Workforce Alliance
Finance Committee Meeting Agenda
Zoom Only Meeting: ***https://us02web.zoom.us/j/87629912712***
Monday, August 24, 2026 ● 3:00 p.m. – 3:30 p.m.

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1. **Welcome and Introductions:** Luis Rodriguez, Committee Chair (3:00)

2. **Proposed Program Year 2026 (PY26) July 2026 – June 2027 Budget:** Chad Pettera (3:05) (*pp. 2-7)*
   WA staff received final Workforce Innovation & Opportunity Act (WIOA) allocations, determined carryover amounts and are presenting a draft budget for Program Year (PY26).
   Recommended action: *Recommend the proposed budget to the Workforce Alliance Executive Committee and Chief Elected Officials Board (CEOB).*

3. **Cost Allocation Policy Revisions**: Chad Pettera (3:15) (*pp. 8-17)*
   WA staff has reviewed the Cost Allocation Plan to update for changes in personnel and update how indirect and direct charges are allocated based on the type of expense.
   Recommended action: *Recommend Cost Allocation Policy Changes to the LWDB Executive Committee.*

4. **Minutes from June 6, 2026 Finance Committee Meeting:** Chad Pettera (3:20) *(pp. 18-20)*
   Recommended action: *Approve the minutes from the June 1, 2026 Finance Committee meeting as presented.*

5. **Unscheduled Topics/Announcements** (3:25)

6. **Adjourn** (3:30)

The Workforce Alliance is the Local Workforce Development Board for Local Area IV

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Item

Year 2026 (PY26) July 2026 – June 2027 Budget

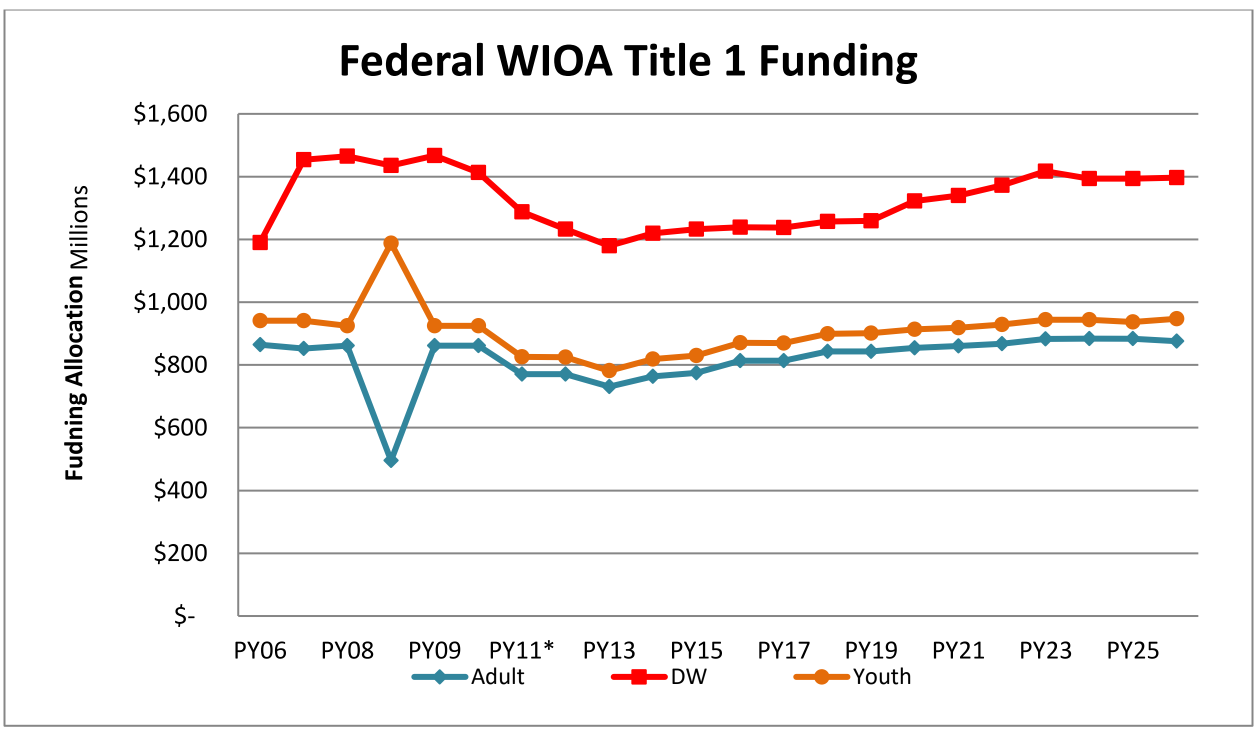
Background

The LWDB and CEOB approved a draft PY26 budget in June 2026, the budget was not final because there was a delay in the Kansas Department of Commerce providing the final WIOA allocations to the local areas due to a delay in data from the Kansas Department of Labor. WA staff used the previous year's allocations as an estimate for the draft budget. WA staff has prepared a budget with the actual WIOA allocations. The proposed final PY26 Budget is decreasing from the PY25 budget of $8,828,329 to $6,877,036, more than a 22% reduction.

