



North Central Texas Council of Governments

September 29, 2022

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

Dear Ms. Budd:

The NCTCOG Fiscal Monitoring and Compliance and Continuous Improvement teams completed a review of your responsibilities for the FY2022 Summer Earn and Learn project executed in coordination with TWC Vocational Rehabilitation.

The attached report details the scope of the monitoring and includes the response Equus has provided. Thank you for your cooperation in helping us to finalize this report.

My staff are available if you have any questions.

Sincerely,

Phedra Redifer
Executive Director of Workforce Development

Cc: Moneisa Downs
Lisa Boyd
Mark Douglass
Carlton Tidwell

SharePoint URL: <https://nctcog.sharepoint.com/sites/Extranet-WD-ResCare>



FY2022 NCTCOG Summer Earn and Learn

For

Equus Workforce Services

Contract FY22-TWC-02

September 29, 2022

Prepared by the

Compliance and Continuous Improvement Department

North Central Texas Council of Governments

Workforce Solutions for North Central Texas

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Glossary of Acronyms

Acronyms

C&CI	Compliance and Continuous Improvement
IWD	Individual with Disability
NCTCOG	North Central Texas Council of Governments
NCTWDB	North Central Texas Workforce Development Board
PII	Personally Identifiable Information
R&C	Risk and Compliance (NCTCOG Fiscal Monitors)
SEAL	Summer Earn and Learn
SNAP	Supplemental Nutrition Assistance Program
TWC	Texas Workforce Commission
TWIST	The Workforce Information System of Texas
UGMS	Uniform Grant Management Standards
WD	Workforce Development
WIOA	Workforce Innovation and Opportunity Act
WIT	Work in Texas
WSNCT	Workforce Solutions for North Central Texas
VR	Vocational Rehabilitation

North Central Texas Council of Governments
Workforce Solutions for North Central Texas
FY2022 NCTCOG Summer Earn and Learn
Equus Workforce Services
North Central Texas Workforce Services Contract - # FY22-TWC-02

BACKGROUND

Summer Earn and Learn (SEAL) is a statewide strategy that includes employability skills training and paid work experience for students with disabilities and is offered in each local workforce development area during the summer months. The program is designed to provide pathways to employment for students with disabilities. As a result of bringing together the staff and resources of Vocational Rehabilitation (VR), Workforce Solutions for North Central Texas (WSNCT) and area Employers, program participants receive the opportunity to earn money, gain valuable work experience, and develop “soft skills” to help them become college and career ready.

As the administrator for the North Central Workforce Development Board (NCTWDB), the North Central Texas Council of Governments (NCTCOG) is a Texas Workforce Commission (TWC) contractor under the VR department’s SEAL contract. Equus, the FY2022 Subrecipient of NCTCOG, provided the pre-employment transition services to eligible youth in compliance with Board VR Requirements Chapter 1: Summer Earn and Learn (SEAL).

RISK

The primary risk to both NCTCOG and Equus is failing to comply with the detailed record keeping requirements tied to pay points specified by the SEAL contract. To mitigate this risk, monitoring 100% of all participating employer worksites is required to ensure that student time sheets and payroll records are being maintained correctly. The safety and well-being of participants is identified as a secondary risk only because all worksites are approved by VR, and participants are placed in office or retail environments appropriate for their age and ability. Equus staff visit the work sites throughout the duration of the program to assess the progress of the students and facilitate communications with VR to resolve any concerns of the employer if they arise. The NCTCOG Workforce Development staff reviewed a sample of the documents completed by Equus related to the program requirements, including work site monitoring forms. Additionally, NCTCOG Risk and Compliance staff will conduct testing on payroll records.

OBJECTIVE

The objective of SEAL monitoring is to ensure that:

- Students are placed at appropriate worksites,
- Worksites are provided with nondiscrimination and equal opportunity information,
- Compliance with regulation is met, and
- Fiscal compliance for payroll and invoicing is maintained.

SCOPE

Vocational Rehabilitation (VR) staff determined eligibility for all participants and provided job coaches to facilitate the participants learning when appropriate. A sample of 36 participants was used for the review of programmatic record keeping and fiscal testing.

METHODOLOGY

Monitoring at employer job sites included interviews by Equus staff with worksite supervisors and participants. NCTCOG completed desk reviews to validate the monitoring of worksites and related required activities conducted by Equus. Payroll records were also reviewed to ensure wages and time keeping records were managed appropriately.

