

**Integrity Monitor Report  
Category 3**

Integrity Monitor Firm Name: K2 Integrity  
Quarter Ending: March 31, 2025  
Expected Engagement End Date: March 31, 2025

**A. General Info**

1. Recovery Program Participant:

New Jersey Economic Development Authority ("NJEDA").

2. Federal Funding Source (e.g. CARES, HUD, FEMA, ARPA):

SSBCI; ARP CSFRF.

3. State Funding Source (if applicable):

N/A.

4. Deadline for Use of State or Federal Funding by Recovery Program Participant:

SSBCI: 3/15/26 for \$79M received; 80% of 79M (first tranche) must be used by 3/15/26.

CSFRF: 12/31/23.

5. Accountability Officer:

Elizabeth George-Cheniara, Director of Legal Compliance.

6. Program(s) under Review/Subject to Engagement:

Risk Assessment.

7. Brief Description, Purpose, and Rationale of Integrity Monitor Project/Program:

The Monitor will conduct a risk assessment covering State Small Business Credit Initiative and American Rescue Plan Coronavirus State Fiscal Recovery Funds.

8. Amount Allocated to Program(s) under Review:

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SSBCI: up to \$255M; CSFRF: \$352M+

9. Amount Expended by Recovery Program Participant to Date on Program(s) under Review:

As of 12/31/2024, SSBCI funds “committed” (excluding administrative expenses) = \$54,279,500 comprised of the following:

- \$4,612,500 expended (Angel Match)
- \$20,000,000 obligated, \$213,750 expended (Life Science Fund.)
- \$16,667,000 transferred, \$2,876,976.80 expended (NJ Capital Access Fund)
- \$10,500,000 expended (NJ CELs)
- \$2,500,000 obligated, \$76,783.35 funds obligated for three transactions (Recovery Loan Loss Reserve)

CSFRF: N/A.

10. Amount Provided to Other State or Local Entities:

N/A.

11. Completion Status of Program (e.g. planning phase, application review, post-payment):

The assignment covers numerous projects in various stages from planning to post-payment.

12. Completion Status of Integrity Monitor Engagement:

On-going.

**B. Monitoring Activities**

13. If FEMA funded, brief description of the status of the project worksheet and its support:

a) IM Response

N/A.

b) Recovery Program Participant Comments

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N/A.

14. Description of the services provided to the Recovery Program Participant during the quarter (i.e. activities conducted, such as meetings, document review, staff training, etc.):

a) IM Response

The Monitor met with NJEDA staff to discuss the ongoing program wide risk assessment on January 31, 2025. The Monitor and NJEDA staff met to review and discuss the program-wide risk assessment, which provides insights into the organization.

NJEDA staff provided the monitor with updated organizational charts as well as a change log detailing organizational updates and the corresponding impact on roles and responsibilities, clearly identifying separations, additions, and updates.

NJEDA staff provided the monitor with a number of SSBCI policies, procedures, and process documents, including supplemental materials such as samples and templates. The Monitor notes that the NJEDA staff updated key policies within the last year. The Monitor reviewed the updated policies and procedures, as well as documentation related to applicant evaluation and program funding allocation processes. Additionally, the Monitor met with NJEDA staff to discuss the implemented risk mitigation measures concerning program administration, applicant selection, funding allocations, and evaluation criteria to ensure fairness and compliance with regulatory guidelines.

The Monitor incorporated points of feedback and clarification as deemed appropriate and updated the risk assessment based on the impact of review documentation.

b) Recovery Program Participant Comments

N/A.

15. Description to confirm appropriate data/information has been provided by the Recovery Program Participant and description of activities taken to review the project/program:

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a) IM Response

The Authority has provided all requested policies and procedures. Additionally, the Authority staff is consistently available for discussion and demonstrate a commitment to the reduction of residual risk by being forthcoming and proactive with risk mitigation processes.

b) Recovery Program Participant Comments

N/A.

16. Description of quarterly auditing activities conducted to ensure procurement compliance with terms and conditions of contracts and agreements:

a) IM Response

See response to Question 14.

b) Recovery Program Participant Comments

N/A.

17. If payment documentation in connection with the contract/program has been reviewed, provide description.

a) IM Response

The Monitor reviewed program specific policies and procedures related to four programs and noted guidance on applicant selection, disbursements, loan servicing and monitoring as well as reporting, confirming the existence of key control activities regarding ethics and the financial management for awards.

The Monitor reviewed revised organizational charts provided by the NJEDA.

Additionally, the monitor reviewed a number of documents specifically related to the SSBCI SEDI program administration and SEED Funding including, documentation related to applicant evaluation and program funding allocation processes.

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b) Recovery Program Participant Comments

N/A.

18. Description of quarterly activity to prevent and detect waste, fraud, and/or abuse:

a) IM Response

See response to Question 14.

b) Recovery Program Participant Comments

N/A.

19. Details of any integrity issues/findings, including findings of waste, fraud, and/or abuse:

a) IM Response

None.

b) Recovery Program Participant Comments

N/A.

20. Details of any other items of note that have occurred in the past quarter:

a) IM Response

None.

b) Recovery Program Participant Comments

N/A.

21. Details of any actions taken to remediate waste, fraud, and/or abuse noted in past quarters:

a) IM Response

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N/A.

b) Recovery Program Participant Comments

N/A.

**C. Miscellaneous**

22. List of hours (by employee) and expenses incurred to perform quarterly integrity monitoring review:

a) IM Response

Bradley Sussman	0.00 hours, no expenses
Tejah Duckworth	0.00 hours, no expenses
Michael Bernstein	0.00 hours, no expenses
Bruce Archer	0.00 hours, no expenses
Joyce Jiang	0.00 hours, no expenses
Yomi Togunde	5.00 hours, no expenses

b) Recovery Program Participant Comments

N/A.

23. Add any item, issue, or comment not covered in previous sections but deemed pertinent to monitoring program:

a) IM Response

None.

b) Recovery Program Participant Comments

None.

Name of Integrity Monitor:	K2 Integrity
Name of Report Preparer:	Oluwayomi "Yomi" Togunde Pierce
Signature:	<i>Oluwayomi Togunde</i>
Date:	03/31/2025