



North Central Texas Council of Governments

October 9, 2023

Ms. Lennis Dounley
Program Director
Curantis Group, LLC
Child Care Services
5800 N. I-35 Service Rd Unit 100
Denton, TX 76207

Dear Ms. Dounley:

NCTCOG completed the final review for FY2023 related to the Contract # FY23-TWC-01, between Curantis Group, LLC and NCTCOG, for the provision of Child Care Services for Workforce Solutions for North Central Texas.

The attached final report details the scope of the monitoring and includes the Curantis response to the required corrective actions. Your completion of the required error corrections and Management response is appreciated. All errors will be resolved upon receipt of the W-9, calculations and explanation required by Fiscal Administration to reimburse one parent whose care was terminated and who paid the provider while still eligible. Once those documents are received, NCTCOG will reimburse the parent out of program funds. We look forward to seeing continued improvements as staff implement the training and corrections.

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: Kara Waddell, President/Chief Executive Officer, Curantis Group
Patricia Looper, Regional Director of Continuous Learning and Development, Curantis Group
Carlton Tidwell

SharePoint URL: <https://nctcog.sharepoint.com/sites/CurantisCC-QAExchange>



***FY2023 NCTCOG CHILD CARE SERVICES QTR 4
REPORT***

For

Curantis Group, LLC

Contract FY23-TWC-01

October 9, 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

ADR	Alternative Dispute Resolution (for Appeal cases)
CCA	Child Care Associates
CCI	Compliance and Continuous Improvement (formerly QA - NCTCOG)
CCS	Child Care Services
CSM	Customer Satisfaction Meeting (for Appeal cases)
COVID	Coronavirus Disease
DFPS	Department of Family and Protective Services
DOL	Department of Labor
ELP	Early Learning Program (formerly Child Care Provider)
Curantis	Curantis Group, LLC
Form 2450	Authorization for Child Care Enrollment
Form 2050	Eligibility Certification for Child Care Services
Form 2054	Child Protective Services Service Authorization - 2054
HHSC	Health and Human Services
MS	Microsoft
NCTCOG	North Central Texas Council of Governments
NCTWDB	North Central Texas Workforce Development Board
PIRTS	Program Integrity Reporting Tracking System
PSOC	Parent Share of Cost
QA	Quality Assurance
QC	Quality Control (Curantis staff)
SIA	Service Improvement Agreements
SMI	State Median Income
TWC	Texas Workforce Commission
TWIST	The Workforce Information System of Texas
UI	Unemployment Insurance
WD	Workforce Development
WSNCT	Workforce Solutions for North Central Texas

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Workforce Solutions for North Central Texas
FY2023 NCTCOG Child Care Services Qtr 4 Report
Curantis Group, LLC
North Central Texas Child Care Services Contract FY23-TWC-01

BACKGROUND

Curantis Group, LLC. 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 July 28, 2022, Board meeting. This resolution endorsed Curantis as the provider for the delivery of Child Care Services to include appropriate contractual sanctions and/or remedies to ensure Curantis meets all established performance measures and provides services consistent with the policy principles of the Workforce Board and the North Central Texas Council of Governments. After an initial transitional period from August 1, 2022 through September 30, 2022, Curantis assumed the full contractual responsibilities for FY2023 beginning October 1, 2022 through September 30, 2023.

RISK

The FY2023 Risk Assessment determined that the highest areas of risk for Child Care Services include:

- Data Integrity
- Data Security
- Customer Service

Additional identified risk exists due to:

- Staffing shortages requiring hiring and subsequent training.
- Changes to the Child Care rules effective October 1, 2022, including new funding, requiring new processes or process changes.
- New areas assigned to Subrecipient related to quality procurement and fraud/fact-finding.

OBJECTIVE

NCTCOG conducts program and fiscal monitoring as required by TWC to provide:

- Enough information to the Child Care Services Subrecipient for implementing timely corrective actions to meet requirements and performance measures as contracted.
- Assurance to TWC that Child Care Services programs are compliant with

regulations and policies so TWC may rely on system data for reports to federal partners.