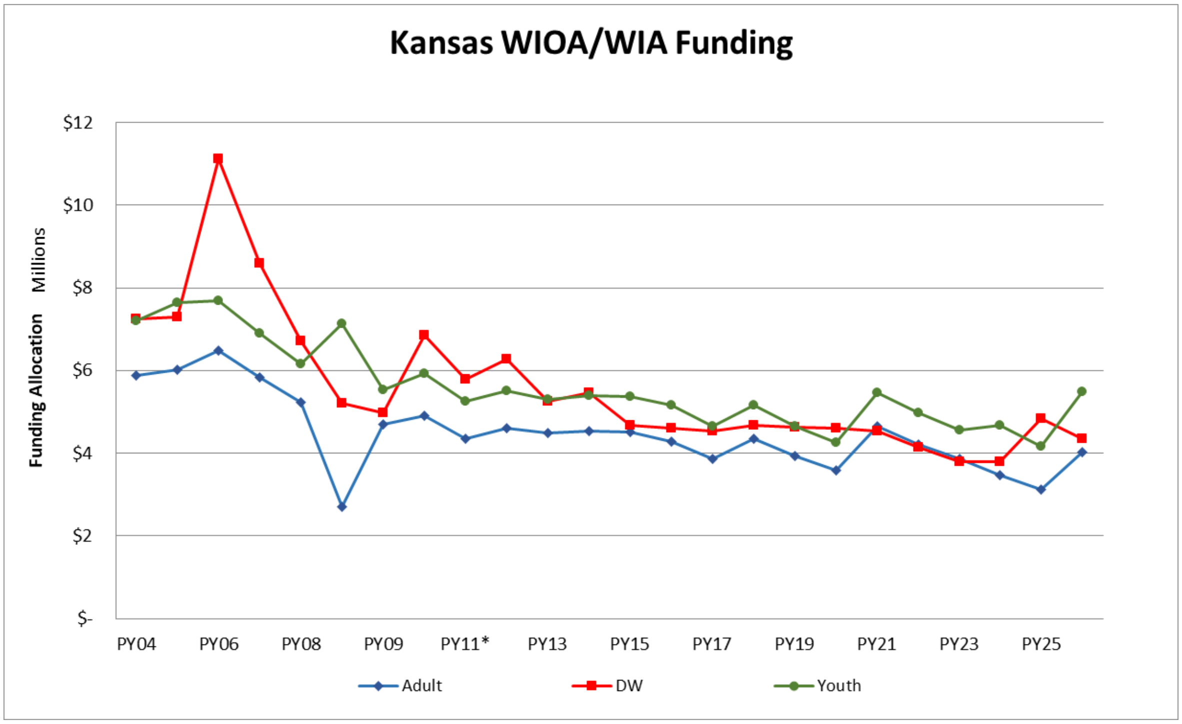
Analysis

Overall total WIOA funding allocated to the states increased 0.15% or $4.9 million from last year. Funding for the individual programs is estimated at Adult at $8.75 million, Dislocated Worker $1.4 billion, and Youth $9.3 million.

	PY26	PY25	Change $	Change %
Adult	$875,480,000	$883,351,000	$(7,871,000)	-0.90%
Dislocated Worker	$1,396,161,000	$1,393,378,000	$2,783,000	0.20%
Youth	$946,979,800	$936,974,800	$10,005,000	1.06%
Total	$3,218,650,800	$3,213,703,800	+$4,917,000	0.15%

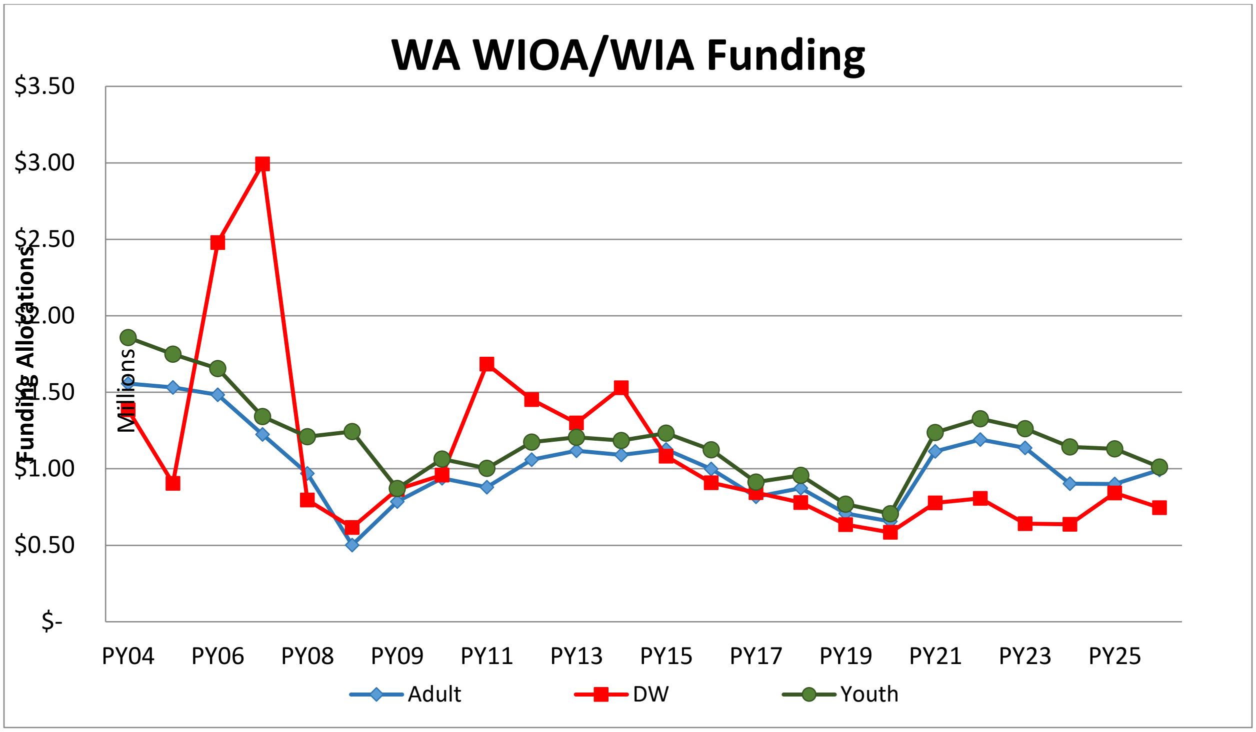


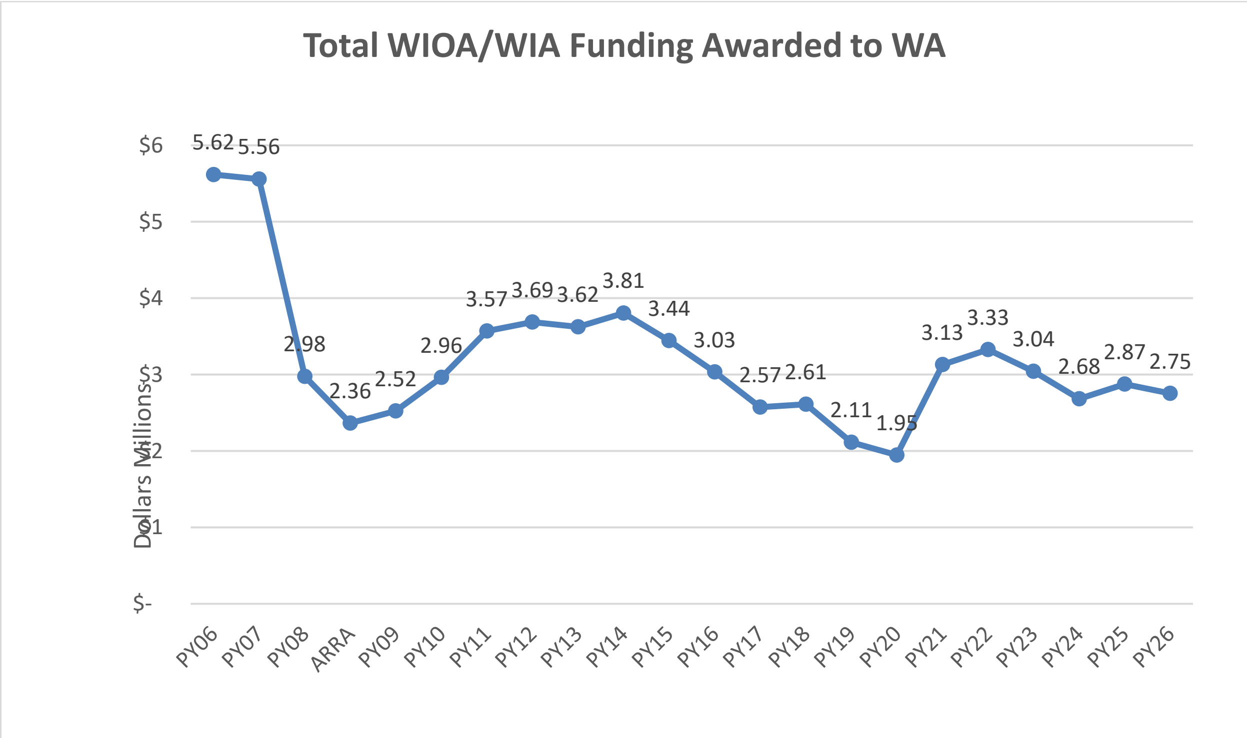
WIOA funding for the State of Kansas for all funding streams is increasing 13% from PY25 with an increase in Adult and Youth. Adult is increasing from $3.1 to $4.0 million (24%), Dislocated Worker is decreasing 4.8 million to $4.3 million (-11.6%), Youth funding is increasing from $4.2 to $5.5 million (25.8%). Overall Kansas will see an increase of 13.5% or $1.7 million.



