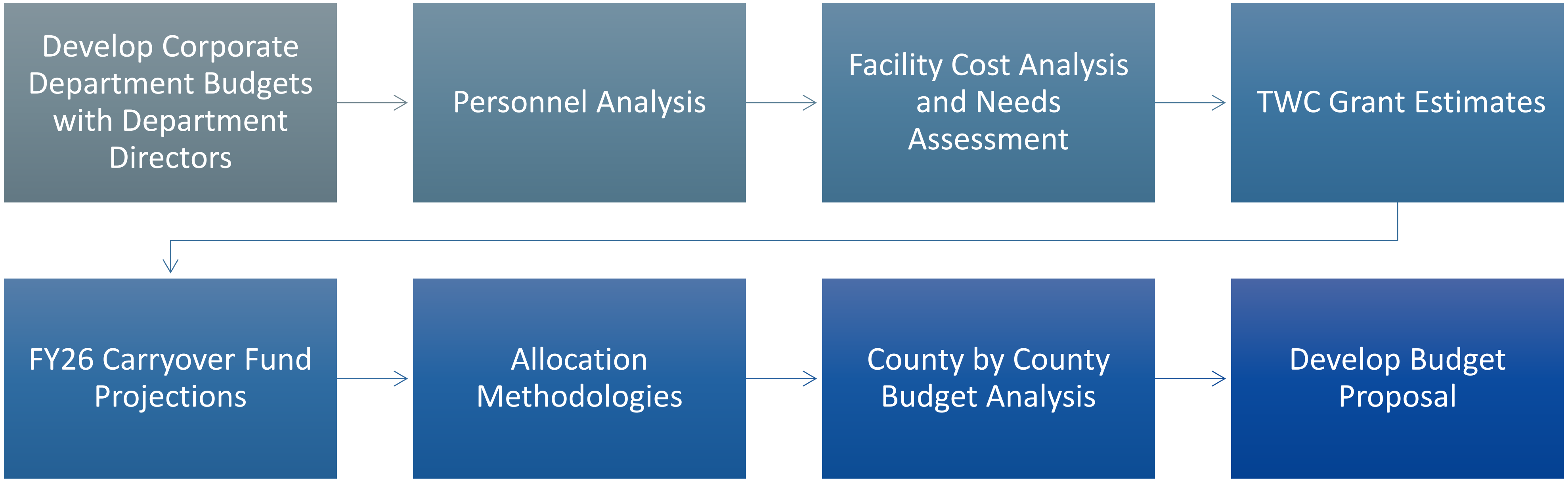
The San Antonio-New Braunfels unemployment rate ranked 2nd highest among large metro areas in Texas.

Additional 6,938 people employed or actively looking for work.

Facilities Accomplishments & Updates

- Mobile Unit (Workforce One) has made an appearance in more than 50 events.
    - 901 customers were provided services through the mobile unit.
    - Attended 53 employer events
    - Provided services in 6 rural areas
- Digitalized all workforce centers facility requests and incident reports.

FY27 Budget Development – Strategic Management Tool



Federal Funding Trends FY22-FY27

Funding Source	FY 2022	FY2023	FY 2024	FY 2025	FY 2026	FY 2027	$ Change from FY26	% Change from FY26
WIOA Adult	$4,126,744	$4,403,641	$5,669,734	$5,576,777	$4,836,736	$4,944,683	$107,947	2.2%
WIOA Youth	$4,430,155	$4,732,035	$5,861,245	$5,910,587	$5,087,523	$5,292,631	$205,108	4.0%
WIOA Dislocated Worker	$4,499,401	$5,181,348	$4,774,833	$4,670,305	$4,111,151	$3,798,619	($312,532)	-7.6%
Rapid Response	$55,214	$64,742	$59,607	$59,607	$51,557	$47,419	($4,138)	-8.0%
TANF Choices	$7,483,591	$8,011,037	$6,851,831	$6,590,722	$6,636,840	$6,636,840	$0	0.0%
SNAP E&T (excl ABAWD)	$1,342,298	$1,383,426	$1,283,189	$1,303,291	$1,031,152	$1,031,152	$0	0.0%
Employment Services	$2,160,809	$2,293,233	$2,261,626	$2,291,926	$1,437,723	$1,437,723	$0	0.0%
Child Care	$73,420,850	$91,258,296	$109,230,675	$117,079,532	$130,849,352	$129,821,606	($1,027,746)	-0.8%
	$97,519,062	**$117,327,758**	**$135,992,740**	**$143,482,747**	**$154,042,034**	**$153,010,673**	**-$1,031,361**	-0.7%

