

Letter of Engagement

December 22, 2020

Successful Bidder: CohnReznick

On behalf of the Department of Community Affairs, 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 \$95,507.50.

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

### **Department of Community Affairs**

#### **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 Community Affairs (“DCA”) in order to procure an Integrity Monitor for DCA’s Corona Virus

Emergency Rental Assistance Program (“CVERAP”), and its Local Government Emergency Fund (“LGEF”).

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

#### **A. Background**

DCA received approximately \$162.5M in CRF. From these funds two programs, CVERAP - \$80M in CRF, and LGEF - \$60M in CRF, are, by virtue of the respective CRF allocations, subject to review by review by an outside Integrity Monitor under the IOM Guidelines.

The **CVERAP** program, announced June 2020, will provide temporary rental assistance to low- and moderate-income households that have had a substantial reduction in income or became unemployed due the COVID-19 pandemic and that were current on their rent through March 2020 – this program will not assist with arrears. Beginning with August 2020 rent, applicants may be eligible for a maximum of up to six months of prospective, emergency rental assistance. The assistance will be capped at DCA’s fair market rent standard or the total of the rent, whichever is lesser. Applicants receiving rental assistance from other sources, and/or living in public housing are ineligible for CVERAP. All participants will be reviewed at the three-month interval to see if they are still in need of assistance.

The **LGEF** is recognition of the pandemic induced, severe fiscal stress counties and municipalities may be under to maintain essential services and to take the necessary steps to fight COVID-19. As the public health emergency associated with the COVID-19 pandemic continues, county and municipal governments throughout New Jersey have been severely impacted. The most significant negative financial impacts result from extreme economic contraction, deficits in tax and fee revenues, and extraordinary increases in public safety and health and human services expenditures. Severe fiscal stress limits the ability of counties and municipalities to maintain essential services and take the steps necessary to fight COVID-19. Local emergency aid, provided through the LGEF, is essential to avoid imposing an undue burden on already financially-stressed taxpayers.

Counties and municipalities excluded from the federal government’s direct CRF allocation plan, as well as those counties and municipalities that are currently the most impacted in comparison to their available resources, are eligible for LGEF resources. Their maximum distribution is determined by formula. The counties and municipalities eligible to receive CRF funds, and their respective maximum funding eligibility is determined using an allocation formula based on variety of pertinent metrics including:

- The local COVID-19 infection rate
- Population;
- Fiscal stress;
- Municipal Revitalization Index;
- Public safety, public health, and human services-related expenditures as percentage of total budget.

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

### **Project Description**

The following Scope of Work (SOW) describes and applies to the Tasks that will be completed by the Integrity Monitor to schedule, conduct, and complete Integrity Monitoring evaluations as set forth below:

Process: Emergency Rental Assistance Program (“CVERAP”)

- A. The Integrity Monitor must be available to conduct both onsite and desk monitoring of the DCA as it relates to CRF funds.
- B. The Integrity Monitor must be available to review and monitor applicant files for accuracy and completeness as it relates to CRF funds.
- C. The Integrity Monitor must have the organizational capacity to review and monitor voluminous applicant files in a short period of time.
- D. The Integrity Monitor must have the organizational capacity to cross reference the applicants to other similar programs to review and monitor for duplication of benefits.

Process: Local Government Emergency Fund (“LGEF”)

- A. The Integrity Monitor must be available to conduct both onsite and desk monitoring of the DCA as it relates to CRF funds.
- B. The Integrity Monitor must have the organizational capacity to support integrity monitoring activities throughout the State of New Jersey. The Integrity Monitor may be required to perform on site monitoring activities to municipalities receiving LGEF funds.
- C. The Integrity Monitor must not be employed by any of the municipalities receiving LGEF funds.

## COMPONENTS

The Integrity Monitor will coordinate its activities with the Accountability Officer but shall be independent as the Integrity Monitor performs its Tasks. All reviews should be conducted as an outside auditor/reviewer would.

The DCA will provide a list of CRF allocations and a list of applicants for CVERAP that the DCA will be monitoring. The DCA will provide a list of CRF allocations and a list of municipalities receiving CRF funds for LGEF that it is monitoring. The Integrity Monitor shall select a sample from awarded grants, based on risk, to monitor and shall not select the same applicants or municipalities that the DCA has identified to be monitored by the DCA. It is expected that each sample for each of the programs will be reasonably expected to be representative of the population as a whole. It is expected that the level of risk found in the risk assessments conducted by either DCA or the Integrity Monitor will determine if additional monitoring will take place.

