<u>Letter of Engagement</u>

<u>August 19, 2021</u>

Successful Bidder:

On behalf of the Department of Human Services, the State of New Jersey, Department of the Treasury hereby issues this Letter of Engagement to North Highland pursuant to the Engagement Query issued on June 25, 2021 and North Highland's proposal dated July 16, 2021.

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 $490,000.00

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 Human Services – Excluded New Jerseyans Fund
Category 2: Financial Auditing and Grant Management

I. **GENERAL INFORMATION:**

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

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

Pursuant to E.O. 166, the Taskforce has issued guidelines, which have been updated as of June, 2021 and are attached hereto, regarding the appointment and responsibilities of COVID-19 Oversight Integrity Monitors ("Integrity Monitors"). Integrity Monitors are intended to serve as an important part of the State's accountability infrastructure while working with Using Agencies in developing measures to prevent, detect, and remediate inefficiency and malfeasance in the expenditure of COVID-19 Recovery Funds and provide expertise in Program and Process Management Monitoring; Financial Auditing and Grant Management; and Integrity Monitoring/Anti-fraud services.

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

This Engagement Query is issued by the Department of the Treasury on behalf of the Department of Human Services ("DHS").

The purpose of this engagement query is to contract for grant management services as described in Section 3.1.1.2 of the RFQ, Category 2 Financial Auditing and Grant Management, to review and adjust DHS's program design for compliance with federal rules, develop policy and training documents, and assist DHS in the engagement of entities to administer the program. These contracted entities will allow DHS to provide cash assistance to residents impacted by the COVID-19 pandemic but not otherwise eligible for federal stimulus or Unemployment Insurance benefits.

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

A. Background

DHS will establish the Excluded New Jerseyans Fund (the Fund) with a funding allotment of $40 million from the Coronavirus Relief Fund (CRF) that will provide a one-time, direct cash benefit to households who have suffered an economic hardship due to COVID-19 and were excluded from or ineligible for federal stimulus checks or unemployment insurance -- including undocumented individuals, residents in re-entry programs, and any other individuals otherwise excluded.

The Fund will provide benefit payments of up to $1,000 for individuals and $2,000 per household based on documented additional costs or lost income due to the effects of COVID-19. The Fund will be launched as soon as possible, and applications will be accepted until funds are exhausted.

DHS will oversee the Fund and is seeking an Integrity Monitor to:
- Assist in the final development of the Fund to ensure that it meets federal CRF requirements.
- Develop a request for proposal (or a similar competitive solicitation) for DHS to procure multiple Community Based Organizations (CBO), nonprofit organizations providing social supports and services to low-income individuals, capable of resident outreach, application assistance, and program eligibility determinations. Technical assistance to and monitoring of CBOs to ensure compliance with RFP scope elements and federal and State program rules.

II. SCOPE OF WORK (SOW) REQUIREMENTS

A. Project Description
The project shall include the following components to establish and administer the Fund:

1. Review and finalize program design and establish a formal policy document outlining all program eligibility requirements, benefit calculations, and operational processes. Draft eligibility requirements developed by DHS are available upon request and must be treated as confidential.

The Contractor must ensure The Fund program parameters and processes are compliant with all federal rules associated with the CRF, including but not limited to recipient eligibility requirements, program benefit calculations, eligibility documentation requirements, and coordination of benefits safeguards. DHS also seeks assistance to ensure equitable and reliable distribution of the benefits, which may require program design elements that allocate total available funding regionally. Given the fixed nature of available funding, DHS seeks to ensure that residents in all areas of New Jersey are provided equal access to benefits and that, to the extent possible, applicants not be disadvantaged by the speed with which the CBO(s) in their region is able to assist and submit program applications.

2. Application development and application submission systems.

Contractor must assist DHS to develop an application document and process that supports the ability of residents to submit applications online and through CBOs, over-the-phone and via US postal service. Applications should collect the least amount of data necessary to ensure eligibility, maintain program integrity and prevent fraud.

DHS will provide, with input from the Contractor pursuant to other tasks outlined in this document, an online portal for eligibility screening and submission of online applications, and the maintenance of all program applicant data and documentation.

3. Eligibility determination documents.

Contractor must assist DHS to develop the following materials that outline rules, requirements, documentation standards, and materials to assist in eligibility determinations and other support compliance and consistent program operation:

Instructions and tools needed for staff at CBOs who will be directly assisting applicants, answering questions, and performing eligibility determinations. These documents must include instructions on accessing the DHS supported IT system, entering applicant information and supporting documentation, calculating recipient program benefit, and checking on application status within the system. The Contractor must also provide technical expertise to assist DHS staff to develop FAQ document for public facing portal and use by application assisters.