**Pending TWC estimates for TANF Choices, SNAP E&T, and Employment Services*

FY27 Proposed Budget Summary

	Workforce Solutions Alamo Board Fiscal Year October 1, 2026 - September 30, 2027 FY27 Proposed Budget						
	FY26 Approved Budget	FY26 Amended Budget	Annualized	%	FY27 Proposed Budget	% Change	$ Change
	SUMMARY						
CORPORATE BUDGET							
Personnel	$ 5,672,536	$ 5,736,960	$ 5,587,921	97.4%	$ 5,869,398	2.3%	$ 132,438
Corporate Facility	$ 500,378	$ 500,378	$ 583,864	116.7%	$ 552,396	10.4%	$ 52,018
Corporate Facility Relocation	$ -	$ -	$ -	100.0%	$ 631,500	100.0%	$ 631,500
Equipment/Related Costs	$ 284,564	$ 284,564	$ 240,621	84.6%	$ 369,710	29.9%	$ 85,146
General Office Expenses	$ 516,208	$ 516,208	$ 330,354	64.0%	$ 534,253	3.5%	$ 18,045
Professional Services	$ 1,697,690	$ 1,697,690	$ 1,342,052	79.1%	$ 1,285,679	-24.3%	$ (412,011)
TOTAL WSA CORPORATE BUDGET	**$ 8,716,376**	**$ 8,780,800**	**$ 8,109,040**	**92.3%**	**$ 9,287,935**	**5.8%**	**$ 507,136**
FACILITY & INFRASTRUCTURE BUDGET							
Facility Related Occupancy	$ 4,511,406	$ 4,511,406	$ 4,371,895	96.9%	$ 4,676,257	3.7%	$ 164,851
Equipment Related	$ 131,543	$ 131,543	$ 103,244	78.5%	$ 193,018	46.7%	$ 61,475
Rental of Equipment	$ 59,683	$ 59,683	$ 45,671	76.5%	$ 49,094	-17.7%	$ (10,590)
Software Related	$ 848,974	$ 848,974	$ 766,234	90.3%	$ 830,565	-2.2%	$ (18,409)
Communications	$ 350,467	$ 350,467	$ 301,859	86.1%	$ 378,097	7.9%	$ 27,630
General Office	$ 193,799	$ 193,799	$ 146,914	75.8%	$ 228,089	17.7%	$ 34,290
Other Professional Services	$ 140,929	$ 140,929	$ 103,085	73.1%	$ 236,878	68.1%	$ 95,949
Reserve Facility	$ 150,000	$ 150,000	$ -	0.0%	$ 152,000	1.3%	$ 2,000
TOTAL FACILITY & INFRASTRUCTURE BUDGET	**$ 6,386,802**	**$ 6,386,802**	**$ 5,838,902**	**91.4%**	**$ 6,743,999**	**5.6%**	**$ 357,197**
RESERVE UNOBLIGATED	$ 12,318,454	$ 14,111,623	$ 14,111,623	100.0%	$ 13,192,119	-6.5%	$ (919,504)
INITIATIVES	$ 529,947	$ 771,825	$ 771,825	100.0%	$ 616,481	-20.1%	$ (155,345)
SERVICE DELIVERY BUDGET	$ 164,353,802	$ 169,745,491	$ 169,745,491	100.0%	$ 165,540,236	-2.5%	$ (4,205,256)
TOTAL BUDGET	**$ 192,305,381**	**$ 199,796,541**	**$ 198,576,882**	**99.4%**	**$ 195,380,770**	**-2.2%**	**$ (4,415,772)**

FY27 Budget Corporate Cost

Personnel

- **Salaries, COLA & Performance** Pay: Budgeted increase of $63,530 or 1.5% in FY27.
- **Fringe Benefits:** Budgeted increase of $111,155 or 9.9% compared to FY26, primarily due to the health insurance rate increases.
- **Travel, Training & Professional Development:** Budgeted decrease of $42,246 or 15.9% in FY27 to help offset higher personnel and benefit costs.

