

Letter of Engagement

December 15, 2020

Successful Bidder: CohnReznick

On behalf of the Department of Health, this is notice of the intent to award this IM engagement.

The bid will be awarded to CohnReznick whose proposal is most advantageous to the State, price and other factors considered.

The total amount of this contract must not exceed the amount of 82,151.25.

The successful bidder is instructed not to proceed until a purchase order is issued.

Thank you for your participation in this bid.

Sincerely,

Mona Cartwright
IM State Contract Manager

ENGAGEMENT QUERY

Waiver AO-030 – Integrity Monitor Engagement Query-Corona Relief Fund

NJ Department of Health

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. On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act, H.R. 748, (“CARES Act”) was enacted to provide economic stimulus in response to the global pandemic caused by COVID-19, (COVID-19 Recovery Funds).

The CARES Act was enacted to assist State, Local and Tribal governments navigate the impact of the COVID-19 outbreak. Under the CARES Act, the Coronavirus Relief Fund (CRF) provides funding for necessary expenditures related to the public health emergency incurred between March 1, 2020 and December 30, 2020.

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

The New Jersey Department of the Treasury (Treasury) has established a pool of qualified Integrity Monitors for oversight of Coronavirus Relief Fund Allocations pursuant to the Request for Quotation for Integrity Oversight Monitoring: Program and Performance Monitoring, Financial Monitoring and Grant Management and Anti-Fraud Monitoring for Coronavirus Relief Funds pursuant to Section 5001 of the Coronavirus Aid, Relief, and Economic Security (CARES) Act COVID-19 Recovery Funds and Programs (IOM RFQ) that Using Agencies may now procure in the discharge of their responsibilities under EO 166, as described in the Taskforce’s Integrity Oversight Monitor Guidelines.

This Engagement Query is issued by the Department of the Treasury on behalf of The Department of Health. The purpose of this engagement query is to engage an Integrity Monitor vendor to ensure that Recovery Program Participants are performing according to the sub-award agreement

and applicable federal and State regulations and guidelines with the intent to safeguard COVID-19 Recovery Funds through the following tasks. The Integrity Monitors will ensure proper internal controls along with state procurement and accounting procedures are being followed.

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

A. Background

Integrity Monitors are intended to serve as an important part of the State's accountability infrastructure while working with NJDOH in developing measures to prevent, detect, and remediate inefficiency and malfeasance in the expenditure of COVID-19 Recovery Funds.

The issuance of this Engagement Query will support monitoring and oversight of Coronavirus Relief Funds (CRF) 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.

The NJDOH has been in the COVID-19 response and health emergency items since the beginning of the pandemic. To this, DOH has utilized CRF to fund necessary programs directly related to health initiatives for the vaccination implementation in New Jersey. Below are the major programs and we continue to process contracts.

NJDOH COVID-19 relief package consists of the following programs, some of which are still under development:

- \$10M for Survey (Inspections) of Long-Term Care (LTC) facilities
- 25% Match for FEMA expenses
 - State Psychiatric Hospitals
 - Medical Examiner Office
 - Field Medical Stations
- \$50M Direct Care Salary at DOH psychiatric hospitals
- Testing Expansion
 - \$15M for Regional Rapid Response Teams
 - \$5.9M for Assistance to Counties
 - \$4.5M for Acute Care Hospital Grants for development of LTC infrastructure
 - \$10M for COVID-19 Point of Care Testing
 - \$8M for Educational Testing Program
 - \$15M for Public Awareness Campaign
 - \$5M for increasing the State's Emergency Responses through purchase of PPE
 - \$30M to prepare the infrastructure and processes required to vaccinate the population when the vaccine becomes available
 - \$1.3M to acquire three mobile command centers to serve as rapid response
- \$30M for Testing staff at Long Term Care

Additionally, the NJDOH has utilized other CARES Act funding from other sources to support its COVID-19 programs, including funding directly from the CDC for Epidemiology and Laboratory Efforts.

II. SCOPE OF WORK (SOW) REQUIREMENTS

A. Project Description

Integrity Monitors engaged by the NJDOH are to ensure that COVID-19 Recovery Program Participants are performing according to the sub-award agreement and applicable federal and State regulations and guidelines with the intent to safeguard COVID-19 Recovery Funds through the following tasks:

- Risk Assessment

Pursuant to the Integrity Oversight Monitor Guidelines (IMOG), the NJDOH is responsible for conducting risk assessments to assess the risk to public funds and the NJDOH current operations and whether internal controls are adequate to mitigate or eliminate risk using the Risk Assessment Matrix attached to the IOMG.

1. Initial Risk Self-Assessment

The NJDOH has completed the Initial Risk Self-Assessment, which was performed by the NJDOH divisions/ hospitals/ offices who received Coronavirus Funding. The Integrity Monitor will review the Initial Risk Self-Assessment Reports (Attachment 1) and ensure that the ability of NJDOH divisions /hospitals /offices to comply with CARES Act or other Federal statutory and regulatory requirements as well as applicable state law and regulations, including with regard to reporting, monitoring, and oversight. The Integrity Monitor will also review the susceptibility of the NJDOH divisions /hospitals /offices to waste, fraud, and abuse. The Integrity Monitor shall summarize the Initial Risk Self-Assessment and submit it to the NJDOH's Accountability Officer and shared with GDRO and OSC.

