

Letter of Engagement

September 28, 2022

Successful Bidder:

On behalf of the Department of Board of Public Utilities, the State of New Jersey, Department of the Treasury hereby issues this Letter of Engagement to Vander Weele pursuant to the Engagement Query issued on May 23, 2022 and Vander Weele's proposal dated June 27, 2022

All terms and conditions of the Engagement Query, including but not limited to the Scope of Work, milestones, timelines, standards, deliverables and liquidated damages are incorporated into this Letter of Engagement and made a part hereof by reference.

The total cost of this Engagement shall not exceed \$1,221,737.00

The Integrity Monitor is instructed not to proceed until a purchase order is issued.

Thank you for your participation in the Integrity Monitor program.

Sincerely,

Mona Cartwright
IM State Contract Manager

INTEGRITY MONITOR ENGAGEMENT QUERY

Contract G4018 – Integrity Oversight Monitoring: Program and Performance Monitoring, Financial Monitoring and Grant Management and Anti-Fraud Monitoring for COVID-19 Recovery Funds and Programs

New Jersey Board of Public Utilities
Category 3 Services: Integrity Monitoring/Anti-Fraud

I. GENERAL INFORMATION:

On March 9, 2020, Governor Murphy issued Executive Order 103 declaring both a Public Health Emergency and State of Emergency in light of the dangers of the Coronavirus disease 2019 (“COVID-19”). On March 13, 2020, the President of the United States declared a national emergency and determined that the COVID-19 pandemic was of sufficient severity and magnitude to warrant a nation-wide emergency declaration under Section 501 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, 42 U.S.C. § 5121-5207, (“Stafford Act”), and that declaration was extended to the State of New Jersey on March 25, 2020 pursuant to Section 401 of the Stafford Act. Since then, Congress has enacted legislation to stimulate economic recovery and assist State, Local, and Tribal governments navigate the impact of the COVID-19 outbreak and cover necessary expenditures related to the public health emergency.

On July 17, 2020, Governor Murphy signed Executive Order 166 (“E.O. 166”), which established the COVID-19 Compliance and Oversight Task Force (the “Taskforce”) and the Governor’s Disaster Recovery Office (“GDRO”).

Pursuant to E.O. 166, the Taskforce has issued guidelines, which have been updated as of June 2021 and are attached hereto (Attachment 1), regarding the appointment and responsibilities of COVID-19 Oversight Integrity 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 and provide expertise in Program and Process Management Monitoring; Financial Auditing and Grant Management; and Integrity Monitoring/Anti-Fraud Services.

The New Jersey Department of the Treasury (“Treasury”) has established a pool of qualified Integrity Monitors for oversight of COVID-19 Recovery Funds and Programs pursuant to the Request for Quotation for Integrity Oversight Monitoring: Program and Performance Monitoring, Financial Monitoring and Grant Management and Anti-Fraud Monitoring for COVID-19 Recovery Funds and Programs (“IOM RFQ”) that Using Agencies may now use to discharge their responsibilities under E.O. 166. The Integrity Monitor’s executed State of NJ Standard Terms and Conditions (“SSTC”) will apply to all Integrity Monitoring Engagements executed via this Engagement Query.

This Engagement Query is issued by the Department of the Treasury on behalf of the Board of Public Utilities (“BPU”). The purpose of this Engagement Query is to obtain Category 3 services for the BPU.

The capitalized terms in this Engagement Query shall have the same meanings as set forth in the IOM RFQ.

A. Background

On June 29, 2021, the Governor of New Jersey signed the FY 2022 Budget, P.L.2021, c. 133. The budget contained a provision appropriating \$180 million in Coronavirus State and Local Fiscal Recovery Funds (“CSFRF”) to the School and Small Business Energy Efficiency Stimulus Program. On August 24, 2021, the New Jersey Legislature, pursuant to P.L. 2021, c. 200, established two (2) new programs referred to as the School and Small Business Ventilation and Energy Efficiency Verification and Repair (“SSB-VEEVR”) Program and the School and Small Business Noncompliant Plumbing Fixture and Appliance (“SSB-NPFA”) Program for implementation by the BPU.

The law governing the SSB-VEEVR and SSB-NPFA Programs sets forth a cost sharing arrangement wherein BPU will provide 75% of total project funding with the applicant providing the remaining 25%. Funding must be obligated by 12/31/2024, and project installations must be completed by 12/31/2026. Greater detail on the SSB-VEEVR and SSB-NPFA Programs is accessible via the following link: <https://www.njleg.state.nj.us/Bills/2020/PL21/200.PDF>

These programs serve to ensure that school and small business heating, ventilation, and air conditioning (“HVAC”) systems are upgraded to safely prepare schools and small businesses for operating during the coronavirus 2019 pandemic, to improve the general health and safety of the school and small business environment, and to create jobs across the state, while also funding the upgrading of old, inefficient plumbing fixtures that waste water and energy. Additional information on this program can be located at: <https://njcleanenergy.com/school-and-small-business-energy-efficiency-stimulus-program>.

The CSFRF Final Rule, 31 CRF Part 35, governs the expenditure of CSFRF funds. The Final Rule was released on January 6, 2022 and became effective on April 1, 2022. Until that time, the interim final rule remained in effect. Prior to April 1, 2022, the State could take actions and use funds in a manner consistent with the final rule.

The interim final rule can be found here: <https://www.govinfo.gov/content/pkg/FR-2021-05-17/pdf/2021-10283.pdf>

The final rule can be found here: <https://www.govinfo.gov/content/pkg/FR-2022-01-27/pdf/2022-00292.pdf>

Approximately \$180M has been earmarked for the two (2) programs and allocated as follows:

School and Small Business Energy Efficiency Stimulus Fund Programs: Budget Table		
SSB-VEEVR Program (HVAC)		
	Underserved Communities	All Other Communities
Schools	\$75,937,500	\$25,312,500
Small Businesses	\$25,312,500	\$8,437,500
SSB-NPFA Program (Plumbing)		
	Underserved Communities	All Other Communities
Schools	\$25,312,500	\$8,437,500
Small Businesses	\$8,437,500	\$2,812,500

The federal funding also includes additional funding, separate and apart from the \$180 million allowing for the full \$180 million to be distributed as grants. In order to cover administrative expenses associated with the program, additional funding has been provided which is capped at 2.5% of program costs, or \$4.5 million. This brings the total available funding to \$184.5 million.

In order to meet these requirements, the Department of the Treasury, Division of Purchase and Property amended State Term Contract No. T3009 Program Administration and Management Services, New Jersey Clean Energy Program with TRC Environmental Corporation (“TRC”) on behalf of the BPU to serve as Program Administrator in delivering the two (2) programs as provided in Attachment 2. TRC is paid from the administrative funds provided from the CSFRF funds.

Staff initially assumed the following breakdown of applications based on the budget of \$180 million:

- SSB-VEEVR – Schools: 310 applications
- SSB-VEEVR – Small businesses: 330 applications
- SSB-NPFA – 585 applications
- SSB-NPFA – (appliance only): 60 applications

Bidders should note that the project applications under the SSB-VEEVR are already nearing the allocation limit for schools. Projects are approved on a first come, first served basis once a completed application is submitted, and no money is reserved for a project until a complete application is submitted and approved. Most projects submit initial applications and work with TRC towards a completed application, and these initial applications are included in determining the total pipeline. The BPU has received applications, which will be available in electronic form to the Integrity Monitor, for the programs as follows.

- **SSB-VEEVR - Underserved Schools:** 142 total (40 completed and 103 initial) representing \$72.4 million in projects.

- **SSB-VEEVR - Other Schools**: 49 projects (29 completed and 20 initial) representing \$43.3 million in projects. Because this exceeds the total cap, not all will be approved.
- **SSB-VEEVR - Underserved Small Businesses**: 8 initial applications representing \$341,675 in projects.
- **SSB-VEEVR - Other Small Businesses**: 2 completed and 20 initial applications representing \$1,001,165.50 in projects.
- **SSB-NPFA - Underserved Schools**: 107 total (63 completed and 44 initial) representing \$3.6 million in projects (many initial applications do not contain a dollar amount, skewing the total downward).
- **SSB-NPFA - Other Schools**: 43 projects (33 completed and 10 initial) representing \$1.7 million in projects (many initial applications do not contain a dollar amount).
- **SSB-NPFA - Underserved Small Businesses**: 1 completed and 1 initial application representing \$186,742 in projects.
- **SSB-NPFA - Other Small Businesses**: 1 completed and 8 initial applications representing 19,383.75 in projects (many initial applications do not contain a dollar amount).

II. **SCOPE OF WORK (SOW) REQUIREMENTS:**

A. **Project Description**

1. Project Launch Meeting

Within five (5) business days of issuance of a purchase order as a result of this Letter of Engagement, the Integrity Monitor shall meet with the Agency Contract Manager (“ACM”) to review the Work Plan submitted with its response to this Engagement Query (“Query”) and to review all aspects of the project phases.

This meeting will be held via Zoom videoconference. The Integrity Monitor shall ensure that its Project Manager and other key staff identified as such in its response to this Query participate in this meeting.

The Integrity Monitor shall submit a summary report and/or minutes of this meeting within three (3) business days of the meeting via e-mail to the ACM. The Integrity Monitor shall ensure that any modifications to its Work Plan, which are expected to be minor and not material, are finalized and submitted to the ACM for review within five (5) business days of the project launch, the costs of which shall be considered in-scope.

2. Risk Assessment Summary

The Integrity Monitor shall work with the ACM to complete the Risk Assessment (Attachment 3) to assess how the Program Administrator has planned to manage program risks in administering the SSB-VEEVR and SSB-NPFA Programs to comply with P.L. 2021, c. 200 and the CSFRF Interim and Final Rule, as applicable.

3. Review of SSB-VEEVR and SSB-NPFA Programs

The Integrity Monitor shall implement the Work Plan approved by the ACM for the SSB-VEEVR and SSB-NPFA Programs to comply with P.L. 2021, c. 200 and the CSFRF Interim and Final Rule, as applicable.

a. Application Review

- (i) The Integrity Monitor shall randomly select a sufficient number of applicant files in each program, by category, i.e. school or small business, to review for eligibility, payment, and proper documentation and ensure statistical validity that program applicant files are in compliance with program eligibility, possess proper documentation, and meet all payment requirements. The Integrity Monitor shall compare its findings against those of the Program Administrator's 10% - 20% random samplings and report its findings to the ACM as part of the additional reports required under section C(2)(b).
- (ii) The Integrity Monitor shall review applicant data for potential fraud using data analytics or other appropriate methods to identify anomalies, patterns and discrepancies; conduct interviews or other follow-up as necessary; and cross-check or validate information against other data sources; provide training to BPU staff and the Program Administrator on fraud detection methods or red flags; assist in the development of anti-fraud monitoring, prevention and detection measures.

b. Inspection Review

The Integrity Monitor shall perform a sufficient number of desk audits on completed projects in each program, by category (i.e., school or small business) to ensure with statistical validity that completed projects are in compliance with program requirements. The Integrity Monitor shall compare its findings against those of the Program Administrator's random samplings of inspection reviews and report its findings to the ACM as part of the additional reports required under section C(2)(b).

- c. In accordance with the IOM Guidelines, the Integrity Monitor may perform on-site monitoring visits if there is a finding of:
 - i. Non-compliance with reporting requirements;
 - ii. Problems identified in quarterly progress or reports;
 - iii. Unresponsiveness to requests for information;
 - iv. High-risk designation; or
 - v. Allegations of misuse of funds or receipt of complaints.

The Integrity Monitor shall document in writing its evaluation of the above and its determination.

4. Review of Program Administrator (TRC)

The Integrity Monitor shall assess the performance of the Program Administrator in complying with the requirements set forth within Attachment 2 so as to ascertain whether the Program Administrator is performing its requirements in a manner consistent with its contract (T3009 Program Administration and Management Services, New Jersey Clean Energy Program).

5. The Integrity Monitor shall evaluate internal BPU controls of the SSB-VEER and SSB-NPFA Programs with respect to implementation and administration by TRC of the SSB-VEEVR and SSB-NPFA Programs. This may include sampling program expenditures to ensure that BPU is prepared for its single audit in accordance with the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards at 2 CFR Part 200.

B. Specific Performance Milestones/Timelines/Standards/Deliverables

All deliverables must be completed by the Integrity Monitor in accordance with the dates below.

Deliverables	Date due
Kick-off meeting with Using Agency staff and successful IM	5 days after issuance of purchase order
Kick off meeting minutes	3 business days after Kick-off meeting
Risk Assessment	60 days after Kick off meeting
Monthly Report	With monthly invoice, to be discussed at kick-off meeting
Draft Quarterly Report(s)	Last day of each quarter
Final Quarterly Report(s)	15 business days after the end of each quarter
Project Completion Report	Within 30 days prior to the expiration of the Engagement

C. Reporting Requirements

1. Quarterly Integrity Monitor Reports

- a. Pursuant to E.O. 166, the Integrity Monitor shall submit a draft quarterly report to the Using Agency on the last day of every calendar quarter detailing the specific services rendered during the quarter and any findings of waste, fraud, or abuse using the Quarterly Report template at Attachment 4 . If the Integrity Monitor report contains findings of waste, fraud or abuse, the Using Agency has an opportunity to respond within 10 days after receipt.
- b. Fifteen (15) business days after each quarter-end, the Integrity Monitor shall deliver its final quarterly report, including any comments from the Using Agency, to the State Treasurer, who shall share the reports with the GDRO,

the Senate President, the Speaker of the General Assembly, the Attorney General, and the State Comptroller. The Integrity Monitor quarterly reports will be posted on the COVID-19 transparency website pursuant to E.O. 166.

2. Additional Reports

- a. E.O. 166 directs the Office of the State Comptroller (“OSC”) to oversee the work of Integrity Monitors. Therefore, in accordance with E.O. 166 and the IOM Guidelines, OSC may request that the Integrity Monitor issue additional reports or prepare memoranda that will assist OSC in evaluating whether there is waste, fraud, or abuse in COVID-19 Recovery Programs administered by the Using Agencies. OSC may also request that the Integrity Monitor share any corrective action plan(s) prepared by the Using Agencies to evaluate whether those corrective plan(s) have been successfully implemented.
- b. With the submission of each monthly invoice, the IM shall submit information about any of its findings pertaining to the work plan that demonstrates the progress made by the IM.
 - With the submission of a payment invoice (or - on a monthly basis) the IM shall provide a written report including, at minimum:
 - Hours billed for each consultant corresponding to the components of the Work Plan;
 - Evaluation of effectiveness of fraud prevention activities including assessment of results, recommendations for corrective action and prioritization of implementation of risk mitigation measures. Indications of fraud, waste, or abuse that should be immediately addressed with recommendations for risk mitigation.
 - At the completion of the Engagement, the IM shall submit a Project Completion Report, including at minimum, scope of Engagement and methodology, documentation of work performed, summary of findings, and recommendations to mitigate the risk of fraud, waste, and abuse in the Program or future Programs.

3. Reports of Waste, Fraud, Abuse, or Potential Criminal Conduct

- a. The Integrity Monitor shall report issues of waste, fraud, abuse and misuse of COVID-19 Recovery Funds immediately to the GDRO, OSC, the State Treasurer, the State Contract Manager, and the Accountability Officer. The Integrity Monitor shall report issues of potential criminal conduct immediately to the Office of the Attorney General.

III. PROPOSAL CONTENT:

At minimum, the Integrity Monitor's proposal shall include the following:

- 1) A detailed, proposed Work Plan describing how the Integrity Monitor intends to accomplish each component of the scope of work under Section II above.
 - a. The proposed Work Plan shall include the following elements:
 - i. Risk Assessment
 - ii. Application Reviews
 - iii. Inspection Reviews
 - iv. Review of Program Administrator – TRC
 - v. Review of internal BPU controls
 - b. For each of the above elements, the Integrity Monitor will describe its plan to design and manage each element. For the Application and Inspection Reviews, including details regarding proposed data collection and analysis approach.
 - c. The Work Plan shall include an outline of deliverables, supporting tasks, and a timeline. Additional components could include key questions to address, project challenges, project risks, specific outputs, and other relevant topics.
 - i. A timeline showing how the Integrity Monitor will meet the schedule requirements of the Engagement Query.
- 2) A detailed budget identifying staff classifications and hourly rates, which shall not exceed the rates in the Integrity Monitor's BAFO Price Schedule, as well as the number of hours allocated for each task using the Price sheet at Attachment 5.. A timeline for submission of the deliverables required by this Engagement Query.
- 3) Identification of any potential conflicts of interest regarding the delivery of services for the scope of work under this Engagement Query.

IV. SUBMISSION OF PROPOSALS:

Detailed proposals in response to this Engagement Query shall be submitted electronically by 3:00 p.m. on June 27, 2022. Proposals must be submitted via email as set forth below:

TO: State Contract Manager
Mona Cartwright, Fiscal Manager, Department of the Treasury
[REDACTED]

With a copy to the Agency Contract Manager:

Kevin Nedza, Building Electrification Manager, BPU
[REDACTED]

V. DURATION OF THE ENGAGEMENT:

The Engagement will commence upon the issuance of a Letter of Engagement and expire on December 31, 2026 or within 3 months following expenditure of available program funds, whichever transpires first. At the option of the Using Agency, this Letter of Engagement may be extended. Any extension to this Letter of Engagement, however, may not to exceed the Contract Term, and any extensions thereto, as set forth in Section 5.2 of the IOM RFQ,

VI. CONTRACT TERMINATION:

The IOM’s failure to comply with the requirements of the Engagement, including but not limited to E.O. 166, the IOM RFQ, the IOM Guidelines and this Engagement Query may constitute a breach of contract and may result in termination of the contract by the Using Agency or imposition of such other remedy as the Using Agency deems appropriate in accordance with Section 9.0 of the RFQ.

VII. LIQUIDATED DAMAGES:

At the Using Agency’s option, liquidated damages may be assessed each time any of the below events occur, due to an act or omission of the IOM. The Using Agency and the IOM agree that it would be extremely difficult to determine actual damages that the Using Agency will sustain as the result of the IOM’s failure to meet its contractual requirements. Any breach by the IOM could prevent the Using Agency from complying with E.O. 166, the IOM Guidelines, and laws applicable to the use and expenditure of COVID-19 Recovery Funds and other public funds; will adversely impact the Using Agency’s ability to ensure identification and mitigation of risks; and may lead to damages suffered by the Using Agency and the State as a whole. If the IOM fails to meet its contractual obligations, the Using Agency may assess liquidated damages against IOM as follows:

The Integrity Monitor shall be assessed liquidated damages in the amount of \$250.00 per day for each late report as set forth in the table below:

Report	Due Date
Project Launch Meeting Minutes/Report	3 business days after Project Launch Meeting
Draft Quarterly Integrity Monitor Report	Last day of every calendar quarter
Final Quarterly Integrity Monitor Report	15 business days after quarter end

VIII. QUESTIONS REGARDING THIS ENGAGEMENT QUERY:

Any questions related to the Scope of Work must be submitted electronically by 3:00 p.m. on June 7, 2022. They must be submitted via email to [REDACTED] with a copy to the State Contract Manager, Mona Cartwright, [REDACTED]

IX. SELECTION PROCESS:

The Agency Contract Manager will review the proposal(s) received and select the Integrity Monitor whose proposal is most advantageous, price and other factors considered, including:

- The qualifications and experience of the personnel assigned to this Engagement;
- The experience of the IM in engagements of a similar size and scope;
- The ability of the IM to complete the scope of work based on the proposed personnel/staff classifications and hours allocated to tasks in its Proposal.

The State Contract Manager will then issue a Letter of Engagement with a “not to exceed” clause to the selected proposer

Prior to issuing a Letter of Engagement, the Agency Contract Manager in consultation with the Accountability Officer, will independently determine whether the proposed Integrity Monitor has any potential conflicts with the Engagement.

ATTACHMENTS

- Attachment 1: Integrity Oversight Monitor Guidelines, updated as of June, 2021
- Attachment 2: T3009 Executed Amendment
- Attachment 3: Risk Assessment Questionnaire
- Attachment 4: Quarterly Report Template
- Attachment 5: Price Sheet

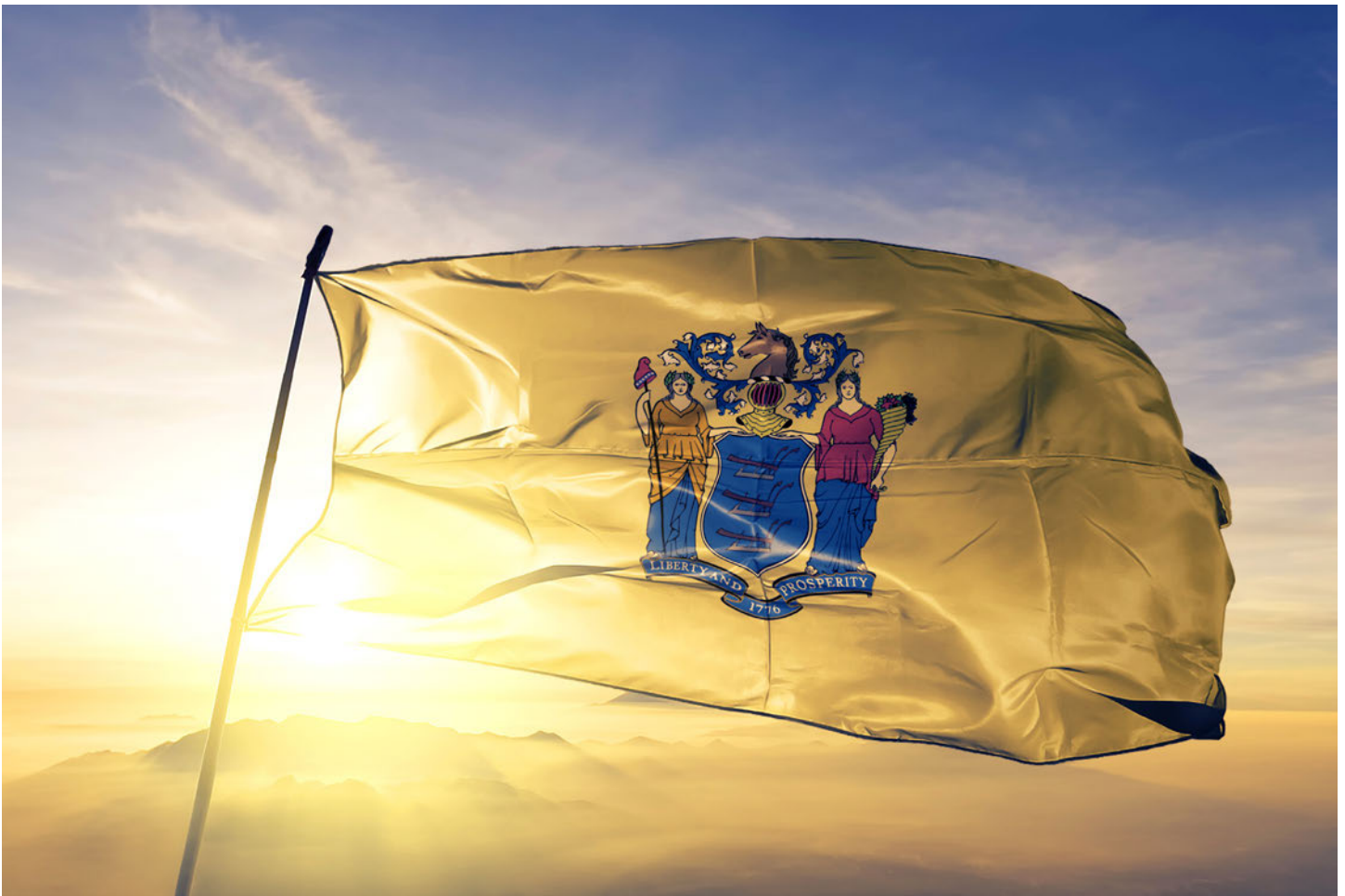
Notice of Executive Order 166 Requirement for Posting of Winning Proposal
and Contract Documents

Pursuant to Executive Order No. 166, signed by Governor Murphy on July 17, 2020, the Office of the State Comptroller (“OSC”) is required to make all approved State contracts for the allocation and expenditure of COVID-19 Recovery Funds available to the public by posting such contracts on an appropriate State website. Such contracts will be posted on the New Jersey transparency website developed by the Governor’s Disaster Recovery Office (GDRO Transparency Website).

The Letter of Engagement resulting from this Engagement Query is subject to the requirements of Executive Order No. 166. Accordingly, the OSC will post a copy of the Letter of Engagement, including the Engagement Query, the winning proposer’s proposal and other related contract documents for the above contract on the GDRO Transparency website.

In submitting its proposal, a proposer may designate specific information as not subject to disclosure. However, such proposer must have a good faith legal or factual basis to assert that such designated portions of its proposal: (i) are proprietary and confidential financial or commercial information or trade secrets; or (ii) must not be disclosed to protect the personal privacy of an identified individual. The location in the proposal of any such designation should be clearly stated in a cover letter, and a redacted copy of the proposal should be provided. A Proposer’s failure to designate such information as confidential in submitting a proposal shall result in waiver of such claim.

The State reserves the right to make the determination regarding what is proprietary or confidential and will advise the winning proposer accordingly. The State will not honor any attempt by a winning proposer to designate its entire proposal as proprietary or confidential and will not honor a claim of copyright protection for an entire proposal. In the event of any challenge to the winning proposer’s assertion of confidentiality with which the State does not concur, proposer shall be solely responsible for defending its designation.



Integrity Oversight Monitor Guidelines

2021 Update

**STATE OF NEW JERSEY
COVID-19 COMPLIANCE AND
OVERSIGHT TASKFORCE**

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INTRODUCTION

On July 17, 2020, Governor Murphy signed Executive Order 166 (“EO 166”), which, among other things, established the COVID-19 Compliance and Oversight Task Force (the “Taskforce”). The purpose of the Taskforce is to advise State departments, agencies, and independent authorities that receive or administer COVID-19 recovery funds (“Recovery Program Participants”) regarding compliance with federal and State law and how to mitigate the risks of waste, fraud, and abuse. As defined in EO 166, “COVID-19 Recovery Funds” are funds awarded to state and local governments, and non-government sources to support New Jersey’s residents, businesses, non-profit organizations, government agencies, and other entities responding to or recovering from the COVID-19 pandemic.

Pursuant to EO 166, the Taskforce is responsible for issuing guidelines regarding the appointment and responsibilities of COVID-19 Oversight Integrity Monitors (“Integrity Monitors”). Recovery Program Participants may retain and appoint Integrity Monitors to oversee the disbursement of COVID-19 Recovery Funds and the administration of a COVID-19 Recovery Program. They are intended to serve as an important part of the state’s accountability infrastructure while working with Recovery Program Participants in developing measures to prevent, detect, and remediate inefficiency and malfeasance in the expenditure of COVID-19 Recovery Funds. Integrity Monitors may also be used, either proactively or in response to findings by an Integrity Monitor, as subject matter experts or consultants to assist Recovery Program Participants with program administration, grants management, reporting, and compliance, as approved by the Governor’s Disaster Recovery Office (GDRO).

EO 166 requires Recovery Program Participants to identify a central point of contact (an “Accountabil-

ity Officer”) for tracking COVID-19 funds within each agency or authority. The Accountability Officer is responsible for working with and serving as a direct point of contact for the GDRO and the Taskforce. Accountability Officers should also ensure appropriate reviews are performed to assess risks and evaluate whether an Integrity Monitor can assist in reducing or eliminating risk to ensure the public that state and federal funds were used efficiently, fairly, and prudently.

