

State of New Jersey
NJ Department of Treasury

P.O. Date: 8/8/2023

Division of Administration
Release Purchase Order

G4018 Integrity Oversight Monitoring

Blanket Order Number

21-PROSV-01432:17

SHOW THIS NUMBER ON ALL
PACKAGES, INVOICES AND
SHIPPING PAPERS.

Agency Ref. #

**V
E
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R**
Vendor Number: [REDACTED]
CohnReznick LLP

4 Becker Farm Road
ROSELAND , NJ 07068
[REDACTED]

Vendor Alternate ID [REDACTED]

Remit Address:
Tim Bender
4 Becker Farm Road
Roseland, NJ 07068
US
[REDACTED]

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[REDACTED]
FEDERAL LIASION
PO BOX 211- 50 W. STATE ST- 8TH FL
TRENTON, NJ 08625
US
Email: [REDACTED]
Phone: [REDACTED]

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[REDACTED]
FEDERAL LIASION
PO BOX 211- 50 W. STATE ST- 8TH FL
TRENTON, NJ 08625
US
Email: [REDACTED]
Phone: [REDACTED]

INVOICES: Direct invoices in DUPLICATE to the address shown above. TERMS AND CONDITIONS set forth in our Bid or Quotation, on the reverse side hereof or incorporated herein by reference become a part of this

ATTN: [REDACTED]

Solicitation (Bid) No.:					Payment Terms: Shipping Terms: Freight Terms: Delivery Calendar Day(s) A.R.O.: 0				
Item # 1 Class-Item 918-00 Category 3 Integrity Monitoring/Anti-Fraud, Year 2 - Hourly Program Manager Rate									
Quantity	Unit Price	UOM	Discount %	Total Discount	Tax Rate	Tax Amount	Freight	Total Cost	
40.00	\$ 275.00	HOUR	0.00 %	\$ 0.00		\$ 0.00	\$ 0.00	\$ 11,000.00	
Item # 2 Class-Item 918-00 Category 3 Integrity Monitoring/Anti-Fraud, Year 2 - Hourly Project Manager Rate									
Quantity	Unit Price	UOM	Discount %	Total Discount	Tax Rate	Tax Amount	Freight	Total Cost	
240.00	\$ 252.00	HOUR	0.00 %	\$ 0.00		\$ 0.00	\$ 0.00	\$ 60,480.00	

Item # 3
 Class-Item 918-00

Category 3 Integrity Monitoring/Anti-Fraud, Year 2 - Hourly Consultant Rate

Quantity	Unit Price	UOM	Discount %	Total Discount	Tax Rate	Tax Amount	Freight	Total Cost
720.00	\$ 153.00	HOUR	0.00 %	\$ 0.00		\$ 0.00	\$ 0.00	\$ 110,160.00

Item # 4
 Class-Item 918-00

Category 3 Integrity Monitoring/Anti-Fraud, Year 2 - Hourly Subject Matter Expert Rate

Quantity	Unit Price	UOM	Discount %	Total Discount	Tax Rate	Tax Amount	Freight	Total Cost
40.00	\$ 252.00	HOUR	0.00 %	\$ 0.00		\$ 0.00	\$ 0.00	\$ 10,080.00

TAX: \$ 0.00
 FREIGHT: \$ 0.00
 TOTAL: \$ 191,720.00

APPROVED

By: _____
 Phone#: _____
 BUYER

Letter of Engagement

August 8, 2023

Successful Bidder:

On behalf of the Department of State, the State of New Jersey, Department of the Treasury hereby issues this Letter of Engagement to CohnReznick, LLP pursuant to the Engagement Query issued on March 18, 2023 and CohnReznick, LLP's proposal dated May 15, 2023.

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 \$191,720.00.

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

Department of State – Division of Travel and Tourism
[Category 3 services per Section 3.1.1 of the IOM RFQ]

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 nationwide 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 (“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, 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 Auditing, Financial Auditing and Grant Management, and Integrity Monitoring/Anti-Fraud services.

The New Jersey Department of the Treasury has established a pool of qualified Integrity Monitors for the oversight of COVID-19 Recovery Funds and COVID-19 Recovery 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 will apply to all Integrity Monitoring Engagements executed via this Engagement Query.

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

This Engagement Query is issued by the Department of the Treasury on behalf of the **Department of State, Division of Travel and Tourism**.

The purpose of this Engagement Query is for the **Department of State (DOS)** to procure the services of an Integrity Monitor ("IM") for **Category 3 services per Section 3.1.1 of the IOM RFQ**.

A. Background

The Division of Travel and Tourism's goal is to restore tourism visitation and revenues to pre-pandemic levels. The plan is to spend the ARP funding of \$25 million to support this goal.

We plan on providing \$5 million of the total to support our Destination Marketing Organizations (DMOs), which serve to promote and market specific destinations at a local level statewide. A destination can be a single city, a group of municipalities, or an identifiable region. In their promotional activities, DMOs must "connect the dots" by linking attractions to restaurants and accommodations. They must also work with area business leaders to drive visitation when and where it is most appropriate. DMOs must also be advocates for the industry they serve, be a good steward of their communities, and celebrate their people, places, history, culture, and natural resources. ***Funding and activity related to the DMOs are excluded from the scope of this Engagement.***

The balance of \$20 million will be allocated over a three year period, within the Department of State's Division of Travel and Tourism, to fund the following activities:

- Expand media buying efforts in all seasons in our domestic and secondary markets
- Expand fall and winter media buying efforts in domestic local markets
- Expand outreach to minority audiences
- Expand sponsorships and partnerships with sports organizations like HBCU, Rutgers, MAAC, NJSIAA, Penn State
- Support B2B efforts in the group tour and meeting planner markets
- Fund international consumer and travel trade outreach in Canada, Germany, UK & Ireland
- Fund activations and media in conjunction with our sports sponsorships, our DC burst campaign and Ohio State Fair Activities
- Fund additional activations/burst plans in secondary markets

See Attachment 3 ("American Relief Package Funding Proposal") for additional background information, description of funding uses, and budget.

See Attachment 1 for an internal risk assessment conducted by DOS for information regarding internal controls at DOS.

II. SCOPE OF WORK REQUIREMENTS

The Scope of Work outlined below excludes funding and program activity related to the Direct Marketing Organizations as described above.

A. Project Description

- Within 5 business days of the purchase order issued as a result of the Letter of Engagement, the IM and DOS shall participate in a kick-off meeting to review the deliverables and due dates in Section C below and establish key personnel for communications during the course of the Engagement.
- The IM shall conduct a Risk Assessment of DOS's existing controls in place to prevent fraud, waste, or abuse in connection with the COVID-19 Recovery Program that includes, at minimum, a review or assessment of:
 - Program policies and procedures
 - DOS's organizational structure and capacity
 - DOS's internal controls
 - Level of risk associated with the Program
 - DOS's prior audits
- Based on the Risk Assessment, the IM shall develop and submit a Work Plan for monitoring the COVID-19 Recovery Program for fraud, waste, or abuse that includes a review of relevant risk factors specific to the Program being monitored.
- The Work Plan shall include a sampling methodology to achieve a monitoring objective related to both compliance and internal controls. Any sampling used shall follow a nationally recognized audit standard such as the AICPA or GAO Government Auditing Standards, 2018 Revision. Sampling methodologies may include: (1) simple random; (2) statistical; (3) judgmental; (4) or other methodology appropriate to the Program characteristics. The IM shall document the rationale for the sampling methodology selected.
- Depending on findings as a result of monitoring under the Work Plan, the IM should evaluate whether onsite monitoring is appropriate based upon any conclusions reached when conducting the risk assessment or as a result of ongoing monitoring. The IM shall document in writing its evaluation and conclusion, including an assessment of the following factors:
 - Significant findings reported in quarterly reports or interim reports;
 - Unresponsiveness to requests for information;
 - Non-compliance with federal reporting requirements; and
 - Allegations of misuse of funds.

- The IM shall implement the Work Plan to provide oversight of the Program until the expiration of this Engagement.

