Integrity Monitor Report
Category 3

Integrity Monitor Firm Name: Regis & Associates, PC
Quarter Ending: 06/30/2026
Expected Engagement End Date: Original Date:12/31/2026
Revised Date: 10/08/2026

A. General Info

1. Recovery Program Participant:

   New Jesey Department of Treasury, Division of Property Management and Construction

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

   ARPA

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:

   Mona Cartwright – Assistant Director, Treasury Fiscal

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

   DPMC Project A1383-00, Richard Hughes Justice Complex building - Air Handler Units (AHU) Replacement

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

   On July 17, 2020, Governor Murphy signed Executive Order 166 (E.O.166), which established the COVID-19 Compliance and Oversight Task Force (Taskforce) and the Governor's Disaster Recovery Office (GDRO).

Pursuant to E.O. 166, the Taskforce issued guidelines, which have been updated as of June 2021 and are attached hereto, regarding the appointment and responsibilities of COVID-19 Oversight Integrity Monitors (Integrity Monitors or IM). 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. They also provide expertise in Program and Process Management Auditing, Financial Auditing, and Grants Management; and Integrity Monitoring/Anti-Fraud services. An integrity monitor (Category 3: Integrity Monitoring/Anti-Fraud) is required for projects that receive $20 million or more in COVID-19 Recovery Funds.

The Division of Property Management and Construction (DPMC) received $25,200,000 from the ARPA State Fiscal Recovery Fund (SFRF), for DPMC Project A1383-00. This funding is allocated for the HVAC Replacement of 27 Air Handler Units, which benefit the 23,000 Agency Employees assigned to the R.J.H. Justice Complex at 25 Market Street in Trenton.

The purpose of the Integrity Monitoring Engagement is to work collaboratively with DPMC, to monitor the DPMC project, A1383-00, Justice AHU Replacement. The engagement includes:

1. Conducting a risk assessment of DPMC's existing controls in place to prevent fraud, waste, or abuse in connection with the COVID-19 Recovery Program;
2. Developing and submitting a Work Plan for monitoring the COVID-19 Recovery Program, for fraud, waste, or abuse; including a review of relevant risk factors specific to the Program being monitored;
3. Performing program reviews; reviewing documents retention policies and procedures; performing fraud prevention/detection and data analytics; performing fraud awareness instruction for DPMC, contractors, and/or vendors; construction project monitoring reviews; procurement/expenditure reviews; and payment and wage reviews; and
4. Reviewing Compliance with applicable federal and state laws.

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

$25,200,000 – ARPA SFRF

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

Funds	Amount
ARPA (SFRF)	$ 11,869,855.33
State	42,227.75
Total funds	**$ 11,912,083.08**

Note: The $738,183.20 payment reported as state funds in the previous quarter, initially reported as being made with state funds due to a posting error, was reclassified to ARPA (SFRF) funds.

10. Amount Provided to Other State or Local Entities:

    N/A

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

    Construction phase

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:

    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 Integrity Monitor (IM) performed the following tasks, for the period from 4/1/2026 through 6/30/2026:

