

**Integrity Monitor Report
Category 3**

Integrity Monitor Firm Name: CohnReznick
Quarter Ending: 06/30/2025
Expected Engagement End Date: 01/23/2026

A. General Info

1. Recovery Program Participant:

New Jersey Department of Community Affairs (DCA)

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

Coronavirus State Fiscal Recovery Fund (SFRF) under the American Rescue Plan (ARP)

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:

John Alexy

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

Boardwalk Preservation Fund (BPF or the "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 NJDCA engaged CohnReznick LLP (the IM, CR) to perform the Integrity Monitoring services for Boardwalk Preservation Fund.

The purpose of this Integrity Monitoring engagement is to work with DCA's Accountability Officer and other DCA staff to conduct a risk assessment of the Division of Disaster Recovery and Mitigation (DRM) existing controls in place to prevent fraud, waste, and abuse; review subrecipient documentation for potential

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fraud; review and monitor construction projects for fraud and misconduct, proper payments, and compliance with State and Federal guidelines.

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

\$100,000,000

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

Total program releases/disbursements - \$29,134,672.47
Total direct actual expenditures \$ 11,185,377.96

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

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CohnReznick performed the following activities for the period from April 1, 2025, through June 30, 2025:

- Conducted status calls with DCA on 04/04/2025, 04/10/2025, 05/08/2025, 06/12/2025
- Periodically reviewed SIROMS records for status of the projects and current expenditure reports and related support
- Participated in DCA/DRM's monthly status calls with all subgrantees
- Conducted two site visits and drafted the field activity reports
- Communicated with program leads to coordinate status calls and site visits schedules
- Drafted monthly IM reports for the months of April, May, June of 2025
- Finalized 1Q25 Quarterly report and submitted to Treasury
- Drafted 2Q25 Quarterly report and submitted to DCA for review

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

At the beginning of the engagement, the IM obtained access from DCA to the Storm Integrated Recovery Operations and Management System (SIROMS), the system of records, that is used to account for and manage the SFRF funds, including tracking expenditures and obligations. The IM periodically reviews the uploads organized by each subrecipient/project and tracks actual expenditure requests, supporting documentation, required periodic progress reports. The IM is regularly meeting with DCA's grant management team to confirm all grantees' information/data is complete and in conformity with program requirements. Additionally, the IM participated in DCA's status calls with grantees to gather additional information about accuracy of information provided and progress of projects.

b) Recovery Program Participant Comments

N/A

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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

Payment documentation was not reviewed in this reporting period. DCA releases funds to subrecipients in tranches for their boardwalk projects. The renovation/construction projects are slowly progressing, and the IM is reviewing the DRM tracker of expenditures on the monthly basis as well as actual expenditure reports with the supporting documentation as they are available and submitted to SIROMS. The vendor payments by the grantees will be reviewed on a sample basis during the expenditure testing phase.

b) Recovery Program Participant Comments

N/A

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

a) IM Response

The IM activities this period focused on status calls DCA/DRM held with subgrantees to ensure that work is progressing as reported and adheres to the program requirements. Additionally, the IM performed a site visit/inspection for two subgrantees with boardwalk projects under construction to cross check reported progress and billing with actual on-site work. During the site visits, the IM interviewed workers, reviewed their credentials and wages, made other site observations and communicated them to DCA/DRM in the site activity reports.

b) Recovery Program Participant Comments

N/A

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

a) IM Response

No integrity issues were noted during this reporting period.

b) Recovery Program Participant Comments

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

a) IM Response

N/A

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, 2025, through June 30, 2025, the following individuals have expended a total of **334.7** hours:

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Name:

- Ron Frazier (49.0 hours)
- Anna Fomina (159.3 hours)
- Kristin Plews (29.5 hours)
- Grace Wandling (66.4 hours)
- Sasha Sorokina (21.5 hours)
- Glen Szenzenstein (9.0 hours)

The expenses billed in this reporting period totaled \$552.74.

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

b) Recovery Program Participant Comments

Name of Integrity Monitor:

CohnReznick

Name of Report Preparer:

CohnReznick

Signature:



Date:

06/30/2025