Recovery Program Participants and Integrity Monitors should be focused on the common goal of maximizing the value of COVID-19 Recovery Funding by ensuring that every dollar is spent efficiently and properly. Integrity Monitors can add value to a program by assisting in implementing the fiscal controls necessary to maintain proper documentation, flagging potential issues in real time, maximizing reimbursements, sharing information with and responding to inquiries from the GDRO and Office of State Comptroller (OSC), and reporting to those offices, the Treasurer, the Attorney General, and legislative leadership.

Recovery Program Participants, Accountability Officers, and Integrity Monitors should work together to fulfill the goals of EO 166 and these guidelines. The retention of Integrity Monitors will support monitoring and oversight that will ensure that Recovery Program Participants administer COVID-19 recovery funds in compliance with program, financial, and administrative requirements set forth in the federal-state grant agreement, the State Recovery Program Participant sub-grant agreement, and applicable federal and state laws, regulations, and guidelines. Additionally, these guidelines will assist the State in fulfilling its monitoring responsibilities as set forth in 2 CFR 200 Subpart D. This may involve routine desk reviews and, when appropriate, on-site reviews by an Integrity Monitor. Recovery Program Participants that do not retain an Integrity Monitor will comply with these requirements, in coordination with the GDRO, as addressed in the Compliance Plan adopted by the Taskforce.

ESTABLISHING THE POOL OF INTEGRITY MONITORS

As of the issuance of this version of the Integrity Oversight Monitor Guidelines, a pool of monitors has already been established. The following provisions in this section should be used in the event it is necessary to establish additional pools of Integrity Monitors.¹

In the event it is necessary to establish another pool of Integrity Monitors, the New Jersey Department of the Treasury, Division of Administration (Treasury) will be responsible for designating a department employee to act as the State Contract Manager for purposes of administering the overarching state contract for Integrity Monitoring Services. The State Contract Manager will establish one pool of qualified integrity monitors for engagement by eligible Recovery Program Participants. Treasury will issue a bid solicitation for technical and price quotations from interested qualified firms that can provide the following services:

- Category 1: Program and Process Management Auditing;
- Category 2: Financial Auditing and Grant Management; and
- Category 3: Integrity Monitoring/Anti-Fraud.

The specific services Integrity Monitors provide vary and will depend on the nature of the programs administered by the Recovery Program Participant and the amount of COVID-19 Recovery Funding received. The pool of Integrity Monitors should include professionals available to perform services in one or more of the following categories:

Category 1: Program and Process Management Auditing	Category 2: Financial Auditing and Grant Management	Category 3: Integrity Monitoring / Anti-Fraud
Development of processes, controls and technologies to support the execution of programs funded with COVID-19 Recovery Funds.	Plan, implement, administer, coordinate, monitor and evaluate the specific activities of all assigned financial and administrative functions. Develop and modify policies/procedures/systems in accordance with organizational needs and objectives, as well as applicable government regulations.	Forensic accounting and other specialty accounting services.

¹ Agencies and authorities that are not permitted to follow all state procurement requirements due to U.S. Department of Transportation procurement policies may procure an Integrity Monitor separately in coordination with GDRO.

Review and improvement of procedures addressing financial management.	Provide technical knowledge and expertise to review and make recommendations to streamline grant management and fiscal management processes to ensure accountability of funds and compliance with program regulations.	Continuing risk assessments and loss prevention strategies.
Workload analysis; skills gap analysis, organizational effectiveness and workforce recruiting strategies.	Monitoring all grant management, accounting, budget management, and other business office functions regularly.	Performance and program monitoring and promotion of best practices.
Consulting services to support account reconciliations.	Provide and/or identify training for staff in the area of detection and prevention of waste, fraud, and abuse.	Prevention, detection and investigation of fraud and misconduct.
Quality assurance reviews and assessments associated with the payments process to ensure compliance with federal and state regulations.	Ensuring compliance with all applicable federal and state accounting and financial reporting requirements.	Implement and manage appropriate compliance systems and controls, as required by federal and state guidelines, regulations and law.
Risk analysis and identification of options for risk management for the federal and state grant payment process.	Provide tools to be used by the Recovery Program Participant for the assessment of the performance of the financial transaction process.	Provide data management systems/programs for the purpose of collecting, conducting and reporting required compliance and anti-fraud analytics.
Consulting services to reduce the reconciliation backlog for the Request for Reimbursements process.		Ability to provide integrity monitoring services for professional specialties such as engineering and structural integrity services, etc. either directly or through a sub-contractor relationship.
Consulting services providing Subject Matter Expert (SME) knowledge of required standards for related monitoring and financial standards for federal funding.		

CONDITIONS FOR INTEGRITY MONITORS

A Recovery Program Participant should evaluate whether it should retain an Integrity Monitor using the following standards.

Category 1 & 2 Integrity Monitors:

Category 1 and 2 Integrity Monitors are available to assist Recovery Program Participants, if, in consultation with GDRO, it has been determined that an agency or authority needs assistance in the establishment, administration, or monitoring of a program or when a Category 3 Integrity Monitor has issued findings that require the agency or authority to take corrective actions. In making the determination whether to obtain a Category 1 or 2 Integrity Monitor, a Recovery Program Participant's Accountability Officer, in consultation with GDRO, should evaluate whether an Integrity Monitor from Category 1 or 2 is necessary based on operational needs or to reduce or eliminate risk in view of the agency's or authority's existing resources, staffing, expertise or capacity. Agencies and authorities should evaluate whether the retention of a Category 1 or 2 Integrity Monitor would assist in addressing findings made by Category 3 Integrity Monitors. The availability of federal funds should be considered in evaluating whether to retain an Integrity Monitor from Category 1 or 2. In an appropriate circumstance, a Recovery Program Participant may request or may be directed by the GDRO to retain a Category 1 or 2 Integrity Monitor using non-federal funds.

Category 3 Integrity Monitors:

For Recovery Program Participants that have received or will administer a total of \$20 million or more in COVID-19 Recovery Funds: A Recovery Program Participant that has received this amount of funding should retain at least one Integrity

Monitor from Category 3: Integrity Monitoring/Anti-Fraud, subject to federal funding being available. The retention of Category 1 and 2 Integrity Monitors does not eliminate the obligation to retain a Category 3 Integrity Monitor. In some circumstances, multiple Category 3 Integrity Monitors may be necessary if one monitor is not adequate to oversee multiple programs being implemented by Recovery Program Participant as determined in consultation with the GDRO. In an appropriate circumstance, a Recovery Program Participant may request or may be directed by the GDRO to retain an Integrity Monitor using non-federal funds.

For Recovery Program Participants that have received or will administer a total of up to \$20 million in COVID-19 Recovery Funds: A Recovery Program Participant that has received this amount of funding should evaluate in consultation with GDRO whether a Category 3 Integrity Monitor is needed based on the risks presented. The Recovery Program Participant's Accountability Officer should conduct a risk assessment taking into account both the likelihood and severity of risk in the participant's program(s) and consult with the GDRO regarding whether an Integrity Monitor from Category 3 is necessary to reduce or eliminate risk in view of the agency's or authority's existing resources, staffing, expertise or capacity. The availability of federal funds should be considered in evaluating whether to retain an Integrity Monitor. In an appropriate circumstance, a Recovery Program Participant may request or may be directed by the GDRO to retain an Integrity Monitor from Category 3 using non-federal funds.

RISK ASSESSMENT

As noted above, in certain circumstances, Recovery Program Participants seeking to retain an Integrity Monitor will be advised to conduct a risk assessment to determine the need for such services. A Recovery Program Participant's Accountability Officer, in consultation with the GDRO, should assess the risk to public funds, the availability of federal funds to pay for the Integrity Monitor, the entity's current operations, and whether internal controls alone are adequate to mitigate or eliminate risk.

An Accountability Officer, or an Integrity Monitor retained by a Recovery Program Participant, should conduct an initial review of the Recovery Program Participant's programs, procedures and processes, and assess the organizational risk and the entity's risk tolerance. The risk assessment should include a review of the agency's ability to comply with federal statutory and regulatory requirements as well as applicable state laws and regulations, including with regard to reporting, monitoring, and oversight, and a review of the agency's susceptibility to waste, fraud, and abuse.

An Accountability Officer conducting a risk assessment should complete and memorialize the assessment using the [matrix template you can download from OSC's website](#). The risk assessment should be shared with the GDRO and OSC. Some of the specific factors an Accountability Officer should consider when assessing risk include:

- Organizational leadership, capacity, expertise, and experience managing and accounting for federal grant funds in general, and disaster recovery funds in particular;
- Input from the individuals/units that will be disbursing funds or administering the program;

- Review of existing internal controls and any identified weaknesses;
- Prior audits and audit findings from state or federal oversight entities;
- Lessons learned from prior disasters;
- Sub-recipient internal control weaknesses, if applicable;
- Adequacy of financial, acquisition, and grants management policies and procedures, including technological capacity and potentially outdated financial management systems;
- Ability to complete timely, accurate and complete reporting;
- Experience with state and federal procurement processes, value of anticipated procurements, and reliance on contractors to meet program goals and objectives;
- Potential conflicts of interests and ethics compliance;
- Amount of funds being disbursed to a particular category of sub-recipient and the complexity of its project(s); and
- Whether federal or state guidelines provide guidance regarding the uses of funds (*i.e.*, discretionary vs. restrictive).

The Accountability Officer should determine the organization's risk tolerance as to all recovery programs jointly and as to individual programs, recognizing that Integrity Monitors may be appropriate for some programs and not others within an agency or authority. If the risk exceeds an acceptable level of risk tolerance, the Accountability Officer should engage an Integrity Monitor.

An important element in the risk assessments is documentation of the process and results. This is critical to ensuring the extent of monitoring and oversight. The overall level of risk should dictate the frequency and depth of monitoring practices, including how to mitigate identified risks by, for example, providing training and technical assistance or increasing the frequency of on-site reviews. In some cases, monitoring efforts may lead an Accountability Officer or the GDRO to impose additional special conditions on the Recovery Program Participant. Depending on the kind of work the sub-recipient performs, it may be appropriate to reevaluate frequently, including quarterly, to account for changes in the organization or the nature of its activities. See 2 CFR Section 200.207 in the uniform guidance for examples; [GAO Report: A Framework for Managing Fraud Risk in Federal Programs \(2015\)](#).

PROCEDURES FOR REQUESTING AND PROCURING AN INTEGRITY MONITOR

To retain an Integrity Monitor, a Recovery Program Participant should proceed as follows:

- A Recovery Program Participant shall designate an agency employee to act as the contract manager for an Integrity Monitor engagement (Agency Contract Manager), which may be the Accountability Officer. The Agency Contract Manager should notify the State Contract Manager, on a form prescribed by Treasury, along with any required supporting documentation, of its request for an Integrity Monitor. The Agency Contract Manager should indicate which Integrity Monitoring services are required.
- The Agency Contract Manager will develop an Engagement Query.
- The Engagement Query will include a detailed scope of work; it should include specific performance milestones, timelines, and standards and deliverables.
- The Agency Contract Manager, in consultation with the Office of the Attorney General, Division of Law, will structure a liquidated damages provision for the failure to meet any required milestones, timelines, or standards or deliverables, as appropriate.
- The Agency Contract Manager will submit its Engagement Query to the State Contract Manager. Upon approval by the State Contract Manager, but prior to the solicitation of any services, the Engagement Query shall be sent to OSC for approval pursuant to EO 166. After receiving approval from OSC, the State Contract Manager will send the Engagement Query to all eligible Integrity Monitors within the pool in order to provide a level playing field.
- Interested, eligible Integrity Monitors will respond to the Engagement Query within the timeframe designated by the State Contract Manager, with a detailed proposal that includes a detailed budget, timelines, and plan to perform the scope of work and other requirements of the Engagement Query. Integrity Monitors shall also identify any potential conflicts of interest.
- The State Contract Manager will forward to the Agency Contract Manager all proposals received in response to the Engagement Query. The Agency Contract Manager will review the proposals and select the Integrity Monitor whose proposal represents the best value, price and other factors considered. The Agency Contract Manager will memorialize in writing the justification for selecting an Integrity Monitor(s).
- Prior to finalizing any engagement under this contract, the Agency Contract Manager, in consultation with the Accountability Officer, will independently determine whether the intended Integrity Monitor has any potential conflicts with the engagement.
- The State Contract Manager, on behalf of the Recovery Program Participant, will then issue a Letter of Engagement with a “Not to Exceed” clause to the engaged Integrity Monitor and work with the Agency Contract Manager to begin the issuance of Task Orders.

INTEGRITY MONITOR REQUIREMENTS

A. Independence

The process by which Integrity Monitors are retained and the manner in which they perform their tasks in accordance with these guidelines are intended to provide independence as they monitor and report on the disbursement of COVID-19 Recovery Funds and the administration of a COVID-19 Recovery Program by a Recovery Program Participant. Although the Integrity Monitor and the Recovery Program Participant should share common goals, the Integrity Monitor should function as an independent party and should conduct its review as an outside auditor/reviewer would.

An Integrity Monitor for a particular Recovery Program Participant should have no individual or company affiliation with the agency or authority that would prevent it from performing its oversight as an independent third party. Integrity Monitors and Recovery Program Participants must be mindful of applicable conflicts of interest laws, including but not limited to, N.J.S.A. 52:13D-12 to -28, Executive Order 189 (Kean, 1988) and requirements set forth in the Uniform Grant Guidance, among others. To promote independence, an Integrity Monitor hired from Categories 1 or 2 may not also be engaged as a Category 3 Integrity Monitor to review the same programs for the same Recovery Program Participant. Likewise, a Category 3 Integrity may not be hired as a Category 1 or 2 Monitor to remediate any issues it identified as a Category 3 Integrity Monitor.

B. Communication

Integrity Monitors should maintain open and frequent communication with the Recovery Program Participant that has retained its services. The purpose of communicating in this manner is to make the Recovery Program Participant aware of issues that can be addressed during the administration of a program and prior to future disbursement of funds by the Parti-

cipant. Therefore, Integrity Monitors should not wait until reports are issued to notify an Accountability Officer of deficiencies. This will enable the Recovery Program Participant to take action to correct any deficiencies before additional funds are expended. Substantial deficiencies should also be reported in real time to the GDRO, the State Comptroller, and the State Treasurer.

Prior to the posting of an Integrity Monitor report that contains findings of waste, fraud, or abuse, the Recovery Program Participant should be permitted to respond to the findings and have that response included in the publicly posted report. This will allow the Recovery Program Participant to highlight any course corrections as a result of the finding or to contest any finding that it feels is inappropriate. A Recovery Program Participant's response is due within 15 business days after receipt of an Integrity Monitor report.

Integrity Monitors must respond promptly to any inquiries posed by the GDRO, State Comptroller, State Treasurer, and Agency Contract Manager pursuant to EO 166.

C. General Tasks of Integrity Monitors

The tasks of an Integrity Monitor may vary based on the agency/program the Monitor is overseeing and the category of Integrity Monitor engaged. Generally, the role of a Category 1 Integrity Monitor is focused on program and process management auditing. These Integrity Monitors may assist a Recovery Program Participant in developing processes or controls to support the execution of programs, conduct risk analyses, or provide consulting or subject matter expertise to Recovery Program Participants. In general, a Category 2 Integrity Monitor's role is to provide financial auditing or grants management functions for a Recovery Program Participant. A Category 3 Integrity Monitor's primary roles are to monitor for fraud or misuse of funding, and ensure that Recovery Program Participants are performing according to the sub-award agreement and applicable federal and State regulations and guidelines. Tasks to be performed by Integrity

Monitors may include the following:

- Perform initial and ongoing risk assessments;
- Evaluate project performance;
- Evaluate internal controls associated with the Recovery Program Participant's financial management, cash management, acquisition management, property management, and records management capabilities;
- Validate compliance with sub-grant award and general term and special conditions;
- Review written documents, such as quarterly financial and performance reports, recent audit results, documented communications with the State, prior monitoring reports, pertinent performance data, and other documents or reports, as appropriate;
- Conduct interviews of Recovery Program Participant staff, as well as the constituents they serve, to determine whether program objectives are being met in an efficient, effective, and economical manner;
- Sample eligibility determinations and denials of applications for funding;
- Review specific files to become familiar with the progression of the disbursement of funds in a particular program, i.e., are actual expenditures consistent with planned expenditure and is the full scope of services listed in the project work plan being accomplished at the same rate of actual and planned expenditures;
- Ensure that the agency is retaining appropriate documentation, based on federal and state regulations and guidance, to support fund disbursement;
- Follow up with questions regarding specific funding decisions, and review decisions related to emergency situations;
- Facilitate the exchange of ideas and promote operational efficiency;
- Identify present and future needs; and
- Promote cooperation and communication among Integrity Monitors engaged by other Recovery Program Participants (e.g., to guard against duplication of benefits).

Integrity Monitors should generally perform desk reviews to evaluate the need for on-site visits or monitoring. Depending on the results of the desk review, coupled with the conclusions reached during any risk assessments that may have been conducted of the sub-recipient's capabilities, the Monitor should evaluate whether an on-site monitoring visit is appropriate. If the Monitor is satisfied that essential project goals, objectives, timelines, budgets, and other related program and financial criteria are being met, then the Monitor should document the steps taken to reach this conclusion and dispense with an on-site monitoring visit. However, the Integrity Monitor may choose to perform on-site monitoring visits as a result of any of the following:

- Non-compliance with reporting requirements;
- Problems identified in quarterly progress or financial reports;
- History of unsatisfactory performance;
- Unresponsiveness to requests for information;
- High-risk designation;
- Follow-up on prior audits or monitoring find-

ings; and

- Allegations of misuse of funds or receipt of complaints.

D. Reporting Requirements

1. Reports

Pursuant to EO 166, Integrity Monitors shall submit draft quarterly reports to the Recovery Program Participant on the last day of the quarter detailing the specific services rendered during that quarter and any findings of waste, fraud, or abuse **in accordance with the report templates [found on OSC's website](#)**.

Prior to the posting of a quarterly report that contains findings of waste, fraud, or abuse, the Recovery Program Participant should be permitted to respond to the findings and have that response included in the publicly posted report. This will allow the Recovery Program Participant to highlight any course corrections as a result of the finding or to contest any finding that it contends is inappropriate. A Recovery Program Participant's response is due within 15 business days after receipt of a quarterly report.

Fifteen business days after quarter-end, Integrity Monitors will deliver their final quarterly reports, inclusive of any comments from the Recovery Program Participant, to the State Treasurer, who shall share the reports with the GDRO, the Senate President, the Speaker of the General Assembly, the Attorney General, and the State Comptroller. The Integrity Monitor quarterly reports will be posted on the GDRO transparency website pursuant to the Executive Order.

The specific areas covered by a quarterly report will vary based on the type of Integrity Monitor engaged, the program being reviewed, the manner

and use of the funds, procurement of goods and services, type of disbursements to be issued, and specific COVID-19 Recovery Fund requirements. The topics covered by the quarterly report should include the information included in [templates which you can download from OSC's website](#).

2. Additional Reports

EO 166 directs OSC to oversee the work of Integrity Monitors and to submit inquiries to them to which Integrity Monitors must reply promptly. OSC may request Integrity Monitors to issue reports or prepare memoranda that will assist OSC in evaluating whether there is waste, fraud, or abuse in recovery programs administered by Recovery Plan Participants.

The State Comptroller may also request that Integrity Monitors or Recovery Program Participants share corrective action plans prepared by Recovery Plan Participants to address reported deficiencies and to evaluate whether those corrective plans have been successfully implemented.

GDRO and the State Treasurer may also request reports from Integrity Monitors to which Integrity Monitors must reply promptly.

3. Reports of Waste, Fraud, Abuse or Potential Criminal Conduct

Integrity Monitors must immediately report substantial issues of waste, fraud, abuse, and misuse of COVID-19 Recovery Funds simultaneously to the GDRO, OSC, State Treasurer, and the Agency Contract Manager and Accountability Officer of a Recovery Program Participant.

Integrity Monitors must immediately report potential criminal conduct to the Office of the Attorney General.

INTEGRITY MONITOR MANAGEMENT AND OVERSIGHT

Agency Contract Managers have a duty to ensure that Integrity Monitors perform the necessary work, and do so while remaining on task, and on budget. Agency Contract Managers shall adhere to the requirements of Treasury Circular 14-08-DPP in their management and administration of the contract. The Agency Contract Manager will be responsible for monitoring contract deliverables and performing the contract management tasks identified in the circular, which include but are not limited to:

- Developing a budget and a plan to manage the contract. In developing a budget, the Agency Contract Manager should consider any caps on the amount of federal funding that can be used for oversight and administrative expenses and ensure that the total costs for Integrity Monitoring services are reasonable in relation to the total amount of program funds being administered by the Recovery Program Participant;
- Daily management of the contract, including monitoring and administering the contract for the Recovery Program Participant;
- Communicating with the Integrity Monitor and responding to requests for meetings, information or documents on a timely basis;
- Resolving issues with the Integrity Monitor in accordance with contract terms;
- Ensuring that all tasks, services, products, quality of deliverables and timeliness of services and deliverables are satisfied within contract requirements;

- Reviewing Integrity Monitor billing and ensuring that Integrity Monitors are paid only for services rendered;
- Attempting to recover any and all over-billings from the Integrity Monitor; and
- Coordinating with the State Contract Manager regarding any scope changes, compensation changes, the imposition of liquidated damages, or use of formal dispute processes.

In addition to these oversight and administration functions, the Agency Contract Manager must ensure open communication with the Accountability Officer, the Recovery Program Participant leadership, the GDRO, and OSC. The Agency Contract Manager should respond to inquiries and requests for documents from the GDRO and OSC as requested.



State of New Jersey, COVID-19
Compliance and Oversight Taskforce

CONTRACT AMENDMENT No. 12

NEW JERSEY STATE TERM BLANKET P.O. 16-X-23938

CONTRACT NO. T3009; BPU Program Administration and Management Services, New Jersey Clean Energy Program

This Change Order is entered into by and between TRC Environmental Corp, whose address is 41 Spring Street, Suite 102, New Providence, NJ 07974, (the “Contractor”), and the State of New Jersey, Department of the Treasury, Division of Purchase and Property (Division), whose address is 33 West State Street, Trenton, NJ 08625, on behalf of the New Jersey Board of Public Utilities (BPU), Division of Clean Energy (DCE), whose address is 44 South Clinton Avenue, Trenton, NJ 08625-0350 (the Division, BPU, and DCE are collectively referred to as the “State”). This Change Order is intended to amend the above-referenced Blanket P.O. (Agreement) between the Contractor and the State as set forth below:

WHEREAS, on November 16, 2015, the State awarded a Master Blanket Purchase Order {Blanket P.O.} to the Contractor for a base term of three (3) years, with the option to extend for an additional three (3) year period, with no single extension exceeding one (1) year, to serve as Program Administrator to manage New Jersey’s Clean Energy Program (NJCEP), a suite of statewide energy efficiency and renewable energy programs that are available to customers in each of service territories of New Jersey’s seven (7) investor-owned natural gas and electric utilities for the BPU in accordance with Section 3 of the Bid Solicitation, which Agreement consists of, pursuant to Section 5.1 of the Bid Solicitation: the Bid Solicitation (No. 16-X-23938), attachments, amendments, and exhibits to the Bid Solicitation, the then-current New Jersey State Standard Terms and Conditions, the Contractor’s proposal, and the Division’s Notice of Award (the “Contract”); and

WHEREAS, New Jersey Senate Bill S3995 (2021) establishes a program fund to ensure that school and small business heating, ventilation, and air conditioning (HVAC) systems are upgraded to safely prepare schools and small businesses for operating during the coronavirus 2019 pandemic, to improve the general health and safety of the school and small business environment, and to create jobs across the State, while also funding the upgrading of old, inefficient plumbing fixtures that waste water and energy; and

WHEREAS, S3995 passed the New Jersey Assembly and New Jersey Senate on June 24, 2021, and was later signed by Governor Phil Murphy on August 24, 2021, with S3995 now referred to as P.L 2021, c. 200; and

WHEREAS, pursuant to Section 5.5 of the New Jersey State Standard Terms and Conditions, the Parties are empowered to amend or alter the Contract in the event of a change in applicable law; and

WHEREAS, Section 3 of P.L. 2021, c.200 provides that “for the purpose of expediting [BPU’s] procurement of technical services to administer the [School and Small Business Ventilation and Energy Efficiency Verification and Repair Program] [(]SSBVEEV[)] and the [School and Small Business Noncompliant Plumbing Fixture and Appliance Program] [(]SSBNPFA[)] [...] [BPU] may amend any existing contract with a vendor administering another board energy efficiency program

to assist with the administering of the SSBVEEV and the SSBNPFA Programs until the contract to be awarded pursuant to this section is executed"; and

WHEREAS, the Contractor submitted its scope of services on September 29, 2021, which is attached hereto as Attachment 1, and is incorporated by reference; and

WHEREAS, the services contained in the Contractor's submitted scope of services will require new Price Lines, attached hereto as Attachment 2, and are incorporated by reference; and

WHEREAS, the services contained in the Contractor's submitted scope of services may utilize Federal funding, which will require all New Jersey Vendors {Contractors} to adhere to the provisions set forth in the Rider, attached hereto as Attachment 3, for all contracts funded, in whole or in part, by Federal funds as required by 2 CFR 200.317, which is hereby incorporated by reference; and

WHEREAS, in accordance with Section 5.4 of the Bid Solicitation and Section 5.5 of the State Standard Terms and Conditions (SSTC), the parties have agreed to amend the above-referenced Agreement to include the services outlined below in Section 1; and

NOW THEREFORE, for good and valuable consideration, the parties to this Agreement state and agree as follows:

1. The Agreement is hereby amended as follows in accordance with the scope of services attached hereto as Attachment 1, and, pursuant to P.L. 2021, c. 200, with a term valid until November 30, 2022, or until award of a new T3009 contract, whichever is earlier.
2. The work shall be performed pursuant to Price Lines 581 to 592, as further detailed in in Attachment 2.
3. The Agreement is hereby amended to include the additional terms required for contracts funded in whole or in part by Federal funds, as follows in accordance with the State of New Jersey Rider for Purchases Funded, in Whole or In Part, By Federal Funds, attached hereto as Attachment 3.
4. Terms and Conditions - The parties agree to be bound by all other requirements, terms, and conditions of the Bid Solicitation, not otherwise modified by this Amendment for the period of the Blanket P.O.
5. Execution of Amendment - The parties hereto agree that this Amendment may be executed in counterpart, each original signed page to become part of the original document.

IN WITNESS WHEREOF, authorized representatives of the Vendor and the State have executed this Amendment as of last date signed below (Effective Date).

Stacy Ho Richardson

October 6, 2021

Stacy Ho Richardson
State Contract Manager
Board of Public Utilities, Division of Clean Energy

Date

Francis X. Reilly, Jr.

October 6, 2021

Francis X. Reilly, Jr.
Senior Vice President
TRC Environmental Corporation

Date

DocuSigned by:
Maurice Griffin
0A021813FB62440...

10/6/2021

Maurice Griffin
Acting Director
Department of the Treasury,
Division of Purchase and Property

Date

ATTACHMENT 1



317 George St., Suite 520
New Brunswick, NJ 08901

T 732.855.0033
TRCompanies.com

MEMORANDUM

TO: Kelly Mooij, Director, Division of Clean Energy
CC: Stacy Richardson, Kevin Nedza, Division of Clean Energy
FROM: TRC
DATE: September 29, 2021 (5th Revised)
RE: Proposed Contract Modifications Related to Implementation of P.L. 2021, c.200
Contract #: 40225; Solicitation #: 16-X-23938

TRC was engaged by the Board of Public Utilities (the Board) to provide Program Administrator services related to New Jersey's Clean Energy Program (NJCEP), Contract No. 40225, dated December 1, 2015. This memorandum is to request that the scope of services related to this contract be expanded to include administration of two new energy efficiency programs described more fully below.