WIOA funding streams allocated to the WA over the past four years. The overall WIOA decrease for WA is $289,423 or 9.5% from PY23 to PY26 or $122,355 or 4.3% from PY25 to PY26.

WA Allocation	PY26	PY25	PY24	PY23
Adult	*$993,299*	$901,304	$901,686	$1,135,921
DW	*$746,826*	$841,273	$636,439	$642,268
Youth	*$1,011,248*	$1,131,151	$1,143,159	$1,262,607
Total	*$2,751,373*	$2,873,728	$2,681,284	$3,040,796





Other CIF Planned Revenue Sources for PY26

Senior Community Services Community Services Program- $751,915

Rapid Response- $42,875

Work Based Learning- $147,125

PACES- $24,192

YEP- $100,622
REAP- $86,510
OKEP- $85,400
Evergy- $104,125
EPA Brownfields- $228,130
Vets HVRP- $495,450
SNAP- $14,740
Total Other Planned Revenue for PY26- $2,946,005

Overall the PY26 Budget for the organization is decreasing next fiscal year from $8,828,329 to $6,877,036. There is a reduction in wage/fringe, operations costs as well as for customer training. WA has not filled some positions in the past several months, to avoid layoffs and some of the current funded FTEs may be covered by grants in process. The planned budget allocates 33% of funds to direct client services which include work experience, training and supportive services. Changes from the draft budget presented early is adjusting the carry over the actual figures and having the actually WIOA allocations. Changes in the budgets were mostly made in the client service budget lines.

	Draft Budget Revenue	Actual Revenue	Difference
Adult	$1,506,239	$1,603,642	+$97,403
Dislocated Worker	$714,209	$713,767	-$442
Youth	$1,443,036	$1,125,791	-317,245
Administration	$195,727	$394,832	+$199,105

History of WA Budgets by Fiscal Year

	WIOA	CIF	Total
PY26	$4,632,822	$2,244,214	$6,877,036
PY25	$4,274,005	$4,554,324	$8,828,329
PY24	$4,411,852	$5,238,160	$9,650,012
PY23	$4,521,839	$5,938,723	$10,460,562
PY22	$4,798,226	$5,237,078	$10,035,304
PY21	$4,121,313	$5,762,762	$9,884,075
PY20	$3,612,962	$6,974,078	$10,587,040
PY19	$3,461,552	$4,189,013	$7,650,565
PY18	$4,108,420	$4,016,105	$8,124,525

Recommended Action: *Recommend the proposed budget to the Workforce Alliance Executive Committee and Chief Elected Officials Board (CEOB).*

Proposed Workforce Alliance PY26 Budget
July 2026 - June 2027

Planned Revenues

Revenue Stream	PY25 Carry Over	PY26 Allocation	Transfer (up to 100%)*	Total PY26 Funding	% of Budget
Adult	$ 409,672	$ 893,969	$ 300,000	**$ 1,603,642**	23.32%
Dislocated Worker	$ 341,623	$ 672,143	$ (300,000)	**$ 713,767**	10.38%
RRAA/Set A Side	$ -	$ -		**$ -**	0.00%
Youth	$ 215,668	$ 910,123		**$ 1,125,791**	16.37%
Admin	$ 125,727	$ 269,105		**$ 394,832**	5.74%
Senior	$ -	$ 751,915		**$ 751,915**	10.93%
Rapid Response+	$ -	$ 42,875		**$ 42,875**	0.62%
Pathway 6	$ -	$ 198,519		**$ 198,519**	2.89%
DOCK	$ -	$ 22,185		**$ 22,185**	0.32%
REAP	$ -	$ 86,510		**$ 86,510**	1.26%
PACES	$ -	$ 24,192		**$ 24,192**	0.35%
YEP	$ -	$ 100,622		**$ 100,622**	1.46%
EPA	$ -	$ 228,130		**$ 228,130**	3.32%
Evergy	$ -	$ 104,125		**$ 104,125**	1.51%
RETAIN	$ -	$ 594,261		**$ 594,261**	8.64%
Vets HVRP	$ -	$ 495,450		**$ 495,450**	7.20%
OKEP	$ -	$ 85,400		**$ 85,400**	1.24%
Work Based Learning	$ -	$ 147,125		**$ 147,125**	2.14%
SNAP	$ -	$ 14,740		**$ 14,740**	0.21%
General	$ -	$ 49,955		**$ 49,955**	0.73%
	$ 1,092,691	**$ 5,784,345**	**$ -**	**$ 6,877,036**	100.00%

