

**Integrity Monitor Report
Category 3**

Integrity Monitor Firm Name: CohnReznick, LLP
Quarter Ending: 09/30/2023
Expected Engagement End Date: 11/06/2023

A. General Info

1. Recovery Program Participant:

New Jersey Department of State, Division of Travel and Tourism

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

ARPA - Coronavirus State Fiscal Recovery Funds (SFRF)

3. State Funding Source (if applicable):

N/A

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

December 31, 2026

5. Accountability Officer:

Kristen Martinez

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

To restore state tourism visitation and revenues to pre-pandemic levels

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

On July 17, 2020, Governor Murphy signed Executive Order 166 (“EO 166”), which established the COVID-19 Compliance and Oversight Task Force (the “Taskforce”) and the Governor’s Disaster Recovery Office (GDRO). Pursuant to EO 166, the Taskforce has issued guidelines (“IOM Guidelines”), which have been updated as of June 2021, regarding the appointment and responsibilities of COVID-19 Integrity Oversight Monitors”). Integrity Monitors are intended to serve as an important part of the State’s accountability infrastructure while working with Using Agencies in developing measures to prevent, detect, and remediate inefficiency and malfeasance in the expenditure of COVID-19 Recovery Funds. IOM Guidelines further suggest, "Recovery Program Participants that have received or will administer \$20 million in COVID-19 Recovery Funds should retain at least one Integrity Monitor."

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The Department of State, Division of Travel and Tourism received \$25 million in Coronavirus State Fiscal Recovery Funds (SFRF) to promote tourism visitation and restore tourism revenues to pre- pandemic levels. \$5 million in funding was earmarked to support the Division's Destination Marketing Organizations (DMOs), which was excluded from the scope of this engagement.

The purpose of this Integrity Monitoring engagement is to work with the Division's Accountability Officer and program administrators:

- To conduct a risk assessment of the Department's existing controls;
- To conduct a detailed documentation review to ensure compliance with department and program requirements;
- To perform procurement/expenditure reviews
- To perform fraud detection and analytics;
- To provide Fraud awareness instruction for DOS, contractors, and/or subrecipients as necessary.

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

\$ 20,000,000

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

\$ 3,792,692.38

10. Amount Provided to Other State or Local Entities:

N/A

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

In progress

12. Completion Status of Integrity Monitor Engagement:

In progress

B. Monitoring Activities

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

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a) IM Response

N/A

b) Recovery Program Participant Comments

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 following tasks were completed for the period 8/11/2023 (start of the engagement) through 09/30/2023:

- Conducted a kickoff call on 8/14/23
- Conducted status calls on 8/25/23, 9/14/23, 9/28/23
- Performed a walkthrough of the Division's procedures and controls
- Drafted risk assessment for the program (pending submission)
- Drafted work plan (pending submission)
- Corresponded and followed up with program managers regarding outstanding document requests and other items
- Reviewed and cataloged received documentation
- Reviewed the available program data
- Drafted 3Q23 Treasury quarterly report

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:

a) IM Response

The Integrity Monitor requested various Division and Program specific policies and procedures, memorandum of understanding and applicable amendments, risk assessment, organizational chart, monitoring and oversight plan, prior audit and monitoring reports, Code of Conduct and Conflict of Interest policies and procedures, Program's leads confirmation of experience and annual ethics certifications, annual Internal Control Assessment, performance report(s), and expenditure reports. The IM then reviewed the provided documentation, walked

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through the processes and controls implemented for administration of the program and assessed the risks.

- 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
N/A
 - 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
IM requested and received the expenditure information for the program through a Business Objects report generated by the Division.
 - b) Recovery Program Participant Comments
N/A
18. Description of quarterly activity to prevent and detect waste, fraud, and/or abuse:
- a) IM Response
The IM conducted risk assessment procedures by meeting with Program Administrators to walk through their processes and internal controls, by reviewing the Division's policies and procedures and other documentation related to internal controls and prevention and detection of fraud, waste, and abuse.
 - 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
The IM did not note any integrity issues/findings.

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- 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
N/A
- 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
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

For the period August 11, 2023 through September 30, 2023, the following individuals have expended a total of 301.60 hours:

Name:

- Ron Frazier – (7.5 hours)
- Anna Fomina – (22.50 hours)
- David Solomon – (84.50 hours)
- Thomas Mammen – (34.70 hours)
- Grace Wandling (49.90 hours)
- Tiffany Thompson (102.50 hours)

No billable expenses were incurred.

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b) Recovery Program Participant Comments

N/A

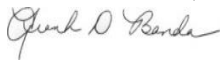
23. Add any item, issue, or comment not covered in previous sections but deemed pertinent to monitoring program:

a) IM Response

N/A

b) Recovery Program Participant Comments

N/A

Name of Integrity Monitor:	CohnReznick, LLP
Name of Report Preparer:	CohnReznick, LLP
Signature:	
Date:	9/30/2023