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## NORTHERN REGION

### **Board of Directors Meeting**

### **Agenda and Meeting Materials**

**Thursday December 4, 2025  
8:30 a.m. – 10:00 a.m.**

#### **In-Person Option:**

**Intelligent Office Tysons Corner  
1934 Old Gallows Road, Suite 350  
Vienna, VA 22182**

#### **Zoom Option:**

<https://zoom.us/j/97526432235?pwd=h4vT2aekxUurn8LHgeBB8ogTVJCZQC.1>

Meeting ID: 975 2643 2235  
Passcode: 957415

**VIRGINIA CAREER WORKS - NORTHERN  
BOARD OF DIRECTORS  
Quarterly Meeting**

**Thursday December 4, 2025  
8:30 a.m. – 10:00 a.m.**

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**Roll Call**

**Chairman's Report**

**Approval of September 4, 2025 Quarterly Board Meeting Summary Notes**

**Board Committee Reports; The *SkillSource* Group, Inc. Report**

**Award of Virginia Career Works – Northern Quarterly Employer Impact Award to U.S. Army Fort Belvoir Child and Youth Services**

**Recognition Award to Rebecca Thompson, Volunteer Income Tax Assistance (VITA) Site Program Coordinator for the VCW – Prince William American Job Center**

**Necessary Board Actions Aligned with Approved 2025-2027 Strategic Priorities**

**Become a Thought Leader for Workforce Development**

- Approval of Final FY 2026 *SkillSource* Budget and Preparing for FY 2027

**Build Sustainable Partnerships with Employers in Target Industries**

- Approval of 2025 Quarter 4 VCW Northern Regional Employer Impact Award

**Expand Talent Pipeline of Youth and Adults for Business**

- New Grant Programs for Impacted Federal Workers and Contractors
- Final Outcomes - Talent Up Fairfax Initiative

**Focus on Quality Services through Data Collection and Continuous Improvement**

- Northern Virginia One Stop Operator Report on Caseload and Outcomes in FY 2026

**Board Business Items**

- Program Management Reports
- Executive Director Items

**Adjourn**

## Virginia Career Works Northern Region

Thursday, September 4, 2025

### Quarterly Board of Directors Meeting

#### Summary Notes

#### Members Present Virtually:

Shekera Alvarado	Debora Harvey	Daisy Saulls
Swati Aneja	Debby Hopkins	Karen Smaw
Robert Bartolotta	Susan Orehowsky	Theo Stamatis
Michael Becketts	Steven Partridge	Zuzana Steen
Stacey Dessecker	Leanne Rerko	Paul Steiner
Karen Drenkard	Christopher Rieley	William Trumbull
Joseph Diaz	Todd Rowley	Rachel Wooden
George Harben	Roopal Saran	

#### Executive Director: David Hunn

**Staff:** Seema Jain, Sabrina Miller, Haimanot Andualem, Eliza Chappell, Lisa Shapiro, Rebecca Bennett, Mariam Chaat, Virginia Judd, Deborah Dubin, Angela Harris, Suzanne Boudreaux, Ann Hyslop, Sheila Jones, Jannette Sequeira, Karla Quiroz, Lauren Parker, Anna Briceno, Ahsan Ijaz, and Joseph Riccardelli

**Observers:** Lisa Tatum, Diane McBride, Jamie Hudson, Linda Siam, Eileen Rakshys, Michael Bozeth, Toi Tanton, Trang Montgomery, Tatiana Nuth, Andrew Everett, Greg Vaughn, Lindsay Washington, Robin Baker, Sandra Zacarias, Nancy Evanko, Shelly Rodriguez, Jennifer Van Buren, Rae Nguyen, Kimberly Carr, Dai Nguyen, Erick Avila, Gary Parks

The meeting commenced at **8:31 a.m.**

**Board Member Roll Call:** Sabrina Miller conducted roll call, and a quorum was met.

**Approval of June 5, 2025 Summary Notes:** A motion was made by George Harben to approve the Board Summary notes from June 5, 2025 and was seconded by Robert Bartolotta. The Summary notes were approved unanimously by the full Board of Directors, with no abstentions.

#### Chairman's Report:

Chairman Ed Trumbull opened the third Board meeting of 2025 by noting the unprecedented challenges facing the public workforce system, including federal funding delays, potential program eliminations, and proposed cuts for FY 2026 and FY 2027. He highlighted ongoing impacts from large, unauthorized Federal workforce reductions in the region.

To date, more than 1,500 dislocated Federal employees and contractors have visited American Job Centers (AJCs) across Northern Virginia, Arlington, and Alexandria. WIOA enrollments among this group remain modest (just over 20 individuals). The region's first metro-based outreach campaign concluded in June and drove increased website traffic across multiple platforms.

The Board recently received long-delayed FY 2025 federal funding notifications and anticipates a tight funding environment for FY 2026. Proposed federal actions include reductions or eliminations affecting WIOA Youth, WANTO, SCSEP, reentry-focused grants, WIOA Adult funding, and a 50% cut to Job Corps. Staff are working with Fairfax County DFS and state partners to plan for further reductions projected for FY 2027.

The Board recognized ABM Facilities Management with the second Quarterly Employer Recognition Award, with a presentation scheduled during the meeting. Staff will also present the 3rd Quarter Employer Recognition Award recommendation for Board approval.

For FY 2025 through June, the region's AJCs served over 50,000 individuals, more than 85% of whom were low-income or low-skilled jobseekers. The Chair noted this trend is expected to continue alongside increased demand from dislocated Federal workers.

The Chair invited questions before moving into the printed agenda.

Mr. Trumbull then asked for Committee Report Updates, as follows:

**The SkillSource Group, Inc. (SSG) Board of Directors:** George Harben reported for the SSG Board of Directors. Since the Virginia Career Works Northern Board meeting in June 2025, the SSG Board of Directors met and acted on the following items:

- Continued to review and revise the FY 2026 SkillSource Budget, given the late release of information from the Federal Labor Department, which will be presented later at this meeting today. This FY 2026 Budget continues to be a work in progress.
- In reviewing end of FY 2025 financial details, The SkillSource Group, Inc. expects to have a budget surplus exceeding \$60,000 in unrestricted funds.
- The SkillSource Group FY 2025 Audit has started with our contractor audit firm, GRF. We anticipate the audit will be completed later in October and the results will be shared with this Board in December.
- The SkillSource Group Board was advised that its President, and the Executive Director of the Virginia Career Works Northern Region, will step back in June 2026, with the completion of his contract. He will turn 70 years old at that time.

**Youth Committee:** Leanne Rerko reported for the Youth Committee

- The Youth Committee last met on June 10, 2025.
- As of May 2025, the Northern Virginia WIOA Youth Program was at 260 enrollments, with 8 In-School Youth enrollment. Over 80% youth are Basic Skills Deficient and nearly 60% have a disability. Northern Virginia is the second largest WIOA Youth Program in the State.
- The Committee was updated on preparations for the summer Educating Youth through Employment (EYE) Program, which the Board will hear about later in this meeting.

- The Committee reviewed the PY 2024 obligations and expenditures – as of April 2025, the program has obligated and spent approximately \$675,000 of the \$1.35 million in funds available. VCWN anticipates all funding will be spent by the expiration date of June 30, 2026.
- The Committee reviewed the new contract award for the Northern Virginia WIOA Youth Program Operator to Fairfax County Department of Family Services.
- Lastly, the Committee reviewed the PY 2024 Quarter 3 performance for the WIOA Youth Program – the program exceeded all 5 program measures.

**Quality Assurance:** Robert Bartolotta reported for the Quality Assurance Committee.

- The Quality Assurance Committee will meet on May 29, 2025.
- The State Virginia Works team is currently going through the annual renewal process for all Eligible Training Providers on the State List. ETPs were given until August 31, 2025 to submit their annual performance data to the State. There are over 20 Area #11 ETPs that did not meet this deadline and are at-risk of being removed. State staff will still take the performance data for at least another week, so VCWN staff are in process of reaching out to these ETPs to ensure they are aware of this requirement, in order for them to remain on the WIOA ETPL.

### **Award of Virginia Career Works – Northern Employer Impact Award to ABM Facility Services**

Michael Bozeth presented ABM Facility Services with the 2025 Second Quarter VCW Northern Employer Impact Award in recognition of the organization's outstanding commitment to workforce development, particularly in supporting airline customer growth at Dulles Airport and Reagan Washington Airport. Erick Avila, Director of Operations, accepted the award on behalf of ABM Facility Services and delivered brief remarks highlighting the organization's human capital policies and successes.

### **Necessary Board Actions Aligned with Approved 2025-2027 Strategic Priorities**

#### **Become a Thought Leader for Workforce Development**

### **Discussion of FY 2026 SkillSource Budget Considerations and Current WIOA Training Levels**

David Hunn reported that, due to multi-month delays in receiving WIOA funding allocations and notices from the U.S. Department of Labor and Virginia Works, the FY 2026 Budget for the VCW Northern Region and for the One Stop Operator/Funds Manager (Fairfax County Department of

Family Services) has not yet been finalized. Discussions between VCW Northern Region administrators and DFS leadership are ongoing.

David noted that on August 27, 2025, The SkillSource Group received the first allocation of PY 2025 WIOA Formula Funds, which included:

- 100% of WIOA Youth funding: \$1,143,847
- Initial WIOA Adult funding: \$207,281
- Initial WIOA Dislocated Worker funding: \$232,867

These funds are available for use through September 20, 2025. Remaining PY 2025 WIOA Adult and Dislocated Worker allocations are expected after October 1, 2025.

Michael Becketts, Director of the Fairfax County Department of Family Services, provided additional comments and context during this discussion.

### **Approval of Northern Virginia Rapid Response Application to Virginia Works to Support Dislocated Federal Employees and Contractors**

Seema Jain reported that Virginia Career Works – Northern (Area #11) and the SkillSource Group, Inc. are preparing a Rapid Response funding request to the Virginia Department of Workforce Development and Advancement (DWDA) to support recently displaced federal employees and contractors. The region has experienced significant federal workforce reductions—approximately 20,000 federal jobs lost this year—and a \$1.7 billion (13%) decline in federal contracts and grants. The U.S. Office of Personnel Management has also announced that civil service positions will be reduced by 300,000 by September 30, 2025.

As of August 28, nearly 1,600 former federal workers and contractors have sought assistance at Northern Virginia American Job Centers.

The proposal requests \$1.13 million over two years to provide comprehensive reemployment services to 200 affected workers. The initiative will offer career navigation, targeted training, and employer engagement to accelerate reemployment and minimize further dislocations. Rapid Response funds will supplement already reduced WIOA Formula Funds and help relieve pressure on WIOA staff managing heavy caseloads.

VCWN plans to submit the Rapid Response request to DWDA in early September 2025.

A motion was made by Robert Bartolotta and seconded by Karen Drenkard to approve the two-year Northern Virginia Rapid Response proposal for \$1.13 million to the Virginia Department of Workforce Development and Advancement. The motion passed unanimously, with no abstentions.

### **Review of New Federal Report**

David Hunn shared a new Federal Report from the Trump Administration which has set a economic strategy to reindustrialize America, dominate the artificial intelligence (AI) frontier, and reclaim control over the levers of national prosperity. Achieving this vision requires a workforce

system capable of propelling American workers into high-wage careers, upholding the dignity of hard work, and delivering the talent businesses need to power the nation’s economic resurgence.

This strategy lays out a comprehensive plan to address the workforce needs of American companies, integrate existing workforce development systems to maximize efficiency and effectiveness, provide accountability for workforce training programs, upskill incumbent American workers, and develop alternatives to 4-year college degrees. It rests on five strategic pillars: Industry-Driven Strategies, Worker Mobility, Integrated Systems, Accountability, Flexibility & Innovation.

### **Build Sustainable Partnerships with Employers in Target Industries**

#### **Approval of 2025 Quarter 3 VCW Northern Employer Recognition Award**

Jamie Hudson discussed the selection of U.S. Army Child & Youth Services (CYS), Fort Belvoir as the recipient of the Virginia Career Works (VCW) Northern Region Quarter 3 Employer Recognition Award. This quarterly award was created to highlight employers who demonstrate outstanding commitment to workforce development and inclusion.

Over the past 24 months, CYS has partnered with VCW Northern American Job Centers in South County Fairfax, Annandale, and Alexandria to run a streamlined, community-focused hiring pipeline. Through roughly a dozen events—including five single-employer fairs—CYS implemented an “application → interview → same-day contingent offer” model, resulting in ~40 hires and ~110 contingent offers. The Fairfax County Department of Family Services Employer Engagement team supported promotion and turnout. Hires are Child and Youth Program Assistants (USAJOBS CY-01/02), providing supervision, activity planning, and safe, positive program environments. Pay at Fort Belvoir ranges \$20.31–\$25.70/hour, with regular FT/PT schedules and benefits. Childcare discounts—100% for the first child and ≥25% for the second—effectively increase take-home pay by ~\$11/hour for the first child. CYS has effectively turned Northern Virginia American Job Centers into a same-day hiring engine for quality, benefits-eligible roles, offering a replicable model for other employers and meaningful support for working families.

A motion to approve U.S. Army Child & Youth Services (CYS), Fort Belvoir for the 2025 Quarter 3 VCW Northern Employer Recognition Award, was made by Zuzanna Steen and seconded by Christopher Rieley. The full board approved, with no abstentions.

### **Expand Talent Pipeline of Youth and Adults for Business**

#### **Summary of 2025 Summer Educating Youth through Employment (EYE) Program**

Robin Baker and Seema Jain gave an overview of the 2025 Summer Youth Employment (EYE) Program. EYE is a private sector initiative of The SkillSource Group, Inc., in collaboration with the Fairfax County Department of Family Services, which provides young adults ages 14-24 with

professional paid employment opportunities at agencies, non-profit organizations, and private sector companies throughout Fairfax, Loudoun, and Prince William Counties. Ms. Baker highlighted the enrollment process, shared enrollment data, EYE Worksite, wages, employer feedback and shared success stories.

### **Focus on Quality Services through Data Collection and Continuous Improvement**

#### **Northern Virginia One Stop Operator Report on Caseload and Outcomes in FY 2025**

Tatiana Nuth from the Fairfax County Department of Family Services, the One-Stop Operator for the Virginia Career Works Northern Region, gave a presentation reporting on the Training caseloads for FY 2025.

#### **Board Business Items**

##### **Program Management Reports**

Not reviewed due to time constraints.

#### **Executive Director Items**

David Hunn briefly reviewed key updates for the Board. The PY 2024 WIOA Monitoring Report for VCW Northern has been issued by Virginia Works, and the team is actively responding to and correcting the findings identified. The Talent Up Fairfax program, recognized by the Virginia Association of Counties (VACO) in Summer 2025, is being adapted to serve displaced Federal workers and contractors across Northern Virginia, providing innovative public service solutions for the region. In June 2025, David was featured on the I Build America podcast, highlighting our initiatives and impact. Finally, the pending contract and grant proposal matrix for The SkillSource Group, Inc. and VCW Northern Region was shared for reference and review.