P.L. 2021, c. 200 requires the Board to implement two new programs referred to as the School and Small Business Ventilation and Energy Efficiency Verification and Repair Program (SSB-VEEVR or HVAC program) and the School and Small Business Noncompliant Plumbing Fixture and Appliance Program (SSB-NPFA or Plumbing/Appliance program). The law requires the Board to begin to solicit applications for these programs on or before October 1, 2021, and to approve grant applications by no later than December 1, 2021.

Given the many similarities between the proposed new programs and existing NJCEP energy efficiency programs TRC administers for the Board, and TRC's extensive expertise related to the technical requirements set out in the legislation, Board Staff asked TRC to submit a pricing proposal and request to modify our existing contract with the Board to deliver the two new programs referenced above. The following sets out TRC's proposed contract modifications, including pricing and scopes of work, related to delivering the SSB-VEEVR and SSB-NPFA programs.

Proposed Pricing for New Programs

TRC developed proposed pricing by multiplying hourly rates for titles included in our existing contract by the estimated number of hours required to complete each task. Our proposed pricing includes the following components:

- A fixed fee for program start-up
- A fixed monthly fee
- Per unit fees for initial and final applications and inspections, differentiated for each of the two new programs

Program Start-Up

TRC will provide the following services targeting the statutory requirement of October 1, 2021 as the date applications will be made available and December 1, 2021 as the date of approval of the first applications:

- Management Oversight: develop grant program requirements based on interpretation of the legislation, senior management oversight of the development of all program components, technical input/support, coordination/meetings/calls with Board Staff to confirm program details
- Program Guidelines/Rules: Develop program guidelines available to potential applicants that spell out in detail program requirements, technical requirements, eligible equipment, eligible entities, pricing guidelines and the rules to participate in the program. TRC will develop a separate Program Guideline for each of the two programs.
- Program Applications: Develop on-line applications for each program.
- Inspection Protocols: Develop inspection forms and protocols to be followed by field inspectors that specify all items that must be inspected.
- Financial management systems: Establish processes and systems to collect funds from the Board and pay grants to applicants including tracking and reporting and integration of financial management systems with IMS.
- IT systems for tracking and reporting: Establish on-line portal for applications in CRM (TRC's application processing system) and integrate with IMS (the Board's program data base/invoice processing/reporting system). Develop reporting templates including any reports required to meet program management, regulatory or federal grant requirements.
- Program communications/web site: Develop all customer communications including acceptance/rejection letters and interim customer communications such as impending deadlines. Establish a page on the NJCEP web site with general program information and links to all program documents.
- Training: Train TRC application processing staff and inspectors on all program requirements
- Administrative support

The following table sets out our proposed fees for Program Start-Up based on the estimated number of hours by title to perform each of the above tasks:

Program Start Up				
Task	Title	Hourly Rate	# Hours	Cost
Management Oversight	Executive Manager	\$249.31		
Paul David/Abhijeet Pande			80	\$19,944.80
Mike Ambrosio/Marybeth Brenner			80	\$19,944.80
CA Team Support	Blend PM and Sr. Tech Spec. rates	\$164.44	120	\$19,732.80
Develop Program Guidelines	Project Manager	\$196.27	160	\$31,403.20
	Senior Technical Specialist	\$132.61	100	\$13,261.00
Develop Ops Manual/program rules	Project Manager	\$196.27	160	\$31,403.20
	Senior Technical Specialist	\$132.61	100	\$13,261.00
Develop Program Applications	Senior Technical Specialist	\$132.61	40	\$5,304.40
Develop Inspection Protocols	Senior Technical Specialist	\$132.61	80	\$10,608.80
Establish financial management systems	Senior Technical Specialist	\$132.61	60	\$7,956.60
Establish IT systems for tracking and reporting	IMS Manager	\$159.14	300	\$47,742.00
	IMS Programmer	\$127.31	600	\$76,386.00
Develop program communications/web site	Senior Technical Specialist	\$132.61	120	\$15,913.20
Develop training materials for program applicants	Senior Training Specialist	\$127.31	80	\$10,184.80
Train TRC Staff	Senior Training Specialist	\$127.31	80	\$10,184.80
Administrative support	Administrative Support/Clerical	\$58.35	120	\$7,002.00
	Total			\$340,233.40

Fixed Monthly Fee

TRC proposes the following fixed monthly fee which includes performance of the following tasks:

- Program Management: Program oversight, regular meetings/communications with Board Staff, dispute resolution
- Financial Management: Invoicing, issue and track grant payments, funding reconciliation, audit support
- Reporting: Generate and review for accuracy monthly program management, regulatory and federal reports
- IT Support: maintain and modify as needed IT systems that support the two new programs (CRM and IMS)
- Engineering Support: Support from TRC’s national team with expertise in air infiltration, ventilation, COVID protocols and plumbing issues
- Outreach: a minimal level of outreach to support events, prepare web site updates, program updates, presentations, etc.
- Administrative support

The following table sets out our proposed fixed monthly fee based on the estimated number of hours by title to perform each of the above tasks:

Fixed Monthly Fee				
Task	Program Administration	Hourly Rate	# Hours/Month	Monthly Fee
Program Management	Executive Manager	\$249.31	8	\$1,994.48
	Project Manager	\$196.27	120	\$23,551.98
Financial management	Senior Technical Specialist	\$132.61	32	\$4,243.52
Reporting	Senior Technical Specialist	\$132.61	24	\$3,182.64
IT Support	IMS Manager	\$159.14	24	\$3,819.36
	IMS Programmer	\$127.31	12	\$1,527.72
Engineering support	Project Manager	\$196.27	40	\$7,850.80
Outreach	Senior Technical Specialist	\$132.61	10	\$1,326.10
Administrative support	Administrative Support/Clerical	\$58.35	40	\$2,334.00
Total				\$49,830.60

Per Unit Fees

TRC anticipates that an entity such as a school Board may submit a single application for multiple schools with a different approach to treating each school depending on the type and age of the HVAC system in each school. Therefore, the proposed fees are based on the number of schools or small businesses since each school will need to meet all of the program requirements and TRC will need to assess the proposed scope of work for each school. Our proposed fee is per school, recognizing that a single school like a high school could include several buildings.

TRC is proposing three separate per unit fees for each program including: 1) Initial applications per school or small business) 2) Final applications per school or small business; and, 3) Per inspection performed. TRC is also proposing a separate lower fee for processing an application for appliances only within the Plumbing/Appliance program since these are similar to a simple prescriptive rebate. The following sets out our proposed fee for each of these tasks:

Application Review: HVAC Program					
Task	Title	Hourly Rate	# Hours	Per Unit Fee	
Review, approve/reject initial applications	Senior Technical Specialist	\$132.61			
			Per School	8	\$1,060.88
Per Small Business			4	\$530.44	
Review, approve/reject final report for consistency with program rules and request for payment	Senior Technical Specialist	\$132.61			
			Per School	6	\$795.66
			Per Small Business	3	\$397.83
Perform inspection including scheduling, travel, site visit and preparing report per pre or post inspection	Quality Assurance Specialist	\$87.57			
			Per School	8	\$700.56
			Per Small Business	6	\$525.42

Application Review: Plumbing/Appliance Program				
Task	Title	Hourly Rate	# Hours	Per Unit Fee
Review, approve/reject initial application (per school or small business)	Senior Technical Specialist	\$132.61	4	\$530.44
Review, approve/reject request for payment and final report for consistency with program rules (per building)	Senior Technical Specialist	\$132.61	3	\$397.83
Process and pay appliance only application	Senior Technical Specialist	\$132.61	2	\$265.22
Perform inspection including scheduling, travel, site visit and preparing report per pre or post inspection	Quality Assurance Specialist	\$87.57	6	\$525.42

Our proposed inspection fee includes scheduling each inspection, travel including mileage, performing the inspection, and preparation of an inspection report.

The following table summarizes TRC's proposed fees:

Summary of TRC's Proposed Fees	
Task	Proposed Fee
Program Start-Up	\$340,233.40
Fixed Monthly Fee	\$49,830.60
Per Unit Fees	
<i>HVAC Program</i>	
Initial Application	
Per School	\$1,060.88
Per Small Business	\$530.44
Final Application	
Per School	\$795.66
Per Small Business	\$397.83
Inspections	
Per School	\$700.56
Per Small Business	\$525.42
<i>Plumbing/Appliance Program</i>	
Initial Application (per school/building)	\$530.44
Final Application (per school/building)	\$397.83
Per Appliance only Application	\$265.22
Per Inspection	\$525.42

The following table summarizes the proposed new contract lines:

Description	Quantity	Unit of Measure	Unit Cost
Program Start -Up including development of program applications, guidelines, QA protocols, IT systems, financial management systems, outreach materials, and training	1	Each	\$340,233.40
Program Administration. Ongoing program design & development; program management & client meetings; participation tracking & reporting; customer service (no site visit required); internal training, and QA/AC management.	1	Month	\$49,830.60
Review, approve/reject initial HVAC applications: schools	1	Per Application	\$1,060.88
Review, approve/reject initial HVAC applications: small businesses	1	Per Application	\$530.44
Review, approve/reject final HVAC applications: schools	1	Per Application	\$795.66
Review, approve/reject final HVAC applications: small businesses	1	Per Application	\$397.83
Perform HVAC inspection including scheduling, travel, site visit and preparing report per pre or post inspection: schools	1	Per Inspection	\$700.56
Perform HVAC inspection including scheduling, travel, site visit and preparing report per pre or post inspection: small businesses	1	Per Inspection	\$525.42
Review, approve/reject initial Plumbing applications: schools, small businesses	1	Per Application	\$530.44
Review, approve/reject final Plumbing applications: schools, small businesses	1	Per Application	\$397.83
Process and pay appliance only applications	1	Per Application	\$265.22
Perform Plumbing inspection including scheduling, travel, site visit and preparing report per pre or post inspection: schools, small businesses	1	Per Inspection	\$525.42

Proposed Program Incentive Budgets

The law requires that certain percentages of the budget be allocated to each of the two new programs, to disadvantaged communities, and to schools and small businesses. TRC developed the following incentive budgets for each program component using the allocations set out in the law:

Draft P.L. 2021, c.200 Budget Allocation	
Available Grant Funds	\$180,000,000
Program Allocation: HVAC- 75%, Plumbing 25 %	
HVAC Total	\$135,000,000
75% to underserved communities	\$101,250,000
Schools (75%)	\$75,937,500
Small businesses (25%)	\$25,312,500
25% Others	\$33,750,000
Schools (75%)	\$25,312,500
Small businesses (25%)	\$8,437,500
Plumbing Total	\$45,000,000
75% to underserved communities	\$33,750,000
Schools (75%)	\$25,312,500
Small businesses (25%)	\$8,437,500
25% Others	\$11,250,000
Schools (75%)	\$8,437,500
Small businesses (25%)	\$2,812,500

The following table shows the resultant draft incentives budgets for each program component:

Grant Program Draft Incentive Budget Table		
HVAC Program		
	Underserved Communities	Not In Underserved Communities
Schools	\$75,937,500	\$25,312,500
Small Businesses	\$25,312,500	\$8,437,500
Plumbing/Appliance Program		
	Underserved Communities	Not In Underserved Communities
Schools	\$25,312,500	\$8,437,500
Small Businesses	\$8,437,500	\$2,812,500

Proposed Contract Modifications

TRC requests that our contract be modified to include administration of the SSB-VEEVR and SSB-NPFA programs at the fees set out above. TRC looks forward to working closely with Board Staff to deliver this important program in a timely fashion and thanks Staff for providing TRC with the opportunity to do so. TRC is available to discuss our proposal set out above at your convenience. Please let us know if you have any questions or require any additional information regarding this matter.

ATTACHMENT 2

Price line	Description	Quantity	UOM	Unit Cost
581	SSB-VEEVR and SSB-NPFA Program - Program Start -Up: One Time Cost: Firm-Fixed Cost for Program Start-Up including development of program applications, guidelines, QA protocols, IT systems, financial management systems, outreach materials, and training	1	Task	\$ 340,233.40
582	SSB-VEEVR and SSB-NPFA Program - Program Administration: Firm-Fixed Monthly Rate for Program Administration. Ongoing program design & development; program management & client meetings; participation tracking & reporting; customer service (no site visit required); internal training, and QA/AC management.	1	Month	\$ 49,830.60
583	HVAC Program Schools - Firm-Fixed Cost to Review, Approve/Reject Each Intial Application	1	Each	\$ 1,060.88
584	HVAC Program Small Businesses - Firm-Fixed Cost to Review, Each Application Each Initial Application	1	Each	\$ 530.44
585	HVAC Program Schools - Firm-Fixed Cost to Review, Approve/Reject Each Final Application	1	Each	\$ 795.66
586	HVAC Program Small Businesses - Firm-Fixed Cost to Review, Approve/Reject Each Final Application	1	Each	\$ 397.83
587	HVAC Program Schools Inspection - Firm Fixed Cost to Perform Inspection including scheduling, travel, site visit and preparing report per pre or post inspection	1	Each	\$ 700.56
588	HVAC Program Small Businesses Inspection - Firm Fixed Cost to Perform Inspection including scheduling, travel, site visit and preparing report per pre or post inspection	1	Each	\$ 525.42
589	Plumbing and Appliance Program - Schools and Small Businesses - Firm-Fixed Cost to Review, Approve/Reject Each Initial Application	1	Each	\$ 530.44
590	Plumbing and Appliance Program - Schools and Small Businesses - Firm-Fixed Cost to Review, Approve/Reject Each Final Application	1	Each	\$ 397.83
591	Plumbing and Appliances Program -Firm-Fixed Cost to Process and Pay Each Appliance Application	1	Each	\$ 265.22
592	Plumbing Inspection - Schools and Smalll Businesses - Firm-Fixed Cost to Perform Inspection including scheduling, travel, site visit and preparing per pre or post inspection	1	Each	\$ 525.42

ATTACHMENT 3



STATE OF NEW JERSEY RIDER FOR PURCHASES FUNDED, IN WHOLE OR IN PART, BY FEDERAL FUNDS
(REVISED 11/12/2020)

The provisions set forth in this Rider apply to all contracts funded, in whole or in part, by Federal funds as required by 2 CFR 200.317.

I. CONTRACTING WITH SMALL AND MINORITY BUSINESSES, WOMEN'S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS.

Pursuant to 2 CFR 200.321, the State must take all necessary affirmative steps to assure that minority businesses, women's business enterprises, and labor surplus area firms are used when possible. Accordingly, if subawards are to be made the Contractor shall:

- (1) Include qualified small and minority businesses and women's business enterprises on solicitation lists;
- (2) Assure that small and minority businesses, and women's business enterprises are solicited whenever they are potential sources;
- (3) Divide total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women's business enterprises;
- (4) Establish delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women's business enterprises; and,
- (5) Use the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce.

II. DOMESTIC PREFERENCE FOR PROCUREMENTS

Pursuant to 2 CFR 200.322, where appropriate, the State has a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). If subawards are to be made the Contractor shall include a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). For purposes of this section:

- (1) "Produced in the United States" means, for iron and steel products, that all manufacturing processes, from the initial melting stage through the application of coatings, occurred in the United States.
- (2) "Manufactured products" means items and construction materials composed in whole or in part of nonferrous metals such as aluminum; plastics and polymer-based products such as polyvinyl chloride pipe; aggregates such as concrete; glass, including optical fiber; and lumber.

III. PROCUREMENT OF RECOVERED MATERIALS

Where applicable, in the performance of contract, pursuant to 2 CFR 200.323, the contractor must comply with section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act. The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition, where the purchase price of the item exceeds \$ 10,000 or the value of the quantity acquired during the preceding fiscal year exceeded \$10,000; procuring solid waste management services in a manner that maximizes energy and resource recovery; and establishing an affirmative procurement program for procurement of recovered materials identified in the EPA guidelines.

To the extent that the scope of work or specifications in the contract requires the contractor to provide recovered materials the scope of work or specifications are modified to require that as follows.

- i. In the performance of this contract, the Contractor shall make maximum use of products containing recovered materials that are EPA-designated items unless the product cannot be acquired—
 1. Competitively within a timeframe providing for compliance with the contract performance schedule;
 2. Meeting contract performance requirements; or
 3. At a reasonable price.
- ii. Information about this requirement, along with the list of EPA- designated items, is available at EPA's Comprehensive Procurement Guidelines web site, <https://www.epa.gov/smm/comprehensive-procurement-guideline-cpg-program>.
- iii. The Contractor also agrees to comply with all other applicable requirements of Section 6002 of the Solid Waste Disposal Act."

IV. EQUAL EMPLOYMENT OPPORTUNITY

Except as otherwise provided under 41 CFR Part 60, all contracts that meet the definition of "federally assisted construction contract" in 41 CFR Part 60-1.3 must include the equal opportunity clause provided under 41 CFR 60-1.4(b), in accordance with Executive Order 11246, "Equal Employment Opportunity" (30 FR 12319, 12935, 3 CFR Part, 1964-1965 Comp., p. 339), as amended by Executive Order 11375, "Amending Executive Order 11246 Relating to Equal Employment Opportunity," and implementing

regulations at 41 CFR part 60, "Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department of Labor." See 2 CFR Part 200, Appendix II, para. C. During the performance of this contract, the contractor agrees as follows:

- (1) The contractor will not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, gender identity, or national origin. The contractor will take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, sexual orientation, gender identity, or national origin. Such action shall include, but not be limited to the following:
Employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided setting forth the provisions of this nondiscrimination clause.
- (2) The contractor will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, gender identity, or national origin.
- (3) The contractor will not discharge or in any other manner discriminate against any employee or applicant for employment because such employee or applicant has inquired about, discussed, or disclosed the compensation of the employee or applicant or another employee or applicant. This provision shall not apply to instances in which an employee who has access to the compensation information of other employees or applicants as a part of such employee's essential job functions discloses the compensation of such other employees or applicants to individuals who do not otherwise have access to such information, unless such disclosure is in response to a formal complaint or charge, in furtherance of an investigation, proceeding, hearing, or action, including an investigation conducted by the employer, or is consistent with the contractor's legal duty to furnish information.
- (4) The contractor will send to each labor union or representative of workers with which he/she has a collective bargaining agreement or other contract or understanding, a notice to be provided advising the said labor union or workers' representatives of the contractor's commitments under this section, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (5) The contractor will comply with all provisions of Executive Order 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (6) The contractor will furnish all information and reports required by Executive Order 11246 of September 24, 1965, and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto, and will permit access to his/her books, records, and accounts by the administering agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (7) In the event of the contractor's noncompliance with the nondiscrimination clauses of this contract or with any of the said rules, regulations, or orders, this contract may be canceled, terminated, or suspended in whole or in part and the contractor may be declared ineligible for further Government contracts or federally assisted construction contracts in accordance with procedures authorized in Executive Order 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order 11246 of September 24, 1965, or by rule, regulation, or order of the Secretary of Labor, or as otherwise provided by law.
- (8) The contractor will include the portion of the sentence immediately preceding paragraph (1) and the provisions of paragraphs (1) through (8) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to section 204 of Executive Order 11246 of September 24, 1965, so that such provisions will be binding upon each subcontractor or vendor. The contractor will take such action with respect to any subcontract or purchase order as the administering agency may direct as a means of enforcing such provisions, including sanctions for noncompliance:

Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction by the administering agency, the contractor may request the United States to enter into such litigation to protect the interests of the United States. The applicant further agrees that it will be bound by the above equal opportunity clause with respect to its own employment practices when it participates in federally assisted construction work: Provided, That if the applicant so participating is a State or local government, the above equal opportunity clause is not applicable to any agency, instrumentality or subdivision of such government which does not participate in work on or under the contract.

The applicant agrees that it will assist and cooperate actively with the administering agency and the Secretary of Labor in obtaining the compliance of contractors and subcontractors with the equal opportunity clause and the rules, regulations, and relevant orders of the Secretary of Labor, that it will furnish the administering agency and the Secretary of Labor such information as they may

require for the supervision of such compliance, and that it will otherwise assist the administering agency in the discharge of the agency's primary responsibility for securing compliance.

The applicant further agrees that it will refrain from entering into any contract or contract modification subject to Executive Order 11246 of September 24, 1965, with a contractor debarred from, or who has not demonstrated eligibility for, Government contracts and federally assisted construction contracts pursuant to the Executive Order and will carry out such sanctions and penalties for violation of the equal opportunity clause as may be imposed upon contractors and subcontractors by the administering agency or the Secretary of Labor pursuant to Part II, Subpart D of the Executive Order. In addition, the applicant agrees that if it fails or refuses to comply with these undertakings, the administering agency may take any or all of the following actions: Cancel, terminate, or suspend in whole or in part this grant (contract, loan, insurance, guarantee); refrain from extending any further assistance to the applicant under the program with respect to which the failure or refund occurred until satisfactory assurance of future compliance has been received from such applicant; and refer the case to the Department of Justice for appropriate legal proceedings.

V. DAVIS-BACON ACT, 40 U.S.C. 3141-3148, AS AMENDED

When required by Federal program legislation, all prime construction contracts in excess of \$2,000 shall be done in compliance with the Davis-Bacon Act (40 U.S.C. 3141- 3144, and 3146-3148) and the requirements of 29 C.F.R. pt. 5 as may be applicable. The contractor shall comply with 40 U.S.C. 3141-3144, and 3146-3148 and the requirements of 29 C.F.R. pt. 5 as applicable. Contractors are required to pay wages to laborers and mechanics at a rate not less than the prevailing wages specified in a wage determination made by the Secretary of Labor. Additionally, contractors are required to pay wages not less than once a week.

VI. COPELAND ANTI_KICK-BACK ACT

Where applicable, the Contractor must comply with Copeland "Anti-Kickback" Act (40 U.S.C. 3145), as supplemented by Department of Labor regulations (29 CFR Part 3, "Contractors and Subcontractors on Public Building or Public Work Financed in Whole or in Part by Loans or Grants from the United States").

- a. Contractor. The Contractor shall comply with 18 U.S.C. § 874, 40 U.S.C. § 3145, and the requirements of 29 C.F.R. pt. 3 as may be applicable, which are incorporated by reference into the OGS centralized contract.
- b. Subcontracts. The Contractor or subcontractor shall insert in any subcontracts the clause above and such other clauses as FEMA may by appropriate instructions require, and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all of these contract clauses.
- c. Breach. A breach of the clauses above may be grounds for termination of the OGS centralized contract, and for debarment as a Contractor and subcontractor as provided in 29 C.F.R. § 5.12.

VII. CONTRACT WORK HOURS AND SAFETY STANDARDS ACT, 40 U.S.C. 3701-3708

Where applicable, all contracts awarded by the non-Federal entity in excess of \$ 100,000 that involve the employment of mechanics or laborers must comply with 40 U.S.C. 3702 and 3704, as supplemented by Department of Labor regulations (29 CFR Part 5).

- (1) Overtime requirements. No contractor or subcontractor contracting for any part of the contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of forty hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of forty hours in such workweek.
- (2) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the clause set forth in paragraph (b)(1) of this section the contractor and any subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to such District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the clause set forth in paragraph (b)(1) of this section, in the sum of \$27 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of forty hours without payment of the overtime wages required by the clause set forth in paragraph (b)(1) of this section.
- (3) Withholding for unpaid wages and liquidated damages. The unauthorized user shall upon its own action or upon written request of an authorized representative of the Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the contractor or subcontractor under any such contract or any other Federal contract with the same prime contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime contractor, such sums as may be determined to be necessary to satisfy any liabilities of such contractor or subcontractor for unpaid

wages and liquidated damages as provided in the clause set forth in paragraph (b)(2) of this section.

- (4) Subcontracts. The contractor or subcontractor shall insert in any subcontracts the clauses set forth in paragraph (b)(1) through (4) of this section and also a clause requiring the subcontractors to include these clauses in any lower tier subcontracts. The prime contractor shall be responsible for compliance by any subcontractor or lower tier subcontractor with the clauses set forth in paragraphs (b)(1) through (4) of this section.

VIII. RIGHTS TO INVENTIONS MADE UNDER A CONTRACT OR AGREEMENT

If the Federal award meets the definition of "funding agreement" under 37 CFR § 401.2 (a) and the recipient or subrecipient wishes to enter into a contract with a small business firm or nonprofit organization regarding the substitution of parties, assignment or performance of experimental, developmental, or research work under that "funding agreement," the recipient or subrecipient must comply with the requirements of 37 CFR Part 401, "Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Grants, Contracts and Cooperative Agreements," and any implementing regulations issued by the awarding agency.

IX. CLEAN AIR ACT, 42 U.S.C. 7401-7671Q, AND THE FEDERAL WATER POLLUTION CONTROL ACT, 33 U.S.C. 1251-1387, AS AMENDED

Where applicable, Contract and subgrants of amounts in excess of \$150,000, must comply with the following:

Clean Air Act

1. The contractor agrees to comply with all applicable standards, orders or regulations issued pursuant to the Clean Air Act, as amended, 42 U.S.C. § 7401 et seq.
2. The contractor agrees to report each violation to the Division of Purchase and Property and understands and agrees that the Division of Purchase and Property will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

Federal Water Pollution Control Act

1. The contractor agrees to comply with all applicable standards, orders, or regulations issued pursuant to the Federal Water Pollution Control Act, as amended, 33 U.S.C. 1251 et seq.
2. The contractor agrees to report each violation to the Division of Purchase and Property and understands and agrees that the Division of Purchase and Property will, in turn, report each violation as required to assure notification to the Federal Emergency Management Agency, and the appropriate Environmental Protection Agency Regional Office.
3. The contractor agrees to include these requirements in each subcontract exceeding \$150,000 financed in whole or in part with Federal assistance provided by FEMA.

X. DEBARMENT AND SUSPENSION (EXECUTIVE ORDERS 12549 AND 12689)

- (1) This contract is a covered transaction for purposes of 2 C.F.R. pt. 180 and 2 C.F.R. pt. 3000. As such, the contractor is required to verify that none of the contractor's principals (defined at 2 C.F.R. § 180.995) or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).
- (2) The contractor must comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, and must include a requirement to comply with these regulations in any lower tier covered transaction it enters into.
- (3) This certification is a material representation of fact relied upon by the State or authorized user. If it is later determined that the contractor did not comply with 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C, in addition to remedies available to the State or authorized user, the Federal Government may pursue available remedies, including but not limited to suspension and/or debarment.
- (4) The bidder or proposer agrees to comply with the requirements of 2 C.F.R. pt. 180, subpart C and 2 C.F.R. pt. 3000, subpart C while this offer is valid and throughout the period of any contract that may arise from this offer. The bidder or proposer further agrees to include a provision requiring such compliance in its lower tier covered transactions.

XI. BYRD ANTI-LOBBYING AMENDMENT, 31 U.S.C. 1352

Contractors that apply or bid for an award exceeding \$100,000 must file the required certification. Each tier certifies to the tier above that it will not and has not used Federal appropriated funds to pay any person or organization for influencing or attempting to influence an officer or employee of any agency, a member of Congress, officer or employee of Congress, or an employee of a member of Congress in connection with obtaining any Federal contract, grant or any other award covered by 31 U.S.C. 1352. Each tier must also disclose any lobbying with non-Federal funds that takes place in connection with obtaining any Federal award. Such disclosures are forwarded from tier to tier up to the non-Federal award. Such disclosures are forwarded from tier to tier up to the recipient who in turn will forward the certification(s) to the awarding agency.

