Integrity Monitor Report
Category 3

Integrity Monitor Firm Name: CohnReznick

Quarter Ending: 6/30/2026

Expected Engagement End Date: December 31, 2026, or within 3 months following expenditure of available program funds, whichever transpires first.

A. General Info

1. Recovery Program Participant:

   New Jersey Board of Public Utilities (NJBPU)

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

   The U.S. Department of Treasury Coronavirus Capital Projects Fund (CPF) under the 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:

   The funds appropriated for this program must be obligated by December 31, 2024, and expended by December 31, 2026.

5. Accountability Officer:

   Elena Thaxton

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

   New Jersey Broadband Infrastructure Deployment Equity (NJBIDE) Pilot Program

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

   To fulfill its obligations under Executive Order (E.O.) 166 regarding the appointment of independent Integrity Oversight Monitors ("Integrity Monitors" or "IOM") for any New Jersey State Agency receiving $20 million or more in COVID 19 Recovery funds and per the IOM guidelines, the NJBPU engaged CohnReznick (the IM, CR) to perform the Integrity Monitoring services for four multifamily programs.

The purpose of this Integrity Monitoring engagement is to:

Category	Key Activities
Program Oversight & Compliance	Ensure program integrity by verifying applicant eligibility, aligning grant agreements and policies with CPF/NJBIDE requirements, preventing duplication with other broadband initiatives, and restricting fund use to approved deployment activities.
Risk-Based Monitoring	Implement a flexible, risk-based sampling approach that accounts for project size, geographic location, and subrecipient risk to ensure targeted and effective program monitoring.
Financial & Procurement Reviews	Ensure financial and contractual integrity by reviewing ISP/vendor payments, scrutinizing procurement practices, evaluating MOUs for alignment, and testing expenditures for proper documentation and approvals.
Construction Monitoring	Monitor construction projects through on-site visits and detailed reviews of change orders, invoices, and punch list items to ensure progress, quality, and regulatory compliance.
Payroll & Personnel Reviews	Review payroll records and personnel documentation to ensure compliance, eligibility for reimbursement, and transparency in all NJBIDE-funded staffing activities.
Fraud Prevention & Detection	Leverage data analytics, interviews, and validation techniques to detect and prevent fraud, while developing structured reporting procedures and a comprehensive anti-fraud program tailored to broadband deployment risks.
Training & Awareness	Promote program integrity by delivering fraud awareness training and reinforcing ethical conduct through clear reporting mechanisms for staff, contractors, and subrecipients.
Stakeholder Engagement	Engage stakeholders through interviews with BPU staff, contractors, subrecipients, and community members to gather insights on program implementation and effectiveness.
Documentation & Record-Keeping	Engage stakeholders through interviews with BPU staff, contractors, subrecipients, and community members to gather insights on program implementation and effectiveness.

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

   NJBIDE: $52 Million

9. Amount Expended by Recovery Program Participant to Date on Program(s) under Review:
   As of 6/29/2026 $6,449,520.78 has been advanced or has support pending to subrecipients.

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:

    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:
       - Held recurring status calls with NJBPU (bi-weekly cadence in April and regular touchpoints throughout May and June) to discuss program status, system updates, and monitoring activities.
       - Conducted ongoing coordination sessions regarding system reconciliations, SIROMS updates, and Duplication of Benefits (DOB) review development.
       - Reviewed program data, including SIROMS updates, to validate reported budget amounts and support monitoring activities.
       - Developed and refined monitoring procedures to assess expenditures, ensuring proper documentation, authorization, and compliance with state and federal requirements.
       - Advanced subrecipient monitoring activities, including review of NJBPU's draft monitoring plan and related policies and procedures.
       - Designed, finalized, and delivered Fraud Awareness Training tailored to NJBIDE program risks and Treasury CPF requirements.
       - Initiated expenditure testing by selecting a preliminary sample and issuing initial observations and associated PBC requests.
       - Prepared and submitted required deliverables, including monthly reports (March–May finalized; June drafted) and the Q1 2026 quarterly report; drafted the Q2 2026 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

    To confirm that appropriate and complete data and information have been provided by the NJBPU team, the IM reviews supporting documentation such as applicants and subrecipient files, including financial status reports with invoices and other necessary documentation submitted through designated reporting systems and document repositories, System for Administering Grants Electronically (SAGE) portal. Submitted data, on a sample basis, was evaluated for completeness, accuracy, and consistency by reconciling reported expenditures to source documentation. Any discrepancies, omissions, or anomalies identified were documented and followed up with the NJBPU for clarification, as necessary.

    In addition, the IM performed a series of oversight and monitoring activities to assess project/program status and performance. These activities included analysis of monthly expenditures, desktop reviews of supporting documentation for the samples of applicants, and evaluation of compliance with applicable program requirements and funding guidelines.

    Where applicable, we conducted coordination meetings with NJBPU to discuss project updates, risks, and issues, and to validate reported information. Earlier in the project, the IM reviewed internal controls related to project reporting and financial management. These procedures provide reasonable assurance that reported information is accurate and compliant with program requirements

    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

N/A

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

a) IM Response

During this period, IM activities focused on conducting initial review of expenditures for two of five awardees with reported expenditures. This review was initiated to verify early on compliance with program requirements and identify potential indicators of fraud, waste, or abuse. IM also maintained ongoing coordination with the program team to monitor program status, assess data consistency, and evaluate anomalies or irregularities that may warrant further review. In addition, IM designed and delivered fraud, waste, and abuse training tailored to program risks and applicable federal requirements. IM further initiated expenditure testing, including the selection of samples and development of preliminary observations, with testing activities remaining ongoing as of the end of the reporting period.

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

No integrity issues were noted this quarter.

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

The overall Program risk associated with subrecipients' performance pose a risk to program delivery. To address delays, capacity constraints, and implementation challenges among certain subrecipients, NJBPU reduced the Program funds by a total of 7.8M (June 2026 amendment) executed in the current quarter.

Per status updated with the program team they anticipate that the majority of expenditures are anticipated to be incurred and submitted in Q3 of 2026.

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 April 1, 2026, through June 30, 2026, the following individuals have expended a total of **700.5** hours:

Name:

1. Anna Fomina (0 hours)
2. Julie Mitchell (287.2 hours)
3. Katie Rose (195.3 hours)
4. Lindsay Calvert (0 hours)
5. Eliane Kabre (33 hours)
6. Nate Kessler (151 hours)
7. Ron Frazier (34 hours)

Total billable expenses incurred for the quarter amounted to $0

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:

24. IM Response

N/A

a) Recovery Program Participant Comments

Name of Integrity Monitor: CohnReznick
Name of Report Preparer: CohnReznick
Signature
Date: 7/13/2026