

**Integrity Monitor Report
Category 3**

Integrity Monitor Firm Name: K2 Integrity
Quarter Ending: December 31, 2025
Expected Engagement End Date: December 31, 2026

A. General Info

1. Recovery Program Participant:

New Jersey Economic Development Authority ("NJEDA").

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

American Rescue Plan Act Funds, including SSBCI.

3. State Funding Source (if applicable):

N/A.

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

March 14, 2026.

5. Accountability Officer:

Elizabeth George-Cheniara, Director Legal Compliance.

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

New Jersey Clean Energy Loans ("NJ CELs").

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

NJ CELs is an \$80 million co-lending program launched by the New Jersey Economic Development Authority (NJEDA) for small businesses seeking to finance clean energy projects. The program's funds come from the U.S. Treasury's State Small Business Credit Initiative (SSBCI).

The NJEDA will lend between \$250,000 and \$10 million for projects requesting a total loan amount of \$500,000 to \$20 million.

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NJ CELs will unlock capital for small businesses and start-ups, catalyze the deployment of clean energy in New Jersey, and support minority-, woman-, and veteran-owned businesses to participate in the State's energy transition.

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

\$80,000,000

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

As of December 23, 2025, \$10,500,000 has been disbursed under the program.

10. Amount Provided to Other State or Local Entities:

N/A.

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

The program has moved into the implementation phase with approvals and some disbursements; however, a significant portion of the funding is still pending distribution, and oversight activities are actively being planned and executed.

As of December 2025, the status of the NJ CELs Program is as follows: TWO (2) applicants have been approved. TWO (2) borrowers have received 100% of their funds.

SIX (6) applicants are in the process of being reviewed, which in aggregate total \$17,549,999 of potential loans.

12. Completion Status of Integrity Monitor Engagement:

On-going.

B. Monitoring Activities

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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 Monitor reviewed an updated MOU provided by NJEDA team, which discussed the updated base interest rate reduction.

During the quarter, the Monitor developed a detailed testing plan that outlined Task Order Request (TOR) eligibility requirements, ineligibility criteria, NJEDA internal controls, and assessment procedures used by the TOR team. In addition, the Monitor reviewed the CRM system to identify documentation submitted to date, verify monies spent to date, and check application statuses.

The Monitor conducted a walkthrough of the application process with the NJ CELs team on December 11, 2025. During the meeting, the NJ CELs went through the basics of the program and the status of awards and pending applications. They then went through the CRM related to the program, showing where applicant information is stored and walked through how an application checklist is completed. Responses were provided by NJEDA to the Monitor's inquiries.

b) Recovery Program Participant Comments

N/A.

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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

See response to Question 14.

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

See response to Question 14.

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

See response to Question 14.

b) Recovery Program Participant Comments

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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

N/A.

C. Miscellaneous

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

a) IM Response

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Bradley Sussman	0.00 hours, no expenses
Tejah Duckworth	5.75 hours, no expenses
Michael Bernstein	3.50 hours, no expenses
Bruce Archer	1.00 hours, no expenses
Lucy Gonzales	0.00 hours, no expenses
Michael Quevedo	31.50 hours, no expenses
Naomi Pena	2.75 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:

Tejah Duckworth



Signature:

Date:

12/31/2025