October 4, 2023

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

Dear Ms. Budd:

NCTCOG completed the fourth review for FY2023 related to the Contract # FY23-TWC-02, between Equus Workforce Solutions and NCTCOG, for the provision of Workforce Services for Workforce Solutions for North Central Texas.

The attached final report details the scope of the monitoring and includes the Equus response to the required corrective action. Your timely completion of the required error corrections and Management response is appreciated. All errors are resolved pending follow-up monitoring of the successful implementation of your proposed corrective actions.
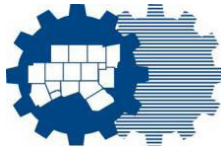
My staff are available to answer questions about this report and to provide technical assistance as needed.

Sincerely,

Phedra Redifer
Executive Director of Workforce Development

  Cc: Cherisa Price-Wells
      Lisa Boyd
      Mark Douglass
      Carlton Tidwell

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

FY2023 NCTCOG WORKFORCE QTR 4 REPORT

For

Equus Workforce Services
Contract FY23-TWC-02

October 3, 2023

Prepared by
Workforce Development Compliance and Continuous Improvement

North Central Texas Council of Governments
Workforce Solutions for North Central Texas

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Glossary of Acronyms and Definitions

AOP	Affirmative Outreach Plan
COLTS	Choices Online Tracking System
EOS	Explanation of Services
ETPS	Eligible Training Provider System
EQUUS	Equus Workforce Services
HHSC	Health & Human Service Commission
ITA	Individual Training Account
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
FY2023 NCTCOG Workforce QTR 4
Equus Workforce Services
North Central Texas Workforce Services Contract FY23-TWC-02

BACKGROUND

Following the adoption of a resolution by the North Central Texas Workforce Board of Directors at the May 19, 2020, 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. The contract contains options for renewal and includes language for appropriate contractual sanctions and/or remedies to ensure that all established performance measures will be met. The contract was renewed again for the period of October 1, 2022, through September 30, 2023.

RISK

The FY2023 Risk Assessment determined that Data Integrity and Customer Service continue to be the primary areas of risk for all Workforce programs. Significant consideration was given to the following:

- SNAP is at increased risk due to two TWC findings identified during the 2022 visit for the form H1822 ABAWD Work Requirement Verification to HHSC and Sanctions. NCTCOG initiated a Performance Improvement Plan (PIP) for these findings and for overall case management and data integrity.
- Choices was placed on a Technical Assistance Plan (TAP) by TWC to ensure that performance measures are met. TWC added additional allowable activities for performance measures, and they are required to be verified in TWIST. NCTCOG initiated a PIP for the overall case management of the program.
- Lack of adequate maintenance of WIOA customer files found in FY2022 reviews.
- High rates of turn-over in Subrecipient staff, impacting all programs
- 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 in 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.
- 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:

- SNAP Case Management Reviews
- Choices Case Management Reviews
- Reemployment Services and Eligibility Assessment (RESEA)
- WIOA Adult/Dislocated Worker Eligibility and Personally Identifiable Information (PII)
- WIOA Adult/Dislocated Worker Exit Activity
- WIOA Youth Eligibility and Personally Identifiable Information (PII)
- WIOA Youth Exit Activity
- TAA Exit Activity
- Summer Earn and Learn (SEAL)
- AOP Log Review

Desk reviews included a sample of work from the 11 (eleven) 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, individual case files from Laserfiche, and Workforce Operations and Reemployment System (WORCS).

SUMMARY OF RESULTS

SNAP

In January 2023, NCTCOG issued a management letter to Equus advising that TWC's standard for data integrity is 90% for all monitoring elements. Reviews were conducted for the month of May 2023, and for the following one-week timeframes: July 16th to July 22nd, July 23rd to July 29th, July 30th to August 5th, and August 6th to August 11th. The review results indicate Equus did not meet the 90% accuracy rate for each element.

For May, thirty-five (35) files were reviewed for the scope period. The total number of errors was forty-four (44) with six (6) elements below 90%. The overall monthly accuracy rate was 92.96%.