#### **Adjournment**

With all Board activities completed, Chairman William Trumbull sought a motion to adjourn the meeting. The motion was made and seconded.

The meeting adjourned at 10:01 a.m.



**Virginia Career Works Northern Region**  
**Board of Directors Meeting**  
**2025 Q3 Employer Recognition Award – December 2025**

**U.S. Army Child & Youth Services (CYS), Fort Belvoir**

Over the past 24 months, CYS has run an **efficient, community-centered hiring pipeline** in partnership with VCW Northern American Job Centers in South County Fairfax, Annandale, and Cherokee Ave. in Alexandria.). Across roughly a dozen events—including five single-employer fairs—CYS operated an onsite “application → interview → same-day contingent offer” model that turns Center visits by jobseekers into Federal Non-Appropriated Fund (NAF) jobs. To drive turnout, the Fairfax County Department of Family Services **Employer Engagement team promoted and supported these fairs**, boosting candidate flow and conversions. Results to date: ~40 hires/placements and ~110 contingent offers; the spread reflects standard childcare background screens, candidate withdrawals, and periodic budget shifts.

The hires are **Child and Youth Program Assistant** [USAJOBS - Job Announcement](#) (CY-01/02) direct-care roles across child development and school-age programs—safety/supervision, activity planning, and positive program environments. Current advertised pay at Fort Belvoir is **\$20.31–\$25.70/hour**, with Regular FT/PT and Flexible schedules; Regular appointments are fringe benefits eligible.

**Why the childcare benefit matters here.** CYS provides a **100% child care fee discount for the first child** (for staff working  $\geq 15$  hours/week) and **no less than 25% off the second**. In Fairfax County, the **median annual childcare cost is about \$22,953**. Practically, that first-child discount equates to roughly **+\$11/hour** in effective compensation for a full-time employee (and **~+\$2.75/hour** for a second child at 25%), materially improving take-home value in our market.

CYS has turned the Northern Virginia American Job Centers into a same-day hiring engine for quality, benefits-eligible roles—delivering throughput, a replicable playbook other high-volume employers can adopt, and tangible support for working families in Northern Virginia.

## Virginia Career Works Northern Region

### Board of Directors Meeting

### Recognition Award – December 2025

### Rebecca Thompson – Volunteer Income Tax Assistance (VITA) Site Coordinator for Virginia Career Works – Prince William Center

Since 2016, the Virginia Career Works – Prince William Center has served as a site for the Volunteer Income Tax Assistance (VITA) Program. VITA is a program with IRS-certified volunteers who provide free basic tax return preparation and electronic filing for qualified individuals. VITA serves people who generally make an income of \$67,000 or less, persons with disabilities, and limited English-speaking taxpayers. Rebecca Thompson has served in a **volunteer** capacity as the VITA Site Coordinator since 2018, first in her role with Prosperity Now, and most recently, as a Senior Advisor at the U.S. Department of the Treasury. Rebecca and her team of VITA volunteers have helped hundreds of people each tax season with filing both State and Federal tax returns. The VITA program offers weekly Saturday drop-in sessions during the tax season at the VCW-Prince William Center, and is often overwhelmed by the numbers that line up to receive services. Due to the demand, Rebecca Thompson and the team at the VCW – Prince William Center introduced Do It Yourself Tax Sessions last year, to help individuals prepare their own taxes with guidance, and plan to hold these again during the tax season in 2026.

*SkillSource* and Virginia Career Works – Northern have been fortunate to have Rebecca lead the VITA program at the VCW – Prince William Center annually, and would like to extend our appreciation and recognition of the countless hours that Rebecca has volunteered of her own time to provide these vital services to the community.

### VITA at Virginia Career Works – Prince William

#### Filing Season Results 2025

Overall Results	2024	2025
<b>Total Returns Prepared</b>	<b>208</b>	<b>234</b>
<i>Total number of people included on those returns</i>	362	368
<b>Total Refunds</b>	<b>\$318,840</b>	<b>\$346,025</b>
<b>Average Adjusted Gross Income</b>	<b>\$35,289</b>	<b>\$34,304</b>

Filing Status	2024	2025
<b>Single</b>	<b>123</b>	<b>150</b>
<b>Head of Household</b>	<b>33</b>	<b>32</b>
<b>Married Filing Jointly</b>	<b>41</b>	<b>37</b>
<b>Married Filing Separately</b>	<b>11</b>	<b>15</b>

<b>Tax Credits</b>	<b>2024</b>	<b>2025</b>
<b>Number of Returns Claiming Earned Income Tax Credit (EITC)</b>	<b>60</b>	<b>62</b>
<i>% of total returns</i>	<i>(29%)</i>	<i>(26%)</i>
Dollar amount of EITC Refunds	\$130,710	\$135,605
<b>Number of Returns Claiming Child Tax Credit (CTC)</b>	<b>37</b>	<b>36</b>
Dollar amount of CTC Refunds	\$64,606	\$59,058
<b>Number of Returns Claiming Additional Child Tax Credit (ADCTC)</b>	<b>30</b>	<b>27</b>
Dollar amount of ADCTC Refunds	\$56,277	\$52,650
<b>Number of Returns Claiming Education Credits</b>	<b>17</b>	<b>10</b>
Dollar amount of Education Credits	\$19,086	\$10,747

<b>Other than Refunds</b>	<b>2024</b>	<b>2025</b>
<b>Number of returns with a Balance Due</b>	<b>52</b>	<b>42</b>
<i>% of total returns</i>	<i>(25%)</i>	<i>(18%)</i>
Total Balance Due	\$59,502	\$39,725
<b>Number of returns with Schedule C Self-Employment Income</b>	<b>42</b>	<b>32</b>
Number of returns Self-Prepared Returns (using MyFreeTaxes.com)	15	15

#### **Behind the numbers:**

- We lost one volunteer and welcomed another (greeter); Total volunteers = 6
- We served many international tax clients from all corners of the world.
- The majority of our client base remains repeat clients.
- Clients expressed high levels of appreciation, satisfaction and gratitude.
- We had one new client who returned with a friend to have their taxes prepared for three weeks in a row.

#### **Client Success Story:**

CM has been coming to the VITA site at VA Career Works for several years. In addition to her full-time job, she also works part-time to help make ends meet throughout the year. A few years ago, despite her efforts to get ahead, she found herself falling behind at tax time, with a balance due on her tax return. It was nothing she had done wrong, but she didn't realize that not enough taxes were being withheld from her part-time jobs because she wasn't earning enough during the pay period. Simultaneously, she was being bumped into a higher tax bracket when the income from all her jobs was taken together. Our volunteers explained to her what was happening and suggested that she should adjust her W-4 at her primary, full-time job, to have more taxes withheld throughout the year, to offset what wasn't being withheld from her part-time employment.

Equipped with the information for how she could improve her financial situation and not have a substantial tax balance due, she went back to work and not only adjusted her W-4 but also shared the information with her peers and encouraged her colleagues who were in a similar position to do the same.

This year, CM got a refund.



**Rebecca M. Thompson**

Economic Justice Consultant | Advocate for Equitable Tax Policies & Free Tax Programs

*Helping communities build financial security through fair and accessible tax systems*

[rebecca.thompson004@gmail.com](mailto:rebecca.thompson004@gmail.com) | (352) 327-5122

Rebecca Thompson has more than two decades of experience leading community-centered initiatives, forging multi-sector partnerships, and advancing equitable systems change.

Over the last ten years, her work has centered around advancing equity and fairness in tax policy and administration. Undergirding this work has been a drive to help low-to-moderate income families improve their financial security by raising awareness of and increasing access to high quality, free services that facilitate the delivery of critical tax credits and benefits to eligible households.

Most recently, as a Senior Advisor at the U.S. Department of the Treasury, she led stakeholder engagement efforts to advance equity through Inflation Reduction Act initiatives including IRS modernization and Direct File. In this role she facilitated the inclusion of the experiences and perspectives of underserved and marginalized communities in program and policy decisions by engaging representative nonprofit leaders and community-based partners with senior government leadership.

Prior to joining the Treasury Department, through a decade-long non-profit career, she held various roles of increasing responsibility anchored in designing and implementing collective impact strategies and elevating community voices to shape policy and programs at the federal, state and local levels.

As an advocate for free tax prep and LMI households, she testified before the Senate Finance and House Ways and Means Committees on the importance and value of VITA and was selected to join the IRS Advisory Council in 2022 and served as the Council's Vice Chair in 2023.

On Saturdays during the filing season, Rebecca can be found serving as a VITA Volunteer Site Coordinator at the Virginia Career Works site in Woodbridge, Virginia. She also volunteers as a head usher at Grace Church in Dumfries, Virginia. She holds a Bachelor of Science in Business Economics from Florida A&M University.

**VIRGINIA CAREER WORKS - NORTHERN  
BOARD OF DIRECTORS  
SUMMARY SHEET**

**SUBJECT: Review and Approval of the FY 2026 Budget – Final Version**

The fifth and Final version of the FY 2026 Budget estimates total revenues at \$9,519,340 and expenses at \$9,627,393 showing a deficit of \$108,053 for the year. *SkillSource* Group has finalized negotiations with the Fairfax County Department of Family Services. The Fairfax County Agency has reallocated six (6) staffing positions away from providing WIOA services for the remainder of FY 2026 and there were no personnel layoffs.

This updated budget reflects the final FY 2026 budget proposal from Fairfax County Department of Family Services, and new guidance from National Council on Aging that expenses incurred since July 1, 2025 towards the Senior Community Service Employment Program (SCSEP) can be charged to the grant. This has decreased the total *SkillSource* deficit.

The *SkillSource* Group budget deficit is due to a smaller share of indirect costs that are covered by SSG's WIOA allocation, as well as some staffing costs that have been moved to Unrestricted for FY 2026 only. Staffing decisions will need to be determined during the remainder of FY 2026 to avoid continuing losses into FY 2027. Further SSG has allocated \$60,000 of its Unrestricted funds to offset WIOA costs, to allow Fairfax County to bolster their WIOA budget for the year.

**Revenue Updates**

- The State has provided final guidance on Program Year (PY) 25 WIOA allocations. The total PY25 allocation for SSG is \$3,299,898, a \$522,493 (13%) decrease from PY24. Total PY24 and PY25 WIOA Revenue expected for FY 2026 is \$4,133,822.82 with \$659k of that amount set aside for the initial months of FY 2027.
- The FY 2026 budget includes the remaining portion of the Talent Up Fairfax grant, through December 31, 2025.
- FY 2026 also includes the remaining portion of the Manassas and Talent Up Fairfax grants. Several of SSG's grants were also renewed and are included in this budget as well
  - o SCSEP \$1,358,795
  - o TANF \$753,398
  - o Arlington WIOA \$313,747
  - o Go Virginia \$308,016

**Expenditure Updates**

- The personnel budget assumes a higher level of staffing support as SSG will be hiring

replacement positions for the Arlington WIOA, Go Virginia, and SCSEP grants.

- Personnel costs assume a 2% COLA increase for staff.
- Operating costs are reduced by 4% and are constrained by the reduction in WIOA funding. The largest reduction is from terminating the security officer services provided at the Prince William and Alexandria American Job Centers as of September 30th.
- Program costs, especially customer wages, dropped because of the Talent Up grant ending in Q2 FY 2026.
- Contractual costs are reduced due to the drop in WIOA funding and a shift from DFS to SSG for the program delivery of the SCSEP grant.

The *SkillSource* Board of Directors approved this budget at its meeting on November 20, 2025.

**ACTION REQUESTED:**

The Virginia Career Works - Northern Board approves the allocations for the Final version of the FY 2026 *SkillSource* Budget.

**STAFF:** David Hunn  
Seema Jain  
Ahsan Ijaz  
Joseph Riccardelli  
703-827-3782



The SkillSource Group, Inc.  
FY26 Proposed Budget - Draft 5

	FY26 Budget Draft 5	FY25 Budget MOD 1	Change from Prior Year	% Change from Prior Year	Notes
<b>Revenue</b>					
Government Contracts	\$ 7,900,498	\$ 11,131,512	\$ (3,231,014)	-29%	Drop in revenue is from grants expiring either in FY25 or earlier in FY26 (Elevate, Talent Up), and a drop in WIOA Revenue
Restricted Revenue	196,650	195,589	1,061		
Unrestricted Revenue	595,000	495,000	100,000	20%	Projecting slightly higher revenue for the EYE Program
Rental Income	807,192	537,428	269,763	50%	
Other Income	20,000	2,000	18,000	900%	Higher interest from sweep account with ODNB
<b>Total Revenue</b>	<b>9,519,340</b>	<b>12,361,530</b>	<b>(2,842,189)</b>	<b>-23%</b>	
<b>Personnel Costs</b>					
Salaries	1,970,985	1,860,225	110,760	6%	
Fringe	672,758	613,874	58,884	10%	
<b>Total Personnel Costs</b>	<b>2,643,743</b>	<b>2,474,099</b>	<b>169,644</b>	<b>7%</b>	
<b>Operating Costs</b>					
70451 · Annual Report Production	6,000	6,000	-	0%	
50930 · Audit Services	38,000	38,000	-	0%	
50919 · Communication	74,903	50,916	23,987	47%	
51651 · Contracted Maintenance	54,601	33,673	20,928	62%	
50920 · Dues & Memberships	4,175	4,535	(360)	-8%	
51763 · Equipment & Maint Costs	8,944	12,000	(3,056)	-25%	
51770 · IT support	100,200	100,800	(600)	-1%	
50210 · Financial Mgmt Services	120,000	120,000	-	0%	
50900 · HR & PR Processing	73,147	76,000	(2,853)	-4%	Lower Payroll Processing as Talent Up ends in Q2
71651 · Insurance	29,673	29,673	-	0%	
50858 · Meetings & Conferences	7,894	5,000	2,894	58%	
50879 · Professional Development	6,500	8,350	(1,850)	-22%	
50200 · Professional Services - Other	160,446	152,135	8,311	5%	
50878 · Rent	379,457	309,993	69,464	22%	
50883 · Rent - CAM and Taxes	21,745	12,000	9,745	81%	
51111 · Security Services	42,500	170,000	(127,500)	-75%	Decreased due to WIOA revenue reduction
50863 · Supplies & Office Expense	85,698	154,734	(69,036)	-45%	Decreased due to WIOA revenue reduction
50940 · Travel - SSG Staff	9,272	8,281	991	12%	
52955 · Utilities	28,500	14,250	14,250	100%	
<b>Total Operating Costs</b>	<b>1,251,655</b>	<b>1,306,340</b>	<b>(54,685)</b>	<b>-4%</b>	
<b>Program Costs</b>					
50350 · Outreach - SSG	124,203	117,573	6,630	6%	Removed costs associated with PW Elevate and Talent Up
50160 · Customer Wages	1,557,919	2,660,143	(1,102,224)	-41%	Large decrease due to Talent Up ending in Q1
60100 · Customer Payroll Taxes	94,695	90,199	4,496	5%	
50952 · Training	356,841	308,715	48,126	16%	
58783 · One-Stop Center Set Aside	659,980	764,478	(104,499)	-14%	Decreased due to WIOA revenue reduction
58799 · Unobligated Funds	145,176	480,353	(335,177)	-70%	Decreased due to WIOA revenue reduction
<b>Total Program Costs</b>	<b>2,938,814</b>	<b>4,421,462</b>	<b>(1,482,648)</b>	<b>-34%</b>	
<b>Contractual Services</b>					
50150 · Contract Personnel	2,212,571	3,038,009	(825,438)	-27%	
50400 · Contract Operations	44,500	126,345	(81,845)	-65%	
50600 · Contract Training & Other	536,111	885,000	(348,890)	-39%	Based off DFS Matrix from October
<b>Total Contractual Services Costs</b>	<b>2,793,181</b>	<b>4,049,354</b>	<b>(1,256,173)</b>	<b>-31%</b>	
<b>Indirect Costs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0%</b>	
<b>Total Expenditures</b>	<b>9,627,393</b>	<b>12,251,254</b>	<b>(2,623,861)</b>	<b>-21%</b>	
<b>Net</b>	<b>\$ (108,053)</b>	<b>\$ 110,276</b>	<b>\$ (218,329)</b>		

