WORKFORCE INVESTMENT COUNCIL OF CLACKAMAS COUNTY, INC.
dba CLACKAMAS WORKFORCE PARTNERSHIP

FINANCIAL STATEMENTS

For the Year Ended June 30, 2025
(With Comparative Totals for the Year Ended June 30, 2024)

Jones & Roth
CPAs & Business Advisors

WORKFORCE INVESTMENT COUNCIL OF CLACKAMAS COUNTY, INC.
dba CLACKAMAS WORKFORCE PARTNERSHIP
FINANCIAL STATEMENTS
For the Year Ended June 30, 2025
(With Comparative Totals for the Year Ended June 30, 2024)

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Jones & Roth
CPAs & Business Advisors

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Workforce Investment Council of Clackamas County, Inc.
dba Clackamas Workforce Partnership
Oregon City, Oregon

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Workforce Investment Council of Clackamas County, Inc. dba Clackamas Workforce Partnership (Clackamas Workforce Partnership) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements present fairly, in all material respects, the financial position of Clackamas Workforce Partnership as of June 30, 2025, and the changes 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. 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 Clackamas Workforce Partnership 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 opinions.

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 the Clackamas Workforce Partnership'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. 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 and *Government 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 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 and *Government 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 Clackamas Workforce Partnership'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 Clackamas Workforce Partnership'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.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, 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 schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited Clackamas Workforce Partnership's 2024 financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated February 21, 2025. 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 19, 2026, on our consideration of Clackamas Workforce Partnership's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Clackamas Workforce Partnership's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Clackamas Workforce Partnership's internal control over financial reporting and compliance.

Jones & Roth P.C.

Jones & Roth, P.C.
Eugene, Oregon
February 19, 2026

FINANCIAL STATEMENTS

WORKFORCE INVESTMENT COUNCIL OF CLACKAMAS COUNTY, INC.
dba CLACKAMAS WORKFORCE PARTNERSHIP
STATEMENT OF FINANCIAL POSITION
June 30, 2025
(With Comparative Totals for June 30, 2024)

	2025	2024
Assets		
Current assets		
Cash	$ 478,830	$ 796,184
Grants receivable	738,677	647,987
Total current assets	1,217,507	1,444,171
Operating lease right-of-use asset, net	73,969	106,954
Total assets	$ 1,291,476	1,551,125
Liabilities and Net Assets		
Current liabilities		
Accrued payroll and related expenses	$ 57,068	$ 71,756
Accounts payable and accrued liabilities	304,148	413,220
Refundable advances	622,337	695,529
Current portion of operating lease liability	34,778	33,190
Total current liabilities	1,018,331	1,213,695
Operating lease liability, net of current portion	39,432	74,211
Total liabilities	1,057,763	1,287,906
Net assets		
Without donor restrictions	189,164	242,617
With donor restrictions	44,549	20,602
Total net assets	233,713	263,219
Total liabilities and net assets	$ 1,291,476	$ 1,551,125

The accompanying notes are an integral part of these statements.

WORKFORCE INVESTMENT COUNCIL OF CLACKAMAS COUNTY, INC.
dba CLACKAMAS WORKFORCE PARTNERSHIP
STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2025
(With Comparative Totals For the Year Ended June 30, 2024)

	2025	2024
Changes in net assets without donor restrictions		
Support and revenues:		
Grants	$ 4,030,433	$ 4,515,693
Shared cost reimbursements	1,495	28,950
Other income	17,214	7,063
Total unrestricted support and revenues	4,049,142	4,551,706
Net assets released from restrictions	37,453	30,898
Total unrestricted support and revenues and reclassifications	4,086,595	4,582,604
Expenses:		
Program services:		
WIOA programs	1,362,481	1,711,575
FRO programs	749,794	625,466
Other programs	1,655,203	1,703,156
Support services:		
Administration	372,570	461,038
Total expenses	4,140,048	4,501,235
Increase (decrease) in net assets without donor restrictions	(53,453)	81,369
Changes in net assets with donor restrictions		
Support and revenues:		
Grants	61,400	39,000
Net assets released from restrictions	(37,453)	(30,898)
Increase in net assets with donor restrictions	23,947	8,102
Change in net assets	(29,506)	89,471
Net assets, beginning of year	263,219	173,748
Net assets, end of year	$ 233,713	$ 263,219

The accompanying notes are an integral part of these statements.

