# *FY2021 NCTCOG WORKFORCE 1 Report*

For

Equus Workforce Services

Contract FY21-TWC-02

February 10, 2021

*Prepared by the*

*Workforce Development Quality Assurance Department*

**North Central Texas Council of Governments**

**Workforce Solutions for North Central Texas**

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## Glossary of Acronyms and Definitions

| | |
|---|---|
| COLTS | Choices Online Tracking System |
| ETPS | Eligible Training Provider System |
| EQUUS | Equus Workforce Services |
| HHSC | Health & Human Service Commission |
| LEP | Limited English Proficiency |
| NCP | NCP Non-Custodial Parent |
| NCTCOG | North Central Texas Council of Governments |
| NCTWDB | North Central Texas Workforce Development Board |
| NDWG | National Dislocated Worker Grant |
| OAG | Office of Attorney General |
| ONET | Occupational Information Network |
| OTDC | Orientation to Discrimination Complaints |
| PII | Personally Identifiable Information |
| PRA | Personal Responsibility Agreement |
| REP | Re-employment Plan |
| WORCS | Equus Workforce Operations and Re-employment Case System |
| RESEA | Reemployment Services and Eligibility Assessment |
| SNAP | Supplemental Nutrition Assistance Program |
| TANF/Choices | Temporary Assistance for Needy Families/Choices |
| TAA | Trade Adjustment Assistance |
| TDS | Talent Development Specialists |
| TRA | Trade Readjustment Allowance |
| TWC | Texas Workforce Commission |
| TWIST | The Workforce Information System of Texas |
| UGMS | Uniform Grant Management Standards |
| WD | Workforce Development |
| WIT | WorkInTexas.com, TWC's online job matching system |
| WSNCT | Workforce Solutions for North Central Texas |

| | |
|---|---|
| Laserfiche | The electronic document management system for customer records. The migration of Workforce program records began September 24, 2018. |
| Merit Staff | State case management staff that provide services through the American Job Center Network Delivery system, and have their salaries paid from program specific funding streams such as Trade Adjustment Assistance or Wagner Peyser. |

**North Central Texas Council of Governments**

**Workforce Solutions for North Central Texas**
***FY2021 NCTCOG Workforce Review 1***
**Equus Workforce Services**
**North Central Texas Workforce Services Contract FY21-TWC-02**

## BACKGROUND

Equus Workforce Services, formerly ResCare Workforce Services, became the provider for the delivery of Workforce Services for Workforce Solutions for North Central Texas on October 1, 2015. After four one-year extensions of the initial contract a Request for Proposals (RFP) was sent to solicit bids. Equus Workforce Services was awarded the contract with the North Central Texas Workforce Board area.
Following the adoption of a resolution by the North Central Texas Workforce Board of Directors at the May 19, 2020 Board meeting endorsing Equus Workforce Services as the provider for the delivery of Workforce Services, the North Central Texas Council of Governments executed a new one - year contract (with options for renewal) which includes specific language for appropriate contractual sanctions and/or remedies to ensure that all established performance measures will be met.

## RISK

The FY2021 Risk Assessment determined that Data Integrity and Customer Service continue to be the primary areas of risk for all Workforce programs. COVID-19 triggered changes that affected the participation requirements for Choices and SNAP programs, and work search requirements for WIOA Significant consideration was given to the following:

- continued risk for SNAP in following the requirements for the form H1822, Good Cause, and Reconsideration actions to HHSC,
- the conversion of Choices, NCP, and SNAP programs to Laserfiche,
- significant reforms in State TAA guidance, including the requirement to co-enroll all TAA customers in WIOA, and
- continued integration of Vocational Rehabilitation Services requiring resources for larger numbers of individuals with significant barriers to employment,

- high rates of turn-over in Subrecipient staff, and insufficient evaluation methods for the effectiveness of subrecipient staff training

## OBJECTIVE

NCTCOG conducts program monitoring as required by TWC to provide:

- enough information to the workforce services subrecipient for implementing timely corrective actions to meet requirements and performance measures as contracted,
- assurance to TWC that workforce services programs are operated with compliance with regulations and policies so TWC may rely on system data for their reports to federal partners,
- pertinent information to the North Central Texas Workforce Board to fulfill their oversight responsibilities, and
- assurance to the public and participants that quality and compliant services are being equitably delivered throughout the Workforce Solutions for North Central Texas area.

## SCOPE

This review focused on data integrity and customer service through review of:

- Choices Full Review
- NCP Case Closure
- SNAP 1817 Reconsideration Review and H1822
- WIOA Adult, DW, and Youth Exit Activity
- TAA 30-day contacts and verification of co-enrollment

Desk reviews included a sample of work from the 11 centers in the North Central Texas Board area.

## METHODOLOGY

Sample cases were chosen by simple random selection. The reviews utilized data and reports from The Workforce Information System of Texas, WorkInTexas.com, COLTS, and individual case files from Laserfiche.