	US DOL - DWDA							US DOL - Other			US HHS		Other Government				Other Programs				Centers		Indirect	SSG	Total FY25
	WIOA Admin	WIOA Adult	WIOA DW	WIOA Youth Out	Talent Up NOVA	Rapid Response	Governor's Set Aside	SCSEP	ICF	Arlington WIOA	TANF8	TANF9	Go VA	Go VA Admin	Talent Up	Manassas CARES	UWFEC	EYE	DARS SEAL	Ticket to Work	PW Center	Cherokee Center	Indirect	Unrestricted	
Revenue																									-
Government Revenue	329,990	1,644,175	541,954	1,529,340	150,000	417,490	60,000	1,358,795	75,270	313,747	325,813	427,584	308,016	23,866	368,584	25,875	-	-	-	-	-	-	-	-	7,900,498
Restricted Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	196,650	-	-	-	-	-	-	-	196,650
Unrestricted Revenue	-	45,000	15,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	215,000	205,000	175,000	-	-	-	(60,000)	595,000
Rental Income	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	493,144	314,048	-	-	807,192
Other Revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,000	20,000
Total Revenue	329,990	1,689,175	556,954	1,529,340	150,000	417,490	60,000	1,358,795	75,270	313,747	325,813	427,584	308,016	23,866	368,584	25,875	196,650	215,000	205,000	175,000	493,144	314,048	-	(40,000)	9,519,340
Personnel Costs																									
Salaries	120,956	93,104	83,703	119,822	-	50,388	-	162,272	34,311	158,891	166,181	223,608	146,932	9,405	59,511	3,795	35,833	3,285	3,285	133,712	109,454	69,774	123,355	59,411	1,970,985
Fringe	38,101	29,328	26,366	37,744	-	15,872	-	51,116	10,808	50,051	87,837	86,845	46,284	2,963	18,746	1,195	11,287	1,035	1,035	42,119	34,478	21,979	38,857	18,714	672,758
Total Personnel Costs	159,057	122,431	110,069	157,566	-	66,260	-	213,387	45,118	208,941	254,019	310,453	193,216	12,367	78,257	4,990	47,120	4,319	4,319	175,831	143,932	91,753	162,212	78,125	2,643,743
Operating Costs																									
70451 - Annual Report Production	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,000	-	6,000
50930 - Audit Services	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	38,000	-	38,000
50919 - Communication	-	-	-	-	-	334	-	1,450	-	1,500	3,500	3,000	1,200	-	1,185	-	-	-	2	2,500	23,100	13,512	23,620	-	74,903
51651 - Contracted Maintenance	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,000	-	-	-	51,601	-	-	-	54,601
50920 - Dues & Memberships	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	175	-	-	4,000	-	4,175
51763 - Equipment & Maint Costs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,172	3,772	2,000	-	8,944
51770 - IT support	49,800	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	600	-	-	49,800	-	100,200
50210 - Financial Mgmt Services	18,000	-	-	-	-	-	-	12,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	90,000	-	120,000
50900 - HR & PR Processing	-	-	-	-	-	-	-	32,000	-	-	-	-	-	-	-	-	-	8,741	-	-	-	-	24,000	-	73,147
71651 - Insurance	-	-	-	-	-	-	-	-	-	-	-	-	5,673	-	-	-	-	-	-	-	-	-	24,000	-	29,673
50858 - Meetings & Conferences	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,894	-	1,000	-	-	5,000	-	7,894
50879 - Professional Development	-	-	-	-	-	-	-	-	-	-	1,500	1,500	-	-	-	-	-	-	-	-	-	-	3,500	-	6,500
50200 - Professional Services - Other	-	-	-	-	-	-	-	-	-	-	-	-	9,631	9,000	-	-	94,315	-	-	-	5,000	-	-	42,500	160,446
50878 - Rent	-	-	-	-	-	-	-	1,200	-	-	-	-	-	-	-	-	36,273	-	-	-	168,885	164,099	9,000	-	379,457
50883 - Rent - CAM and Taxes	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	15,745	6,000	-	-	21,745
51111 - Security Services	-	-	42,500	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	42,500
50863 - Supplies & Office Expense	-	-	-	4,402	-	334	-	4,000	23,309	400	8,925	11,000	500	329	-	-	2,500	-	-	2,000	10,000	6,000	12,000	-	85,698
50940 - Travel - SSG Staff	-	-	-	-	-	334	-	-	-	250	2,000	2,000	3,620	-	-	-	-	68	-	1,000	-	-	-	-	9,272
52955 - Utilities	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28,500	-	-	-	28,500
Total Operating Costs	67,800	-	42,500	4,402	-	1,001	-	50,650	23,309	2,150	15,925	17,500	20,624	9,329	9,591	-	136,088	10,703	2	7,275	306,003	193,383	290,920	42,500	1,251,655
Program Costs																									
50350 - Outreach - SSG	-	-	40,000	-	5,000	10,005	-	-	-	2,500	1,250	2,500	54,000	-	-	3,500	2,500	2,326	23	-	600	-	-	-	124,203
50160 - Customer Wages	-	-	-	-	130,000	-	-	964,300	-	-	-	-	-	-	-	247,228	-	150,980	65,411	-	-	-	-	-	1,557,919
60100 - Customer Payroll Taxes	-	-	-	-	-	-	-	77,144	-	-	-	-	-	-	-	-	-	12,252	5,299	-	-	-	-	-	94,695
50952 - Training	-	91,000	24,127	22,000	-	-	40,000	24,463	-	70,119	25,000	47,132	-	-	-	13,000	-	-	-	-	-	-	-	-	356,841
58783 - One-Stop Center Set Aside	65,998	276,715	111,374	205,892	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	659,980
58799 - Unobligated Funds	14,449	84,364	32,335	(12,106)	-	26,134	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	145,176
Total Program Costs	80,447	452,079	207,836	215,786	135,000	36,139	40,000	1,065,908	-	72,619	26,250	49,632	54,000	-	247,228	16,500	2,500	165,557	70,732	-	600	-	-	-	2,938,814
Contractual Services																									
50150 - Contract Personnel	-	869,885	117,360	997,575	15,000	148,751	-	-	-	-	-	-	-	-	-	-	-	24,000	40,000	-	-	-	-	-	2,212,571
50400 - Contract Operations	-	10,000	10,000	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	2,000	2,500	-	-	-	-	-	44,500
50600 - Contract Training & Other	-	205,000	44,287	116,824	-	150,000	20,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	536,111
Total Contractual Services Costs	-	1,084,885	171,646	1,134,399	15,000	298,751	20,000	-	-	-	-	-	-	-	-	-	-	26,000	42,500	-	-	-	-	-	2,793,181
Indirect Costs	22,686	29,780	24,903	17,186	-	15,340	-	28,850	6,843	30,037	29,620	50,000	40,176	2,170	33,508	4,385	10,942	2,160	1,474	18,311	42,609	28,912	(439,889)	-	-
Total Expenditures	329,990	1,689,175	556,954	1,529,340	150,000	417,490	60,000	1,358,795	75,270	313,747	325,813	427,584	308,016	23,866	368,584	25,875	196,650	208,740	119,028	201,417	493,144	314,048	13,243	120,625	9,627,393
Net	-	-	-	-	-	(0)	-	-	0	(0)	0	-	0	(0)	(0)	(0)	(0)	6,260	85,972	(26,417)	-	-	(13,243)	(160,625)	(108,053)



## **Virginia Career Works Northern Region Quarterly Employer Recognition Award**

**December 2025**

### **INOVA**

Inova, Northern Virginia's leading nonprofit healthcare system, continues to exemplify employer excellence and regional collaboration through its partnership with the **Virginia Career Works Northern** network. Inova's continued collaboration with workforce partners across Northern Virginia embodies the mission of the **Virginia Career Works Northern Region Board** — connecting employers with qualified talent, expanding access to opportunity, and building a resilient regional economy.

As an active regional employer, Inova has interviewed **dozens of job seekers** referred through **Talent Up Fairfax, VIEW, DARS, WIOA**, and the **Employer Engagement Team (EET)**. The organization remains steadfast in its commitment to supporting workforce initiatives that create equitable, sustainable employment pathways and align with its mission of advancing community health through opportunity.

Inova representatives have also been actively engaged with the Northern Virginia Regional Health Care Workforce Initiative, in close collaboration with The Claude Moore Foundation. Inova hosted the Northern Virginia 2025 Health Occupations Students Association (HOSA) Regional Leadership Conference. Over 500 Northern Virginia high school students interested in a health care career were in attendance.

Through **Talent Up Fairfax**, Inova hosted **four paid internships—three Patient Services Representative II positions and one IS Service Desk Representative I position**—providing participants with immersive, hands-on learning in healthcare and information technology. One of these interns, an Afghan refugee and participant in both **VIEW** and **Talent Up Fairfax**, completed a **12-week internship** before being hired as a **full-time IS Service Desk Associate** earning **\$26 per hour**. This success underscores the value of coordinated work-based learning in transforming lives and meeting employer needs.

Inova's engagement extends beyond Fairfax County, with active collaboration across jurisdictions such as **Loudoun County**, where its HR representatives have participated in regional workforce panels and resumed accepting resume referrals from local partners. This ongoing, multi-county communication continues to strengthen the relationship and expand the collective reach of the **Virginia Career Works Northern** network.

By leveraging programs such as **Talent Up Fairfax**, the **Full Employment Program (FEP)**, **DARS**, and **WIOA**, Inova has reduced onboarding costs, built a stronger talent pipeline, and demonstrated leadership in inclusive, community-focused hiring.

## Confirmed Inova Hires (6 Total)

### WIOA Young Adult (2)

- *Certified Medical Assistant* – \$20/hr. (\$41,600 annual) FT (8/25/25)
- *Clinical Technician I* – \$18.70/hr. (\$38,896 annual) FT (11/17/25)

### VIEW (2)

- *Patient Observation Assistant* – \$16/hr. PT (8/12/25)
- *IT Service Desk Associate* – \$26.44/hr. (\$54,995 annual) FT (8/26/25)  
– This individual completed a *Talent Up internship* prior to hire. Inova utilized the Full Employment Program (FEP) for this placement. **co-enrolled in Talent Up and VIEW**

### Talent Up (2)

- Talent Up intern originally placed with *Lutheran Social Services* who received a **full-time offer from Inova mid-internship** and transitioned directly into employment. Verified through VEC wage quarterly data at an estimated **\$20/hr.** (\$41,600 annual) (9/1/24). Not affiliated with WIOA or VIEW.
  - Direct hire earning **\$21.19/hr.** (\$44,075 annual) (job title pending). Participant was **co-enrolled in Talent Up and SNAP E&T** at the time of hire.
-

**VIRGINIA CAREER WORKS - NORTHERN  
BOARD OF DIRECTORS MEETING  
SUMMARY SHEET**

**SUBJECT: New Grant Programs for Impacted Federal Workers and Contractors**

*SkillSource* was recently awarded two new grant awards from the State to serve impacted Federal workers and contractors.

The first is a \$551,035 Rapid Response grant award for twelve months, to provide comprehensive workforce development services to at least 125 federal employees and contractors who have been impacted by workforce reductions and agency closures. Using Rapid Response funds, in partnership with Fairfax County Department of Economic Initiatives and Department of Family Services, the initiative will deliver reemployment services, career navigation, and targeted training opportunities that support rapid labor market reattachment. The project will engage with regional employers to minimize further dislocations and align talent supply with evolving industry demand. This additional funding will support VCWN to provide responsive and high-quality service to regional employers and dislocated jobseekers through a period of high demand that could otherwise overwhelm current WIOA Formula funding resources that have already been reduced from prior years, as well as supporting WIOA staff already carrying a heavy jobseeker caseload.

During the twelve-month grant period, the Rapid Response initiative intends to serve at least 125 jobseekers co-enrolled in the WIOA Dislocated Worker program, and placing 94 into training. Approximately 80%, or 71, of those jobseekers would retain permanent employment at an hourly rate of at least \$40/hour two quarters after exit. It is anticipated that 75% will retain employment four quarters after exit. The cost per participant is \$4,408.

The second grant award is a \$150,000 Governor's Grant Award to Facilitate Career Pivots into High-Demand Occupations. *SkillSource*, in partnership with Fairfax County Department of Economic Initiatives and Department of Family Services, is proposing a new regional Talent Up Northern Virginia program that will expand the current Talent Up Fairfax initiative to target job seekers impacted by recent Federal policy decisions and staff reductions, including people switching careers. Talent Up is ready-made for regional employers looking to capitalize on the influx of new and untapped talent entering the job market and for job seekers seeking to pivot in a tight labor market. Talent Up matches these job seekers with businesses seeking to recruit for entry and mid-level openings in diverse fields such as IT, cybersecurity, healthcare, business administration, marketing and sales and research and data analytics. Employers who utilize Talent Up interns have a no-risk way to evaluate talent and assess a candidate's future fit for the company.

During the twelve-month grant period, Talent Up Northern Virginia intends to serve at least 35

jobseekers co-enrolled in the WIOA Dislocated Worker program, and placing 28 into work-based learning internships at an hourly rate of at least \$30/hour. Approximately 82%, or 23, of those jobseekers would obtain permanent employment at an hourly rate of at least \$35/hour. It is anticipated that 80% will retain employment two quarters after exit. The cost per participant is \$5,357.

**STAFF:** David Hunn  
Seema Jain  
703-827-3782

## **VIRGINIA CAREER WORKS - NORTHERN BOARD OF DIRECTORS MEETING**

### **SUMMARY SHEET**

**SUBJECT: Executive Director Items**

The Executive Director will discuss the following items at the Board of Directors meeting.