2. Final Risk Assessment

The Integrity Monitor will work with the NJDOH's Accountability Officer and other NJDOH staff to conduct the Final Risk Assessment of the COVID-19 Recovery Programs Participants and complete the assessment using the matrix attached to the IOMG. At minimum, the Integrity Monitor shall assess the risk inquiry areas set forth on the Risk Matrix (Attachment 2). The Integrity Monitor shall submit Final Risk Assessment to the NJDOH's Accountability Officer and shared with GDRO and OSC.

- Desk and Onsite Monitoring and Oversight

The NJDOH COVID-19 Recovery Programs Participants, the Accountability Officer and the Integrity Monitor will work together to fulfill the goals of EO 166 and the IMOG. The Integrity Monitor and NJDOH will share common goals, but the Integrity Monitor should conduct all reviews as an outside auditor/reviewer would and function as an independent party.

The Integrity Monitor must be available to conduct both onsite and desk monitoring of NJDOH divisions /hospitals /offices who accepted CRF funds based on the NJDOH CRF COVID Expenses 11-19-20 (Attachment 3). Especially place emphasis on monitoring those NJDOH divisions /hospitals /offices who receive and administer a total of \$20 million or more in CRF funds. The Integrity Monitor shall submit IM Quarterly Report (Attachment 4) to NJDOH NJDOH's Accountability Officer.

The Integrity Monitor will support the NJDOH divisions /hospitals /offices on COVID-19 CRF fund monitoring and oversight that ensure the compliance with program, financial, and administrative requirements set forth in the federal-state grant agreement, the sub-grant agreement, and applicable federal and state laws, regulations, and guidelines through the following tasks, at minimum:

1. Evaluate the performance on CRF funds and ensure the COVID-19 program objectives are being met in an efficient, effective, and economical manner;
2. 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;
3. Ensure compliance with all applicable Federal and State accounting and financial reporting requirements.
4. Evaluate the internal controls associated with the financial management, cash management, property management, and records management capabilities;
5. Validate the compliance with sub-grant award and general terms and special conditions;
6. Review the written documents, such as financial and performance reports, recent audit results, documented communications with the NJDOH divisions /hospitals /offices, prior monitoring reports, and other documents or reports, as appropriate;
7. Sample eligibility determinations and denials of applications for funding;
8. Review of 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;
9. Ensuring that the NJDOH divisions /hospitals /offices are retaining appropriate documentation, based on federal and state regulations and guidance, to support fund disbursement;
10. Follow up with questions regarding specific funding decisions, and review decisions related to emergency situations;
11. Facilitate the exchange of ideas and promote operational efficiency;
12. Promote cooperation and communication among Integrity Monitors engaged by other NJ State COVID-19 Recovery Program Participants (*e.g.*, to guard against duplication of benefits);
13. Conduct on-site monitoring as needed (see below); and.
14. Promptly respond to any inquiries from the Office of the State Comptroller (OSC) regarding Tasks under the Engagement.

Integrity Monitors shall 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 shall 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 shall 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 findings; and
- Allegations of misuse of funds or receipt of complaints.

B. Specific Performance Milestones/Timelines/Standards/Deliverables

All deliverables must be completed by December 30, 2020.

- Communication

The open and frequent communication should be maintained, the Integrity Monitor shall communicate via email and have weekly meetings via Microsoft Teams with the NJDOH Accountability Officer and NJDOH staff to discuss any issues that may need to be resolved.

- Risk Assessment

The Integrity Monitor shall review and summarize the NJDOH Initial Risk Self-Assessment and submit the assessment by using the Risk Matrix (Attachment 2) to Accountability Officer within three (3) days of receiving a Letter of Engagement or by 12/10/20 (whichever is earlier).

The Final NJDOH Risk Assessment using the Risk Matrix (Attachment 2) shall be submitted to the Accountability Officer within thirty (25) days of receiving a Letter of Engagement or by 12/30/20 (whichever is earlier).

- Desk and Onsite Monitoring and Oversight

All Desk and Onsite monitoring and Oversight of the NJDOH divisions /hospitals /offices who receive and administer the CRF are to be completed by December 30, 2020.

- Integrity Monitor Final Report

No later than December 30, 2020, Integrity Monitor will deliver their Final Reports for the NJDOH divisions /hospitals /offices who receive and administer CRF funds, inclusive of NJDOH's Management Responses, to the State Treasurer. These reports will be posted on the Governor's Disaster Recovery Office transparency website pursuant to Executive Order 166.

C. Risk Assessment Summary

The Integrity Monitor shall review and summarize the NJDOH Initial Risk Self-Assessment. The Integrity monitor shall conduct the NJDOH Final Risk Assessment. The Final Risk Assessment shall, at minimum, include the following elements:

- Review of existing internal controls, policies and procedures in place to satisfy the CRF funds requirements, federal and state law and regulations. Review Sub-recipient internal control weaknesses, if applicable;
- Organizational leadership, capacity, expertise, and experience in managing and accounting federal grant funds in general, and disaster recovery funds in particular;
- Prior audits and audit findings from state or federal oversight entities; and
- Adequacy of financial, acquisition, and grants management policies and procedures, including technological capacity and potentially outdated financial management systems.
- Experience with state and federal procurement processes, value of anticipated procurements, and reliance on contractors to meet program goals and objectives;
- 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).

