



North Central Texas Council of Governments

January 24, 2023

Ms. Juanita Budd
Project Director
Equus Workforce Services
624 Six Flags Drive, Suite 245
Arlington, TX 76011

Dear Ms. Budd:

NCTCOG completed the first review for FY2023 related to the Contract # FY23-TWC-02, between Equus Workforce Solutions and NCTCOG, for the provision of Workforce Services for Workforce Solutions for North Central Texas.

The attached final report details the scope of the monitoring and includes the Equus response to the required corrective action. Your timely 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 proposed corrective actions.

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: Moneisa Downs
Lisa Boyd
Mark Douglass
Carlton Tidwell

SharePoint URL: <https://nctcog.sharepoint.com/sites/Extranet-WD-ResCare>



FY2023 NCTCOG WORKFORCE QTR 1 REPORT

For

Equus Workforce Services
Contract FY23-TWC-02

January 24, 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 and Definitions

AOP	Affirmative Outreach Plan
COLTS	Choices Online Tracking System
EOS	Explanation of Services
ETPS	Eligible Training Provider System
EQUUS	Equus Workforce Services
HHSC	Health & Human Service Commission
ITA	Individual Training Account
LEP	Limited English Proficiency
NCP	NCP Non-Custodial Parent
NCTCOG	North Central Texas Council of Governments
NCTWDB	North Central Texas Workforce Development Board
NDWG	National Dislocated Worker Grant
OAG	Office of Attorney General
ONET	Occupational Information Network
OTDC	Orientation to Discrimination Complaints
PII	Personally Identifiable Information
PRA	Personal Responsibility Agreement
REP	Re-employment Plan
WORCS	Equus Workforce Operations and Re-employment Case System
RESEA	Reemployment Services and Eligibility Assessment
SNAP	Supplemental Nutrition Assistance Program
TANF/Choices	Temporary Assistance for Needy Families/Choices
TAA	Trade Adjustment Assistance
TDS	Talent Development Specialists
TRA	Trade Readjustment Allowance
TWC	Texas Workforce Commission
TWIST	The Workforce Information System of Texas
UGMS	Uniform Grant Management Standards
WD	Workforce Development
WIT	WorkInTexas.com, TWC's online job matching system
WSNCT	Workforce Solutions for North Central Texas
Laserfiche	The electronic document management system for customer records. The migration of Workforce program records began September 24, 2018.
Merit Staff	State case management staff that provide services through the American Job Center Network Delivery system, and have their salaries paid from program specific funding streams such as Trade Adjustment Assistance or Wagner Peyser.

North Central Texas Council of Governments
Workforce Solutions for North Central Texas
FY2023 NCTCOG Workforce QTR 1
Equus Workforce Services
North Central Texas Workforce Services Contract FY23-TWC-02

BACKGROUND

Following the adoption of a resolution by the North Central Texas Workforce Board of Directors at the May 19, 2020, meeting endorsing Equus Workforce Services as the provider for the delivery of Workforce Services, the North Central Texas Council of Governments (NCTCOG) executed a new one - year contract. The contract contains options for renewal and includes language for appropriate contractual sanctions and/or remedies to ensure that all established performance measures will be met. The contract was renewed again for the period of October 1, 2022, through September 30, 2023.

RISK

The FY2023 Risk Assessment determined that Data Integrity and Customer Service continue to be the primary areas of risk for all Workforce programs. Significant consideration was given to the following:

- Lack of adequate maintenance of WIOA customer files found in FY2022 reviews.
- High rates of turn-over in Equus staff, impacting all programs
- Insufficient evaluation methods for the effectiveness of subrecipient staff training.
- SNAP is high risk due to two TWC findings identified during the 2022 visit for the Form H1822 ABAWD Work Requirement Verification to HHSC and Sanctions. NCTCOG currently has Equus on a Performance Improvement Plan (PIP) for these two findings and overall case management.
- The Choices program was placed on a Technical Assistance Plan (TAP) by TWC to ensure performance measures are met as well as placement on a PIP by NCTCOG for overall case management. TWC added additional allowable activities for performance measures, and they are required to be verified in TWIST.

OBJECTIVE

NCTCOG conducts program monitoring as required by TWC to provide:

- Targeted information to the workforce services subrecipient for implementing timely corrective actions to meet requirements and performance measures as contracted.