- Through October 2025, the Fairfax County Department of Family Services, the Northern Virginia WIOA One Stop Operator, has supported 19,033 visits at our five American Job Centers during FY 2026. Their October 2025 Monthly Report follows this Summary.
- The *SkillSource* Group, Inc. and the Virginia Career Works Northern Region, has achieved the Platinum Seal of Transparency for 2025 with Candid. More details are at <https://candid.org/>
- The *SkillSource* Group, Inc. has issued a Request for Proposals (RFP) for an Executive Search Firm to oversee candidate selection for the new President and CEO and Executive Director of the Virginia Career Works Northern Region. The RFP closes on December 31, 2025. More details are at <https://vcwnorthern.com/wp-content/uploads/SkillSource-Group-RFP-Executive-Search-Services-November-2025.pdf>
- The *SkillSource* Group 2025 Audit is now completed, with no Findings or Audit Concerns. The Basic Financial Statements follow this summary. The Uniform Guidance Supplemental information was released late from the U.S. Office of Management and Budget due to the Federal Government Shutdown, so the *SkillSource* Group Uniform Guidance Audit documents will be available later in December.
- State Virginia Works officials are revising the WIOA Eligible Training Provider process policy, centralizing all training provider oversight, selection and reporting at the State level in Richmond. Past WIOA policy has delegated authority to local workforce boards for oversight and implementation. The new State Policy will be considered by the State Workforce Board on December 12, 2025. Virginia Works Northern staff comments on the draft State Policy Revision follows.
- Contract and Grant Award Matrix – The pending contract and grant proposal matrix for The *SkillSource* Group, Inc. and the Virginia Career Works Northern Region follows.



# Department of Family Services

## Employment & Training Team Report

thru October 2025

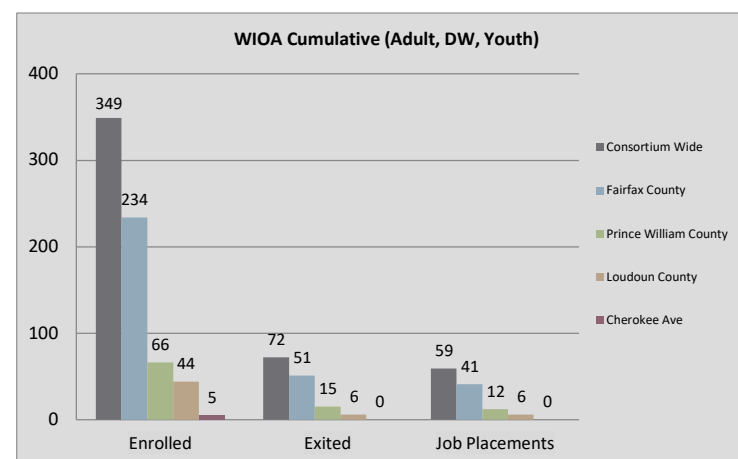
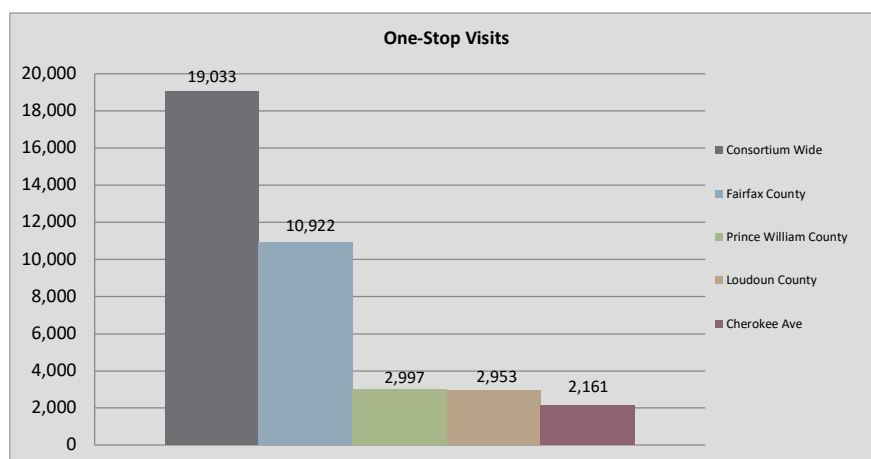


- Pages 1-2: Workforce Innovation and Opportunity Act Program
- Page 3: ITA and OJT Breakdown

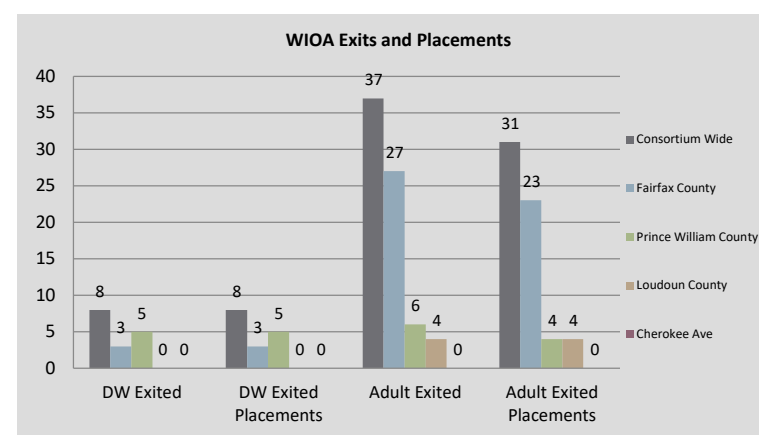
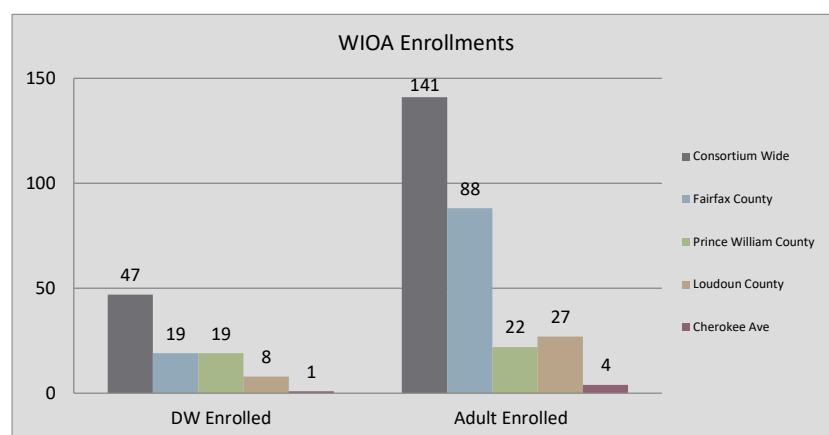


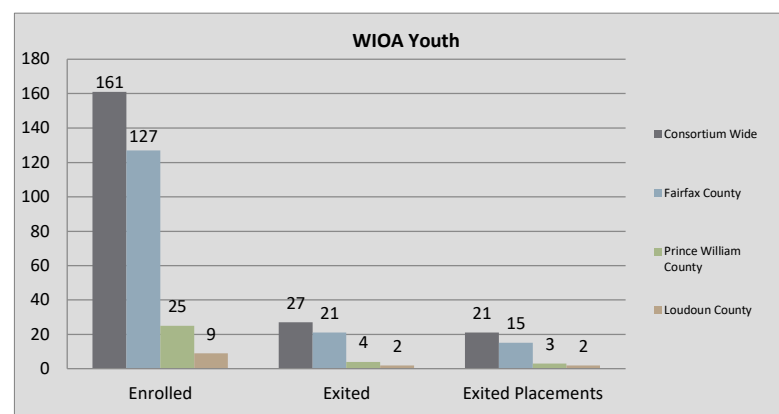
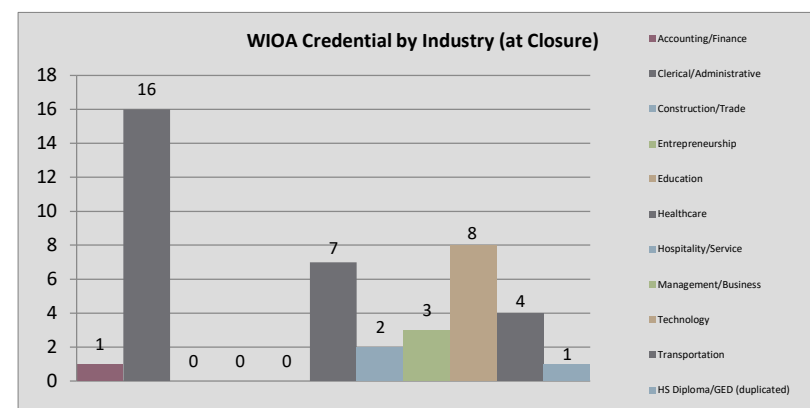
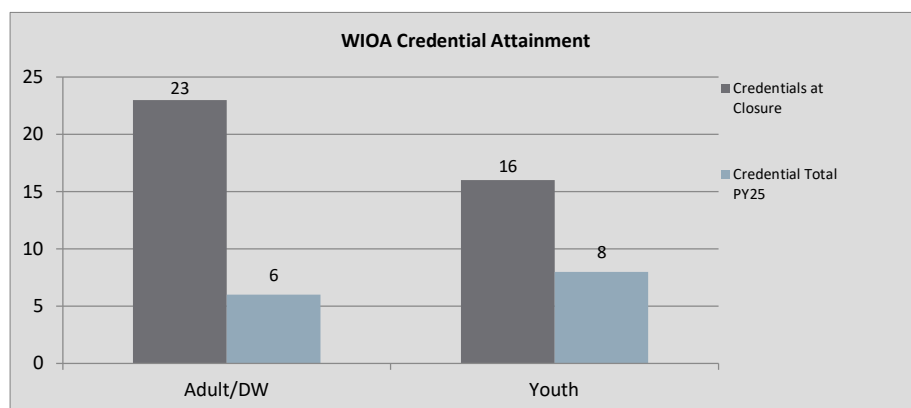
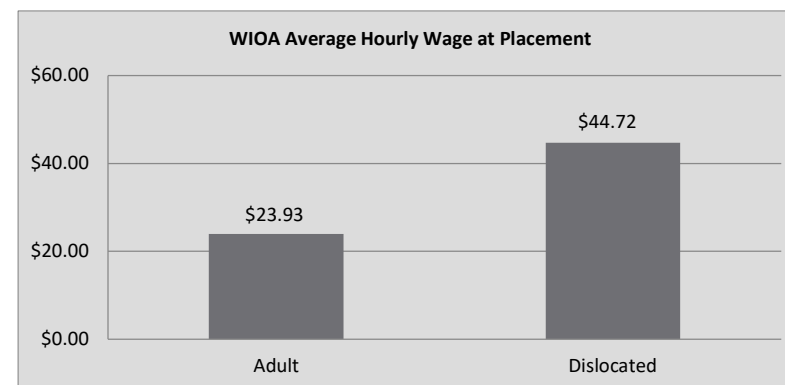
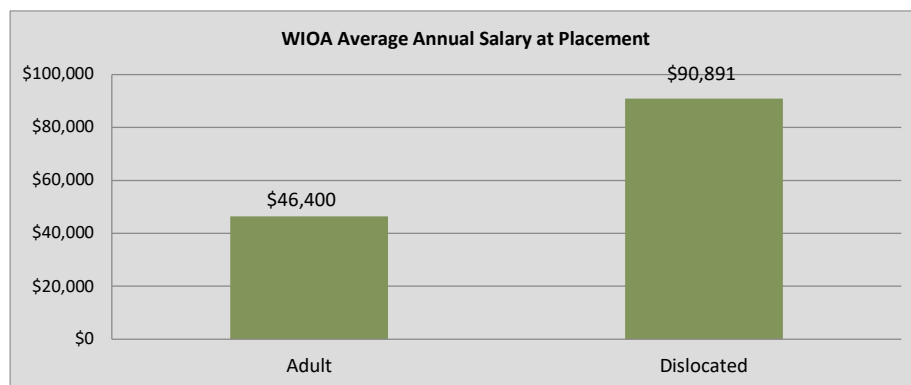
**Northern Virginia Workforce Development Area, LWDA XI**  
WIOA Adult, Dislocated Worker, and Youth Statistics (July 1, 2025 - October 31, 2025)

At-A-Glance		
One-Stop Services*	WIOA Services (Youth/Adult/DW)	All Employment & Training Programs
Center Visits 19,033	Total Participants 349	
One-Stop Job Placements 63	WIOA Job Placements 59	Total Enrolled 349
Average Hourly Wage at Placement \$32.85	Average Hourly Wage at Placement (Adult) \$23.93	Total Exited 72
* Visit numbers include in-person and virtual services being provided by center programs. Note: Core placements are updated quarterly.	Average Hourly Wage at Placement (DW) \$44.72	Total Job Placements 60
	Average Hourly Wage at Placement (Youth) \$18.01	Total Participants with Disabilities 108
	Credentials Received in PY25 14	Total Veterans 11
	Credentials Received at Closure 39	



WIOA Breakdown - Adult, Dislocated Worker and Youth







### Breakdown of ITAs and OJTs

*As of October 31, 2025*

ITAs / INDUSTRY	Obligated Funds	Additional Training Expenses	WIOA YOUTH		WIOA ADULT/DW		TOTAL
			Number	Percent	Number	Percent	
Accounting/Finance (AF)	\$4,215.00		0	0.00%	1	3.23%	1
Clerical /Administrative (CA)	\$0.00		0	0.00%	0	0.00%	0
Construction / Trade (CT)	\$15,750.00		1	20.00%	3	9.68%	4
Education (Ed)	\$0.00		0	0.00%	0	0.00%	0
Healthcare (He)	\$23,171.97		3	60.00%	6	19.35%	9
Hospitality Services (HS)	\$0.00		0	0.00%	0	0.00%	0
Literacy (LA)	\$1,963.60		1	20.00%	0	0.00%	1
Management/Business (MB)	\$12,806.50		0	0.00%	5	16.12%	5
Technology (Tech)	\$35,748.00		0	0.00%	10	32.27%	10
Transportation (TR)	\$26,750.00		0	0.00%	6	19.35%	6
Others	\$0.00		0	0.00%	0	0.00%	0
<b>TOTAL</b>	<b>\$120,405.07</b>	<b>\$0.00</b>	<b>5</b>	<b>100.00%</b>	<b>31</b>	<b>100.00%</b>	<b>36</b>

ITAs / INDUSTRY	Obligated Funds
Accounting/Finance (AF)	\$4,215.00
Clerical /Administrative (CA)	\$0.00
Construction / Trade (CT)	\$15,750.00
Education (Ed)	\$0.00
Healthcare (He)	\$23,171.97
Hospitality Services (HS)	\$0.00
Literacy (LA)	\$1,963.60
Management/Business (MB)	\$12,806.50
Technology (Tech)	\$35,748.00
Transportation (TR)	\$26,750.00
Others	\$0.00
<b>TOTAL</b>	<b>\$120,405.07</b>

OJT Obligated by Grants	OJT /WEX Amount
WIOA Adult	\$20,662
WIOA DW	\$0
Youth	\$19,338
<b>TOTAL</b>	<b>\$40,000</b>

## **FINANCIAL STATEMENTS**



**FOR THE YEAR ENDED JUNE 30, 2025  
WITH SUMMARIZED FINANCIAL  
INFORMATION FOR 2024**

**THE SKILLSOURCE GROUP, INC.****CONTENTS**

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## INDEPENDENT AUDITOR'S REPORT

To the Board of Directors  
The SkillSource Group, Inc.  
Vienna, Virginia

### Opinion

We have audited the accompanying financial statements of The SkillSource Group, Inc. (SkillSource), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities and change in net assets, functional expenses and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of SkillSource as of June 30, 2025, and the change 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. 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 SkillSource 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 opinion.