1. IM submitted final Q1 2026 Quarter report to the NJ Treasurer.
2. IM submitted the monthly reports on fraud prevention, waste, and abuse; for April and May to the NJ Treasurer. No fraud, waste, or abuse was noted.
3. During Q2, 2026, IM submitted monthly requests for documents for ongoing monitoring of construction activities, including the project submission package (invoices, bi-weekly construction meeting minutes, agendas, Contract/Financial Transaction Report, and change orders, etc.); and the monthly project progress report. IM received and reviewed the requested supporting documentation for April and May 2026; and is currently reviewing the documentation provided for June 2026 activities.
4. IM reviewed the Prime Contractor's invoice packages and the Design Contractor's invoices submitted for April, May, and June 2026. IM verified that each invoice was adequately supported; that costs were allowable and allocable; and that the package was reviewed, certified, and approved within twenty (20) days of receipt. IM also verified that Treasury Fiscal authorized the payments, and verified that payments were released within 30 days of the specified due date, as required by the State Prompt Payment Act - N.J.S.A. 2A:30A-1 et seq.
5. IM also reviewed the invoice package for April, May, and June 2026, including the Payroll Certification for Public Works Projects, to verify the contractor's compliance with the Prevailing Wage Act. IM verified that the prime contractor and all subcontractors were registered with the New Jersey Department of Labor and Workforce Development, as required by the Public Works Contractor Registration Act (N.J.S.A. 34:11-56.48 et seq.). Additionally, IM verified that the prime contractor's and subcontractors' wage rates, by craft and classification, matched the State of New Jersey Prevailing Wage Rate Determination; and were consistent with the prevailing wage rate in effect in the State, and were in compliance with the New Jersey Prevailing Wage Act (N.J.S.A. 34:11-56.25 et seq.).
6. During Q2 2026, IM reviewed the associated approved change orders, totaling $566,197 (see breakdown below), to verify that they were properly authorized and in compliance with the Procedures for Architects and Engineers (A&E) manual. As a result, the construction contract amount increased from $21,200,000 to $21,766,197.

Description	Amount
Install bypass, and relocate chilled water piping in conflict with new overhead door	$ 60,000
Builder's risk insurance	46,197
Increase hot water piping size from main header to new AHUs	165,000
Demolition of existing HVAC equipment	295,000
Total	**$ 566,197**

7. IM reviewed the May biweekly construction meeting minutes. Discussion topics included recent work, job forecasts, deliveries, schedules, progress ratings, change orders, invoicing, delays, and overall project status. Based on the review of minutes, there were other change order requests that were still under review.

8. IM reviewed the Contract/Financial Transaction Report and its supporting documentation for Q2 2026, for completeness and accuracy; and compared it against the prior quarter to verify that the changes reflect invoice payments related to project costs and associated approved change orders.

9. IM followed up with the DPMC team regarding the reversal of the $738,183.20 payment that was incorrectly posted to state funds. IM is currently waiting for their supporting documentation.

10. IM finalized the risk assessment document. The risk assessment is currently under review.

b) Recovery Program Participant Comments

No Comment

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

IM reviewed all documentation provided to date; and performed a trend analysis on the Financial/Transaction Report, to verify completeness and accuracy; and to confirm that change orders and payment-related changes were supported by invoices, cost schedules, and other relevant documentation.

b) Recovery Program Participant Comments

No Comment

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 above.

b) Recovery Program Participant Comments

No Comment

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

a) IM Response

IM reviewed the Vendor Payment Vouchers Input Form and Contract/Financial Transaction Report Treasury Fiscal, to ensure that payments were adequately supported, and that there was proper review and approval.

IM noted that the invoice payments were related to the project cost.

b) Recovery Program Participant Comments

No Comment

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

a) IM Response

See the responses to Question 14 above.

b) Recovery Program Participant Comments

No comment

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

    a) IM Response

       No integrity issues/findings have been identified.

    b) Recovery Program Participant Comments

       No comment

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

Total hours and employees for the period from 4/01/2026 through 6/30/2026 are as follows:

Staff Name	Position	Ongoing Monitoring	Risk Assessment	Workplan Development	Reporting	Total Hours
Gwendolyn Thomas- Regis	Partner	8.00	1.00		5.00	**14.00**
Peter Regis	Partner	3.00				**3.00**
Edwin Kago	Senior Manager	0.50			4.75	**5.25**
Samson Estifanos	Audit Manager				7.50	**7.50**
Saidu Bangura	Senior Auditor	40.00			11.00	**51.00**
Lokesh Satyal	Senior Auditor	23.00			2.00	**25.00**
Grand Total		**74.50**	**1.00**		**30.25**	**105.75**

b) Recovery Program Participant Comments

No Comment

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

No comment

Name of Integrity Monitor: Regis & Associates, PC
Name of Report Preparer: Regis & Associates, PC

Signature: Regis + Associates, PC

Date: 6/30/2026