Review activities may include the following:

- Program Review
 - Review program policies and procedures, organizational structure/capacity, and internal controls assessment
 - Review program risks
 - Conduct a sampling of program characteristics using a sampling methodology that is consistent with the risk assessment
 - Sampling methodology may be adjusted during the Engagement to take into account prior findings or indicia of fraud to minimize fraud, waste, or abuse
 - Interview DOS or other stakeholders, as necessary
- Fraud prevention/detection and data analytics
 - Review program or applicant data and/or contracts to identify potential fraud, using data analytics or other methods to identify anomalies, patterns, and discrepancies
 - Conduct interviews or other follow-up as necessary
 - Cross-check or validate information against other data sources
 - Provide training to staff on fraud detection methods or red flags
 - Assist in the development of an anti-fraud monitoring, prevention, and detection program
- Fraud awareness instruction for DOS, contractors, and/or subrecipients
 - Provide training to DOS employees, contractors, and/or subrecipients with respect to the prevention, detection, and response to fraud risks
 - Recommend steps to increase awareness of Program integrity and antifraud efforts to Program applicants and other stakeholders
 - Recommend mechanisms for reporting and responding to fraud internally and externally, as applicable
- Procurement/expenditure reviews
 - Review DOS procurements of media buys and advertising services to determine compliance with applicable procurement regulations
 - Review expenditures to test for proper documentation, authorization, and approvals

B. Reporting Requirements

1. Quarterly Integrity Monitor Reports

- a. Pursuant to E.O. 166, the Integrity Monitor shall submit a draft quarterly report to DOS on the last day of every calendar quarter detailing the specific services

rendered during the quarter and any findings of fraud, waste, or abuse using the Quarterly Report template attached hereto. If the Integrity Monitor report contains findings of fraud, waste, or abuse, DOS has an opportunity to respond within 10 business days after receipt.

- b. Fifteen business days after each quarter end, the Integrity Monitor shall deliver its final quarterly report, including any comments from DOS, 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 IM Guidelines, OSC may request that the Integrity Monitor issue additional reports or prepare memoranda that will assist OSC in evaluating whether there is fraud, waste, 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 a payment invoice, the IM shall provide a written report including, at a minimum:
 - o Hours billed for each consultant corresponding to the components of the Work Plan;
 - o Evaluation of effectiveness of fraud prevention activities including assessment of results, recommendations for corrective action, and prioritization of implementation of risk mitigation measures; and
 - o Indications of fraud, waste, or abuse that should be immediately addressed by DOS with recommendations for risk mitigation.
- c. At the completion of the Engagement, the IM shall submit a Project Completion Report, including at a 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 Fraud, Waste, Abuse, or Potential Criminal Conduct

- a. The Integrity Monitor shall report issues of fraud, waste, 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.

C. Specific Performance Milestones/Timelines/Standards/Deliverables

All deliverables must be completed by the dates indicated below.

Deliverables	Date due
Kick-off meeting with DOS staff and successful IM	within 5 business days of the purchase order issued as a result of the Letter of Engagement
Risk Assessment	within 10 business days of kickoff meeting
Work Plan	within 10 business days of completion of risk assessment
Interim Reports/Periodic Meetings	as needed
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	30 business days after project completion

III. Proposal Content

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

- A description of how the Integrity Monitor intends to accomplish each component of the scope of work in Section II above, including a timeline for submission of the deliverables required by this Engagement Query.
- A detailed budget identifying staff classifications and hourly rates that shall not exceed the rates in the Integrity Monitor’s Best and Final Offer (BAFO) Price Schedule using the Price Sheet attached to this Engagement Query.
- Identification of any potential conflicts of interest regarding the delivery of services for the scope of work under this Engagement Query.
- Identification of existing Engagements under G4018 with other State agencies, using Attachment 4.

IV. Submission of Proposals

Detailed proposals in response to this Engagement Query shall be submitted electronically by 3:00 p.m. on **May 15, 2023**. 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: [REDACTED]

V. Duration of the Engagement

The Engagement will commence upon the issuance of a Letter of Engagement and expire 90 days after issuance of the Letter of Engagement.

At the option of DOS, 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 IM Guidelines, and this Engagement Query may constitute a breach of contract and may result in termination of the contract by the DOS or imposition of such other remedy as DOS deems appropriate in accordance with Section 9.0 of the IOM RFQ.

VII. Liquidated Damages

At DOS's discretion, liquidated damages may be assessed each time any of the below events occur, due to an act or omission of the IM. DOS and the IM agree that it would be extremely difficult to determine actual damages that the DOS will sustain as the result of the IM's failure to meet its contractual requirements. Any breach by the IM could prevent the DOS 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 DOS's ability to ensure identification and mitigation of risks and may lead to damages suffered by DOS and the State as a whole. If the IM fails to meet its contractual obligations, DOS may assess liquidated damages against the IM as follows:

Failure to deliver a draft quarterly report by the last day of the a quarter: \$250/day

Failure to deliver subsequent final quarterly reports within 15 days after the quarter end: \$250/day

VIII. Questions regarding this Engagement Query

Any questions related to the Engagement Query, such as questions related to the Program or accessibility and format of data, must be submitted electronically by 3:00 p.m. on **April 26**. They must be submitted via email to [REDACTED] with a copy to the State Contract Manager, Mona Cartwright at [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; and
- 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.

The DOS may request a Best and Final Offer from Integrity Monitors that responded to the Engagement Query.

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: Risk Matrix

Attachment 2: Integrity Monitor Report Template

Attachment 3: American Relief Package Funding Proposal

Attachment 4: G4018 Integrity Monitoring Engagements Form

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, 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, the Proposer shall be solely responsible for defending its designation.

Risk Matrix

Agency/ Authority:	Department of State
Program:	Division of Travel & Tourism
Funding Source:	CRF
Recipient or Subrecipient:	Recipient
Completed By:	
Date:	8-Feb-23

Risk Inquiry Areas	Rating Element	Summary Assessment/Description of Risks Identified	Risk Level (Low, Medium, High)
Inquiry 1			
Organizational leadership, capacity, expertise, and experience managing and accounting for federal grant funds in general, and disaster recovery funds in particular	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?	The Division has experience managing and accounting for federal grant funds. Most recently (2012) we received federal disaster recovery funds in relation to Hurricane Sandy. Our division has a dedicated grant administrator who reports to the deputy executive director. We do not have a monitoring and oversight plan for this grant program and expect to work with the Integrity Monitor for this.	Low
Inquiry 2			
Input from the individuals/units that will be disbursing funds or administering the program	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?	A portion of the funds have been earmarked for the destination marketing organizations throughout the state. These DMOs are responsible for much of the tourism marketing in their specific regions. Some DMOs are private not-for-profit organizations while others are county offices. The balance of the CARES funds will be used for COVID recovery marketing for tourism. We have established criteria for eligible expenses and will expand our marketing presence in expanded geographic areas and internationally. We feel that our plan is consistent with the goals of CARES fund objectives as well as our mission of returning tourism to pre-pandemic levels.	Low
Inquiry 3			
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?	Yes, our Agency has reviewed its internal controls to insure policies and procedures are being met in the use of the CARES funds. Yes, our procedures are adequate. Yes, they are updated. We are in the process of engaging with an Integrity Monitor.	Low
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?	No, the Division of Travel & Tourism has never been audited in relation to grants.	Low
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)?	No. There was no need for an audit.	Low
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?	Our Division currently manages two substantial state grant programs and those recipients are the same ones who will be sub-recipients for this program. There has never been a negative audit related to these grant programs or the recipients. We have robust protocols for oversight and compliance.	Low
Inquiry 7			

Risk Inquiry Areas	Rating Element	Summary Assessment/Description of Risks Identified	Risk Level (Low, Medium, High)
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?	The Division utilizes the NJ System for Filing Grants Electronically (SAGE) which enables us to stay up to date on the latest technology and policies and procedures	Low
Inquiry 8			
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?	Yes, our Division has developed templates for the sub-receipts to use when submitting reimbursement requests	Low
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?	We have many years of experience with state and federal procurement processes Our Grants Administrator has 15 years of experience managing grants and procurement	Low
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?	Yes, there is an adequate separate of duties within the Division We work closely with our Division of Administration to ensure compliance with ethics rules	Low
Inquiry 11			
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?	Unless we receive recommendations from the Monitor, we plan to use our existing procedures for monitoring our sub-recipients which has substantial protocols for record keeping, compliance and outcomes	Low
Inquiry 12			
Whether federal or state guidelines provide guidance regarding the uses of funds (i.e., 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?	We have well established eligibility rules that our grantees have followed for years As sub-recipients of CARES funds, our transparent eligibility criteria will be sufficient Our Grant Administrator reports to the Deputy Director and gives final approval to all grants Furthermore, we utilize an outside review committee to rank our competitive grant applications	Low

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

**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:

**Integrity Monitor Report
Category 3**

[Type Here]

10. Amount Provided to Other State or Local Entities:

[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]

**Integrity Monitor Report
Category 3**

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]

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

**Integrity Monitor Report
Category 3**

[Type Here]

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

a) IM Response

[Type Here]

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

**Integrity Monitor Report
Category 3**

[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]

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]

Travel & Tourism

American Relief Package
Funding Proposal



NJTT | Goals

- ▶ Restore visitation to pre-pandemic levels over the next three years; position New Jersey as a top post-COVID travel destination
- ▶ Expand outreach in secondary and extended markets allowing for full funnel media spending for optimal impact
- ▶ Support international partnerships with media outreach in Canada, Ireland, UK & Germany
- ▶ Expand marketing outreach to minority audiences; LGBTIQ+, Black, Hispanic & Asian
- ▶ Build partnerships with companies and attractions that align with our tourism goals and work on symbiotic relationships to bring more press, visitors and influencers to the state hosting events throughout the year or tagging onto existing events
- ▶ Execute experiences, takeovers, and dominations through PR & Media funding