Planned Expenditures

Category	PY26 Proposed	PY25 Budget	PY25 Exp. Thru March	PY25 % of Expenditures	Budget Difference PY25/PY26
Wages	$ 2,477,209	$ 2,824,623	$ 1,986,186	70%	$ (347,415)
Fringe	$ 646,297	$ 695,352	$ 458,227	66%	$ (49,055)
Facilities	$ 425,088	$ 404,356	$ 292,907	72%	$ 20,732
Contract/Pro Fees	$ 133,045	$ 84,486	$ 105,399	125%	$ 48,559
Supplies/Equipment	$ 45,440	$ 50,374	$ 52,508	104%	$ (4,934)
Supplies/Hardware/Licenses	$ 121,830	$ 156,090	$ 101,694	65%	$ (34,260)
Outreach/Meetings	$ 84,080	$ 109,130	$ 85,221	78%	$ (25,050)
Travel/Conference	$ 55,900	$ 74,240	$ 54,622	74%	$ (18,340)
Indirect	$ 644,640	$ 362,691	$ 418,782		$ 281,949
Grants Awarded	$ 110,000	$ 435,893	$ 158,505	36%	$ (325,893)
Staff Development	$ 8,590	$ 14,990	$ 1,520	10%	$ (6,400)
Misc/Dep/Int	$ 27,000	$ 102,000	$ 19,531	19%	$ (75,000)
Youth Work Experience	$ 246,740	$ 306,886	$ 100,885	33%	$ (60,146)
Adult WX/Incumbent	$ 788,228	$ 880,863	$ 763,912	87%	$ (92,636)
OJT	$ 273,579	$ 765,250	$ 254,164	33%	$ (491,671)
Incentives	$ 26,500	$ 76,000	$ 21,825	29%	$ (49,500)
Education & Training	$ 451,225	$ 966,201	$ 552,522	57%	$ (514,976)
Supportive Services	$ 311,646	$ 518,904	$ 133,064	26%	$ (207,259)
Indirect					
	$ 6,877,036	**$ 8,828,329**	**$ 5,561,474**	**63%**	**$ (1,951,293)**

	PY26		PY25	YTD Expenditures	
Operations/Overhead	$ 4,779,118	69%	$ 4,951,534	$ 3,735,102	67%
Direct Client	$ 2,097,917	31%	$ 3,514,104	$ 1,826,373	33%

PY26 Budget by Funding Allocation

Revenue	Consolidated	WIOA Total	Admin	Adult	DW	OSY	SCSEP	RR	CIF Total	Pathway 6	knectY	Vets	DOCK	App. Exp.	EPA	WBL	PACES	YEP	REAP	General	Evergy	SNAP	OKEP
Carry Over	$ 1,092,691	$ 1,092,691	$ 125,727	$ 409,672	$ 341,623	$ 215,668		$ -	$ -	$ -													
PY26 Allocation	$ 5,784,345	$ 3,540,131	$ 269,105	$ 893,969	$ 672,143	$ 910,123	$ 751,915	$ 42,875	$ 2,244,214	$ 198,519	$ 594,261	$ 495,450	$ 22,185	$ 93,000	$ 228,130	$ 147,125	$ 24,192	$ 100,622	$ 86,510	$ 49,955	$ 104,125	$ 14,740	$ 85,400
Transfer	$ -			$ 300,000	$ (300,000)																		
Total	**$ 6,877,036**		**$ 394,832**	**$ 1,603,642**	**$ 713,767**	**$ 1,125,791**	**$ 751,915**	**$ 42,875**		**$ 198,519**	**$ 594,261**	**$ 495,450**	**$ 22,185**	**$ 93,000**	**$ 228,130**	**$ 147,125**	**$ 24,192**	**$ 100,622**	**$ 86,510**	**$ 49,955**	**$ 104,125**	**$ 14,740**	**$ 85,400**