FY27 Budget Corporate Cost

Professional Services

- Decreased by 24.3% or $412,011 primarily from Temp Services and consulting

Corporate Facility Relocation

- Potential increase of $631,500 to corporate facility budget for relocation costs
- Corporate facility relocation budget increases corporate budget from -1.4% to 5.8%

FY27 Budget Corporate Expenditures

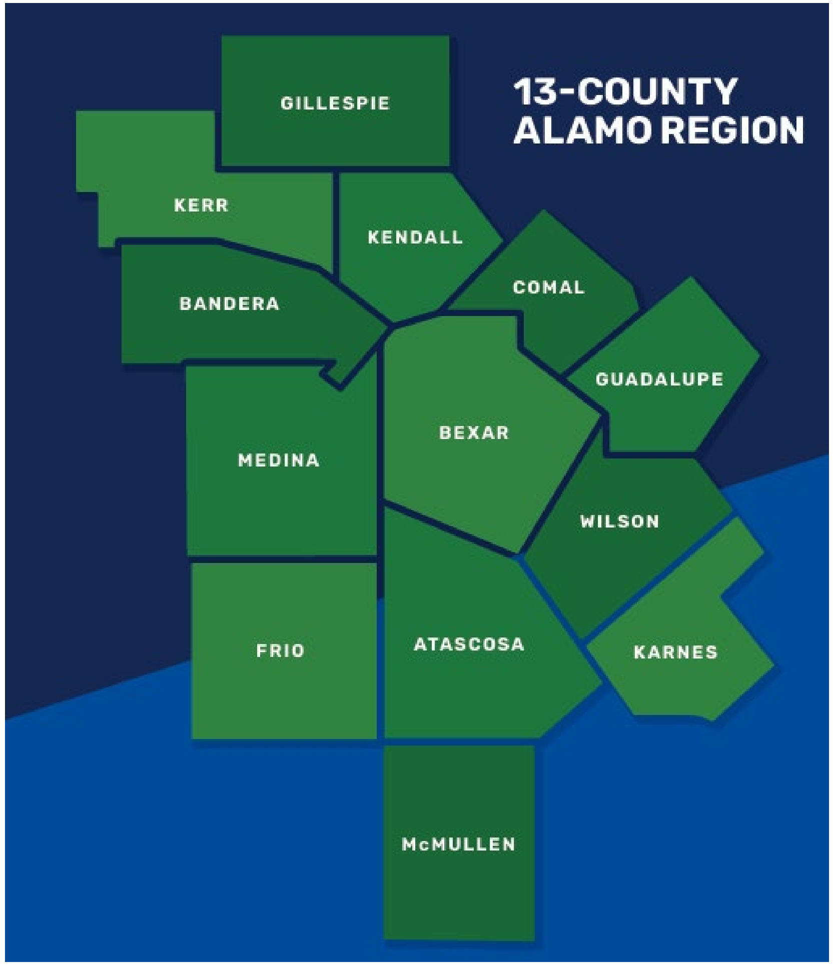
The Corporate Facility Relocation budget is intended to cover expenditures necessary to meet the agency's operational needs, including facility-related costs, moving expenses, furniture, and equipment purchases.

FY27 corporate costs are projected to decrease by $124,364 (1.4%) excluding relocation expenses, the inclusion of the estimated $631,500 for potential Board Office relocation results in an overall corporatebudget increase of $507,136 (5.8%).

FY27 Facilities – Workforce Center

Facility costs are budgeted at $6,793,999, representing an increase of 5.6% or $357,197 compared to FY26 budget.

- Potential Seguin facility relocation costs of $62,000.
- Workforce One CDL Bus Driver cost of $65,000
- Infrastructure improvements of $152,000
  - Contingency for HVAC and other maintenance at the workforce centers.



