Integrity Monitor Report
Category 3

Integrity Monitor Firm Name: Vander Weele Group[LLC]
Quarter Ending: 06/30/2026
Expected Engagement End Date: 12/31/2026

A. General Info

1. Recovery Program Participant:

   New Jersey Department of Environmental Protection (NJDEP)

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

   American Rescue Plan Act (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:

   Stephen Matis

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

   Middlesex Reservoir Reclamation Project

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

   The State of New Jersey received $6,244,537,955.50 in Coronavirus State Fiscal Recovery Funds under the *American Rescue Plan Act* (*ARPA* CSFRF). The New Jersey Department of Community Affairs is the prime recipient of the *ARPA* CSFRF funding and has passed it through to the NJDEP via a Memorandum of Understanding (MOU), executed on October 30, 2023, and an amendment to that MOU, executed on May 6, 2024. The NJDEP received $10 million for project work and $400,000 for administrative costs in *ARPA* CSFRF funding for the Middlesex Reservoir Reclamation Project, with the additional $20 million added on the amendment to the MOU on May 6. 2024. The funding was allocated as a pass-through grant to Union County for the contractual work on this project. A grant agreement between Union County and the NJDEP was executed on November 15, 2024. The work period indicated on this grant agreement is listed as March 03, 2021, through November 30, 2026.

The NJDEP describes ongoing flooding of the Rahway River and its tributaries to have exacerbated critical siltation and sedimentation issues. These issues have impacted the former Middlesex Water/Clark Reservoir (Reservoir), which could lead to irreversible damage and loss of the Reservoir.

Two phases are expected throughout the contractual work, including dredge improvement in Phase One and park development and improvement in Phase Two.

The purpose of this engagement is for the Integrity Monitor (IM) to perform a risk assessment of the project and a retrospective review of the grant agreement and amendment(s) between the NJDEP and Union County to determine the latter's compliance with applicable federal rules, laws, and regulations. Additionally, the IM will review and report on the contracts Union County has procured to ensure its compliance with applicable state and federal procurement regulations and to verify that the associated invoices, change orders, and payments fall within applicable regulations. Furthermore, the integrity monitor will monitor Union County's management of the Reservoir project for indication of fraud, waste, abuse, or mismanagement of the funds.

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

   $30,400,000

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

   NJDEP payment to Union County: $5,035,807.80

   NJDEP administrative costs for staff salary coding: $9,168.27

10. Amount Provided to Other State or Local Entities:

   Payment to Union County in the amount of $5,035,807.80.

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

    Dredging and Construction Phase

12. Completion Status of Integrity Monitor Engagement:

    Expenditure Review Phase is in process.

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

       1.) The IM met with Union County via Microsoft Teams and the NJDEP on April 28 and June 24, 2026.
       2.) On March 10, 2026, the IM requested that Union County provide a schedule/report of all invoices paid with *ARPA* funds to date. The IM followed up on this request on March 23 and April 28, 2026.

       3.) The IM selected line items from the contractor's first invoice (October 2025), and requested on April 15, 2026, that Union County provide supporting documentation and certified payrolls for the items. Union County provided this documentation on April 21, 2026.

       4.) The IM reviewed and inquired about the documentation received for Invoice 1, then requested additional documentation from Union County on April 22, 2026. Union County responded to the additional requests on

April 24, 2026. The IM is reviewing documentation to gather clarify field reports and other supporting documentation.

5.) On May 12, 2026, the IM emailed Union County to request documentation as follows:
   - Proof of payment for CME Invoice 380078, dated June 30, 2025, in the amount of $54,347.64.
   - Clarification on the purpose of general ledger accounts G-02-21-305-920-734 and G-02-21-305-920-787, both of which were used prior to April 2025.
   - Legible copies of Pay Applications 3 and 4 (the ones provided are scanned copies and illegible).
   - An explanation for CME Invoice 387111. The invoice amount of $8,527.84 is crossed out, and $2,302.22 is handwritten on the invoice, while Check 515269 is for $2,396.22. The payment voucher indicates that two different projects were charged on this invoice, but the itemization is missing from the invoice.
   - A reminder to upload all invoices and supporting documentation to the correct folders.

6.) The IM sent the NJDEP the draft report for Union County's procurement process on May 13, 2026. The NJDEP approved the report on the same day.

7.) On May 13, 2026, the IM sent the final, NJDEP-approved procurement process report to Union County.

8.) On May 13, 2026, Union County's engineer provided legible copies of Pay Applications 3 and 4.

9.) On May 21, 2026, Union County provided the following:
   - The cost-loaded schedule for May 19, 2026.
   - The two-week look-ahead schedules for April and May 2026.
   - The progress meeting agendas for March, April, and May (through May 14, 2026).

