

**Integrity Monitor Report
Category 3**

Integrity Monitor Firm Name: K2 Integrity
Quarter Ending: September 30, 2023
Expected Engagement End Date: December 31, 2024

A. General Info

1. Recovery Program Participant:

New Jersey Economic Development Authority ("NJEDA")

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

ARPA (\$54.5M supplemental appropriation on 7/1/21 plus \$30M from SFY2023 Appropriations Act)

3. State Funding Source (if applicable):

General Fund (\$4.45M from SFY2022 Appropriations Act)

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

12/31/26

5. Accountability Officer:

Christine Baker, Chief Legal & Administrative Officer

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

Child Care Facilities Improvement Program

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

The Child Care Facilities Improvement Program provides grant funding for licensed childcare centers in New Jersey to make facility improvements that will contribute to high quality early childhood learning environments.

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

Approximately \$89 million.

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

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):

NJEDA opened the program to applications on November 15, 2022. In mid-March 2023, NJEDA approved the first applications. Disbursements have not yet been issued.

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

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

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The Monitor reviewed approvals of grant funding and the Memorandum of Understanding between the NJEDA and the New Jersey Department of Community Affairs. The Monitor also reviewed participant application data.

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

NJEDA provided the monitor with access to its database of Child Care provider applications and processing.

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

N/A.

b) Recovery Program Participant Comments

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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

N/A.

b) Recovery Program Participant Comments

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N/A.

C. Miscellaneous

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

a) IM Response

Bradley Sussman	0.0 hours, no expenses
Tejah Duckworth	0.0 hours, no expenses
Michael Bernstein	1.25 hours, no expenses
Scott Millman	0.00 hours, no expenses
Joyce Jiang	0.00 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:	Michael Bernstein
Signature:	
Date:	9/29/2023