- Assurance to TWC that workforce services programs are operated in compliance with regulations and policies so TWC may rely on system data for their reports to federal partners, as well as effective service to customers and stakeholders.
- Pertinent 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 review focused on data integrity and customer service through review of:

- SNAP Noncooperation
- SNAP Slant Review
- Choices Work Activities
- WIOA Adult and Dislocated Worker Eligibility
- WIOA Youth Eligibility
- TAA Intake and WIOA Service Provision
- AOP Log Review

Desk reviews included a sample of work from the 11 centers in the North Central Texas Board area.

METHODOLOGY

Sample cases were chosen by random selection. The reviews utilized data and reports from The Workforce Information System of Texas, WorkInTexas.com, COLTS, and individual case files from Laserfiche.

SUMMARY OF RESULTS

SNAP Non-Cooperation

Thirty files were reviewed for the noncooperation process that includes the appropriate and timely initiation of a penalty. The review indicates positive results. The period of review was September 2022.

There were three errors:

- Participant was penalized within the 3-day grace period,
- Inappropriate entry in the TWIST penalty tab.
- Failing to reschedule a compliant participant.

The accuracy rate for the review is **90%**.

SNAP Slant Review

Twenty-eight files were reviewed for the period of October 2022. For the Slant review the following elements were reviewed: the *form H1822* process, Reconsiderations, Good Cause, Temporary Interruptions and Sanctions. The review indicates that Equus is not in compliance for these case management standards. All but two elements were below the 95% accuracy rate, the results are listed.

- There were seven errors related to the Reconsideration process. The action was not entered timely in the SNAP Good cause tab. The Program Detail was closed and not left open for the 90-day job retention period for employed individuals.
- There were six errors regarding the incorrect or inappropriate actions in the SNAP Good Cause and Penalty tabs.
- There were five errors regarding the notification to HHSC via the 1817 form.
- There were four errors regarding untimely or inaccurate case note documentation for actions or activities that had already occurred.

The accuracy rate for the review is **73.08%**.

CHOICES Work Activities

Twenty-six files were reviewed for compliance with work activities and case management. The scope of review was September through October 2022. The review consisted of ensuring that Employment Plans were developed appropriately and accurately with the timely data entry of the Service 68 in TWIST Service Tracking. Review of participation hours to ensure they were allowable and calculated accurately. For performance related participation hours, the Daily Time Verification screen was reviewed for verification entry and supporting documents in the file. Timely and accurate case management was also reviewed to include monthly TANF eligibility verification, 2583 submission to HHSC, good cause, sanctions, and counselor notes. Based on the results of the review, there is not compliance in meeting the Choices program standards. The errors are listed.

- There were four errors regarding monthly TANF eligibility verification. Eligibility was not verified, or the document was not in the file.
- There were eleven errors regarding failing to develop the Family Employment Plan.
- There were four errors regarding the timely entry of the Service 68 in service tracking.
- There were three errors regarding participation hours that were not allowable and/or calculated correctly.
- There were eleven errors regarding participation hours that did not match TWIST Daily Time Tracking entries or case note documentation. There were missing documents in the file to support the entries.
- There were four errors regarding untimely notification of changes to HHSC.

- There were 15 errors regarding untimely and inaccurate entries in TWIST. This included gaps in counselor notes.

The accuracy rate for the review is **69.82%**.

WIOA Adult, Dislocated Worker Eligibility

Fifteen cases were reviewed for compliance with eligibility regulation, and all customers were correctly determined as eligible. Minor gaps were found in data integrity and data validation. All case files contained an orientation to discrimination complaint form and confidentiality requirements were met. The accuracy rate for the review is **97.37%**.

WIOA Youth Exits and Performance

Twelve Youth cases were reviewed for compliance with eligibility regulation, and all customers were correctly determined as eligible. All case files contained an orientation to discrimination complaint form and confidentiality requirements were met. The accuracy rate for this review is **98.33%**.

TAA Exits and Performance

Ten cases were reviewed for compliance with regulation related to intake activity and 30-day contacts. All customers were co-enrolled in WIOA and received a participatory service as required. Confidentiality requirements were met. Three of the ten cases reviewed did not maintain 30-day contact for the months of July or August. The accuracy rate for the review is **91.43%**.

Affirmative Outreach Plan (AOP) Log Review

A sample review of twelve outreach activities that were performed during the period of July 2022 through September 2022 was conducted for this review. The purpose of the review was to ensure that reasonable efforts were made to engage with the various groups in the community who are protected by CFR (Code of Federal Regulations) 38.40. Multiple organizations outreached, such as Refuge for Women North Texas and Tarrant Area Food bank, serve a wide variety of vulnerable populations.