4. Community Based Organization procurement, support and monitoring.

<u>Procurement:</u>

The Contractor will, with input from DHS, develop the scope and requirements for a Request for Proposal (RFP) (or a similar competitive solicitation) to be issued publicly by DHS to solicit CBOs to perform the functions and meeting the draft requirements outlined in Attachment 1. Specific tasks include:

- Review and assist DHS in finalizing the draft criteria in Attachment 1 and develop the public request for proposal based on the finalized requirements.

- Assist DHS in determining the appropriate performance metrics and payment models based on scope items. Assist in development of any required adjustments based on region, population and other factors as appropriate to ensure application assistance and outreach through CBOs is broadly available to residents of the State.

- Review RFP responses and verify that service providers meet minimum contracting criteria.

- Provide a qualitative and quantitative review of responses resulting in a ranked list of providers to aid the DHS evaluation team in selecting the most highly qualified bidders, price and other factors considered.

Support:

Integrity Monitors will be responsible for providing documentation, training, and ongoing technical assistance to CBO providers, including the following:

- Create federal compliance protocols and trainings for providers, including the management of CBO post-training support that should include assistance with case-specific eligibility questions.

- Provide eligibility determination guides and instructions for provider staff to ensure consistency and compliance. These must include instructions on the use of the DHS operated portal for all aspects of program application and inquiry.

- IM must provide ongoing technical support to CBOs related to eligibility as well as technical aspects of the program application during normal business hours for the full program period.

Monitoring:

IM will be responsible for ensuring CBO vendors comply with performance metrics and program guidelines for the Fund. Tasks will include:

- Monitor CBO performance on application submission, assistance, outreach and other tasks as may be outlined in the CBO contract. Notify DHS immediately of non-compliance and recommend corrective action.

- Weekly sampling of eligibility determinations done by each CBO to ensure compliance with federal and DHS program rules. Weekly report of findings to DHS at the close of business each Monday, including recommendations for corrective action, and provider retraining as necessary.

- Weekly match of applications otherwise deemed eligible to ensure no duplication of benefits across CBOs. IM to define metrics best suited to identify obvious cases of duplication without undue burden on Program processes and timelines.

5. Document Retention/Data Security

   Supporting documents such as proof of identity and eligibility will be requested as part of the application process. However, in order to safeguard sensitive applicant information and to ensure applicants feel safe coming forward to apply for the program, the Contractor will provide technical knowledge and expertise in grant management to ensure compliance with federal regulations while also including the privacy protections for applicants such as application forms for the program that:

   (i) neither request nor require an applicant's place of birth, citizenship, or immigration status;

   (ii) do not identify the type of documents an applicant used to prove age or identity; and

   (iii) for applicants who are ineligible for a social security number, unemployment or federal stimulus payments under the CARES Act or subsequent federal COVID stimulus, the reasons for such ineligibility.

   Copies of the applicants' proofs of identity, residency or other documents presented to show eligibility will only be used for the purposes of this program.

   Information disclosed by an applicant, including personal identifying information, will not be disclosed by the agency to any other state or federal government or private entities except when needed for the implementation of this program, as required by state or federal law, or where the applicant has provided express consent in writing.

6. Audit Support

   In the event of an audit of the Fund, the Contractor shall provide all necessary support to assist DHS in responding to any audits or reviews initiated by a government agency resulting from work that was done as part of this engagement. Contractor shall be compensated based on staff rates otherwise outlined in this Engagement plus any direct costs as allowable under the IOM RFQ during such audit support.

B. **Specific Performance Milestones/Timelines/Standards/Deliverables**

   Milestones to include:
   - Program design and policy development – Due by 8/2/2021
   - Application development and testing – Due by 8/16/2021
   - Eligibility determination materials – Due by 8/16/2021
   - CBO RFP Development - Due by 8/30/2021
   - CBO RFP Response Evaluation Support – Due to DHS five business days following CBO bid submission deadline.
   - Final reporting and document transfer to DHS – Due 20 business days following closure of the program, or 12/30/2021, whichever occurs first.

