Integrity Monitor Report
Category 3

Integrity Monitor Firm Name: Vander Weele Group[LLC]
Quarter Ending: 06/30/2026
Expected Engagement End Date: 09/30/2026

A. General Info

1. Recovery Program Participant:

   New Jersey Department of Education (NJDOE)

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

   American Rescue Plan Act (ARPA)

3. State Funding Source (if applicable):

   American Rescue Plan State Fiscal Recovery Fund

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

   December 31, 2026

5. Accountability Officer:

   Robert Amon

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

   Universal Pre-Kindergarten (UPK) Facilities Expansion Program

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

   The purpose of this engagement is to collaborate with the NJDOE to develop measures that will help to prevent, detect, and remediate inefficiency and malfeasance in the expenditure of COVID-19 recovery funds and to provide expertise in program and process management auditing, financial auditing, grant management, and integrity monitoring/anti-fraud services. The integrity monitor (IM) will monitor a select sample of school districts receiving Universal Pre-Kindergarten Facilities Expansion program funds by conducting risk assessments and reviewing compliance with program requirements to minimize fraud, waste, or abuse.

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

Approximately $120 million in State Fiscal Recovery Funds are appropriated to the State of New Jersey through December 2026.

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

   $63,164,693.55

10. Amount Provided to Other State or Local Entities:

    $62,912,204.00

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

    The Universal Pre-Kindergarten (UPK) Facilities Expansion Program is currently in the Monitoring Review Phase. Due to various initially selected districts having little to no expenditure, we have modified our initial risk assessment methodology and notified the NJDOE in March. The initial selection of six districts, two from each of New Jersey's three regions (North, South, and Central), now includes an additional central region district, bringing the total to seven districts for the first round. We are currently monitoring all seven districts selected in the first round.

    In the second round of monitoring, we focused our methodology to include all districts that have active spending. We selected four districts for the second round, as these were the only districts with expenditures. We are currently monitoring all four districts selected in the second round.

12. Completion Status of Integrity Monitor Engagement:

    As noted above, the UPK Program is currently in the Monitoring Review Phase.

    We are currently monitoring all seven districts selected for the first round. As part of our close-out process, we have performed site visits and completed reviews for four of the seven districts selected in the first round. We have submitted three of our four district reports to the NJDOE, with final submission of the fourth district expected in the coming weeks. In addition, we are currently working through the monitoring phase process for the remaining three districts in the first round.

    We are currently in the monitoring phase process for all four districts selected in the second round.

B. Monitoring Activities

13. If FEMA funded, brief description of the status of the project worksheet and its support:

    a) IM Response

        No FEMA funds are associated with the UPK program.

    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

1.) Conducted biweekly meetings between pertinent Vander Weele Group and NJDOE staff and management to review the status of the UPK program as it relates to document requests, NJDOE provided documentation, risk assessment, district monitoring, and other applicable documentation. The Vander Weele Group continued their discussion with NJDOE regarding the minimal expenditure levels across districts and the total remaining allocation to the NJDOE. Considering the December 31, 2026 deadline for final expenditures, the NJDOE is in ongoing discussions with the NJDCA regarding allocation statuses and the potential reversion of unused funds. Since these discussions are ongoing, the NJDOE will keep the Integrity Monitor (IM) informed as soon as a final decision is reached.

2.) We continued the Monitoring Phase for the first and second round of reviews. We are monitoring all eleven districts selected. Below is the status of each:

- In the first week of April, we performed site-visits as part of our final evaluation process for four of the districts selected in the first round. These site-visits consisted of visual inspections of construction and discussion with district staff regarding the project's progress. On June 02, 2026, we finalized and submitted three of our four district reports to the NJDOE, which summarized our site visit findings and review results. We anticipate submitting the fourth district report to the NJDOE in the coming weeks.

- We are currently monitoring the remaining seven districts selected in the first and second rounds. We have met virtually with all seven districts and submitted initial documentation requests (grant agreements, policies, expenditure details, etc.) as part of our monitoring process. We are currently communicating and working through information provided by the districts in response to our requests. In addition, we have made second and third documentation requests (certified payroll, AIA invoices, reimbursement details, change orders etc.) for four of the districts as we work towards completion of our reviews.