The following errors were cited:

- One outreach activity did not include adequate documentation of the Contact name and only indicated a phone number under the element for “Business/Organization Contact Name”.
- In multiple instances, the outreach activity lacked documentation to specify what services or programs were offered by WSNCT. (e.g. in one outreach activity, in

the "Services offered" element, the documentation notes only "Job Seeker assistance".

The overall Accuracy Rate is **95.92%**.

CONCLUSION-GAP ANALYSIS

A lack of consistent data within different areas of TWST and incomplete customer files is seen across all programs. This indicates a lack of Management oversight and the inability of staff to self-correct their own errors. Failure to document actions timely and accurately reflects improper case management.

The Choices and SNAP programs have not shown a significant improvement from FY22 monitoring results. There continues to be a lack of adherence and understanding of the TWC Choices and SNAP requirements. The PIP for both programs has not demonstrated to be effective in increasing the scores or an improvement in case management.

The accuracy rates for Choices and SNAP do not meet TWC's requirement for data accuracy of 90%. NCTCOG's expected accuracy rate of 95% is the contractual requirement for profit.

Process gaps were found in several of the AOP outreach activities reviewed, including the lack of clear documentation about the vast services and programs offered by the North Central Texas Workforce Board. Improvement was seen regarding the demographic groups outreached to in regard to the groups outlined in CFR Part 38, in comparison to previous reviews.

PROGRAM FINDINGS

Finding 1: One hundred and eight data integrity and case management errors were identified during the file review of six hundred twenty-five applicable elements. Specific case errors are detailed in the attachments provided with the draft report.

Citation: Equus Workforce Services, North Central Texas Workforce System Contract # FY22 TWC-02:

Section 5: Contract Performance:

- *5.3 The Subrecipient shall provide such services in compliance with all applicable federal and state laws, regulations, and rules.*
- *5.4 The Subrecipient 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: Reporting Requirements:

- *9.3 The Subrecipient understands that it will be held liable for completeness, accuracy, and consistency of all data under its control.*
- *9.6 Failure to data input or to report in accordance with the terms of this Contract may result in withholding by the Administrative Entity of any 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 Action

Equus Management must correct individual file errors *where possible* and provide evidence of the corrective actions with their response to this report. For Choices and SNAP findings, Equus must provide documentation to support the implementation of training specific for each program that is noncompliant. The responses should be documented on the PIP (Performance Improvement Plan) templates for Choices and SNAP E&T. Elements that specifically identify program performance and actions that could impact the eligibility benefit for participants should be more heavily reviewed.

Equus Response

Equus Workforce Solutions (Equus) has reviewed the report and findings in detail and will act to strengthen existing procedures, develop any new procedures, provide additional staff training, and hold staff accountable for not following the plan to achieve goals.

Equus Workforce Solutions new Quality Control (QC) role, in coordination and guidance with Program Managers, initiates solutions by reviewing real time case management activities focusing on high risk elements. Findings will be reported to staff for correction and technical assistance.

Program management staff review each error to ensure appropriate correction is applied when allowable and all actions are documented. Program management staff will monitor responses to ensure adherence to program policies, procedures, and trainings. Reports and accuracy rates received from the internal and Board QA teams are used to counsel staff and Center Managers while providing a feedback loop to achieve quality case management.

All errors have been discussed with the responsible staff, and the errors that were correctable have been corrected.

Equus recognizes that accountability to expectations will drive consistency of actions and that repeat findings are not acceptable and will result in corrective actions.

Equus requested and received technical assistance for Choices and SNAP strategies to improve quality from NCTCOG Sr. Operations Specialist and Equus National Director, Program Solutions and Quality, during the month of December 2022. The analysis revealed the strategies implemented included all current recommendations listed and to continue with these strategies. New strategy identified is to develop a systematic supervised hands-on training period with an experienced peer as part of the new hire training process. This process is under development with the management to be deployed in January setting expectations of the new process with the roll out the first week of February.

SNAP Non-cooperation

Consistent improvement has been made regarding non-cooperation. We will continue to implement strategies of daily reminders and will monitor this during

- 100% weekly PIP file reviews.
- Monthly internal QA monitoring of SNAP Non-cooperation process

SNAP Slant Review

The Reconsideration process has received focused attention, specifically that documentation is submitted accurately, timely and documented in both Laserfiche and TWIST. A reminder of the notification process to HHSC via the 1817 form have been sent to staff. Failure to maintain accuracy will be addressed by management staff as appropriate.