D. Reporting Requirements

1. Reports

- a. Pursuant to EO 166, the Integrity Monitor shall submit a draft quarterly report to the Using Agency on or before December 15, 2020 detailing the specific services rendered during the quarter and any findings of waste, fraud, or abuse. A final report shall be due on or before December 30, 2020.
- b. In the event this Engagement is extended beyond the expiration date set forth in IV below, the Integrity Monitor shall submit draft quarterly reports to the Using Agency on the last day of the quarter detailing the specific services rendered during that quarter and any findings of waste, fraud and abuse. Fifteen business days after each quarter-end, the Integrity Monitor shall deliver

its final quarterly reports, inclusive of 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 EO 166.

2. Additional Reports

- a. E.O. 166 directs OSC to oversee the work of Integrity Monitors. Therefore, in accordance with EO 166 and the IOM Guidelines, the Office of the State Comptroller, (OSC) may request that the Integrity Monitor issue 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.

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 proposal with a person/hour and staff classification mix to meet the scope of work describing how the Integrity Monitor intends to accomplish each component of the scope of work.
- 2) A detailed budget to perform the scope of work reflecting the Price Schedule submitted by the Integrity Monitor in response to the IOM RFQ.
- 3) A schedule identifying the deliverables to be submitted under this Engagement Query.
- 4) Identification of any potential conflicts of interest regarding the delivery of services for the scope of work under this Engagement Query.

IV. Duration of the Engagement:

The Engagement will commence upon the issuance of a Letter of Engagement and expire on December 30, 2020. At the option of the Recovery Program Participant, this Letter of Engagement may be extended if the use of Coronavirus Relief Funds is extended under the CARES Act. Any extension to this Letter of Engagement, however, may not exceed the Contract Term, and any extensions thereto, as set forth in Section 5.2 of the IOM RFQ,

V. LIQUIDATED DAMAGES

Failure to deliver the summary of Initial Risk Self-Assessment within thirty (3) days of receiving a Letter of Engagement or by 12/10/20 (whichever is earlier)	\$150/day
Failure to deliver the final Risk Assessment by 12/30/20	\$200/day
After January 1, 2021, failure to deliver subsequent final quarterly reports within 15 days after the quarter end.	\$150/day

VI. Questions regarding this Engagement Query (OPTIONAL):

Any questions related to the Scope of Work must be submitted electronically by 5PM EST on December 8, 2020. They must be submitted via email to [REDACTED], and centralprocurement@doh.nj.gov with a copy to the State Contract Manager

VII. Submission of Proposals:

Detailed proposals in response to this Engagement Query shall be submitted electronically by 5:00PM EST December 9, 2020. 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 and DOH Procurement;

Eric Anderson, Director of Management and Administration, Department of Health
[REDACTED]

DOH Procurement: centralprocurement@doh.nj.gov

VIII. 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.

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

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

ATTACHMENTS

1. NJDOH CRF Initial Risk Self-Assessment Reports;
2. NJDOH Integrity Monitor Risk Assessment Matrix Template;
3. NJDOH CRF COVID Expenses 11-19-20;
4. NJDOH Integrity Monitor Quarterly Report Template.

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.

Attachment 1 is an internal document that is not a public record pursuant to N.J.S.A. 47:1a-1.1 as it constitutes intra-agency advisory, consultative, or deliberative material.

Agency / Authority:		Completed By:
Program: \$		
Funding Source:		Date:
Recipient or Subrecipient:		

Risk Inquiry Areas	Rating Element	Summary Assessment/Description of Risks Identified	Risk Level (Low, Medium, High)
<p>Organizational leadership, capacity, expertise, and experience managing and accounting for federal grant funds in general, and disaster recovery funds in particular.</p>	<p>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 the CARES fund requirements, 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?</p>		
Inquiry 2:			
<p>Input from the individuals/units that will be disbursing funds or administering the program.</p>	<p>How will your agency plan for the use of the CARES 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 the CARES fund objectives? Does your plan include or contemplate the inclusion of input from line staff that are administering the program?</p>		
Inquiry 3:			

Risk Inquiry Areas	Rating Element	Summary Assessment/Description of Risks Identified	Risk Level (Low, Medium, High)
Review of existing internal controls and any identified weaknesses.	Has your agency reviewed its internal controls to ensure that policies and procedures are in place to satisfy the CARES fund requirements, 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 CARES funds? Does your agency have a monitoring and oversight plan to assess your continued performance and compliance with the CARES fund requirements, 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?		
Inquiry 4:			
Prior audits and audit findings.	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 stimulus funding?		
Inquiry 5:			
Lessons learned from prior disasters.	Has your agency been audited after a previous disaster? Have you considered and addressed any findings and recommendations from such audit(s)?		
Inquiry 6:			
Sub-recipient internal control weaknesses, if applicable.	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?		
Inquiry 7:			
Adequacy of financial, acquisition, and grants management policies and procedures, including technological capacity and potentially outdated financial management systems.	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 CARES funds?		
Inquiry 8:			