We will plan site visits with the remaining seven first and second round districts as they near project completion.

3.) Completed April and May 2026 monthly and first quarter reporting. Drafted the June monthly report and second quarter report for 2026.

b) Recovery Program Participant Comments

NJDOE agrees with the above.

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

We can confirm that we have received the appropriate data/information requested regarding the administration of the UPK program. This information enabled us to begin the first and second rounds of the Monitoring Review Phase. We will request additional data/information from the NJDOE as needed, as we review the remaining districts**.**

Expenditure level data was pulled and reviewed periodically to determine the updated monitoring methodology and commence the round two reviews.

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

    We are currently monitoring eleven districts selected for our auditing activities. We will continue to review procurement documentation for all districts to ensure vendor contracts are for purchased services and follow the terms and conditions expressed in the contract agreement. In addition, we reviewed information submitted through the NJDOE Electronic Web-Enabled Grant System (EWEG), certified payroll information submitted to the New Jersey Department of Labor and Workforce Development, and district information provided to support reimbursed costs as part of procurement. We will continue to review the remaining districts based on the methodology detailed above.

    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

    We are monitoring eleven districts selected for review. As part of the payment documentation review, we compared the amounts the NJDOE provided with the support source documents the districts submitted (purchase orders, invoices, receipts, etc.). We also reviewed American Institute of Architects (AIA) documents that the contractors submitted to the districts for payment and selected a sample of work items to test for adequate support documentation.

    In addition, we analyzed certified payroll information submitted to the New Jersey Department of Labor and Workforce Development. We will continue reviewing payment documentation the districts provide in the first and second rounds of monitoring. We will communicate with districts to resolve questions or possible payment discrepancies that may arise. We continue to communicate unresolved issues to the NJDOE and assist with identifying items that may become a finding.

b) Recovery Program Participant Comments

N/A

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

a) IM Response

We conducted activities to prevent and detect waste, fraud, and/or abuse, including discussing potential fraud with pertinent stakeholders and reviewing controls that may exist to detect and prevent fraud. We also reviewed applicable documentation related to detecting waste, fraud, and/or abuse, including inquiries, sample testing, and interviews with staff.

To date, we have not uncovered evidence of waste, fraud, and/or abuse in the current Monitoring Review Phase. We will continue substantive testing procedures and data analysis of selected districts, which will help us determine the effectiveness of controls and procedures in place to prevent and detect waste, fraud, and/or abuse.

To aid in the mitigation of potential waste, fraud, and/or abuse, we have drafted a grant guidance document which includes a detailed breakdown of all stakeholders and their responsibilities as it pertains to the ARPA portion of the funding. This guidance document was drafted to provide to each district and their subcontractors to ensure that all contractors and subcontractors are aware of allowable costs and adequate documentation needed to confirm compliance with Federal regulation.

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

Our largest concern on this project remains the low expenditure level to date. As of 06/29/2026, $63,164,693.55 had been expended of the total $120,000,000.00 allocation for an approximate expenditure total of 52.64%. With the ARPA allocation required to be expended by December 31, 2026, this remains the largest area of concern. We are in the monitoring phase (communicating with and testing the districts being monitored) and one of the consistent findings that we have noted relates to insufficient coding of the grant to its appropriate program code for proper grant fund segregation. The NJDOE is currently researching whether updated guidance should be provided to the districts to aid in the mitigation of this potential finding. We will continue to update our reporting on integrity issues/findings, including findings of waste, fraud, and/or abuse.

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

As monitoring continues, we have no notable items from past quarters.

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

We have not noted waste, fraud, or abuse in our prior quarters' reporting. However, we will inform the NJDOE about actions taken to remediate waste, fraud, and/or abuse as we work through the monitoring review phase.

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

Dr. Kristen Mokofisi—19.75
Richard Palmer—94.75
Artecia Foster—74.10

Rene Alaniz—80.05

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: Vander Weele Group LLC
Name of Report Preparer: Rene Alaniz

Signature: Rene Alaniz
Date: 06/30/2026