NJTT | Visitation Growth Estimates



Initial recovery spurred by pent-up leisure demand

Assuming continued vaccine distribution and COVID decline

Full recovery depends on return of biz travel; min 3 years to attain 2019 high mark

Strategy

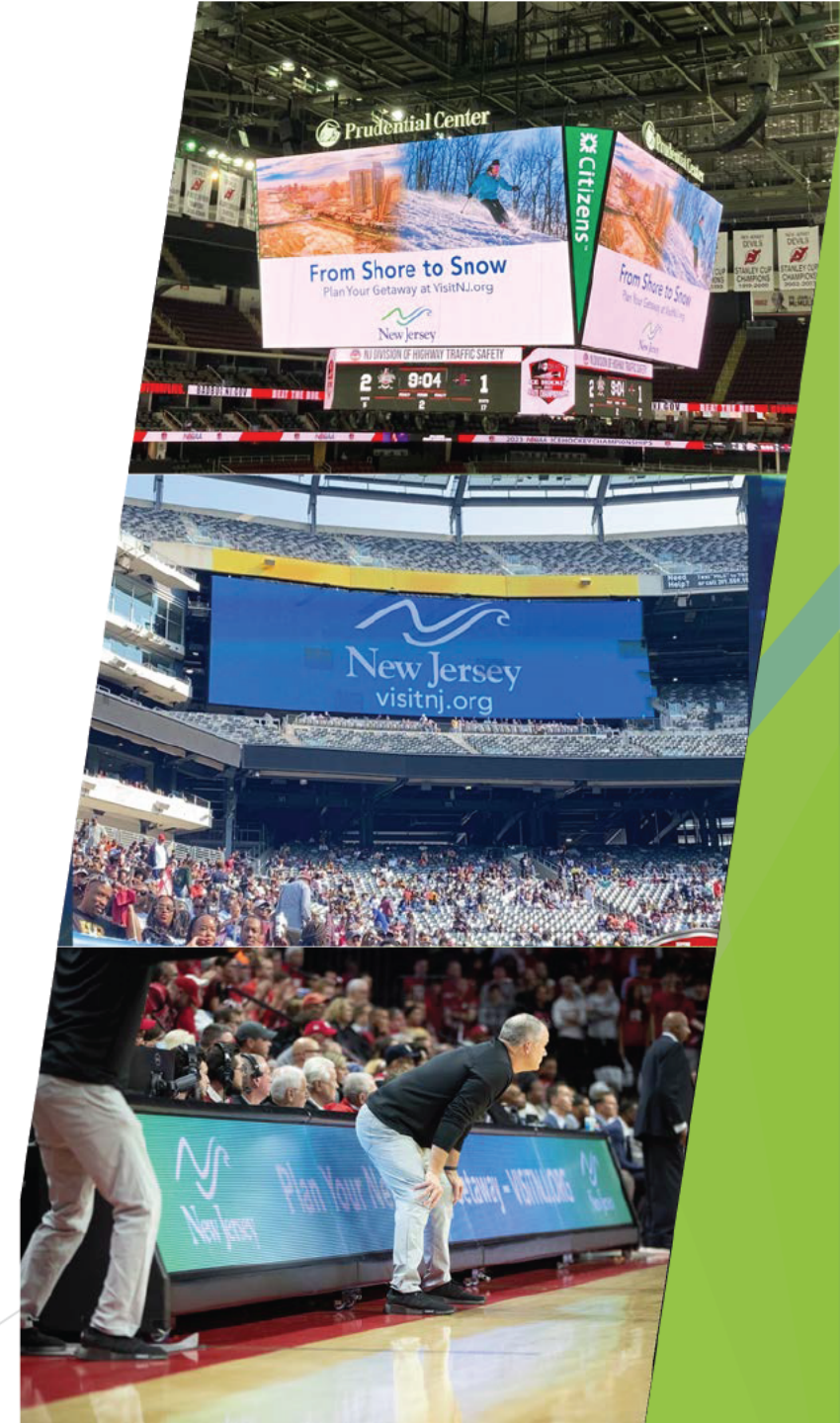
The background features abstract geometric shapes in various shades of green and blue. On the right side, there are several overlapping, semi-transparent shapes that create a layered effect. These shapes include triangles and polygons in shades of light green, medium green, and dark green, with some blue elements. The overall composition is clean and modern, with a white background.

NJTT | More Media; More Markets

The Division of Travel & Tourism engaged an advertising agency after an RFP process following state guidelines. We are running full funnel media plans (broadcast, digital, outdoor, etc.) north through Boston, south through Washington, DC and west through Ohio; hypertargeting in 13 key DMA's identified through research. Secondary markets (Boston, Baltimore, DC, Pittsburgh, Utica, Cleveland, Columbus, Dayton, Albany, Harrisburg, Wilkes-Barre DMA's) Local Markets (NY & PHL DMA's)

Funds are being used to

- ▶ to expand our media buying efforts for all seasons in our domestic secondary markets
- ▶ to expand our fall and winter media buying efforts in domestic local markets
- ▶ to expand our outreach to minority audiences
 - ▶ Campaigns in progress to Black, Latinx, Spanish Speaking, Asian & LGBTQ audiences inclusive of email, banners, video, and content
 - ▶ Estimated impressions 65 million.
 - ▶ Outcome Initial email open rates ranging between 17-23% above average with CTR of ~10%
- ▶ to promote the NJ games that are part of the FIFA World Cup in 2026 in domestic secondary markets. Estimated Impressions 10,000,000.



NJTT | More Media; More Markets

Funds are being used to

- ▶ Expand our sponsorships and partnerships with sports organizations like HBCU, Rutgers, MAAC, NJSIAA, Penn State, Baltimore Orioles
 - ▶ Focusing on in venue signage that is TV visible in games that reach our 13 key markets and digital efforts that promote trip planning in and around games for local teams.
- ▶ Support B2B efforts in the group tour and meeting planner markets
 - ▶ Expanded B2B markets, group tour, sports group tour, meeting planners...in process of launching new website.
- ▶ Fund activations and media in conjunction with our sports sponsorships, our DC burst campaign and Ohio State Fair Activities
 - ▶ We have produced a 24-foot coloring wall and will be bringing it and by extension NJ to the DC Cherry Blossom Festival on March 24 & April 8. At the festival we will encourage folks to experience NJ through art with the coloring wall and by handing out custom coloring books featuring NJ attractions. As support we have wrapped cars, wrapped buses, a water taxi, employed bike ambassadors, a truck with a digital moving billboard, signage in metro stations and bus shelters near the events and radio spots promoting our appearance at the festival. Estimated Total impressions for this activation 25 million.
 - ▶ We will also be bringing the activation to the Ohio State Fair in July
 - ▶ Fund additional activations/burst plans in secondary markets.
 - ▶ Market potential in the next 12-18 months, Baltimore, Pittsburg, Harrisburg, working on identifying proper locations and local tie-ins



NJTT | More Media; More Markets

Funds are being used to

- ▶ Fund festival with short- and long-term potential to drive incremental visitation to NJ
 - ▶ Working with the North2Shore Festival a new event over 3 weekends for Music, Comedy, Film and Technology <https://northtoshore.com/> Announced by Governor Murphy on Monday, March 13. Intend for our foundational support to help festival establish an annual event for tourism growth for the state and 3 cities hit hard by Covid, Asbury Park, Newark & Atlantic City
 - ▶ Offering sponsorship funding and marketing support for visitnj included on all marketing materials and will have activations on-site.
 - ▶ Outcome: Pre-Sale Launched on Thursday, March 16-some events sold of our tickets within minutes of on sale.



NJTT | DMOS Grants

- ▶ a total of \$5 Million to be distributed to DMO's to promote tourism activities throughout the state

Budget Overview

The background features abstract, overlapping geometric shapes in various shades of green and blue. The shapes are layered, creating a sense of depth and movement. The colors range from light, airy greens to deep, saturated blues and greens. The overall composition is modern and clean, typical of a professional presentation slide.