When performing its duties, the Integrity Monitor shall consult with DCA staff, municipality staff, staff in other state agencies, law enforcement officers, other Integrity Monitors, private entities, and/or the staff of monitored entities as necessary.

The Integrity Monitor's role is to ensure that DCA is adhering to the sub-award agreement and applicable federal and state guidelines and regulations with the CRF grant through the following Tasks:

1. Ensure municipalities compliance with laws, regulations, programs, contractual requirements, agreements, certifications, and affidavits, including the submission by subgrantees of required periodic reports and reimbursement requests to the DCA.
2. Evaluate internal controls of selected LGEF financial management, cash management, acquisition management and records management capabilities.
3. Review written documents, such as financial and performance reports, recent audit results, documented communications with the DCA prior monitoring reports, and other documents or reports, as appropriate;
4. Validate compliance with sub-grant award and general terms and special conditions.
5. Review specific files e.g., reimbursement requests and final reports, to become familiar with the disbursement of funds for CRF, actual expenditures are consistent with the proposed spending as outlined in the various program designs and the proposed items in program applications and are the same as those reported in the final subgrantee report submitted to DCA upon program deadlines.
6. Ensure that LGEF applicants are retaining appropriate documentation, based on federal and state regulations, to support reimbursement requests submitted to DCA under CRF. Final reports submitted by municipalities will include back up invoices and Purchase Orders.
7. Follow up with questions regarding specific funding decisions and application approvals as it relates to the CRF, and review decisions related to this spending.

8. Facilitate the exchange of ideas to promote operational efficiency for future relief funding.
9. Promote cooperation and communication among Integrity Monitors engaged by other Recovery Program Participants (e.g. to guard against duplication of benefits- LGEF applicants should not request reimbursement from FEMA for items that will be reimbursed under CRF.);
10. Conduct on-site monitoring as needed (see below); and
11. Promptly respond to any inquiries from the Office of the State Comptroller (OSC) regarding the Tasks under this Engagement Query.

Generally, the Integrity Monitor should perform desk reviews to assess the need for visits or site monitoring. Depending upon results from the desk review, in combination with the risk assessments conducted by the Department the monitor should evaluate whether an on-site monitoring visit is appropriate. All decisions and the steps that were taken regarding an on-site monitoring visit should be documented as to how the conclusion was made as it related to the on-site visit. The Integrity Monitor may choose to conduct an on-site monitoring visit as a result of the following:

- Non-compliance with reporting requirements.
- Problems identified in 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.

## **Specific Performance Milestones/Timelines/Standards/Deliverables**

All deliverables must be completed by January 31, 2021.

## **Risk Assessment Summary**

The DCA Office of Auditing shall perform a risk assessment on all programs subject to Integrity Monitor oversight and provide those risk assessments to the Integrity Monitor for its review.

## **Reporting Requirements**

### **1. Reports**

- a. Pursuant to EO 166, the Integrity Monitor shall submit a draft quarterly report to the DCA on or before December 31, 2020 detailing the specific services rendered during the quarter and any findings of waste, fraud, or abuse. A final quarterly report shall be due on or before January 15, 2021.
- 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.
- c. Within two weeks of the award, or sooner as appropriate, the Integrity Monitor shall provide a report to the DCA Accountability Officer detailing the extent to which it has reviewed the records of each program under its review, highlighting any concerns and/or preliminary findings.

### **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 DCA 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 January 31, 2021. At the option of the DCA, 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 to exceed the Contract Term, and any extensions thereto, as set forth in Section 5.2 of the IOM RFQ,



## **V. LIQUIDATED DAMAGES**

The IOM's failure to comply with the requirements of the contract, including but not limited to EO-166, the IOM RFQ, the IOM Guidelines and this Engagement Query may constitute a breach of contract and may result in termination of the contract by the DCA or imposition of such other remedy as DCA deems appropriate.

At DCA's option, such a breach of contract may result in the imposition of liquidated damages. DCA and the IOM agree that it would be extremely difficult to determine actual damages which DCA will sustain as the result of the IOM's failure to meet its contractual requirements. Any breach by the IOM: could prevent DCA from complying with EO-166, the IOM Guidelines, and laws applicable to the use and expenditure of CRF and other public funds; will adversely impact DCA's ability to ensure identification and mitigation of risks; and may lead to damages suffered by DCA and the State as a whole. If the IOM fails to meet its contractual obligations, DCA may assess liquidated damages against IOM as follows:

Failure to deliver a quarterly report by 1/15/21	\$250/day
After January 1, 2021, failure to deliver subsequent final quarterly reports within 15 days after the quarter end.	\$250.day