## SUMMARY OF RESULTS

### SNAP H1822 and Reconsiderations

A slant review of the 1822 Work Requirement Verification process and the timely entry of the Reconsideration in the SNAP E&T History Good Cause tab was conducted for the SNAP ABAWD population to ensure all requirements were met based on the finding identified by TWC in January 2020. The scope of the review was October through November 2020 and forty-one files were reviewed.

There has been a significant improvement in submitting the form H1822 to HHSC within two weeks of initial participation. Although, there was an increase in data integrity regarding the completion of the 1822 form that did not affect the accuracy rate. The 1822 form was not completed accurately, specifically, the ABAWD's start date of participation in the E&T program was not documented on the form. Improper reporting to HHSC affects the ABAWD's countable months. The accuracy rate for the reviewed conducted in Quarter 4 of Fiscal Year 2020 was 58.54%; the accuracy rate for this review is 82.93%.

The Reconsideration review indicates that there are continued issues with this process. The errors are consistent from the previous review and there was a slight improvement but is still below the required accuracy rate of ninety percent. During the review, it was observed that staff were requiring customers to provide verification of employment prior to submitting the 1817 to HHSC and customers were also notified that they would be penalized for failure to do such. The accuracy rate for the review conducted in Quarter of Fiscal Year 2020 was 0%; the accuracy rate for this review is 50%.

Listed are the findings that contributed to the results:

- the 1817 was not submitted timely to HHSC,
- the 1817 and fax confirmation are not in the file,
- the Reconsideration was not entered in the TWIST Good Cause tab,
- for employed customers, a Service 39 with sub fund 44 was not entered in TWIST service tracking, and
- the Program Detail was closed, not left open for Job Retention.

There was one center that had the most significant errors for the 1822 and Reconsideration process. The files selected for review did not have a folder created in the Laserfiche Repository system to verify the documentation in the TWIST file.

The review indicates that staff continue to have a lack of SNAP policy knowledge and interpretation. Improper Case Management may be a contributing factor to the continued errors and thus could impact the benefits for the SNAP ABAWD customer that meets the SNAP E&T requirements.

## Choices Review

Twenty-four Choices files were reviewed for the scope period of October through November 2020. Due to COVID-19 pandemic, participation is not required but if a customer chooses to participate staff must follow the program requirements. The following errors were cited:

- staff did not make monthly contact with customers to determine good cause prior to opening Good Cause services in TWIST,
- HHSC was not notified within 24 hours of customer reporting changes,
- the Family Employment Plan was not developed, is not in the file or documented in case notes,
- Eligibility was not verified or documented in case notes and/or is not in the file,
- Participation activity documents, data entry in TWIST and case notes do not match.

Accuracy rates continue to be below the required ninety percent (90%) but did have a slight increase from the previous quarter review. Case management and data integrity continue to be a matter of concern.

## WIOA Adult, Dislocated Worker and Youth

Fifteen adult/dislocated worker and eight youth cases were reviewed for eligibility and compliance with requirements on Orientation to Discrimination Complaint forms and Limited English Proficiency. All cases were compliant with eligibility and equal opportunity requirements. Gaps exist in the collection of supporting documents for cases that documented customer employment. Four of the fifteen adult/dislocated worker cases did not validate the employment status on the day that they received their first WIOA funded service.

## TAA

Nineteen TAA cases were reviewed for the timeliness and content of thirty- day contacts and co-enrollment in WIOA. The primary purpose of this abbreviated review was to establish a baseline for adherence with the requirements of WD 30-20 *Trade Adjustment Assistance Final Rule* (effective December 14, 2020) which requires 100 percent co-enrollment of TAA customers. Only 1 case out of 19 did not meet the co-enrollment requirements. Because the scope of the review extended only to November 2020 the co-enrollment element was not actually scored. Equus has worked diligently throughout the FY2020 program year to ensure that processes were in place that allowed them to be compliant with this new requirement ahead of its formal implementation date. Scored reviews with additional required elements will be conducted later in this fiscal year.

## CONCLUSION-GAP ANALYSIS

The SNAP review focused on the findings identified by TWC during the visit in January 2020. The review indicates that there is continued lack of staff knowledge and policy interpretation in these areas. The accurate and timely data entry of customer information into TWIST is a basic aspect of sound case management that has great significance for the correct and accurate reporting of data to State and Federal entities. Considerable improvement is needed in these areas specifically in the SNAP program.

## PROGRAM FINDINGS

Finding 1*:* Sixty-five data integrity and case management errors were identified during the file review of four hundred-thirteen applicable elements. Specific case errors are detailed in the attachments provided with the draft report.