Expenses	Consolidated		Admin	Adult	DW	OSY	SCSEP	RR		Pathway 6	RETAIN	One Work	DOCK	App Exp	VETS ICT	WBL	PACES	YEP	REAP	General	Evergy		
Wages	$ 2,477,208.50	$ 1,655,036.00	$ 92,219.00	$ 789,416.00	$ 289,700.00	$ 389,500.00	$ 65,701.00	$ 28,500.00	$ 822,172.50	$ 67,722.50	$ 168,750.00	$ 200,000.00	$ 15,000.00	$ 34,000.00	$ 63,000.00	$ 100,000.00	$ 6,500.00	$ 23,000.00	$ 60,000.00	$ 5,000.00	$ 55,000.00	$ 9,200.00	$ 15,000.00
Tax	$ 202,012.99	$ 139,131.27	$ 20,255.33	$ 63,354.35	$ 20,932.71	$ 27,382.50	$ 5,026.13	$ 2,180.25	$ 62,881.72	$ 5,180.77	$ 15,000.00	$ 13,600.00	$ 1,500.00	$ 2,500.00	$ 3,000.00	$ 7,650.00	$ 497.25	$ 1,759.50	$ 4,590.00	$ 880.00	$ 4,675.00	$ 699.20	$ 1,350.00
Benefits	$ 444,284.18	$ 324,328.18	$ 24,832.85	$ 161,010.68	$ 47,099.50	$ 76,110.00	$ 11,855.15	$ 3,420.00	$ 119,956.00	$ 11,750.00	$ 25,000.00	$ 30,000.00	$ 2,200.00	$ 4,300.00	$ 2,805.00	$ 10,000.00	$ 975.00	$ 1,000.00	$ 4,520.00	$ 1,500.00	$ 8,250.00	$ 1,656.00	$ 16,000.00
Rent	$ 331,560.00	$ 216,600.00	$ 1,800.00	$ 124,000.00	$ 24,700.00	$ 60,700.00	$ 5,000.00	$ 400.00	$ 114,960.00	$ 14,000.00	$ 42,000.00	$ 30,000.00	$ 1,560.00	$ -	$ 7,000.00	$ 5,000.00	$ 100.00	$ 800.00	$ 3,000.00	$ 4,500.00	$ 3,000.00	$ 1,000.00	$ 3,000.00
Building Enh	$ 16,113.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 16,113.00	$ -	$ -	$ -	$ -	$ 16,113.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Security	$ 26,800.00	$ 20,150.00	$ 50.00	$ 10,950.00	$ 3,650.00	$ 4,850.00	$ 550.00	$ 100.00	$ 6,650.00	$ 800.00	$ 2,500.00	$ 900.00	$ 200.00	$ -	$ -	$ 1,200.00	$ 50.00	$ 100.00	$ 50.00	$ 50.00	$ -	$ 300.00	$ 500.00
Utilities	$ 50,615.00	$ 39,085.00	$ 500.00	$ 22,100.00	$ 4,860.00	$ 10,900.00	$ 650.00	$ 75.00	$ 11,530.00	$ 1,500.00	$ 3,000.00	$ 1,200.00	$ 200.00	$ -	$ 1,280.00	$ 1,400.00	$ 50.00	$ 150.00	$ 400.00	$ 200.00	$ 1,500.00	$ 150.00	$ 500.00
insurance	$ 1,400.00	$ 400.00	$ 200.00	$ -	$ -	$ 200.00	$ -	$ -	$ 1,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 500.00	$ 500.00	$ -	$ -
Communications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Supplies	$ 14,600.00	$ 5,780.00	$ 150.00	$ 3,350.00	$ 530.00	$ 1,050.00	$ 200.00	$ 500.00	$ 8,820.00	$ 500.00	$ 1,000.00	$ 500.00	$ 25.00	$ 1,295.00	$ 1,000.00	$ 500.00	$ -	$ 600.00	$ 200.00	$ 1,000.00	$ 2,000.00	$ -	$ 200.00
Equipment	$ 30,500.00	$ 26,900.00	$ 400.00	$ 14,000.00	$ 1,650.00	$ 9,150.00	$ 1,500.00	$ 200.00	$ 3,600.00	$ -	$ -	$ 1,200.00	$ 100.00	$ -	$ -	$ 1,250.00	$ 50.00	$ 50.00	$ -	$ -	$ -	$ 150.00	$ 800.00
IT Supplies	$ 53,675.00	$ 24,250.00	$ 300.00	$ 8,800.00	$ 3,150.00	$ 12,000.00	$ -	$ -	$ 29,425.00	$ 1,500.00	$ 8,000.00	$ 1,000.00	$ -	$ -	$ 875.00	$ 6,500.00	$ -	$ 6,000.00	$ -	$ -	$ 5,000.00	$ 50.00	$ 500.00
IT Licenses	$ 41,100.00	$ 29,350.00	$ 400.00	$ 12,600.00	$ 3,200.00	$ 12,000.00	$ 850.00	$ 300.00	$ 11,750.00	$ 500.00	$ 4,000.00	$ 800.00	$ 100.00	$ -	$ -	$ 1,800.00	$ 25.00	$ 200.00	$ 200.00	$ -	$ 3,500.00	$ 125.00	$ 500.00
IT Contracts	$ 27,055.00	$ 17,050.00	$ 500.00	$ 10,400.00	$ 2,025.00	$ 3,700.00	$ 225.00	$ 200.00	$ 10,005.00	$ 500.00	$ 2,000.00	$ 500.00	$ 100.00	$ -	$ -	$ 800.00	$ 25.00	$ 30.00	$ 1,000.00	$ -	$ 4,500.00	$ 50.00	$ 500.00
Postage	$ 340.00	$ 265.00	$ 25.00	$ -	$ 20.00	$ 20.00	$ 100.00	$ 100.00	$ 75.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 50.00	$ 25.00	$ -	$ -	$ -
Dues	$ 19,339.00	$ 4,605.00	$ 400.00	$ 2,450.00	$ 525.00	$ 1,100.00	$ 80.00	$ 50.00	$ 14,734.00	$ -	$ -	$ 50.00	$ -	$ -	$ -	$ 125.00	$ 10,000.00	$ 4,000.00	$ 500.00	$ 50.00	$ -	$ 9.00	$ -
Conferences	$ 26,200.00	$ 18,600.00	$ -	$ 7,600.00	$ 1,600.00	$ 9,000.00	$ -	$ 400.00	$ 7,600.00	$ -	$ -	$ -	$ -	$ -	$ 3,400.00	$ 1,000.00	$ 3,000.00	$ 150.00	$ -	$ 50.00	$ -	$ -	$ -
Job Fairs	$ 8,200.00	$ 7,200.00	$ -	$ 200.00	$ 1,500.00	$ 500.00	$ -	$ 5,000.00	$ 1,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,000.00	$ -	$ -	$ -	$ -	$ -
Meetings	$ 21,001.00	$ 7,450.00	$ 2,800.00	$ 1,850.00	$ 1,300.00	$ 950.00	$ 50.00	$ 500.00	$ 13,551.00	$ -	$ -	$ 50.00	$ -	$ -	$ -	$ 100.00	$ 200.00	$ 8,500.00	$ 3,000.00	$ 1,500.00	$ 200.00	$ 1.00	$ -
Outreach	$ 35,540.00	$ 6,240.00	$ 500.00	$ 2,840.00	$ 1,750.00	$ 1,000.00	$ 150.00	$ -	$ 29,300.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 2,800.00	$ 500.00	$ 25,000.00	$ -	$ 1,000.00	$ -	$ -	$ -
Performance incentives	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Staff Development	$ 8,590.00	$ 5,840.00	$ 500.00	$ 2,790.00	$ 1,250.00	$ 1,150.00	$ -	$ 150.00	$ 2,750.00	$ -	$ -	$ 150.00	$ -	$ -	$ -	$ 2,000.00	$ -	$ 50.00	$ -	$ 500.00	$ -	$ -	$ 50.00
Travel	$ 29,700.00	$ 18,670.00	$ 500.00	$ 13,100.00	$ 820.00	$ 2,650.00	$ 800.00	$ 800.00	$ 11,030.00	$ 1,400.00	$ 2,200.00	$ -	$ 200.00	$ 110.00	$ 520.00	$ 4,500.00	$ 100.00	$ 800.00	$ 1,000.00	$ 200.00	$ -	$ -	$ -
Contract Services	$ 131,644.82	$ 122,944.82	$ 49,394.82	$ 24,300.00	$ 2,100.00	$ 16,150.00	$ 31,000.00	$ -	$ 8,700.00	$ -	$ -	$ 500.00	$ -	$ -	$ -	$ 500.00	$ 200.00	$ -	$ -	$ 6,000.00	$ 1,000.00	$ 100.00	$ 400.00
Indirect	$ 644,640.00	$ 491,461.00	$ 199,105.00	$ 102,984.00	$ 114,700.00	$ 60,722.00	$ 13,950.00	$ -	$ 153,179.00	$ 16,166.00	$ 77,811.00	$ 15,000.00	$ 1,000.00	$ 3,500.00	$ -	$ -	$ 1,920.00	$ 7,432.00	$ 8,000.00	$ -	$ 15,000.00	$ 1,250.00	$ 6,100.00
Sub/Grants Awarded	$ 110,000.00	$ 110,000.00	$ -	$ 25,000.00	$ 15,000.00	$ 70,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Misc	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,000.00	$ -	$ -	$ -
Depreciation	$ 20,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 20,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 20,000.00	$ -	$ -	$ -
Interest	$ 4,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 4,000.00	$ -	$ -	$ -
Incumbent WRK	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
On The Job	$ 273,579.47	$ 198,329.47	$ -	$ 102,402.71	$ 95,926.76	$ -	$ -	$ -	$ 75,250.00	$ -	$ -	$ -	$ -	$ -	$ 75,250.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Incentives	$ 26,500.00	$ 2,000.00	$ -	$ -	$ -	$ 2,000.00	$ -	$ -	$ 24,500.00	$ 2,000.00	$ 2,500.00	$ -	$ -	$ -	$ -	$ -	$ -	$ 20,000.00	$ -	$ -	$ -	$ -	$ -
Education	$ 451,224.70	$ 172,542.70	$ -	$ 75,000.00	$ 26,623.47	$ 70,919.23	$ -	$ -	$ 278,682.00	$ 45,000.00	$ 42,500.00	$ 100,000.00	$ -	$ 31,182.00	$ 60,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Work Exp	$ 1,034,967.77	$ 860,967.77	$ -	$ -	$ -	$ 246,740.00	$ 614,227.77	$ -	$ 174,000.00	$ -	$ 174,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Supportive Services	$ 311,645.50	$ 107,645.50	$ -	$ 23,143.77	$ 49,154.43	$ 35,347.30	$ -	$ -	$ 204,000.00	$ 30,000.00	$ 24,000.00	$ 100,000.00	$ -	$ -	$ 10,000.00	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 40,000.00
	$ -	$ -					$ -		$ -			0										0	
Total	$ 6,877,035.93	$ 4,632,821.71	**$ 394,832.00**	**$ 1,603,641.51**	**$ 713,766.87**	**$ 1,125,791.03**	**$ 751,915.05**	**$ 42,875.25**	$ 2,244,214.22	**$ 198,519.27**	**$ 594,261.00**	**$ 495,450.00**	**$ 22,185.00**	**$ 93,000.00**	**$ 228,130.00**	**$ 147,125.00**	**$ 24,192.25**	**$ 100,621.50**	**$ 86,510.00**	**$ 49,955.00**	**$ 104,125.00**	**$ 14,740.20**	$ 85,400.00