### 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 SkillSource'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.

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MEMBER OF THE AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS' PRIVATE COMPANIES PRACTICE SECTION

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 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, including omissions, 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, 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 SkillSource'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 SkillSource'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.

### **Report on Summarized Comparative Information**

We have previously audited SkillSource's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated November 13, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

### **Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedule of Grants, Awards and Activities on pages 14 - 16 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 information is fairly stated in all material respects in relation to the financial statements as a whole.



November 24, 2025

**THE SKILLSOURCE GROUP, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
**AS OF JUNE 30, 2025**  
**WITH SUMMARIZED FINANCIAL INFORMATION FOR 2024**

<b>ASSETS</b>			
		<u><b>2025</b></u>	<u><b>2024</b></u>
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$	539,140	\$ 1,461,122
Cash and cash equivalents - funds held for others		437,817	357,817
Other receivables		6,915	7,120
Grants receivable		1,120,716	1,033,182
Prepaid expenses		<u>56,920</u>	<u>14,669</u>
Total current assets		<u>2,161,508</u>	<u>2,873,910</u>
<b>FIXED ASSETS</b>			
Equipment		32,099	32,099
Leasehold improvements		<u>44,572</u>	<u>44,572</u>
		76,671	76,671
Less: Accumulated depreciation and amortization		<u>(62,248)</u>	<u>(57,821)</u>
Net fixed assets		<u>14,423</u>	<u>18,850</u>
<b>OTHER ASSETS</b>			
Security deposits		10,787	10,787
Operating lease right-of-use assets, net		<u>1,965,627</u>	<u>781,115</u>
Total other assets		<u>1,976,414</u>	<u>791,902</u>
<b>TOTAL ASSETS</b>	<b>\$</b>	<b><u>4,152,345</u></b>	<b><u>\$ 3,684,662</u></b>
<b>LIABILITIES AND NET ASSETS</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable and accrued expenses	\$	1,116,837	\$ 1,796,281
Refundable advance		-	21,053
Operating lease liabilities		310,118	280,842
Funds held for others		<u>437,817</u>	<u>357,817</u>
Total current liabilities		<u>1,864,772</u>	<u>2,455,993</u>
<b>LONG-TERM LIABILITIES</b>			
Operating lease liabilities, net		<u>1,686,786</u>	<u>522,585</u>
Total liabilities		<u>3,551,558</u>	<u>2,978,578</u>
<b>NET ASSETS</b>			
Without donor restrictions		600,787	488,060
With donor restrictions		<u>-</u>	<u>218,024</u>
Total net assets		<u>600,787</u>	<u>706,084</u>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$</b>	<b><u>4,152,345</u></b>	<b><u>\$ 3,684,662</u></b>

See accompanying notes to financial statements.

**THE SKILLSOURCE GROUP, INC.**

**STATEMENT OF ACTIVITIES AND CHANGE IN NET ASSETS  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2024**

	<u>2025</u>			<u>2024</u>
	<u>Without Donor Restrictions</u>	<u>With Donor Restrictions</u>	<u>Total</u>	<u>Total</u>
<b>SUPPORT AND REVENUE</b>				
Federal grants	\$ 8,783,147	\$ -	\$ 8,783,147	\$ 8,144,210
Lease income	768,409	-	768,409	849,981
Non-Federal grants	1,067,335	-	1,067,335	882,343
Contributions	7,032	157,320	164,352	196,650
Interest income	2,707	-	2,707	2,074
Net assets released from donor restrictions	<u>375,344</u>	<u>(375,344)</u>	<u>-</u>	<u>-</u>
Total support and revenue	<u>11,003,974</u>	<u>(218,024)</u>	<u>10,785,950</u>	<u>10,075,258</u>
<b>EXPENSES</b>				
Program Services	<u>9,951,756</u>	<u>-</u>	<u>9,951,756</u>	<u>9,212,028</u>
Supporting Services:				
Management and General	939,491	-	939,491	742,881
Fundraising	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,057</u>
Total supporting services	<u>939,491</u>	<u>-</u>	<u>939,491</u>	<u>743,938</u>
Total expenses	<u>10,891,247</u>	<u>-</u>	<u>10,891,247</u>	<u>9,955,966</u>
Change in net assets	112,727	(218,024)	(105,297)	119,292
Net assets at beginning of year	<u>488,060</u>	<u>218,024</u>	<u>706,084</u>	<u>586,792</u>
<b>NET ASSETS AT END OF YEAR</b>	<b><u>\$ 600,787</u></b>	<b><u>\$ -</u></b>	<b><u>\$ 600,787</u></b>	<b><u>\$ 706,084</u></b>

**THE SKILLSOURCE GROUP, INC.**

**STATEMENT OF FUNCTIONAL EXPENSES  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2024**

	<b>2025</b>			<b>2024</b>
		<b>Supporting Services</b>		
	<b>Program Services</b>	<b>Management and General</b>	<b>Total Expenses</b>	<b>Total Expenses</b>
Customer training and services	\$ 3,667,119	\$ 30,308	\$ 3,697,427	\$ 2,978,763
Contractual personnel and operations	2,788,587	1,562	2,790,149	3,009,771
Personnel	2,236,372	407,708	2,644,080	2,413,192
Facilities, supplies and services	822,299	27,722	850,021	793,882
Professional services	119,192	334,571	453,763	374,088
Outreach and communication	218,880	45,339	264,219	177,932
Office supplies and services	73,616	42,593	116,209	130,021
Insurance	5,673	37,283	42,956	25,547
Travel, meetings and conferences	14,847	5,543	20,390	32,205
Professional development	2,740	4,866	7,606	16,138
Depreciation and amortization	2,431	1,996	4,427	4,427
<b>TOTAL</b>	<b>\$ 9,951,756</b>	<b>\$ 939,491</b>	<b>\$ 10,891,247</b>	<b>\$ 9,955,966</b>



**THE SKILLSOURCE GROUP, INC.**

**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2025  
WITH SUMMARIZED FINANCIAL INFORMATION FOR 2024**

	<u>2025</u>	<u>2024</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Change in net assets	\$ (105,297)	\$ 119,292
Adjustments to reconcile change in net assets to net cash (used) provided by operating activities:		
Depreciation and amortization	4,427	4,427
Amortization of operating lease right-of-use assets	379,601	407,831
Decrease (increase) in:		
Other receivables	205	468
Grants receivable	(87,534)	530,063
Prepaid expenses	(42,251)	124,158
(Decrease) increase in:		
Accounts payable and accrued expenses	(678,513)	445,328
Refundable advance	(21,053)	5,109
Funds held for others	80,000	111,884
Operating lease liabilities	<u>(370,636)</u>	<u>(401,539)</u>
Net cash (used) provided by operating activities	<u>(841,051)</u>	<u>1,347,021</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from line of credit	-	931
Payment on line of credit	<u>(931)</u>	<u>-</u>
Net cash (used) provided by financing activities	<u>(931)</u>	<u>931</u>
Net (decrease) increase in cash and cash equivalents	(841,982)	1,347,952
Cash and cash equivalents at beginning of year	<u>1,818,939</u>	<u>470,987</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b><u>\$ 976,957</u></b>	<b><u>\$ 1,818,939</u></b>
<b>SCHEDULE OF NONCASH TRANSACTIONS</b>		
Operating Lease Right-of-Use Assets	<b><u>\$ 1,564,113</u></b>	<b><u>\$ -</u></b>
Operating Lease Liabilities for Right-of-Use-Assets	<b><u>\$ 1,564,113</u></b>	<b><u>\$ -</u></b>

## THE SKILLSOURCE GROUP, INC.

NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION

## Organization -

The SkillSource Group, Inc. (SkillSource) is a non-profit organization, incorporated in the State of Virginia and located in Vienna, Virginia. SkillSource was organized to support the workforce and economic development policies and programs determined by Virginia Career Works - Northern (VCWN) and to promote and implement VCWN activities in the Northern Virginia region. SkillSource was established in March 2002, and began operations in January 2003.

## Basis of presentation -

The accompanying financial statements are presented on the accrual basis of accounting, and in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) related to non-profit entities. As such, net assets are reported within two net asset classifications: without donor restrictions and with donor restrictions.

Descriptions of the two net asset categories are as follows:

- **Net Assets without Donor Restrictions** - Net assets available for use in general operations and not subject to donor restrictions are recorded as "net assets without donor restrictions". Net assets set aside solely through the actions of the Board are referred to as Board Designated and are also reported as net assets without donor restrictions. As of June 30, 2024, SkillSource does not have any Board designated net assets.
- **Net Assets with Donor Restrictions** - Net assets may be subject to donor-imposed stipulations that are temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Donor-imposed restrictions are released when the restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resource was restricted has been fulfilled, or both. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

The financial statements include certain prior year summarized comparative information in total but not by net asset class; such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with SkillSource's financial statements for the year ended June 30, 2024, from which the summarized information was derived.

## Cash and cash equivalents -

SkillSource considers all cash and other highly liquid investments with initial maturities of three months or less to be cash equivalents. Bank deposit accounts are insured by the Federal Deposit Insurance Corporation (FDIC) up to a limit of \$250,000. At times during the year, SkillSource maintains cash balances in excess of the FDIC insurance limits. Management believes the risk in these situations to be minimal.

## Funds held for others -

SkillSource has an agreement with the Northern Virginia Health Care Work Force Alliance (NoVaHealthFORCE) to act as its fiscal agent. SkillSource receives funds and makes disbursements on behalf of NoVaHealthFORCE.

**THE SKILLSOURCE GROUP, INC.****NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)****Funds held for others (continued) -**

SkillSource has no control over the decision making process for NoVaHealthFORCE disbursements and accordingly, these funds are considered restricted cash, with a corresponding funds held for others liability in the accompanying Statement of Financial Position.

**Other receivables -**

Other receivables primarily consists of amounts due within one year related to employee advances. Management considers all amounts to be fully collectable within one year. Accordingly, an allowance for doubtful accounts has not been established.

**Grants receivable -**

Grants receivable include unconditional promises to give that are expected to be collected within one year; accordingly, neither a discount nor an allowance for doubtful accounts has been established by management.

**Fixed assets -**

Fixed assets in excess of \$5,000 are capitalized and stated at cost. Fixed assets are depreciated on a straight-line basis over the estimated useful lives of the related assets, generally three to five years. Leasehold improvements are amortized over the lesser of the useful life of the asset or the remaining life term of the lease. The cost of maintenance and repairs is recorded as expenses are incurred. Depreciation and amortization expense totaled \$4,427 for the year ended June 30, 2025.

**Income taxes -**

SkillSource is exempt from Federal income tax under Section 501(a) of the Internal Revenue Code (IRC), as an organization described in IRC Section 501(c)(3). Accordingly, no provision for income taxes has been made in the accompanying financial statements. SkillSource is not a private foundation.

**Support from grants and contributions, including Federal awards -**

SkillSource receives grants and contributions, including Federal awards from the U.S. Government. Grants and contributions are recognized in the appropriate category of net assets in the period received. SkillSource performs an analysis of the individual grant or contribution agreement to determine if the funding stream follows the contribution rules or if it should be recorded as an exchange transaction depending upon whether the transaction is deemed reciprocal or nonreciprocal in accordance with ASC Topic 958.

For grants qualifying under the contribution rules, support is recognized upon notification of the award and satisfaction of all conditions, if applicable. Conditional promises to give are not recognized until the conditions on which they depend are substantially met. Contributions, including grants qualifying as contributions, that are unconditional but have donor restrictions are recognized as "without donor restrictions" only to the extent of actual expenses incurred in compliance with the donor-imposed restrictions and satisfaction of time restrictions.

**THE SKILLSOURCE GROUP, INC.****NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025****1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND GENERAL INFORMATION  
(Continued)**

Support from grants and contributions, including Federal awards (continued) -

Grants and contributions with donor restrictions either in excess of expenses incurred or with time restrictions are shown as net assets with donor restrictions in the accompanying financial statements.

Conditional grants and contributions contain a right of return and a measurable barrier. Grants and contributions are recognized when conditions have been satisfied. Most Federal grants are for direct and indirect program costs and are considered to be conditional contributions, which are recognized as contributions when the amounts become unconditional. Conditional grants and contributions received in advance of meeting specified conditions established by donors are recorded as refundable advances. However, SkillSource did not have any refundable advances at June 30, 2025.

In addition, SkillSource has obtained funding source agreements related to conditional grants and contributions, such as Federal awards from the U.S. Government, which will be received in future years. SkillSource's unrecognized conditional grants and contributions to be received in future years totaled approximately \$1,230,000 as of June 30, 2025.

Revenue from contracts with customers -

SkillSource's lease income is the most significant revenue stream that is treated as exchange transaction revenue following ASC Topic 606. Lease income is recognized as revenue over the lease period on a straight-line basis, which represents the satisfaction of the performance obligation. SkillSource has elected to opt out of all disclosures not required for nonpublic entities. Transaction price is based on cost. Amounts received in advance of satisfying performance obligations are recorded as deferred revenue.

Use of estimates -

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Accordingly, actual results could differ from those estimates.

Functional allocation of expenses -

The costs of providing the various programs and supporting services have been summarized on a functional basis in the Statement of Activities and Change in Net Assets. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Expenses directly attributed to a specific functional area of SkillSource are reported as direct expenses to the programmatic area and those expenses that benefit more than one function are allocated on a basis of actual time and effort or other reasonable basis.

**2. LINE OF CREDIT**

SkillSource has a \$750,000 line of credit, which matures on demand. Amounts borrowed under this agreement bear interest at the Wall Street Journal Prime Rate plus .5%.

**THE SKILLSOURCE GROUP, INC.****NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025****2. LINE OF CREDIT (Continued)**

The interest rate at June 30, 2025 was 8%. The line of credit is secured by all business assets of SkillSource and also contains various restrictive and finance covenants, including a minimum debt service ratio requirement and a limitation on the incurrence of additional debt. As of June 30, 2025, there were no outstanding borrowings on the line of credit.

**3. NET ASSETS WITH DONOR RESTRICTIONS**

There were no net assets with donor restrictions at June 30, 2025. The following net assets with donor restrictions were released from donor restrictions by incurring expenses, which satisfied the restricted purposes specified by the donors during the year ended June 30, 2025:

United Way Financial Education Center	\$ 359,970
Community Foundation (NVITE)	13,694
TANF4	<u>1,680</u>
<b>TOTAL NET ASSETS RELEASED FROM DONOR RESTRICTIONS</b>	<b><u>\$ 375,344</u></b>

**4. LIQUIDITY AND AVAILABILITY**

Financial assets available for use for general expenditures within one year of the Statement of Financial Position date comprise the following:

Cash and cash equivalents	\$ 539,140
Other receivables	6,915
Grants receivable	<u>1,120,716</u>

<b>FINANCIAL ASSETS AVAILABLE TO MEET CASH NEEDS FOR GENERAL EXPENDITURES WITHIN ONE YEAR</b>	<b><u>\$ 1,666,771</u></b>
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SkillSource has a policy to structure its financial assets to be available and liquid as its obligations become due. In addition, SkillSource has a line of credit agreement (as further discussed in Note 2) which allows for additional available borrowings up to \$750,000.