XII. PROHIBITION ON CERTAIN TELECOMMUNICATIONS AND VIDEO SURVEILLANCE SERVICES OR EQUIPEMENT

- (a) Recipients and subrecipients are prohibited from obligating or expending loan or grant funds to:
- (1) Procure or obtain;
 - (2) Extend or renew a contract to procure or obtain; or
 - (3) Enter into a contract (or extend or renew a contract) to procure or obtain equipment, services, or systems that uses covered telecommunications equipment or services as a substantial or essential component of any system, or as critical technology as part of any system. As described in *Public Law 115-232*, section 889, covered telecommunications equipment is telecommunications equipment produced by Huawei Technologies Company or ZTE Corporation (or any subsidiary or affiliate of such entities).
 - (i) For the purpose of public safety, security of government facilities, physical security surveillance of critical infrastructure, and other national security purposes, video surveillance and telecommunications equipment produced by Hytera Communications Corporation, Hangzhou Hikvision Digital Technology Company, or Dahua Technology Company (or any subsidiary or affiliate of such entities).
 - (ii) Telecommunications or video surveillance services provided by such entities or using such equipment.
 - (iii) Telecommunications or video surveillance equipment or services produced or provided by an entity that the Secretary of Defense, in consultation with the Director of the National Intelligence or the Director of the Federal Bureau of Investigation, reasonably believes to be an entity owned or controlled by, or otherwise connected to, the government of a covered foreign country.

Risk Assessment

Agency/ Authority:	[Type Here]
Program:	[Type Here]
Funding Source:	[Type Here]
Recipient or Sub-recipient:	[Type Here]
Completed By:	[Type Here]
Date:	[MM/DD/YYYY]

Note: This risk assessment tool may not include all relevant risk factors for your particular agency. Each agency should undertake a review to determine whether any additional risk areas should be reviewed, should identify those areas here, and should analyze them in accordance with the format of this tool.

- 1. Risk Inquiry:** Organizational leadership, capacity, expertise, and experience managing and accounting for federal grant funds in general, and disaster recovery funds in particular.

Rating Element: Assess your agency's experience and staffing capacity to manage and account for federal grant funds and/or disaster recovery funds. Considerations include: your agency's organizational structure, supervisory roles, delegation of authority, line level staffing capacities, experience at all levels, and responsibilities and relations within and between different divisions or offices within your agency. Does your agency have a monitoring and oversight plan to assess your continued performance and compliance with federal and state laws and regulations? Does that plan include an assessment of internal controls, review of risks, threats and prevention and detection of fraud, waste, and abuse? How will your agency address risk areas and the need for corrective action?

Summary Assessment/Description of Risks Identified:

[Type Here]

Risk Level (Low, Medium, High): Choose an item.

- 2. Risk Inquiry:** Input from the individuals/units that will be disbursing funds or administering the program.

Rating Element: How will your agency plan for the use of the COVID-19 Recovery Funds? Does your plan include considerations for federal and state requirements and eligible uses of the funds? Does your plan establish adequate funding and staffing requirements for administering the funds? Is your plan consistent with your statutory mission and objectives? Does your plan include or contemplate the inclusion of input from line staff that are administering the program?

Summary Assessment/Description of Risks Identified:

Risk Assessment

[Type Here]

Risk Level (Low, Medium, High): Choose an item.

- 3. Risk Inquiry:** Review of existing internal controls and any identified weaknesses.

Risk Element: Has your agency reviewed its internal controls to ensure that policies and procedures are in place to satisfy federal and state laws and regulations? Are your agency policies and procedures adequate? Are they updated for all relevant processes required for the administration of the funds? Does your agency have a monitoring and oversight plan to assess your continued performance and compliance with federal and state laws and regulations? Does that plan include an assessment of internal controls, review of risks, threats and prevention and detection of fraud, waste, and abuse? How will your agency address risk areas and the need for corrective action?

Summary Assessment/Description of Risks Identified:

[Type Here]

Risk Level (Low, Medium, High): Choose an item.

- 4. Risk Inquiry:** Prior audits and audit findings.

Risk Element: Has your agency been audited in the past? Have you considered and addressed any prior audit findings and recommendations that may be applicable to your success in overseeing COVID-19 Recovery Funds?

Summary Assessment/Description of Risks Identified:

[Type Here]

Risk Level (Low, Medium, High): Choose an item.

- 5. Risk Inquiry:** Lessons learned from prior disasters.

Risk Element: Has your agency been audited after a previous disaster? Have you considered and addressed any findings and recommendations from such audit(s)?

Summary Assessment/Description of Risks Identified:

[Type Here]

Risk Level (Low, Medium, High): Choose an item.

Risk Assessment

6. **Risk Inquiry:** Sub-recipient internal control weaknesses, if applicable.

Risk Element: If your agency is overseeing sub-recipients, have the sub-recipients been the subject of prior negative audit findings and recommendations that could impact oversight? How will your agency ensure that sub-recipients adhere to all requirements relating to their receipt of funds, including their use of funds and the reports they will be required to submit documenting their use of such funds?

Summary Assessment/Description of Risks Identified:

[Type Here]

Risk Level (Low, Medium, High): Choose an item.

7. **Risk Inquiry:** Adequacy of financial, acquisition, and grants management policies and procedures, including technological capacity and potentially outdated financial management systems.

Risk Element: When is the last time there was an assessment of financial, acquisition, and grants management policies and procedures? Is technological capacity an issue? Are the financial management systems adequate or outdated? Have the systems been updated or can they be updated to function adequately for the administration of the COVID-19 Recovery Funds?

Summary Assessment/Description of Risks Identified:

[Type Here]

Risk Level (Low, Medium, High): Choose an item.

8. **Risk Inquiry:** Barriers to reporting.

Risk Element: Does your agency have, or intend to develop, templates/forms or other documentation to report the results of the funding awards, including how your agency will respond to oversight bodies seeking to ascertain who received funds, the amount of funds, and the date funds were distributed?

Summary Assessment/Description of Risks Identified:

[Type Here]

Risk Level (Low, Medium, High): Choose an item.

Risk Assessment

9. **Risk Inquiry:** Experience with state and federal procurement processes, value of anticipated procurements, and reliance on contractors to meet program goals and objectives.

Risk Element: Assess and evaluate your agency's procurement processes and experience with state and federal procurement requirements. Do you have a trained and qualified contract manager assigned to the contract? Do your contracts contain provisions to ensure that contracted vendors provide all necessary reports in the form/manner proscribed by contract? Have your contract templates been reviewed and checked for necessary state and federal contract language? If emergency contracts have been entered into, how do you plan to transition after the urgent need has ended? Do you have plans to conduct a cost analysis?

Summary Assessment/Description of Risks Identified:

[Type Here]

Risk Level (Low, Medium, High): Choose an item.

10. **Risk Inquiry:** Potential conflicts of interests and ethics compliance.

Risk Element: Evaluate the means used to ensure that there is adequate separation of duties surrounding program funding requests and determinations. Does your agency have a code of conduct or policy describing measures to guard against potential conflicts of interest?

Summary Assessment/Description of Risks Identified:

[Type Here]

Risk Level (Low, Medium, High): Choose an item.

11. **Risk Inquiry:** Amount of funds being disbursed to a particular category of sub-recipient and the complexity of its project(s).

Risk Element: Evaluate the guidance, policies and procedures, or other documents that are being used to ensure that your agency properly oversees the sub-recipients' use of funds, including those relating to internal recordkeeping, monitoring, and sub-recipient reporting. Does your agency have a plan to monitor sub-recipients' compliance with program requirements and those outlined in 2 CFR 200.331? Does that plan assess risk of sub-recipients? Does that plan include training and training documents? Have you prepared templates or other reporting forms that you will be providing to sub-recipients? Has your agency developed a plan to address sub-recipient noncompliance?

Summary Assessment/Description of Risks Identified:

Risk Assessment

[Type Here]

Risk Level (Low, Medium, High): Choose an item.

- 12. Risk Inquiry:** Whether federal or state guidelines provide guidance regarding the uses of funds (i.e., discretionary vs. restrictive).

Risk Element: Evaluate how eligibility determinations will be made? Does your agency have written guidance or policies and procedures that provide direction in making and documenting eligibility determinations? Is the completeness and accuracy of information used in eligibility determinations verified? If so, how? By whom? Is there supervisory review and approval in this process?

Summary Assessment/Description of Risks Identified:

[Type Here]

Risk Level (Low, Medium, High): Choose an item.

**Integrity Monitor Report
Category 3**

Integrity Monitor Firm Name: [Type Here]
Quarter Ending: [MM/DD/YYYY]
Expected Engagement End Date: [MM/DD/YYYY]

A. General Info

1. Recovery Program Participant:

[Type Here]

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

[Type Here]

3. State Funding Source (if applicable):

[Type Here]

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

[Type Here]

5. Accountability Officer:

[Type Here]

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

[Type Here]

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

[Type Here]

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

[Type Here]

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

[Type Here]

10. Amount Provided to Other State or Local Entities:

**Integrity Monitor Report
Category 3**

[Type Here]

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

[Type Here]

12. Completion Status of Integrity Monitor Engagement:

[Type Here]

B. Monitoring Activities

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

a) IM Response

[Type Here]

b) Recovery Program Participant Comments

[Type Here]

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

[Type Here]

b) Recovery Program Participant Comments

[Type Here]

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

[Type Here]

**Integrity Monitor Report
Category 3**

b) Recovery Program Participant Comments

[Type Here]

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

a) IM Response

[Type Here]

b) Recovery Program Participant Comments

[Type Here]

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

a) IM Response

[Type Here]

b) Recovery Program Participant Comments

[Type Here]

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

a) IM Response

[Type Here]

b) Recovery Program Participant Comments

[Type Here]

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

a) IM Response

[Type Here]

**Integrity Monitor Report
Category 3**

- b) Recovery Program Participant Comments

[Type Here]

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

- a) IM Response

[Type Here]

- b) Recovery Program Participant Comments

[Type Here]

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

- a) IM Response

[Type Here]

- b) Recovery Program Participant Comments

[Type Here]

C. Miscellaneous

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

- a) IM Response

[Type Here]

- b) Recovery Program Participant Comments

[Type Here]

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

- a) IM Response

[Type Here]

**Integrity Monitor Report
Category 3**

b) Recovery Program Participant Comments

[Type Here]

Name of Integrity Monitor:	[Type Here]
Name of Report Preparer:	[Type Here]
Signature:	[Sign Here]
Date:	[MM/DD/YYYY]

Integrity Monitoring - Price Sheet

Cell to be completed by Bidder

	Staffing Category	Hourly Billing Rate (\$)	Hours	Amount (\$)	Total Cost (\$)	Hourly Discounted Billing Rate (\$)	Amount (\$)	Total Cost (discounted) (\$)
Risk Assessment	Partner/Principal/Director			\$0.00	\$0.00		\$0.00	\$0.00
	Program Manager			\$0.00			\$0.00	
	Project Manager			\$0.00			\$0.00	
	Supervisory/Sr. Consultant			\$0.00			\$0.00	
	Consultant			\$0.00			\$0.00	
	Associate/Staff			\$0.00			\$0.00	
	Subject Matter Expert			\$0.00			\$0.00	
	Administrative Support			\$0.00			\$0.00	
			0					
Work Plan Development	Partner/Principal/Director			\$0.00	\$0.00		\$0.00	\$0.00
	Program Manager			\$0.00			\$0.00	
	Project Manager			\$0.00			\$0.00	
	Supervisory/Sr. Consultant			\$0.00			\$0.00	
	Consultant			\$0.00			\$0.00	
	Associate/Staff			\$0.00			\$0.00	
	Subject Matter Expert			\$0.00			\$0.00	
	Administrative Support			\$0.00			\$0.00	
			0					
On-going Monitoring	Partner/Principal/Director			\$0.00	\$0.00		\$0.00	\$0.00
	Program Manager			\$0.00			\$0.00	
	Project Manager			\$0.00			\$0.00	
	Supervisory/Sr. Consultant			\$0.00			\$0.00	
	Consultant			\$0.00			\$0.00	
	Associate/Staff			\$0.00			\$0.00	
	Subject Matter Expert			\$0.00			\$0.00	
	Administrative Support			\$0.00			\$0.00	
			0					
Reports	Partner/Principal/Director			\$0.00	\$0.00		\$0.00	\$0.00
	Program Manager			\$0.00			\$0.00	
	Project Manager			\$0.00			\$0.00	
	Supervisory/Sr. Consultant			\$0.00			\$0.00	
	Consultant			\$0.00			\$0.00	
	Associate/Staff			\$0.00			\$0.00	
	Subject Matter Expert			\$0.00			\$0.00	
	Administrative Support			\$0.00			\$0.00	
			0					
Allowance for Travel Expenses and Reimbursement if on-site monitoring required				\$10,000.00				
Total Cost (non-discounted)					\$10,000.00			
Total Cost (if discounted)								\$10,000.00

IM BPU Questions SSB Program – June 7, 2022

- 1) With reference to Page 6, B. "...Specific Performance Milestones/Timelines/Standards/Deliverables", The Monthly Report noted in the table does not specify the information to be included in the report. For planning purposes, can you provide details on the scope and expectations for this report?

On page 7 of the document, item 2(b) specifies that the monthly report will contain "information about any of its findings pertaining to the work plan that demonstrates the progress made by the IM" and an "[e]valuation of effectiveness of fraud prevention activities including assessment of results, recommendations for corrective action and prioritization of implementation of risk mitigation measures. Indications of fraud, waste, or abuse that should be immediately addressed with recommendations for risk mitigation."

- 2) With reference to Page 5, sentence after 3c., "...The Vendor shall document in writing its evaluation of the above and its determination. ", Will this document/report be included as part of the Monthly Report deliverable or is this a separate deliverable?

This information can be provided in the applicable Monthly Report after it is completed.

- 3) With reference to Page 4, section II.A.1, "...to review the Work Plan...and to review all aspects of the project phases", Specifically as it relates to Requirements 3, 4, and 5, is the expectation that these tasks will be approached in phases or concurrently as needed?

These should be performed concurrently, as each will need to be evaluated while the program is operational and funding is being allocated.

- 4) With reference to Pages 3 and 4, What is the total amount awarded/spent by each of the Programs to date?

The SSB-VEEVR program has awarded \$46,677,739 out of a total budget of \$135,000,000 and has spent \$55,423.75 to date. The SSB-NPFA program has awarded \$4,718,608.54 out of a total budget of \$45,000,000 and has spent \$35,899.25 to date.

- 5) With reference to Pages 3 and 4, How long will the Programs accept applications?

The Programs will accept applications until all funding is obligated, or until December 31, 2024, whichever occurs first.

- 6) What system is currently used by the Program Administrator?

The Program Administrator uses a system called the Information Management System (IMS) to communicate with the BPU. IMS is private information management system used to monitor, track and report on financial, energy savings/generation, and emissions reduction activity resulting from New Jersey utility customer participation in the New Jersey's Clean Energy Program, which includes these programs.

7) How will the Vendor be given access to electronic grant application information?

The Program Administrator will work with the Vendor to grant them access to the grant application information. This include the IMS system mentioned in the answer to Question 6. They further have the ability to set up an additional online file sharing system with the Vendor if necessary.

8) Is there a preference for the method the Vendor should use in transferring grant related information electronically (sharefile, email, etc.)?

If there is any Personally Identifiable Information (“PII”) then the information should be shared through a secure process such as SharePoint or Microsoft Teams. Less sensitive documents can be transferred via email.

9) Will applications be submitted on an ongoing basis until available funds run out?

Yes.

10) Will IM review be limited to completed, approved applications, or, will initial applications and/or rejected applications (if any) also need sampling for Vendor review?

If the Vendor can sufficiently complete its duties based upon the completed, approved applications only, as grant funding is only awarded to approved applications, then the IM can limit their review to just these applications. If the Vendor needs access to the initial and/or rejected applications as part of its review process, then access to those will be provided as well.

11) Will the Vendor be required to complete reviews at specified points in time; or, will the Vendor be performing reviews continuously throughout the contract period?

The Vendor should complete reviews continuously throughout the contract period as new applications are awarded grant funding.

12) Based on the new NJ Treasury pricing template, are there fixed budgets for each phase of this engagement?

This information is kept confidential until the Notice of Intent to Award is issued.

13) Does NJ BPU maintain all relevant and required documentation, or do the individual entities need to provide the documentation to the winning bidder?

The Program Administrator maintains all relevant and required documentation and will provide electronic access to the Vendor.

14) Although the SSB-VEEVR school programs are nearing their allocation limits does the state still anticipate receiving near the projected number of applications to be reviewed?

The projected number of applications was a rough estimate that was made by estimating the average cost of a project and dividing it into the total budget for each category. For example, for HVAC projects the average estimated cost was \$325,000 per school, and at this price 310 projects could be funded. The

actual cost per project has been significantly higher, so fewer projects can be funded. The program website was updated to notify schools that these specific project buckets are nearly fully allocated.

15) Will there be any meetings with stakeholder groups within the strategic planning and monitoring process.

No.

16) How many audit reviews do you anticipate will be conducted annually?

The Program Administrator typically selects 15% to 20% of projects for internal file review and quality assurance/quality control.

17) Will changes to the approved project plan require additional meeting with the ACM?

Any changes to the project plan will need to be approved by the ACM.

18) Is there an existing Risk methodology/Assessment that should be considered when creating?

No.

19) Is there an incumbent for this opportunity?

No, no vendor is currently providing Integrity Monitor services for this program.

20) Can you provide a range of what a sufficient number of desk audits constitutes?

The Vendor can submit an estimate of how many desk audits they believe is necessary to properly monitor the program.

21) How will necessary data (i.e. applicant data, internal BPU controls, financial records) be provided to the Vendor?

The Program Administrator will work with the Vendor to grant them access to the grant application information, as explained in the answer to Question 7. BPU staff can discuss internal controls with the Vendor.

22) What is the budget for this project?

This information is kept confidential until the Notice of Intent to Award is issued.

23) In lieu of agency experience, would you accept personal experience from highly qualified experts on our team?

Yes.

Vander Weele Group^{LLC}

A New Jersey Certified Woman-Owned
Business Enterprise

**Response to: Contract G4018 – Integrity
Oversight Monitoring: Program and
Performance Monitoring, Financial Monitoring
and Grant Management and Anti-Fraud
Monitoring for COVID-19 Recovery Funds and
Programs**

**New Jersey Bureau of Public Utilities,
Category 3**

**IOM Services for the School and Small Business
Energy Efficiency Stimulus Program**

June 27, 2022

June 27, 2022

Mona Cartwright, State Contract Manager and Fiscal Manager
New Jersey Department of the Treasury
[REDACTED]

Kevin Nedza, Building Electrification Manager
Board of Public Utilities
[REDACTED]

Dear Ms. Cartwright and Mr. Nedza,

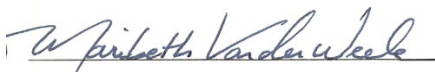
The Vander Wee Group^{LLC}, a New Jersey Certified Woman-Owned Business Enterprise and a Disadvantaged Business Enterprise, is privileged to present this proposal to provide integrity oversight consulting services to the New Jersey Board of Public Utilities. We would be pleased to serve as the Integrity Oversight Monitor for the School and Small Business Energy Efficiency Stimulus Program.

Founded in 2003 by a two-time Inspector General, the Vander Wee Group^{LLC} and its team offer a powerful combination of nationwide expertise to provide oversight services for the School and Small Business Ventilation and Energy Efficiency Verification and Repair (SSB-VEEVR) and the School and Small Business Noncompliant Plumbing Fixture and Appliance (SSB-NPFA) Programs. Our methodologies—derived from extensive experience in managing and providing oversight to large-scale programs—support financial compliance, promote programmatic fidelity, and curtail integrity breaches.

Our team includes subcontractor Joseph A. DeLuca Advisory & Consulting Services ^{LLC} (DLA). Together with DLA, we are currently serving as the Integrity Monitor for four State of New Jersey programs and designing the subrecipient monitoring program and providing fraud prevention training for a fifth. The Vander Wee Group^{LLC} is monitoring more than \$1 billion of COVID recovery funds in Illinois, including facilities money for HVAC system replacements, and served as Inspector General of the Public Building Commission of Chicago.

The Vander Wee Group^{LLC} has no conflicts of interest. We trust this proposal meets your expectations. Thank you for your time and consideration.

Sincerely,



Maribeth Vander Wee, CEO and President

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I. INTRODUCTION

A. Overview

The Vander Weele Group^{LLC} and subcontractor Joseph A. DeLuca Advisory & Consulting Services ^{LLC} (DLA) are privileged to present this proposal to provide consulting services to the New Jersey Board of Public Utilities. We would be pleased to serve as the Integrity Oversight Monitor for the School and Small Business Energy Efficiency Stimulus Program.

The Vander Weele Group^{LLC} is a Federally Certified Woman-Owned Business Enterprise (“WBE”), a State of New Jersey Certified Woman-Owned Business, and a Disadvantaged Business Enterprise (“DBE”) specializing in grants oversight. We are a mission-minded organization, passionate about providing meaningful oversight and support to programs serving the public interest. Incorporated in 2003, our firm was founded by Maribeth Vander Weele, who has overseen grants monitoring programs in 24 states. As the former Inspector General of Chicago Public Schools, she and her team developed a monitoring program for a \$3.2 billion construction program. Our firm has also served as the outsourced Inspector General for the Public Building Commission of Chicago.

Our Project Manager, Dr. Kristen Mokofisi, has overseen state-wide federal grants programs for the State of Nevada and currently oversees a team monitoring more than \$1 billion of COVID-19 relief funds in the State of Illinois. Her program includes monitoring expenditures of facility funds for HVAC systems in Chicago Public Schools and other school districts across Illinois.

DLA is a New York/New Jersey firm with extensive experience in conducting audits and controls reviews related to disaster recovery funds. In past and present positions, DLA team members have provided integrity monitoring and related services for approximately 100 disaster recovery programs such as FEMA’s post 9/11 Public Assistance to the New York City Area and the Sandy Recovery Improvement Act of 2013. DLA is currently servicing both Middlesex and Gloucester Counties with COVID-19-related oversight services. Founded by Joseph A. DeLuca in 2018, DLA brings the experience of a highly decorated former Inspector General, accountants, and research analysts to clients.

The Vander Weele Group-DLA team is currently performing oversight services of Coronavirus Relief Funds provided through the New Jersey Department of Environmental Protection, the New Jersey Redevelopment Authority, the New Jersey Department of Labor and Workforce Development, and the New Jersey Department of Treasury, Division of Pensions and Benefits. We are designing the subrecipient monitoring program and providing fraud prevention training for the New Jersey Department of Community Affairs.

We have carefully crafted and documented methodologies for every aspect of grants monitoring, which are embedded in our customized web-enabled grants monitoring

software. We work daily with applying the Office of Management and Budget (OMB)'s Uniform Guidance 2 CFR, Part 200 Federal funding requirements to client projects. We are also immersed in the provisions of the *Coronavirus Aid, Relief, and Economic Security Act* (“CARES Act”), and the *American Rescue Plan Act* (“ARPA”), and related funding streams, including U.S. Treasury Interim Final and Final Rules. Finally, we have a solid track record with excellent recommendations from our clients.

As we continue to deepen our expertise in Federal grants oversight, we look forward to supporting our growing client base in their work to transform lives and uplift communities.

B. Program Background and Objectives

On March 11, 2021, President Biden signed the ARPA that provided \$350 billion in State and Local Fiscal Recovery Funds (“SLFRF”), as emergency funding for eligible state, local, territorial, and Tribal governments to support the communities and populations hardest hit by the COVID-19 crisis.

On August 24, 2021, New Jersey Governor Phil Murphy signed into law P.L. 2021, c. 200, creating the School and Small Business Energy Efficiency Stimulus Program Fund. This fund, administered by the New Jersey Board of Public Utilities (BPU) and financed through SLFRF, provides grants to improve air quality and energy performance in schools and small businesses, 75% of which are in underserved communities. The Stimulus money funds two programs:

- **SSB-VEEVR.** The School and Small Business Ventilation and Energy Efficiency Verification and Repair (SSB-VEEVR) Program funds the repair, maintenance, upgrade, replacement, and installation of certain heating, ventilation, and air conditioning (HVAC) systems.
- **SSB-NPFA.** The School and Small Business Noncompliant Plumbing Fixture and Appliance (SSB-NPFA) provides grants to replace noncompliant plumbing fixtures and appliances that fail to meet water efficiency standards with water-conserving plumbing fixtures and appliances.

The goals of these programs are to:

- safely prepare schools and small businesses for operating during the coronavirus 2019 pandemic;
- improve the general health and safety of the school and small business environment;
- create jobs across the State, and
- upgrade old, inefficient plumbing fixtures that waste water and energy.

The programs pay for up to 75% of the cost to repair and/or replace equipment. As of approximately June, 2022, the SSB-VEEVR program had awarded \$46,677,739 from a \$135 million budget and had spent \$55,423.75. The SSB-NPFA program had awarded \$4,718,608.54 from a \$45 million budget and had spent \$35,899.25 to date. Funding must be obligated by 12/31/2024, and project installations must be completed by 12/31/2026.

Engaged on behalf of BPU, TRC Environmental Corporation of New Providence, New Jersey, is the Program Administrator for the New Jersey Energy Efficiency Stimulus Program. The \$180 million program is funded through Coronavirus State and Local Fiscal Recovery Funds (“CSFRF”), part of the *American Rescue Plan*.

C. Engagement Description

This engagement is designed to provide integrity monitoring and anti-fraud services, pursuant to Governor Murphy’s Executive Order 166 (“E.O. 166”), which established the COVID-19 Compliance and Oversight Task Force and the Governor’s Disaster Recovery Office. As a prequalified Integrity Monitor, the Vander Wee Group^{LLC} is eligible and eager to support BPU in developing measures to prevent, detect, and remediate inefficiency and malfeasance in the expenditure of COVID-19 Recovery Funds and provide expertise in Program and Process Management Monitoring; Financial Auditing and Grant Management; and Integrity Monitoring/Anti-Fraud Services.

II. CONFLICTS OF INTEREST

The Vander Wee Group^{LLC} has no conflicts of interest regarding this Engagement Query. We offer an objective, unbiased, and professional perspective.

III. WORK PLAN DEVELOPMENT

This section describes our approach, processes, and plans for accomplishing the stated objectives.

A. Project Launch Meeting

If privileged to serve the New Jersey Board of Public Utilities, our Engagement Team will meet via Zoom video conference with the Agency Contract Manager (“ACM”) within five business days after a purchase order is issued. We will review the Work Plan below, including all project phases, with the ACM to make minor modifications, if necessary, and clarify expectations and processes. We will discuss program strengths and weaknesses, including any known red flags that should be brought to our attention from those within the operation.

Our Project Manager and other key staff will participate in this meeting. We will submit a summary report and/or minutes of this meeting within three (3) business days of the meeting via e-mail to the ACM. Any modifications to the Work Plan will be finalized and submitted to the ACM for review within five (5) business days of the project launch.

