



## North Central Texas Council of Governments

July 19, 2022

Ms. Juanita Budd  
Project Director  
Equus Workforce Solutions  
624 Six Flags Drive, Suite 245  
Arlington, TX 76011

Dear Ms. Budd:

The North Central Texas Council of Governments has completed a Travel Payments Review (Review) covering the period March 2022, for Fiscal Year 2022 under contract FY22-TWC-02 with Equus Workforce Solutions for the management of Workforce programs for Workforce Solutions for North Central Texas. The specific fiscal compliance areas reviewed included travel payments along with related policies and procedures in accordance with §16.10 Monitoring, Audits, and Evaluations of the contract.

The attached report details the scope and summary of monitoring results of travel payments selected during the March 2022. Equus management provided timely responses as requested for the required corrective items. Of the items reviewed and our subsequent discussions with management, no findings were identified that would rise to the level of a reportable condition, significant deficiency, or material weakness in fiscal internal controls. This Review is closed upon issuance of this report.

We appreciate your cooperation in providing us with the necessary information to complete the review. If you have any questions, please contact Fatima Parsons at 817-704-5671.

Sincerely,

Phedra Redifer  
Executive Director of Workforce Development

cc: Moneisa Downs, Regional Director  
**Equus Workforce Solutions**

Carlton Tidwell, Chairman, Oversight and Accountability  
**North Central Texas Workforce Development Board**

Molly Rendon, Director of Administration,  
Randy Richardson, Assistant Director of Finance  
Debra Kosarek, Sr. Workforce Program Manager – Compliance and Continuous,  
Improvement, Equal Opportunity Officer/Section 504 Coordinator

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***FY2022 Equus Travel Payments Review Report***  
for  
Equus Workforce Solutions  
Contract FY22-TWC-02

*Prepared by the*  
**North Central Texas Council of Governments**  
**Workforce Solutions for North Central Texas**  
July 19, 2022

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## **North Central Texas Council of Governments**

### **Workforce Solutions for North Central Texas FY2022 Equus Travel Payments Review Report Equus Workforce Solutions - Contracts FY22 -TWC-02**

#### **Background**

The North Central Texas Council of Governments (NCTCOG) contracts with Equus Workforce Solutions to operate and manage Workforce Innovation and Opportunity Act, Trade Adjustment Act, and Child Care programs and funding in all 14 counties for the North Central Texas Workforce Development Board as part of its oversight responsibility.

All funding received from Texas Workforce Commission (TWC) for the operation and management of these programs is subject to the requirements of TWC's Financial Manual for Grants and Contracts for the accounting of these funds. In accordance with §16.10 Monitoring, Audits, and Evaluations of Equus contract FY22-TWC-02 and with Texas Administrative Code Title 40, Part 20, Chapter 802, Subchapter B §802.21 Board Contracting Guidelines and Subchapter D §802.64 Fiscal Monitoring Activities, and 2 CFR 200.332, NCTCOG completed a Travel Payments Review to monitor the integrity of the Workforce System.

#### **Risk**

NCTCOG conducted the review to address risks to ensure the following:

- requirements imposed by Federal laws and regulations, provisions of contracts or grant agreements, and any supplemental requirements imposed by the pass-through entity were followed,
- resources were efficiently and effectively used for authorized purposes, and protected from waste, fraud, and abuse, and misstatement of financial statements, and
- expenses incurred were allowable, necessary, and reasonable at the time the expense was incurred.

#### **Objective**

NCTCOG's monitoring and review process is focused on reviewing and testing strategic components of processes to identify and present findings and issues for correction and improvement. As part of the review process, NCTCOG may perform a variety of procedures including the testing of internal controls, and substantive testing of details as appropriate.

The focused objective of the review was to test the sample of travel disbursements for occurrence, completeness, accuracy, authorization, classification, and rights and obligations. The selected disbursements were incurred in the normal course of business conducted on behalf of the NCTCOG, and in accordance with Texas Grant Management Standards Version 1.1, section on Standard Financial Management Conditions, and subsections Financial Management and Internal Control.

NCTCOG did not test the implementation of internal controls in this review process nor was the primary intent of the review to test operating effectiveness. The examination of documents was neither meant to confirm, support, nor deny information obtained in other areas of the assessment results.

#### **Scope**

The scope of the review included a sample of 23 travel transactions selected for the period March 2022. Specific compliance areas reviewed included travel disbursements along with related policies and procedures as well as applicable federal or state guidance.

## Methodology

NCTCOG's review of travel disbursements included:

- examination of payments/reimbursements, the general ledger, proof of payment, JP Morgan statements, supporting documentation, and phone listing for employee travel expenses.
- verification that the transactions were accounted for in the general ledger individually and in aggregate.
- verification of the accuracy, reasonableness, and allowability of the activity for the sample tested against the contracts and other relevant standards using the general ledger and other supporting documentation.

## Summary of Results

Based upon review of the supporting documentation provided, the sample of employee travel disbursements for the period March 2022 appears to have occurred, was complete, accurate, properly authorized and classified, and the resulting liabilities were obligations of Equus.

Category	Elements	Observations/ Exceptions Noted	Total Reviewed
Verification	Transaction Components: Invoice description, amount, employee expense report signed/submitted date, location	-	184
Authorization	Date Expense Report /Travel Authorization approved; Charge approved by the appropriate Individual	-	46
Completeness and Accuracy	Date of Payment timely	-	230
	Check #Paycheck eVoucher/ACH - AmEx#	-	
	Check /Pay Date	-	
	Employee Reimbursement/ P-Card Statement Transaction Amount	-	
	Proof of Payment Adequate	-	
	Employee Title	-	
	Employee Equus/TWC /Other	-	
FMGC Components	Necessary and Reasonable expense, date	-	161
	Supporting documentation - travel, expense report, employee expense report, mileage report, P-card statement, proof of payment	-	
	Allocated correctly – Dept/ fund source	-	
	Allowable expense	-	
	Properly Classified and Recorded in GL	-	
<b>Total</b>	--		<b>621</b>

## Conclusion

Of the items reviewed and our subsequent discussions with management, no findings were identified that would rise to the level of a reportable condition, significant deficiency, or material weakness in fiscal internal controls. This review is closed upon issuance of this report. NCTCOG appreciates the cooperation and assistance received by Equus employees during the execution of the contract.

## Appendix A

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### Acronyms

FMGC	Financial Manual of Grants & Contracts
GL	General Ledger
NCTCOG	North Central Texas Council of Governments
Equus	Equus Workforce Solutions
TWC	Texas Workforce Commission
WF	Workforce

### SharePoint URL

<https://connect.nctcog.org/extranet/AA/Rescare>Travel>FY2022>