Risk Inquiry Areas	Rating Element	Summary Assessment/Description of Risks Identified	Risk Level (Low, Medium, High)
Barriers to reporting.	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?		
Inquiry 9:			
Experience with state and federal procurement processes, value of anticipated procurements, and reliance on contractors to meet program goals and objectives.	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?		
Inquiry 10:			
Potential conflicts of interests and ethics compliance.	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?		
Inquiry 11:			

Risk Inquiry Areas	Rating Element	Summary Assessment/Description of Risks Identified	Risk Level (Low, Medium, High)
Amount of funds being disbursed to a particular category of sub-recipient and the complexity of its project(s).	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 Uniform Grant Guidance 2 C.F.R. 200.331 (Requirements for pass through entities)? 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?		
Inquiry 12: Whether federal or state guidelines provide guidance regarding the uses of funds (<i>i.e.</i> , discretionary vs. restrictive).	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?		

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.

**NJ Department of Health
Coronavirus Relief Funds (CRF)
as of November 19, 2020**

Description	Version	Account(s) 20-046-100-	Grant Award MOU	Amount Rec'd from Treasury	Pre- Encumbrances	Obligated	Expended	Balance	Proj Date of Full Disbursement
Survey Program	1st Amend.	4260-108 4210-128/4294-	10,000,000.00	10,000,000.00	-	1,892,488.00	463,825.00	7,643,687.00	
25% Match to FEMA DR4488	Original	261/4297-049	4,000,000.00	4,000,000.00	-	26,987.09	3,001,948.61	971,064.30	
Emergency Rate - Psych. Hosp.	Original	4294-262	9,428,319.15	9,428,319.15	-	-	9,428,319.15	-	
Testing Expansion	Original	4210-132	100,500,000.00	100,500,000.00	5,000,000.00	1,223,104.17	32,180.25	94,244,715.58	
Long Term Care Testing	Original	4260-110	34,500,000.00	34,500,000.00	26,000,000.00	-	-	8,500,000.00	
PH- DOH Public Health- Direct Care Salary 3/20/20-6/30/20	Original	4291-059/4292- 058/4293-038/4294-	50,456,446.49	50,456,446.49	-	-	50,456,446.49	-	
TOTAL			208,884,765.64	208,884,765.64	31,000,000.00	3,142,579.26	63,382,719.50	#####	

Survey Program

Certisurv has begun surveying again in NJ. Attached is the list of surveys scheduled by 11/12/20 and the rest of the list will be included on the 11/6/20 report.

25% Match to FEMA DR4488

The CRF funds that are match to FEMA DR4488 are currently being reviewed by DOH and if it is determined that future expenses will not be charged to DR4488, DOH will recommend returning the remaining balance of \$971K to Treasury for redirect.

Testing Expansion

Vendors are being solicited and bids being acquired.

LTC Testing

Contract is in place and finalizing encumbrance. Issuance of expenditures are expected next week.

Integrity Monitor Firm Name: _____


Engagement: _____

Quarter Ending: _____

No.	Recipient Data Elements	Response	Comments
A. General Info			
1.	Recovery Program Participant		
2.	Federal Funding Agency? (e.g. CARES, HUD, FEMA)		
3.	State Funding (if applicable)		
4.	Award Type		
5.	Award Amount		
6.	Accountability Officer		
7.	Brief Description, Purpose and Rationale of Integrity Monitor Project/Program		
8.	Contract/Program Location (if applicable)		
9.	Amount Expended by Recovery Program Participant to Date		
10.	Amount Provided to other State or Local Entities		
11.	Completion Status of Contract or Program		
12.	Expected Contract End Date/Time Period		
B. Monitoring Activities			
13.	If FEMA funded, brief description of the status of the project worksheet and its support.		
No.	Recipient Data Elements	Response	Comments
14.	Quarterly Activities/Project Description (include with specificity activities conducted, such as meetings, document review, staff training, etc)		
15.	Brief description to confirm appropriate data/information has been provided by recipient and what activities have been taken to review in relation to the project/contract/program.		

16.	Description of quarterly auditing activities that have been conducted to ensure procurement compliance with terms and conditions of the contracts and agreements.		
17.	Has payment documentation in connection with the contract/program been reviewed? Please describe		
18.	Description of quarterly activity to prevent and detect waste, fraud and abuse.		
19.	Provide details of any integrity issues/findings		
20.	Provide details on any other items of note that have occurred in the past quarter		
21.	Provide details of any actions taken to remediate waste, fraud and abuse noted in past quarters		
No.	Recipient Data Elements	Response	Comments
C. Miscellaneous			
22.	Attach a list of hours (by employee) and expenses incurred to perform your quarterly integrity monitoring review		
23.	Add any item, issue or comment not covered in previous sections but deemed pertinent to monitoring program.		