B. Document Request

We will request documents that include, but are not limited to,

- Inspection protocols
- Reporting templates
- Organizational charts
- Staffing plans
- Spending plans
- Monitoring and oversight plan
- Financial, acquisition, and grants management policies and procedures
- Prior audits and audit findings of not only use of COVID 19 funds but funds related to prior disasters, including corrective actions
- Descriptions of technology systems
- Process maps on reporting funding awards
- Templates/forms or other documentation to report the results of the funding awards
- Procurement processes
- Vendor contract templates
- Code(s) of conduct of BPU and the Program Administrator
- Training documents and other deliverables of the Program Administrator.

We will also request access to the application and reporting portal.

C. Regulatory Framework

Our team will review with BPU and document the legal and regulatory framework that governs the program. As a recipient of COVID-19 Recovery Funds, New Jersey must comply with requirements of ARPA, other Federal laws under which any other COVID-19 Recovery Funds were issued to the state, and provisions of the “Uniform Guidance,” the short name for *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Also called the “SuperCircular” or the “OmniCircular” because it consolidated multiple Circulars previously issued by the Office of Management and Budget, the Uniform Guidance is the authoritative guidance governing the administration of Federal grants. Notably, cost principles are governed by the ARPA and the U.S. Treasury Department Guidance and FAQs. In some areas, also applicable are provisions of the *Robert T. Stafford Disaster Relief and Emergency Assistance Act*, 42 U.S.C. § 5121-5207, (“Stafford Act”), and other Federal and state guidelines and regulations.

As stated, although the CSFRF Final Rule, 31 CFR Part 35, along with its predecessor interim rule, governs the expenditure of CSFRF funds, certain provisions of 2 CFR Part 200 also govern the award, expenditure, and oversight of federally funded grants. Examples of

Uniform Guidance provisions applicable to CSFRF funds include those that address conflict of interest policies, cost principles, the Contract Work Hours and Safety Standards Act, capital expenditures, subrecipient monitoring and reporting, procurement, Single Audit, and prohibitions on using grant money to purchase certain equipment from designated entities.

This legal and regulatory framework informs every aspect of the grants management and monitoring process. For example, allowable costs are embedded in the grants application, in guidance to grantees, in training of grants management and monitoring staff, in the accounting systems, and in tools, procedures, and manuals.

D. Program Development

Our Team will design program infrastructure, developing systems for communicating expectations and tracking their timely fulfillment and adherence to high quality standards. Key areas of program development include:

- a. **Roles and Responsibilities.** We will develop an organizational chart with reporting relationships and align that with the Project Plan.
- b. **Work Processes and Procedures.** We will communicate tasks and lay out business processes to visually demonstrate workflow. We will create, update, or refine work procedures, depending on the activity.

E. Training

We will provide training to BPU staff and the Program Administrator on fraud detection methods or red flags. Curriculum will be approved and altered to the specifications of the BPU and discussed in conjunction with a review of existing training.

Our team has vast experience in providing training, and specifically in the areas of detection and prevention of fraud, waste, and abuse. Prior to adopting grants oversight as its strategic mission in 2018, the Vander Weele Group LLC provided investigative services to a wide range of organizations, ranging from Fortune 500 companies to governmental agencies to non-profit organizations. Founder Maribeth Vander Weele is a two-time Inspector General who has overseen thousands of investigations in both the private and public sectors. She has lectured extensively on these topics and created internal training on topics such as data analytics to detect fraud, payroll fraud, procurement fraud, cyber security issues, due diligence, interviewing techniques, report writing, Uniform Guidance, common fraud schemes, real estate fraud, grants monitoring, and many more.

DeLuca Founder Joseph DeLuca, a one-time Chief of Analysis and Investigator for the New York State Organized Crime Task Force, also specializes in fraud prevention, detection, investigation, and recovery from fraud. Our trained professionals, including one former

government Inspectors General, are able to assist in the review, development, and implementation of policies and procedures to minimize the potential for improper conduct. Our expertise includes:

- Post-disaster-related fraud.
- Program fraud.
- Procurement fraud.
- Payroll fraud.
- Substitution of materials.
- Breach of contract.
- Malpractice and negligence.
- Insurance claims.
- Fraud or embezzlement.
- White-collar crimes.

Our process for developing training begins by identifying program goals and the responsibilities of the intended audience in achieving those goals. We design each module for its audience with a clear understanding of its role, authority, level of knowledge, and the content appropriate to that role. To communicate complex topics, we ensure that material is properly sequenced. Often after a relevant anecdote to capture the audience's attention, we begin by providing an overview of program goals and vision, key terms and acronyms, program history, a summary of program components, deliverables, timelines, challenges, and successes. After a program framework is established and communicated, legal, regulatory, and policy standards are addressed in detail.

Effective professional development uses case studies to relate important concepts and help the audience understand why the material is important. For example, when organizing a 300-plus participant conference for the Bureau of Indian Education on emergency planning, we used keynote speakers who had faced tragedies in their schools: a Principal who evacuated her school through the thick smoke and debris of the fallen Twin Towers on 9/11 and administrators who survived mass shootings that claimed the lives of colleagues and students. This engaged the audience for the rest of the conference on what otherwise might be deemed only marginally relevant information about school emergency plans.

While case studies engage the learner, statistics reinforce a point. Effective training employs both. According to research, graphics also expedite and increase comprehension, recollection, and retention. They help decode text and direct attention to information. Presentations should adopt elements of effective design that engage the reader with the tasteful use of design principles that direct the eye of the reader. These principles address

composition and focal points, eye path/visual hierarchy, balance, color, movement, white space, type styling, grids and alignment, contrast, pattern, repetition, and structure. Finally, good training is interactive and captures the audience's attention with a quick quiz, a brain teaser, or a brief group discussion. The pandemic has proven the adeptness of tools such as Zoom in segregating the audience into small groups for short discussions. We will provide additional refresher, specialized, or ongoing training, as needed. Based on feedback from BPU, we will refine and modify the training curriculum as needed. However, possible topics and objectives are as follows:

1. The Oversight Continuum

- Discusses different types of oversight, ranging from supportive in nature to punitive in extreme cases. Covers awareness; education; prevention, detection, and investigation of integrity breaches; testing; remediation for struggling programs and recognition for successful programs; and retooling with lessons learned. Incorporates components of the New Jersey Integrity Oversight Monitor Guidelines.

2. Introduction to Fraud Examination

- Review common fraud statistics.
- Explain the Fraud Triangle, which refers to common elements of fraud schemes: motive, opportunity, and rationalization.
- Discuss briefly the characteristics of fraudsters.

3. Common Fraud Schemes

- Review common fraud schemes, focusing on those related to government construction, procurement, payroll (as applicable) and grant fraud.
- Provide case studies.
- Identify red flags associated with these schemes.

4. Using Data Analytics to Identify Fraud

- Review the data analytics process.
- Provide case studies.
- Identify common algorithms associated with fraud schemes.

5. MBE/ WBE Fraud

- Review requirements.
- Discuss commercially useful function criteria.
- Discuss red flags of illegal "pass-through" minority or women-owned companies.

- Discuss red flags of illegal “front” minority or women-owned companies.

6. Legal Aspects of Oversight

- Regulatory Overview of relevant statutes, regulations and requirements such as the American Rescue Plan Act of 2021," Pub. L. 117-2; Coronavirus State and Local Fiscal Recovery Funds (“CSFRF”) Interim and Final Rule 31 CRF Part 35; and 2 CFR Part 200: Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (“Uniform Guidance”). Depending on the preference of BPU, we could also discuss the Davis Bacon Act, 40 U.S.C. 3141-3148; Copeland Anti-Kick-back Act; Debarment and Suspension Executive Orders 12549 and 12689.
- Review of Consequences of Non-Compliance e.g. technical assistance, recoveries, forfeitures, debarment, claw backs, civil and criminal litigation.

Should the BPU staff and the Program Administrator require additional training on aspects of monitoring, we are prepared to provide additional modules. For sample topics, please see <https://www.vanderweelegroup.com/articles>

IV. RISK ASSESSMENT

Our Engagement Team will work with the ACM to complete the New Jersey Integrity Oversight Monitor Guidelines Risk Assessment. This process will assess how the Program Administrator has planned to manage program risks in administering the SSB-VEEVR and SSB-NPFA Programs to comply with P.L. 2021, c. 200 and the CSFRF Interim and Final Rule, as applicable.

The risk assessment will include a review of the agency’s ability to comply with federal and state statutory and regulatory requirements, including with regard to reporting, monitoring, and oversight, and a review of the agency’s susceptibility to waste, fraud, and abuse. Key areas of analysis include:

- Organizational leadership, experience, and staffing capacity to manage and account for federal grant funds such as the Energy Efficiency Stimulus Program.
- Program administrator and front-line staff insights into planning the use of COVID-19 funds and administering their use.
- Internal controls and identified weaknesses.
- Prior audits and audit findings.
- Lessons learned from prior disasters.
- Sub-recipient internal control weaknesses, if applicable.

- Adequacy of financial, acquisition, and grants management policies and procedures, including technological capacity and potentially outdated financial management systems.
- Barriers to reporting.
- Experience with procurement processes and managing contractors.
- Potential conflicts of interests and ethics compliance.
- Categories and complexity of sub-recipient projects
- Internal record-keeping, monitoring, reporting and training of sub-recipients.
- Use of funds and policies and procedures regarding eligibility determinations.

To conduct the risk assessment, which we have performed on behalf of multiple New Jersey agencies to date, we will review the documents provided and conduct interviews. The process will be informed by the sampling described below.

V. ONGOING MONITORING

A. Application File Review

Our Engagement Team will randomly select a sufficient number of applicant/grantee files split between school and small business categories and review for eligibility, payment, and proper documentation and to ensure statistical validity that program applicant files comply with program eligibility requirements, possess proper documentation, and meet all payment requirements. We will work with BPU to identify appropriate elements in the testing program and finalize sampling sizes, proposed to range from 10 to 15 percent. With that caveat, sample test questions are as follows:

1. Was the entity eligible to receive the grant?

Eligible applicants include:

- public schools, such as local school districts, consolidated school districts, regional school districts, county vocational schools, and charter schools.
- Small Businesses, including those that:
 1. are New Jersey-based
 2. are independently owned and operated;
 3. have no more than 100 full-time employees;
 4. have annual gross revenues that do not exceed \$12 million; and
 5. are a women or minority-owned business, as defined in Section 2 of P.L. 1987, c.55 (C.52:27H-21.8).

2. Did the application contain a Program Enrollment Application Form?

Application information should include:

- Applicant name
- Type of entity
- Address
- Contact information
- Utility provider(s)
- Project Information
 1. Type of project (Maintenance or Replacement/New)
 2. School or business address
 3. School or business size (classrooms/students, square footage)
 4. Project description
 5. Project schedule with estimated start and completion dates.
 6. Project budget
 7. Supporting documentation
 8. Self-Certifications

3. Was a Plumbing and Appliance Assessment Report completed? Yes/No

Reviewers will be asked to identify whether the assessment report, if applicable, documents the plumbing fixtures and appliances that are being replaced and that the file includes a cost estimate to complete the work, among other information. The HVAC Assessment Report must be completed by Qualified Testing Personnel, verified by a Certified Energy Auditor, and contain:

1. Overview Form

- Unit/Model No./Serial No./SEER Rating/Refrigerant
- Filtration
- Ventilation rate
- Ventilation system operation
- Air distribution
- Building pressure
- General maintenance
- Operational controls
- CO2 monitoring
- Energy and ventilation upgrades

2. Filtration Form

- Existing filter data
- Installation audit
- Frame condition

- Motor and control type
- MERV 13 verification

3. Ventilation Rate Form

- Determination of minimum required outside air
- Verification of minimum required outside air
- Verification of increased outside air

4. Economizer Operation Form

- Verification of economizer operation
- Economizer functions as designed
- Documentation of adjustments and repairs required

5. Demand Control Ventilation Operation Form

- Verification of DCV operation
- Verification of DCV function at setpoint of 800 ppm
- Document adjustments or repairs required

6. Air Distribution and Building Pressure Form

- Supply outlets measurement
- Return inlets measurement
- Exhaust inlets measurement
- Measured supply air = measured outside air + measured return air determination
- Measured supply air slightly great than measured return air determination
- Air distribution notes
- Document repairs and adjustments required

7. General Maintenance Form

- Verify coil condition
- Verify condensate drainage
- Measure and document temperature differential
- Verify condition of drive assembly
- Document deficiencies
- Document required repairs and adjustments

8. Operational Controls Form

- Review control sequences – verify systems will maintain intended conditions during operation

- Ventilation schedule operation
- Document deficiencies and recommendations for maintenance, replacement or upgrades.

9. CO2 Monitoring Form

- Verify installation or install a CO2 monitor
- Verify and document CO2 monitor meets required capabilities

4. Does the file include applicable appliance or fixture forms? Yes/No

The Documentation Form for Appliances and the Documentation Form for Fixtures will be reviewed to ensure it includes information such as:

9. Appliance or Fixture Type
10. Unit Name
11. Quantity
12. Model Number
13. Serial Number
14. ENERGY STAR Rating
15. Cost to replace
16. Cost to dispose of old equipment

5. Does the file include a Program Approval letter? Yes/No

Projects cannot begin without a program approval letter.

6. Was the grant funded amount within applicable program grant caps?

Our team will test whether grants exceeded applicable program caps.

Our Engagement Team will compare its findings against those of the Program Administrator's 10% - 20% random samplings and report its findings to the ACM as part of the additional reports required under section C(2)(b).

B. Inspection Reviews/Desk Audits

Our Engagement Team will perform a sufficient number of desk audits on completed projects in each program, by category (i.e., school or small business) to ensure with statistical validity that completed projects comply with program requirements.

While the application file review will focus on eligibility, payment, and proper documentation, the desk audit review of completed projects will focus on allowability of

expenditures, supporting documentation, consistency of expenditures and purchased systems and equipment with the grant application, and related expenditure testing.

We will work with BPU to identify appropriate elements in the testing program and finalize sampling sizes. With that caveat, sample test questions are as follows:

- 1. Were the grant expenditures allowable?** Specifically, were funds allocated and used to ensure schools under board of education jurisdiction and small businesses have functional HVAC systems that are tested, adjusted, and, if necessary or cost effective, repaired, upgraded, or replaced to increase efficiency and performance? Were non-compliant plumbing fixtures and appliances that fail to meet water efficiency standards replaced with water-conserving plumbing fixtures and appliances? Types of allowable expenditures include the reasonable cost of the HVAC assessment, assessment report, deferred general maintenance, adjustment of ventilation rates, filter replacement, system replacement, and carbon dioxide monitor installation.
- 2. Do the expenditures type match the grant application?** Did the grant expenditures match the purpose identified in the grant application?
- 3. Are expenditures supported by adequate documentation?**
Per 2 CFR 200.302(a), grant expenditures should be supported by source documentation that permits the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. Examples of source documentation include contracts, purchase orders invoices, receipts, packing slips, and contracts.
- 4. Was a plumbing verification report completed?**
In compliance with N.J.S. § 48:3-106.5, the plumbing verification form should include the following information:
 - the name and address of the grantee / applicant;
 - the name of the person or contractor preparing and certifying the report;
 - a description of the assessment, maintenance, adjustment, repair, upgrade, and replacement activities;
 - a description of the outcomes;
 - verification that the board of education or small business has complied with all requirements of P.L.2021, c.200 (C.48:3-106.1 et seq.);
 - documentation of plumbing system deficiencies;
 - verification that all work has been performed by a licensed professional, including the provision of the contractor's name and license; and

- verification that the equipment installed exceeds current energy efficiency requirements required by code based on the submission of manufacturer specification sheets and supporting documents of qualification.

5. Was Documentation of Completed Work Form completed?

Completed Work Forms for Appliances or Fixtures include a description of the following, accompanied by a completed invoice.

- Appliance or Fixture Type
- Unit Name
- Quantity
- Model Number
- Serial Number
- ENERGY STAR Rating
- Water Usage

Our Engagement Team will compare its findings against those of the Program Administrator's random samplings of inspection reviews and report its findings to the ACM as part of the additional reports required under section C(2)(b).

C. On-Site Monitoring Visits

In accordance with the New Jersey Integrity Oversight Monitor Guidelines, Our Engagement Team may perform on-site monitoring visits if there is a finding of:

- Non-compliance with reporting requirements;
- Problems identified in quarterly progress or reports;
- Unresponsiveness to requests for information;
- High-risk designation; or
- Allegations of misuse of funds or receipt of complaints.

Depending on the nature of the identified concern, we will request to see expenditure documentation, review the system or equipment installed, match specifications with application specifications, and request a demonstration of its use. We will conduct interviews to explore the root of the problem and gauge its causes and recommended corrective actions, if applicable. Our Engagement Team will document in writing its evaluation of the above and its determination.

D. Data Analytics

Our Engagement Team will review applicant data for potential fraud using data analytics or other appropriate methods such as online searches to identify anomalies, patterns and discrepancies. Our data analytics framework is built on these fundamental questions:

- What assets are at risk?
- What risks threaten those assets?
- How are those assets at risk?
- What data speaks to the risks?
- What analyses can identify indicators or red flags of potential areas of concern?

The classic risk analysis methodology begins with a basic question: What assets are at risk? In this program, taxpayer dollars are the key asset. Next we inquire, what risks threaten those assets? If taxpayer dollars are a key asset, then theft of these funds is an obvious risk.

Misappropriation can take different forms: embezzlement by applicants, payment to ineligible organizations or individuals, payments to phony companies, or overpayments. Related to misappropriation of tax dollars is the theft of equipment and supplies purchased with grant funding. Theft of information is another type of risk to consider.

Another threat is program failure, not only in terms of compliance, but also performance. This may include substandard systems, substitution of specified material with subpar equipment, or systems not installed at all.

The next step is to brainstorm on possible fraud schemes, specifically how assets could be diverted or at risk. An important part of brainstorming is reviewing what incidents have occurred in the program's past or in the administration of similar programs.

Examples of risks as they relate to payments include:

- Payments for services never provided.
- Duplicate payments.
- Payments to organizations that are "shell" companies.
- Payments in excess of the services performed or product delivered.
- Payments made as the result of kickbacks or bribery.
- Payments for materials being diverted for personal use or to the black market.
- Payments for ghost employees, for personal use, or time not worked.
- Payments made as the result of conflicts of interest.

We will seek to identify possible scenarios in which benefits can be improperly duplicated. Duplication of benefits occurs when an entity or person receives funds from one or more sources for the same purpose and in excess of the total amount needed or legally allowed.

Then we inventory what available data speaks to the risks, followed by building the analyses. Once we identify the available fields, we can identify what analyses are possible to address possible risks such as duplication of benefits, unacceptable product substitutions, conflicts of interests, diversion of grant-funded equipment, overbilling or, depending on how labor costs are documented, payroll fraud.

Before moving to the next phase—data analysis—we complete another critical step: preparing or “normalizing” the data. In layman’s terms, this means ensuring the same item, legal entity, person, or phone number is consistently represented in the same way every time it appears in the data set.

For example, in legacy data systems, a phone number might be represented as 555-555-5555, (555) 555-5555, or 1 (555) 555-5555. In this case, we will select a single, standard format and convert all the entries accordingly. Even with experienced analysts, normalizing data is a painstaking and time-consuming process.

In our next phase, we analyze the data, beginning with simple sorts such as grants with the highest dollar amount, types of expenditures, highest labor rates, and so forth. Depending on the objectives of the data analytics, we will then move to more sophisticated analyses, look for outliers, and report “red flags” for further review.

E. Follow up

Based on monitoring and data analytics, we will conduct interviews or other follow-up as necessary if concerns arise and cross-check or validate information against other data sources.

F. Review of Program Administrator (TRC)

Our Engagement Team will assess the performance of the Program Administrator to ascertain whether the Program Administrator is performing its requirements in a manner consistent with its contract (T3009 Program Administration and Management Services, New Jersey Clean Energy Program).

We will request an accounting of the disbursed funds to determine how closely they align to the budget plan as follows:

Grant Program Draft Incentive Budget Table		
HVAC Program		
	Underserved Communities	Not In Underserved Communities
Schools	\$75,937,500	\$25,312,500
Small Businesses	\$25,312,500	\$8,437,500
Plumbing/Appliance Program		
	Underserved Communities	Not In Underserved Communities
Schools	\$25,312,500	\$8,437,500
Small Businesses	\$8,437,500	\$2,812,500

We will assess whether the program requirement that 75% of grant funds be awarded to school districts and the remaining 25% to small businesses is being met. We will inquire about the sources of funding for the 25% to be covered by non-SSBVEEVR or non-SSBNPFA funding sources, as applicable (N.J.S. § 48:3-106.2).

In interviews with the Program Administrator, we will inquire about the number and amount of applications that have been reviewed, approved, and rejected. We will review the required deliverables such as the program guidelines/rules, inspection protocols, reporting templates, information technology system/portal for accepting and tracking online applications, and training curriculum. We will review status reports. We will perform testing on a sampling of invoices to ensure they match contract specifications. We will document any identified compliance finding and offer the opportunity for a response from the Program Administrator.

We will map out the application and award processes and staff titles responsible for each function. We will inquire about means used to achieve compliance with specific standards such as those governing procurement, ethics, labor laws, documentation, personally identifiable information, segregation of duties, segregation of grant funds, use of credit cards (if any), bank reconciliations of program funds, and so forth.

G. Review of Internal BPU Controls

2 CFR § 200.303(a) requires the non-Federal entity to establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in the “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework,” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Evaluations of internal controls in the financial management, cash management, acquisition management, property management, and records management system are an important and necessary element of the oversight process. Our team will gain an understanding of the procedures and operations of the organizations under review. The evaluation of the internal control environment will be focused on those internal controls that are applicable to each

Federal compliance requirement that is material to the grant program or material to a contract specific requirement.

For example, 2 CFR § 200.302 (a)(b) Financial Management requires that financial systems tracking Federal grant funds include or facilitate the:

- Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the Catalog of Federal Domestic Assistance title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.
- Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with selected provisions.
- Records that identify adequately the source and application of funds for Federally funded activities. These records must contain information pertaining to Federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income, and interest and be supported by source documentation.
- Effective control over, and accountability for, all funds, property, and other assets.
- Comparison of expenditures with budget amounts for each Federal award.
- Written procedures to implement the requirements of 2 CFR § 200.305 Payment.
- Written procedures for determining the allowability of costs in accordance with Subpart E—Cost Principles and the terms and conditions of the Federal award.

Our Engagement Team will evaluate internal BPU controls of the SSB-VEER and SSB-NPFA Programs with respect to implementation and administration by TRC of the SSB-VEEVR and SSB-NPFA Programs. We will use as a basis for our evaluation the “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). This document is commonly called “The Green Book.”

We will request a printout of program administrative expenditures and test a sampling of expenditures to ensure they are supported by adequate documentation and that they are reasonable and necessary for the program operation. As we understand it, the budgeted administrative costs are 2.5% of program costs, or \$4.5 million.

Consistent with 2 CFR § 200.403, we will test whether the cost is reasonable by answering questions including, but not limited to:

- Is the cost necessary for the performance of the grant?
- Does incurring this cost violate the restraints or requirements imposed by federal and state laws and regulations, or contractual terms and conditions?
- Is the price of the goods or services comparable from multiple vendors/sources that have no vested interest or relationship to the Award or to the person involved in the purchase? Is it aligned with market pricing?
- Is the cost the result of sound business and procurement practices?
- Have the individuals incurring this cost acted with due prudence (discretion and good sense) in the circumstances? Have they considered their responsibilities to the institution, the federal government, and the public at large?
- Were the actions that were taken in respect to incurring the cost consistent with established institutional policies and practices applicable to the grants?
- Did the costs exclude non-allowable expenditures such as entertainment; fines, penalties, damages, and other settlements; bad debts; selling and marketing costs; pre-award costs and other non-allowable expenditures?

We will test whether the cost is allocable by ensuring it benefits the administration and oversight of the program. In our sampling, we will determine if a cost is allowable by ensuring it is a permitted cost within federal regulations or terms of the award. We will examine whether the cost was incurred during the approved budget period and that it is adequately document.

Our examination of a sampling of expenditures will be designed to ensure that BPU is prepared for its Single Audit in accordance with the Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards at 2 CFR Part 200.

VI. DEVELOPMENT OF ANTI-FRAUD PREVENTION AND DETECTION MEASURES

Every step in the oversight continuum discussed above contains opportunities for the development of anti-fraud prevention and detection measures. Our team is experienced in each aspect and, accordingly, will recommend and develop anti-fraud prevention and detection measures during our systems review. This step, which will be invoiced in the Work Plan Development Category, includes:

- Analyzing and documenting the processes and procedures of the SFRF Programs, since inception, that were established and designed to prevent and detect fraud, waste, and abuse;
- Interviewing personnel and performing procedural walkthroughs to understand the procedures in place to measure not only fiscal compliance but to report on and

achieve programmatic objectives;

- Reviewing relevant written policies and procedures, program guides, or other internally memorialized publications to understand the breadth and depth of control activities.
- Documenting any data analytics undertaken by the agency.

Throughout this process, we will structured our analyses based on the phases outlined below.

Phase 1: Build Awareness. An effective oversight program begins with facing the reality that no organization is immune from integrity challenges. Therefore, the first phase of building oversight begins with awareness—awareness of risks, red flags, types of common schemes, and the consequences for not ensuring proper oversight. It also involves understanding the history and statistics about the prevalence of fraud. The requested training above meets this criteria.

Phase 2: Communicate Standards. Phase 2 begins with setting a tone at the top of the organization that communicates a commitment to operating in a high integrity environment. This has been done through the establishment of the New Jersey integrity guidelines and integrity monitor system. This phase also includes identifying standards to which the organization

must adhere. Standards include federal and state laws and regulations, but they also include internal ethics policies and strong ethics provisions in contracts with vendors. Once the standards have been set, they must be communicated to the broader organization.



Staff—both program staff and those grantees to whom it’s relevant—should receive formal training and resources to guide implementation. We will inquire how standards are communicated to grantees and staff and whether means include ethics training and technical assistance.

Phase 3: Prevent, Detect, and Investigate Compliance Breaches

Phase 3 involves ensuring that there are adequate systems to prevent, detect, and investigate fraud or other types of integrity breaches. Establishing robust Internal Controls

is a critical part of fraud prevention and is a required of organizations that accept federal grants. Another common prevention tool is the screening of grantees, vendors, and employees.

Next come systems for detecting integrity breaches. These include complaint hotlines and using data analytics to detect fraud. Audits and monitoring, although not specifically focused on fraud detection, can also be important tools.

Finally, there should be a means to escalate and investigate possible integrity breaches. This may mean an intensive monitoring review, an onsite visit or, in extreme situations, reaching out to the Inspector General.

Phase Four: Test The Standards

Testing occurs through monitoring, auditing, inspections, data analytics, and related tools.

Phase Five: Remediate, Reward, Recognize

Once areas of weakness have been identified, activities such as technical assistance, training, mentoring, and resources such as templates can be used to correct non-compliance. For intentional misconduct, there should be a thoughtfully developed series of escalated repercussions. Depending on the program type, it may be useful to recognize top-performing programs and grantees and celebrate successes through press releases and web site blogs.

Phase Six: Retool

The oversight process is iterative; each testing cycles offers room for improvement. After addressing changes at the grantee level, it's important to apply lessons learned. This phase includes updating and retooling processes, policies, contracts, training, resources, rewards, and consequences. Improvements should be communicated to internal and external stakeholders.

VII. MONTHLY REPORTS

The Engagement Team will submit a draft quarterly report to the Using Agency on the last day of every calendar quarter detailing the specific services rendered during the quarter and any findings of waste, fraud, or abuse using the Quarterly Report template. Fifteen (15) business days after each quarter-end, the Engagement Team will deliver its final quarterly report, including any comments from the Using Agency, to the State Treasurer, who shall share the reports with the Governor's Disaster Recovery Office, the Senate President, the Speaker of the General Assembly, the Attorney General, and the State Comptroller.