## **VI. Questions regarding this Engagement Query (OPTIONAL):**

Any questions related to the Scope of Work must be submitted electronically by 3:00pm on December 14, 2020. They must be submitted via email to [REDACTED] with a copy to the State Contract Manager [REDACTED]

## **VII. Submission of Proposals:**

Detailed proposals in response to this Engagement Query shall be submitted electronically by 3:00 on December 18, 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: Michael Delplato, [REDACTED]

## **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**

**Attachment 1: Quarterly Report Template**

**Attachment 2: Risk Matrix for CVERAP**

**Attachment 3: Risk Matrix for LGEF**

### **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.



**State of New Jersey**  
DEPARTMENT OF COMMUNITY AFFAIRS  
101 SOUTH BROAD STREET  
PO BOX 800  
TRENTON, NJ 08625-0800  
(609) 292-6420

PHILIP D. MURPHY  
*Governor*

LT. GOVERNOR SHEILA Y. OLIVER  
*Commissioner*

February 17, 2021

**Ron Frazier, JD, PMP**  
Senior Manager  
Government and Public Sector  
CohnReznick Advisory

**RE:** Agreement to Extend work as Integrity Monitor under DCA State of New Jersey  
Purchase Order # 8880229 Until March 31, 2021.

The State of New Jersey Division of Community Affairs and CohnReznick, LLP agree to a no  
cost extension to the purchase order # 8880229 until March 31, 2021.

  
Michael DelPlato,

Acting Director of Auditing

  
Ron Frazier,

CohnReznick, LLP

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., Section 5001 of CARES Act)		
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			
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			
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

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.



Engagement Query Response

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

New Jersey Department of Community Affairs

**December 18, 2020 3:00PM**



**Submitted by: CohnReznick LLP**

101 Crawfords Corner Road  
Suite 2316  
Holmdel, NJ 007733

[www.CohnReznick.com](http://www.CohnReznick.com)

**Frank Banda, CPA, CFE, CGMA, PMP**  
Managing Partner – Public Sector  
E-mail: [Frank.Banda@CohnReznick.com](mailto:Frank.Banda@CohnReznick.com)

December 18, 2020

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

**RE: New Jersey Department of Community Affairs – 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 Community Affairs (DCA or Department) 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 DCA. 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 Department. 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 DCA'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 Department'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 DCA Personnel.** Our team, upon contract award, can quickly engage with the Department to determine the level of involvement desired by DCA staff. We will suggest options for integrating DCA 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 DCA 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 have previously performed for NJ DCA and are certain we can apply those lessons learned to this Engagement. We are confident our team represents the most efficient and economical solution in helping DCA continue to achieve its oversight requirements.

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

Sincerely,



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





## **TABLE OF CONTENTS**

<b><u>PROPOSAL PLAN</u></b>	<b><u>1</u></b>
<b>PLAN TO PERFORM SCOPE OF WORK</b>	<b>2</b>
STANDARD REPORTING AND KEY DELIVERABLE SCHEDULE	2
PERSONNEL	2
WORK PLAN	5
<b><u>BUDGET AND PRICE SCHEDULE</u></b>	<b><u>8</u></b>
<b>BUDGET TO PERFORM SCOPE OF WORK AND TIMELINE</b>	<b>9</b>
<b><u>SCHEDULE OF DELIVERABLES</u></b>	<b><u>10</u></b>
<b>SCHEDULE OF DELIVERABLES</b>	<b>11</b>
<b><u>IDENTIFICATION OF ANY POTENTIAL CONFLICTS OF INTEREST</u></b>	<b><u>12</u></b>
<b>IDENTIFICATION OF ANY POTENTIAL CONFLICTS OF INTEREST</b>	<b>13</b>

# 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 DCA 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 1-25
Process Matrix (noting any identified gaps, inefficiencies, or redundancies)	Draft – Days 5 Final – Conclusion of task order
Working Papers (containing test plans and results)	Conclusion of task order
Monitoring	Days 4 - 20
Quarterly Report	Draft – Day 10 or 12/31 Final – Day 25 or 1/15
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 Managers will be Amanda Campen, Carolyn Newcomb, and Rochell Cottingham, with Amanda Campen functioning as the Engagement Lead. Together they have all the direct experience that DCA would require, from years of integrity monitoring experience, previous monitoring for DCA, and COVID-19 experience. **Ms. Campen, JD** has 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. **Ms. Newcomb, CPA, CFE**, has over 20 years of experience, and specializes in providing integrity oversight monitoring services for state and regulatory agencies. She has worked for New Jersey on various engagements, including specifically for DCA in monitoring Community Development Block Grant (CDBG) Disaster Recovery Funds in the aftermath of Superstorm Sandy. **Mr. Cottingham, PMP, CIA, CISA, CFE, CCSA, CGAP, CRMA**, has all the certifications and experience that the Department could possibly want in a Program Manager, having provided oversight monitoring type services since Hurricane Katrina. Our Program



Managers ensure our team hits the ground running with evaluation of controls and the related program monitoring.

