

**Integrity Monitor Report
Category 3**

Integrity Monitor Firm Name: CohnReznick, LLP
Quarter Ending: 09/30/2024
Expected Engagement End Date: 12/31/2024

A. General Info

1. Recovery Program Participant:

New Jersey Department of Labor (DOL)

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

U.S. Department of Treasury- ARPA (CSFRF)

3. State Funding Source (if applicable):

N/A

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

12/31/2026

5. Accountability Officer:

Theresa Vallely

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

Federal Grant - Coronavirus State Fiscal Recovery Fund (CRF) – Purchase of Services for the UI modernization program (the “Program”), and standby power generator installation.

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

On July 17, 2020, Governor Murphy signed Executive Order 166 (“EO 166”), which established the COVID-19 Compliance and Oversight Task Force (the “Taskforce”) and the Governor’s Disaster Recovery Office (GDRO). Pursuant to EO 166, the Taskforce has issued guidelines (“IOM Guidelines”), which have been updated as of June 2021, regarding the appointment and responsibilities of COVID-19 Integrity Oversight Monitors (“Integrity Monitors”). Integrity Monitors are intended to serve as an important part of the State’s accountability infrastructure while working with Using Agencies in developing measures to prevent, detect, and remediate inefficiency and malfeasance in the expenditure of COVID-19 Recovery Funds. IOM Guidelines further suggest, "Recovery

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Program Participants that have received or will administer a total of \$20 million in COVID-19 Recovery Funds should retain at least one Integrity Monitor".

The Department of Labor received two separate Department of Community Affairs subawards from the American Rescue Plan Act (ARPA) for 15M and 35M each, which will be utilized to fund the UI IT Modernization program's activities as indicated in the Governor's budget, as well as funds to assist with procurement and installation of a standby generator for NJ DOL's offices.

The purpose of this Integrity Monitoring engagement is to work with DOL's Accountability Officer and other DOL staff to conduct a risk assessment of the Program and generator project. In addition, the Integrity Monitor shall monitor that the use of these funds is in compliance with federal and State laws and regulations.

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

\$ 50,000,000.00

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

\$ 20,882,974.71

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

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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 following tasks were completed for the period 7/1/2024 through 9/30/2024:

- Held status calls with DOL staff on 7/11, 7/25, 8/1, 8/8, 8/15, 8/29, 9/5, 9/12, and 9/19
- Requested and received expenditure documentation related to the UI Modernization program
- Requested documentation for and began analysis of program Sprint documentation.
- Corresponded and followed up with Program leads on outstanding documentation
- Performed sample expenditure testing of administrative and vendor costs
- Drafted and submitted monthly reports for the months of July, August, and September
- Drafted and submitted Q32024 quarterly reports

b) Recovery Program Participant Comments

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

DOL provided and the IM reviewed various documents relevant to the UI Modernization Program such as expenditure support documentation, to include business objects reports, invoices, and travel justification support.

b) Recovery Program Participant Comments

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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

IM reviewed expenditure documentation for the UI Modernization Program and selected implementing vendor to help verify compliance with contract terms and conditions.

b) Recovery Program Participant Comments

17. If payment documentation in connection with the contract/program has been reviewed, provide description.

a) IM Response

IM reviewed sampled invoice documentation in the execution of the Work Plan, as well as costs associated with NJDOL's administration of the program.

b) Recovery Program Participant Comments

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

a) IM Response

IM performed sample expenditure testing of program costs to date, to include administrative costs for the program and the costs associated with the contracted implementing vendor.

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

IM did not note any integrity issues and noted no findings of fraud, waste, or abuse.

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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 July 1, 2024 through September 30, 2024, the following individuals have expended a total of 355.50 hours:

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Name:

- Ron Frazier (57 hrs)
- Anna Fomina (2.7 hrs)
- Andrew Barchenko (1.1 hrs)
- Orterio Villa (11.8 hrs)
- Grace Wandling (13.4 hrs)
- David Solomon (159 hrs)
- Matthew Iwundu (0 hrs)
- Erin White (70.5 hrs)
- Tiffany Thompson (40 hrs)

No billable expenses were incurred.

b) Recovery Program Participant Comments

N/A

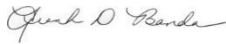
23. Add any item, issue, or comment not covered in previous sections but deemed pertinent to monitoring program:

a) IM Response

N/A

b) Recovery Program Participant Comments

N/A

Name of Integrity Monitor:	CohnReznick, LLP
Name of Report Preparer:	CohnReznick, LLP
Signature:	
Date:	9/30/2024