



**North Central Texas Council of Governments**

February 12, 2024

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 review for FY2024 related to Contract # FY24-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 Management response is appreciated. All errors but two have been resolved. There are two outstanding errors from the Early Learning Provider Rate Review. We have received a copy of the recoupment letter for one of the ELPs for the overpayment in FY23. However, both Future Generations and Childcare Network #262 have amendments to payments that need to be made for FY2024, including amendments that will need to be made to January and February payments, due to the corrections made in TWIST introduced new errors in rates which cannot be fixed until March 2024 if entered in February. The amendments to payments to fix these errors must be completed no later than February 29<sup>th</sup> to avoid further error corrections to be made in TWIST, and so that all errors can be resolved for this first review period at that time.

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, Workforce Development Board of Directors, O&A Committee Chair  
Kelley Fontenot, Sr. Manager - Child Care, Workforce Solutions for North Central Texas

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



***FY2024 NCTCOG CHILD CARE SERVICES CYCLE 1  
REPORT - FINAL***

For

Curantis Group, LLC

Contract FY24-TWC-01

February 12, 2024

*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**  
***FY2024 NCTCOG Child Care Services Cycle 1 Draft Report***  
**Curantis Group, LLC**  
**North Central Texas Child Care Services Contract FY24-TWC-01**

## **BACKGROUND**

Following the adoption of a resolution by the North Central Texas Workforce Board of Directors at the July 28, 2022 meeting, Curantis Group, LLC. was chosen as the provider for the delivery of Child Care Services for the Board area. This resolution included 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. The contract contains options for renewal. After a brief period of negotiations, The North Central Texas Council of Governments and Curantis renewed the contract and executed a new one-year contract for the period of October 1, 2023, through September 30, 2024.

## **RISK**

The FY2024 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:

- Staff turnover requiring hiring and subsequent training.
- Changes to the Child Care rules effective October 1, 2023, some of which have now been moved to a later date during this fiscal year, since they are dependent on the new TX3C system rollout to begin.
- The new TX3C system being implemented by the Texas Workforce Commission across the state, requiring new processes or process changes as well as extensive staff training and preparation for the data conversion.

## **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 focused on Data Integrity, Data Security and Customer Service processes, including reviews of customer cases from:

- Department of Family and Protective Services (DFPS) Child Care.
- Early Learning Provider (ELP) Rate Agreement updates.
- Scholarship program redeterminations and denials of eligibility.

## METHODOLOGY

Sample cases were chosen by simple random selection. The desk reviews were conducted utilizing reports and data found in The Workforce Information System of Texas (TWIST) and Laserfiche case management system.

## SUMMARY OF RESULTS

### DFPS Child Care Review

A random sample of ten (10) DFPS children in care from October 1 through November 15, 2023 was chosen from a Laserfiche report to determine if the cases were processed according to the Child Care Rules. Errors seen included:

- Late processing of DFPS authorization.
- Data validation errors with eligibility start and/or end dates not matching the form 2054 dates, with no documented explanation in TWIST Counselor notes on date of review.
- No 2054 uploaded into one (1) Laserfiche case file on date of review.
- TWIST was not updated with customers' correct information.

The overall accuracy rate for the review is **91.18%**. All individual elements reviewed were above 90%.

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

A random sample of ten (10) ELPs with a contract in the Workforce Solutions for North Central Texas (WSNCT) area were selected from the dfwjobs.com website list of providers parents can use to select an eligible ELP. The errors found included:

- Incorrectly calculated published rates was a repeat error.

- Incorrect reimbursement rates (due to published rate calculation errors), which led to incorrect ELP payments requiring correction.
- Data validation errors including different rates between forms and TWIST.

The overall accuracy rate for the review is **82.61%**. There was a significant improvement (from 14.29% to 90%) in the Rate Agreements uploaded to the file by the November 30 deadline required by TWC compared to last year's review. There was also an improvement from 76.92% to 100% for updated rate agreements placed in the ELPs file, and in agreements sent to ELPs, from 92.86% to 100%.