Item
Cost Allocation Policy Revisions

Background
The WA's Cost Allocation Policy has not been revised since implemented in 2023.

Analysis
WA staff has reviewed the Cost Allocation Plan to update for changes in personnel and update how indirect and direct charges are allocated based on the type of expense.

Recommended Action
Recommend Cost Allocation Policy Changes to the LWDB Executive Committee.

Workforce Alliance of South Central Kansas, Inc.
Statement of Compliance with 2 CFR 200.430(a)(1)(2) & (3)

Each staff member will maintain time and effort documentation through timesheets that document actual work time that reflects the program/grant of work benefiting from the effort. Timesheets track hours worked by programs/grants daily during a two-week period. Timesheets are signed by each employee and are submitted every two weeks for review by their supervisor. If the supervisor approves the timesheet, the supervisor approves and signs it and sends it to Human Resources for review, processing, and approval by the Chief Operations Officer and the President and CEO. Once the payroll is approved, it is sent to our contracted payroll provider for review and approval for processing. If the vendor approves the payroll, it is processed for payment. Staff will also track leave time, whether it is either paid or unpaid leave. Employees submit request(s) for use of leave time to their supervisor through a leave request document. If the leave time is approved and taken, those leave documents are also submitted with their timesheets to ensure accurate tracking of leave benefits.

COST POLICY STATEMENT
Workforce Alliance of South Central Kansas, Inc.
(Workforce Alliance)
300 W Douglas, Suite 850, Wichita, KS 67202
316-771-6600

I. General Accounting Policies

A. Is a Non-Profit 501(c)3 Organization
B. Basis of Accounting - Accrual Basis
C. Fiscal Period - July 1 through June 30
D. Allocation Basis for Individual Cost Elements - Direct Allocation Basis
E. Indirect Cost Rate Allocation Base – Direct Allocation Method
F. Workforce Alliance of South Central Kansas, Inc. maintains adequate internal controls to ensure that no cost is charged both directly and indirectly to Federal contracts or grants, except as described below in specific situations.
G. Workforce Alliance of South Central Kansas, Inc. outsources its accounting functions, and the CPA firm uses Sage 100 with modifications for its accounting system.
H. Workforce Alliance of South-Central Kansas, Inc. accumulates all indirect costs and revenues in accounts titled, "Indirect Cost-Expense" and "Indirect Cost-Revenue" respectively. If the Indirect Cost-Expenses/Revenue is associated with a cost limited item, such as WIOA Administration, those costs will be categorized as such to identify and track those costs for compliance.

II. Description of Cost Allocation Methodology

A. Salaries and Wages

a. Direct Costs- The majority of Workforce Alliance's employees direct charge their salaries and wage costs since their work is specifically identifiable to specific grants, contracts, or other activities of the organization, such as providing specific grant funded services or conducting fund raising.

~~b. Indirect Costs- The following staff charge 100% of their salary and wage costs indirectly:~~
~~i. IT Manager~~
~~ii. Help Desk Support~~
~~iii. Facilities Coordinator~~

~~c.~~b. Mixed Charges- The following employees may charge their salary or wage costs both direct and indirectly:
i. President and CEO
ii. VP/Chief Operating Officer
iii. VP/Business Development Officer
iv. Fiscal Controller
v. IT Manager~~HR Specialist~~
~~v.~~vi. Facilities Coordinator

~~vi.~~vii. Digital Media Specialist

The distinction between direct and indirect is primarily based on functions performed. For example, when the positions shown are performing functions that are necessary and beneficial to all programs and hard to identify, they are indirect. When functions are specific to one or more similar programs, they are direct because they do not benefit all programs.

If a program has specific cost limits for administrative services, those activities and limits will be tracked to ensure compliance.

Auditable labor distribution reports which reflect the actual activities of employees are maintained to support the mix of direct/indirect charges. The time records are certified by the President and CEO or his designee.

B. Fringe Benefits

Workforce Alliance contributes to the following fringe benefits for its employees:

a. Unemployment insurance- Is filed and paid to the State of Kansas at rates established by the State of Kansas based on the organization's state balance and usage. Workforce Alliance's accounting system tracks fringe benefit costs by individual employee and charges those costs directly or indirectly in the same manner as salary and wage costs are recorded.
b. Workers' compensation- Is paid directly to The Hartford based on premiums calculated according to past history of claims. Costs are charged direct or indirect based on the past month's labor charges.
c. FICA- is a federal payroll tax that is split by each employee's labor charges and submitted biweekly electronically to the IRS.
d. Health/Dental Insurance- The organization contributes to the health and dental insurance costs of each employee. Those costs are allocated in the same manner as their benefit withholdings during the previous month.
e. AD&D/Life Insurance- The organization pays for each employee to have a $25,000 in AD&D/Life Insurance policy. Those costs will be pro-rated based on the direct/indirect labor hours charged to the benefiting programs during the previous month.
f. Matching Contributions to retirement plan- The organization provides a retirement contribution match of up to 3% of the employee's contribution (unless otherwise specified in an employment contract). Those costs will be pro-rated based on the direct/indirect labor hours charged to the payroll period of the match contribution.
g. Health Membership- The organization provides a match for a health membership to the local YMCA as a benefit and to help reduce health

care costs. The cost of the health membership is allocated direct and indirect based on the previous month's labor hours.

Treatment of Paid Absences- Paid Time Off, Long Term Sick Leave, Bereavement Leave and Holiday Pay are considered part of the wage and salary costs and are allocated in the same percentages as the individual's direct costs recorded during the same time period as the occurrence of the paid absence. Workforce Alliance's accounting system records paid absences as direct or indirect when used during a payroll period.