The Key Personnel Table presented below has been included to familiarize DCA 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 DCA.

Key Personnel	Years' Experience	Estimated Hours on the Project	Relevant Experience
<b>Program Manager</b>			
<b>Amanda Campen, JD</b>	7+	90	<ul style="list-style-type: none"><li>• 7+ years' experience in compliance, project management, and auditing</li><li>• 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</li><li>• 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</li></ul>
<b>Rochell Cottingham, PMP, CIA, CISA, CFE, CCSA, CGAP, CRMA</b>	20+		<ul style="list-style-type: none"><li>• 12+ years of Community Development Block Grant (CDBG) housing and Federal Emergency Management (FEMA) Hazard Mitigation Grant Program (HMGP) experience</li><li>• 20+ years of experience managing major programs, projects, and business units in the areas of audit, compliance, performance monitoring, revenue assurance, quality assurance, fraud prevention and detection, risk management, system development, and project management</li></ul>
<b>Carolyn Newcomb, CPA, CFE</b>	20		<ul style="list-style-type: none"><li>• 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</li><li>• 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</li></ul>



			Airport redevelopment Program with a construction budget exceeding \$2 Billion.
Project Managers			
Anna Fomina, CPA, CGMA	13	110	<ul style="list-style-type: none"><li>Over 7 years of consulting, integrity monitoring, and fraud investigation experience in the construction industry and public sector for clients including the Port Authority of New York and New Jersey, New Jersey Transit, and the New Jersey Department of Community Affairs</li></ul>
Alisha Johnson	7		<ul style="list-style-type: none"><li>Over 7 years of compliance monitoring and program support for such clients as the states of New York and Louisiana, the Texas Division of Emergency Management, and the Texas General Land Office</li></ul>
Melanie Thomas Irvin, PMP	13		<ul style="list-style-type: none"><li>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</li></ul>
Geoffrey Magon	9		<ul style="list-style-type: none"><li>Extensive experience in the project management of federal, state, and local programs such as providing oversight, compliance, and technical support to sub grantees awarded FEMA funds for the Texas Division of Emergency Management</li></ul>
Consultants			
Sarah Cowan, CPA	3	300	<ul style="list-style-type: none"><li>3 years of public accounting experience; analyzing financial statements; and preparing and reviewing individual, partnership, and corporate tax returns</li></ul>
Kaylyn Franklin	6		<ul style="list-style-type: none"><li>Disaster Recovery Consultant specializing in compliance, QA/QC, and audit for clients such as the City of New Orleans and the Louisiana Office of Community Development, Disaster Recovery Unit</li></ul>
Elsie Guevara, CFE	3		<ul style="list-style-type: none"><li>Several years of experience providing audit and attest services to clients in various industries, including integrity monitoring of the Port Authority of New York and New Jersey</li></ul>
Emily McCracken	2		<ul style="list-style-type: none"><li>Experience conducting payment application reviews, construction closeout audits, and supporting audit staff in collecting documents and workpapers related to internal audit projects</li></ul>
Valerie Roberts	2		<ul style="list-style-type: none"><li>2+ years of Government audit experience utilizing Generally Accepted Account Principles &amp; Generally Accepted Government Auditing Standards</li></ul>
Jill Ross	3		<ul style="list-style-type: none"><li>3+ years of compliance monitoring and consulting experience, specializing in Federal Regulations, disaster recovery, and grant management</li></ul>



## Work Plan

The scope of services to be provided includes the following:

### Work Plan Steps

#### Days 1- 3: Planning

The Integrity Monitor shall select a sample from awarded grants, based on risk, to monitor and shall not select the same applicants or municipalities that the DCA has identified to be monitored by the DCA.

#### Engagement Kickoff:

- 1) Conduct engagement kickoff meeting with DCA;
- 2) Confirm engagement scope and objectives;
- 3) Confirm level of coordination between CohnReznick and DCA personnel;
- 4) Confirm Department management and agree on protocol for contacting Program staff;
- 5) Coordinate with DCA to draft entrance conference agendas and schedule meetings with required Department 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) Confirm required working papers format and organizational structure for submission to DCA at the end of the engagement; and
- 9) Create structure for maintaining working papers and key deliverables and for sharing information between CohnReznick and DCA.