WORKFORCE INVESTMENT COUNCIL OF CLACKAMAS COUNTY, INC.
dba CLACKAMAS WORKFORCE PARTNERSHIP
STATEMENT OF FUNCTIONAL EXPENSES
For the Year Ended June 30, 2025
(With Comparative Totals For the Year Ended June 30, 2024)

	2025					
	Program Services			Support Services		
	WIOA Programs	FRO Programs	Other Programs	Administration	Total	2024 Total
Community investments	$ 1,117,277	$ 610,273	$ 1,223,576	$ 9,049	$ 2,960,175	$ 3,126,708
Salaries and wages	145,980	89,950	212,184	199,055	647,169	777,005
Retirement contributions	11,244	3,792	12,838	15,750	43,624	57,798
Payroll taxes	12,924	8,212	19,231	17,943	58,310	69,398
Other employee benefits	26,024	16,696	38,744	36,036	117,500	112,472
Travel and mileage	1,250	184	6,065	28	7,527	6,646
Board and staff development	-	-	6,543	-	6,543	7,860
Professional services	2,352	709	66,008	53,582	122,651	141,370
Participant data tracking	20,449	6,204	7,133	-	33,786	32,262
General office supplies	769	338	1,777	514	3,398	2,825
Expendable equipment	8,630	4,876	11,471	9,364	34,341	31,406
Meetings	-	80	2,741	-	2,821	1,287
Telephone	2,144	1,403	3,236	3,049	9,832	11,588
Memberships and fees	-	-	11,953	11,572	23,525	28,725
Regional collaborative shared costs	1,117	-	5,313	-	6,430	35,344
Program information and outreach	250	676	2,712	-	3,638	2,638
Printing	275	47	556	-	878	556
Liability insurance	3,528	1,151	3,038	4,304	12,021	12,466
Bad debt expense	-	-	696	-	696	-
Facility and office leases	8,268	5,203	19,388	12,324	45,183	42,881
Total expenses	$ 1,362,481	$ 749,794	$ 1,655,203	$ 372,570	$ 4,140,048	$ 4,501,235

The accompanying notes are an integral part of these statements.

WORKFORCE INVESTMENT COUNCIL OF CLACKAMAS COUNTY, INC.
dba CLACKAMAS WORKFORCE PARTNERSHIP
STATEMENT OF CASH FLOWS
For the Year Ended June 30, 2025
(With Comparative Totals For the Year Ended June 30, 2024)

	2025	2024
Cash flows from operating activities		
Cash received as revenues and public support	$ 4,019,852	$ 4,636,467
Cash paid to employees for wages and benefits	(881,291)	(1,022,697)
Cash paid for other expenses	(3,455,915)	(3,038,604)
Net cash provided (used) by operating activities	(317,354)	575,166
Net increase (decrease) in cash	(317,354)	575,166
Cash, beginning of year	796,184	221,018
Cash, end of year	$ 478,830	$ 796,184
Reconciliation of change in nets assets to net cash provided (used) by operating activities		
Change in net assets	$ (29,506)	$ 89,471
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Reduction in operating lease right-of-use asset	32,985	33,562
(Increase) decrease in assets:		
Grants receivable	(90,690)	45,761
Prepaid expenses	-	1,446
Increase (decrease) in liabilities:		
Accrued payroll and related expenses	(14,688)	(6,024)
Accounts payable and accrued liabilities	(109,072)	(229,657)
Refundable advances	(73,192)	673,722
Operating lease liability	(33,191)	(33,115)
Net cash provided (used) by operating activities	$ (317,354)	$ 575,166
Schedule of noncash investing and financing activities		
Noncash remeasurement of operating lease right-of-use asset and liability	$ -	$ 102,064

The accompanying notes are an integral part of these statements.

