



Finance Committee

Meeting Agenda for June 3, 2026 – 12 p.m.

Virginia Career Works Richmond West, 4914 Radford Ave, Room 100, Richmond, VA 23230

- I. Welcome and Call to Order (Chairman Auchmoody) – 5 minutes
- II. Public Comment – 5 minutes
- III. Minutes from June 5, 2025 – 5 minutes (Page 2)
- IV. Current Year Spending-to-Budget – 5 minutes
- V. WIOA Local Formula Allocation Process and Basis for PY26/FY27 Numbers – 30 minutes

Presentation to be provided by staff from the Virginia Department of Workforce Development and Advancement

- VI. Preliminary Budget for PY26/FY27 – 30 minutes (Page 4)
- VII. Contractor Independent Audits – 10 minutes
- VIII. Other Matters
- IX. Adjourn

Capital Region Workforce Development Board

Finance Committee Meeting Minutes for June 5, 2025

Members attending: Mr. William Auchmoody, Mr. Thomas Hayden, and Mr. Eric Stamper.

Staff attending: Mr. Brian Davis and Ms. Carla Cosby.

- I. Welcome. Chair Auchmoody called the meeting to order at 12:08 p.m.
- II. Public Comment. No persons were present for public comment.
- III. Minutes June 11, 2024. Mr. Thomas Hayden moved to approve the minutes as presented; Mr. Eric Stamper seconded the motion. The motion carried.
- IV. Overview of Federal Funding Landscape and Current Situation. – Mr. Davis
 - The Department of Labor issues state allocations for the Workforce Innovation Opportunity Act (WIOA). Virginia will incur a 10% reduction. WIOA is advanced funded; funds will be available through June 30, 2026.
 - Information about a possible federal shutdown may be released in September if the federal budget is not agreed on. If realized, funding will not be impacted, local areas are advanced funded. The State has 30 days from the date published to release local numbers, the estimated carry over, and new money. Other potential impacts include proposed elimination of youth contracts and Wagner-Peyser.

V. Preliminary Budget for PY25/FY26

As of the date of the meeting, the state has yet to issue new-year federal allocations which make up a majority of the Board's budget. The state just received their allocations on May 17th and the federal law allows for up to 30 days for the state to run local allocations. While it is typical to estimate the amount of carry forward funds because of the timing lag in closeout, it is not typical to also have to estimate new-year funding because allocations are typically available in April or May.

Factoring the state's known 10% reductions, staff is recommending that a new year estimate with an 11% reduction for the current year would be prudent to factor. Following this approach, new year revenue of \$4,393,724 is projected. \$747,808 is a conservative estimate for carry forward funds, totaling \$5,140,808. This is a 23% reduction from the current year.

Expenses are proposed at a total of \$4,840,099, down only 18%. The elimination of vacant board staff and a reduction of board operations would absorb some of the revenue loss.

It was reiterated a budget is a planning document, and as actual revenue becomes known, a clearer picture can be known, and amendments can be made accordingly.

Mr. Thomas Hayden moved to approve the budget as presented; Mr. Eric Stamper seconded the motion. The motion passed.

VI. Contractor Independent Audits

Federal law requires that pass through entities such as contracted service providers conduct annual audits for awards in excess of \$1,000,000. Both the Equus and Ross contracts meet this threshold. Reports have been received and no exceptions are noted.

Other matters.

- A CLEO representative is needed on the Finance Committee. Mr. Bret Schardein who previously served is no longer with Hanover County. Hanover's alternate is from the Economic Development office.
- Two new working committees are being developed; Operations and Continuous Improvement. Members will be contacted to join.
- Three new business members will be appointed to the Board.

VII. There being no future business, the meeting adjourned.

DRAFT

**Capital Region Workforce Development Board Finance Committee
Agenda Item Summary – Preliminary Budget for the Program/Fiscal Year Starting 7/1/2026**

What is it?

The Workforce Innovation and Opportunity Act (WIOA) establishes an annual operating period called a Program Year (PY), which runs July 1 to June 30 of the following year. The PY is identified by the year in which it starts, as opposed to a Fiscal Year being identified by the year in which it ends. We are about to enter PY 26, which is also FY 27. Local Workforce Development Boards (WDBs) are required to have a budget developed and endorsed for review and approval by the consortium of local elected officials (CLEO) prior to July 1 of each year.

What do Committee Members Need to Know?

The primary basis of the local WIOA budget is federal adult, dislocated worker and youth program funds allocated by the Us Department of Labor and passed through the Commonwealth of Virginia. Allocations are typically released in April or May, following a formula established in law based on unemployment, excess unemployment and poverty. Once state funding levels are released, each state in turn applies the same federal to determine local allocations among the 14 workforce areas in Virginia. 15% of each funding stream is retained by the state, and an additional 25% of dislocated worker funds are held for what are known as rapid response activities to support mass layoffs or closures.

Timing:

The state allocations were released by DOL on April 28, 2026. The state technically has up to 30 days to determine and release the local funding amounts, and released the local area allocations on May 22, 2026.