C. **Rent**

a. Rent will be considered a direct or indirect cost depending on the function performed by the occupied space. Direct rent costs will be allocated by using square footage and direct labor hours of the employees occupying the space during the previous month. Indirect rent costs will be space used by the employees charging to indirect costs. The costs for indirect space will be charged to the indirect cost pool.

b. The Workforce Alliance does sublet to other program partners; those costs are direct charged. Those reimbursements for rent will be posted as direct expense reduction.

D. Building Enhancement

Building Enhancement will be considered an indirect cost unless a specific program(s) benefits from the enhancement. If specific program(s) benefit from the expenditure, the cost will be allocated based on the labor hours charged to those programs during the previous month.

E. Security

Security is provided at one location in Wichita Kansas. Those costs will be considered a direct or indirect cost and allocated on the same basis as rent cost.

F. Utilities

Electricity, natural gas, trash, sewer, water, phone and data, when not included in a lease, is allocated as direct or indirect based on the location and is allocated on the same basis as rent.

G. Insurance

Officers and directors, general liability, and other insurance (other than employee benefits) is classified as an indirect cost.

H. **Office Supplies**

a. To the maximum extent possible, office supplies and materials are directly charged to the contract/grant which uses the supplies or materials. If more than one program benefits, the costs will be pro-rated based on the direct labor hours charged to the benefiting programs during the previous month.

b. Supplies for which benefit is hard to establish, or used by staff who are engaged in indirect activities, will be charged on an indirect basis.

I. Office Equipment

To the maximum extent possible, office equipment costs are directly charged to the contract/grant which uses the equipment or materials. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month. Office equipment which benefits all programs, or used by staff who are engaged in indirect activities, will be charged on an indirect basis.

J. Postage

a. To the maximum extent possible, postage costs are directly charged to the contract/grant which uses the postage. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month.

b. Postage which benefits all programs, or used by staff who are engaged in indirect activities, will be charged on an indirect basis.

K. Dues and Subscriptions

a. To the maximum extent possible, dues and subscriptions are directly charged to the contracts/grants which use or benefit from the item. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month.

b. Dues or Subscriptions which benefit all programs, or used by staff who are engaged in indirect activities, will be charged on an indirect basis.

L. IT Supplies

a. To the maximum extent possible, IT supplies are directly charged to the contracts/grants which use or benefit from the item. If more than one contract/grant benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month.

b. IT Supplies for which the benefit is hard to identify, or used by staff who are engaged in indirect activities, will be charged on an indirect basis.

M. **IT Licenses**

a. IT licenses that are for end users will be charged directly to contracts/grants based on the labor hours charged to the benefiting program during the previous month.

~~b. IT Licenses that are for servers will be charged on an indirect basis.~~

~~c.~~b. IT Licenses for which the benefit is hard to identify, or used by staff who are engaged in indirect activities, will be charged on an direct/indirect mix basis based on labor hours.

N. **IT Contracts**

a. IT Contracts that are for end users will be charged directly to contracts/grants based on the labor hours charged to the benefiting program during the previous month.

~~b. IT Contracts that are for servers will be charged on an indirect basis.~~

~~c.~~b. IT Contracts for which the benefit is hard to identify, or used by staff who are engaged in indirect activities, will be charged on an direct/indirect mix basis based on labor hours.

O. Conferences

Conference attendance will be charged as either a direct or indirect cost depending on the purpose of the trip. If more than one program benefits from the conference attendance, the costs will be shared by the direct labor hours using an average of the past direct charges of the employee.

Example- If the President/CEO travels to attend a conference regarding a specific program, that specific program will be charged the cost. If the Vice President/COO travels to a Fiscal Training Conference that benefits all programs, those costs will be an indirect cost.

P. Job Fairs

Job Fairs will be hosted by specific programs and will be charged to those programs hosting the events. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month.

Q. Meeting Expenses

a. To the maximum extent possible, meetings expenses are directly charged to the contract/program which benefits from the function. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month.
b. Meeting Expenses which benefit all programs, or hosted by staff who are engaged in indirect activities, will be charged on an indirect basis.

R. Outreach Expenses

a. To the maximum extent possible, outreach expenses are directly charged to the contract/grant which benefits from the outreach. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs.
b. Outreach expenses which benefit all programs will be charged on an indirect basis.

S. Staff Development

a. To the maximum extent possible, staff development expenses are directly charged to the contract/grant which benefits from the activity or the staff wage allocation methodology. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month.
b. Staff development expenses which benefit all programs will be charged on an indirect basis.
c. Staff development expenses that are for an employee that charges to indirect costs will be considered an indirect cost.

T. Travel

a. Travel will be charged as either a direct or indirect cost depending on the purpose of the trip and the staff member.
    i. Example- The President travels to attend a conference regarding a specific program, that specific program will be charged the cost.
    ii. Example- A staff member travels to meet with a program participant, the travel costs will be charged to the program in which the participant participates.
    iii. Example- The Fiscal Specialist travels to conduct inventory, those travel costs will be allocated as indirect due to the employee's wage allocations for that function.

U. Contract Services

a. To the maximum extent possible, contract expenses are directly charged to the contract/grant which benefits from the service. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs.

b. Contract Services, such as Legal Fees/CPA Costs/Audit Costs/etc., will be charged as indirect costs. If a program has specific requirements, such as an administration cost limit for these services, the administration costs will also be tracked to ensure compliance with any limits that may be applicable.
c. Leases for office equipment will be allocated directly to the contract/grant which benefits from this equipment based on labor hours charged to the benefiting programs.
d. Monitoring Services are charged to the programs being monitored based on the past month's labor hours charged to the benefiting programs.
e. Website costs are charged indirectly, unless a webpage exists for a specific purpose/contract. Website costs that specifically benefit one program will be charged directly to the benefiting program.
f. Other contract services costs are charged indirectly, unless the services benefit a program directly, then the costs are allocated directly based on the past month's direct labor hours.

V. Subrecipient Grants Awarded

a. Subrecipient grants awarded to support a specific grant(s) will be directly charged to those specific contract/grants(s). If more than one program benefits from the grant award, an allocation method will be determined that adequately and fairly shares the costs based on a cost benefit analysis of the specific subgrant.

W. Miscellaneous

a. To the maximum extent possible, miscellaneous expenses are directly charged to the contract/grant which benefits from the activity or the staff wage allocation methodology. If more than one program benefits, the costs will be pro-rated based on the labor hours charged to the benefiting programs during the previous month.
b. Miscellaneous expenses which benefit all programs will be charged on an indirect basis.

X. Depreciation

The costs of capital items purchased with direct federal funds cannot be depreciated for indirect costs recovery purposes.