1. Organization and Summary of Significant Accounting Policies

Organization

Workforce Investment Council of Clackamas County, Inc. dba Clackamas Workforce Partnership (CWP) develops local workforce policy, oversees local workforce development initiatives, and funds key community agencies that provide employment and training solutions for youth, adults, and laid off workers. CWP's mission is to develop a highly skilled workforce that creates sustained economic prosperity in Clackamas County, Oregon. CWP is committed to the development of a regional workforce system that is accessible, inclusive, and equitable for diverse communities and individuals. The CWP Board membership has private and public members which brings strong connections with local business and industry. All CWP efforts aim to prepare individuals for in-demand jobs that lead to solid career options and financial security.

Basis of Accounting

The financial statements of CWP have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United State of America. To enhance the usefulness of the financial statements to the reader, the significant accounting policies are described below.

Prior Year Summarized Information

The financial statements include certain prior year summarized comparative information. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States of America. Accordingly, such information should be read in conjunction with CWP's financial statements for the year ended June 30, 2024, from which the summarized information is derived.

Use of Estimates

The preparation of 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, liabilities, revenues, and expenses, and the disclosure of contingent assets and liabilities. Actual results could differ from the estimates and assumptions used.

Cash

CWP holds cash in one financial institution. Cash balances, at times, may exceed amounts insured by the Federal Deposit Insurance Corporation (FDIC) up to $250,000 per institution, which represents a credit risk to CWP as any portion of the deposits in excess of this amount is not subject to federal insurance. At June 30, 2025 and 2024, the balance exceeding FDIC limits was $543,215 and $621,592, respectively. CWP has not experienced any loss in such accounts.

1. Organization and Summary of Significant Accounting Policies, continued

Property and Equipment

Property and equipment with a cost of $5,000 or more are capitalized at historical cost. Donated equipment is recorded at its fair value at the time of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Leases

CWP determines whether an arrangement is or contains a lease at inception. Under FASB ASC 842, *Leases*, a contract is (or contains) a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is defined under the standard as having both the right to obtain substantially all of the economic benefits from use of the asset and the right to direct the use of the asset. Management only reassesses its determination if the terms and conditions of the arrangement are changed. Operating leases with an initial term greater than 12 months, wherein CWP is the lessee, are included in ROU assets and lease liabilities in the statement of financial position. ROU assets and lease liabilities reflect the present value of the future minimum lease payments over the lease term.

CWP has elected the short-term lease recognition exemption for all classes of underlying assets. Leases with an initial term of 12 months or less, that do not include an option to purchase the underlying asset that CWP is reasonably certain to exercise, are not recorded on the statement of financial position. Lease expense is recognized for any such leases on a straight-line basis over the lease term.

For all classes of underlying assets, CWP has elected to account for leases containing both lease and non-lease components as a single lease, as permitted under ASC 842. As the implicit rate is not readily determinable for CWP's leases, management has elected to use the risk-free rate at the commencement date for all classes of underlying assets in determining the present value of lease payments.

Accrued Paid Time Off

Paid time off is recorded as a liability and an expense when earned rather than when paid. When paid time off is taken, amounts disbursed are charged against the liability.

Refundable Advances

Certain grants and contributions received by CWP contain barriers that must be overcome before CWP is entitled to the funds, and a right of return requiring the funds to be repaid if expenses or outcomes as specified by the grant agreement are not incurred; and therefore, the grants and contributions are considered conditional contributions. Conditional contributions or grants received in advance of when the conditions are substantially met are accounted for as refundable advances, and are classified as a liability in the accompanying statement of financial position. Once conditions are substantially met, the amounts become unconditional and are recognized as revenue.

1. Organization and Summary of Significant Accounting Policies, continued

Net Assets

Net assets of CWP consist of the following:

Net assets without donor restrictions - Represent net assets that are not subject to donor-imposed stipulations and are available for the general obligations of CWP.

Net assets with donor restrictions - Represent net assets that are donor restricted with respect to purpose or time. When a donor restriction ends or the purpose of a restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. CWP had net assets with donor restrictions of $44,549 and $20,602 at June 30, 2025 and 2024, respectively, which were restricted for expungement clinics.

CWP includes donor-restricted support whose restrictions are met in the same reporting period the support is received within net assets without donor restrictions.