C. Risk Assessment Summary
   N/A

D. Reporting Requirements

1. Quarterly Integrity Monitor Reports

   a. Pursuant to E.O. 166, the Integrity Monitor shall submit a draft quarterly report to the Using Agency on the last day of every calendar quarter detailing the specific services rendered during the quarter and any findings of waste, fraud, or abuse using the Quarterly Report template attached hereto. If the Integrity Monitor report contains findings of waste, fraud or abuse, the Using Agency has an opportunity to respond within 15 days after receipt.

   b. Fifteen business days after each quarter-end, the Integrity Monitor shall deliver its final quarterly report, including any comments from the Using Agency, to the State Treasurer, who shall share the reports with the GDRO, the Senate President, the Speaker of the General Assembly, the Attorney General, and the State Comptroller. The Integrity Monitor quarterly reports will be posted on the COVID-19 transparency website pursuant to E.O. 166.

2. Additional Reports

   a. E.O. 166 directs the Office of the State Comptroller, (OSC) to oversee the work of Integrity Monitors. Therefore, in accordance with E.O. 166 and the IOM Guidelines, OSC may request that the Integrity Monitor issue additional reports or prepare memoranda that will assist OSC in evaluating whether there is waste, fraud, or abuse in COVID-19 Recovery Programs administered by the Using Agencies. OSC may also request that the Integrity Monitor share any corrective action plan(s) prepared by the Using Agencies to evaluate whether those corrective plan(s) have been successfully implemented.

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. <u>PROPOSAL CONTENT:</u>

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

1) A detailed proposal describing how the Integrity Monitor intends to accomplish each component of the scope of work.

2) A detailed budget identifying staff classifications and hourly rates which shall not exceed the rates in the Integrity Monitor's BAFO Price Schedule.

3) A timeline for submission of the deliverables required by 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. SUBMISSION OF PROPOSALS:

Detailed proposals in response to this Engagement Query shall be submitted electronically by 3:00 p.m. on **7/16/2021**. Proposals must be submitted via email as set forth below:

TO: State Contract Manager
          Mona Cartwright, Fiscal Manager, Department of the Treasury
          █████████████████████

With a copy to the Agency Contract Manager: ████████████████

V. DURATION OF ENGAGEMENT:

The Engagement will commence upon the issuance of a Letter of Engagement and expire on **12/30/2021**. At the option of DHS, this Letter of Engagement may be extended. Any extension to this Letter of Engagement, however, may not to exceed the Contract Term, and any extensions thereto, as set forth in Section 5.2 of the IOM RFQ,

VI. CONTRACT TERMINATION

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

VII. LIQUIDATED DAMAGES

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

contractual obligations, the Using Agency may assess liquidated damages against the Integrity Monitors as follows:

DHS has the sole discretion to determine whether liquidated damages should be assessed.

Assessment of liquidated damages shall be in addition to, and not in lieu of, such other remedies as may be available to DHS and the State of New Jersey. Except and to the extent expressly provided herein, DHS shall be entitled to recover liquidated damages under each section applicable to any given incident.

The following table defines DHS' performance standards for the Integrity Monitor's review and adjustment of the State's program design for compliance with federal rules, develop policy and training documents, and assisting the State in the engagement of entities to administer the program:

Indicator	Final Standard	Final Liquidated Damages
Section II(D)	Pursuant to E.O. 166, the Integrity Monitor shall submit a draft quarterly report to the Using Agency on the last day of every calendar quarter detailing the specific services rendered during the quarter and any findings of waste, fraud, or abuse using the Quarterly Report template attached hereto. If the Integrity Monitor report contains findings of waste, fraud or abuse, the Using Agency has an opportunity to respond within 15 days after receipt.	$500 per day for each day a draft quarterly report is delayed.
Section II(D)	Fifteen business days after each quarter-end, the Integrity Monitor shall deliver its final quarterly report, including any comments from the Using Agency, to the State Treasurer, who shall share the reports with the GDRO, the Senate President, the Speaker of the General Assembly, the Attorney General, and the State Comptroller.	$500 per day for each day a final quarterly report is delayed.

Upon determination that liquidated damages are to be assessed, DHS will notify the Integrity Monitor of the assessment in writing. The availability of any period of cure will depend on the situation and will be in the sole discretion of DHS. DHS may, in DHS' sole discretion, elect to notify the Integrity Monitor that liquidated damages may be assessed so as to provide a warning, prior to assessing them in accordance with this section, but if DHS does not provide such a warning DHS is not precluded from assessing liquidated damages in accordance with this Engagement Query. Notwithstanding any provision to the contrary, should there be any conflict between this section and any other provision, this section shall supersede any such provision to the contrary.