FY 27 Initiatives and Reserves

Total Initiatives of $616,481 include:

- Workforce Commission Initiatives:
  - Red, White and You!
  - Careers in Texas Industries
- Service Delivery Initiatives:
  - Summer Earn and Learn
  - Teacher Externship
  - Adam Scripps Foundation (Child Care Quality)

Reserve is currently budgeted at $13,192,119. Most of the reserve is child care funding of approximately $12,990,438.

FY27 Service Delivery

Service Delivery budget has a projected decrease of 2.5% or $4,205,256. The key variances contributing to the decrease include:

- Ready to Work – decrease of $2,355,997; the budget is based on a one-year contract extension and new goals set by COSA.
- Child Care – decrease of $446,971; Initial funding estimates reflect a decrease in both Child Care CCDF and Child Care Quality. TWC has indicated that Child Care funding is expected to continue declining over the next several years. Estimates are based on current trends and guidance from TWC.
- WIOA and Other grants –WIOA Dislocated Worker reflects a decrease in funding. Overall, TWC has provided estimates for several grants that reflect a decrease of .7%.

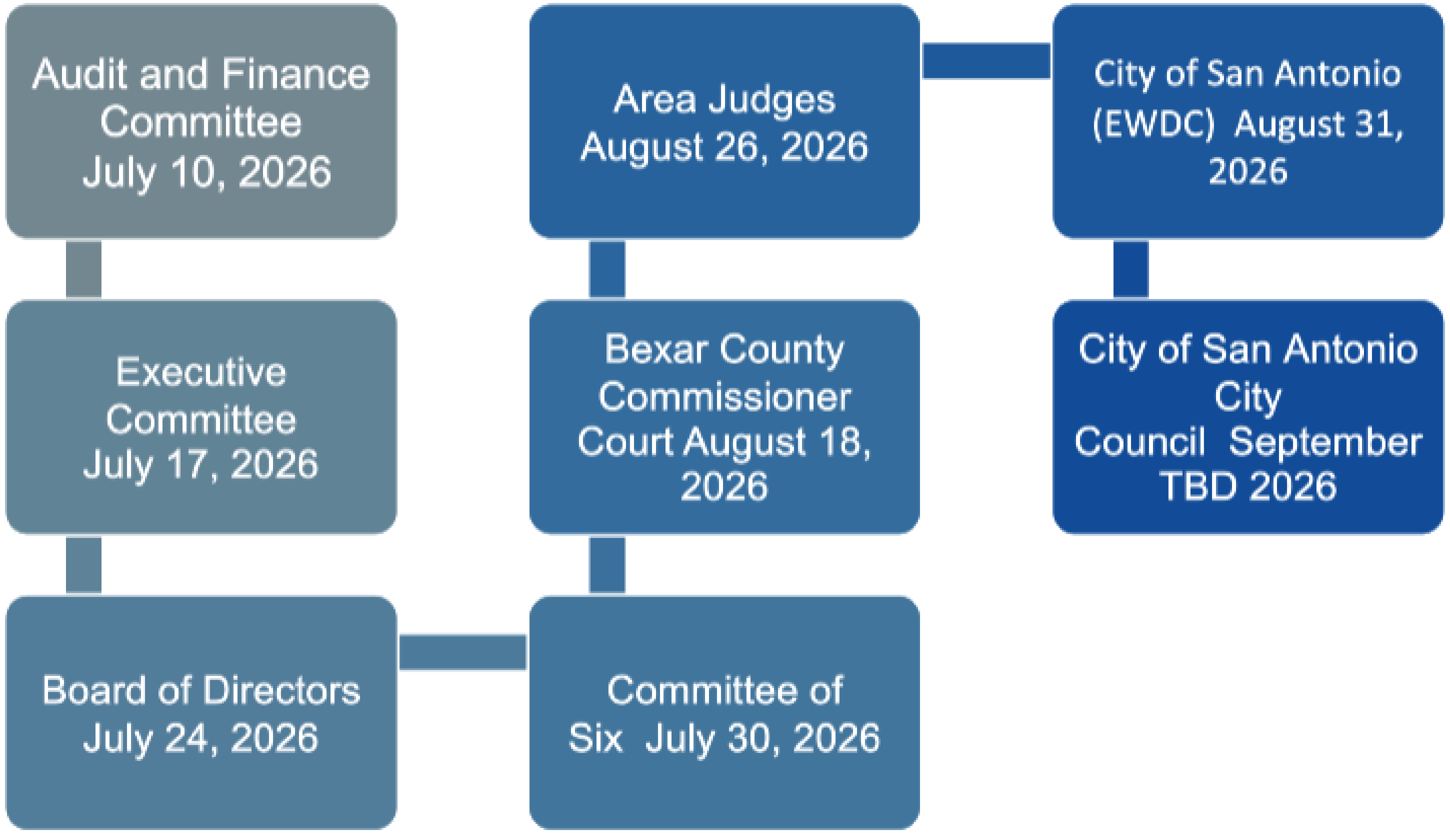
FY27 Budget Grant Summary – Service Delivery TWC