### Eligibility Review of New Applications, Redeterminations and Denials

A random sample of ten (10) families was selected from a report processed from November 1 through December 14, 2023. There were five (5) redetermination and five (5) denial cases selected for review. Errors found include:

- Untimely notice of eligibility.
- Redetermination incorrectly processed as Initial Job Search after return-to-work date for a customer on medical leave. Therefore, a \$0 Parent Share of Cost (PSOC) was incorrectly assigned to a customer back at work.
- Staff failing to follow QC required actions prior to authorizing care.
- Income calculation errors include incorrect income amounts entered on Eligibility Calculator, as well as adding in sales commissions or other non-standard income from paystubs into the regular income versus separating this income out and averaging.
- Errors in processing denial of child care include untimely processing, not giving a parent the full 15-day notice as required, incorrect end dates entered for eligibility period.
- TWIST Counselor note errors include untimely entry, lack of entry or contradictory information for actions on case.
- Mislabeled documents found in case files.

The overall accuracy rate for the review is **86.36%**. There were four (4) individual elements that fell below an 80% error rate, however, there were six (6) out of ten (10) cases that were at 90% or above for overall accuracy rate.

## **CONCLUSION-GAP ANALYSIS**

In the DFPS Review:

- A data validation error occurs when staff fail to send an email and upload it to the file to request to a new form 2054 from DFPS when one of the following occurs: late processing of form 2054, unable to process due to unforeseen circumstances, or a date change to either the start or end date. Late processing is not allowed without notification of DFPS and a request for a new form 2054 in the file.
- Failing to update customer's information results in a data validation error. Further this can lead to an inability to contact a customer in a timely manner when needed.
- All documentation must be uploaded to the case file, or this could result in a finding.

In the New ELP review:

- The repeat error of incorrect published rate calculations leads to re-work by staff to correct. For ELPs where the incorrect published rate calculation affects the reimbursement rate, over or under payments to the ELP can occur for the age group affected.
- While there was a significant increase in the number of ELPs that received and returned the Rate Agreements timely this year, there is no documentation in either Laserfiche or TWIST for each provider on if, when, or how they were sent a Rate Agreement. Some providers do not have email, cannot open encrypted emails or there is a risk emails can go to junk or spam folders and be missed by providers.

For the Eligibility review:

- The number of repeat errors indicates that training and corrections to procedures, while helpful to some staff, may not have been effective for all staff.
- The failure of some staff to follow QC technical assistance led to several errors found in this review that could have been avoided.
- Elements reviewed that had errors below an eighty percent accuracy rate, if not improved upon, could lead to a finding with TWC Subrecipient monitoring if the error rate continues at that level.

## FINDINGS

**Finding 1:** A total of thirty-two (32) data integrity and case management errors were identified out of two hundred thirty-four (234) elements reviewed. Specific case errors are detailed in the attachments provided in SharePoint with the draft 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 # FY24-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 including attachments. 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 to determine if the root cause of the errors has been appropriately addressed.

### **Curantis Management Response:**

#### **DFPS Referral Review**

Scope: DFPS Children in Care October 1 through November 15, 2023.

Curantis Response:

Two staff were added to assist in processing DFPS referrals. Curantis currently has a total of three staff focused on reviewing and processing referrals received timely.

Issues (2 – 5 bullet points) were reviewed with designated staff as well as Compliance regarding data validation.

Staff will review and confirm that all eligibility documents are in Laserfiche.

Issue (7 bullet point) Counselor notes will be updated to remove reference to CCAA cards.

#### **Summary of Early Learning Provider Rate Update Review**

Scope: Sample of 10 Early Learning Providers Reviewed for Updated Rate

Agreements pulled from dfwjjobs.com on 11/28/23.

Curantis Response:

- 1) Incorrect Rate Calculations- Compliance review of all rates before making any ELP effective.
- 2) A refresher training course is scheduled in March.
- 3) A tracking system has been created for new ELP onboarding on a weekly and monthly basis, additionally Compliance submits a Program Support Specialist status update of cases of cases under review.
- 4) Making rate corrections and assessing if ELP reimbursement is needed or a recoupment from an ELP.

### **Summary of Redetermination and Denial Review**

Scope: Random sample of redetermination and denial cases from November 1 through December 14, 2023.

Curantis Response:

The following steps will be taken:

1. Compliance to assess if all corrections by CSS staff have been made correctly and timely.
2. Making Initial Job Search a training priority (new hires and on floor staff)
3. Data validation review
4. Review of processing denials

## Appendix A

### FY2024 Child Care Review 1 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 DFPS Review	October/November 2023	10	3/34	91.18%
Provider Services	ELP Rate Agreement Review	November 2023	10	8/46	82.61%
Client Services	Customer Eligibility and Denial Review	November 1 to December 14, 2023	10	21/154	86.36%
		<b>Total</b>	30	32/234	86.32%