Citation: Equus Workforce Services, North Central Texas Workforce System Contract # FY21 TWC-02:

*Section 5: Contract Performance:*

- *5.3 The Subrecipient shall provide such services in compliance with all applicable federal and state laws, regulations, and rules.*

- *5.4 The Subrecipient shall comply with all Texas Workforce Commission (TWC) policies and procedures or guidance manuals, attached hereto or incorporated herein by specific reference and other Administrative Entity directives as issued. In the event of a conflict between such laws and regulations and the terms and conditions the Contract, precedence shall be given to the laws and regulations.*

*Section 9: Reporting Requirements:*

- *9.3 The Subrecipient understands that it will be held liable for completeness, accuracy, and consistency of all data under its control.*
- *9.6 Failure to data input or to report in accordance with the terms of this Contract may result in withholding by the Administrative Entity of any payments otherwise due or, it may result in financial sanctions to be imposed in accordance, with the Administrative Entity's policies and procedures. Recurring failure to meet the terms and conditions for data input or reporting may result in the termination of this Contract.*

## Required Corrective Action

Equus Management must correct individual file errors *where possible* and provide evidence of the corrective actions with their response to this report. Training on applicable rules and regulation regarding data collection is needed.

### Equus Response

All errors have been reviewed by staff and management and corrected where possible. Equus management is addressing the accuracy of files and understands the need for improvement to achieve contractual compliance of the program policy and rule. To address the concerns noted in this report program operations and management have worked carefully to analyze the scope of errors, underlying policy, and staff implementation concerns. The following processes and planned trainings are detailed below:

### SNAP

In response to the below tolerance accuracy rate of 90% Equus established a Quality Improvement Plan (QIP) in early December 2020. On 12/15/20 SNAP staff received training from the Program Manager in the processing of reconsiderations,1817 and 1822. The QIP requires center management to review 100% of staff case managed files to confirm the accurate application of case management and timely processing of forms. The initial QIP issuance reviewed all files from 10/1/20 and forward. The QIP has served to provide accountability to staff in their application of policy and procedure and to assist management in the assessment of their staff, and to provide coaching as needed. The initial month of the QIP has provided improvement in overall scores however the goal is to attain sustained accuracy levels. In the month of February, the management reviews will be validated for accurate implementation by Internal Quality Assurance and operations staff. Equus will complete this validation by 2/22/2021. The validation results will be used in consideration of the length of the QIP by management.

SNAP Training for staff is scheduled for February 25th, 2021. The training, which will be held virtually, will include a review of all errors noted in the review. Of note specific to this review it was determined that a couple of staff incorrectly interpreted the board policy requirement to obtain employment verification also meant that the participant could be penalized if they failed to produce the verification – this has since been clarified. Please note that one staff person whose work resulted in several errors has since left Equus employment.

CHOICES

To ensure staff fully understand the issues of compliance and accurate policy rules staff training is scheduled for 2/17/21. The training, which will be held virtually, will cover each of the errors noted in the review and staff will be trained in accurate procedures.

WIOA Eligibility

Equus consulted with board operations to determine the correct data validation timeline and practices to confirm employment for WIOA program entry. After consultation with the state it appears that the Equus process required clarity to ensure staff could accurately process the verification. The Equus procedure has been updated to indicate that at the first WIOA funded service entry, staff are required to verify employment of the participant. The first staff appointment where the participant is assessed for needs, barriers, and strengths, thus resulting in the IEP/ISS development and data entry of TWIST service code 68.

TAA

Equus has implemented processes to ensure TAA participants are moved seamlessly to the WIOA enrollment phase of service delivery. Program management has implemented procedures for staff to use to deliver scripted information to the TAA participant at initial services of the WIOA program co-enrollment benefits and simplicity of participation. A revised TAA First Day service procedure was released to staff on 1/26/21. Staff continue to outreach existing TAA participants who continue to require enrollment to complete the process, any customers who voice a refusal to application for WIOA services will be noted and names shared with the board operations.

## APPENDIX A

| Program Reviewed | Area of Review | Period of Review | Number of Records Reviewed | Number of Errors found in the Number of Elements Reviewed | Total Elements Yes | Total Elements No | Total Applicable | Overall Case Accuracy Rate |
|---|---|---|---|---|---|---|---|---|
| CHOICES | Full Case Management | October - November 2020 | 24 | 21/151 | 127 | 24 | 151 | 84.11% |
| NCP | Case Closure | January - October 2020 | 12 | 3/43 | 40 | 3 | 43 | 93.02% |
| SNAP | 1822 & Reconsiderations | October - November 2020 | 41 | 14/55 | 41 | 14 | 55 | 74.55% |
| WIOA Adult DW | Eligibility | October - November 2020 | 15 | 6/93 | 87 | 6 | 93 | 93.55% |
| Youth | Eligibility | September - November 2020 | 8 | 0/56 | 56 | 0 | 56 | 100.00% |
| TAA | 30-day contact | September - November 2020 | 19 | 1/19 | 18 | 1 | 19 | 94.74% |