#### Entrance Conferences:

- 1) Conduct entrance conferences with DCA and Program management.
- 2) Request organization charts and confirm points of contact for monitoring area(s);
- 3) Provide copy of required sections of quarterly report for completion by Department management, confirm response date, and schedule follow-up meeting(s) to discuss responses;
- 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 4-20: Fieldwork/Monitoring

- 1) Review responses received from Program management and document follow-up questions;
- 2) Review DCA Office of Auditing risk assessment to identify potential areas of high risk;
- 3) Document any gaps and conduct follow-up meeting to discuss;
- 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 DCA.

The IOM engaged will be responsible for monitoring DCA'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 DCA regarding work plan;
- 3) Initiate activities to evaluate CVERAP and LGEF program performance;
- 4) Evaluate internal controls of selected LGEF financial management, cash management, acquisition management and records management capabilities;
- 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 and sub-grant awards regarding use and reporting requirements for CRF Funds;
- 10) Review financial and performance reports, audit results and prior monitoring reports;
- 11) Sample test specific files for appropriate documentation including reimbursement requests and related support and final reports;
- 12) Document results and note any process variances, gaps, and/or areas of improvement for follow-up discussion;
- 13) Document any potential areas of fraud, waste and abuse for communication to DCA;
- 14) Follow up with staff to discuss any noted variances and confirm preliminary results; and
- 15) Conduct other tasks listed in the IOM Guidelines or deemed appropriate as directed by DCA.

#### Days 14-25: Reporting

Pursuant to EO 166, the Integrity Monitor shall submit a draft quarterly report to the DCA on or before December 31, 2020 detailing the specific services rendered during the quarter and any findings of waste, fraud, or abuse. A final quarterly report shall be due on or before January 15, 2021.





Prepare draft quarterly report for submission to DCA;

- 1) Submit draft document to DCA for feedback;
- 2) Coordinate with DCA to start finalizing quarterly report;
- 3) Update quarterly report based on feedback and/or response to findings received by DCA;
- 4) Finalize quarterly report; and
- 5) Submit final documents to DCA.

#### Key Deliverables

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

- 1) Report to the DCA Accountability Officer detailing the extent to which the records of each program has been reviewed, highlighting any concerns and/or preliminary findings.
  - Within two weeks of award, or sooner as appropriate
- 2) Draft Quarterly Report
  - On or before 12/31/20
- 3) Final Quarterly Report
  - On or before 1/15/21



# 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 1/31/21 contract expiration deadline detailed in the Engagement Query. Our team will complete all fieldwork and monitoring pursuant to the 12/31 Draft and 1/15 Final Report deadlines. The project deliverable Quarterly Report will be completed and submitted based on the requirements from the Engagement Query.

Name	Role	Rate	Total Hours	Total Cost
Amanda Campen Rochell Cottingham Carolyn Newcomb	Program Manager	\$ 266.75	90	\$ 24,007.50
Anna Fomina Alisha Johnson Melanie Thomas Irvin Geoffrey Magon	Project Manager	\$ 245.00	110	\$ 26,950.00
Sarah Cowan Kaylyn Franklin Elsie Guevara Emily McCracken Valerie Roberts Jill Ross	Consultant	\$ 148.50	300	\$ 44,550.00
TOTAL			500	\$ 95,507.50

CohnReznick understands the Department of Treasury's inclusion of Section V. Liquidated Damages, but requests that the language be modified to the effect that total damages incurred under this Contract shall not 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 delays are caused by DCA or delays are caused by the lack of availability and/or access to information required to perform the work.

# Schedule of Deliverables





## SCHEDULE OF DELIVERABLES

CohnReznick is committed to providing quality services within the DCA'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.

### DCA Phases and Timeline:

#### Planning

Days 1-3

- Kick-off Meeting and Entrance Conferences
- Document protocol and deliverable timelines
- Request and review existing documentation
- Identify relevant systems

#### Fieldwork/Monitoring

Days 4-20

- Interview key personnel and conduct work sessions
- Draft work plan
- Document process matrix with identified gaps
- Perform testing
- Evaluate closeout procedures

#### Reporting

Days 14-25

- Draft Quarterly Report - 12/31
- Conduct Exit Conference
- Finalize Quarterly Report - 1/15
- Submit final workpapers

# Identification of Any Potential Conflicts of Interest





## IDENTIFICATION OF ANY POTENTIAL CONFLICTS OF INTEREST

In accordance with the DCA's Engagement Query for Integrity Oversight Monitor, we are notifying DCA 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 DCA, and work with DCA to effectively mitigate such conflicts.