NJTT | Overall Budget

ACTIVITY	BUDGET
Media & Production Costs	\$20,000,000
DMO Grants	\$5,000,000
Total	\$25,000,000



Integrity Monitor Engagement Query Response

Contract G4018 – Integrity
Oversight Monitoring –
Category 3 Services

**New Jersey Department
of State – Division of
Travel and Tourism**

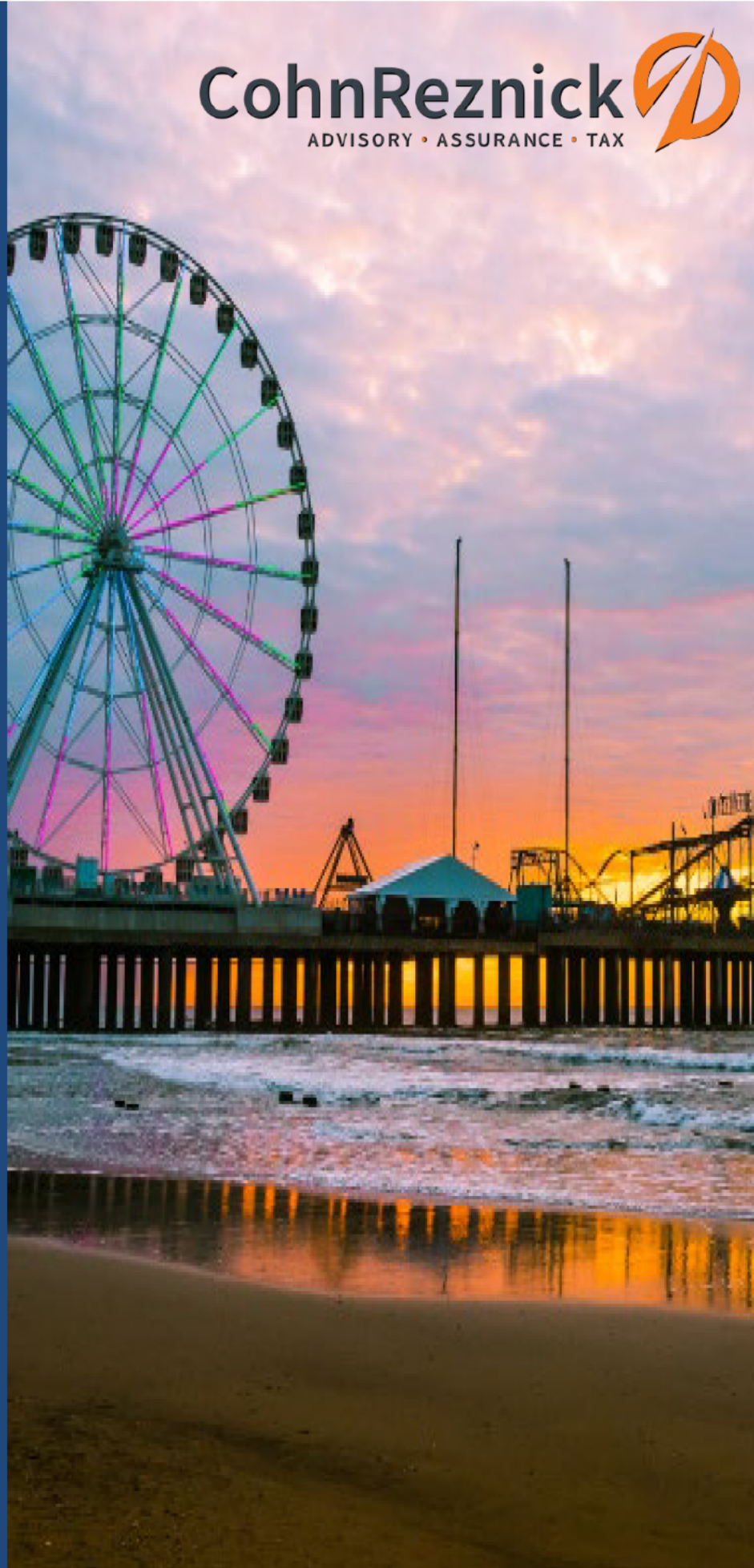
**May 15, 2023
3:00 p.m. EST**

Submitted by:

CohnReznick LLP
101 Crawfords Corner Road
Suite 2316
Holmdel, NJ 07733

Frank Banda, CPA, CFE, CGMA, PMP
Managing Partner – Public Sector
(301) 280-1856
Frank.Banda@CohnReznick.com

CohnReznick 
ADVISORY • ASSURANCE • TAX





Transmittal Letter

Dear Ms. Karr and Ms. Cartwright,

On behalf of CohnReznick, I am pleased to present our proposal to provide the New Jersey Department of State (DOS), Division of Travel and Tourism with Category 3: Integrity and Anti-Fraud Oversight Monitoring services to support the compliant use of American Rescue Plan (ARP) Act funding. We are confident you will find our response to be the most efficient and economical solution to work with DOS to achieve its overall goals. Choosing CohnReznick offers the following advantages:

Ms. Mona Cartwright, Fiscal Manager
New Jersey Department of the Treasury
Via email:
[Redacted]

Copy to:
Ms. Colleen Karr, Agency Contract Manager
New Jersey Department of State, Division of Travel and Tourism
Via email:
[Redacted]

May 15, 2023

RE: 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 for the New Jersey Department of State, Division of Travel and Tourism



Quick and efficient service using knowledge of ARP-funded tourism programs. We will perform these monitoring services for DOS with efficiency and without disruption to DOS’ program goals. DOS will benefit from selecting an integrity monitor who has proven success preventing fraud, waste, and abuse in ARP-funded programs with tourism revitalization goals. CohnReznick has worked with state agencies just like DOS to protect the integrity of tourism programs on behalf of hundreds of thousands taxpayers across the U.S. Most recently, CohnReznick has been monitoring the \$180 million ARP-funded Texas Travel Industry Recovery Grant program, overseeing the compliant disposition of 5,400 applications out of 9,400 received.



Immediately available staff who are experts in U.S. Department of the Treasury program guidance and have never missed a deadline. DOS needs the support of a firm that can provide immediately available, highly-qualified staff to perform program monitoring in 90 days. CohnReznick is proposing a team of monitors that includes individuals who have supported New Jersey state agencies on other similar assistance programs, as well as individuals who have successfully overseen compliance on programs that are funded by the U.S. Treasury and boost tourism. This blend of experience allows us to provide quality service while being responsive to DOS’ turnaround times and reporting deadlines.



New Jersey-centric lens from our experience in the state. CohnReznick provided compliance and oversight monitoring services for the State of New Jersey since its Superstorm Sandy recovery program, resulting in the creation, implementation and monitoring of 19 programs – the largest of which was valued at \$1 billion. Our monitoring was built on “real-time” mechanisms to track, quantify and evaluate performance and mitigate risk at the contractor and program levels. We bring that model to Day 1 of this engagement.

Our team has been carefully selected to provide a flexible, effective, efficient, and economical approach to monitoring DOS’ ARP-funded programs. It will be my honor to once again mobilize my team to help New Jersey maximize recovery outcomes while protecting the use and application of taxpayer dollars. Please do not hesitate to contact me via email Frank.Banda@CohnReznick.com or by telephone 301-280-1856.



Frank Banda, CPA, CFE, CGMA, PMP
Managing Partner, CohnReznick Government and Public Sector Advisory

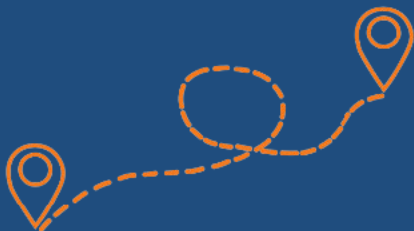




TABLE OF CONTENTS

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 for New Jersey Department of State – Division of Travel and Tourism

1: Plan to Accomplish Scope of Work Requirements	1
2: Reporting and Deliverables for Scope of Work	5
3: New Jersey and National Tourism Program Experience	7
4: Staff Experience and Team Structure	12
5: Budget to Perform Scope of Work	17
6: Identification of Any Potential Conflicts of Interest	19
7: Engagements Under G4018 with Other State Agencies	21

Section 1 | Plan to Accomplish Scope of Work Requirements

Integrity Monitor Engagement Query Response

Contract G4018 – Integrity
Oversight Monitoring – Category
3 Services

New Jersey Department of
State – Division of Travel
and Tourism



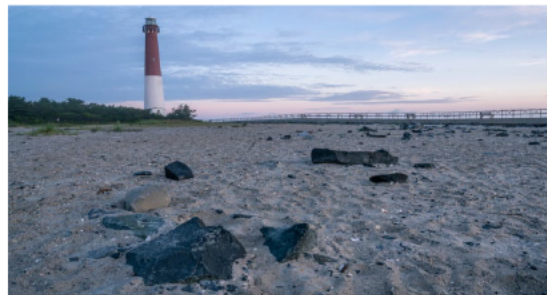


Plan to Accomplish Scope of Work Requirements

CohnReznick's team of professionals are prepared to support DOS on this engagement to perform a review of the Division of Travel and Tourism's use of ARP funds and its compliance with DOS policies as well as state and federal regulations.