Support, Revenues, and Receivables

The primary sources of support for CWP are derived from federal and state grants passed through the State of Oregon and are considered contributions. Revenue for these and most other grants is accounted for under cost reimbursement principles and is recorded when the related program costs are incurred, subject to grant allocation limitations.

Receivables are recorded in accordance with the policies enumerated above. Management of CWP considers all amounts included in grants receivable to be collectible; therefore, no provision for uncollectible accounts has been made. Approximately 82 percent and 76 percent of CWP's grants receivable at June 30, 2025 and 2024, respectively, was due from the State of Oregon.

Nonprofit Status

CWP is an exempt organization under Internal Revenue Code (IRC) Section 501(c)(3) and is not classified as a private foundation. CWP's federal Return of Organization Exempt from Income Tax return (Form 990) for the years ended June 30, 2025 and 2024 is subject to examination by the Internal Revenue Service, generally for three years after they were filed.

Functional Allocation of Expenses

The costs of providing programs have been summarized on a functional basis in the accompanying statement of activities. Accordingly, certain costs have been allocated among program and supporting services benefited. CWP allocates costs between program and support activities based on a cost allocation plan. Most of CWP's operating expenses are allocated to program and support activities based on employee timecards unless the item can be specifically traced to a program related activity.

1. Organization and Summary of Significant Accounting Policies, continued

Liquidity and Availability of Resources

CWP has a policy to manage its liquidity and reserves in order to meet its needs to fund operating expenditures. At June 30, 2025 and 2024, CWP's financial assets available for general expenditure, that is, without donor or other restriction limiting their use, within one year from the statement of financial position date, are comprised of the following:

	2025	2024
Cash	$ 478,830	$ 796,184
Grants receivable	738,677	647,987
	1,217,507	1,444,171
Less financial assets unavailable for general expenditure within one year:		
Refundable advances	(622,337)	(695,529)
Net assets with donor restrictions	(44,549)	(20,602)
Financial assets available for general expenditure	$ 550,621	$ 728,040

2. Cash

At June 30, cash consisted of the following:

	2025	2024
Demand deposits with financial institutions	$ 478,830	$ 796,184

3. Grants Receivable

At June 30, grants receivable consisted of the following:

	2025	2024
State of Oregon – WIOA	$ 216,587	$ 176,532
State of Oregon – Competitive Strategies	93,234	92,934
State of Oregon – Work Experience	49,197	-
State of Oregon – TANF Youth Employment	21,635	3,966
State of Oregon – DHS Jobs	57,059	46,023
State of Oregon – YDD Connect2Careers	54,772	23,690
State of Oregon – YDD FR Connect2Careers	64,480	110,787
State of Oregon – Maritime Workforce	25,884	-
Portland General Electric - Clean Energy	40,472	-
Oregon City - Community Enhancement	47,170	41,039
Worksystems – Career NDWG	-	87,134
Other	68,187	65,882
Total grants receivable	$ 738,677	$ 647,987

4. Refundable Advances

At June 30, refundable advances consisted of the following arising from conditional contributions received in advance of when the grant conditions were met:

	2025	2024
State of Oregon – HOWTO4	$ 56,959	$ 42,353
State of Oregon – Workforce Benefits Navigator	400,334	145,693
State of Oregon – CBRA	-	150,210
State of Oregon – Industry Engagement	-	7,897
State of Oregon – Maritime Workforce	-	20,663
State of Oregon – OYEP	-	81,471
State of Oregon – Prosperity 10K ARPA	165,044	217,643
State of Oregon – Work Experience	-	29,599
Total refundable advances	$ 622,337	$ 695,529

The balances at June 30, 2025 are expected to be earned during the year ending June 30, 2026 and are classified as current in the statement of financial position.

5. Retirement Plan

CWP makes employer matching contributions under an arrangement described in Section 403(b) of the IRC. CWP contributes up to 8 percent of the employee's salary. Expenses under this plan for the years ended June 30, 2025 and 2024, totaled $43,624 and $57,798, respectively.

6. Lease Commitments

CWP leases administrative office space under a non-cancelable operating lease requiring monthly payments of $3,000 that was previously scheduled to expire August 1, 2024. The lease was extended as of August 1, 2024 and requires monthly payments of $3,100 throughout the lease term, and is currently scheduled to expire on July 31, 2027.

