

**Integrity Monitor Report**  
**Category 3**

Integrity Monitor Firm Name: Vander Weele Group/Joseph A. DeLuca  
Advisory & Consulting Services, LLC.

Quarter Ending: 09/30/2023

Expected Engagement End Date: 12/31/2026

**A. General Info**

1. Recovery Program Participant:

New Jersey Board of Public Utilities

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

American Rescue Plan Act (ARPA)

3. State Funding Source (if applicable):

N/A

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

December 31.2026

5. Accountability Officer:

Curtis Elvin

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

- Small Business Ventilation and Energy Efficiency Verification and Repair ("SSB-VEEVR") Program and the School
- Small Business Noncompliant Plumbing Fixture and Appliance ("SSB-NPFA") Program

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

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The purpose is to review SSB-VEEVR and SSB-NPFA for compliance with P.L. 2021, c. 200 and the CSFRF Interim and Final Rule, as applicable.

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

Approximately \$180M has been earmarked for the two (2) programs and an additional \$4.5M for administrative expenses.

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

\$28,158,160.34

10. Amount Provided to Other State or Local Entities:

N/A

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

Application review and subrecipient sampling.

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:

a) IM Response

N/A

b) Recovery Program Participant Comments

[N/A]

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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. Bi-weekly Teams meetings with BPU.
2. Teams meeting with TRC to discuss program milestone report.
3. Detailed review of responses provided by TRC.
4. Emailed questions to TRC regarding milestone report subsequent to the Teams meeting.
5. Discussions with TRC on the status and progress of requests and identified issues and solutions.
6. Developed the comparative risk assessment indicator criteria for selecting programs for testing based on available program data gathered from TRC's management system.
7. Prepared preliminary draft comparative risk assessment for selecting programs for testing.
8. Reviewed data received from TRC to determine if it can be used for the comparative risk assessment.
9. Planned the topics and date for fraud training to be held in November. Various topics will be tailored to the needs of both BPU and TRC staff as it pertains to the two programs under review.
10. TRC provided training on the IMS system by performing a walkthrough of a transaction through its entire cycle.

b) Recovery Program Participant Comments

None

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

Program-related data is stored in two TRC controlled data-bases: CMR for all scanned, submitted, and created documents in PDF format

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where read-only “audit” IM access has been promised, but not yet provided, and IMS for all numeric metrics, where IM access has been granted to a subset of the IM team. The original RFQ described IM read-only access to all applicant, grantee, and vendor documents (all reside in the CMR system) was most recently scheduled for mid-September, but has not yet been achieved by TRC-IT. There are current on-going efforts to provide access to necessary team members.

Reliance on a query set submitted wait for response protocol of which there have been three major requests, and two minor clarifications of responses received cycles has hampered an efficient IM team progress, which CMR access should alleviate. IM has provided a list of all active IM team members with the request for both IMS and CMR read-only “audit” access privileges.

Due to the above and other on-going efforts, TRC has been somewhat slow in providing responses to inquiries and providing data that the IM needs for the next Risk Assessment deliverable. BPU is addressing this issue with TRC, and the situation has started to improve.

b) Recovery Program Participant Comments

BPU staff has been working with TRC to provide the information requested by the IM in a timely fashion.

16. Description of quarterly auditing activities conducted to ensure procurement compliance with terms and conditions of contracts and agreements:

a) IM Response

To date, total program award commitments and total program administrative costs are being continuously reviewed and benchmarked against allowed budget allocations as per Contract No. T3009 “PBPU Program Administration and Management Services, New Jersey Clean Energy Program.

b) Recovery Program Participant Comments

None

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

a) IM Response

N/A

b) Recovery Program Participant Comments

N/A

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

a) IM Response

Quarterly activities to prevent and detect waste, fraud, and/or abuse include, but are not limited to, documentation requests and analysis, follow-up inquiries, interviews, and other activities as needed. For example, we held numerous discussions and meetings with personnel of BPU and affiliated Divisions (i.e., Finance and Budget; and Legal / Compliance Unit) to understand BPU's existing fraud prevention procedures and processes, if applicable. Information gathered from activities described above and information obtained from further inquiries are considered, among other items, when determining sample characteristics and sample sizes.

To date, our tasks have not uncovered any evidence of waste, fraud, and/or abuse. We plan to continue performing substantive procedures and data analytics to determine the effectiveness of controls and procedures in place to prevent and detect waste, fraud, and/or abuse. We will report in further detail in our next quarterly report submission.

b) Recovery Program Participant Comments

None

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

a) IM Response

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To provide greater visibility into the level of success of the program and to assure that the ARPA deadlines will be met, TRC should consider documenting why projects need an extension, two extensions or have withdrawn from the program. For example, enhanced documentation efforts will help stakeholders understand how much funding has been allocated to projects that have been cancelled.

Depending on the answers to the above, stricter criteria may have to be implemented for the allowance of extensions.

Creating and managing a schedule management system is an identified component in TRC's service contract with BPU. The IM team's review of the Milestone Dates system generated by TRC has, with each IM query, increased in the number of actual and confirmed dates input, and terms and fields modified for improved clarity but to-date not yet supported a conclusion of a viable management system that provides actionable milestone-date-related management information for TRC to then pro-actively manage the Applicant-Grantee process. This creates a concern that the level of active interface between TRC and the Grantees can be improved.

Tied to the concerns above, program data suggests that approximately 50 grantees a month from now to the end of 2023 will exceed their expiration dates and require an extension.

Overall, we have discussed with Management all recommendations and suggested remediation efforts as they arise. We will report the outcome in further detail in our next quarterly report submission.

### b) Recovery Program Participant Comments

BPU staff will continue to work with TRC and the IM to strengthen existing processes.

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

### a) IM Response

BPU will ask TRC to provide more granular detail in its weekly reports to get a better sense of exactly where the projects are e.g., how many projects have requested one extension, two extensions, left the

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program, etc. In addition to the numbers, a narrative from TRC would be helpful.

In addition to having a better understanding of applicant progress, obtaining TRC's monthly invoicing bill in connection with the administration of these two programs would help ensure compliance with the original contract and to ensure that no extra services are being charged to BPU for routine, program audit/maintenance efforts.

b) Recovery Program Participant Comments

BPU Staff will continue to work with TRC and the IM on these issues.

21. Details of any actions taken to remediate waste, fraud, and/or abuse noted in past quarters:

a) IM Response

None reported; however, ongoing efforts are being made in conjunction with TRC and BPU to ensure that sub-recipients of the HVAC program, who are reimbursed via three separate incentive payments based on the status of the project (i.e., supplies ordered, initiated and work in progress, and completed), are actively monitored for project updates and reasonable progress.

b) Recovery Program Participant Comments

None

**C. Miscellaneous**

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

a) IM Response

Maribeth Vander Weele, 1.65

Kathleen Budrean, 1.85

Kristen Mokofisi, 26.90

Elizabeth Mackay, 14

Sophia Staveris, 41

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Rick Duran, 48.7  
Bianca Joseph, 52.70  
Cassy Good, 6.1  
Sherry Thomas, 37.55  
Kevin Mullins, 12  
Salvatore Ubaldini, 83.5

b) Recovery Program Participant Comments

None

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 / Joseph A. DeLuca Advisory &  
Consulting Services, LLC  
Name of Report Preparer: Sophia Staveris  
Signature: *Sophia Staveris*  
Date: 10/7/2023