We will provide additional reports, as needed. With the submission of each monthly invoice, we will submit information about any of our findings pertaining to the work plan that demonstrates the progress made by our team. We will submit hours billed for each consultant corresponding to the components of the Work Plan and an evaluation of effectiveness of fraud prevention activities including assessment of results, recommendations for corrective action and prioritization of implementation of risk mitigation measures. Indications of fraud, waste, or abuse that should be immediately addressed with recommendations for risk mitigation.

At the completion of the Engagement, we will submit a Project Completion Report, including at minimum, scope of Engagement and methodology, documentation of work performed, summary of findings, and recommendations to mitigate the risk of fraud, waste, and abuse in the Program or future Programs.

VIII. SPECIFIC PERFORMANCE MILESTONES/TIMELINES/STANDARDS/DELIVERABLES

Our team will provide reports to BPU in accordance with the requirements as stated in the Engagement Query. These will cover, at a minimum, progress toward each of the identified milestones, status of compliance reviews, and trends in significant findings.

The Vander Weele Group^{LLC} - DLA team will perform the deliverables and prepare additional reports, as requested, including the following, according to the dates specified or as subsequently approved in an amended work plan.

Deliverables	Due Date
Kick-off meeting	5 days after issuance of purchase order.
Kick-off meeting minutes	3 business days after kick-off meeting.
Work Plan	Within 30 days after kick-off meeting.
Risk Assessment	60 days after kick-off meeting. We proposed to conduct two risk assessments over the contract period, with BPU approval.
Training	First training within 120 days of kick-off meeting, or sooner if BPU desires.
Ongoing Monitoring	Ongoing, per approved work plan.
Data Analytics and Development of Anti-Fraud Prevention Measures	Ongoing, per approved work plan.
Review of Program Administrator	Within 5 months of Kick-off meeting, subject to BPU approval.
Monthly Report	With monthly invoice, to be discussed at kick-off meeting.
Draft Quarterly Report(s)	Last day of each quarter.
Final Quarterly Report(s)	15 business days after the end of each quarter.
Project Completion Report	Within 30 days prior to the expiration of the Engagement.

IX. PRICING

Integrity Monitoring - Price Sheet

Note: No discount was offered because prices are stabilized for five years.

	Staffing Category	Hourly Billing Rate (\$)	Hours	Amount (\$)	Total Cost (\$)	Hourly Discounted Billing Rate (\$)	Amount (\$)	Total Cost (discounted) (\$)
Risk Assessment	Partner/Principal/Director	\$250.00	32	\$8,000.00	\$36,420.92		\$0.00	\$0.00
	Program Manager	\$241.91	52	\$12,579.32			\$0.00	
	Project Manager	\$170.00	32	\$5,440.00			\$0.00	
	Supervisory/Sr. Consultant	\$222.17		\$0.00			\$0.00	
	Consultant	\$135.00	20	\$2,700.00			\$0.00	
	Associate/Staff	\$130.00		\$0.00			\$0.00	
	Subject Matter Expert	\$192.54	40	\$7,701.60			\$0.00	
	Administrative Support	\$95.00		\$0.00			\$0.00	
			176					
Work Plan Development / Training / Anti-Fraud Measures	Partner/Principal/Director	\$250.00	220	\$55,000.00	\$175,073.00		\$0.00	\$0.00
	Program Manager	\$241.91	300	\$72,573.00			\$0.00	
	Project Manager	\$170.00	200	\$34,000.00			\$0.00	
	Supervisory/Sr. Consultant	\$222.17		\$0.00			\$0.00	
	Consultant	\$135.00	100	\$13,500.00			\$0.00	
	Associate/Staff	\$130.00		\$0.00			\$0.00	
	Subject Matter Expert	\$192.54		\$0.00			\$0.00	
	Administrative Support	\$95.00		\$0.00			\$0.00	
			820					
On-Going Monitoring and Training	Partner/Principal/Director	\$250.00	220	\$55,000.00	\$937,916.50		\$0.00	\$0.00
	Program Manager	\$241.91	350	\$84,668.50			\$0.00	
	Project Manager	\$170.00	160	\$27,200.00			\$0.00	
	Supervisory/Sr. Consultant	\$222.17		\$0.00			\$0.00	
	Consultant	\$135.00	4000	\$540,000.00			\$0.00	
	Associate/Staff	\$130.00		\$0.00			\$0.00	
	Subject Matter Expert	\$192.54	1200	\$231,048.00			\$0.00	
	Administrative Support	\$95.00		\$0.00			\$0.00	
			5930					
Reports	Partner/Principal/Director	\$250.00	45	\$11,250.00	\$72,326.70		\$0.00	\$0.00
	Program Manager	\$241.91	90	\$21,771.90			\$0.00	
	Project Manager	\$170.00		\$0.00			\$0.00	
	Supervisory/Sr. Consultant	\$222.17		\$0.00			\$0.00	
	Consultant	\$135.00	120	\$16,200.00			\$0.00	
	Associate/Staff	\$130.00		\$0.00			\$0.00	
	Subject Matter Expert	\$192.54	120	\$23,104.80			\$0.00	
	Administrative Support	\$95.00		\$0.00			\$0.00	
			375					
	Allowance for Travel Expenses and Reimbursement if on-site monitoring required				\$10,000.00			
	Total Cost (non-discounted)				\$1,221,737.12			
	Total Cost (if discounted)							\$0.00

X. PAST PERFORMANCE

The Vander Weele Group-DLA team is currently performing Integrity Monitoring services of Coronavirus Relief Funds provided through the New Jersey Department of Environmental Protection, the New Jersey Redevelopment Authority, the New Jersey Department of Labor and Workforce Development, and the New Jersey Department of Treasury, Division of Pensions and Benefits. We are designing the subrecipient monitoring program and providing fraud prevention training for the New Jersey Department of Community Affairs. Other significant clients include:

Vander Weele Group^{LLC} Clients

A. Illinois State Board of Education, Division of Federal and State Monitoring

Note: This refers to two contracts and separate projects, monitoring Chicago Public Schools and nine other large districts in Illinois.

Project Timeframe: 2018 - present

Project Dollar Amount: Current contracts: \$2,556,434; Historical: \$481,577

Project Descriptions: This engagement, which currently involves monitoring nearly \$1 billion in CARES ACT and related grants funding for Chicago Public Schools, began on May

7, 2018, when the Illinois State Board of Education (ISBE) engaged the Vander Weele Group^{LLC} to create and execute a risk-based program to monitor the expenditure of Federal grants distributed by ISBE to Chicago Public Schools District 299. Over two years, during FY18 and FY19, our team monitored \$62.2 million in grants expended at Chicago Public Schools for elementary and early childhood education. In the first year, the team developed program infrastructure, reviewed grant distribution and management processes in three Central Office units,

and identified schools to be monitored. We monitored 33 district-operated schools and 12 charter schools funded through Chicago Public Schools (CPS). In the first year, our firm identified 74 findings of non-compliance resulting in \$245,366 in questioned costs. This year, our team is conducting 60 fiscal reviews of schools and the Central Office. Our team created fiscal monitoring tools to gauge compliance with grant requirements, including but not limited to *2 CFR 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"), the CARES Act, and multiple education-related statutes. Examples of testing include gauging the allowability of costs, Time and Effort, adherence to budgets, appropriateness of parental involvement

"The Group provided the experience, expertise, and staffing resources necessary to complete the challenging engagement... Overall, I was impressed by the thorough work performed by the Group, and I was pleased with the collaborative partnership the Group formed with myself and my staff during the engagement."

Matthew Ulmer, Director
Federal and State Monitoring
Illinois State Board of Education

expenditures, timeliness of spending, coding of expenditures, and effectiveness of internal controls. We also conducted program existence testing, reconciliations of accounts, and district reporting requirements. In 2020, the State awarded our firm an additional contract to monitor nine of the state's other large districts.

B. Bureau of Early Intervention, Illinois Department of Human Services

Project Timeframe: 2015 - present

Project Dollar Amount: Current contract: \$7,673,600; Historical: \$5,282,324

Project Description: Annually since 2015, the Vander Wee Group^{LLC} has monitored services provided to more than 19,000 children and families of children under age 3 with disabilities or developmental delays. Each year, our team monitors 25 Child and Family Connections Offices

(CFCs), conducting both general and focused verification reviews, and individual therapy Providers/Payees in 16 individual categories of service. On behalf of the Illinois Department of Human Services, the Vander Wee Group^{LLC} monitored nearly \$140 million in funds over a five-year period provided to more than 1,200 payees and the 25 CFCs.

"The team has become a true partner within the Illinois Early Intervention network by delivering more than monitoring services. It also has made a significant contribution to the development of the Illinois State Systemic Plan . . . I heartily recommend the Vander Wee Group as a competent, caring, and professional organization who is proven and well-versed in the complexities of compliance monitoring."

**- Ann Freiburg, Chief
Bureau of Early Intervention
Illinois Department of Human Services**

Our Monitors test compliance with grant laws, regulations, policies, and high-quality service delivery standards. Our unique and specific testing tools are designed to ensure adherence to state and Federal regulations. Our Monitors evaluate child file documentation and Individual Family Service Plans for families in early childhood settings. Upon completion of each review, Vander Wee Group^{LLC} Monitors facilitate exit meetings with each grantee program team and review the results directly.

Our team provides guided technical assistance so that identified concerns are mitigated and addressed. In addition to exit reports, our team provides resources and require Early Intervention trainings when findings of non-compliance are identified. We conduct surveys to gauge family satisfaction. Our team has worked with the Illinois Department of Human Services in building better measures of family engagement and has assisted the program with improving reportable data through the State Systemic Improvement Plan. This assistance includes evaluating the fidelity of data collected, revising Early Intervention policies and procedures, and providing on-going technical assistance with the implementation of the revised meeting facilitation and family support policy and procedure.

C. Bureau of Early Childhood Education, Illinois State Board of Education

Project Timeframe: 2020 - present

Project Dollar Amount: \$6,886,343

Project Description: In a five-year engagement, the Vander Weele Group^{LLC} has been engaged to monitor Early Childhood programs funded through the State of Illinois' Prevention Initiative program. In FY21, our team monitored 96 programs representing a total funding of \$49,874,896. Program models include BabyTalk, Early Head Start, Nurse Family Partnership, Parents as Teachers, and Healthy Families Illinois. Grantees include Regional Offices of Education, Public School Districts, Charter Schools, Area Vocational Centers and other public or private entities experienced in delivering services to young children and their families. Our team is engaged to use three monitoring tools: the Prevention Initiative Compliance Checklist, the Home Visit Rating Scales, and the Infant / Toddler Rating Scale.

D. Bureau of Indian Education, U.S. Department of the Interior

Reference: Clients retired, but a Federal reference (CPARS) is attached.

Project Timeframe: 2005 - 2016

Project Dollar Amount: All contracts: \$3,916,941

Location: 23 States across the US

Project Description: In September 2011, the Vander Weele Group^{LLC} was engaged by the Bureau of Indian Education (BIE) to monitor 183 schools in 23 states for compliance with the *No Child Left Behind Act* (NCLB) and the *Individuals with Disabilities Education Act* (IDEA). At the beginning of the monitoring engagement, we created a school self-assessment tool, a monitoring tool, a standardized report format, and other program materials. We completed the first year's 38 compliance reviews in a two-month period. We hired Lead Monitors who previously led or taught in K-12 institutions to spearhead the compliance monitoring site visits. They were supported by secondary Monitors with critical technological and writing skills. During site visits, Monitors reviewed further documentation, conducted interviews with administrators and business managers, observed classrooms for teacher-student engagement and environment, reviewed samplings of teacher files to verify teaching credentials, and led focus groups of parents, teachers, paraprofessionals and students to gain a more complete sense of not only schools' compliance with NCLB, but operations that helped or hindered their ability to provide quality education to children. By the end of the engagement, we completed 142 site visits and multiple desk monitoring reviews. After Monitors returned from each school visit,

"You and your staff's commitment to Indian Education was demonstrated on many levels. The drive to dig deeper to find the source of noncompliance was and is critical in assisting schools to improve student achievement and close the achievement gap. Your staff's commitment to working through tough issues to arrive at the best approach to serve schools and Indian students was evident throughout this contract."

Stanley Holder, Chief (now retired) of the Division Compliance, Monitoring and Accountability

they completed a complex 20- to 40-page report. Each report thoroughly detailed a school's compliance with NCLB and also contained narratives explaining the school's strengths and weaknesses, which ultimately influenced a school's ability to comply with the law. The reports detailed outcomes of classroom observations, provided important insights on the causes of non-compliance, and identified endemic problems at BIE schools, which helped the agency be a better partner to the schools under its jurisdiction. In more than a decade of service to the BIE, our firm developed more than 50 manuals, training materials, reports, template forms, sample policies and procedures, and other materials to provide schools with technical assistance. We developed more than 100 pages of training on conducting fiscal and educational reviews of schools. We also designed monitoring tools and related materials for fiscal, Special Education, and other reviews.

E. Bureau of Indian Education, U.S. Department of the Interior

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F. Illinois Racing Board Foundation

Since 2018, the Vander Wee Group^{LLC} has supported the Illinois Racing Board Foundation (IRBF) to develop a grants monitoring and technical assistance program. The IRBF provides educational, occupational, and health-related services to the unique population of racetrack workers and their families. These workers typically live at the racetracks and migrate from one track to another during racing season. This project requires applying 30 ILCS 708 Grant Accountability and Transparency Act (GATA), the Uniform Guidance, and IRB rules, assisting in developing the Notice of Funding Opportunity and evaluating responses, creating a reimbursement template for grant recipients, creating quarterly and annual report templates, developing a grants monitoring program, and related tasks.

G. Navistar International

The Vander Wee Group^{LLC} provided nearly 200 high-level, confidential investigative projects for Navistar, Inc., a Fortune 500 manufacturer with approximately 15,000 employees. Projects include forensic data analyses of approximately \$40 million in credit card expenditures. The Vander Wee Group^{LLC} identified 145 suspect users, some of whom were criminally charged. After two years of analyses, this project resulted in savings to the corporation of \$16.3 million a year. Matters involved allegations of insider trading, kickbacks, Foreign Corrupt Practices Act violations, unauthorized diversion of scrap, conflicts of interests, procurement fraud, accounting fraud, self-dealing, and more.

H. North Dakota Department of Public Instruction

The Vander Wee Group^{LLC} was recently engaged by the North Dakota Department of Public Instruction to provide training on the three funding streams of the Elementary and Secondary School Emergency Relief Fund.

DLA Clients

A. Middlesex County, New Jersey COVID-19 Stimulus Funds Application Monitoring

Middlesex County ("Middlesex") received CARES Act funds in the amount of \$143,966,956.60 from the United States Treasury (the "Stimulus Funds"), to be used to reimburse the County and the municipalities and agencies within the County (the "Municipalities") due to economic damage caused to them by the Coronavirus. The Stimulus Funds were also to be used for the benefit of those businesses that have been impacted by COVID-19.

Middlesex County engaged the services of DLA to assist the County in its development, implementation, management and oversight of the establishment of three economic relief programs used to distribute Stimulus Funds to County Municipalities and small businesses in need of financial assistance. These programs were developed and implemented to quickly and effectively distribute the Stimulus Funds to those in immediate need.

The first program, the Municipal Reimbursement Program for County Municipalities, reimbursed County Municipalities for COVID-19 related costs including, but not limited to, vendor expenses, salary and fringe expenses, and necessary improvement projects. DLA's services for this program included:

- Providing advice and assistance regarding the interpretation of the constantly changing and updating U.S. Treasury Department's guidance on the CARES Act and its application to various situations and applications;
- Performing audits of CARES Act Reimbursement applications submitted by County Municipalities to:
 - a) Identify any weaknesses in the application process that might create an opportunity for the approval of ineligible reimbursements or those that might contain fraudulent expenses; and
 - b) Provide additional validation and vetting for expenses and to ensure there is adequate justification and documentation to support the use of CRF.
- Recommending to the County any revisions to the application review process.
- Performing a review of individual applications, on an as-needed basis, to provide additional validation and vetting for expenses.

Additionally, DLA was requested to assist the County in establishing its own CARES Act Small Business Emergency Assistance Grant Program ("SBEA Grant Program"). As a result, the County established the Small Business Relief Grant Program ("SBRG") which provided assistance to small businesses within the County that fall within the County's imposed eligibility restrictions, including but not limited to a net income limit of \$1M, a limit of fifty active employees, and a record of negative impact caused by COVID-19, and Small Business Grant Program ("SBGP") for County businesses with 10 or fewer

employees. The SBGP was funded by Community Development Block Grant (“CDBG”) funds. DLA’s services for these programs included;

- Developing an understanding of the requirements surrounding the SBEA Grant Program established by the New Jersey Economic Development Agency (“NJEDA”) and which of the NJEDA requirements were implemented on top of any underlying Federal requirements;
- Advising the County on choosing ‘best practice’ requirements from the CARES Act and/or NJEDA program to most adequately and efficiently accomplish the County’s goals in assisting County businesses with financial assistance
- Performing a sample review of the SBEA Grant Program applications submitted to the County to identify any weaknesses in the application review process that might create an opportunity for the approval of ineligible grants or those that might contain fraudulent information;
- Recommending to the County any revisions to the application review process; and
- Conducting due diligence on SBRG applicants and its owner(s) seeking any negative information on them that might impact the approval of the application.
- Performing reviews of individual applications, on an as-needed basis, to provide additional validation and vetting for expenses.

DLA’s services, aside from those specified above, ensured that there were adequate controls instituted for the programs and that there was adequate documentation and transparency and other justification for the expenditure of the relief funds, to prevent fraud, waste, and abuse and to protect against disallowances or claw backs by the Federal and/or state governments.

Project Description: Emergency Rental Assistance Program

As a result of the *Consolidated Appropriations Act* of 2021 (“CARES Act II), enacted on January 3, 2021, to provide further assistance to those impacted by COVID-19, one component, the Emergency Rental Assistance program, made available \$25 billion to assist households that are unable to pay rent and utilities due to the COVID-19 pandemic. Middlesex County was one of the eligible counties to receive funds directly from the U.S. Treasury receiving roughly \$25M to provide assistance to eligible households through existing or newly created rental assistance programs.

The County engaged the services of DLA to assist the County in its development, implementation, management and oversight of their Emergency Rental Assistance Program (ERAP) to assist those in urgent need in maximizing the opportunity for relief. In establishing and implementing the program, DLA ensured that there were adequate controls instituted for the program, as well as adequate documentation, transparency, and other justifications for the expenditure of the relief funds to prevent fraud waste and abuse and to protect against disallowances or claw backs by the Federal and/or state governments.

Throughout the process of ERAP, DLA’s services have included:

- Providing advice on the interpretation of the U. S. Treasury Department’s guidance on the Rental Program and its application to various situations and applications.
- Assisting with the design of the controls, procedures, and thresholds governing the County’s Rental Program, including: the design of the eligibility criteria, application form, listing of documents that should be required to be submitted with an application, the agreement and certification that renters and landlords would be required to execute as part of the application process, etc.
 - This assistance includes the development of an on-line application, review, approval, and auditable process within a public accessible portal in OpenGov.
- Performing the necessary, and adequate, due diligence reviews of applicants (including renters and landlords) to minimize opportunities for fraud, waste, and abuse.
- This includes taking the appropriate steps to ensure there are no duplication of benefits by the renters and/or landlords, by accessing other available data on what relief funds were provided to the renters and/or landlords.
- Performing audits, based both on a random sample and on an as-needed basis, to provide additional validation and vetting for expenses, to ensure adequate justification and documentation to support the use of Relief Funds, and to identify any weaknesses in the application review process that might create an opportunity for the approval of ineligible expenses or those based on fraudulent information
- Assisting in the full implementation of the Rental Program to ensure a prompt and expedited response from County Government.
- Performing any other professional services to the County as requested to assist with their implementation, management, and oversight of the Rental Program.

Project Description: ARPA

ARPA, which was signed into law on March 11, 2021, provides approximately \$1.9 trillion in spending to address the continued impact of COVID-19. The ARPA is a follow up to the Coronavirus Aid, Relief, and Economic Security Act (the “CARES Act”), which became law in late March 2020, and that part of the Consolidated Appropriations Act of 2021 (the Consolidated Appropriations Act) devoted to COVID-19 relief, which was adopted in late December 2020.

The County also received \$160,258,621 in ARPA State and Local Coronavirus Fiscal Recovery Funds and is in the process of devising plans and programs on how best to utilize these ARPA funds. In the interests of preventing, and detecting fraud, waste, and abuse involving any of the Stimulus Funds received by the County, and that the County disbursed to the Municipalities and businesses, the County retained the services of DLA to provide guidance and to assist the County in its establishment of the program.

DLA’s goal, in addition to preventing fraud, waste, and abuse and protecting against disallowances or claw backs by the Federal and/or state governments, is to ensure the

program effectively implements adequate controls and procedures, collects and stores adequate and sufficient documentation, and provides reasonable and transparent justifications for disbursed relief funds.

DLA has begun to assist County officials in the design and oversight of new and needed programs with ARPA funds and to protect the County and its officials financially and reputationally consistent with all Federal, state and Local guidelines by providing the following services:

- Providing advice on the interpretation of the U.S. Treasury Department's guidance on the American Rescue Plan (ARP) and its application to various programs, eligible uses of the ARPA funds, and other situations, as they may arise.
- Performing random audits of ARPA expenditures submitted to the County by sub-grantees and/or other third parties, or by the County to the U.S. Treasury, to provide additional validation and vetting for expenses and to ensure there is adequate justification and documentation to support the use of ARPA funds.
- Providing the County any other assistance or services they request pertaining to the ARP.

B. Gloucester County, New Jersey CARES Act Oversight

DLA is currently providing professional services including background investigation services to Gloucester County, New Jersey as it relates to the expenditure of Community Development Block Grant-CV (CDBG-CV)) funding related to the Coronavirus response.

Using the \$1 million-dollar CDBG-CV funding, Gloucester County created the Microenterprise Business Assistance Program in an effort to retain jobs and stabilize local businesses. The grant awards up to \$10,000 to eligible for-profit businesses. Eligible businesses submit an application through an online portal called Neighborly, made available through the County's website.

Using the Neighborly Portal, the County and DLA worked together to tailor an application process to ensure eligible applicants met the CDBG National Objective without engaging in fraud, waste, or abuse of the funds provided.

DLA is providing advisory and oversight services including the design of due diligence protocols as well as performance of due diligence and audits, to ensure compliance with Federal regulations and guidance issued in the expenditure of these funds, similar to the work being performed for Middlesex County as described above.

Specifically for Gloucester County, DLA's due diligence reviews are performed to verify the information provided by the applicant and determine if the applicant has any outstanding liens or judgments that would hinder the business from re-opening or remaining open, any duplication of benefits with other funding, state or Federal disbarment, and any adverse media related to the business or owner.

C. Large Public Institutions

DLA has provided and is providing compliance, oversight, and quality assurance/quality control services for two large public-school institutions with aging infrastructure needs including one of the largest school districts in the country. In these roles, DLA reviews existing standard operating procedures (“SOPs”), and revises or develops needed sustainable SOPs for the management of aspects of Environmental Management, in accordance with the specific rules and regulations that govern each specific program. We work with clients to provide recommendations for process improvement as needed and develop the project management framework needed to develop plans that maximize the utilization of both public and private grants.

Additionally, in the performance of our work, DLA conducts audits and review of:

- Current and planned system of record keeping and works with staff to develop an efficient way to manage stored environmental records accordance with law and to best use resources in balance with other priorities.
- Current practices and assists with the active awareness training program for building occupants who are not directly involved with the management of environmental programs.
- Existing prioritization of environmental work orders and measure the process against equity and risk standards.
- SOPs to ensure that they are fully implemented and achieving desired outcomes.
- Providing regulatory expertise for indoor air quality assessments and prioritization around ventilation controls for CARES Act funded capital programs.
- Provides guidance around financial compliance reporting requirement for private grant funding.

Through our oversight, DLA has exposed businesses that were deemed ineligible and uncovered details that the applicants failed to report. As a result, DLA prevented the county from violating terms of the grant and allowed them to confidently disburse the funds to eligible for-profit businesses registered and located within the boundaries of Gloucester County.

D. Cities for Financial Empowerment Fund

DLA was engaged by the Cities for Financial Empowerment (“CFE”) Fund in March 2020 to perform a thorough review and analysis of the CARES Act to determine if language exists that might support local and state governments using CARES Act money for financial empowerment initiatives including, but not limited to, one-on-one financial counseling and banking access programs for low- and moderate-income individuals impacted by COVID-19. Additionally, DLA performed a thorough review and analysis of documentation released by the Federal government that provides clarification and guidance on the permissible use of CARES Act money. As a result of this research, we

provided a guide summarizing the CARES Act and related documents highlighting language that appears to support the use of CARES funding for financial empowerment initiatives, specifically offering details on the direction and tactics CFE Fund grantees can use in their efforts to secure CARES funding. Finally, we have presented the findings to CFE Fund staff and will also present to grantees, upon request, through virtual learning community events.

E. Bloomberg Philanthropies

Since the onset of the Coronavirus pandemic and subsequent stay-at-home orders, DLA has teamed with Bloomberg Philanthropies to provide advisory services to the Conference of Mayors. In early April, DLA presented at the webinar entitled “COVID-19 Local Response Initiative: City Fiscal Tracking and Federal Reimbursement.” DLA worked alongside Rose Gill, Principal at Bloomberg, to outline critical steps to take and available resources and service offerings for governments in crisis response. The Bloomberg program has highlighted established best practices and provided to city leaders tutorials on how to apply for and receive aid, and also how to monitor expenses to ensure proper accounting. These new supports are delivered through a partnership between Bloomberg Philanthropies and the United States Conference of Mayors and is part of the Bloomberg Philanthropies COVID-19 Local Response Initiative. DeLuca Advisory Services was part of a team of companies tapped by Bloomberg Philanthropies to generate a robust set of support services and resources to help local leaders combat the Coronavirus and protect the social and economic well-being of cities.

F. A Civic and Social Organization

DLA continues to provide compliance related consulting services to a civic and social organization (“C&SO”) (whose name cannot be disclosed) that specializes in engaging and distributing pertinent information to hard-to-reach communities. The C&SO, which has been contracted by several municipal groups, created a COVID-19 outreach program using a hybrid of both in-person and remote sources to connect with hard-to-reach residents through the use of door knocking and mobile outreach strategies to distribute knowledge and educational tools of, as well as advertise the availability of, COVID-19 vaccinations to the communities in which they are contracted. Compliance and consulting services provided by DLA included:

- Conducting an initial risk assessment and review internal controls, policies, and procedures;
- Advising and training, on integrity, compliance, ethics, best practices and applicable Federal guidelines;
- Reviewing existing and amend and improve Code of Conduct, as well as other internal compliance documentation as seen fit;
- Developing a sampling methodology and performing audit testing procedures to ensure control compliance;

XI. OUR TEAM

MARIBETH VANDER WEELE

President of the Vander Weele Group^{LLC} / CEO/Partner

Maribeth Vander Weele is President of the Vander Weele Group^{LLC}, a Chicago firm that employs a powerful blend of expertise to promote integrity, efficiency, and sound programming in public and private institutions. The firm specializes in grants oversight services.

