



**North Central Texas Council of Governments**

August 7, 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 third 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 are resolved pending follow-up monitoring of the successful implementation of your corrective actions. We look forward to continued progress being made and to seeing a positive trend in overall accuracy rates as these corrective actions are implemented by staff.

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 3 FINAL  
REPORT***

For

Curantis Group, LLC

Contract FY23-TWC-01

August 7, 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

**North Central Texas Council of Governments**  
**Workforce Solutions for North Central Texas**  
***FY2023 NCTCOG Child Care Services Qtr 3 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.
- Child Care Billing Review.
- ELP (Early Learning Program) Rate Agreements.
- *Early Warning Report* sent by TWC.

## 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. The dfwjobs.com website was used to choose a random sample of child care providers for the Rate Agreement review. The *Early Warning Report* sent by TWC on April 6, 2023, was used to select the sample for review.

## SUMMARY OF RESULTS

### Eligibility Review of New Applications, Redeterminations and Denials (Scholarship Program)

A random sample was selected from a report for new applications, redeterminations, and denials processed from April 1 through 17, 2023. The overall accuracy rate for the elements reviewed was 86.43%. The errors found in the ten (10) cases sampled for this review included:

- Untimely processing of applications and denials, incorrect Initial Job Search processing, not processing priority customers first, mislabeling of vital documents, using outdated documents, income calculation errors, placing the wrong child in care, or incorrectly denying child care.
- TWIST Counselor notes do not align with actions on case including incorrect or inaccurate information.
- For redeterminations that were processed late, staff backdated the eligibility start dates, rather than starting with the date they were processed, giving a less than 12-month referral on form 2050, which is not allowed.

### Child Care Billing Review

A sample of 8 families were selected that had been determined eligible from the Eligibility Review. NCTCOG utilized the TWIST 245 Report to identify one child from each family. The TWIST 245 Report data for one payment made to the ELPs during the 3<sup>rd</sup> Quarter FY2023 attendance for each selected child was validated by tracing through to the general ledger. No errors were noted.

### ELP (Early Learning Provider) Rate Agreement Review

Early Learning Providers (ELPs), one from each of the (14) fourteen counties in North Central Texas region, were randomly selected to review compliance to the Workforce Development letter WD 22-22 issued by the Texas Workforce Commission (TWC) on September 19, 2022, regarding the requirement for new, signed rate agreements to be uploaded to the ELP file by November 30. All reviews were completed in May of 2023. The rate calculations were reviewed for accuracy for any ELPs that submitted updated rates in this fiscal year. The overall accuracy rate for all elements reviewed was 60.66 %. Errors found included:

- Requests for updated rate agreements were sent in Quarter 2 of FY23 after the TWC required deadline for uploading updated rate agreements by November 30, and on the date of review, one ELP had not yet been sent an updated rate agreement to sign.
- Several ELPs did not have signed agreements in the file on the date of review.
- Rate calculation errors affected ELP published rates and some also affected the reimbursement rates, causing either under or overpayments to ELPs with children in those age groups.

### Early Warning Report Review

The first (10) ten cases from the April 6, 2023 *Early Warning Report* sent by TWC were reviewed. The overall accuracy rate for the elements reviewed was 54.55%. Errors found included:

- Multiple errors in processing this report included immediate placement on 3-month continued care without a contact resulting in incorrectly placing eligible customers who were working or on temporary leave on a 3-month continued care, failing to send required documentation, or sending incorrect documentation and verbally telling customers incorrect information or no information about the requirements after the 3-month period.
- Only verbal request for documents from customers reached, failing to verify verbal updates, and failing to process paystubs received timely.

- Inequitable treatment of customers, specifically, when failing to give a \$0 parent share of cost to an unemployed customer but giving one to employed customers.

OBSERVATIONS: The following were not called individual errors because these errors found during the *Early Warning Report* review indicate a process/procedure issue to be addressed.