SUMMARY OF PROGRAMMATIC RESULTS

The Compliance and Continuous Improvement (C&CI) team data validation review found errors related to the monitoring of the worksites and the master worksite agreements. A worksite monitoring form was not found for 1 student. Another student's monitoring form documented the need for a job coach and there was no indication that VR was contacted regarding this need. Additionally, master worksite agreements were missing for 2 employers. Ensuring all employers sign the master worksite agreement is important because it is the form that documents their agreement to comply with nondiscrimination and equal opportunity regulations.

One observation noted is that 20 of the 36 worksite monitoring records reviewed did not clearly state the students' accomplishments. Not clearly recording specifics about individual accomplishments results in missing the opportunity to provide VR counselors with important information about the students' abilities or struggles. The same result occurs if a worksite does not receive a visit from staff.

Sufficient evidence was found in the SEAL records provided by Equus to document that all 36 participants attended orientation and training required by SEAL regulation. All participants were placed at their worksites for the required 5 week minimum. The over-all score of the programmatic portion of the review is 97.22%.

PROGRAMMATIC CONCLUSION-GAP ANALYSIS

The SEAL program by its nature, is challenging to organize and execute, however, maintaining complete and accurate documentation is still a vital requirement. Equus Management should continue to strive for improvement in this area and place more emphasis on capturing the accomplishments of the students.

PROGRAMMATIC REQUIRED CORRECTIVE ACTION

All errors require a response. The errors for the missing worksite monitoring report and master worksite agreements can only be corrected if the documents already exist and were just not captured along with the other documents when requested by NCTCOG.

SUMMARY OF FISCAL RESULTS

Fiscal Monitoring (FM) reviewed thirty-six participants based on the sample provided by Compliance & Continuous Improvement for pay periods ended June 18, July 2, 16, 2022. During initial testing, FM noted that timesheets were correct, wages were based on actual hours worked, and the timesheets were approved by a supervisor. However, as in years past, FM noted that the participants did not sign or approve their timesheets.

Based on the review, the sampled participants system information appears sufficient and appropriate to verify existence and occurrence of worked performed. The Swipeclock system has separation of duties in place within the three levels of approvals. However, we noted a minor control deficiency in the timecard audit log. The audit log was not setup to require employee level approval, therefore; their punches do not show on the audit log. Additionally, the audit log should reflect the participant's login as well as the IP addresses of the device used for entry.

FISCAL RECOMMENDATION

From FM's perspective and as a best practice to reduce applicable payroll risk (i.e., incorrect pay or fraud), FM recommends that Equus work with Unique and the vendor (Swipeclock) to reflect the participant login and timesheet punch in the Swipeclock system through the audit log. Preferably, the Swipeclock system would also be able to reflect the participant's certification of the hours recorded through an electronic approval of the timesheet though FM understands that this may not be possible within the Swipeclock system.

PROGRAMMATIC CORRECTIVE ACTION REQUIRED

All errors require a response. The errors for the missing worksite monitoring report and master worksite agreements can only be corrected if the documents already exist and were just not captured along with the other documents when requested by NCTCOG.

EQUUS PROGRAMMATIC RESPONSE

A worksite monitoring form was not found for 1 student:

Not correctable. Internal QA will confirm worksite monitoring and all required documents are uploaded and saved this will be cross checked against the master list maintained by the SEAL coordinator.

Another student's monitoring form documented the need for a job coach and there was no indication that VR was contacted regarding this need:

Not correctable. Equus training for SEAL staff will highlight the importance of communication between VR and workforce is a critical element as job coaches are hired and monitored by VR staff.

Master worksite agreements were missing for 2 employers:

Not correctable. A participant checklist will assist with such a large volume of participants and requirements. All worksite agreements will be on a shared drive and will be validated by SEAL coordinator, or designated staff, against payroll records.

One observation noted is that 20 of the 36 worksite monitoring records reviewed did not clearly state the students' accomplishments:

Not correctable. Moving into next year Equus will focus more training on the reasoning and importance of the Worksite monitoring. Explaining the detailed information is vital to the VR counselors when it comes to assessing their participants.

EQUUS FISCAL RESPONSE

Equus agrees with the recommendation.