Name of Integrity Monitor:	Name of Report Preparer:
Signature:	
Date:	



Engagement Query Response

**Waiver AO-030 – Integrity Monitor Engagement Query-
Corona Relief Fund**

New Jersey Department of Health

Submitted December 14, 2020 3:00PM



Submitted by: CohnReznick LLP

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Suite 2316
Holmdel, NJ 007733

www.CohnReznick.com

Frank Banda, CPA, CFE, CGMA, PMP
Managing Partner – Public Sector
E-mail: Frank.Banda@CohnReznick.com

December 14, 2020

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

RE: New Jersey Department of Health – Waiver AO-030 – Integrity Monitor Engagement Query-Corona Relief Fund

Dear Ms. Cartwright,

On behalf of CohnReznick LLP, we are pleased to present our proposal to provide the New Jersey Department of Health (NJDOH) with Integrity Oversight Monitor (IOM) services in response to Executive Order No. 166 (EO-166).

We are confident our monitoring and compliance team represents the best value to NJDOH. The CohnReznick Team offers the following advantages:

- **Subject Matter Experience.** Our team has CARES Act experience providing compliance and oversight monitoring services for programs of similar size, scope and complexity to that required here by the NJDOH. Our team will not waste time with the need to ramp up or gain familiarity as we can deploy immediately and provide deep grant and disaster recovery fund experts with experience in similar programs. Our team will ensure the work completed under this contract will be fully compliant with all relevant CARES Act and EO-166 regulations, policies, and procedures.
- **New Jersey Presence and Rapid Deployment.** Founded in 1919, our firm has the staffing capability to meet NJDOH's needs. Our broad New Jersey presence, over 450 professionals, located in our Parsippany and Holmdel offices, allows us to effectively and rapidly coordinate qualified staff to respond to the NJDOH's turnaround times and reporting deadlines.
- **Excellent Record of Supporting New Jersey IOM Programs.** Our team has provided compliance and integrity oversight monitoring services for the State of New Jersey's Department of Community Affairs, Sandy Recovery Division (NJ DCA-SRD) for its Superstorm Sandy recovery programs. In addition, we provide ongoing integrity oversight monitoring to NJ Transit and the Port Authority of New York and New Jersey. As such, we are familiar with the State's commitment to compliance and monitoring as outlined by EO-166 and the earlier Integrity Monitor Oversight Act (the Act). Our efforts on NJ-DCA resulted in the creation and implementation of 19 programs—the largest of which was valued at \$1 billion—built on “real-time” mechanisms to track, quantify, and evaluate performance and mitigate risk at the contractor and program levels. We bring that experience to the State's goals for CRF monitoring under EO 166.
- **Integration and Coordination with NJDOH Personnel.** Our team, upon contract award, can quickly engage with the NJDOH to determine the level of involvement desired by NJDOH staff. We will suggest options for integrating NJDOH personnel into our approach to save costs and create efficiencies to meet deadlines. Furthermore, we are more than happy to turn over tools

and the knowledge base built throughout the engagement for ongoing program management by NJDOH staff.

- **Our Ability to Withstand Public Scrutiny.** Our integrity monitoring, disaster recovery, and grant management programs and deliverables have been inspected by public officials, political appointees, state Attorneys General, Inspectors General, and the general public. Without fail, our programs and deliverables have repeatedly withstood this intense scrutiny.

CohnReznick is a nationally recognized industry-leading advisory, assurance, and tax firm. In the wake of Superstorm Sandy's destruction, our firm's leadership made the staffing of disaster recovery projects in the Northeast the firm's top priority, and CohnReznick remains resolute in that commitment today with the same resolve being applied to the State's efforts to rapidly deploy Coronavirus Relief Funds. Nationwide, we have overseen billions of dollars in disaster recovery funding.

In the tristate area, CohnReznick served as the State of New Jersey's Integrity Monitor responsible for the oversight of its federal grant Disaster Recovery programs in the wake of Superstorm Sandy. We are proud of the work we performed for NJ DCA and are certain we can apply those lessons learned for NJDOH. We are confident our team represents the most efficient and economical solution in helping NJDOH continue to achieve its oversight requirements.

Thank you for this opportunity to present our qualifications for the NJDOH Engagement Query for Integrity Oversight Monitor.

Sincerely,



Frank Banda, CPA, CFE, CGMA, PMP
Managing Partner – Public Sector
E-mail: Frank.Banda@CohnReznick.com



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Proposal Plan





PLAN TO PERFORM SCOPE OF WORK

Standard Reporting and Key Deliverable Schedule

CohnReznick will fully meet the reporting and deliverable needs identified by NJDOH for successful completion of the task order. We understand these deliverables to be, though standard and routine for oversight monitoring, critical for ensuring performance and compliance of the COVID-19 Recovery Program’s work.