CWP also leases additional office space for WorkSource Oregon Center purposes under an office sharing agreement requiring monthly payments of $947, which expired June 30, 2024. This lease was extended on July 1, 2024, requiring monthly payments of $469. The lease has a non-cancelable term of less than 12 months.

Additional information about CWP's leases as of and for the years ended June 30, is as follows:

	2025	2024
Components of lease cost:		
Operating lease cost	$ 36,894	$ 36,447
Short-term lease cost	8,289	6,434
Total lease cost	$ 45,183	$ 42,881

6. Lease Commitments, continued

	2025	2024
Cash flow information:		
Cash paid for amounts included in measurement of lease liabilities:		
Operating cash flows from operating lease	$ 37,100	$ 36,000
Weighted-average remaining lease term:		
Operating lease	2.1 years	3.1 years
Weighted-average discount rate:		
Operating lease	4.38%	4.38%

The future maturities of operating lease liabilities as of June 30, 2025 were as follows:

For the Year Ending June 30,	
2026	$ 37,200
2027	37,200
2028	3,100
2029	-
Thereafter	-
Total lease payments	77,500
Less: interest	(3,290)
Present value of lease liabilities	$ 74,210

7. Related Party Transactions

CWP has entered into grant and office space lease agreements with organizations whose management includes members of the CWP Board of Directors. Payables to these organizations totaled $110,217 and $246,113 at June 30, 2025 and 2024, respectively. Expenses of $1,483,036 and $1,342,027 were incurred under grant and rental agreements with these organizations during the years ended June 30, 2025 and 2024, respectively.

8. Contingencies

Reimbursement claims under federal and state program grants are subject to audit and adjustment by grantor agencies. Any disallowed claims might become a liability of CWP.

9. Subsequent Events

Management evaluates events and transactions that occur after the statement of financial position date as potential subsequent events. Management has performed this evaluation through the date of the independent auditor's report.

FEDERAL AWARDS SECTION

WORKFORCE INVESTMENT COUNCIL OF CLACKAMAS COUNTY, INC.
dba CLACKAMAS WORKFORCE PARTNERSHIP
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Year Ended June 30, 2025

Federal Grantor/ Pass-through Grantor/Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Program or Award Amount	Expenditures	Amount Passed Through to Subrecipients
U.S. Department of Labor					
Workforce Innovation and Opportunity Act Cluster:					
Passed through State of Oregon, Higher Education Coordinating Commission (HECC):					
WIOA Adult Program	17.258	22-154A, 24-006A	$ 808,593	$ 367,826	$ 265,416
WIOA Adult Program - Administration	17.258	22-154A, 24-006A	98,726	46,817	1,325
WIOA Youth Activities	17.259	22-154A, 24-005A	902,780	490,701	454,677
WIOA Youth Activities - Administration	17.259	22-154A, 24-005A	100,308	35,147	-
WIOA Youth Activities - High Concentration of Eligible Youth	17.259	22-154A, 24-005A	10,020	4,706	4,706
WIOA Dislocated Worker Formula Grants	17.278	22-154A, 24-007A	939,467	415,089	308,590
WIOA Dislocated Worker Formula Grants - Administration	17.278	22-154A, 24-007A	116,754	57,795	-
WIOA Dislocated Worker Formula Grants - Rapid Response	17.278	23-023A, 24-153A	129,434	41,977	41,703
WIOA Dislocated Worker Formula Grants - Rapid Response Administration	17.278	23-023A, 24-153A	4,280	4,280	-
Total Workforce Innovation and Opportunity Act Cluster			3,110,362	1,464,338	1,076,417
Passed through State of Oregon, HECC:					
WIOA National Dislocated Worker Grants - QWEST	17.277	23-123A	365,940	61,126	47,818
WIOA National Dislocated Worker Grants - QWEST Administration	17.277	23-123A	40,660	12,197	-
Passed through Worksystems, Inc.:					
WIOA National Dislocated Worker Grants - Career	17.277	22-60505	300,348	42,184	42,184
WIOA National Dislocated Worker Grants - Career Administration	17.277	22-60505	33,372	14	-
Total WIOA National Dislocated Worker Grants			740,320	115,521	90,002
Passed through Oregon Workforce Partnership:					
Reentry Employment Opportunities	17.270	006-24	184,800	51,718	45,815
Passed through Portland General Electric Company					
WIOA Dislocated Worker National Reserve Demonstration Grants - PGE Clean Energy	17.280	23A60WD000011-01-00	229,500	64,165	55,000
WIOA Dislocated Worker National Reserve Demonstration Grants - PGE Clean Energy Administration	17.280	23A60WD000011-01-00	25,500	15,954	-
Total WIOA Dislocated Worker National Reserve Demonstration Grants			255,000	80,119	55,000
Total U.S. Department of Labor			4,290,482	1,711,696	1,267,234