Maribeth is a results-oriented professional known for her ability to drive strategic and tactical change in large organizations. A former award-winning journalist for the *Chicago Sun-Times*, she authored *Reclaiming Our Schools, the Struggle for Chicago School Reform*, which became the roadmap for reform of the nation's third largest school system. A key member of the system's 1995 turnaround team, she spearheaded multiple integrity initiatives, revamped the Internal Audit division, managed a team that created an innovative system-wide truancy prevention program that returned thousands of children to school, and drove reforms such as mandatory summer school for children lagging behind their peers. In 1998, Chicago Mayor Richard Daley appointed Maribeth as Inspector General of Chicago Public Schools. Also in that year, she served as President of the Illinois Association of Inspectors General. In 2009, she served on an investigatory panel to address abuses in the University of Illinois admissions process. In 2012, she was appointed as the outsourced Inspector General of the Public Building Commission of Chicago, which manages hundreds of millions of dollars of public construction projects. Also that year, Cook County Board President Toni Preckwinkle appointed Maribeth to the Cook County Board of Ethics. Maribeth has been profiled in the *Wall Street Journal*, *Teacher Magazine*, and in the 1998 book, *Extraordinary Women Making a Difference*. Maribeth is a Certified Inspector General, which is a national designation.

CAREER HIGHLIGHTS

VANDER WEELE GROUP^{LLC}

2003 – Present

President

Maribeth is President of the Vander Weele Group^{LLC}, a Chicago-based professional services firm that provides grants monitoring and investigative services. As President of the Vander Weele Group^{LLC}, Maribeth:

- Developed, designed, and/or managed multiple nationwide and statewide grants monitoring programs.
- Spearheaded the development of company processes, procedures, and initiatives in human resources, finances, technology, regulatory compliance, facilities, and work procedures for client projects.
- Oversaw the development of grants management resource materials and libraries.
- Oversaw the recruitment of grants management professionals.
- Oversaw the development of multiple marketing and project-specific web sites.
- Managed investigative projects for Federal and corporate clients, domestically and abroad.

CHICAGO PUBLIC SCHOOLS

1995 – 2002

Inspector General

1998 – 2002

Maribeth served as the Inspector General for Chicago Public Schools, the nation's third-largest school system. As Inspector General, Maribeth:

- Oversaw a staff that investigated thousands of fraud, waste, and misconduct complaints in the operations and contracting of city schools.
- Restructured the agency to ensure that investigations were conducted according to the highest professional standards.
- Created and oversaw a construction integrity unit and a procurement fraud investigation unit, which instituted management reviews of key operational areas such as construction, food services, information technology, and janitorial services.

Chief of Investigations

1995 – 1998

In 1995, Maribeth joined the management team charged by Mayor Daley to turn around the city schools, acting as a key adviser to the Chief Executive Officer. On behalf of Chicago Public Schools, as Chief of Investigations, Maribeth:

- Spearheaded system-wide policy and management reforms to restore integrity, promote accountability, and improve the quality of public education.
- Created a team that investigated employee integrity issues, with a special emphasis on allegations of physical and sexual abuse of children.
- Oversaw the Internal Audit Unit, which conducted significant financial and management reviews.
- Oversaw a \$3 million Safe Schools grant.
- Launched and oversaw a Truancy Hotline, employing off-duty police officers to return thousands of children to schools.

AUTHOR

1995

Reclaiming Our Schools

Reclaiming Our Schools, the Struggle for Chicago School Reform, based on Maribeth's reporting for the *Chicago Sun-Times*, became the roadmap for the nationally acclaimed reform of the system. The Illinois state legislature and the school system implemented dozens of its recommendations, enabling the system to achieve significant improvement. Her work is quoted in multiple publications, domestically and abroad.

SPEAKER

Maribeth has lectured at seminars for the World Bank, Association of School Business Officials, the TIAA-CREF Annual Fraud Conference, the State of Indiana's Annual Legal & Ethics Conference, the Association of Inspectors General, the American Society for Industrial Security, APEC (a group of Fortune 500 Global Security Directors), the National Business Roundtable, the United States Agency for International Development, the Public Broadcasting System, the National Association of Local Government Auditors, the Illinois Certified Public Accountants (CPA) Society, the Association of Certified Fraud Examiners, the National Education Writers Association, and in

many other forums nationwide and in Canada. Her book has been cited in multiple graduate programs and she has lectured at colleges and universities such as Harvard University's Kennedy School of Government, Wheaton College, Loyola University, Columbia College in Chicago, DePaul University, the University of Chicago Graduate School of Business, and Kellogg Graduate School of Management at Northwestern University.

ASSOCIATIONS AND CERTIFICATIONS

Maribeth is a Certified Protection Professional and a Certified Inspector General. She is, or has been, a member of the Association of Certified Fraud Examiners, the Association of Inspectors General, the American Society for Industrial Security, the National Association of Corporate Directors, and the Illinois Chamber of Commerce. She is the winner of numerous journalism and book awards.

EDUCATION

Wheaton College: *Bachelor of Arts*: Political Science

Kellogg School of Business Management at Northwestern University, Executive MBA Program: two management courses. Maribeth has undertaken or taught nearly 100 onsite and online classes in investigations, management, security, human resources, information technology, marketing, writing, and grants management.

DR. KRISTEN MOKOFISI, PROGRAM MANAGER

Director of Fiscal Oversight

Kristen is a Doctor of Performance Psychology with twenty years of experience in project management, business, and education with extensive grants, fiscal, and contract management skills. She is a fiscal and programmatic specialist in the field of budget analysis, communications, project management, standards development and implementation, data collection and analysis, and cross-sector instruction supporting varied learning modalities.

CAREER HIGHLIGHTS

THE VANDER WEELE GROUP

2021 - PRESENT

DIRECTOR OF FISCAL OVERSIGHT

On behalf of The Vander Weele Group, Kristen:

- Analyzes grant submissions, revisions, and related budgets to ensure adherence to Federal and State regulations.
- Multi-sector contract management ensuring accurate completion of project deliverables in alignment with developed budgets.
- Simple to complex risk assessment development for multiple New Jersey engagements and Illinois State Board of Education contracts.
- Monitors over 1 billion dollars of Federal and state allocated funds including large scale COVID-19 relief purchases for HVAC system upgrades in accordance with mandated safety requirements.
- Applied provisions of Uniform Guidance, ARP, CARES Act, or other Federal and state grants to filed conditions such as file reviews.
- Tests processes and internal controls to verify that practices are in place to ensure compliance.
- Conflict and dispute resolution, as well as management of internal and external stakeholders, including systems and managements trainings.
- Samples and reviews expense reimbursements for equipment, supplies, and personnel to ensure they accord with laws, regulations, and established guidelines.
- Drafts recommendations and reports to summarize testing and findings and ensure that required reports are submitted per project requirements.
- Ensures that staff who are paid from grant funds are appropriately certified and that their documented duties align with the grant from which the funds were expended.
- Ensures that appropriate actions are implemented to resolve past deficiencies in auditing or monitoring reviews.

NEVADA DEPARTMENT OF EDUCATION

2018 – 2021

Education Programs Professional

On behalf of the Nevada Department of Education, Kristen:

- Provided oversight for federal COVID-19 relief grants including ESSER I, ESSER II, and ARP ESSER, as well as the 21st Century Community Learning Center grant awarded to

- the state department of education including budgets, RFPs, legislative allocations, and competitive awards.
- Monitored funds provided to local education agencies, tribal organizations, non-profit organizations, and private and charter schools in accordance with federal and state law, Uniform Guidance 2 CFR, and EDGAR guidance to ensure allowable programmatic administration.
 - Managed and monitored over 120 after-school learning sites through telecommunications, email communication, and on-site visits. Developed quarterly monitoring reports for submission to the Federal Department of Education.
 - Provided grants management and peer-reviewed competitive award processing and management, as well as monitoring following federally established guidelines.

WASHOE COUNTY SD, CHURCHILL COUNTY SD, AND RIVERVIEW CHRISTIAN ACADEMY 2007 – 2018
Department Head/Title 1 Teacher/SIP Professional

On behalf of Washoe County School District, Churchill County School District, and Riverview Christian Academy, Kristen:

- Was the Department Lead and Social-Emotional Learning Implementation Specialist.
- Implemented specialized curriculum to meet state and district standards of education for Title 1 school.
- Provided classroom and behavioral management of over 160 students per semester.
- Trained staff and provided professional development and managed Peer Learning Communities.
- Differentiated instruction to a varied level of cognitive development and students of varied social, educational, and developmental backgrounds.
- Provided Pre-K – 12th grade curriculum design and implementation around Nevada State Content Standards and Common Core Curricular Standards.
- Developed lesson plans, curriculum design, and conflict resolution plans and implementation for students.
- Provided PBIS and social intervention supports to staff and students
- Managed records and Individualized Education Plans for students

EDUCATION

Grand Canyon University: *Doctor of Philosophy in General Psychology (PhD)*

University of Nevada: *Master of Arts in Secondary Education (MA)*

University of Nevada: *Bachelor of Art in Fine Arts and Spanish (BA)*

Truckee Meadows Community College: *Associate of Art – Fine Arts (AA)*

SKILLS

- Project and Contract Management

- Performance Psychology
- Attention to Detail
- Communication, Collaboration, and Skill Building
- Critical Thinking and Problem Solving
- Microsoft Office/Mac Suite
- Leadership Skills and Time Management
- Ability to Multitask and Work in a Team
- Strong Critical Thinking Skills and Complex Problem Solving
- Grant Writing and Management
- Standards and Curriculum Writing and Implementation
- Data Collection and Analysis

ARTECIA FOSTER, Technical Analyst

Artecia is a highly self-motivated, accurate, resilient, and adept Finance Associate and Grants Monitor who provides key accounting, organizational, and monitoring skills. She conducted monitoring reviews for the Vander Weele Group^{LLC}'s engagement with the Bureau of Indian Education, and currently conducts monitoring reviews for the Illinois State Board of Education and the Illinois Racing Board.

CAREER HIGHLIGHTS

VANDER WEELE GROUP^{LLC}

2015 – present

Grants Monitor

On behalf of the Vander Weele Group^{LLC}, Artecia conducts the following in support of the FY21-FY24 Illinois State Board of Education (ISBE) monitoring of Chicago Public Schools (CPS) and FY20-FY22 ISBE monitoring of nine other school districts, with respect to Federal and state grants:

- Determines appropriate data sources and information needed to conduct analyses and reviews of various Federal grant-funded activities.
- Monitors the use of Federal and state grants including COVID-19 emergency relief funds for allowable expenditures including multi-million dollar HVAC system upgrades for schools in accordance with Uniform Guidance and other guiding Federal and state law.
- Conducts data analysis in connection with financial operations of Federal government grant-funded activities.
- Conducts desk reviews and on-site financial compliance monitoring visits for Federal grant-funded programs at public schools including sampling and testing.
- Prepares detailed draft grant monitoring reports containing findings of non-compliance and appropriate recommendations.
- Assists schools with grant compliance, visit preparation, corrective actions, and related questions.
- Provides budgetary support, training, and technical assistance to departments and schools on best practices and financial policies and procedures.

On behalf of the Vander Weele Group^{LLC}, Artecia also:

- Performed monthly desk reviews in an engagement with the Bureau of Indian Education.
- Served as a Grants Monitor in an engagement with the FY18 – FY20 ISBE monitoring of CPS with respect to Federal grants.
- Serves as a Grants Monitor in an engagement with the Illinois Racing Board.

- Automated key processes of the company's finance function.
- Examines and verifies various documents to ensure completeness and accuracy of data in accordance with accounting procedures.
- Monitors and completes company's WBENC, WBE, DBE, WOSB, and HUBZone certifications and licenses to ensure compliance with Federal and state laws and regulations.
- Oversees company's finance policies to ensure compliance with ever-changing county, city, state, and Federal mandates.
- Performs regular audits of company's financial records.

CITY COLLEGES OF CHICAGO DISTRICT OFFICE

2015

Assistant Accountant

On behalf of City Colleges of Chicago District Office, Artecia:

- Created and posted journal entries using PeopleSoft, as well as disposed of assets while recording their costs and acquisitions dates.
- Performed data entry and general filing.
- Prepared the schedule of daily cash reports for all seven City Colleges and their business entities.
- Reviewed the company's investments and adjusted their market values and maturity dates.
- Thoroughly evaluated accounts to ensure their balances corresponded with the general ledger, identifying any variances, and analyzing them to justify their existence.
- Assisted with the preparation of bank reconciliations.
- Assisted with the preparation of the Comprehensive Annual Financial Report (for Fiscal Year ending June 30, 2015).

EDUCATION

Roosevelt University: *Bachelor of Science in Business Administration: Accounting Major*

Relevant Coursework: Advanced Accounting, Auditing, Intermediate Accounting, Cost and Managerial Accounting, Income Tax Law and Procedure, and Principles of Finance Accounting Club

Harold Washington College: Associate in Arts: Accounting Major

SKILLS

- Proficient in Microsoft Office, including Microsoft Word, Excel, and PowerPoint.
- Extremely organized.
- Detail oriented.

- Experience with PeopleSoft.
- Experience with liability accounts.
- Highly adaptable.
- Excellent at time management.

LINDA RESSLER, Technical Analyst

Linda Ressler, with more than 15 years of experience in accounting and administration related to grant funds, has recently joined the Vander Weele Group^{LLC} to act as a Fiscal Associate, providing accounting expertise, data collection, report writing, and other assistance as necessary on monitoring engagements.

CAREER HIGHLIGHTS

VANDER WEELE GROUP^{LLC}

Feb 2022- Present

Fiscal Associate

On behalf of the Vander Weele Group^{LLC}, Linda:

- Samples and reviews expense reimbursements for equipment, supplies, and personnel to ensure they accord with laws, regulations, and established guidelines.
- Assists with data collection.
- Review of large-scale facilities purchases for Illinois school districts purchased with COVID-19 emergency relief funds.
- Supports the risk assessment for Illinois and New Jersey engagements.
- Utilized Uniform Guidance, ARP, and CARES legislation to sample and test compensation and non-compensation related expenditures.
- Drafts recommendations and reports to summarize testing and findings and ensure that required reports are submitted per project requirements.
- Provides other assistance as necessary on monitoring engagements.

WAKE FOREST INSTITUTE FOR REGENERATIVE MEDICINE (WFIRM)

2018 – 2019

Grant Administrator

On behalf of WFIRM, Linda:

- Analyzed grant proposals for compliance with Federal funding announcements including accurate bio sketches, project summaries, abstracts and other requirements depending on the sponsor.
- Submitted grant proposals for Federal, foundation, state, and gift funding.
- Tracked grant proposals and funding awards through the automated system in conjunction with the Office of Sponsored Programs.
- Submitted and tracked sub-recipient awards through the automated system in coordination with grant administrators at sub-recipient entities.

WAKE FOREST BAPTIST HOSPITAL*2017 – 2018***Accounts payable**

On behalf of Wake Forest Baptist Hospital, Linda:

- Entered Accounts Payable transactions into the financial system for processing of payments. This included invoices and other transactions as necessary to accurately remit payment to Wake Forest Baptist Medical Center (WFBMC) vendors.
- Determined accurate allocation of Sales tax.
- Printed, reviewed, matched, and checked files and payments for accuracy and retention.
- Assisted in reorganizing the office to improve customer service.

CONTRACT ASSIGNMENTS*2011 – 2017*

For various short-term contract assignments, Linda:

- Analyzed employee benefits; corrected errors for Federal contracts/grants.
- Calculated 401(k) discrepancies utilizing Department of Labor (DOL) online.
- Analyzed internal accounting system for an upcoming transition and consolidation.
- Performed AP and AR reconciliation for client closeouts using local accounting software, including QuickBooks.
- Formulated finances/budgets for individual clients.
- Prepared individual tax returns.

LANTANA CONSULTING GROUP*Feb 2011 – July 2011***Project Accountant**

On behalf of Lantana Consulting Group, Linda:

- Performed project time management for various contracts with Federal healthcare clients.
- Reported weekly to Federal clients and coordinated monthly invoices with the Financial Manager.
- Developed timekeeping policy and procedures for Defense Contract Audit Agency audit.

RAYTHEON MISSILE SYSTEMS, ADVANCED PROGRAMS*2007 – 2010***Financial Analyst**

On behalf of Raytheon Missile Systems, in their Research and Development Department, known as Advanced Programs, Linda:

- Was accountable for all aspects of defense contracts, from system setup in SAP accounting software to close-out, and all reports.

- Provided monthly presentations to directors and program managers and performed budget forecasting for all assigned accounts.
- Provided daily support to Federal clients, including financial document preparation, financial analysis, account reconciliation, and financial research.
- On a quarterly basis, interfaced with the management team on budget and contract issues, and presented risk assessments of estimated revenue based upon anticipated contract deliverables.

PASCUA YAQUI TRIBE

2005 – 2007

Grants and Contracts Accountant

On behalf of Pascua Yaqui Tribe, Linda:

- Prepared reports and drawdowns for state grant programs.
- Initiated all journal entries for corrections and budget revisions.
- Worked with program directors to track contract renewals and prepare budget revisions.
- Liaised with funding sources to ensure compliance. Initiated system changes to ensure budget controls were active.
- Provided quarterly risk analysis on Excel spreadsheet to program managers.

QUECHAN INDIAN TRIBE

2003 – 2005

Grants and Contracts Coordinator

On behalf of Quechan Indian Tribe, Linda:

- Assisted program directors in budget preparation and monitored contracts for compliance.
- Was accountable for initiating tribal resolutions for any changes in contracts.
- Monitored various grants to ensure contracts were received, reviewed by tribal attorney, and signed, and all budgets were approved and in the financial reporting system.
- Audited transactions prior to payment by finance to ensure compliance with grants.
- Provided tribal council and program managers with risk assessment of financial shortfalls using Excel.

EDUCATION

University of Maryland-Europe: *Bachelor of Arts: Business Management* 1994
 University of Kentucky: *Certified Public Manager* 2000

Microsoft Office 2010 (Excel, Access, Word, PowerPoint, Outlook)
Ongoing training for Research Administrators Certification

2014
2018

SKILLS

- Budget and forecasting
- Grants and Contracts
- Government accounting
- Experience with Earned Value Management
- Six Sigma Certified
- Manufacturing AP and AR
- Certified Public Manager
- Experience with SAP, MIP, People Soft, and other proprietary software
- Experience with InfoEd and other automated portals for grant proposals

RICHARD F. PALMER, CPA SUBJECT MANAGER EXPERT

Richard has a Masters in Accounting & Taxation and brings to the team insights and experience from varied engagements with multiple large accounting firms.

EXPERIENCE:

DRTAXGUY (Manhattan, NY)

January 22 – April 22

Tax Accountant

- Preparation of annual tax return based on information provided for our individuals, partnership & S-corporation clients (primarily within the entertainment industry).

Marcum, LLP (Hartford, CT)

Senior Auditor (Assurance)

2018 - 2022

- Performed integrated audit of client's financial statement with an increased focus on planning, risk assessment and supervising staff. Audits include but were not limited to annual audits as well as assessment of internal controls over financial reporting.
- Audited a diverse client portfolio which includes private and publicly listed companies primarily within the healthcare, insurance and not for profit industries.

Marc S Pelletier, CPA (Southington, CT)

2016 – 2017

Tax Accountant

- Review and/or preparation of year-end financial statements based on information provided for individuals, partnership & S-corporation clients which included, but not limited to review of client's supporting statements/schedules to ensure that the information is reasonable, recommend any reasonable changes and process tax return based the completed set of financials.
- Performed limited Review and Compilation engagements, primarily for our small business clients.

PwC, LLP (Hartford, CT)

2014 – 2016

Experience Audit Associate (Assurance) – Seasonal Contractor

- Performed integrated audit of client's financial statement with an increased focus on planning, risk assessment and supervising staff. Audits include but were not limited to annual audits as well as quarterly financial information reviews, assessment of internal controls over financial reporting including Sarbanes-Oxley compliance reviews and assessment of operational effectiveness.
- Audited a diverse client portfolio which includes private and publicly listed companies primarily within the manufacturing industry.

CohnReznick, LLP (Hartford, CT)**Audit Senior (Assurance)**

2012 – 2014

- Performed integrated audit of client's financial statement with an increased focus on planning, risk assessment and supervising staff. Audits include but were not limited to annual audits as well as quarterly financial information reviews, assessment of internal controls over financial reporting.
- Audited a diverse client portfolio which includes private and publicly listed companies in the areas of manufacturing, real estate and computer software as well as sustainable energy & digital media..

Deloitte & Touché LLP (Stamford, CT)**Audit Senior Assistant (Assurance)**

2010 – 2012

- Perform integrated audits of client's financial statements which include but not limited to annual audits as well as quarterly financial information reviews, assessment of internal controls over financial reporting including Sarbanes-Oxley compliance reviews and assessment of operational effectiveness.
- Audited a diverse client portfolio which includes private and publicly listed companies in the areas of manufacturing, insurance and real estate.

Aetna Insurance Inc. (Hartford, CT)**Audit & Control Analyst (HR Service Delivery)**

2005 – 2009

- Assist in the creation & implementation of internal controls necessary to ensure the data integrity of Aetna's payroll system, People-soft, and its sub-systems as well as assist in the preparation & implementation of audit plans for payroll services, with a focus on high-risk areas.
- Reconcile monthly payroll expense/deduction accounts and respond to inquiries from other departments relating to payroll related charges as well as provide information & assistance to facilitate the completion of annual financial statement audits/quarterly reviews to ensure compliance with SOX requirements.
- Assist in the Bi-Weekly payroll process, preparations of daily online banking process, calculation & collection of payroll overpayments. As well, create daily/bi-weekly and monthly journal entries.

Financial Reporting Analyst (Financial Acctg & Rptg)

2004 – 2005

- Timely and accurate completion of monthly/quarterly reinsurance audits which involved assessing risk associated with our reinsurance segment as well as ensuring that all deadlines are met in accordance with the timeframes established by the corporate controller's office.
- Responsible for various elements of the Company's monthly financial close process including recording of journal entries, maintenance and reconciliation of financials. As well, prepare account analyses to help identify unusual results, trends and/or issues.
- Provide information and assistance to facilitate the completion of annual financial statement audits and quarterly review to ensure SOX compliance.

EDUCATION:**Barney School of Business – University of Hartford – West Hartford, CT**

Masters in Accounting & Taxation

May 2010

Eastern Connecticut State University – Willimantic, CT
Bachelor of Science in Accounting

August 2003

Professional Affiliation:

NABA (Past Vice President - Greater Hartford chapter)

Beta Alpha Psi (University of Hartford Class of '10)

INROADS Leadership Alumni (class of '03)

COMPUTER SKILLS:

Advanced Excel (v-lookups, pivot tables, charts, etc.)

F. R. RICK DURAN

SUMMARY

Expertise in the management aspects of public-sector scheduling, project management, scheduling management, development management, and asset portfolio expertise, with profit-loss responsibility; Chicago, national and international experience.

QUALIFICATIONS SUMMARY

Forty-plus-year executive with national and international procurement, construction, real estate portfolio, development and complex project expertise:

PROJECTS: 20% Retail, 20% Housing, 15% Healthcare, 15% Office, 15% Exhibition, 10% Technology, 5% Airports
 CLIENTS: 30% Investors, 30% Services, 15% Manufacturing, 15% Governments, 10% Not-for-Profits
 LOCATIONS: 45% North America, 45% Europe, 6% South America, 3% Asia, 1% Africa

PUBLIC-SECTOR CLIENTS: Chicago Police, Chicago Transit, Chicago Housing, Chicago Aviation, McCormick Place, Illinois Commerce & Economic Opportunity, New York Transit, US HUD interface.

Career Highlights

DSR - Chicago, Inc. (an MBE owners-representative and construction due diligence consulting affiliation) Chicago, IL
Senior Project Management Executive March 2006 - Present

Currently active as Integrity Monitor (team Exiger (NY), for the City of Chicago Inspector General, the City Department of Aviation and the City Department Procurement Services on one-third (#2.7 billion) of the long-term \$8 billion ORD21 expansion program through 2028. Current oversight for awarded value of \$150 million.

- T-5 new parking structure (T5-GAR, T5-AUR)
- Renovation of existing parking structure (EPS)
- Expansion new water main lower-level (LLUPR)
- New joint area water supply expansion (JAWA)

Cost and schedule strategy and control; professional team selection and management; procurement strategies and negotiations; problem project forensics and work-outs, lender due diligence.

- Scheduled and managed tax-credit finance team (team-size: forty, lawyers, bankers) for three public housing authority renovations (CHA, Chicago) valued at US\$75M.
- Affordable Coop (Chicago, 2006) – Advising ownership on market, project, and financial feasibility of 260-unit US\$ 30 million renovation and ownership structural transition. ‘

- Produced over 100 cost-due-diligence and project management reviews for fifteen (15) Chicago-area lending institutions; also advised on non-performing loan work-outs.

The Archinomics Group, Inc. (an international management consulting affiliation) Winnetka, IL
Principal, Senior International Project Management Executive March 2006 – Present; 1993–2004

Project profit responsibility; professional team selection and management; procurement strategies and negotiations; cost and schedule strategy and control; problem forensics.

PROJECT-BASED ENGAGEMENTS:

- Advocate Health Care (US) – Initiated five new hospital projects in Chile, and twenty new clinics in alliance with Ministry of Health.

EDUCATIONAL ENGAGEMENTS:

- Wolters Kluwer (The Netherlands)–Provided executive education (Northwestern-Kellogg Executive Education custom programs) on successful project management organizations, and scheduling strategies to this global professional print conglomerate.
- Developed (1998-2000) web-based technologies, including FlashCost (world-wide conceptual costing database) and Remote (web-based) Schedule and project management systems.

ADVISORY ENGAGEMENTS:

- Design Firm (Chicago, 2006)–Acting COO, created profitable structure, complemented design quality. Established scheduling discipline.

CCS/OS (a construction-technology practice)
Director of Marketing and Strategic Alliances

Oakbrook Terrace, IL
2004 – March 2006

- Grew this 40-person practice over 2-year period, 20-plus% per annum, maintaining 15-plus% profitability.
- Implemented customer-relationship-management (CRM) system to coordinate nationwide sales force.
- Established successful MBE and WBE alliances for multi-project public-private involvement.

ECE Project Management International (Otto Group investment subsidiary) Hamburg, Germany

Vice President–International Relations, Retail & Commercial Projects 1990–1993

- Developed an international expansion strategy for Germany’s largest shopping center owner/developer, resulting in shopping center and mixed-use projects in Poland, Hungary, and The Czech Republic.
- Successfully pursued several property restitutions issues for strategic locales in Germany’s five new states, forming joint ventures with ECE, Deutsche Bank, and the historic property owners.

The Archinomics Group, Inc. (a project management consulting firm) Winnetka, IL
Principal, Senior National Project Management Executive 1987–1990

The Balcor Company (an American Express real estate investment subsidiary) Skokie, IL
Vice President–Operations, Balcor Development Company 1987
Vice President–Manager, Investment Research Group 1986–87

- Consolidated 65 professionals in three cost centers; transitioned to revenue center as US\$1B annual national investment due-diligence practice. Marketed through American Express family and externally.

Metropolitan Fair and Exposition Authority (governing body of McCormick Place) Chicago, IL
Assistant General Manager, Expansion and Development 1984–86

- Lead construction executive for the publicly-bid US\$160M fast-track construction of a 1.5M square-foot North convention center executed over live rail across a 31-acre site. *Schedule intensive.*

Lester B. Knight & Associates, Inc. (an ACME management consulting firm) Chicago, IL
Managing Associate, General Management Consulting Group 1981–84
Project Manager / Internal Consultant, Project Management Division 1979–80

- Completed feasibility, 31-acre land acquisition, legislative approval, US\$160M public funding for a 1.5M square-foot doubling of Chicago’s McCormick Place convention center.
- Evaluated competitive business traveler market. Conceived macro-development strategy for United Airlines at Chicago O’Hare Airport; kept the “pole” terminal position, maximized curb-close gates.