10.) On June 9, 2026, the IM emailed Union County to request documentation as follows:
   - A current list of all invoices paid with ARPA funds to date (originally requested March 10, 202; followed up on March 24, April 25, May 12, May 28, and at each client meeting, and yet to be received).
   - The General Ledger (GL) for the project that shows the total budget vs. expenditures vs. obligations (requested and not yet received). This

project has four GL accounts. The county has not yet clarified the other two accounts.

- An updated Cost-Loaded Schedule, last updated on May 21.
- Certified payrolls for all pay applications (2 to 8). We have only received certified payrolls for pay applications 1 and 5 thus far.
- Field Reports (work orders for 2 to 8). We received the field reports only for pay application 1.
- Pay Applications 6, 7, and 8.
- Project budget summary

11.) On June 11, 2026, Union County's engineer informed the IM via email that he requested some of the documentation from Union County's engineering consultant, CME.

12.) On June 12, 2016, the IM emailed Union County to follow up on the status of the items we requested on June 9.

13.) Union County provided the following on June 16, 2026:

- Cost-loaded schedule as of June 16, 2026.
- Certified payrolls for contractor Payment Applications 2 and 3.
- Field reports for contractor Payment Applications 2 through 8.
- Contractor Payment Applications 6 and 7.

14.) Reviewing documentation Union County provided on June 16, 2026.
15.) The IM is reviewing Union County's process of documenting expenditures for the NJDEP and will then finalize the review of the grant agreement and amendment.
16.) The IM's largest concern remains Union County's ability to fully expend the funds by the *ARPA* deadline of December 31, 2026.
17.) The IM drafted and finalized the monthly reports for April and May 2026.
18.) Drafted the monthly report for June 2026.
19.) Drafted the second quarterly report for 2026.

b) Recovery Program Participant Comments

Agree with IM comments

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

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2.) The IM reviewed and inquired about the documentation received for Invoice 1, then requested additional documentation from Union County on April 22, 2026. Union County responded to the additional requests on April 24, 2026.

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- Contractor Payment Applications 6 and 7.

b) Recovery Program Participant Comments

Agree with IM comments

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

a) IM Response

1.) The IM sent the NJDEP the draft report for Union County's procurement process on May 13, 2026. The NJDEP approved the report on the same day.

2.) On May 13, 2026, the IM sent the final, NJDEP-approved procurement process report to Union County.

3.) The IM is reviewing Union County's process of documenting expenditures for the NJDEP and will then finalize the review of the grant agreement and amendment.

b) Recovery Program Participant Comments

Agree with IM comments

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

a) IM Response

The IM is reviewing invoice documentation Union County provided on June 16, 2026**.**

b) Recovery Program Participant Comments

Agree with IM comments

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

a) IM Response

The IM is reviewing invoice documentation Union County provided on June 16, 2026.

b) Recovery Program Participant Comments

Agree with IM comments

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

a) IM Response

1.) The IM is continuing to monitor expenditure totals throughout the engagement. Per the amendment both parties agreed that Union County will submit monthly expenditures and required documentation, which the NJDEP will process quarterly. The IM is reviewing expenditures that the NJDEP reimbursed to Union

County. The IM has not noted findings or concerns of waste, fraud, and/or abuse to date.

2.) Union County updates the cost-loaded schedule when the IM requests the most one. The county should:

- Update the schedule throughout the project, as the scope changes, resource availability evolves, or cost estimates change.
- Maintain the schedule as the basis for progress payments since it is a fixed-price contract where earned value is calculated from the schedule's cost values.
- Monitor schedule and cost performance in real time.
- Ensure the cost-loaded schedule is current and accurate so that the percentage completed and value earned calculations are reliable for monthly payments.
- Verify reasonable cost loading and avoid disproportionate cost assignments that could result in payment disputes.

b) Recovery Program Participant Comments

Agree with IM comments

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

a) IM Response

The IM, Union County, and the NJDEP discussed the current project delays related to expenditure totals. As of this report, the NJDEP has reimbursed Union County $5,035,807.80, however payment applications 1 through 7 have been processed by Union County totaling $6,845,990. Our largest concern remains the county's ability to fully expend the funds by the ARPA deadline of December 31, 2026.

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b) Recovery Program Participant Comments

Agree with IM comments

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

Dr. Kristen Mokofisi—24.75
Sophia Staveris—23.00
Bianca Joseph—63.55
Rene Alaniz—25.00
Katherine Larson—74.20

b) Recovery Program Participant Comments

Agree with hours

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:	Vander Weele Group[LLC]
Name of Report Preparer:	Sophia Staveris
Signature:	*Sophia Staveris*
Date:	07/13/2026