For this engagement, CohnReznick is ready to assist DOS in achieving its compliance goals by:

- ▶ Conducting a risk assessment to evaluate conformance with documented policies and procedures, internal controls, federal and state statutes and guidance, and any award agreements/ Memorandums of Understanding (MOUs);
- ▶ Developing a work plan using industry-accepted best practices and Generally Accepted Government Auditing Standards (GAGAS), and incorporating sampling methodologies developed according to Circular A-133, Compliance Audits, as published by the American Institute of Certified Public Accountants (AICPA);
- ▶ Swiftly reviewing sampled files for eligibility, accuracy, and completeness in relation to program guidance while assisting with the development of an anti-fraud program;
- ▶ Leveraging the latest trends in data analysis to identify instances of duplication and combat fraud, waste, and abuse;
- ▶ Delivering anti-fraud, waste, and abuse training and providing recommendations to bolster existing policies and procedures; and
- ▶ Submitting periodic quarterly reports and a final Project Completion Report to provide a summary of findings and to outline recommendations to mitigate against future risks of fraud, waste, and abuse.



EFFICIENT & PROVEN SAMPLING METHODOLOGY

We understand that DOS needs these integrity monitoring services to be performed quickly and efficiently so as to not impede program goals.

CohnReznick offers the most efficient solution. We bring a proven sampling methodology that has helped over seven New Jersey state agencies oversee large program compliance. Further, throughout the course of our work under Contract G4018, we have developed a series of tools and job aids that have proven to make our work more efficient while maintaining quality output.

CohnReznick tailors its approach to engagements in a unique and strategic manner to best support the needs and challenges of government agencies. Our extensive experience successfully supporting numerous New Jersey state agencies with their monitoring of substantial, complex grant programs provides us with a keen understanding of the challenges and obstacles facing recipients and program administrators.

With years of combined experience in the industry, we have tackled similar projects and delivered exceptional results. Our project management approach is grounded in effective communication, proactive planning, and rigorous monitoring to ensure that we stay on track and deliver on time. Our team will meet the expectations set forth in the Engagement Query (EQ) and within the time frame specified in this response, and we are confident our plan presents the most efficient, effective means of monitoring the use of COVID-19 Recovery Program funds. The project plan on the next page outlines our comprehensive and holistic methodology to performing each component of the scope as outlined in the EQ.



Planning



Project Launch and Kickoff

Kickoff Meeting

- 1) Conduct an engagement kickoff meeting with DOS within 5 business days of letter of engagement being provided to the Integrity Monitor (IM);
- 2) Review and confirm engagement scope and objectives;
- 3) Confirm level of coordination between CohnReznick and DOS personnel to include communications protocols, etc.;
- 4) Schedule Entrance Conference with key program personnel;
- 5) Establish a meeting schedule and confirm attendees, as needed.

Entrance Conference

- 1) Conduct entrance conference with key personnel;
- 2) Conduct overview of the program and confirm points of contact;
- 3) Request copies of policies, procedures, previous audits, operational workflows, and organization charts;
- 4) Establish protocol for contacting staff to request documents, interviews, and process walkthroughs;
- 5) Confirm the system of record for each process area and the existence of any external systems/databases used to maintain program data;
- 6) Confirm risk assessment template(s) with DOS.

Risk Assessment and Work Plan



Risk Assessment

- 1) Coordinate with DOS to perform a risk assessment to evaluate, at a minimum, organizational structure, internal controls, and policies and procedures implemented to manage risk;
- 2) Interview DOS staff and/or other stakeholders, as necessary and conduct virtual processes walkthrough;
- 3) Review provided responses and documents;
- 4) Assess the risk of each associated process and identify potential areas of high risk;
- 5) Review internal controls assessment and evaluate existing controls are in place to satisfy program requirements;
- 6) Document any gaps and conduct follow-up meetings to discuss risk assessment and responses;
- 7) Complete and submit Risk Assessment;



- 8) Recommend best practices based on the results of the programs' internal controls review and assessment of risks;
- 9) Provide fraud awareness instruction for DOS as needed, and provide recommendations for effective means of reporting, mitigating against, and ameliorating instances of fraud, waste, and abuse using available resources;
- 10) Document and immediately report any potential areas of fraud, waste, and abuse.

Work Plan Development

- 1) Verify federal and state regulatory requirements for incorporation into Work Plan;
- 2) Based on the risk assessment, develop a Work Plan for monitoring the use of funds;
- 3) Finalize work plan for conducting monitoring activities.

Monitoring of the COVID-19 Recovery Program

Applicant Reviews

- 1) Draw a random sample using a methodology in accordance with Circular A-133, Compliance Audits, as published by the AICPA;
- 2) Develop testing procedures by considering Program risks identified during the risk assessment;
- 3) Review selected sample of expenditure files for proper documentation, authorization, and approvals;
- 4) Review expenditure data to detect potential instances of fraud, waste, and abuse using our proven data analytics tools to identify anomalies, patterns, and discrepancies;
- 5) Review program files to ensure compliance with DOS policies and federal regulations;
- 6) Conduct interviews and follow-up as necessary;
- 7) Evaluate whether onsite monitoring is appropriate based on results of risk assessment and ongoing monitoring;
- 8) Document evaluation and conclusions related to the decisions regarding onsite monitoring to DOS.

Reporting

Deliverables / Closeout

Please see **Section 2: Reporting and Deliverables for Scope of Work** for the reporting and deliverables CohnReznick will provide during this engagement.

Section 2 | Reporting and Deliverables for Scope of Work

Integrity Monitor Engagement Query Response

Contract G4018 – Integrity
Oversight Monitoring – Category
3 Services






**New Jersey Department of
State – Division of Travel
and Tourism**





Program Phases and Timeline

CohnReznick is committed to providing quality services and deliverables within the Department’s desired timeframe. CohnReznick will provide the following reports to DOS based on the agreed-upon schedule:

DELIVERABLE	TIMING
 Risk Assessment	▶ No later than 10 days from the kickoff meeting
 Work Plan	▶ Within 10 days of completion of the Risk Assessment
 Draft Quarterly Report(s)	▶ On or before the last day of every calendar quarter
 Final Quarterly Report(s)	▶ 15 business days after the end of each calendar quarter
 Project Completion Report	▶ No later than 30 days after project completion



COHNREZNICK HAS NEVER MISSED A DEADLINE.

We have never missed a report or deliverable deadline in the history of our support of New Jersey and Contract G4018. We will deliver the above reports and deliverables in a timely manner without sacrificing the quality our clients have come to expect.

Section 3 | New Jersey and National Tourism Program Experience

Integrity Monitor Engagement Query Response

Contract G4018 – Integrity
Oversight Monitoring – Category
3 Services

**New Jersey Department of
State – Division of Travel
and Tourism**





Valuable Experience Supporting Compliance of Similar Programs

CohnReznick will leverage our knowledge of New Jersey and national ARP-funded travel program compliance efforts to be a true, strategic advisor to you.

CohnReznick has been chosen time and again as the Integrity Monitor of choice across multiple competitive solicitations by New Jersey state agencies. Since 2020, CohnReznick has been selected to monitor seven (7) New Jersey engagements pertaining to the use of COVID-19 Relief Funds, assisting agencies in achieving defensible, successful program outcomes. To date these programs have been awarded over \$6.5 billion in relief funds. The below graphic shows a summary of our experience supporting New Jersey under Contract G4018.



CohnReznick’s COVID-19 Monitoring Experience in New Jersey

<p>5 New Jersey Agencies Supported</p> <ul style="list-style-type: none"> ▶ New Jersey Department of Community Affairs (NJ DCA) ▶ New Jersey Department of Corrections ▶ New Jersey Department of Health ▶ New Jersey Department of Education (NJDOE) ▶ New Jersey Treasury Office of Management and Budget 	<p>19 Unique Programs</p> <ul style="list-style-type: none"> CVERAP LGEF CVERAP Phase II County Jail Reimbursements Long Term Care Testing Testing Expansion Direct Care Salary Survey Program 25% FEMA Match Psyc. Hospital Emergency Rate DR4488PA CORONAVIRUS PANDEMIC (FEMA) ELC COVID 19 Enhancing Detection ELC COVID 19 Enhancing Detection-Laboratory COVID 19 Immunization and Vaccines Digital Divide ESSER I ESSER II ESSER III PR for Public Safety EE's (JJC, DSP, DOH, MAVVA)
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\$6B+
Federal Funds Monitored

Nationally, multiple states have also turned to and depended on CohnReznick for the delivery of successful, billion-dollar ARP-funded programs, giving us a unique perspective on the modern challenges DOS may encounter. For example, we have provided a case study for CohnReznick’s work on the \$180 million ARP-funded Texas Tourism Industry Recovery (TTIR) Grant Program.

We recognize that the IM services provided for DOS will involve a 90-day sprint. To give confidence to DOS that we will efficiently deliver in this short timeframe, we have included a case study of our work for the New Jersey Department of Health where we provided all deliverables in just three months.

We also understand that DOS is interested in fraud prevention training materials. We have provided a case study for our work for the U.S. Small Business Administration where we provided training to staff on how to identify irregularities in its Shuttered Venue Operators Grant program – a pandemic relief program with similar goals to DOS’ programs.