For the timeframe of July 16 to July 22, eleven (11) files were reviewed for the scope period. The total number of errors was eleven (11) with seven (7) elements below 90%. The overall weekly accuracy rate was 90.60%.

For the timeframe of July 23 to July 29, thirty-three (33) files were reviewed for the scope period. The total number of errors was twenty-two (22) with six (6) elements below 90%. The overall weekly accuracy rate was 94.26%.

For the timeframe of July 30 to August 5, thirty (30) files were reviewed for the scope period. The total number of errors was twenty-two (22) with nine (9) elements below 90%. The overall weekly accuracy rate was 93.53%.

For the timeframe of August 6 to August 11, seventeen (17) files were reviewed for the scope period. The total number of errors was twenty-two (22) with eight (8) elements below 90%. The overall weekly accuracy rate was 90.39%.

There has been an improvement for the *Request for Reconsideration* process that was identified as a finding by TWC during the 2022 visit. There were three (3) errors overall during the scope of each review.

There were repeat findings for staff failing to document case management actions timely and/or accurately. There was a combined total of thirty-eight (38) errors for the scopes of review. Below are additional errors that had a significant impact on the accuracy rates:

- In the *TWIST Intake Common* section, the common customer characteristics entries did not match the information collected based on the customer's status as of the date of participation.
- The support service documents in the file did not match *TWIST Support Service* entries or counselor notes.
- The workfare letter was either not in the file or there was no documentation of the letter issuance to the customer or the details of the workfare site placement.
- The participation hours entered in *TWIST Daily Time Tracking* did not match the participation forms in the file or the counselor notes. There were missing forms in the file to support the data entry in *TWIST Daily Time Tracking*.

CHOICES

In January 2023, NCTCOG issued a management letter to Equus advising that TWC's standard for data integrity is 90% for all monitoring elements. Reviews were conducted for the months of April and May 2023, and for the following one-week timeframes: July 16th to July 22nd, July 23rd to July 29th, July 30th to August 5th, and August 6th to August 11th. The review results indicate that Equus did not meet 90% accuracy rates for each element.

The monthly accuracy rates are below 90%: 86.67% (April) and 86.01% (May).

For April, eighteen (18) files were reviewed, there were thirty-four (34) errors, and eleven (11) elements were below 90%.

For May, seventeen (17) files were reviewed, there were thirty-four (34) errors, and fifteen (15) elements were below 90%.

For the timeframe of July 16 to July 22, eleven (11) files were reviewed for the scope period. There were twelve (12) errors, with five (5) monitoring elements below 90%. The

accuracy rate for the week was 89.92%.

For the timeframe of July 23 to July 29, thirty (32) files were reviewed for the scope period. There were eighteen (18) errors, with six (6) monitoring elements below 90%. The accuracy rate for the week was 94.39%.

For the timeframe of July 30 to August 5, eighteen (18) files were reviewed for the scope period. There were eighteen (18) errors, with six (6) monitoring elements below 90%. The accuracy rate for the week was 91.39%.

For the timeframe of August 6 to August 11, twelve (12) files were reviewed for the scope period. There were seven (7) errors, with two (2) monitoring elements below 90%. The accuracy rate for the week was 94.07%.

There was a reduction in the number of elements below 90% for the August 6 to August 11 timeframe.

There were repeat findings for staff failing to document case management actions timely and/or accurately. There was a combined total of thirty-one (31) errors for the scopes of review. Below are additional errors that had a significant impact on the accuracy rates.

- Staff failed to develop the Family Employment Plan based on the participant assessment.
- Initial and/or ongoing assessments were not performed as required or documented in TWIST counselor notes.
- Support Services and Incentives entries in the TWIST Support Services tab did not match documents in the file and/or in counselor notes.
- Participation hours were either not allowable and/or were not calculated correctly.
- Participation hours in the file did not match TWIST Daily Time Tracking entries or case note documentation.
- There were missing documents in the file to support the TWIST entries.
- *Service 68* was not entered timely in TWIST Service Tracking when the employment plan was developed.
- Untimely notification of changes to HHSC.
- Untimely and inaccurate entries in TWIST. This included gaps in counselor notes.