Py26/FY27 Funding Levels:

The Capital Region is set to receive an overall reduction in funds of 6% from the current year, equating to \$278,756. This is the largest reduction for any of the 14 areas. Reductions to adult and youth funding will both be realized, with an increase in dislocated worker funds. The chart below provides detail:

	PY26	PY25	Difference	% difference	Estimated PY25 Carry In
Adult	\$1,356,118.20	\$1,549,462.50	\$(193,344.30)	-12.5%	\$31,131
Youth	\$1,532,657.70	\$1,672,946.10	\$(140,288.40)	-8.4%	\$209,844
DW	\$1,075,173.30	\$992,421.00	\$82,752.30	8.3%	\$602,064
Admin	\$440,438.80	\$468,314.40	\$(27,875.60)	-6%	\$80,000
Total	\$4,404,388.00	\$4,683,144.00	\$(278,756.00)	-6%	\$923,029

In terms of non-federal funding, we are projecting an amount of **\$604,535**, which is an increase from the current-year level of \$461,768. The increase is attributable to increased rent from tenants under lease renewals. The funding from the eight localities remains level at \$250,000. In addition to the new year funds, an estimated **\$180,000 of carry-forward** in non-federal funds is anticipated, bringing the total non-federal estimate to **\$784,535**

Proposed Budget:

Factoring the previously stated funding levels, PY26 revenue is projected at **\$6,131,961**. This is a reduction of 2% from the current year.

Staff has drafted a proposed budget with expenses of **\$4,793,214**. This is a reduction of 7% from the current year.

At this level, a reserve balance of \$1,338,747 would be realized This is an increase of 23% from the current year budget.

\$3,858,486, or 81% of expenses are in lines that directly support or benefit customer services. The other 19% of expenditures are for board/CLEO staff and board-level operating costs.

What do Committee Members Need to Do?

Review the attached document for discussion and consideration.

PY26/FY27 Budget

Draft for Finance Committee 6/3/26 Meeting

Description	Total	Adult	Dislocated Worker	Youth	Admin.	Non Federal	ELT Grant
New Allocation	\$ 5,008,922	\$ 1,356,118	\$ 1,075,173	\$ 1,532,657	\$ 440,439	\$ 604,535	
Projected Carry-in	\$ 1,103,039	\$ 31,131	\$ 602,064	\$ 209,844	\$ 80,000	\$ 180,000	
Adult/DW Transfer	\$ -	\$ 400,000	\$ (400,000)	\$ -	\$ -	\$ -	
State Grants	\$ 20,000						\$ 20,000
Total Projected Revenue	\$ 6,131,961	\$ 1,787,249	\$ 1,277,238	\$ 1,742,501	\$ 520,439	\$ 784,535	
Expenses							
Board/Staff Salary and Fringe	\$ 881,570	\$ 315,128	\$ 62,067	\$ 269,604	\$ 183,284	\$ 51,487	
Board/Operations	\$ 53,088				\$ 48,208	\$ 4,880	
Board/Customer Support	\$ 21,396				\$ 14,663	\$ 6,733	
Workforce Center/Operations	\$ 84,083				\$ 64,526	\$ 19,557	
Workforce Center/Rent	\$ 681,544	\$ 131,675	\$ 21,117	\$ 89,123	\$ 34,752	\$ 404,877	
Special Events	\$ 40,000				\$ 20,000	\$ 20,000	
Service Contracts							
Adult/DW	\$ 1,472,893	\$ 1,162,314	\$ 290,579				\$ 20,000
One Stop Operator	\$ 300,000	\$ 176,208	\$ 28,996	\$ 94,796			
Youth (Out-of-school)	\$ 1,030,000			\$ 1,030,000			
Youth (In School)	\$ 140,000			\$ 140,000			
Virtual Enrollment System	\$ 40,000				\$ 20,000	\$ 20,000	
Enhanced Cleaning	\$ 4,140				\$ 4,140		
IT Support	\$ 44,500				\$ 44,500		
Total	\$ 4,793,214	\$ 1,785,325	\$ 402,759	\$ 1,623,523	\$ 434,073	\$ 527,534	\$ 20,000
Reserve Balances	\$ 1,338,747	\$ 1,924	\$ 874,479	\$ 118,978	\$ 86,366	\$ 257,001	-

	Comparison to Current				
	PY25 Adopted	PY26 Proposed	Dollar Change	% Change from Current	
Estimated New Revenue	\$ 5,144,912	\$ 5,008,922	\$ (135,990)	-3%	
Projected Carry-in	\$ 960,042	\$ 1,103,039	\$ 142,997	15%	
ELT Grant	\$ 60,000	\$ 20,000	\$ (40,000)	-67%	
Career Pivot Grant	\$ 100,000		\$ (100,000)	-100%	
Total Projected Revenue	\$ 6,264,954	\$ 6,131,961	\$ (132,993)	-2%	
Expenses					
Board/Staff Salary and Fringe	\$ 835,786	\$ 881,570	\$ 45,784	5%	
Board/Operations	\$ 70,000	\$ 53,088	\$ (16,912)	-24%	
Board/Customer Support	\$ 14,550	\$ 21,396	\$ 6,846	47%	
Workforce Center/Operations	\$ 108,000	\$ 84,083	\$ (23,917)	-22%	
Workforce Center/Rent	\$ 667,657	\$ 681,544	\$ 13,887	2%	
Special Events	\$ 37,000	\$ 40,000	\$ 3,000	8%	
Service Contracts					
Adult/DW	\$ 1,920,000	\$ 1,472,893	\$ (447,107)	-23%	
One Stop Operator	\$ 300,000	\$ 300,000	\$ -	0%	
Youth (Out-of-school)	\$ 982,800	\$ 1,030,000	\$ 47,200	5%	
Youth (In School)	\$ 125,000	\$ 140,000	\$ 15,000	12%	
Virtual Enrollment System	\$ 64,440	\$ 40,000	\$ (24,440)	-38%	
Enhanced Cleaning	\$ 4,140	\$ 4,140	\$ -	0%	
IT Support	\$ 44,500	\$ 44,500	\$ -	0%	
Total	\$ 5,173,873	\$ 4,793,214	\$ (380,659)	-7%	
Reserve Balances	\$ 1,091,081	\$ 1,338,747	\$ 247,666	23%	