Facilities Planning and Construction, University of Washington Seattle, WA
Project Manager, Procurement Management 1976–77

Church of Jesus Christ of Latter-day Saints Zurich, Switzerland
Church Representative, Voluntary full-time service 1973–75

EDUCATION

Master of Architecture (Project Management) 1979
Master of Business Administration (Marketing, Economics) 1979
 University of Illinois, Urbana-Champaign, IL

Bachelor of Arts in Environmental Design 1977
Bachelor of Arts General Interdisciplinary Studies (With Distinction) 1976
University of Washington, Seattle, WA

Language Proficiency: German [fluent written/spoken], five years in country (DE, CH); French [passable]

Scheduling Technologies: MS Project (scheduling), Crystal Ball (Monte Carlo simulation for schedule forecasting & risk analysis), Primavera P6 (scheduling), Micro Planner X-Pert (scheduling). Also various remote and web-based systems.

PERSONAL

Interests: Cycling, travel (38 countries), swimming, golf, skiing, hiking, technology, research, and genealogy. Also community boards, volunteer service, coaching, and mentoring.

Joseph A. DeLuca, CEO/Partner

Joseph A. DeLuca is widely recognized as an industry pioneer in integrity monitoring, compliance, due diligence, auditing, and risk management. He leveraged decades of law enforcement experience to become an expert in conducting domestic and international investigations and intelligence-based risk-modeling. A licensed and bonded investigator and private detective, Joe has led high-profile efforts to identify and prevent fraud, waste, and abuse in almost every industry and business sector including construction, public works, large infrastructure projects, schools and universities, and gaming and casinos. Joe continues to develop, design, and implement solutions for the most complex problems facing a wide variety of private- and public-sector clients.

DeLuca Advisory Services (DLA) | New York, NY

2018 - present

Founding Principal and Project Executive

- Lead team of veteran experts in offering a full-spectrum of investigative and advisory services to private and public-sector clients
- Provide guidance to clients on steps needed to establish a world-class ethics and compliance program and to implement necessary controls to minimize fraud
- Provide oversight and subject matter expertise for Federally funded disaster recovery initiatives
- Provide oversight and guidance to counties receiving CARES Act and American Rescue Plan Act funds
- Assist in the design, implementation, management and oversight of programs/funds
- Design program elements, applications, procedural manuals, reports, etc.
- Provide guidance on the interpretation of Federal eligibility requirements
- Assist in the verification of the eligibility of applicants and perform appropriate due diligence on applicants and perform audits on the applications and expenses of various programs
- Assist in the reporting of program performance metrics to the US Treasury Department

Secure Worker Access Consortium (SWAC) | New York, NY

2018 - present

Chief Compliance Officer

- Ensure workplace compliance and personnel assurances for large public-private partnership adheres to best practices for security, safety, and risk management
- Lead efforts to efficiently and effectively promote safe and secure work environments, improve operational quality and integrity, and maintain protections for workers'

privacy and employment rights for thousands of private- and public-sector clients.

- Served as appointed member of the Transportation Security Administration’s Surface Transportation Security Advisory Committee (“STSAC”)
- Served as Chair of the Insider Threat Committee for STSAC which covers insider threats to surface transportation operations focused on due diligence and systematic approaches to minimizing risk of terrorist and other threats by criminal elements.

K2 Intelligence | New York, NY

2012 - 2017

Executive Vice President, Americas Operation

- Managed all aspects of Construction and Real Estate (C&RE) Services practice
- Collaborated with Europe, Middle East, and Africa (EMEA) to develop CR&E globally
- Managed and developed C&RE relationships with partners and vendors
- Provided quality control over proposal development, project launch, and project closings
- Evaluated potential acquisitions, investments, new products, offerings, and offices
- Conducted investigations, due diligence and litigation support for client matters

Thacher Associates | New York, NY

1996 – 2012

President and Co-Founder

- Created the premier integrity risk management and corruption prevention and detection services in New York City, providing investigations and research, electronic due diligence, database services, forensic audits, risk assessments, business intelligence, compliance programs, and civil prosecutions to public- and private-sector clients
- Provided monitoring and compliance programs directly to government agencies and private-sector contractors
- Assisted government agencies in the management of Independent Private Sector Inspector General (IPSIG) programs
- Shared responsibility for executive management of all key integrity monitorships, including Ground Zero, MTA Transit Projects, Scalandre, the Port Authority of New York and New Jersey’s WTC Transportation Hub, Retail, and the National September 11th Memorial monitorships
- Played key role in the development and refinement of the integrity risk management monitoring plans, and in the management teams that have overseen the implementation of those plans

New York City School Construction Authority (NYCSCA) | New York, NY

1990 – 1996

Office of the Inspector General

Assistant Deputy Inspector General and Chief of Operations

- Co-founded office along with the Inspector General at the request of New York State Governor Mario Cuomo
- Conceptualized mission, structure, and methods
- Developed, implemented, and staffed the Office of the Inspector General where none had previously existed: from site selection, office design, and computer/telephone/security systems purchase to hiring of attorneys, analysts, investigative engineers, and support staff
- Managed four units central to the agency: investigative, research and analysis, intelligence, and MIS
- Supported the Inspector General through problem identification; crime pattern assessments; the collection, storage and retrieval of intelligence; policy and procedure analysis; and development of policy recommendations to protect and improve the integrity of the SCA’s construction process
- Developed sophisticated structural and systems analysis programs aimed at prevention and detection; an intelligence capability complemented by proactive undercover operations; and a state-of-the-art computer system designed to facilitate the exchange and analysis of information within the agency and with other law enforcement entities

New York State Organized Crime Task Force (OCTF) | New York, NY

1980 – 1990

Chief of Analysis and Investigator

- Supervised research and analysis component of OCTF’s construction industry project which culminated in two published reports to Governor Cuomo - Corruption and Racketeering in the New York City Construction Industry

New Jersey State Police | New York, NY

1978 – 1980

Chief Analyst

- Participated in the pilot study of a New Jersey State Police Analysis Unit
- Contributed to the Analysis Unit’s expertise in designing and implementing intelligence analysis components, which heavily influenced and was drawn upon by many premier law enforcement agencies such as the FBI, Scotland Yard, and the Canadian and Australian Police Departments

West Virginia University | Morgantown, WV

1976



Master of Public Administration

Salem University | Salem, MA

1975

Bachelor of Arts, Criminal Justice and Sociology

Steven A. Pasichow, CIG, CFE, Program Manager

Steven Pasichow is a Certified Inspector General and Certified Fraud Examiner with more than 40 years of investigative experience across a vast range of pressing issues such as corruption, fraud, conflicts of interest, cyber-crime, whistleblower retaliation, and police, employee, contractor, and vendor misconduct. A veteran of public institutions, he has overseen fraud prevention efforts and integrity monitorships on major construction projects and crisis response initiatives for The Port Authority of New York and New Jersey and the City of New York. Steve not only served as Inspector General for several City agencies, including the New York City Housing Authority, but also supervised the Inspectors General of many more. Steve's excellence in leading large teams tasked with complex projects and delivering top-notch results has earned him widespread recognition and various awards for outstanding performance over the course of his distinguished career.

DeLuca Advisory Services (DLA) | New York, NY

2020 - present

Executive Managing Director

- Lead investigations for public- and private-sector clients
- Lead a variety of integrity and compliance engagements
- Provide guidance to clients on steps needed to establish a world-class ethics and compliance program and to implement necessary controls to minimize fraud
- Provide oversight and subject matter expertise for Federally funded disaster recovery initiatives
- Provide oversight and guidance to counties receiving CARES Act and American Rescue Plan Act funds
 - Assist in the design, implementation, management and oversight of programs/funds
 - Design program elements, applications, procedural manuals, reports, etc.
 - Provide guidance on the interpretation of Federal eligibility requirements
 - Assist in the verification of the eligibility of applicants and perform appropriate due diligence on applicants and perform audits on the applications and expenses of various programs
 - Assist in the reporting of program performance metrics to the US Treasury Department

The Port Authority of New York & New Jersey (PANYNJ) | Hoboken, NJ
Office of Inspector General

Deputy Inspector General / Director of Investigations 2014 – 2020

Assistant Inspector General / Assistant Director for Investigations 2004 – 2014

- Managed and directed the office responsible for investigating all fraud, corruption, waste, abuse, and other misconduct pertaining to all commissioners, officers, employees, and those doing business with the PANYNJ
- Led all aspects of the Fraud Prevention Program for all large capital construction projects and crisis response initiatives, including oversight of the Integrity Monitors assigned to the World Trade Center Redevelopment Program, LaGuardia Airport Central Terminal Building Redevelopment Program, Newark Airport Terminal One Redevelopment Program, New Goethals Bridge, Bayonne Bridge Navigational Clearance Program, Lincoln Tunnel Access Program, and Hurricane Sandy Recovery Projects
- Oversaw all private-sector corporate Integrity Monitors employed to monitor firms that experienced integrity related issues (e.g., government investigations, Deferred Prosecution or Non-Prosecution Agreements) as a condition of continuing to perform on existing Port Authority contracts, or awarded new contracts
- Managed additional prevention programs such as the Vendor Integrity Checks Program, Security Inspections / Penetration Testing Program, Integrity Awareness Program, and High-Level Employee and Applicant Background Investigations Program
- Oversaw three police oversight units responsible for investigating misconduct by employees of the PANYNJ's Police Department

New York City Department of Investigation (DOI) | New York, NY

Assistant Commissioner 1992 – 2004

- Coordinated agency-wide investigations into corruption, criminal activity, and conflicts of interest, and collaborations with law enforcement agencies and prosecutorial offices
- Managed all aspects of the DOI's Integrity Monitoring Program, including selecting and supervising Integrity Monitors assigned to private contractors, the workplans and budgets for their engagements, and their performance of the engagement
- Oversaw the Integrity Monitors assigned to the clean-up operation at Ground Zero following the September 11th terrorist attacks
- Co-chaired the DOI's Training Program and Peace Officer Program
- Chaired the DOI's Advisory Committee on Policy and Procedures, authoring and updating the agency's Investigative Policies and Procedures Manual
- Oversaw the Inspectors General for the Department of Design and Construction, Department of Health, Department of Transportation, Office of the Chief Medical Examiner, and social services-related agencies

Inspector General, New York City Housing Authority (NYCHA)

1995 – 2004

- Managed day-to-day operations of the Inspector General office responsible for NYCHA
- Led investigations into corruption, criminal activity, and conflicts of interest for NYCHA
- Collaborated with law enforcement agencies and prosecutorial offices throughout the course of and after investigations
- Managed the Integrity Monitors engaged to oversee private contractors working on NYHCA projects

Supervising Inspector General

1990 – 1992

- Served as Inspector General of all social services-related agencies, including what now constitute the Human Resources Administration, Administration for Children’s Services, Department of Homeless Services, Department of Youth and Community Development, Department of Cultural Affairs, Department for the Aging, and Department for Employment

Inspector General, Human Resources Administration

1988 – 1990

- Managed day-to-day operations of the Inspector General office responsible for many social services-related agencies, including what now constitute the Human Resources Administration, Administration for Children’s Services, and Department of Homeless Services

New York City Department of General Services | New York, NY

Office of Inspector General

Inspector General

1986 – 1988

First Deputy Inspector General

1984 – 1986

Deputy Inspector General

1981 – 1984

Assistant Inspector General

1979 – 1981

Confidential Investigator

1978 – 1979

- Led investigations into corruption, criminal activity, and conflicts of interest
- Collaborated with law enforcement agencies and prosecutorial offices throughout the course of and after investigations

Certified Fraud Examiner (CFE) 2011

Certified Inspector General (CIG) 2000

Farleigh Dickinson University | Teaneck, NJ 2008

Master of Public Administration

John Jay College of Criminal Justice, City University of New York | New York, NY
1978

Bachelor of Science, Criminal Justice (Magna Cum Laude)

New York City Department of Investigation Awards

Outstanding Performance Award

Commissioner's Award for Sustained Superior Performance

Significant Contribution to a Major Investigation

Significant Contribution to a Major Report

Significant Contribution to a Major Project

United States Department of Justice Award

Award for Public Service

John Jay College of Criminal Justice Award

Distinguished Alumnus Award

Association of Inspectors General

Board Member

Former President of the New York / New Jersey Chapter

Chair of Chapter Development Committee

Member of Standards, Conference, Strategic Planning, and Training Committees

Association of Certified Fraud Examiners

Kevin Mullins, Project Manager

Kevin Mullins specializes in financial and forensic investigations. He is a certified fraud examiner with 20 years of multidisciplinary experience in the accounting industry, specifically in the areas of forensic auditing and accounting. He performs analyses not only to detect fraud and noncompliance, but also to identify possible areas where costs can be recovered and make recommendations to client management for improvements in internal controls.

DeLuca Advisory Services (DLA) | New York, NY

2021 - present

Managing Director/Head of Forensic Accounting

- Participate as a key member in and oversee project risk assessments and the development of not only audit, but project wide approaches and lead multidisciplinary teams in implementation of same.
- Assist agencies with developing or enhancing policies and procedures related to the distribution of grants funds and implementing the eligibility determinations of same to be in line with specific regulatory requirements and best practices.
- Work with client management and staff to improve or develop controls related to financial recording and reporting and ensure compliance with GASB and GAAP.
- Work with client counsel and management to address potential legal and financial risk issues on various projects, including those stemming from regulations such as CDBG-DR and 2 CFR 200.
- Assess compliance with internal controls and procedures and recommend improvements as necessary.

K2 Integrity (formerly K2 Intelligence) | New York, NY

Managing Director

2010 – 2021

- Head of New York based forensic accounting practice, leading a team of over 10 staff at varying levels.
- Supervise staff teams on a multitude of projects including but not limited to integrity monitorships, compliance reviews, grants management, financial systems migration, internal controls and procedural reviews, implementations of policies and procedures, and

forensic investigations for a wide range of private and public clients.

- Work with client management and staff to develop or enhance accounting policies and procedures in line with both regulatory requirements and best practices and assist with implementation and testing of compliance with key procedures.
- Lead migration of accounting and vendor information from existing accounting software to new systems, overseeing the reconciliation of financial and vendor data.
- Lead investigations of suspect entities and individuals for legitimacy and fraud prevention.

J.H. Cohn, LLP (Now CohnReznick) | Eatontown, NJ

Senior Accountant & Auditor

2005 – 2010

- Examine records and monitor for errors and fraud on large, high-profile contract work.
- Evaluate contractors and subcontractor billing submissions for reasonableness and completeness.
- Make recommendations to appropriate personnel to assist in bettering the review process as it relates to contractual efficiency and compliance.
- Assist in developing approach and work-plan as it relates to audit procedures performed.
- Identify and investigate variances and discrepancies noted and report to client and various government agencies involved with the project.

Benefits and Collective Bargaining Agreement Compliance

- Performed various procedures to ensure proper reporting and compliance related to the collective Bargaining Agreement of a major North American professional sports league players' union.
- Deal specifically with upper management of assigned Teams in reviewing reporting submissions.
- Uncover errors and assist in resolving compliance issues to all parties' satisfaction in a limited amount of time available.
- Perform audits of single and multi-employer benefit plans and ensure that policies and reporting are in compliance with ERISA regulations.
- Uncovered evidence of non-compliance as it relates to the timely remittance of benefit contributions.

Auditing

- In-charge accountant for several audit clients of all sizes in areas such as construction and manufacturing and distribution, performing audits and reviews of financial statements, employee benefit plans, agreed-upon procedures, etc.
- Manage and supervise staff in performing necessary procedures efficiently and within stated deadlines.
- Deal directly with client executive management to discuss and resolve audit and accounting issues and recommend ways to improve reporting and internal controls.
- Perform analyses ensure accounting policies and reporting are in compliance with US GAAP.
- Uncovered fraudulent activities on a large client and developed a set of procedures to address the further risk of fraud during the audit.

Tax

- Participated in year-end tax preparation for several clients, including preparation of Forms 1120, 1120S, 1065, as well as reviewing Forms 5500 for accuracy and ERISA compliance.

Monmouth University | West Long Branch, NJ

Master of Public Administration (Inspection & Oversight)

2003

BS, Accounting

Certified Member of the Association of Certified Fraud Examiners (ACFE)

Michael Dundas, CCA, Subject Matter Expert

Michael Dundas has decades of experience leading teams on compliance, financial, contract administration, and construction audits. A veteran of the public sector and massive construction and infrastructure projects, Michael is a Certified Construction Auditor who has worked extensively with premier architecture, engineering, program management firms and construction managers such as AECOM Tishman, Turner, and STV.

DeLuca Advisory Services (DLA) ☐ New York, NY

2019 - present

Project Manager

- Plan and execute various audit engagements
- Execute CARES Act reviews for Middlesex County, New Jersey, which include reviews of municipal and county CARES Act Expenditures, Emergency Rental Assistance Program, Small Business Relief Grants and CARES school district grant funding
- Risk Assess CARES Act engagements to identify areas of greatest risk and related audit steps, which include ensuring eligibility in accordance with Treasury Department and other established guidelines, COVID-19 relation, procedural and internal controls, and reports to client summarizing the results of the review and corrective action required
- Communicate with client representatives on the status of the engagement, and financial, compliance, procedural, integrity, or other identified risks
- Ensure reviews are performed efficiently and effectively and in a collaborative fashion

The Port Authority of New York and New Jersey ☐ New York, NY

Assistant Director, Audit Department

2015 - 2019

- Led four audit divisions and forty auditors performing contract, compliance, construction, and financial reviews.
- Ensured efficient and effective completion of departmental assignments in accordance with Institute of Internal Auditors Standards.
- Surveyed clients and staff on the effectiveness of services provided and analyzed results to improve efficiency and effectiveness.
- Coordinated the development and execution of the annual audit plan for four divisions with a

- focus on the areas of highest risk to the agency
- Reviewed draft audit reports and recommendations submitted by managers and ensured clear, concise, and accurate results.

Manager, World Trade Center (WTC) Audit Division

2008 – 2015

- Spearheaded the newly created division and coordinated the planning and execution of all audit activities related to the redevelopment of the WTC site
- Managed a staff of twelve auditors performing contract, construction, operational, and financial reviews at the WTC site
- Developed initial and six subsequent annual audit plans for the WTC Audit Division
- Coordinated construction auditing team to meet the extremely fast-paced demands of work at the WTC site
- Upheld departmental compliance with Institute of Internal Auditors Standards
- Managed reviews of key processes at the WTC site and identified areas where the process could be enhanced
- Regularly consulted with relevant executives on key business risks, controls, and audit results
- Drafted Hurricane Sandy procedures for the WTC site to prevent double billings by contractors
- Provided contract administration and cost-plus training to staff and outside consultants
- Conducted dozens of audits of requisitions, payment applications, change orders, supplemental agreements, and contract documents for premier firms involved in the site such as AECOM Tishman
- Managed cost-plus and other financial reviews of numerous contractors, subcontractors, and consultants at the site
- Reviewed draft audit reports to identify areas in need of improvement and corrective action to be taken
- Assisted Office of Inspector General and integrity monitor staff with fraud, waste, and abuse reviews, including leading a forensic audit of a WTC Contractor for the Inspector General

Assistant Manager, Percentage Agreements Audit Division

2005 – 2008

- Supervised and directed staff in the performance of audits
- Reviewed workpapers and draft audit reports prepared by staff for accuracy and completeness and ensured findings and recommendations were properly supported
- Assisted manager with the preparation of the annual audit plan for the division

Senior Audit Supervisor, Percentage Agreements Audit Division

2001 – 2005

- Developed individual audit plans and conducted opening meetings
- Reviewed audit programs and potential risks
- Performed complex contract, lease, and compliance audits in an efficient manner
- Presented clear and concise findings and recommendations to management staff
- Prepared workpapers and draft reports in an effective and organized manner

Certified Construction Auditor (CCA)

2012

Member of the Institute of Internal Auditors

Rutgers University ☐ New Brunswick, NJ

1985

Bachelor of Arts, Economics, Concentration in Finance

Matthew Gavin, Subject Matter Expert

Matthew Gavin is a senior forensic accountant who has worked with clients ranging from state-run governmental agencies responsible for establishing and implementing Federal funding vehicles in the wake of COVID-19, as well as planning, designing, and constructing public works projects, to Fortune 500 companies undertaking large-scale construction and redesign projects. Matt excels at bringing a detailed eye to client- and industry-specific needs throughout his work leading audits, problem-identification, monitoring, and developing improvement processes.

DeLuca Advisory Services (DLA) | New York, NY

2020 - present

Senior Forensic Accountant

- Assisted in the establishment and implementation of policies, procedures, and internal control mechanisms to support the disbursement of Federal COVID-19 dollars for small businesses, rental assistance, and municipal use of roughly \$144.5M
- Created and conducted compliance audits to assess the reasonability of program disbursements in accordance with State and Federal guidance and provide identification and remediation measures for instances of fraud, waste and abuse.
- Perform in-depth risk assessments for private- and public-sector clients and created internal control maps from the dissected information.
- Lead audits, financial investigations, and economic analyses of accounting records
- Assist project managers and engineering consultants to ensure projects follow budgets, timelines, and policies

K2 Intelligence | New York, NY

2019 -

2020

Senior Forensic Accountant, Investigations and Disputes

- Conducted audit procedures for high-profile construction and real estate industry clients, including reviews of change-orders, monthly requisition applications, procurement processes, and invoices
- Worked closely with a law firm to prepare deposition for large-scale pharmaceutical fraud and money laundering case
- Saved a client more than \$30,000 on time- and material-based change orders by disputing time entry support provided by subcontractors

Grassi | Jericho, NY

Senior Auditor

2016 -

2019

- Supervised and led teams conducting financial statement audits, reviews, and compilations concentrated heavily in the construction, manufacturing, and distribution industries
- Provided client- and industry-specific recommendations for business and process improvements
- Identified and resolved accounting and financial statement issues according to U.S. GAAP, including new revenue recognition standards and WIP adjustments
- Built and monitored WIP schedules based on client conversations, client knowledge, and client support of monthly requisitions, change-orders, and estimates such as completion percentage, cost to complete, and over and under billings

LIU-IQ Consulting | Brookville, NY

2015

Volunteer Consultant

- Built mock financial statements and projected five-year estimates of future revenues, expenses, and cashflows for an international engineering company based in Brazil
- Researched locations for company to base US warehouse by taking into consideration state laws, regulations, and tax implications
- Researched pricing of materials by inquiring with various vendors throughout the US

LIU Post, School of Professional Accountancy | Brookville, NY

2017

Bachelor of Science, Accountancy

Fordham University, Gabelli School of Business | New York, NY

2014

Bachelor of Arts, Business Administration with a concentration in Finance

Salvatore S. Ubaldini, Subject Matter Expert

Salvatore Ubaldini brings over 7 years of experience in public accounting, auditing, and forensic accounting. He is a licensed Certified Public Accountant and Certified Fraud Examiner in New York State. He is also a member of the American Institute of Certified Public Accountants, the Association of Certified Fraud Examiners, and the New York State Society of CPAs.

K2 Integrity (formerly K2 Intelligence) | New York, NY

Senior Forensic Accountant

2020 –

2021

- Part of the practice's U.S.-based forensic accounting team focusing predominantly on the construction and real estate industries, Salvatore works with clients—ranging from public agencies responsible for public infrastructure projects to large developers and owners working on large-scale construction and redesign endeavors—to monitor the integrity of construction projects.
- Conducts risk assessments and internal control reviews and performs audits pertaining to the appropriateness of contractor billings and regulatory compliance, as well as costs associated with labor, materials, and equipment.
- Specializes in the complexities of financial institutions as they pertain to regulatory compliance and professional standards; including but not limited to financial controls and recording processes.
- Conducts ad-hoc financial consulting projects as necessary pertaining to financial controls, grant management, and overall financial recording processes.
- Interview's subject-matter experts; establishes risk control matrices; identifies, enhances, and tests internal controls; and prepares audit- and compliance-related reports.

BNB Bank (Now Dime Community Bank) | Hauppauge, NY

Senior Auditor

2018 – 2020

- Test Internal Control System to ensure compliance with established Bank policies, procedures, and all applicable Federal and state laws, to assist in the completion of Operational, Compliance, Financial, and Branch audits.
- Assists in managing and directing the activities of staff through overseeing audit

progress, summarizing audit findings to management, reviewing work papers, and time budgets.

- Complete work papers, which include data sets, sample sizes, testing rationale, and supporting documentation.
- Some accomplished audits and extensive research items include, but are not limited to Regulation O Audit, Asset, Liability, and Management Audit, Community Reinvestment Act Audit, Regulatory Reporting Audit, Fair Lending Audit, Credit Risk Management Audit, and Enterprise Risk Management Program Research.
- Frequently Referenced Regulatory/Professional Bodies: Federal Financial Institutions Examination Council, Federal Reserve Bank, NY State Department of Financial Services, Committee of Sponsoring Organizations, Generally Accepted Auditing Standards, Institute of Internal Auditors, etc.

Nassau County – Comptroller’s Office | Mineola, NY

Field Auditor II

2016 – 2018

- Utilized accounting, auditing, and investigative skills to create a unique report for each audit.
- Conducted vendor contract, billing reviews, and fiscal monitorships as necessary; including one for the Sandy clean-up grants on Long Island which included the sampling of payroll records, bidding/procurement records, billing records, and progress reports to name a few.
- Developed procedures to test, evaluate, and recommend remedial action, regarding the compliance of a government owned entity’s adherence to government regulations.
- Reviewed and analyzed contracts conducted with Nassau County and various vendors at the discretion of the County’s Comptroller.

Nawrocki Smith LLP | Mineola, NY

Internal Audit Associate

2014 – 2016

- External Auditor (25%) – Assigned financial audits and non-profit tax returns; engaged with clients regarding testing process, samples, supporting documentation, follow up, etc. Performed testing procedures to identify significant deficiencies and/or material weakness, significant trends, as well as created reports.
- Some of such engagements included grant audits for various New York State Departments including, but not limited to; Department of Mental Health, Department of

Health and Mental Hygiene, and Department for the Aging. Depending on the nature of the particular grant, audits included a review of: program expenses, program services, and any particular grant allowances.

- Internal Auditor (40%) – Completed unique audits, internal key control testing, bank reconciliations, and claims audit functions for Local Municipalities, School Districts, and Libraries throughout Long Island and the surrounding areas. Developed, reviewed, and managed comprehensive budgets used in connection to managing project workflows, giving executive leadership transparency into project economics.
- Litigation Analysis (20%) – Disseminated large amounts of qualitative and quantitative data, performed analytical procedures to identify significant trends, created reports, and articulated key results to upper management.
- Insurance & Fraud Analysis (15%) – Conducted various data trend analysis, researched applicable laws unique to state and local jurisdiction, conducted independent research pertaining to client’s historical events. Consistently extracted, researched, organized and analyzed data from client documentation, which were presented in final reports.

Hunter College, City University of New York (CUNY) | New York, NY

Master of Science (MS) – Accounting (GPA: 3.8)

2015

Molloy College | Rockville Centre, NY

Bachelor of Science (BS) – Accounting (GPA: 3.8)

2013

Certified Public Accountant (CPA – New York)

11/2018

Certified Fraud Examiner (CFE – New York)