RESEA

Twenty-five (25) cases were reviewed for compliance with requirements on service plans and related activities. All elements for all cases were found to be compliant. Noted observations include two (2) plans that did not have any case notes, and 1 claimant whose resume lacked adequate detail about the type of work he was seeking.
The accuracy rate for the review is 100%.

WIOA Adult/Dislocated Worker Eligibility and PII

Nine (9) files were reviewed for eligibility, limited English proficiency and PII. Gaps were identified in the documentation of required TWIST intake common data. Discrepancies in criminal history and parole status were found between case notes and the characteristics tab. One (1) case contained an incorrect date of birth for the customer. All files contained an orientation to discrimination complaint form, and PII requirements were maintained. The accuracy rate for the review is 95.56%

WIOA Adult/Dislocated Worker Exits

Twenty-one (21) files were reviewed for exit activities. The TWIST program detail screen contained the correct exit reason for all customers. Measurable skills gains were accurately recorded and customers not meeting performance at exit were contacted as required. Gaps were found in exit documentation including:

- Cases that did not accurately document employment or credential information.
- A case with an incorrect closure reason.
- A case that soft closed due to inactivity.

When compared to last years review of exit activities, this review indicates an improvement, particularly in required customer contacts for non-performance. The accuracy rate for this review is 90.63%.

WIOA Youth Eligibility and PII

Ten (10) files were reviewed for eligibility, limited English proficiency and PII. Gaps were identified in the documentation of required TWIST intake common data. One (1) case did not include the customer's race and another had the social security number incorrect. All PII requirements were met, one (1) customer file did not contain an orientation to discrimination complaint form. The accuracy rate for the review is 94%.

WIOA Youth Exits

Twelve (12) files were reviewed for exit activities. The TWIST program detail screen was closed with the correct exit reason for all cases and no cases soft closed. Gaps were found in exit documentation including customers who were not placed in follow up and cases that did not appropriately document employment or credential obtainment. The accuracy rate for this review is 85.71%.

TAA Exits

Ten (10) files were reviewed for exit activities including benchmarks and thirty (30) day contacts. Three (3) cases did not maintain benchmark activity in the required 60-day increments, update the reemployment plan, or did not have a supporting document for the Laserfiche file. Thirty (30) day contacts were well maintained with only one (1) minor exception. The accuracy rate for review is 89.36%. This score is an improvement from the last review.

SEAL

Fiscal reviewed thirty-eight (38) participants based on the sample provided by Compliance & Continuous Improvement for pay periods ended June 17, July 1, 15, 2023. For twenty-six (26) participants, timesheets were totaled correctly, wages were based on hours worked, and timesheets were approved by the participants and supervisors. During the review, twelve students did not participate in the program during the testing periods noted. On the programmatic side minor gaps were found in the completion of the worksite monitoring reports. One (1) worksite form did not list what actions were taken to assist a student that was documented as struggling with the work tasks. Another report did not document who the visit was conducted with, and it was not signed. One (1) student was not placed at the worksite for the required 5 weeks. Sufficient evidence was found to determine that all of the employers were informed of their responsibilities related to the Fair Labor Standards Act, and regulation on equal opportunity. The accuracy rate for the review is 96.04%.

Affirmative Outreach Plan (AOP) Log Review

A sample review of 15 (fifteen) outreach activities were performed during the period of January 2023 through March 2023 was conducted for this review. There was a slight decrease in the overall accuracy rate in comparison to the previous review. The purpose of the review was to take steps to ensure equal access is provided to WIOA Title I-financially assisted programs and activities, which should involve reasonable efforts made by staff to engage with the various groups in the community who are protected by the CFR (Code of Federal Regulations) 38.40. Multiple organizations that were outreached, such as Raffa Women's Center and Community Lifeline Center, do serve a wide variety of vulnerable populations. The errors found in this review are listed below:

- Several outreach activities did not include adequate and clear documentation of the varied services and programs offered by WSNCT. The documentation for these outreaches did not indicate there was a robust discussion of the vast programs/services offered by WFSNCT.