- There was no comment column added to the report. Staff used the Employment or School Start Date column for comments, rather than placing the start date at a school or employer. Additionally, staff did not fill out all the information in the columns provided by TWC to be completed or indicate if they were not applicable.
- Several cases did not have any documentation in TWIST or the case file regarding the *Early Warning Report*.
- Initial Job Search letters and TWIST Counselor notes do not include the max PSOC as required to be disclosed first to customers.

## CONCLUSION-GAP ANALYSIS

For the Eligibility Review, the gaps observed included:

1. Customers not receiving documents by email or unable to open documents.
2. Initial Job Search processing errors could be linked to incorrectly using the 3-Month Continued care work item.
3. Staff are not updating scripts correctly, causing data validation errors and misinformation in case files.
4. Late processing of applications and denials.
5. Less than 12-month referrals and using out-of-date documents are examples of issues that lead to errors if not addressed.
6. Income calculation errors can lead to improper payments.

In the ELP Rate Agreement review gaps identified included:

1. No process evident to send the rate agreements timely for ELPs to sign and return prior to November 30.
2. Rate calculations errors caused both over and under payments to ELPs.

For the *Early Warning Report* review, the gaps found included:

1. Inconsistent, incorrect, and incomplete process used by staff.
2. Incorrect information given to customers verbally and in letters/emails.
3. Failing to wait for contact with customers led to incorrect processing in some cases.
4. Incorrect and inconsistent processing of parent share of cost (PSOC).



NOTE: Prior to finalizing the *Early Warning Report* Review, NCTCOG CCI requested a copy of the *Early Warning Report* procedure used by Curantis staff. NCTCOG CCI did not receive a response prior to completion of the review.

## FINDINGS

**Finding 1:** A total of (65) sixty-five data integrity and case management errors were identified out of (301) three hundred and one 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 and actions that could impact the eligibility benefits for participants should be more heavily reviewed.

### **Curantis Management Response:**

#### **Eligibility Review of New Applications, Redeterminations and Denials (Scholarship Program)**

Untimely processing of applications and denials, incorrect Initial Job Search processing, not processing priority customers first, mislabeling of vital documents, using outdated documents, income calculation errors, placing the wrong child in care, or incorrectly denying child care.

Response: On all areas where errors, corrections as needed were made. Staff have been given additional training and refresher trainings based on this review in processing of initial job search, processing denials and income calculations. The review period was also before cases were assigned by alpha and by having an alpha system in place, staff is more efficient in processing all work in a more timely manner.

Staff has been reissued counselor note templates and have been informed that all documentation in TWIST must be accurate and match how cases were processed.

#### **Early Warning Report Review**

Corrections were made as needed. The Early Warning Letter that had been in production since 2017 was reviewed, corrections made and submitted to be updated in Laserfiche.

Initial Job search letter had been corrected to include max PSOC and documentation is now being entered into TWIST. counselor notes.

#### **ELP (Early Learning Provider) Rate Agreement Review**

Response: Corrections made as needed. Program Support staff were provided with a training on rate agreements on 7/31/23 by F. Brooks.

### **Additional Trainings that have been provided to staff from 4/6/23 – 6/2/23**

**4/5/23 – 4/7/23** – 805a – 5pm – Redetermination Refresher: Alpha Caseload Management, Time Management, Update/Changes, Case Data, Fact Finding, 3 Month Activity Interruption vs. Initial Job Search, Income Calculations, Tax Wages & Absence Count

**4/13/23** – Back to the Basics- Updates and Changes

**4/13/23** – Appeals

**5/23/23** – New Application Refresher Training

**6/2/23** - Out of County Training

Lennis Dounley, Program Director responded to this report.

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## Appendix A

### FY2023 Child Care Review 3 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	April 2023	10	27/199	86.43%
Fiscal	ELP Billing Review	April 2023	8	0/8	100%
Provider Services	ELP Rate Agreement Review	October 2022 through May 2023	10	24/61	60.66%
Client Services	Early Warning Report Review	Early Warning Report	10	14/33	57.58%
		<b>Total</b>	38	65/301	78.40%