The continued assessment of liquidated damages may be terminated at the sole discretion of DHS, only if all of the following conditions are met:

A. The Integrity Monitor corrects the condition(s) for which liquidated damages were imposed; and

B. The Integrity Monitor notifies DHS in writing that the condition(s) has (have) been corrected.

If any portion of the liquidated damages provisions is determined to be unenforceable by a New Jersey court in one (1) or more applications, that portion remains in effect in all applications not determined to be invalid and is severable from the invalid applications. If any portion of the liquidated damages provisions is determined to be unenforceable, the other provision(s) shall remain in full force and effect.

The continued assessment of liquidated damages may be waived in writing at the sole discretion of DHS. The waiver of any liquidated damages due to DHS or the State, shall constitute a waiver only as to such assessment of liquidated damages and not a waiver of any future liquidated damage assessments. DHS will assess liquidated damages within 90 days of its notice to Integrity Monitor that such damages may be claimed by DHS or the State for any specific triggering event.

Once assessed pursuant to this Section, liquidated damages will be deducted from any funds owed to the Integrity Monitor by DHS or the State, and in the event the amount due the Integrity Monitor is not sufficient to satisfy the amount of the liquidated damages, the Integrity Monitor shall pay the balance to the State of New Jersey within 30 calendar days of written notification of the assessment. If the amount due is not paid in full, the balance will be deducted from subsequent payments to the Integrity Monitor.

VIII.   QUESTIONS REGARDING THIS ENGAGEMENT QUERY:

Any questions related to the Scope of Work must be submitted electronically by 3:00 p.m. on **7/2/2021**. They must be submitted via email to ███████████████ with a copy to the State Contract Manager; Mona Cartwright, ███████████████

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. The State Contract

Manager will then issue a Letter of Engagement with a "not to exceed" clause to the selected proposer

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

X. <u>CONFLICTS OF INTEREST</u>

The Contractor shall identify any potential conflicts of interest that would prevent it from accepting this Engagement. The Contractor engaged pursuant to this Engagement Query may not also be engaged as a Category 3 Integrity Monitor to review the Fund for DHS.

<u>ATTACHMENTS</u>

Attachment 1: Integrity Oversight Monitor Guidelines, updated as of June, 2021
Attachment 2: CBO requirements and tasks
Attachment 3: Quarterly Report Template

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

Pursuant to Executive Order No. 166, signed by Governor Murphy on July 17, 2020, the Office of the State Comptroller ("OSC") is required to make all approved State contracts for the allocation and expenditure of COVID-19 Recovery Funds available to the public by posting such contracts on an appropriate State website. Such contracts will be posted on the New Jersey transparency website developed by the Governor's Disaster Recovery Office (GDRO Transparency Website). The Letter of Engagement resulting from this Engagement Query is subject to the requirements of Executive Order No. 166. Accordingly, the OSC will post a copy of the Letter of Engagement, including the Engagement Query, the winning proposer's proposal and other related contract documents for the above contract on the GDRO Transparency website.

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

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

Integrity Oversight Monitor Guidelines

2021 Update

Table of Contents

INTRODUCTION

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

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

EO 166 requires Recovery Program Participants to identify a central point of contact (an "Accountabil-ity Officer") for tracking COVID-19 funds within each agency or authority. The Accountability Officer is responsible for working with and serving as a direct point of contact for the GDRO and the Taskforce. Accountability Officers should also ensure appropriate reviews are performed to assess risks and evaluate whether an Integrity Monitor can assist in reducing or eliminating risk to ensure the public that state and federal funds were used efficiently, fairly, and prudently.

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

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

Establishing the Pool of Integrity Monitors

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

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

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

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

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

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

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

Conditions for Integrity Monitors

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

Category 1 & 2 Integrity Monitors:

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

Category 3 Integrity Monitors:

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

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

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

Risk Assessment

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

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

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

- Organizational leadership, capacity, expertise, and experience managing and accounting for federal grant funds in general, and disaster recovery funds in particular;

- Input from the individuals/units that will be disbursing funds or administering the program;

- Review of existing internal controls and any identified weaknesses;

- Prior audits and audit findings from state or federal oversight entities;

- Lessons learned from prior disasters;

- Sub-recipient internal control weaknesses, if applicable;

- Adequacy of financial, acquisition, and grants management policies and procedures, including technological capacity and potentially outdated financial management systems;

