



North Central Texas Council of Governments

March 23, 2022

Ms. Katina Prescott
Project Director - Child Care
Equus Workforce Solutions for North Central Texas
Child Care Services
5800 N. I-35 Service Rd Unit 100
Denton, TX 76207

Dear Ms. Prescott:

NCTCOG completed its first review for FY2022 SIR (Service Industry Recovery), based on WD Letter 15-21. The attached final report details the scope of the monitoring and includes your Management response to address the findings. The individual error corrections on case files and Management response are resolved as outlined in the final responses and supporting documents uploaded to SharePoint. No improper payments were found in this report.

If you have any questions, please contact Debra Kosarek (7179), Debra Reyna (7473), Nicole Nelson (7183), or Kathy Oleszkowicz (7262).

Sincerely,

Phedra Redifer
Executive Director of Workforce Development

Cc: Moneisa Downs
Lisa Boyd
Mark Douglass
Carlton Tidwell



**FY2022 NCTCOG Child Care Services Service Industry
Recovery (SIR) Review Draft Report**

For

Equus Workforce Services

March 23, 2022

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

CCS	Child Care Services
COVID	Coronavirus Disease
Equus	Equus Workforce Solutions (formerly ResCare Workforce Services)
NCTCOG	North Central Texas Council of Governments
NCTWDB	North Central Texas Workforce Development Board
SIR	Service Industry Recovery
SMI	State Median Income
TWC	Texas Workforce Commission
TWIST	The Workforce Information System of Texas
WD	Workforce Development
WSNCT	Workforce Solutions for North Central Texas

North Central Texas Council of Governments
Workforce Solutions for North Central Texas
FY2022 NCTCOG Child Care Services SIR Review 1 Report
for
Equus Workforce Services
North Central Texas Child Care Services

BACKGROUND

The Texas Workforce Commission's three-member commission approved and implemented a new Service Industry Recovery (SIR) program to address the impacts of COVID-19 and support Texas' economic recovery. According to WD Letter 15-21, the program is aimed to provide immediate child care assistance for low-wage workers in TWC-specified service industries. The directive informed that Boards must use the modified state income eligibility threshold at or below the 75% of the state's median income (SMI) to determine the family's monthly or annual income. Additional directives include verifying the parent requires child care services in order to work, family income is at or below 75 percent of SMI and that the child is under age 13, has legal citizenship or immigration status and resides with a family within the Board's local workforce development area. Equus Workforce Services identified and implemented a specialized team to handle and process only SIR cases to ensure this program is treated as a priority.

RISK

In the prior fiscal year, the NCTCOG risk assessment identified the highest areas of risk for Child Care Services as Data Integrity, Data Security and Customer Service. Additional risks exist due to high rates of turnover in Subrecipient staff and insufficient evaluation methods to measure the effectiveness of Equus' staff training of the process.

OBJECTIVE

NCTCOG conducted program monitoring as required by TWC to provide:

- Assurance to TWC that workforce services programs are compliant with regulations and policies so TWC may rely on system data for their reports to federal partners.
- Sufficiently detailed information to the North Central Texas Workforce Board to fulfill their 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 cycle's monitoring review of the SIR program used random samples of eligible customers from the scope of October 2021-December 2021 to focus on Data Integrity, Data Security and Processes.

METHODOLOGY

To provide efficient and priority processing, the SIR Program bypassed the Laserfiche data system and utilized paper files stored on location at the Denton Workforce Center. Desk reviews were conducted from The Workforce Information System of Texas (TWIST) and paper files. Samples were selected from a SIR Excel spreadsheet of eligible applications from 10/1/21-12/31/21.

OVERVIEW OF RESULTS

SIR Program Eligibility Review

This was an initial review of the newly implemented SIR (Service Industry Recovery) funding, based on WD letter 15-21. A sample of 14 SIR cases were reviewed. There were 8 errors out of 146 elements reviewed, for an overall accuracy rate of **94.81%**. The findings and observations are indicated below:

- In multiple cases, it was found that the TWIST Counselor notes indicated a "reported income" amount. However, the 2050 form and TWIST Income tab, reflected a different amount.
- The maximum allowable income limits reflected the 85% SMI on the 2050 rather than the 75% SMI as noted in the WD Letter. This was noted as an observation, rather than an error, as TWIST appears to be automatically generating the 85% SMI.

Positive note:

- Though errors were found during this review, many of the element questions reached 100% accuracy.

CONCLUSION-GAP ANALYSIS

Although few widespread errors were found, consistent errors were discovered during the review and will require analysis along with corrective actions. The primary errors found in this review included differing income amounts between the TWIST Counselor notes and the 2050 form/Income tab. Self-attestation of income is acceptable in this program. However, the amounts should match in both TWIST Counselor notes and the fields.

FINDINGS

Finding 1: A total of 8 data integrity and case management errors were identified out of 154 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.*

Required Corrective Actions:

In addition to addressing the gaps identified during the review, the following corrective actions must be completed to resolve the Finding:

- Errors detailed in the attachments to the draft report uploaded to SharePoint must be corrected where possible and evidence of correction supplied with response to the report.
- It is recommended that Advisors are given additional training to consistently ensure the income indicated in TWIST Counselor notes match the TWIST Income tabs.

Equus Management Response:

Equus has reviewed all errors with staff and provided coaching and training on 1-27-22 to increase understanding and knowledge. Corrections, where possible, have been made to files as allowable and supporting documentation is included in the response upload to SharePoint. The SIR program continues to enroll as of this writing, however based on state program design enrollments will be coming to an end in the month of March. Staff will then focus on the full review of all files for accuracy of information within the file.

Child Care SIR Review 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	SIR Program Eligibility Review	October 1 – December 31, 2021	14	8/154	94.81%
		Total	14	8/154	94.81%