Y. Interest

Allowable Interest costs, as defined in 2 CFP 200.449, will be indirect costs unless not all programs benefit from the activities causing the interest expense. If the charge is direct, it will be allocated based on direct payroll hours of the contract/grant during the previous month.

Z. Program Participant Services

The costs of activities performed primarily as a service to program participant services will be classified as direct costs. Those activities include:

i. Incumbent Worker Training
ii. On the Job Training
iii. Incentives
iv. Occupational Education and Training
v. Work Experience
vi. Supportive Services (day care, housing assistance, mileage reimbursement, etc.)
vii. Tutoring
viii. Counseling
ix. Leadership Development
x. Customized Training
xi. Assessments
xii. Alternative Secondary School

AA. Unallowable Costs

The Workforce Alliance recognizes that unallowable costs, as defined in 2 CFR 200, Subpart E, cannot be charged to Federal Awards and has internal controls in place to ensure that this is followed. Examples of unallowable costs are:

i. Advertising and public relations
ii. Alcoholic beverages
iii. Capital expenditures
iv. Defense claims by or against the Federal Government
v. Interest, as defined in 2 CFR 200.449
vi. Fund raising

Signature:____________________________________ Date:______________

Title: ________________________________

Workforce Alliance of South Central Kansas, Inc.
300 W Douglas, Suite 850
Wichita, KS 67202

Workforce Alliance (WA) Local Workforce Development Board (LWDB)
Finance Committee
Meeting Minutes
June 1, 2026 – 1:00 PM

1. **Welcome and Introductions**
The WA Finance Committee assembled virtually via Zoom. Committee Chair Scott Stiles welcomed attendees and called the meeting to order. WA Board member Brian Miles with Bank of America was introduced as a new Committee member.

2. **Program Year 2025 (PY25) Budget Review and Draft Program Year 2026 (PY26) July 2026 – June 2027 Budget**
   - Current Year PY25 Budget Status
     - Workforce Innovation & Opportunity Act (WIOA) funds show 48% remaining, higher than typical (~25% expected at this point).
     - Indicates strong carryover to support upcoming months.
     - Community impact funds at 26% remaining, influenced by the One Workforce Grant program ending in January.
     - 37% total budget remains as of end of March.
     - Cost variances: Increased IT and facility-related costs due to Garvey office relocation and upgrades.
     - Staffing expenditures remain stable and within target ranges.
     - Federal funding allocations:
       - U.S. Department of Labor released state allocations in March.
       - The State of Kansas has delayed local allocations due to labor market data delays.
       - The WA budget is based on flat funding assumptions (conservative estimate).
       - Staff have an expectation of eventual allocation increases.
       - Final numbers expected later with a revised budget projected for August.
   - Proposed PY26 Budget Overview
     - WIOA federal funding trends: slight decrease in Adult, slight increase in Dislocated Worker: slight increase in Youth; overall approximately 0.15% increase.
     - Kansas allocation outlook is for modest increases in most categories.
     - Expected Workforce Alliance funding is estimated to be near or above $3 million.
     - Historically, funding influenced by economic conditions – the higher unemployment the higher the allocations with a stable economy resulting in flatter funding.
     - Additional revenue sources/ non-WIOA funding, approximately $2.9 million expected from grants and partnerships, which includes State pass-through funds and direct grants.
     - No new funding included in budget as yet (only confirmed or ongoing sources).
     - Total proposed budget of $6.8 million for PY26, which is lower than prior years due to expiration of one-time funding (e.g., One Workforce Grant program).
     - Key budget allocation areas: Wages/staffing, client training programs and operational costs.
     - Changes from prior year are reduction in wages, grant awards and training funds primarily due to end of major One Workforce grant funding.
     - Cost distribution is 66 % operations and 34% direct client services
     - Staffing considerations:
       - No layoffs planned - All current positions funded in proposed budget.

        - Vacant positions intentionally left unfilled and internal staff reassignments.
        - Potential reassignments depending on grant funding outcomes.
    - Funding Flexibility and Adjustments
        - Ability to transfer funds between Adult and Dislocated Worker programs.
        - Shift funds to Adult program due to broader eligibility.
        - If allocations increase, additional staff (FTEs) may be added (Youth programs) and increased client training investments.
    - The WA continues to pursue additional funding opportunities for to fund staffing positions and increase overall program budget.
        - Kauffman Foundation – Returning Citizen/Justice-Involved Individuals program (decision pending).
        - SBA-related grant via Wichita State partnership.
        - Butler Community College partnership grant.
- Committee members were asked to review and approve the draft budget for submission to Executive Committee and CEOB for approval in order for staff to begin operating in the new fiscal year beginning July 1.
- The Finance Committee will meet again in August after state allocation amounts and carryover data is known in order to review and approve a revised budget.

Kathy Jewett (Commissioner Greg Thompson) moved to recommend the proposed budget to the Workforce Alliance Executive Committee and Chief Elected Officials Board (CEOB), with authorization to make adjustments once final carry over funding is known. Motion Adopted.

3. **Program Year 2024 (PY24) 990 Tax Return**

The PY24, July 2023 through June 2024, 990 Tax Return was prepared by AGH after the completion of the A-133 Audit. It was sent to the finance committee via email on May 9, 2025 for review and comment; no issues or comments were received prior to filing with the IRS on May 14, 2025.

Report was received and filed.

4. **Program Year 2024 (PY24) A-133 Audit Review**

- The A-133 Audit for the period of July 2023 through June 2024 was completed in earlier this year by WIPFLI.
- The audit was a clean report with no findings or recommendations.
- Staff have no concerns regarding the audit and as no corrective actions were required; it has been filed with U.S. Department of Labor and the State of Kansas.
- WIPFLI specializes in nonprofit and government-funded audits and has four years remaining on its five-year contract with the WA. They were chosen in a joint procurement with the other Kansas Local Areas to perform audits.
- Committee member recognized fiscal staff for consistent audit success, which indicates strong financial controls and compliance.

Report was received and filed.

5. **Minutes from the June 4, 2025 Meeting**

Kathy Jewett (Commissioner Greg Thompson) moved to approve the minutes from the June 4, 2025 meeting. Motion adopted.

6. **Other Discussion**

- **Workforce Center Renovation Update**
    - All Garvey staff have moved to the Workforce Center.

- Remaining Garvey furniture and equipment to be moved to the Center this month.
- Center renovation progress nearing completion with remaining work including sliding interior door, new ADA-compliant front entrance and new badge access security system installed and active.

Meeting was adjourned at 3:30 PM.

Attendance

Kathy Jewett
Brian Miles
Scott Stiles, Committee Chair
Commissioner Greg Thompson, City of Winfield (Chief Elected Officials Board)

Staff/Guests

Chad Pettera
Keith Lawing
Shirley Lindhorst