- One outreach activity did not include adequate documentation of the contact person/representative of the organization outreached.
- Notes: In more than one instance, the supporting documentation was not found in the S drive location. However, this is not an element that is monitored, so noted only.

The accuracy rate for this review was **96.69%.**

CONCLUSION-GAP ANALYSIS

Gaps in Management oversite are still observed for all programs. For the Choices and SNAP programs there continues to be a lack of adherence regarding timely and accurate documentation in TWIST counselor notes. For the Choices program, collectively, there were thirty-one (31) errors. For the SNAP program, collectively, there were thirty-eight (38) errors. The NCTCOG PIP for both programs has had an inadequate impact in increasing the monitoring scores and improvement in case management. There continues to be inconsistency in case management. Failure to document participant and staff activities timely and accurately may result in delays in service to the customer, affect the benefits of the customer, and increases the opportunity to provide services to individuals that are not eligible for both programs. Regarding the AOP review, process gaps still exist in the AOP outreach activities. The primary gaps that were identified in this review included a lack of clear documentation about the vast array of services and programs offered by WSNCT.

PROGRAM FINDINGS

Finding 1: (280) two hundred eighty data integrity and case management errors were identified during the file review of (3,533) three thousand five hundred thirty-three 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 # FY22 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. For Choices and SNAP findings, Equus must provide documentation to support the implementation of training specific for each program that is noncompliant. The responses should be documented on the PIP (Performance Improvement Plan) templates for Choices and SNAP E&T. Elements that specifically identify program performance and actions that could impact the eligibility benefit for participants should be more heavily reviewed.

Equus Response

Assessing the cause of the repeat findings for staff failing to document case management actions timely and/or accurately we learned that our training is good, but our staff did not provide sufficient attention to detail which resulted in errors. This has been addressed with their Center Manager/Lead.

To remedy this action, Equus has implemented the QCI team. This team conducts daily reviews with staff in real time to identify and correct errors. As a result, we have seen an overall increase in accuracy in FY23 WF3 to WF4 in CHOICES by 4.55% and in SNAP by 3.43%. We expect this positive trend to continue.

All Programs:

- We have evaluated the current frequency and order of all training conducted by the trainer and have organized the schedule in a way that is more conducive to learning for our new Talent Development Specialists and anyone who needs a refresher.

- The QCI Team provides real time reviews and notifies the operations team immediately on any trends, issues, concerns that require immediate technical assistance or training.

- All electronic systems used do not communicate with each other, thus a directive has been issued to all workforce program staff to update the WIT profile every time they update TWIST Intake Common Customer Characteristics.

- Starting in October 2023, dedicated staff will be assigned to focus solely on support service processing across workforce programs and centers will ensure consistency among process implementations.

- Due to clarification provided at Fall 2023 QAN, Equus Universal Employment Plan SOP will be updated by 10/31/23.

- Review of Program Guides and local SOPs are provided during training, technical assistance, and other opportunities.

- As part of Equus Quality Management Tool (QMT), 25% of SOPs are reviewed quarterly by the operations team. Revisions and archives are made as needed.

- Equus TX State Performance Director is working closely with the North Central Texas leadership team to identify and address gaps in program delivery and align processes across the State.

- We have implemented a Performance Dashboard to easily share data with team members and other stakeholders that includes accuracy score trending and other pertinent continuous improvement elements.

SNAP:

We are taking the following steps:

- Refresher Workfare training was conducted September 8, 2023, by the Program Manager. All SNAP TDS and CMs/Leads were required to attend.
- The Program Manager will conduct SNAP technical assistance by 10/31/23. The following topics will be covered, including real case scenarios:
  - Participation
  - Daily Time Tracking required documentation
  - Good Cause and Reconsideration.
- Program Managers and Quality Control Coordinators will continue to provide additional support to at risk centers by daily meetings with these centers.
- The Program Managers developed and trained staff on an additional case management tool that highlights each participant's current status and upcoming due dates.
- Corrective Action and/or Performance Improvement Plans have been implemented for underperforming staff and/or teams.
- Based on an analysis conducted by the Equus TX State Performance Director that compared errors identified by internal and external monitoring's, we have realigned responsibilities of Center Managers and the QCI team for internal reviews and corrections.