Below is a summary table of the reports and deliverables anticipated to be provided based on the Engagement Query submission date:

Report / Deliverable	Frequency / Timing
Project Status Report	Daily
Project Kick-Off Meeting Agenda and Meeting Minutes	Day 1
Entrance Conference Agenda and Meeting Minutes	Day 3
Work Session Meeting Minutes	Days 1-15
Process Walkthrough Documentation (including process flow charts)	Draft – Day 3 Final – Conclusion of task order
Process Matrix (noting any identified gaps, inefficiencies, or redundancies)	Draft – Day 3 Final – Conclusion of task order
Working Papers (containing test plans and results)	Conclusion of task order
Risk and Control Matrix	Conclusion of task order
Risk Assessment Report	Draft – Day 7 or 12/21 Final – Day 15 or 12/30
Monitoring	Days 4 - 15
Quarterly Report	Draft – Day 7 or 12/21 Final – Day 15 or 12/30
Exit Conference Agenda and Meeting Minutes	Conclusion of task order

Personnel

We have structured our team based upon the requirements of this Engagement Query and our direct experience providing compliance and oversight monitoring services for recovery projects of similar size, scope, and turnaround time. The CohnReznick personnel selected for this team collectively have expertise in Internal Audit, HUD Grant Management, Compliance, and Oversight Monitoring. Our selected Program Manager will be Amanda Campen. Ms. Campen, JD, has all the direct experience that NJDOH could possibly want in a Program Manager, with years of experience in compliance, project management, and auditing and direct experience working with states’ COVID-19 responses. She recently has served as the Bureau Chief of Recovery for the Florida Division of Emergency Management, managing \$12 billion portfolio. Previously as Operations Chief and Deputy State Coordinator, she coordinated Florida’s long-term response and recovery needs throughout all phases of emergency management. As Program



Manager, she ensures our team hits the ground running with risk assessments and the related program monitoring.

The Key Personnel Table presented below has been included to familiarize NJDOH with our engagement team and to show their relevant IOM and compliance experience. Our team is fully-staffed with professionals experienced in performing the work outlined in this Engagement Query. Our team structure is designed to be flexible and efficient to adhere to the turnaround times and completion deadline requirements of NJDOH.

Key Personnel	Years' Experience	Estimated Hours on the Project	Relevant Experience
Program Manager			
Amanda Campen, JD	7+	75	<ul style="list-style-type: none">• 7+ years' experience in compliance, project management, and auditing• Activated for over 10 all-hazards events in various roles with the Florida Division of Emergency Management, including, COVID-19; Hurricane Irma; The Pulse Nightclub Shooting; Hurricane Michael; The Pensacola Naval Air Station Shooting; and Virgin Islands and Puerto Rico Host Mission• Currently serves as a Project Manager for the Massachusetts Emergency Management Agency, performing financial and programmatic compliance, grant coordination, technical assistance, and administration work to plan, organize, and monitor federally funded disaster grants for COVID-19.
Project Managers			
Melanie Thomas Irvin, PMP	13	90	<ul style="list-style-type: none">• Project management, program implementation, and grant administration experience government clients including the New Jersey Department of Community Affairs, the Louisiana Housing Corporation, and the Texas Division of Emergency Management
Carolyn Newcomb, CPA, CFE	20		<ul style="list-style-type: none">• More than 20 years of accounting experience, specializing in providing integrity oversight monitoring services for state and regulatory agencies and in providing assurance services, financial advisory services, and contract compliance services• Previous work includes monitoring the construction of a \$10 Million new Jersey transit Emergency Operations Center as well as monitoring the Port Authority of New York and New Jersey LaGuardia Airport redevelopment Program with a construction budget exceeding \$2 Billion.
Consultants			
Brandi Saunders, CPA	6		<ul style="list-style-type: none">• Certified Public Accountant with 6 years of experience conducting financial statement audits



Sarah Cowan, CPA	3	270	and managing employer contributions and processing pension payments, and consulting clients to navigate international tax laws
			<ul style="list-style-type: none">• 3 years of public accounting experience; analyzing financial statements; and preparing and reviewing individual, partnership, and corporate tax returns
Elsie Guevara, CFE	3		<ul style="list-style-type: none">• Several years of experience providing audit and attest services to clients in various industries, including monitoring of the Port Authority of New York and New Jersey
Cindy Luu	2	<ul style="list-style-type: none">• 2+ years of experience providing accounting services to a variety of organizations including New York governor's Office of Storm Recovery (GOSR), US Department of Housing and Urban Development (Ginnie Mae), and the Texas General Land Office	



Work Plan

The scope of services to be provided includes the following:

Risk Assessment

Days 1- 3: Planning

The IOM engaged by the NJDOH shall deliver a draft Risk Assessment within fifteen (15) days of receiving a Letter of Engagement but no later than December 21, 2020 (whichever is earlier). The NJDOH will provide written feedback within one week. The IOM will finalize and transmit the final Risk Assessment within one week of receiving the NJDOH's feedback but no later than December 30, 2020 (whichever is earlier).

Engagement Kickoff:

- 1) Conduct engagement kickoff meeting with NJDOH;
- 2) Confirm engagement scope and objectives;
- 3) Confirm level of coordination between CohnReznick and NJDOH personnel;
- 4) Confirm NJDOH management and agree on protocol for contacting Program staff;
- 5) Coordinate with NJDOH to draft entrance conference agendas and schedule meetings with required Program personnel;
- 6) Agree on and document protocol and timelines for providing key deliverables: planning, fieldwork, wrap-up, and other related deliverables;
- 7) Agree on meeting schedule and attendees for periodic updates;
- 8) Coordinate with NJDOH on risk assessment format and approval process;
- 9) Adjust risk assessment format to better capture Program responses;
- 10) Confirm required working papers format and organizational structure for submission to NJDOH at the end of the engagement; and
- 11) Create structure for maintaining working papers and key deliverables and for sharing information between CohnReznick and NJDOH.