In summary, we are well-versed in how to effectively monitor COVID-19-related grant programs to help ensure relief programs stay on track with their intended recovery missions.

Our experience allows us to provide DOS with the following benefits:

- ✓ Increased effectiveness to focus attention on trends and patterns.
- ✓ Increased efficiencies and reduced costs over time.
- ✓ Increased protection against fraud, waste, and abuse.



TEXAS OFFICE OF THE GOVERNOR | ARP TOURISM PROGRAM SUPPORT



CLIENT

Texas Office of the Governor

PROJECT

Texas Tourism Industry Recovery (TIIR) Grant Program

PROJECT SUMMARY

CohnReznick is Texas' sole vendor performing statewide grant oversight and monitoring administration services for the Coronavirus Relief Fund, the Consolidated Appropriations Act of 2021, the Coronavirus State Fiscal Recovery Fund Program, and the Infrastructure Investment and Jobs Act. As part of our work, we are monitoring a travel program similar to the programs contemplated by DOS.

PROJECT DESCRIPTION

CohnReznick provides federal grant oversight and monitoring services for the state's entire portfolio of programs and projects funded by the Infrastructure Investment and Jobs Act (IIJA), ARP, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), and the Consolidated Appropriations Act of 2021 (CAA). CohnReznick delivers comprehensive grant administration activities, including monitoring financial and programmatic compliance with state and federal requirements, providing technical assistance to subrecipients and beneficiaries, validating project-level expenditures, reviewing and processing applications for federal assistance, advising on systems development, and leveraging programmatic data to mitigate against fraud, waste, and abuse. In particular, CohnReznick has amassed a team of 20+ to perform application eligibility review services for the \$180 million ARP Act-funded, Texas Travel Industry Recovery Grant Program. We developed a 2-level review process, implemented workflows, and utilized Microsoft Power BI to analyze data to ensure applications are dispositioned timely and accurately. Our data team constructed and continually refines duplicate and fraud detection systems to safeguard program integrity. We also have provided a customer service team that staffs and operates a call center and program email intake to provide technical assistance to applicants alongside our team that assists with accounts payable activities. To date we have overseen:

- ▶ 9,400+ applications reviewed
- ▶ 5,400+ applications moved to final disposition
- ▶ 16,000+ requests for information to applicants to cure applications
- ▶ \$1M+ potential irregular claims identified via CohnReznick's proprietary Torigence technology

HIGHLIGHTS

- Compliance services for ARP-funded travel recovery program
- Supporting the mission of a critical state agency
- All work performed on-time, on-budget



NEW JERSEY DEPARTMENT OF THE HEALTH | NON-CRF COVID-19 PROGRAM COMPLIANCE



PROJECT

Integrity Oversight Monitoring: COVID-19
Recovery Funds

FEDERAL FUNDS MONITORED

\$534 million+

PROJECT SUMMARY

CohnReznick was engaged in 2021 by the New Jersey Department of Health (NJDOH) to join their team of integrity oversight monitors to provide anti-fraud services in relation to four (4) Non-CRF funding programs received by NJDOH to alleviate the impact of the COVID-19 emergency declaration. CohnReznick developed an Integrity Monitoring Plan to ensure program participants were performing in accordance with the sub-grant agreements and MOUs as well as any applicable federal and state regulations and guidelines. We performed risk assessments and sample testing for over \$500 million in funding sourced from the Federal Emergency Management Agency and the Centers for Disease Control (CDC).

HIGHLIGHTS

- 3-month sprint
- All deliverables met
- Successfully monitored four distinct programs on-time and on-budget

PROJECT DESCRIPTION

CohnReznick was tasked to complete its monitoring activities within 3 months from the start of the engagement. To meet the accelerated timeline, CohnReznick implemented a comprehensive project management plan and made use of industry leading data analysis tools to quickly assess a substantial volume of expenditures for indicators of fraud, waste, and abuse. Furthermore, CohnReznick assembled a team of subject matter experts for the engagement who provided the depth of knowledge and experience necessary to rapidly assess program risks. We successfully monitored all four programs within the required timeframe, with the end result being a final report outlining findings and recommendations of the program areas for use by NJDOH.



Dear IM team,

We just wanted to thank you for your professionalism as you conducted DOH Integrity Monitoring. Your knowledge and expertise in overseeing the disbursement of Non-CRF COVID-19 Funds and the administration of Non-CRF COVID-19 programs are highly appreciated. We look forward to implementing your practice recommendation in order to mitigate the risk areas, and to improve and streamline our quality system.

- Feedback from NJDOH stakeholders to the CohnReznick team



U.S. SMALL BUSINESS ADMINISTRATION | INTERNAL CONTROL SUPPORT



CLIENT

U.S. Small Business Administration (SBA)

PROJECT

Shuttered Venue Operators Grant (SVOG) Program Grants Management Services

PROJECT SUMMARY

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act was enacted to provide emergency and immediate national economic relief and assistance across the American economy, including small businesses, workers, families, and health-care systems, to alleviate the severe economic hardships and public health threat created by the 2019 Novel Coronavirus pandemic. SBA, specifically the Office of Internal Controls (OIC) and the Chief Financial Officer (CFO) selected Williams Adley to perform an internal control assessment for the CARES Act Debt Relief Payments. Williams Adley subcontracted CohnReznick to provide grants management services to the SBA for its Shuttered Venue Operators Grant (SVOG) Program. The Shuttered Venue Operators Grant (SVOG) program was established by the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, and amended by the American Rescue Plan Act. The program included over \$16 billion in grants to shuttered venues, to be administered by SBA’s Office of Disaster Assistance.

HIGHLIGHTS

- ARP-funded revitalization program
- Provided monitoring framework and training
- All work performed on-time, on-budget

PROJECT DESCRIPTION

CohnReznick provided integral support by assisting in the development and implementation of a monitoring framework that complies with regulatory requirements, including documenting compliance objectives, mapping eligibility requirements, and developing a monitoring sampling methodology. CohnReznick also assisted in the development of grant closeout procedures. These procedures included processes for closeout initiation and notification to the grantee, review of federal financial reports, expense reports, and property inventory reports. In addition, CohnReznick coordinated with Williams Adley to conduct training sessions for SBA personnel on monitoring and training processes.

Finally, we assisted with the development of a quality assurance/internal controls process development plan. The plan defined auditing requirement for the SVOG program related to Numbered Memo 22-03, Payment Integrity Information Act (PIIA) and OMB Circular A-123 and the audit review process. We developed training materials for Quality Assurance auditors for the Payment Integrity Information Act. The training provided an overview of the PIIA process, including completing Improper Payment risk assessment, estimating improper payments, and identify reporting requirements.

Section 4 | Staff Experience and Team Structure

Integrity Monitor Engagement Query Response

Contract G4018 – Integrity
Oversight Monitoring – Category
3 Services

New Jersey Department of
State – Division of Travel
and Tourism





Engagement Team Structure

CohnReznick has structured our team of professionals based on the requirements of this EQ as well as our direct experience providing compliance and oversight monitoring services for projects of similar size, scope, and turnaround time. Our team brings experience in the areas crucial to compliant outcomes for DOS:

			
TRAVEL & TOURISM LEADERSHIP & EXPERIENCE SERVING AGENCIES SIMILAR TO DOS	NEW JERSEY EXPERIENCE WITH \$10B+ FEDERAL FUNDS	ARP PROGRAMS COMPLIANCE EXPERIENCE AND PROVEN SUCCESS	DATA ANALYTICS EXCELLENCE FOR OVER \$66 BILLION IN FEDERAL FUNDS

COHNREZNICK OFFERS THE RIGHT EXPERIENCE TO MONITOR DOS' ARP-FUNDED PROGRAMS

The selected **Program Manager** for this engagement is **Ron Frazier, JD, PMP**, who has 15+ years of experience and specializes in providing integrity oversight monitoring services for state and regulatory agencies. Mr. Frazier is a Senior Manager who has worked with the State of New Jersey on multiple engagements including NJDCA in monitoring Coronavirus Relief Funds in the State's response to COVID-19.

The **Project Manager** for this engagement is **David Solomon**.

- ▶ **David Solomon** has 7+ years of experience in project management relating to business systems implementation, auditing and reporting, and previously performed and managed compliance and integrity oversight monitoring for NJDCA, NJDOC, NJDOH and NJDOE, specific to the use of Coronavirus Relief Funds (CRF) pursuant to ARP, CARES, and Consolidated Appropriations Acts. He has also worked in the public sector for the Florida Division of Emergency Management (FDEM) and the Florida Department of Financial Services in the Bureau of Auditing (DFS) and has expertise auditing state- and federally procured contracts and payments, and leading business systems process mapping and process improvement.

Our **Subject Matter Experts (SMEs)** for this Engagement are **Logan Hurley, Shih-Hsien Yang, and Rochell Cottingham**.