- Deputy Director and Operations Managers will meet with each center to discuss their unique strategies to address accuracy including data entry timeliness, data entry accuracy, data integrity, and other elements related to reconsideration, Good Cause/Penalties, 1817, and counselor notes. Meetings will be completed by 1-6- 23.
- Errors will be discussed at SNAP Quarterly Meeting on 01/18/23. Interactive activities such as roleplaying and scenarios will be incorporated into the training. Reference sources will include:
 - Desk Aide Good Cause for Non-Cooperation
 - SNAP Guide – 1817 process
 - Desk Aid Counselor Notes
 - SNAP Guide – Job Retention
- Each month, Program Manager and Quality Control Manager will determine 4-6 high risk areas and focus reviews on those areas. Quality Control will review real time case management actions to identify opportunities for improvement including:
 - Reconsideration process.
 - Good cause for Non-Cooperation
 - Notification to HHSC via the 1817 form
 - Counselor Notes

- Technical Assistance will be provided to TDSs, and Centers that have high risk elements.

- Continue with 100% active and inactive weekly PIP reviews conducted by Center Management and with 100% review of all Active/served files in Choices SNAP by QA – monthly.

Choices Work Activities

Weekly communication via the Choices denominator calls creates an opportunity to address case management actions, to provide technical assistance for clarity of policies and procedures and optimize opportunity to achieve performance and quality. Staff are provided Choices Work Rate Reports and Choices Time and Participation Verification Reports weekly to ensure each center is aware of their status and what they need to achieve goal.

- Deputy Director and Operations Manager will meet with each center to discuss their unique strategies to address accuracy including data entry timeliness, data entry accuracy, data integrity, and other elements related to eligibility, FEP, participation hours, and counselor notes. Meetings will be completed by 1-6-23.
- Equus operations staff will review 100% of active Family Employment Plans to be completed by 1-31-23.
- Errors will be discussed at Choices Quarterly Meeting in January 2023. Interactive activities such as roleplaying and scenarios will be incorporated into the training. Reference sources will include:
 - Choices Guide - Monthly TANF eligibility verification.
 - Review the Family Employment Plan and the Initial Assessment Desk Aids
 - Review Data Integrity Policy – Entering Service 68
 - Choices Guide and Desk Aid – Allowable Choices Activities and Documentation.
 - Choices Guide - Notification of Changes to HHSC
 - Desk Aid – Counselor Notes
- Quality Control will review real time case management actions to identify opportunities for improvement and high-risk elements
- Technical Assistance will be provided to TDSs, and Centers that have high risk elements.
- Continue with 100% % active and inactive weekly PIP reviews conducted by Center Management and 100% review of all Active/served files in Choices SNAP by QA – monthly.

WIOA Adult and Dislocated Worker Eligibility

Equus will continue to strive for 100%. All errors have been discussed with the responsible staff, and the errors that were correctable have been corrected.

WIOA Youth Eligibility

Equus will continue to strive for 100%. All errors have been discussed with the responsible staff, and the errors that were correctable have been corrected.

TAA Intake and WIOA Service Provision

Specific staff have been notified regarding these elements and have confirmed understanding of the errors. Program Manager will continue to review TAA cases at a minimum of once a month to ensure accuracy and compliance with monthly contacts.

AOP Log Review

AOP staff training will be held on 12-29-22 and 1-5-23 (the same information will be provided in both sessions) to provide guidance on how to correctly document Affirmative Outreach efforts, including the required details of services offered and which specific demographic groups were targeted. The training will also use the resource tools NCTCOG provided in the FY2023 WF1 NCTCOG Affirmative Outreach Plan Review of 2022 TWC Census Demographics and Demographic Data Graphs.

APPENDIX A

Program Reviewed	Area of Review	Period of Review	Number of Records Reviewed	Number of Errors found in the Number of Elements Reviewed	Total Elements Yes	Total Elements No	Total Applicable	Overall Case Accuracy Rate
SNAP	Non-cooperation	September 2022	30	3/30	27	3	30	90%
SNAP	Slant Review	October 2022	28	28/104	76	28	104	73.08%
Choices	Work Activities	Sept – Oct 2022	26	67/222	155	67	222	69.82%
WIOA Adult DW	Eligibility	July – Sept 2022	15	2/76	74	2	76	97.37%
WIOA Youth	Eligibility	July – Sept 2022	12	1/60	59	1	60	98.33%
TAA	Intake and 30- day Contacts	Aug – Sept 2022	10	3/35	32	3	35	91.43%
AOP	Outreach Log	July – Sept 2022	12	4/98	94	4	98	95.92%