WORKFORCE INVESTMENT COUNCIL OF CLACKAMAS COUNTY, INC.
dba CLACKAMAS WORKFORCE PARTNERSHIP
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS, continued
For the Year Ended June 30, 2025

Federal Grantor/ Pass-through Grantor/Program Title	Federal Assistance Listing Number	Pass-through Entity Identifying Number	Program or Award Amount	Expenditures	Amount Passed Through to Subrecipients
U.S. Department of Treasury					
Passed through Clackamas County:					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - Nonprofit Recovery Assistance	21.027	23-018	1,125,000	337,482	-
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - Nonprofit Recovery Assistance Administration	21.027	23-018	125,000	6,436	-
Passed through State of Oregon, HECC:					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - Workforce Ready Round III	21.027	23-174F	568,913	141,100	118,644
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - Workforce Ready Round III Administration	21.027	23-174F	63,213	7,294	-
Passed through State of Oregon, Department of Administrative Services (DAS):					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - Prosperity 10k ARPA	21.027	21-221A	1,317,503	320,868	314,664
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - Prosperity 10k ARPA Administration	21.027	21-221A	146,389	33,736	-
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - Workforce Benefits Navigator	21.027	23-015A	900,000	151,374	58,524
COVID-19 Coronavirus State and Local Fiscal Recovery Funds - Workforce Benefits Navigator Administration	21.027	23-015A	100,000	28,020	-
Total COVID-19 Coronavirus State and Local Fiscal Recovery Funds			4,346,018	1,026,310	491,832
Total U.S. Department of Treasury			4,346,018	1,026,310	491,832
U.S. Department of Health and Human Services					
Passed through State of Oregon, HECC					
Temporary Assistance for Needy Families - Youth Employment	93.558	23-009E	58,374	35,125	28,936
Temporary Assistance for Needy Families - Youth Employment Administration	93.558	23-009E	7,960	4,243	-
Total Temporary Assistance for Needy Families			66,334	39,368	28,936
Total U.S. Department of Health and Human Services			66,334	39,368	28,936
Total expenditures of federal awards			$ 8,702,834	$ 2,777,374	$ 1,788,002

WORKFORCE INVESTMENT COUNCIL OF CLACKAMAS COUNTY, INC.
dba CLACKAMAS WORKFORCE PARTNERSHIP
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of CWP under programs of the federal government for the year ended June 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Grants are organized by federal department or agency and identified by the 2025 Assistance Listing Number (ALN).

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance.

The Uniform Guidance establishes criteria to be used in defining major programs. Major programs are those programs selected for testing using a risk-assessment model, as well as certain minimum expenditure requirements, as outlined in the Uniform Guidance Subpart F 200.518. Programs with similar requirements may be grouped into a cluster for testing purposes.

3. Indirect Cost Rate

CWP has elected not to use the de minimis indirect cost rate allowed under the Uniform Guidance.

4. Insurance

CWP had insurance in force during the year ended June 30, 2025, as recommended by its insurance agent.

Jones & Roth
CPAs & Business Advisors

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Board of Directors
Workforce Investment Council of Clackamas County, Inc.
dba Clackamas Workforce Partnership
Oregon City, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of Workforce Investment Council of Clackamas County, Inc. dba Clackamas Workforce Partnership (Clackamas Workforce Partnership) (a nonprofit organization), which comprise the statement of financial position as of June 30, 2025, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated February 19, 2026.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered Clackamas Workforce Partnership's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Clackamas Workforce Partnership's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clackamas Workforce Partnership's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether Clackamas Workforce Partnership's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Jones & Roth P.C.