**5. LEASE COMMITMENTS**

SkillSource follows FASB ASC 842 for leases. SkillSource has elected the practical expedient that allows lessees to choose to not separate lease and non-lease components by class of underlying asset and is applying this expedient to all relevant asset classes. SkillSource has also elected to use a risk-free rate as the lease discount rate for all leases as allowed under FASB ASC 842.

SkillSource has an operating lease for office space through two separate leasing arrangements. The first lease is for office space in Woodbridge, Virginia that expired in December 2024. Base rent was \$205,976 per year, increasing by a factor of 2.5% per year. In December 2024, the lease was extended through December 2034. Base rent under the extended agreement is \$166,800 per year, increasing by a factor of 2.5% per year. The second lease is for office space in Alexandria, Virginia, which expires in October 2028. Base rent is \$129,444 per year, increasing by a factor of 2.75% per year.

**THE SKILLSOURCE GROUP, INC.****NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025****5. LEASE COMMITMENTS (Continued)**

For the year ended June 30, 2025, total lease cost was \$392,178 and total cash paid was \$381,944 for all operating leases. Lease expense is included within Facilities, supplies, and services on the accompanying Statement of Functional Expenses. As of June 30, 2025, the weighted-average remaining lease term and rate for the operating leases is 7.91 years and 3.75%, respectively.

The following is a schedule of the future minimum lease payments due under the operating lease, net of imputed interest, as of June 30, 2025:

**Year Ending June 30,**

2026	\$ 326,119
2027	334,667
2028	343,433
2029	238,467
2030	186,417
Thereafter	<u>897,610</u>
Sub-total	2,326,713
Less: Imputed interest	(329,809)
Less: Current portion	<u>(310,118)</u>

**LONG-TERM PORTION****\$ 1,686,786**

SkillSource subleases a portion of its office spaces in Woodbridge and Alexandria, Virginia, whereby approximately 88% of the leased space in Woodbridge and Alexandria were subleased to several organizations. The subleases include annual rental escalations of 2.5% and expire in December 2025.

Lease income for the year ended June 30, 2025 was \$768,409.

**6. RETIREMENT PLAN**

SkillSource provides a defined contribution tax-deferred 401(k) pension plan (the Plan). All full-time employees (no trainees) are eligible to participate in the Plan and are fully vested upon their fourth month of employment. SkillSource contributes 3% of gross salaries, plus a discretionary contribution, and matches up to \$520 of employee deferrals. Employer contributions to the Plan during the year ended June 30, 2025 totaled \$198,291 and are included within Personnel in the accompanying Statement of Functional Expenses.

**7. CONCENTRATION OF REVENUE**

For the year ended June 30, 2025, approximately 60% of SkillSource's revenue was derived from grants awarded by the U.S. Department of Labor (DOL).

Any interruption of this relationship (i.e., the failure to renew grant agreements or withholding of funds) would adversely affect SkillSource's ability to finance ongoing operations.

**THE SKILLSOURCE GROUP, INC.****NOTES TO FINANCIAL STATEMENTS  
JUNE 30, 2025****7. CONCENTRATION OF REVENUE (Continued)**

In 2025, a series of Presidential Executive Orders were issued that impacted new and existing U.S. Government awards. As a result of these Presidential Executive Orders, certain awards were terminated. SkillSource is currently assessing the potential financial and operational impact of these directives. While management does not anticipate any immediate effects on other programs or funding sources, there is inherent uncertainty regarding the longer-term implications of the Executive Orders. These financial statements do not reflect any adjustments related to this situation.

**8. CONTINGENCY**

SkillSource receives grants from various agencies of the United States Government. Such grants are subject to audit under the provisions of *Title 2 U.S. Code of Federal Regulations (CFR) Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The ultimate determination of amounts received under the United States Government grants is based upon the allowance of costs reported to and accepted by the United States Government as a result of the audits. Until such audits have been accepted by the United States Government, there exists a contingency to refund any amount received in excess of allowable costs. Management is of the opinion that no material liability will result from such audits.

**9. SUBSEQUENT EVENTS**

In preparing these financial statements, SkillSource has evaluated events and transactions for potential recognition or disclosure through November 24, 2025, the date the financial statements were issued.

## **SUPPLEMENTAL INFORMATION**



**THE SKILLSOURCE GROUP, INC.**

**SCHEDULE OF GRANTS, AWARDS, AND ACTIVITIES  
FOR THE YEAR ENDED JUNE 30, 2025**

	Pass-Through								
	Total	Indirect Costs	VCCS WIOA	Arlington WIOA	NCOA SCSEP	ICF H1B	TANF/ESLA	Fairfax County TALENT UP	Prince William County ELEVATE
Total Personnel Expenses	\$ 2,644,080	\$ 160,246	\$ 906,708	\$ 140,218	\$ 35,046	\$ 60,878	\$ 337,185	\$ 391,416	\$ 5,057
Non-Personnel Expenses:									
Contractual personnel and operations	2,790,149	-	2,384,221	-	151,152	-	-	7,534	105,735
Customer training and services	3,697,427	510	790,021	126,929	1,140,962	-	73,486	1,055,524	80,624
Facilities, supplies and services	850,021	24,601	294,431	-	882	-	302	-	-
Insurance	42,956	37,295	-	-	-	-	-	-	-
Office supplies and services	116,209	20,462	22,826	520	594	27,290	10,920	3,976	1,688
Outreach and communication	264,219	13,437	140,598	1,061	3,554	172	4,237	24,094	2,627
Professional services	453,763	224,780	131,020	-	28,675	193	2,498	23,529	-
Travel, meetings and conferences	20,390	-	4,537	69	2,872	-	2,106	388	742
Professional development	7,606	4,266	675	-	115	-	850	-	-
Depreciation and amortization	4,427	-	-	-	-	-	-	-	-
Total Non-Personnel Expenses	8,247,167	325,351	3,768,329	128,579	1,328,806	27,655	94,399	1,115,045	191,416
Total expenses before indirect costs	10,891,247	485,597	4,675,037	268,797	1,363,852	88,533	431,584	1,506,461	196,473
Allocation of indirect costs	-	(485,597)	145,727	21,285	295	7,955	35,836	41,895	(583)
TOTAL EXPENSES PER FINANCIAL STATEMENTS	\$ 10,891,247	\$ -	\$ 4,820,764	\$ 290,082	\$ 1,364,147	\$ 96,488	\$ 467,420	\$ 1,548,356	\$ 195,890

**THE SKILLSOURCE GROUP, INC.**

**SCHEDULE OF GRANTS, AWARDS, AND ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2025**

	<u>Pass-Through (Continued)</u>		<u>Non-Federal Awards and Activities</u>		
	<u>Total Pass-Through</u>	<u>EYE</u>	<u>DARS SEAL</u>	<u>City of Manassas GRADUATE</u>	<u>GO Virginia</u>
<b>Total Personnel Expenses</b>	<b>\$ 1,876,508</b>	<b>\$ 5,066</b>	<b>\$ 507</b>	<b>\$ 3,815</b>	<b>\$ 215,580</b>
<b>Non-Personnel Expenses:</b>					
Contractual personnel and operations	2,648,642	17,701	26,782	-	-
Customer training and services	3,267,546	176,611	80,260	4,476	-
Facilities, supplies and services	295,615	-	-	-	-
Insurance	-	-	-	-	5,661
Office supplies and services	67,814	131	-	600	1,105
Outreach and communication	176,343	3,899	23	-	2,726
Professional services	185,915	12,783	-	-	20,739
Travel, meetings and conferences	10,714	68	-	-	938
Professional development	1,640	-	-	-	-
Depreciation and amortization	-	-	-	-	-
<b>Total Non-Personnel Expenses</b>	<b>6,654,229</b>	<b>211,193</b>	<b>107,065</b>	<b>5,076</b>	<b>31,169</b>
Total expenses before indirect costs	8,530,737	216,259	107,572	8,891	246,749
Allocation of indirect costs	252,410	26,897	13,379	1,106	30,690
<b>TOTAL EXPENSES PER FINANCIAL STATEMENTS</b>	<b>\$ 8,783,147</b>	<b>\$ 243,156</b>	<b>\$ 120,951</b>	<b>\$ 9,997</b>	<b>\$ 277,439</b>

**THE SKILLSOURCE GROUP, INC.**

**SCHEDULE OF GRANTS, AWARDS, AND ACTIVITIES  
 FOR THE YEAR ENDED JUNE 30, 2025**

	<b>Non-Federal Awards and Activities (Continued)</b>				
	<b>UW FEC</b>	<b>PW MRADC</b>	<b>Ticket To Work</b>	<b>Other Activities</b>	<b>Total Non-Federal Awards</b>
<b>Total Personnel Expenses</b>	<b>\$ 16,647</b>	<b>\$ -</b>	<b>\$ 173,850</b>	<b>\$ 191,861</b>	<b>\$ 607,326</b>
<b>Non-Personnel Expenses:</b>					
Contractual personnel and operations	95,315	-	-	1,709	141,507
Customer training and services	-	2,925	5,830	159,269	429,371
Facilities, supplies and services	54,841	-	-	474,964	529,805
Insurance	-	-	-	-	5,661
Office supplies and services	926	-	1,761	23,410	27,933
Outreach and communication	1,208	-	2,837	63,746	74,439
Professional services	-	-	2,815	6,731	43,068
Travel, meetings and conferences	954	-	2,580	5,136	9,676
Professional development	-	-	1,700	-	1,700
Depreciation and amortization	-	-	-	4,427	4,427
<b>Total Non-Personnel Expenses</b>	<b>153,244</b>	<b>2,925</b>	<b>17,523</b>	<b>739,392</b>	<b>1,267,587</b>
Total expenses before indirect costs	169,891	2,925	191,373	931,253	1,874,913
Allocation of indirect costs	21,130	364	23,801	115,820	233,187
<b>TOTAL EXPENSES PER FINANCIAL STATEMENTS</b>	<b>\$ 191,021</b>	<b>\$ 3,289</b>	<b>\$ 215,174</b>	<b>\$ 1,047,073</b>	<b>\$ 2,108,100</b>




## NORTHERN REGION

Fairfax County | Prince William County | Loudoun County | City of Fairfax | City of Falls Church | City of Manassas | City of Manassas Park

November 10, 2025

**TO:** Anthony Reedy  
Executive Director  
Virginia Board of Workforce Development

**FROM:** David Hunn   
Executive Director

**SUBJECT:** VCW Northern Comments on Draft VWL - ETPL 401-01, Change 2

I share the Virginia Career Works Northern comments on the draft VWL – ETPL Policy 401-01, Change 2.

This draft Policy appears to completely remove the local workforce development boards from the receipt and review of initial training provider applications. Section B, Bullet Three (page 4) states that Virginia Works will receive the initial training provider application and will refer the application to the local workforce development board ‘for input on the initial review’. Yet, Section B, Bullet Four states that Virginia Works ‘ensures that local workforce development boards ‘reviews initial training provider and program applications in a timely manner.’

- **This Policy must decide which entity, either Virginia Works or the local workforce development board, receives the initial training provider application and provides review and comments to the next organization (either State or local workforce board).** (For State officials’ information, many training providers in our local workforce area come directly to our local Board staff for guidance and submission of the initial application. Any new State policy must be clear which organization is to receive and review the initial application to avoid lost time and customer complaints).

In Section B, Bullet Nine (page 4), I recommend that this additional sentence be added at the end of the current sentence:

- **Upon the receipt of a local workforce board recommendation to remove a training provider for violation of WIOA or state policies, the Virginia Workforce Board will decide within ten (10) working days.**

In Section C, LWDB Responsibilities, I disagree with the proposed removal of Bullet 3, authorizing local boards to remove training providers not meeting state or local performance standards. If State officials are prepared to take on the difficult work of managing local WIOA

training provider applications and maintaining the State ETPL list, I recommend the following replacement sentence as an LWDB responsibility:

- **Recommending the removal of an Eligible Training Provider (ETP) to Virginia Works from the State ETPL for failing to meet state and local performance standards. Virginia Works officials will decide on this recommendation within ten (10) working days.**

In Section C, last paragraph (page 7), I recommend removing the proposed sentence allowing out-of-state training providers to apply to Virginia Works if the provider has been already removed or suspended from its home state ETPL list. I cannot think of any reason Virginia would want to include other state's suspended or removed training provider. Ensuring that the out-of-state training provider is currently listed in its home state WIOA ETPL list is a solid and comparative requirement that should remain intact, with no exceptions.

### **Next Steps for the Virginia Career Works Northern Region ETPL Support**

With the expected December 2025 Virginia Workforce Board's approval of this new VWL – 401-01, Change 2, our local workforce area will plan to completely shift our own eligible training provider review staffing and oversight policy to other administrative and program areas. We will advise all current and new eligible training providers in our local area that all further communications on training provider issues and concerns are to be addressed to Virginia Works staff and officials. As our local workforce area oversees at least sixty five (65) training providers with hundreds of training programs included on the Virginia ETPL, Virginia Works must be prepared for an immediate expanded workload requirement, with very limited, if any, local support from the Virginia Career Works Northern Region effective in January 2026.

Thank you for considering our local area's comments on this draft policy.

I can be reached at (703) 795-0684.

Enclosure



## VIRGINIA BOARD OF WORKFORCE DEVELOPMENT

<b>Policy Area:</b> Programs and Services	
<b>Title of Policy:</b> Eligible Training Provider List	<b>Number:</b> VBWD 404-01 Change <del>4</del> <u>2</u>
<b>Effective Date:</b> <del>January-July 1, 2023</del> <u>2026</u>	<b>Review by Date:</b> June <del>2025</del> <u>2027</u>
<b>Approved Date:</b> <del>June 30, 2023</del>	<b>Approved by:</b>
<b>Revision History:</b> <u>VBWD 404-01</u>	

### I. Purpose

The Workforce Innovation and Opportunity Act (WIOA) requires states to maintain a list of training providers and training programs that are eligible to be purchased through an Individual Training Account (ITA). The list is known as the Eligible Training Provider List (ETPL). The WIOA establishes the eligible training provider process as part of the overall strategy to ensure informed customer choice, performance accountability, and continuous improvement. This policy provides the eligibility criteria, required information, performance measures, reporting elements, and the application procedures for inclusion on Virginia's ETPL. Virginia's Department of Workforce Development and Advancement (~~VDWDA~~Virginia Works), as Virginia's State Workforce Department is responsible for overseeing and maintaining Virginia's ETPL. Training shall be provided in a manner that ensures informed customer choice in the selection of training for regionally in-demand occupations, and prudent use of public funds in the selection of such providers.

