



**North Central Texas Council of Governments**

May 21, 2026

Ms. Kara Waddell  
President, Chief Operating Officer  
Curantis Group, LLC  
3000 E. Belknap Street  
Fort Worth, TX 76111

Dear Ms. Waddell:

The North Central Texas Council of Governments (NCTCOG) conducted a Payroll Review for a bi-weekly pay period within Fiscal Year 2026 under Contract FY26-TWC-01 with Curantis Group, LLC. This contract covers the management of Child Care Services program for Workforce Solutions for North Central Texas. The review focused on payroll and payroll policies in accordance with §16.9 (Monitoring, Audits, and Evaluations) of the contract.

The attached report describes the scope of work performed and the results of procedures applied to selected payroll disbursements for the pay period ending February 6, 2026. Based on the items reviewed and discussions with management, no issues were identified that will rise to the level of a reportable condition, significant deficiency, or material weakness in fiscal internal controls. This review is complete upon issuance of this report.

We appreciate your cooperation provided during the review. For further questions, please contact Fatima Parsons at 817-704-5671.

Sincerely,

Phedra Redifer  
Executive Director of Workforce Development

cc: **Curantis Group, LLC**  
Ms. Karanae Spradlin, Chief Financial Officer  
Ms. Candy Lord, Senior Controller

**North Central Texas Workforce Development Board**  
Christopher Bentle, Chairman, Oversight and Accountability Committee

**North Central Texas Council of Governments**  
Randy Richardson, Director of Administration  
Lisa Sack, Sr. Manager-Centralized Services Operations  
Equal Opportunity Officer  
Ryan Garrett, WFD Sr. Fiscal Manager  
Christina Kidd, WFD Sr Program Manager, Child Care

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***FY2026 Curantis Payroll Review Report***  
for  
Curantis Group, LLC  
Contract FY26 -TWC-01

*Prepared by the*  
**North Central Texas Council of Governments**  
**Workforce Solutions for North Central Texas**  
May 21, 2026

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## North Central Texas Council of Governments

### Workforce Solutions for North Central Texas FY2026 Curantis Payroll Review Report Curantis Group, LLC - Contract FY26 -TWC-01

#### Background

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

All funding received from the Texas Workforce Commission (TWC) for program management and operation must comply with the requirements outlined in TWC's Financial Manual for Grants and Contracts. In accordance with:

- §9.6.1 (Share Services Agreement) & §16.9 (Monitoring, Audits, and Evaluations) of Contract FY26-TWC-01,
- Texas Administrative Code Title 40, Part 20, Chapter 802, Subchapter B (§802.21 Board Contracting Guidelines), Subchapter D (§802.64), and
- 2 CFR 200.332 (e),

NCTCOG conducted a Payroll Review to monitor the integrity of the Workforce System for the selected items. As part of its ongoing due diligence, NCTCOG is responsible for providing oversight of fiscal, operational, and program requirements.

#### Risk

NCTCOG conducted the review to assess risks related to the Board's oversight in the following areas:

- Compliance with requirements established by federal laws and regulations, of contracts or grant agreement provisions, and any additional requirements imposed by the pass-through entity.
- Efficient and effective use for authorized purposes, with safeguards in place to prevent waste, fraud, and abuse, and financial statements misstatements.
- Allowability, necessity, and reasonableness of expenses at the time of they were incurred.

#### Objective

NCTCOG's monitoring and review process focuses on reviewing and testing key components of operations to identify findings and opportunities for correction and improvement. As part of this process, NCTCOG may perform various procedures, including testing of internal controls and conducting substantive testing of details, as appropriate.

The primary objective of the review was to test a sample of payroll disbursements for occurrence, completeness, accuracy, authorization, classification, and rights and obligations. The payroll disbursements selected were incurred in the normal course of business conducted on behalf of the NCTCOG and in accordance with Texas Grant Management Standards (TxGMS), specifically the sections on Standard Financial Management Conditions, Financial Management and Internal Control.

This review did not include testing the implementation or operating effectiveness of internal controls. Additionally, the examination of documents was not intended to confirm, validate, or refute information obtained from other areas of the assessment. A broader review scope could have identified additional items, which may or may not have been significant to the overall process or results.

