

**Integrity Monitor Report  
Category 3**

Integrity Monitor Firm Name: CohnReznick, LLP  
Quarter Ending: 3/31/2024  
Expected Engagement End Date: 09/30/2024

**A. General Info**

1. Recovery Program Participant:

New Jersey Department of Education (NJDOE)

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

ARP Act

3. State Funding Source (if applicable):

N/A

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

09/30/2024

5. Accountability Officer:

Amanda Schultz

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

Federal Grant - Elementary and Secondary School Emergency Relief Fund  
(ESSERF III)

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 Program Participants that have received

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

The Department of Education (DOE) received \$2.76 billion in federal funds authorized under the American Rescue Plan Act (ARPA) Elementary and Secondary School Relief Fund (ESSERF III). From these funds, 90% was distributed to local educational agencies (LEAs) to be used in support of allowable expenditures as outlined in the law.

The purpose of this Integrity Monitoring engagement is to work with the NJDOE's Accountability Officer, other NJDOE staff, and LEAs to perform risk assessments of NJDOE and sampled LEAs, evaluate internal controls, review applicable reports and specific files to ensure NJ DOE and subgrantees (LEAs) are adhering to the sub-award agreement and applicable federal and State laws and regulations pertaining to the use of ESSERF III funds.

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

ESSER III - \$2,766,529,533

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

\$1,657,911,125.65

10. Amount Provided to Other State or Local Entities:

Non Title I Schools – \$9,239,960  
State Agencies - \$1,920,000  
Service Commissions/Jointures - \$2,917,878

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

In process

12. Completion Status of Integrity Monitor Engagement:

In process

**B. Monitoring Activities**

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

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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 following tasks were completed for the period 1/1/2024 through 3/31/2024:

- Scheduled and performed walk-throughs of processes and internal controls with 50 LEAs sampled for ESSER III program.
- Updated NJDOE's risk assessment for ARP ESSER and submitted the draft to the agency for the review.
- Reviewed policies and other documentation provided by LEAs and obtained through public searches for assessing the risks.
- Followed up with LEAs and NJDOE regarding the outstanding items for the risk assessments.
- Completed risk assessments for 50 LEAs and the NJDOE.
- Performed internal quality review of risk assessments, finalized, and submitted them to the agency.
- Reviewed LEAs current reimbursement requests from EWEG to begin sampling expenditures for testing.
- Conducted status calls with NJDOE on 01/11/24, 01/25/24, 02/08/24, 02/22/24, 03/07/24, 03/21/24.
- Drafted and submitted 1Q24 Treasury quarterly report.
- Drafted and submitted the IM Monthly reports – January, February, March 2024.

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

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The IM compiled a list of documents needed to assess the risks for the areas identified in the risk assessment template provided by OSC and sent the requests to sampled LEAs for policies, procedures, internal control descriptions and other related documentation. The IM followed up on outstanding items when necessary and supplemented it with public searches, when possible, to have a complete understanding of the environment in which each LEA operates. The IM then performed walk-throughs of processes and internal controls and assessed the risks for sampled LEAs.

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

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

The IM began to review reimbursement requests in EWEG to determine total amount expended to-date by each LEAs in our sample. The expenditure payment information will be reviewed for LEAs during the testing phase. The IM also will review the COVID relief payments report from Treasury showing payments made to LEAs with check numbers and dates during the expenditure testing procedures.

b) Recovery Program Participant Comments

N/A

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

a) IM Response

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The IM performed risk assessment procedures and reviewed NJDOE's and LEAs' documentation related to their policies and procedures for internal controls and prevention and detection of fraud, waste, and abuse. The IM also conducted meetings with LEAs to walk through their policies, procedures, and internal controls.

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

The IM did not note any integrity issues or findings of fraud.

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

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**

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

a) IM Response

For the period January 1, 2024 through March 31, 2024, the following individuals have expended a total of 681.90 hours:

**Name:**

- Ron Frazier – (33.5 hours)
- Rochell Cottingham – (0.0 hours)
- Anna Fomina – (177.7 hours)
- David Solomon – (78.0 hours)
- Grace Wandling – (117.2 hours)
- Andrew Barchenko – (88.4 hours)
- Erin White (80.0 hours)
- Thomas Mammen (75.1 hours)
- Tiffany Thomson (32.0 hours)

No billable expenses were incurred.

b) Recovery Program Participant Comments

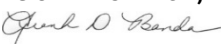
N/A

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

Name of Integrity Monitor:	CohnReznick, LLP
Name of Report Preparer:	CohnReznick, LLP
Signature:	
Date:	3/31/2024