- Pertinent information to the North Central Texas Workforce Board to fulfill 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 monitoring review used random samples to focus on Data Integrity, Data Security and Customer Service processes, including reviews of:

- Eligibility Review of New Applications, Redeterminations and Denials.
- New ELP review.
- Quality Funds review.

METHODOLOGY

Desk reviews were conducted from The Workforce Information System of Texas (TWIST) and Laserfiche reports, and data found in TWIST and the Laserfiche file management systems. Samples were selected from TWIST and Laserfiche reports for the Eligibility review. The Master Child Care Provider list was used to choose new providers added in August for the New ELP review. The General Ledger (GL) sent to NCTCOG for April, May and June was used to pull a random sample of items invoiced by Curantis in the Quality Funds tab for the Quality Funds review.

SUMMARY OF RESULTS

Eligibility Review of New Applications, Redeterminations and Denials

A random sample was selected from a report for redeterminations and denials processed from June through July 7, 2023. The overall accuracy rate for the elements reviewed was 91.52%. The element errors below 80% found in the ten (10) cases sampled for this review included:

- Untimely processing and notification of eligibility determinations and denials, including insufficient documentation on if a child remained at the ELP during the late processing in one case, which may have impacted the ELP's payment and whether the new eligibility period was correct or not.
- Income calculation errors, one of which led to an eligible customer's child care terminating incorrectly and another customer having incorrect Self-Employment calculations and documentation in their file to support all income.

There was an improvement in the overall accuracy rate when compared to the prior review which was, in part, due to half of the cases reviewed achieving a 100% accuracy rate.

New ELP (Early Learning Provider) Review

A sample of new ELPs added in August were selected. The overall accuracy rate for this review was 90.27%. The errors found included:

- Untimely entry of information into TWIST.
- Incorrect published and reimbursement rates for some age categories, including using out of county calculated published rate for an in county ELP.
- Data validation errors included: discrepancy in rates on Rate Agreement versus rates entered in TWIST; discrepancies in paid holidays; and rates on rate agreements for ages not entered in TWIST or noted as ELP is not licensed for those age groups, but ELP published rate sheet has rates for those age groups.
- Late entry of ELP authorization into TWIST and printing/entering license checks late into Laserfiche.

Observation: Contractual agreements are for 2 or 3 years, but two (2) ELPs had six (6) month licenses through January 2024, with no indication how this will be tracked to update with the new licenses once they expire. In the exit meeting, it was clarified Curantis tracks these in a separate spreadsheet.

There was an improvement in the accuracy rates for both published and reimbursement rate calculations and data entry when compared to the prior review of rate agreements, indicating the corrective actions from the prior review are having a positive impact.

Quality Funds Review

A sample of ten (10) items were chosen from the Curantis' General Ledgers (GL) for April, May, and June 2023. Supporting documentation and policies were requested from Curantis fiscal staff. Following draft report issuance, Curantis removed tips paid for travel transportation costs charged to Quality Funds in a subsequent GL. After receipt of all documentation, explanations and clarifications received from Curantis' staff and NCTCOG Managers for Fiscal Administration and Child Care post draft report issuance, all errors were cleared from this review, changing the overall accuracy rate for this review to 100%.

While not a specific element of this review, the *Child Care Associates Financial Policy & Procedures Manual* supplied does not mention anything specific to Quality Funds allowability and did not mention Curantis. However, due to the Shared Services Agreement between CCA and Curantis, this is an observation only.

CONCLUSION-GAP ANALYSIS

For the Eligibility review:

- The late processing of eligible cases, one (1) that caused either a loss of child care for the customer or a reimbursement to parent or ELP during the 3-month delay.

- Incorrect income calculations, with one causing an eligible customer's case to end, potentially also requiring reimbursement to the parent if the child care was paid for by the parent from date care was lost through to reinstatement of child care.
- Elements reviewed that had errors below an eighty percent accuracy rate, if not improved upon, could lead to a finding with TWC Subrecipient monitoring.

In the New ELP review:

- Since each county calculates ELP published rates differently, ELPs located in the WSNCT managing Board area need to provide their rate sheets to Curantis. To standardize the payments made to ELPs in the WSNCT area, their published rate calculations need to be completed by Curantis staff. This will help avoid data validation errors and adjustments to payments needing to be made once the ELP signs an agreement with Curantis.
- Rate calculation errors can cause a need for recoupment and/or corrections to ELP payments.
- Data entry errors, if they persist, could lead to findings. Also, failing to enter all the holidays an ELP is entitled to can lead to absences being recorded for children in care that should not be absences and fail to pay an ELP for an allowable holiday date.