#### Scope

The scope of the review included payroll disbursements for a sample of 23 employees from the bi-weekly pay period ending February 6, 2026. The review covered key compliance areas including

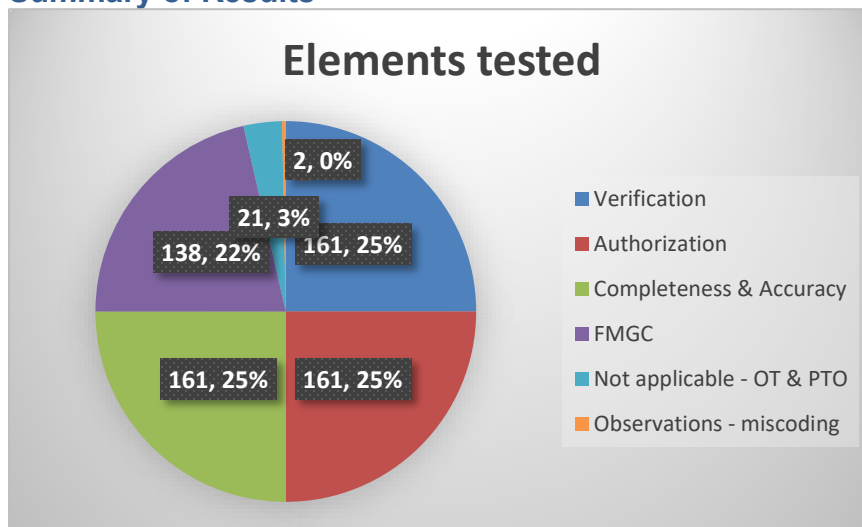
payroll transactions, payroll policies and payroll procedures, as applicable to federal or state guidance.

## Methodology

NCTCOG’s review of payroll disbursements included the following procedures:

- Examined payroll registers and supporting documentation for operations, child care quality, and industry support staff.
- Verified the accuracy, reasonableness, and allowability of transactions against contract requirements and relevant standards. This included reviewing employee timesheets, payroll registers, pay rates and hours worked, personnel action forms, general ledger reports, timesheet approval reports, employee listings, allocation entries, and Micriox records.
- Recalculated payment amounts under the Shared Services Agreement using a de minimis indirect cost rate applied including allocations recorded in the general ledger.

## Summary of Results



**Completeness & Accuracy** – hours worked, pay rate, PAF, fund account, location, classification

**Authorization**- Approval of timesheet, regular hours, overtime, paid time off

**Verification** – hours, pay rate, recalculations, locations, check register, paystubs

**FMGC components** – reasonableness, adequate documentation, allocation, allocable, properly recorded & classified

**Not Applicable** - O/T & PTO

**Observations** - miscoding

Based on the supporting documentation reviewed, the sample of 23 employees from the bi-weekly pay period ending February 6, 2026, appears to be complete, accurate, properly authorized and classified, and to represent valid transactions incurred in the normal course of business. The related liabilities appear to be valid obligations of Curantis.

## Share Services Agreement

Effective January 2026, Curantis adopted the federal de minimus rate of 15% applied to modified total direct costs (MTDC) including salaries, fringe benefits, and all eligible direct costs. In prior years, a provisional indirect rate of 13.7% was applied solely to salaries and fringe benefits.

During the reconciliation of February 2026 billing, underbilling was identified due to reliance on monthly calculations. To improve accuracy and prevent future variances, Curantis will transition to year-to-date (YTD) reporting for indirect cost calculations, ensuring that all cumulative adjustments are fully captured.

## Conclusion

Based on the items reviewed and discussions with management, no findings were identified that will rise to the level of a reportable condition, significant deficiency, or material weakness in fiscal internal controls.

This review is considered complete upon issuance of this report. NCTCOG appreciates the cooperation and assistance provided by Curantis management in supplying the information necessary to conduct and complete the review.

## Appendix A

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### Acronyms

CFR	Code of Federal Regulations
Curantis	Curantis Group, LLC
FM	Fiscal Monitoring
FMGC	Financial Manual for Grants & Contracts
Micriox	Curantis Timekeeping system
OT	Overtime
PTO	Paid Time Off
PAF	Personnel Action Form
WF	Workforce

### SharePoint URL

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

Payroll > FY 2026 folder