### II. Revision History

This Virginia Board of Workforce Development (VBWD) policy rescinds and replaces VBWD 404-01 Change 1 Eligible Training Provider List, which in turn replaced and rescinded VBWD 404-01 Identification of Eligible Providers of Occupational Skills Training and VBWD 404-02, Change 1 Registered Apprenticeship Programs. Registered apprenticeship ETPL guidance from VBWD Policy 404-02, Change 1 has been incorporated into VBWD 404-01 ~~C~~change ~~2~~4. The ~~VDWDA~~Virginia Works, in partnership with the Local Workforce Development Boards (LWDBs) and on behalf of the Virginia Board of Workforce Development (VBWD), will maintain responsibility for reviewing and evaluating initial eligibility applications. The renewal evaluation process will be also conducted by the ~~VDWDA~~Virginia Works. The ~~VDWDA~~Virginia Works will expand the provider services module in the Virginia Workforce Connection (VaWC) for the submission and processing of ETPL initial and renewal applications.

### III. References

- Workforce Innovation and Opportunity Act (Pub. L. 113-128)
- United States Department of Labor, Workforce Innovation and Opportunity Act; Final Rule, 20 CFR, Part 680 Subpart D, Eligible Training Providers
- United States Department of Labor, Workforce Innovation and Opportunity Act; Final Rule, 20 CFR, Part 680 Subpart F, Work-Based Training
- United States Department of Labor, Apprenticeship Programs, Labor Standards for



## VIRGINIA BOARD OF WORKFORCE DEVELOPMENT

Registration, Amendment of Regulations; Final rule, 29 CFR, Part 29

- [United States Department of Labor, Workforce Innovation and Opportunity Act; Final Rule, 20 CFR Part 38, Implementation of the Nondiscrimination and Equal Opportunity Provisions](#)
- Code of Virginia Section 23.1-217, 23.1-218, and 23.1-219



## VIRGINIA BOARD OF WORKFORCE DEVELOPMENT

- Training and Employment Guidance Letter 19-16 *Operating Guidance for the Workforce Innovation and Opportunity Act (WIOA)*
- Training and Employment Guidance Letter 3-18 *Eligible Training Provider (ETP) Reporting Guidance under the Workforce Innovation and Opportunity Act (WIOA)*
- Training and Employment Guidance Letter 8-19 *Workforce Innovation and Opportunity Act (WIOA) Title I Training Provider Eligibility and State List of Eligible Training Providers (ETPs) and Programs*
- Training and Employment Guidance Letter 8-19 Change 1 *Guidance on registered Apprenticeship Provisions and Opportunities in the Workforce Innovation and Opportunity Act (WIOA)*
- Training and Employment Guidance Letter 10-16 Change 2 *Workforce Innovation and Opportunity Act (WIOA) title I Performance Accountability Guidance for Workforce Innovation and Opportunity Act (WIOA) Core Programs*

### IV. Policy

#### A. Providing Training Under WIOA Title I and Types of Training

WIOA authorizes both direct contract for services and individual training accounts (ITAs). An ITA is a payment agreement established by a local workforce development board on behalf of a student with a training provider and may be used to pay for any allowable type of training as long as the program of training service is on Virginia's ETPL. Select training services may also be provided using a contract between the provider and the local board. For these select training services, students can receive the training from a program that is not on the ETPL.

Training services that are exempt from the requirement to use a training provider on the ETPL include:

- On-the-job training, customized training, incumbent worker training, internships, paid or unpaid work experience, and transitional employment. LWDBs are required to identify their criteria for selecting such contractors in local policy. Any performance information required by the state for training that is exempt from the ETPL will be specified in the policy for those types of training.
- When the LWDB determines:
  - There are an insufficient number of eligible providers in the local area to accomplish the purpose of an ITA. The local plan and local policy must describe how this determination was made and the process used for contracting for services.
  - A community-based organization (CBO) or non-~~profit~~profit organization whose primary mission is to serve individuals with barriers to employment provides demonstrated effective training services. The LWDB must develop criteria in local policy to determine that the program is effective.
  - It would be most appropriate to award a contract to a provider to facilitate the training of multiple individuals in in-demand industry sectors or occupations, as long as the contract does not limit the individual's consumer choice.





## VIRGINIA BOARD OF WORKFORCE DEVELOPMENT

- Circumstances in which a pay-for-performance contract is appropriate, if the LWDB chooses to utilize this strategy.

A program of study is defined as one or more courses or classes, or a structured regimen that provides job-driven training services and leads to a recognized post-secondary credential, secondary school diploma or its equivalent, employment, or measurable skills gains towards such a credential or employment. Training services could be delivered in person, online, or in a hybrid model.

Training programs must provide training services that are physically and programmatically accessible for individuals who are employed and individuals with barriers to employment, including individuals with disabilities.

### B. Roles and Responsibilities

~~The VDWDA~~ [Virginia Works](#), in consultation with the VBWD and soliciting and considering input from the local workforce development boards and public, is responsible for the following:

- Developing and maintaining the ETPL;
- Establishing initial and renewal criteria, information requirements, and performance requirements;
- ~~Receiving~~ initial training provider and program applications and referring to a LWDB for input on the initial review;
- Ensuring training provider compliance with all Equal Opportunity, WIOA Section 188 and Grievance related requirements;
- Ensuring that the LWDB reviews initial training provider and program applications in a timely manner;
- Notifying the training provider regarding all decisions to approve or deny eligibility on the ETPL and will update the ETPL accordingly;
- Ensuring that data elements related to the initial application, renewal, and performance information regarding approved providers and programs are entered into the supported state system of record;
- ~~Receiving renewal applications,~~ Conducting evaluations for each training provider and program for renewal and will make the recommendation to approve or deny renewal applications;
- Taking appropriate actions, including the removal of ineligible training providers from the ETPL, against training providers that substantially violate the WIOA or state policies;
- Establishing an appeals procedure to training providers for programs that are denied inclusion on the ETPL;
- Establishing a process for adding Registered Apprenticeship (RA) programs to the ETPL and verify the registration status of the RA programs;
- Maintaining the infrastructure to support the state ETPL, including staffing, publishing provided information related to cost and performance outcomes, and make it publicly accessible in a user-friendly way to the consumers, other members of the public, and other workforce stakeholders; and
- Ensuring that the ETPL does not reveal personally identifiable information about



VIRGINIA BOARD OF  
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## VIRGINIA BOARD OF WORKFORCE DEVELOPMENT

The LWDB is responsible for the following:

- Ensuring that there are sufficient numbers and types of providers to offer training services (including eligible providers with expertise in assisting individuals with disabilities and eligible providers with expertise in assisting adults in need of adult education and literacy activities) serving the local area and providing the services involved in a manner that maximizes consumer choice and leads to competitive integrated employment for individuals with disabilities;
- ~~Providing input on the~~ Evaluating and certifying ~~of~~ the initial training provider and program(s) and communicating that decision to ~~the VDWD~~ [Virginia Works](#) within 90 days of receiving a complete application;
  - Local Boards must have an approved process in place to ~~provide feedback for the review of~~ initial training provider and training programs eligibility for certification;
- ~~Removing ETPs that fail to meet state/local performance standards from the local ETPL, in accordance with state and local policies and procedures.~~
- Ensuring that the states' ETPL is disseminated publicly through the local one-stop system, including in formats accessible to individuals with disabilities, and its partner programs.
- Completing other responsibilities delegated to the LWDB by the state.

Training providers must submit accurate and timely performance data and cost information for both initial eligibility and renewals to the [VDWD](#) [Virginia Works](#). Training providers must deliver results and provide complete and accurate information in order to retain status as an ETP (see Initial Eligibility and Renewal Criteria for additional information).

### C. Eligible Institution Types

There are five categories of providers who may apply for consideration to be included on the Virginia ETPL:

1. A postsecondary educational institution that is eligible to receive federal funds under Title IV of the Higher Education Act of 1965 and that provides a program that leads to certification or license or college certificate, associate degree, or baccalaureate degree.
2. A postsecondary school that offers formal instructional programs with curricula designed primarily for students who have completed the requirements for a high school diploma or its equivalent. Such schools include programs of academic-vocational, vocational, and continuing professional education that may lead to a certification or licensure. This category excludes avocational and adult basic education programs.
3. An entity that carries out related instruction under the National Apprenticeship Act that is recognized by the [VDWD](#) [Virginia Works](#). See RAP section for additional information on how RAPs may opt in to the ETPL.
4. A provider of a program of occupational training services that under Section 23.1-219 of the Code of Virginia is exempt from certification as a postsecondary school such as a professional or occupational training program regulated by another state or federal governmental agency other than the State Council of Higher Education for Virginia (SCHEV), any school, institute, or course of instruction offered by any trade association or any non-profit affiliation of a trade association on subjects related to the trade, business, or profession represented by such association.



## VIRGINIA BOARD OF WORKFORCE DEVELOPMENT

5. A provider of adult education and literacy activities under Title II of WIOA, if these activities are provided in combination with occupational skills training.

Providers under categories 1 and 2 must provide evidence of active certification by the appropriate state agency to operate or must have program approval from an applicable state agency in order to be considered for approval on the ETPL.

In addition to identifying as one of the five eligible categories described above, the training provider must also meet the following minimum requirements:

- The training provider has a current verifiable Federal Employer Identification Number (FEIN);
- The training provider is not federally debarred, suspended or otherwise excluded from or ineligible for participation in federal programs or activities;
- The training provider is not a delinquent taxpayer with the Virginia Department of Revenue;
- The training provider has to provide written grievance and ~~non~~nondiscrimination policies for students to file complaints within an organization against faculty, staff, or other employees, that are published to ensure that students are aware of how to file a complaint; and
- The training provider complies with all applicable non-discrimination and equal opportunity provisions as potential recipients of WIOA funds.

*Out-of-state Training Providers:* WIOA funds may also be used for approved programs from other states. Reciprocity agreements between Virginia and other states will define initial eligibility criteria and application process and renewal criteria and process.

If Virginia does not have an active reciprocity agreement in place with the training provider's home state, the out-of-state training provider must follow the same application process for initial eligibility and renewal process as in-state providers. All out-of-state training providers must be in good standing on their home state's ETPL. Furthermore, if a training provider has been suspended or removed from another state's ETPL at the time of application, they must provide this information on the Virginia application. Providing this information may not preclude an applicant from successfully securing a place on Virginia's ETPL, but nondisclosure of this information could result in refusal.

### D. Initial Eligibility

To be considered for inclusion on the ETPL, ~~the LWDB~~ Virginia Works must certify the initial training provider application and all new program applications. The training provider must submit an application, including a completed Equal Opportunity and Nondiscrimination Certification Form, through the provider services module in the VaWC. An application may be submitted at any time of the year and new training providers and programs will be continually added to the ETPL as they ~~become~~are approved.

Virginia Works will evaluate the initial application to ensure the training program meets the basic minimum requirements for inclusion in the state ETPL. The LWDB will then be provided an opportunity to provide input review the completed application within 90 business days of receipt notification to determine if the training provider meets the minimum



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~~criteria established.~~ If approved, initial eligibility status is for no more than 12 months. After the initial eligibility period expires, training providers and each training program are subject to the procedures for eligibility renewal.

The training provider must agree to collect and report to the VDWD the social security numbers or some other form of identification that would allow for an employment and wage



## VIRGINIA BOARD OF WORKFORCE DEVELOPMENT

match of all students in each eligible training program (WIOA and Non-WIOA funded students during the reporting time frames), as well as the performance outcomes described in the reporting section below on an annual basis.<sup>1</sup>

*Information Requirements:* All training providers applying for inclusion on the ETPL must provide a completed application that must include the following:

- Description of each program of training services to be offered to include description of instruction delivery-classroom, distance learning, or hybrid instruction;
- For providers of adult education and literacy activities under Title II of WIOA, a description of how the training activities are provided in combination with occupational skills training;
- Location of training provider;
- Other states the provider is in good standing on the relevant state's ETPL, as well as those states where the provider has been suspended or removed within the most recent three years;
- Information on cost of attendance, including costs of tuition and fees;
- Training program completion rate;
- Whether the training program leads to an industry-recognized certificate or credential, including recognized post-secondary credentials;
- Whether the certificate or credential can be stacked with other credentials over time as part of a sequence to move an individual along a career pathway or up a career ladder;
- Credential attainment rate (see definition below);
- The average wages for the primary target occupation for which the training prepares the individual, as published by the Virginia Employment Commission, for the state and the local area where they are pursuing application;
- Description of the prerequisites or skills and knowledge required prior to the commencement of training;
- Description of how the provider will ensure access to training services throughout the state, including rural areas and through the use of technology;
- Description of how the training provider will work with the LWDB to serve individuals with barriers;
- Description of written and published refund policies specifying when refunds for tuition and other costs associated with the training program will be allowed;
- Description of whether the training program was developed in partnership with a business; and
- Description of how the training program aligns with the in-demand industry sectors and occupations within the region.

*Criteria for Evaluation:* ~~The LWDB-Virginia Works~~ will review the initial training provider and training program application(s) to ensure that the following criteria are met.

- Verifiable training program completion rate for the previous program year (July 1- June 30) must meet or exceed 65%: Defined as the total number of ALL students who successfully completed (not withdrew or transferred) each program of study divided by

<sup>1</sup> ~~At the time of this policy re-authorization, the Commonwealth of Virginia has only one identification system available, and it relies exclusively upon social security numbers for wage and employment verification.~~

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the total number of ALL students who were enrolled in each program of study.

- Verifiable credential attainment rate for the previous program year must meet or exceed 65%: Defined as the total number of ALL students who exited each program of study AND attained a credential associated with the program of study within one year after exit divided by the number of ALL students enrolled in an education or training program who exited during the reporting period.



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- Whether the provider has developed the training in partnership with business (a description of the partnership(s) and the name of the business(es)); and
- Verification that the training program aligns with in-demand industry sectors and occupations within the state or region.

If the training provider does not have program completion rates or credential attainment rates because the training program is a new program, then the provider may include written justification for the missing data. A new program is defined as a program that has been offered for less than 12 months.

Approval places the provider and program on the state ETPL but does not guarantee a local workforce development area will fund training activities in the program through the issuance of an ITA. The determination of funding is further based on local policy which must include, at minimum, relevance of training to in-demand occupations established by the LWDB, availability of local funds, and alignment with the individual's employment and career objectives.

### E. Renewal Criteria

After the initial eligibility period of no more than one year, the training provider must submit performance outcomes, update the provider and program specific information in the VAWC, and inform the Virginia Works of interest in being considered for program ~~submit an application for~~ renewal. This must be done for each program at least every two years. The initial and renewal eligibility ~~letter notifications to the training provider from Virginia Works~~ shall state the initial, or renewal, certification period and specify the date for the next renewal evaluation to determine continuation on the ETPL.