Workforce Solutions Alamo Board Fiscal Year October 1, 2026 - September 30, 2027 Service Delivery FY27 Proposed Budget			
Program Cluster	FY26 Initial Budget	FY26 Budget Amendment #1	FY27 Proposed Budget
Adult Services	$ 13,192,532	$ 15,508,767	$ 14,015,561
Youth Services	$ 4,547,484	$ 4,547,408	$ 4,638,325
Childcare Services	$ 127,615,222	$ 132,795,392	$ 132,594,726
Child Care Quality	$ 9,128,459	$ 9,476,888	$ 9,230,584
Ready to Work	$ 9,870,105	$ 7,417,037	$ 5,061,040
Total	**$ 164,353,802**	**$ 169,745,491**	**$ 165,540,236**

FY27 Service Delivery County Allocation

SERVICE DELIVERY BY COUNTY SUMMARY										
County	City		Service Delivery - Formula Funds	%		Service Delivery - Child Care Funds	%		Service Delivery - Special Initiatives (Excludes RTW)	%
Budget		$	16,503,312		$	141,825,310		$	2,150,575	
Bexar	San Antonio	$	12,658,316	76.70%	$	118,397,256	83.48%	$	1,567,797	72.90%
Atascosa	Pleasanton	$	395,208	2.39%	$	2,807,147	1.98%	$	46,640	2.17%
Bandera	Bandera	$	136,294	0.83%	$	666,179	0.47%	$	25,945	1.21%
Comal	New Braunfels	$	771,300	4.67%	$	3,497,546	2.47%	$	109,890	5.11%
Frio	Pearsall	$	281,716	1.71%	$	1,400,432	0.99%	$	45,300	2.11%
Gillespie	Fredericksburg	$	146,218	0.89%	$	700,787	0.49%	$	26,227	1.22%
Guadalupe	Seguin	$	868,149	5.26%	$	6,685,367	4.71%	$	114,891	5.34%
Karnes	Kenedy	$	178,053	1.08%	$	603,353	0.43%	$	28,947	1.35%
Kendall	Boerne	$	238,853	1.45%	$	1,089,923	0.77%	$	32,656	1.52%
Kerr	Kerrville	$	223,733	1.36%	$	2,549,763	1.80%	$	51,361	2.39%
McMullen	Tilden	$	39,564	0.24%	$	47,519	0.03%	$	7,868	0.37%
Medina	Hondo	$	286,251	1.73%	$	1,866,329	1.32%	$	48,033	2.23%
Wilson	Floresville	$	279,656	1.69%	$	1,513,708	1.07%	$	45,020	2.09%
Total		$	16,503,312	100.00%	$	141,825,310	100.00%	$	2,150,575	100.00%

FY27 Budget Approval Process



Next Steps

Staff is requesting Board approval for FY27 Annual Budget, in the amount of **$195,380,770.**

Questions

Workforce Solutions
ALAMO
BUILDING BUSINESS • BUILDING CAREERS

CEO Report

Adrian Lopez, Chief Executive Officer

Workforce Solutions ALAMO

BUILDING BUSINESS • BUILDING CAREERS

Questions

Workforce Solutions ALAMO
BUILDING BUSINESS • BUILDING CAREERS

Chair Report

Elizabeth Lutz, Committee Chair

Workforce Solutions ALAMO
BUILDING BUSINESS • BUILDING CAREERS

Questions

Thank you!