Entrance Conferences:

- 1) Conduct entrance conferences with NJDOH and Program management.
- 2) Request organization charts and confirm points of contact for monitoring area(s);
- 3) Provide copy of risk assessments and required sections of quarterly report for discussion with Program management, and schedule follow-up meeting(s) as necessary;
- 4) Request copies of policies, procedures, and operational workflows;
- 5) Establish protocol for contacting staff to request required documents and for requesting interviews and process walkthroughs; and
- 6) Confirm the system of record for each process area and the existence of any external systems/databases used to maintain Program data.



Days 4-10: Fieldwork/Monitoring

- 1) Review risk assessment and quarterly report responses received from Program management and document follow-up questions;
- 2) Assess the risk of each associated process and identify potential areas of high risk;
- 3) Document any gaps and conduct follow-up meeting to discuss risk assessment and quarterly report responses;
- 4) Coordinate with Program personnel to complete remaining sections of quarterly report; and
- 5) Document any potential areas of fraud, waste and abuse for communication to NJDOH.

The IOM engaged will be responsible for monitoring the NJDOH's compliance with applicable agreements, federal and State regulations and guidelines with the intent to safeguard COVID-19 Recovery Funds.

- 1) Draft proposed plan for compliance reviews and schedule for conducting staff interviews and process walkthroughs/observations;
- 2) Coordinate with NJDOH regarding work plan;
- 3) Initiate activities to evaluate program performance;
- 4) Evaluate internal controls;
- 5) Interview staff;
- 6) Review document retention policies and processes;
- 7) Coordinate with Program staff to schedule process walkthroughs;
- 8) Conduct virtual walkthroughs and compare actual processes to documented procedures, workflows, regulatory requirements, and best practices;
- 9) Validate compliance with applicable Memoranda of Understanding regarding use and reporting requirements for CRF Funds;
- 10) Sample test eligibility determinations and denials of applications;
- 11) Document results and note any process variances, gaps, and/or areas of improvement for follow-up discussion;
- 12) Document any potential areas of fraud, waste and abuse for communication to NJDOH;
- 13) Follow up with staff to discuss any noted variances and confirm preliminary results; and
- 14) Conduct other tasks listed in the IOM Guidelines or deemed appropriate as directed by NJDOH.

Days 11-15: Reporting

As required by EO-166 and the IOM Guidelines, the IOM engaged by the NJDOH shall submit a draft quarterly report to the NJDOH on or before December 21, 2020, detailing the specific services rendered to date and any findings of waste, fraud or abuse. The NJDOH will have the opportunity to respond to the findings within one week following receipt of the IOM's draft report. On or before December 30, 2020, the IOM engaged by the NJDOH will deliver its final quarterly report and any response from the NJDOH to the State Treasurer, who will share the reports with the Governor's Disaster Recovery Office



(GDRO), the Senate President, and the Speaker of the General Assembly, the Attorney General, and the State Comptroller.

- 1) Prepare draft risk assessment and quarterly report for submission to NJDOH;
- 2) Submit draft documents to NJDOH for feedback;
- 3) Coordinate with NJDOH to start finalizing risk assessment and quarterly report;
- 4) Update quarterly report based on feedback and/or response to findings received by NJDOH;
- 5) Update risk assessment based on feedback from NJDOH;
- 6) Finalize quarterly report and risk assessment; and
- 7) Submit final documents to NJDOH.

Key Deliverables

CohnReznick will provide the following key deliverables to NJDOH based on the agreed-upon schedule.

- 1) Draft Risk Assessment
 - Within fifteen (15) days of receiving a Letter of Engagement or by 12/21/20 (whichever is earlier)
- 2) Final Risk Assessment
 - By 12/30/20
- 3) Draft Quarterly Report
 - Within fifteen (15) days of receiving a Letter of Engagement or by 12/21/20 (whichever is earlier)
- 4) Final Quarterly Report
 - By 12/30/20

Budget and Price Schedule





BUDGET TO PERFORM SCOPE OF WORK AND TIMELINE

Our budget and timeline to perform the scope of work reflects the explicit 12/30 contract expiration deadline detailed in the Engagement Query. Our team will complete all fieldwork and monitoring pursuant to the 12/21 Draft and 12/30 Final Report deadlines. The project deliverable Risk Assessment and Quarterly Report will be completed and submitted based on those requirements from the Engagement Query.

Name	Role	Rate	Total Hours	Total Cost
Amanda Campen	Program Manager	\$ 266.75	75	\$ 20,006.25
Melanie Thomas Irvin Carolyn Newcomb	Project Manager	\$ 245.00	90	\$ 22,050.00
Brandi Saunders Sarah Cowan Cindy Luu Elsie Guevara	Consultant	\$ 148.50	270	\$ 40,095.00
TOTAL			435	\$ 82,151.25

CohnReznick understands the Department of Treasury's inclusion of Section F. Liquidated Damages, but requests that the language be modified to the effect that total damages not to exceed 2.5% of the total contract value, extensions of time shall be allowed provided that they are communicated by CohnReznick within two days of knowledge and relate to delay causes outside of CohnReznick's control. Damages shall not apply in the event of delays are caused by NJDOH or delays are caused by the lack of availability and/or access to information required to perform the IOM work.