Jones & Roth, P.C.
Eugene, Oregon
February 19, 2026

Jones & Roth
CPAs & Business Advisors

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

To the Board of Directors
Workforce Investment Council of Clackamas County, Inc.
dba Clackamas Workforce Partnership
Oregon City, Oregon

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Workforce Investment Council of Clackamas County, Inc. dba Clackamas Workforce Partnership's (Clackamas Workforce Partnership) compliance with the types of compliance requirements identified as subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of Clackamas Workforce Partnership's major federal programs for the year ended June 30, 2025. Clackamas Workforce Partnership's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, Clackamas Workforce Partnership complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2025.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America, the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Clackamas Workforce Partnership and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program. Our audit does not provide a legal determination of Clackamas Workforce Partnership's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to Clackamas Workforce Partnership's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Clackamas Workforce Partnership's compliance based on our audit. 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, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Clackamas Workforce Partnership's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, 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 Clackamas Workforce Partnership's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of Clackamas Workforce Partnership's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of Clackamas Workforce Partnership's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Jones + Roth P.C.

Jones & Roth, P.C.
Eugene, Oregon
February 19, 2026

WORKFORCE INVESTMENT COUNCIL OF CLACKAMAS COUNTY, INC.
dba CLACKAMAS WORKFORCE PARTNERSHIP
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2025

Summary of Auditor's Results

(i) The independent auditor's report expresses an unmodified opinion on the financial statements of Workforce Investment Council of Clackamas County, Inc. dba Clackamas Workforce Partnership.

(ii) No significant deficiencies or material weaknesses in internal control were disclosed by the audit of the financial statements.

(iii) No instances of noncompliance material to the financial statements of CWP, which would be required to be reported in accordance with *Government Auditing Standards,* were disclosed during the audit.

(iv) No significant deficiencies or material weaknesses in internal control were disclosed by the audit of the major federal award program.

(v) The independent auditor's report on compliance for the major federal award program for CWP expresses an unmodified opinion on the major federal program.

(vi) The audit disclosed no findings or questioned costs that are required to be reported.

(vii) The program tested as a major program was:

WIOA Cluster	
WIOA Adult Program	Assistance Listing # 17.258
WIOA Youth Activities	Assistance Listing # 17.259
WIOA Dislocated Worker Formula Grants	Assistance Listing # 17.278

(viii) The threshold for distinguishing between Type A and Type B programs was $750,000.

(ix) CWP qualifies as a low-risk auditee.

Findings – Financial Statement Audit

None.

Findings and Questioned Costs – Major Federal Award Program Audit

None.

WORKFORCE INVESTMENT COUNCIL OF CLACKAMAS COUNTY, INC.
dba CLACKAMAS WORKFORCE PARTNERSHIP
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
For the Year Ended June 30, 2025

Prior Year Findings – Financial Statement Audit

None.

Prior Year Findings and Questioned Costs – Major Federal Award Program Audit

Finding 2024-001

Type of Finding: Significant deficiency in internal control over compliance and immaterial noncompliance

Criteria: In accordance with the Uniform Guidance (2 CFR 200, subpart E), it is the responsibility of CWP's management to ensure internal controls are properly designed and implemented in order for payroll costs to be properly allocated to federal awards based on records reflecting the actual work performed.

Condition: While performing audit procedures over payroll disbursements, we identified three separate instances where the allocation of an employee's hours by grant in the monthly timesheet distribution spreadsheet was not consistent with the actual time charged to the respective grants as reflected in the employee's approved timesheet for the pay period. As a result, the payroll allocation journal entries recorded for those months was not consistent with the actual work performed for each grant.

Cause of Condition: Internal controls in place are not adequately designed and implemented to ensure payroll allocation journal entries are determined based on actual hours worked on the employees' timesheets for the respective pay periods.

2025 Follow-up: We consider this matter to be resolved.