For the Quality Funds review:

The review showed that Curantis followed their policies, as required in their contract, for the expenditure of Child Care Quality Funds with only one exception that was corrected prior to finalizing this review. This supports the ability to rely upon the Child Care Associates (CCA) policies that are in place for the Shared Agreement between Curantis and CCA in the expenditure of Quality Funds allocated to Curantis.

FINDINGS

Finding 1: A total of twenty-five (25) data integrity and case management errors were identified out of three hundred and thirty-nine (339) elements reviewed. The errors are outlined in the attachments provided in SharePoint with the report.

Citations: WSNCT Administrative Policy IADM02-201601: Data Integrity

Staff shall enter all information into TWIST within five (5) business days from receipt of the data (Intake, Application, Service, Contact, etc.), or the state deadline (described in the Data Review/Correction Requirements section, item B), whichever comes first...

At a minimum, TWIST/Laserfiche counselor notes must include:

- *All staff contacts with the customer;*
- *Attempted customer contacts;*
- *Contacts regarding the customer;*
- *Justification and documentation of services provided;*
- *Actual date of the contact;*

- *Service being reported;*
- *Staff name; and*
- *Required information for program related verification.*

Curantis, LLC, North Central Child Care Services Contract # FY23-TWC-01, Section 5: Contract Performance and Section 9 Reporting Requirements:

Section 5.3 The Sub recipient shall provide such services in compliance with all applicable federal and state laws, regulations, and rules.

Section 5.4 The Sub recipient 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 9.3 The Sub recipient understands that it will be held liable for completeness, accuracy, and consistency of all data under its control.

Section 9.8 Failure to data input or to report in accordance with the terms of this Contract may result in withholding by the Administrative Entity of 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 Actions:

Curantis Management must correct individual file errors *where possible* and provide evidence of corrective actions with their response to this report. For all findings, Curantis must provide documentation to support the implementation of training specific for each area that is noncompliant. Elements and processes that specifically impact program performance, ELP reimbursements, and actions that could impact the eligibility benefits for participants should be more heavily reviewed.

Curantis Management Response: *(please insert management response below in Word format)*

FY2023 CC Summary of New Provider Review

Scope: Review of ten new ELP's added in August 2023

Curantis Response:

Issues (2-5 bullet points) have been addressed with staff. Training was provided to the Program Support team by F. Brooks.

Program Support has been assigned a Compliance Specialist(s) who will be reviewing provider documents, data validation and data entry into TWIST. Staff performance

reviewed for accuracy and timeliness as well as the need for additional team or individual training will be assessed and provided.

FY2023 Summary of Eligibility (New Application, Redetermination and Denial Review)

Scope: Random Sample from redetermination cases closed in Laserfiche from June through July 7, 2023.

Curantis Response:

- 1) Staff training (refresher) on Eligibility Calculator (August).
- 2) Initial Job Search trainings and refreshers have been held for staff. Forms updated.
- 3) Staff accountability for timeliness of review of cases and processing cases. Failure to process timely will be determined on their case reviews and counseling sessions will be held with staff.
- 4) Review of cases showed a case will be submitted to Fact Finding- unable to verify employer/employment.

Curantis will continue to focus on staff development, improvement in timeliness, attention to detail in reviewing and determining household eligibility.

Appendix A

FY2023 Child Care Review 4 Overall Summary Table (for All Elements by Review)

NOTE: This chart outlines the overall accuracy rate for each review completed for this quarter.

Area of Review	Area of Testing	Period Reviewed	Number of Records Reviewed	Number of Errors tied to Total Number of Applicable Elements Reviewed	Overall Accuracy Rate
Client Services	Customer Eligibility and Denial Review	June/July 2023	10	14/165	91.52%
Provider Services	New ELP Review	April 2023	10	11/113	90.27%
Fiscal	Quality Funds Review	April, May, and June 2023	10	0/61	100.00%
		Total	30	25/339	92.63%