Schedule of Deliverables

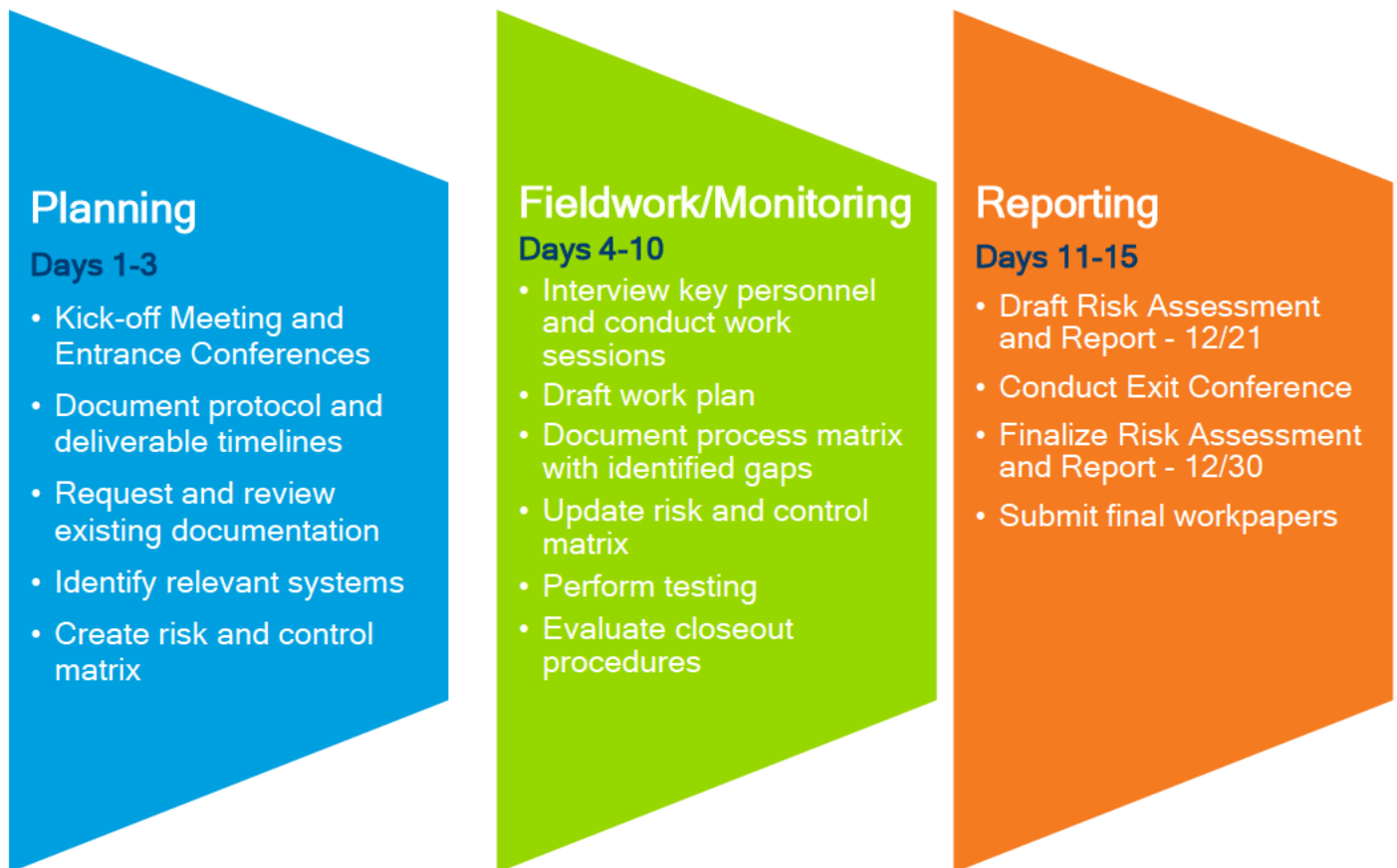




SCHEDULE OF DELIVERABLES

CohnReznick is committed to providing quality services within the NJDOH's desired timeframe. Cognizant of the condensed timeline, our work plan is organized into 3 phases consisting of 1) Planning; 2) Fieldwork/Monitoring; and 3) Reporting. The table below outlines the timeline and actions we will be performing during these 3 phases of the work plan.

NJDOH Phases and Timeline:



Identification of Any Potential Conflicts of Interest





IDENTIFICATION OF ANY POTENTIAL CONFLICTS OF INTEREST

In accordance with the NJDOH's Engagement Query for Integrity Oversight Monitor, we are notifying NJDOH that we conducted an internal conflicts check and it produced no known conflicts at this time. If selected, CohnReznick will monitor for potential conflicts of interest that may arise throughout contract performance, disclose any conflicts that may arise to NJDOH, and work with NJDOH to effectively mitigate such conflicts.