Choices:

We are taking the following steps:

- Program Manager will conduct Choices training by 10/31/23. Topics will include:
    - Initial/ongoing assessment
    - Allowable participation/Daily Time Tracking
    - Documentation/data entry
    - Service tracking
    - Notification to HHSC by working through real case scenario.
- The Quality Control & Continuous Improvement Team conducts daily reviews with staff in the high-risk workforce centers to identify errors.
- Program Managers and Quality Control Coordinators will continue to provide additional support to risk centers by assigning daily meetings with these centers. QCI or PMs will continue to be assigned to these at-risk centers.
- The Program Managers developed and trained staff on an additional case management tool that highlights each participant's current status and upcoming due dates.
- Corrective Action and/or Performance Improvement Plans have been implemented for underperforming staff and/or teams.
- Based on an analysis conducted by the Equus TX State Performance Director that compared errors identified by internal and external monitoring, we have realigned responsibilities of Center Managers and the QCI team for internal reviews and corrections.

WIOA Exits and WIOA Youth Eligibility:

We are taking the following steps:

WIOA AD/DW/Youth - In FY24, the Performance Team will take over the WIOA Exit process with dedicated staff to ensure compliance and benchmarks are met. This will condense the role and lead to a more uniform approach which will lead to a more accurate Exit process.

Youth Eligibility –

- Equus will provide refresher training on intake requirements in our Quarterly training set for Sept 29, 2023, including complete and accurate data entry requirements in TWIST WIOA application process.
- All WIOA staff have been trained in WIOA Eligibility across all WIOA programs.

TAA
We are taking the following steps:

- Program Manager will conduct a training by 10/31/23 and will include benchmark requirements, reemployment plan/WIT employment plan and required supporting documents in Laserfiche.

SEAL, **AOP**, and **RESEA** were above 95% accuracy.

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
SNAP	Case Management	May 2023	35	44/625	581	44	625	92.96%
SNAP	Case Management	Aug 6-Aug 11 2023	17	22/229	207	22	229	90.39%
SNAP	Case Management	July 30-Aug 5 2023	30	22/340	318	22	340	93.53%
SNAP	Case Management	July 23 – July 29 2023	33	22/383	361	22	383	94.26%
SNAP	Case Management	July 16 – July 22 2023	11	11/117	106	17	117	90.60%
Choices	Case Management	April 2023	18	34/257	223	34	257	86.77%
Choices	Case Management	May 2023	17	34/243	209	34	243	86.01%
Choices	Case Management	Aug 6 - Aug 11 2023	12	7/118	111	7	118	94.07%
Choices	Case Management	Jul 30 - Aug 5 2023	18	18/209	191	18	209	91.39%
Choices	Case Management	Jul 23 - July 29 2023	32	18/321	303	18	321	94.39%

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	Case Management	Jul 16- July 22 2023	11	12/119	107	12	119	89.92%
RESEA	Service plans and required activity	April – May 2023	25	0/102	102	0	102	100%
WIOA Adult DW	Eligibility	April – June 2023	9	2/45	43	2	45	95.56%
WIOA Adult DW	Exits	April– June 2023	21	6/64	58	6	64	90.63%
WIOA Youth	Eligibility	April– June 2023	10	3/50	47	3	50	94.0%
WIOA Youth	Exits	April– June 2023	12	6/42	36	6	42	85.71%
TAA	Exits	March - June 2023	10	5/47	42	5	47	89.36%
SEAL	Payroll and Required Activity	June July 2023	38	4/101	97	4	101	96.04%
AOP	Outreach Log	April - March 2023	15	4/121	117	4	121	96.69%