- ▶ **Logan Hurley** is a Manager with over 6 years of experience in providing compliance monitoring and grants management support for federally funded programs. He has been selected as an SME for this engagement due to his work supporting the Office of the Governor of Texas as the Application Review Team Lead. In this role, he has been focused on providing grant administration services for its \$180 million American Rescue Plan Act-funded, Texas Travel Industry Recovery Grant Program.
- ▶ **Shih-Hsien Yang** is a Data Analytics Manager, accomplished data scientist and fraud detection SME who brings 8+ years of data science expertise to this engagement with proven success in implementing and deploying machine learning (ML) algorithms into production environments. Mr. Yang has investigated potential fraud rings using data science and has presented his findings to authorities for data-driven decision-making.
- ▶ **Rochell Cottingham, PMP, CIA, CISA, CFE, CCSA, CGAP, CRMA** is a Senior Manager with 29+ years of experience in audit, compliance, performance monitoring, revenue assurance, quality



assurance, fraud prevention and detection, risk management, system development and project management, and 21 years of experience as an Internal Auditor. He has conducted integrity monitoring of CARES Act funding for the New Jersey Department of Education (NJDOE), managed compliance and monitoring efforts for the Cancer Prevention and Research Institute of Texas (CPRIT) and has provided internal audit support to the New York Governor’s Office of Storm Recovery (GOSR) and the City of New Orleans (CNO). Rochell has also been integral to providing the States of Texas, Connecticut, and Louisiana with compliant outcomes for their rental and utility assistance programs.

Staff Experience



The *Key Personnel* chart we have developed (below) is included to familiarize DOS with our engagement team and highlight their relevant IOM and compliance experience. Our team is fully staffed with professionals experienced in performing the work as outlined in this EQ, and the team structure is designed to be flexible and efficient in order to adhere to the turnaround times and completion deadline requirements of this EQ for DOS.

Member	Role	Experience
TOTAL PARTNER HOURS: EXECUTIVE OVERSIGHT PROVIDED AT NO CHARGE TO DOS – 25 HOURS		
 Frank Banda, CPA, CFE, CGMA, PMP Partner	Partner	Frank is the leader of CohnReznick’s Government and Public Sector Advisory Practice and will serve as Lead Engagement Partner for NJDOS. Frank’s position as Lead Engagement Partner signifies our firm’s commitment to aligning our best resources to work with DOS under this contract. Having served as Project Manager for CohnReznick’s support of the state’s Hurricane Sandy recovery efforts, Frank is personally invested in the continued success of the State of New Jersey and its travel and tourism programs.
TOTAL PROGRAM MANAGER HOURS: 40 HOURS		
 Ron Frazier Senior Manager	Program Manager	Ron specializes in providing grants management services for state and local agencies. Ron is a Senior Manager who has worked with the State of New Jersey on multiple engagements including NJDCA and NJDOE in monitoring CRF funds in the State’s response to COVID-19. Ron is well-versed in working on task-order engagements for the State and is excited about the opportunity to bring his exceptional customer service mindset to local entities.
TOTAL SUBJECT MATTER EXPERT HOURS: 40 HOURS		
 Logan Hurley Manager	Subject Matter Expert	Logan Hurley is a Manager with 6+ years of experience in providing compliance monitoring and grants management support for federally funded programs. Logan currently supports the Office of the Governor of Texas by overseeing an Application Review Team focused on grant administration services, as well as the Texas Division of Emergency Management (TDEM) by overseeing a team of Support Affiliates that assist subrecipients with project formulation, day-to-day grants management, reimbursement processing, and project closeouts.



Member	Role	Experience
 <p>Shih-Hsien Yang Manager</p>	<p>Subject Matter Expert - Data Scientist</p>	<p>Shih-Hsien is an experienced data analytics manager with proven success in helping government clients make near-real time, data-driven decisions. Much of his work is focused on safe-guarding financial payments and direct deposit transactions made by the federal government. He held an instrumental role in developing Machine Learning algorithms for fraud detection and duplicate detection to combat fraud, waste and abuse for rental and utility assistance programs in the States of Texas and Connecticut. He has investigated potential fraud rings using data science and has presented the findings for data-driven decision-making.</p>
 <p>Rochell Cottingham, PMP, CIA, CISA, CFE, CCSA, CGAP, CRMA Senior Manager</p>	<p>Subject Matter Expert</p>	<p>Rochell is a leader of CohnReznick’s efforts to provide comprehensive quality management and grant compliance monitoring services to local entities across the U.S. Rochell brings a passion for helping local entities achieve their goals with long-term improvements to their financial and operational policies and procedures. Rochell has proven success supporting the successful use of federal funding in the State of New Jersey, having served as an integral resource for the NJDOE and its utilization of CARES Act funding. Overall, Rochell has over 25 years of experience supporting the efficient and effective use of federal funding by state and local agencies alike.</p>
TOTAL PROJECT MANAGER HOURS: 200 HOURS		
 <p>David Solomon Manager</p>	<p>Project Manager</p>	<p>David is a Manager with 6+ years of experience in government auditing and emergency management in the public sector, most recently with the Florida Division of Emergency Management, assisting with the State’s implementation of the CARES and ARPA (SLFRF) programs. He performed and managed compliance and integrity monitoring services for the State of New Jersey - DOC, DOH, DOE, and DCA, specific to the use of Coronavirus Relief Funds (CRF) pursuant to the CARES and Consolidated Appropriations Acts.</p>
TOTAL CONSULTANT HOURS: 720 HOURS		
 <p>Erin White Senior Consultant</p>	<p>Consultant</p>	<p>Erin is a Senior Consultant with 6+ years of governmental accounting and auditing experience including pre-audit and post-audit reviews of state agency payments and contracts. She has provided integrity monitoring services such as risk assessment and finalizing deliverables for NJDOE, NJDOH and NJDOC. She is experienced in developing and implementing CRF and Non-CRF federally funded grant programs.</p>



Member	Role	Experience
 Emily McCracken Senior Consultant	Consultant	<p>Emily is a Senior Consultant with 4+ years of experience conducting payment application reviews, closeout audits, and supporting audit staff in collecting documents and workpapers related to internal audit projects.</p> <p>She has 2+ years of experience performing integrity monitoring for New Jersey agencies to ensure compliance with pandemic relief funds.</p>
 Grace Wandling, CPA Consultant	Consultant	<p>Grace is a Consultant with 10+ years of experience providing project management, policy and program compliance, audit, fraud investigation, discovery and remediation and integrity monitoring services to private and public clients.</p> <p>She has experience performing integrity monitoring for New Jersey agencies to ensure compliance with pandemic relief funds.</p>

Section 5 | Budget to Perform Scope of Work

Integrity Monitor Engagement Query Response

Contract G4018 – Integrity
Oversight Monitoring – Category
3 Services

New Jersey Department of
State – Division of Travel
and Tourism





Budget to Perform Scope of Work

Our staff will complete all tasks pursuant to the Monthly, Quarterly, and Final Report deadlines, and the project deliverables will be completed and submitted to DOS based on those requirements in the EQ. *Please note the Total Cost (non-discounted) shown is the cost calculated prior to any discounts applied, however being keenly aware of DOS' efforts to remain under budget we have discounted our pricing to present our best value to DOS.*

With this response CohnReznick believes it has shown it is more than qualified and capable of providing the services as outlined in the EQ. Our experience helping numerous states monitor and administer ARP-funded programs along with our proven track record of providing industry-leading audit and advisory services, demonstrates how CohnReznick is uniquely suited in aiding DOS.

CohnReznick has repeatedly shown that our approach to compliance and monitoring recovery programs is focused on partnering with our clients to ensure successful program outcomes, and we look forward to working with DOS and continuing to offer expert advisory support to the State of New Jersey.

