

**North Central Texas Council of Governments**

January 29, 2024

Ms. Kara Waddell  
President, CEO  
Child Care Associates/Curantis Group, LLC  
3000 E. Belknap Street  
Fort Worth, TX 76111

Dear Ms. Waddell:

The North Central Texas Council of Governments has completed an Insurance Review covering the period October 1, 2023, to September 30, 2024, for Fiscal Year 2024 under contract FY24-TWC-01 with Curantis Group, LLC for the management of Workforce programs for Workforce Solutions for North Central Texas. The specific fiscal compliance areas reviewed included bonding and insurance requirements in accordance with § 12 Bonding Requirements; §13 Insurance Requirements; and §16.9 Monitoring, Audits, and Evaluations of the contracts, and Financial Manual for Grants and Contracts Chapter 3, Insurance.

The attached report details the scope and summary of monitoring results of insurance and bonding requirements for the contract period of October 1, 2023 - September 30, 2024. NCTCOG identified no issues with the bond and insurance coverage. The documentation provided meets TWC guidelines and is determined to be acceptable dependent on the balance payments for various policies are executed in accordance with financing/payment schedules during the contract year. This review is finalized upon issuance of this report.

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

Sincerely,

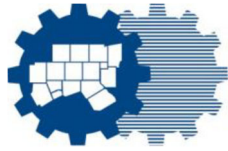
Phedra Redifer  
Executive Director of Workforce Development

cc: **Curantis Group, LLC**  
Karanae Spradlin, Chief Financial Officer  
Candace Lord, Senior Controller

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

**North Central Texas Council of Governments**  
Randy Richardson, Director of Administration  
Debra Reyna, Manager, Continuous Improvement

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**North Central Texas Council of Governments**

***FY2024 Curantis Insurance Review Report***

for

**Curantis Group LLC**

**Contract FY24-TWC-01**

*Prepared by the*

*Risk and Compliance Division*

**North Central Texas Council of Governments**

**Workforce Solutions for North Central Texas**

January 29, 2024

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

### **Workforce Solutions for North Central Texas**

#### ***FY2024 Insurance Review Report***

#### **Curantis Group, LLC - Contract FY24-TWC-01**

### **Background**

The North Central Texas Council of Governments (NCTCOG) contracts with Curantis Group, LLC to manage and operate Child Care Services programs in all 14 counties for the North Central Texas Workforce Development Board as part of the Board's oversight responsibility.

All funding received from the 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 §16.9 Monitoring, Audits and Evaluations of contract FY24-TWC-02 and with Texas Administrative Code Title 40, Part 20, Chapter 802, Subchapter B Contracting, §802.21 Board Contracting Guidelines (b) Bonding, Insurance, and Other Methods of Securing Funds to Cover Losses, Subchapter D §802.64, 2 CFR 200.332 and with §12 Bonding Requirements, §13 Insurance Requirements, NCTCOG completed an Insurance Review to monitor the integrity of the Workforce System. NCTCOG is required to provide oversight of fiscal, operational, and program requirements in exercising ongoing due diligence.

### **Risk**

NCTCOG conducted the review to consider risks in the oversight relating to 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 of the expense.

### **Objective**

NCTCOG's monitoring and review process is focused on reviewing and testing strategic components of the 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 adequacy of Curantis bonding and insurance in accordance with the contract requirements. The policies and selected payments were incurred in the normal course of business conducted on behalf of NCTCOG.

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. An expanded scope may have identified additional items that may or may not have been significant to the process and results.

### **Scope**

Specific compliance areas reviewed included bonding and insurance contract requirements. The scope of the review included bonding and insurance transactions related to contract period October 1, 2023 – September 30, 2024. We confirmed insurance and bonding coverage were in place at the contract inception.

## Methodology

NCTCOG's review of bonding and insurance documentation and payments included:

- examination of certificate of insurance.
- examination of the invoices, check payments, wire transfer documentation, and bank transaction documents.
- verification of insurance companies rating to determine financial strength and creditworthiness.

## Summary of Results

Based on the results of the Insurance Review, NCTCOG identified no issues with the bond and insurance coverage for the contract period October 1, 2023, through September 30, 2024. The documentation provided meets TWC guidelines and is determined to be dependent on the balance payments for various policies are executed in accordance with financing/payment schedules during the contract year.

## Conclusion

Of the items reviewed and our subsequent discussions with management, there appear to be no findings that would contribute to a material weakness or significant deficiency in fiscal internal controls. This review is finalized upon issuance of this report. NCTCOG appreciates the cooperation and assistance received by Curantis employees during the execution of the contract.

## Appendix A

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### Acronyms

NCTCOG	North Central Texas Council of Governments
TWC	Texas Workforce Commission
Curantis	Curantis Group LLC

### SharePoint URL

<https://nctcog.sharepoint.com/sites/WD-CurantisProjects/Shared%20Documents/Forms/AllItems.aspx>> Insurance > FY 2024 folder