The training provider must submit ~~a renewal application and~~ performance outcomes for every training program on the ETPL even if the program served zero WIOA students and a completed Equal Opportunity and Nondiscrimination Certification Form. Inactivity in training ~~state and federal grant~~ WIOA Title I funded students for a two-year period may result in removal from the ETPL and require reapplication. Failure to submit performance outcomes and/or a renewal application may result in removal from the ETPL. The training provider may contact the VDWDA Virginia Works to indicate that they wish to remove a program from the ETPL and do not want to renew a program for inclusion on the ETPL. Non-compliance will result in not being eligible for federal or state workforce development grant funds during the period of non-compliance.

**Evaluations of training providers and programs will be completed at least every two years and will be conducted by the VDWDA Virginia Works.** The results of the evaluation, including and any recommendation to remove removals of a training provider programs from the ETPL will be delivered provided to the VBWD in their December quarterly meeting.

Training provider programs in compliance with the requirements outlined in this policy will be considered for renewal. Renewal on the ETPL will be happen automatically for training providers in good standing with this policy. So long as the training provider continues to provide data as required and meets performance measures, their programs will continue to stay





## VIRGINIA BOARD OF WORKFORCE DEVELOPMENT

active on the ETPL.

If these criteria are not met or if the provider no longer wishes to be on the ETPL, they may request to be removed from the list.

If a provider is removed from the list either voluntarily or they are removed from the list for not submitting data or meeting performance, they will be required to reapply for the eligibility in accordance with section G below.

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Required Information (The question here is who is providing this? Is it the training provider, the state, etc.? Some of this)

- Performance on WIOA Indicators
  - Employment 2<sup>nd</sup> quarter: percentage of program students who are in unsubsidized employment during the second quarter after exit from the program
  - Employment 4<sup>th</sup> quarter: The percentage of program students who are in unsubsidized employment during the fourth quarter after exit from the program



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- Median earnings of program students who are in unsubsidized employment during the second quarter after exit from the program
- Credential attainment: the percentage of program students who obtain a recognized postsecondary credential, or a secondary school diploma or its recognized equivalent during participation in or within 1 year after exit from the program.
- Information on recognized postsecondary credentials received by program students
- Information on the training program completion rate for students
- Access to training services throughout the state (including rural areas and technology use)
- Information reported to state agencies on federal and state training programs other than WIOA Title I B
- The degree to which training programs relate to in-demand industry sectors and occupations in the state
- State licensure requirements of training providers, and licensing status of providers of training services, if applicable
- Ability to offer industry-recognized certificates and credentials
- Ability to offer industry-recognized post-secondary credentials
- Quality of the program of training services including a program that leads to a recognized postsecondary credential
- Ability to provide ~~training~~ training that ~~are-is~~ physically and programmatically accessible for individuals who are employed and individuals with barriers to employment, including individuals with disabilities
- Timeliness and accuracy of ETPL performance reports
- Performance and cost information for each program of study must be submitted annually

### Criteria

WIOA permits Governors, in consultation with their state boards, to establish performance criteria for training providers. The performance requirements may be revised as the state biannually negotiates performance measures with DOLETA. Training provider programs will be evaluated according to the criteria established in this policy beginning with program year 2023 data (Program Year 2023 is July 1, 2023-June 30, 2024).

In order to remain on the ETPL, all eligible training provider programs must meet the following outcomes for all students for the prior completed year ending June 30<sup>th</sup>:

1. Training Completion Rate: For the period July 1, 202~~63~~<sup>74</sup>-June 30, 202~~74~~<sup>85</sup>, 70%. For the period July 1, 202~~74~~<sup>85</sup>-June 30, 202~~85~~<sup>96</sup>, and hereafter, 80%
- ~~2.~~ Credential Attainment Rate within one year: For the period July 1, 202~~63~~<sup>74</sup>-June 30, 202~~74~~<sup>85</sup>, 70%. For the period July 1, 202~~74~~<sup>85</sup>-June 30, 202~~85~~<sup>96</sup>, and hereafter, 75%
- ~~3-2.~~ Employment 2<sup>nd</sup> quarter after Exit: Minimum performance level to be established after one year of baseline data has been collected for all students.



## VIRGINIA BOARD OF WORKFORCE DEVELOPMENT

~~4.3~~ Median Earnings 2<sup>nd</sup> quarter after Exit: Minimum performance level to be established after one year of baseline data has been collected for all students.

~~5.4~~ Employment 4<sup>th</sup> quarter after Exit: Minimum performance level to be established after one year of baseline data has been collected for all students.

~~Virginia will use a phased-in approach with new student data starting July 1, 2023, to determine performance success or failure for each criterion. VDWD's Virginia Works~~ will work collaboratively with training providers to obtain the required information. Training providers that demonstrate a good faith effort in providing data will not be subject to removal ~~from~~ the ETPL; however, failure to provide any data may result in removal from the ETPL.

In the event the training provider does not have all the required performance data, it must show good cause as to why the data is unavailable, such as that the training program is new and data on past performance is not yet available.

If the performance data falls below the minimum standards and the program is recommended for removal from the ETPL in consultation with the LWDB, the training provider is provided an opportunity to appeal and provide an explanation that will be considered by the VBWD. (See appeals section for more information.)

Virginia's Secretary of Labor has the discretion to grant flexibility for extenuating circumstances.

In the ~~VDWDA's~~ Virginia Works' review of training provider program ~~performance~~ performance, it will also consider whether the provider accurately and timely submitted all of the required information.

If a training provider's program failed to meet the criteria established above, they will be placed on ETPL probation for one year. The training provider will be required to develop a performance improvement plan and submit it to the VBWD. If a training provider on probationary status fails to meet performance levels on all measures the following year, the training provider program may be removed from the state ETPL. Training providers may re-apply for the ETPL the following year. Training providers who are removed from the state list may appeal.

### F. Annual Reporting Requirements

Training provider and program performance reports are intended to provide critical information regarding students' employment, earnings, and credential outcomes for all programs on the ETPL. The purpose of these reports is to maximize informed consumer choice by identifying effective training programs and providers. Annual performance requirements are driven by the Federal Department of Labor and are detailed in TEGL 3-18. The Department of Labor Employment and Training Administration (DOLETA) will make Training Provider Results available at: [TrainingProviderResults.gov](https://TrainingProviderResults.gov). Providers are required to enter performance information into the state reporting system to ensure transparency and support informed customer choice in the evaluation and selection of training providers.



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Performance information must be entered for all students that entered a program on the ETPL even if there were no students funded by WIOA Title I through an ITA. Data must also be included for any student located outside of Virginia.

All training providers on the ETPL must submit the following information for all students in all programs on the ETPL, no later than August 1<sup>st</sup> of each Program Year through the ETPL Portal.

- Training Provider Name
- Program Name
- For every student the following data must be reported
  - Social Security Number or some other form of identification that would allow for an employment and wage match for each student
  - Program Entry Date
  - Program Exit Date
  - Training Program Completion Status
  - Credential Earned-up to one year after exit

Providers of training who fail to provide the verification and performance information annually by August 1<sup>st</sup> may be removed from the state eligible training provider list.

### G. Eligibility Denials and Terminations

*Initial Eligibility Denials:* Virginia Works, in partnership with the LWDBs and on behalf of the VBWD, will maintain responsibility for reviewing and evaluating initial eligibility applications. The VBWD Virginia Works must deny any application to have a training program included on the ETPL if the training provider does not meet the eligibility requirements stated in Section C. Eligible Institution Types or if the training program does not meet the state's initial eligibility requirements stated in Section D. Initial Eligibility.

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*Renewal Terminations:* Once the training provider is on the ETPL, the VBWD Virginia Works must terminate the eligibility of the training provider if the eligibility requirements of the provider are no longer met or if the training provider commits a substantial violation. Substantial violations include failure to submit timely and accurate annual performance reports or renewal applications, intentionally providing false information, or violating any provision of the WIOA Title I or its regulations, including the nondiscrimination and equal opportunity provisions. Removal will be for a period of at least two years. When determining if a training provider has failed to submit timely and accurate information, the VBWD Virginia Works will consider exceptional circumstances beyond the provider's control such as natural disasters, unexpected personnel transitions, and unexpected technology-related issues.

A training program may be removed from the ETPL if the program does not meet the minimum performance standards stated in Section E Renewal Criteria.

The VBWD Virginia Works may terminate eligibility at any time for cause, including, not meeting established performance standards. When a training provider or program is

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terminated, it will be removed from the published ETPL. If WIOA students are currently enrolled in a training



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program that must be removed from the ETPL, the student will be informed by the LWDB and the student may decide to complete their training program so as not to disrupt their progress. If circumstances permit, the LWDB will be authorized to finalize all outstanding payments to the training provider for those students completing training during this period.

*Repayment:* A provider whose eligibility is terminated because of intentionally supplying inaccurate information or has substantially violated the WIOA shall be liable for repayment of all WIOA funds received for the program during any period of noncompliance. LWDBs will make reasonable efforts to collect funds based on established policies and procedures.

*Construction:* These penalties shall be construed to provide remedies and penalties that supplement, but do not supplant, other civil and criminal remedies and penalties.

### H. Appeals

The training provider may appeal the decision to deny a program for inclusion on the ETPL or to terminate the inclusion of a program on the ETPL.

First Appeal Request: The training provider must file a written appeal within thirty (30) calendar days after the date of program denial or termination from the ETPL to Virginia Works. Appeals may be sent electronically to Virginia Works the Director of WIOA Title I or the director's designee at wioa-etpl-appeals.virginiaworks.gov -wioa@vees.edu. The subject line should read ETPL Appeal. The appeal must indicate the purpose of the request including identifying the training provider and program(s), information supporting the grounds upon which the appeal is sought, and any vital factors to support the grounds for appeal. A first level appeal must occur before the matter can be appealed to the VBWD.

Second Appeal Request: After receiving notice of the outcome of the first appeal request, the training provider may file a second level appeal by sending a request to the Director of the VBWD. The email must clearly state the training provider's desire to appeal the matter to a hearing and the reason(s) the training provider believes the outcome of the first level appeal was incorrect or inaccurate. The email must be sent within ten (10) business days after email notification was sent containing the outcome of the first level appeal.

The VBWD shall consider an appeal at the next scheduled quarterly full VBWD meeting as long as the appeal is received at least thirty (30) days prior the full Board meeting. At the discretion of the Chair, the VBWD may call a special meeting to consider appeals. The VBWD requires that the individual who files the second appeal or a designee, appear at the hearing to represent the training provider. ~~To "appear" means that the representative participates in the hearing using the method of communication chosen by the Administrative Law Judge (ALJ).~~

If no representative(s) for the institution appears at the scheduled hearing, the institution ~~loses~~ may lose its right to the hearing. A representative of the LWDB, or other interested parties, may be present at any hearing.

During the appeals process the impacted training provider program(s) will be removed from the ETPL. During the appeals process, if eligibility is reinstated, ~~the VBWD~~ Virginia Works will republish the training provider program(s) to the ETPL within five (5) business days

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from the final determination. Following the appeal, if a training provider program is denied initial eligibility on the ETPL, it may reapply as soon as the training institution addresses the reason for its



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denial on the list. Following the appeal, if a training provider is denied renewal on the ETPL for a substantial violation, the training provider must wait two years from the date of the final determination before reapplying to the ETPL.

### I. Registered Apprenticeships and ETPL

The Virginia Registered Apprenticeship Director [Virginia Works](#) will initiate contact with the Registered Apprenticeship (RA) program sponsors to provide information about the state's ETPL. RA Programs are automatically eligible to be included on the ETPL and are exempt from state and local ETPL eligibility requirements and performance requirements.

RA Programs that desire to be included on the ETPL must contact ~~the Director of Registered Apprenticeship~~ [Virginia Works](#). RA Programs are not automatically included on the ETPL, the RA Program must opt in to be added to the ETPL. National RA Programs are not required to register their apprenticeship program in Virginia. The RA Program is required to submit the following information to be included on the ETPL:

- Occupations included within the RA Program;
- Name and address of the RA Program Employer/Sponsor;
- Name and address(es) of the Related Technical Instructions (RTI) provider(s) and the location(s) of instruction if different from the program sponsor's address;
- The method and duration of related technical instruction;
- The cost of the RTI if the RA sponsor is not providing the instruction; and
- The number of active apprentices in the program

Following the receipt of a completed application, ~~the Director of Registered Apprenticeship~~ [Virginia Works](#) will verify that the program sponsor is active and in good standing. Following that confirmation, the RA Application will be forwarded to the WIOA Title I Administrator to add the RA program information to the state ETPL.

~~At least every two years, the WIOA Title I Administrator will provide a list of the approved Registered Apprenticeship Eligible Training Providers to the Director of Registered Apprenticeship for verification of current registration status.~~

The RA Program will remain on the ETPL until:

- The RA Program notifies ~~the VDWD~~ [Virginia Works](#) it no longer wants to be included on the ETPL;
- The program becomes deregistered under the National Apprenticeship Act;
- The program is determined to have intentionally supplied inaccurate information; or
- A determination is made that the RA Program substantially violated any provision of WIOA Title I or the WIOA regulations, including 29 CFR part 38.

The RA Program may appeal the decision to deny or remove the program from the ETPL by following the appeals processed outline in this policy.



<p style="text-align: center;">The <b>SkillSource</b> Group, Inc.  SUMMARY OF PENDING FUNDING AND DEVELOPMENT ACTIVITIES  To The Virginia Career Works Northern Board of Directors December 4, 2025</p>				
Project Name/Solicitation	Funding Request	SOG Funding	#s to Be Served	Proposal Status
<b>APPROVED</b>				
Northern Virginia Senior Community Service Employment Program (One-Year Grant from National Council on Aging)	\$1,358,795	\$1,358,795	146	Approved
Northern Virginia Employer Led Training Grant Award (One-Year Grant from Virginia Department of Workforce Development and Advancement)	\$60,000	\$60,000	TBD	Approved
Northern Virginia Rapid Response Initiative to Virginia Department of Workforce Development and Advancement (One-Year Grant Proposal Focusing on Dislocated Federal Workers and Contractors)	\$551,035	\$328,021	125	Approved
	\$1,969,830	\$1,746,816	271	
<b>NOT APPROVED</b>				
Northern Virginia's Electrical Apprenticeship to Employment Initiative (Two-Year Grant Proposal to Virginia Department of Energy)	\$300,791	\$164,469	35	Not Approved
<b>PENDING</b>				
Next Level Now Technical Assistance Collaborative Proposal to U.S. Department of Labor (One-Year Partnership with ICF International)	\$99,125	\$99,125	N/A	Submitted on 2/4/2025
SkillSource Ticket to Work Program Proposal to Cox Foundation	\$15,000	\$15,000	5	Submitted on 5/15/2025
SkillSource Ticket to Work Program (Two-Year Grant Proposal to Fairfax County Consolidated Community Funding Pool)	TBD	TBD	TBD	Will be submitted by 12/8/2025
Northern Virginia Jail-Based Employment Services Initiative (Two-Year Grant Proposal to Fairfax County Consolidated Community Funding Pool)	TBD	TBD	TBD	Will be submitted by 12/8/2025
	\$114,125	\$114,125	5	