Integrity Monitoring - Price Sheet

	Staffing Category	Hourly Billing Rate (\$)	Hours	Amount (\$)	Total Cost (\$)	Hourly Discounted Billing Rate (\$)	Amount (\$)	Total Cost (discounted) (\$)
Risk Assessment	Partner/Principal/Director	\$ 295.00	5	\$0.00	\$17,305.00	\$ -	\$0.00	\$17,305.00
	Program Manager	\$ 275.00	5	\$1,375.00		\$ 275.00	\$1,375.00	
	Project Manager	\$ 252.00	40	\$10,080.00		\$ 252.00	\$10,080.00	
	Supervisory/Sr. Consultant	\$ 204.00	0	\$0.00		\$ 204.00	\$0.00	
	Consultant	\$ 153.00	30	\$4,590.00		\$ 153.00	\$4,590.00	
	Associate/Staff	\$ 133.00	0	\$0.00		\$ 133.00	\$0.00	
	Subject Matter Expert	\$ 252.00	5	\$1,260.00		\$ 252.00	\$1,260.00	
	Administrative Support	\$ 76.00	0	\$0.00		\$ 76.00	\$0.00	
			85					
Work Plan Development	Partner/Principal/Director	\$ 295.00	5	\$1,475.00	\$18,780.00	\$ -	\$0.00	\$17,305.00
	Program Manager	\$ 275.00	5	\$1,375.00		\$ 275.00	\$1,375.00	
	Project Manager	\$ 252.00	40	\$10,080.00		\$ 252.00	\$10,080.00	
	Supervisory/Sr. Consultant	\$ 204.00	0	\$0.00		\$ 204.00	\$0.00	
	Consultant	\$ 153.00	30	\$4,590.00		\$ 153.00	\$4,590.00	
	Associate/Staff	\$ 133.00	0	\$0.00		\$ 133.00	\$0.00	
	Subject Matter Expert	\$ 252.00	5	\$1,260.00		\$ 252.00	\$1,260.00	
	Administrative Support	\$ 76.00	0	\$0.00		\$ 76.00	\$0.00	
			85					
On-going Monitoring	Partner/Principal/Director	\$ 295.00	10	\$2,950.00	\$139,670.00	\$ -	\$0.00	\$136,720.00
	Program Manager	\$ 275.00	20	\$5,500.00		\$ 275.00	\$5,500.00	
	Project Manager	\$ 252.00	100	\$25,200.00		\$ 252.00	\$25,200.00	
	Supervisory/Sr. Consultant	\$ 204.00	0	\$0.00		\$ 204.00	\$0.00	
	Consultant	\$ 153.00	680	\$100,980.00		\$ 153.00	\$100,980.00	
	Associate/Staff	\$ 133.00	0	\$0.00		\$ 133.00	\$0.00	
	Subject Matter Expert	\$ 252.00	20	\$5,040.00		\$ 252.00	\$5,040.00	
	Administrative Support	\$ 76.00	0	\$0.00		\$ 76.00	\$0.00	
			810					
Reports	Partner/Principal/Director	\$ 295.00	5	\$1,475.00	\$21,865.00	\$ -	\$0.00	\$20,390.00
	Program Manager	\$ 275.00	10	\$2,750.00		\$ 275.00	\$2,750.00	
	Project Manager	\$ 252.00	60	\$15,120.00		\$ 252.00	\$15,120.00	
	Supervisory/Sr. Consultant	\$ 204.00	0	\$0.00		\$ 204.00	\$0.00	
	Consultant	\$ 153.00	0	\$0.00		\$ 153.00	\$0.00	
	Associate/Staff	\$ 133.00	0	\$0.00		\$ 133.00	\$0.00	
	Subject Matter Expert	\$ 252.00	10	\$2,520.00		\$ 252.00	\$2,520.00	
	Administrative Support	\$ 76.00	0	\$0.00		\$ 76.00	\$0.00	
			85					
	Allowance for Travel Expenses and Reimbursement if on-site monitoring required			\$10,000.00				
	Total Cost (non-discounted)				\$197,620.00			
	Total Cost (if discounted)							\$191,720.00

Section 6 | Identification of Any Potential Conflicts of Interest

**Integrity Monitor
Engagement Query
Response**

Contract G4018 – Integrity Oversight
Monitoring – Category 3 Services

**New Jersey Department of
State – Division of Travel and
Tourism**





Identification of Any Potential Conflicts of Interest

Per the requirements outlined in the New Jersey Treasury's Engagement Query to retain a Category 3: Integrity Monitoring/Anti-Fraud Integrity Monitor for DOS to conduct virtual desk monitoring of the DOS, Division of Travel and Tourism and its ARPA-funded programs, this is our written notification to New Jersey Treasury and DOS that CohnReznick has conducted internal conflicts check and that it produced no known conflicts at this time.

If selected as the vendor of choice for this Integrity Monitoring engagement, CohnReznick will monitor for potential conflicts of interest that may arise throughout contract performance, disclose any conflicts that may arise to DOS, and work with New Jersey Treasury and DOS to effectively resolve such conflicts.



COHNREZNICK HAS NO CONFLICTS.

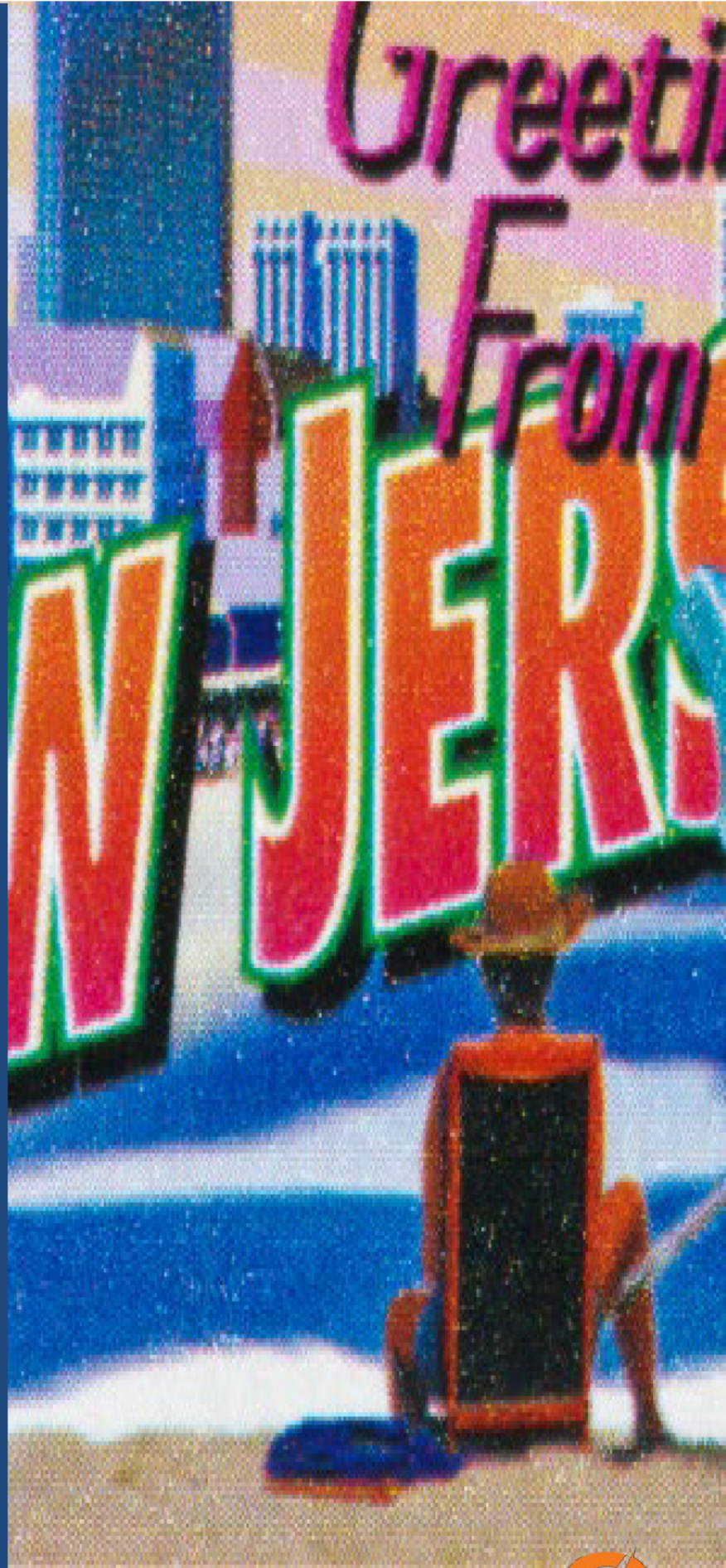
Within the State of New Jersey, CohnReznick is currently only providing Integrity Monitoring services to NJDOE and NJDCA under Contract G4018. This puts us in the best position to monitor DOS' programs and uphold the integrity of the programs throughout.

Section 7 | Engagements Under G4018 with Other State Agencies

Integrity Monitor Engagement Query Response

Contract G4018 – Integrity
Oversight Monitoring – Category
3 Services

New Jersey Department of
State – Division of Travel
and Tourism





List of Current G4018 Engagements

Below is a listing of CohnReznick existing engagements under NJ Treasury Contract G4018, as requested.

G4018 Integrity Monitoring Engagements				
Vendor Name: CohnReznick LLP				
State Department or Agency	Engagement Category: (1, 2, 3)	Program & Description	Program Federal Funding Source:	Amount of Funding
New Jersey Department of Education	3	Integrity Oversight Monitoring: ESSERF I, ESSERF II, and ESSERF III	CARES, CRRSA, ARP	\$4,270,000,000.00
New Jersey Department of Education	3	Integrity Oversight Monitoring: Emergency Assistance to Nonpublic Schools Program	CRRSA, ARP	\$139,342,838.00
New Jersey Department of Community Affairs	3	Integrity Oversight Monitoring: Utility Arrearage Program	ARP	\$250,000,000.00

Thank you!

