

**Integrity Monitor Report
Category 3**

Integrity Monitor Firm Name: K2 Integrity
Quarter Ending: September 30, 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):

\$4,000,000 ARP SLFRF.

3. State Funding Source (if applicable):

\$1,250,000 FY 2022 Food and Agriculture Innovation appropriation,
reallocated from the Food Retail Innovation in Delivery Grant (FRIDG).

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

December 31, 2026.

5. Accountability Officer:

Elizabeth George-Cheniara, Director Legal Compliance.

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

Atlantic City Food Security Grants Pilot Program.

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

The Atlantic City Food Security Grants Pilot Program is a \$5,250,000 initiative funded by the Economic Recovery Fund (ERF). Its primary goal is to enhance food access and security in Atlantic City. The program will provide grants to projects that aim to improve food access and food security for residents of the Atlantic City/Ventnor Food Desert Community (FDC). Eligible applicants include for-profit, nonprofit, and government entities that have been in existence for at least two years and currently

**Integrity Monitor Report
Category 3**

serve residents of the Atlantic City/Ventnor FDC. Funds can be used for various purposes, including construction, equipment, salaries, and rent, but not for land or building acquisition. Grants range from \$50,000 to \$500,000, covering up to 100% of project costs.

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

\$5,250,000.

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

\$2,052,549.13 as of September 2025 – This represents the first ~50% disbursed to 9 out of the 11 grantees.

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 NJEDA Board approved ACFSGPP and has committed \$5.12 million. During a six-week application period, a total of 20 applications were submitted. These applications were evaluated for completeness and eligibility, with 17 of them proceeding to the scoring phase. The scoring was based on criteria such as project description, work plan, organizational capacity, community engagement, and budget. Out of these, 15 applications met the minimum score requirement of 50 out of 100 points. Ultimately, 11 applications were approved for funding, totaling \$5.12 million. 9 grant agreements have been fully executed with the grantees receiving 50% of their total award amount.

The program is now focused on the implementation and monitoring of the funded projects to ensure compliance and successful completion. 9 grantees successfully submitted Q1 and Q2 reports that reflect both the programmatic achievements to date as well as expenditures aligned with their respective grants.

12. Completion Status of Integrity Monitor Engagement:

**Integrity Monitor Report
Category 3**

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

The Monitor conducted a review to support the AC Food Security testing, identifying key documents such as the MOU between the NJ Department of Community Affairs and NJEDA, Board Memos from September 2024, which collectively guide the control testing process and workpaper template.

The Monitor reviewed CRM for sub-recipient grant applications and selected a risk-based sample using both random and judgmental sampling to ensure adequate coverage and identify potential red flags.

In separate task orders, the Monitor notes that the NJEDA staff updated key policies within the last year, as well as underwent organizational changes. The Monitor reviewed the updated organizational chart, policies and procedures, as well as documentation related to applicant evaluation and program funding allocation processes. Additionally, the Monitor gained an understanding of the implemented risk mitigation measures concerning program administration, applicant selection, funding

**Integrity Monitor Report
Category 3**

allocations, and evaluation criteria to ensure fairness and compliance with regulatory guidelines. This understanding, coupled with the Monitor's review of reporting documentation, indicates that program-wide progress reporting has been thoughtfully considered and that programs are generally well monitored.

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

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

NJEDA provided the ACFSPG Spending Status report February 20, 2025. The Monitor reviewed this document which serves as an internal disbursement schedule indicating the amount of federal funds and state funds allocated to each ACFSPGR grantee.

**Integrity Monitor Report
Category 3**

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

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

**Integrity Monitor Report
Category 3**

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

Bradley Sussman	0.00 hours, no expenses
Tejah Duckworth	0.00 hours, no expenses
Michael Bernstein	0.00 hours, no expenses
Naomi Pena	6.00 hours, no expenses
Michael Quevedo	0.00 hours, no expenses
Lucy Gonzales	0.00 hours, no expenses
Bruce Archer	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: Tejah Duckworth

**Integrity Monitor Report
Category 3**

A rectangular box containing a handwritten signature in blue ink. The signature appears to read "Tejab Dackworth".

Signature:
Date:

09/30/2025