- Ability to complete timely, accurate and complete reporting;

- Experience with state and federal procurement processes, value of anticipated procurements, and reliance on contractors to meet program goals and objectives;

- Potential conflicts of interests and ethics compliance;

- Amount of funds being disbursed to a particular category of sub-recipient and the complexity of its project(s); and

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

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

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

Procedures for Requesting and Procuring an Integrity Monitor

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

- A Recovery Program Participant shall designate an agency employee to act as the contract manager for an Integrity Monitor engagement (Agency Contract Manager), which may be the Accountability Officer. The Agency Contract Manager should notify the State Contract Manager, on a form prescribed by Treasury, along with any required supporting documentation, of its request for an Integrity Monitor. The Agency Contract Manager should indicate which Integrity Monitoring services are required.

- The Agency Contract Manager will develop an Engagement Query.

- The Engagement Query will include a detailed scope of work; it should include specific performance milestones, timelines, and standards and deliverables.

- The Agency Contract Manager, in consultation with the Office of the Attorney General, Division of Law, will structure a liquidated damages provision for the failure to meet any required milestones, timelines, or standards or deliverables, as appropriate.

- The Agency Contract Manager will submit its Engagement Query to the State Contract Manager. Upon approval by the State Contract Manager, but prior to the solicitation of any services, the Engagement Query shall be sent to OSC for approval pursuant to EO 166. After receiving approval from OSC, the State Contract Manager will send the Engagement Query to all eligible Integrity Monitors within the pool in order to provide a level playing field.

- Interested, eligible Integrity Monitors will respond to the Engagement Query within the timeframe designated by the State Contract Manager, with a detailed proposal that includes a detailed budget, timelines, and plan to perform the scope of work and other requirements of the Engagement Query. Integrity Monitors shall also identify any potential conflicts of interest.

- The State Contract Manager will forward to the Agency Contract Manager all proposals received in response to the Engagement Query. The Agency Contract Manager will review the proposals and select the Integrity Monitor whose proposal represents the best value, price and other factors considered. The Agency Contract Manager will memorialize in writing the justification for selecting an Integrity Monitor(s).

- Prior to finalizing any engagement under this contract, the Agency Contract Manager, in consultation with the Accountability Officer, will independently determine whether the intended Integrity Monitor has any potential conflicts with the engagement.

- The State Contract Manager, on behalf of the Recovery Program Participant, will then issue a Letter of Engagement with a "Not to Exceed" clause to the engaged Integrity Monitor and work with the Agency Contract Manager to begin the issuance of Task Orders.

Integrity Monitor Requirements

A. Independence

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

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

B. Communication

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

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

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

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

C. General Tasks of Integrity Monitors

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

Monitors may include the following:

- Perform initial and ongoing risk assessments;

- Evaluate project performance;

- Evaluate internal controls associated with the Recovery Program Participant's financial management, cash management, acquisition management, property management, and records management capabilities;

- Validate compliance with sub-grant award and general term and special conditions;

- Review written documents, such as quarterly financial and performance reports, recent audit results, documented communications with the State, prior monitoring reports, pertinent performance data, and other documents or reports, as appropriate;

- Conduct interviews of Recovery Program Participant staff, as well as the constituents they serve, to determine whether program objectives are being met in an efficient, effective, and economical manner;

- Sample eligibility determinations and denials of applications for funding;

- Review specific files to become familiar with the progression of the disbursement of funds in a particular program, i.e., are actual expenditures consistent with planned expenditure and is the full scope of services listed in the project work plan being accomplished at the same rate of actual and planned expenditures;

- Ensure that the agency is retaining appropriate documentation, based on federal and state regulations and guidance, to support fund disbursement;

- Follow up with questions regarding specific funding decisions, and review decisions related to emergency situations;

- Facilitate the exchange of ideas and promote operational efficiency;

- Identify present and future needs; and

- Promote cooperation and communication among Integrity Monitors engaged by other Recovery Program Participants (e.g., to guard against duplication of benefits).

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

- Non-compliance with reporting requirements;

- Problems identified in quarterly progress or financial reports;

- History of unsatisfactory performance;

- Unresponsiveness to requests for information;

- High-risk designation;

- Follow-up on prior audits or monitoring find-

ings; and

- Allegations of misuse of funds or receipt of complaints.

D. Reporting Requirements

1. Reports

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

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

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

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

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

2. Additional Reports

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

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

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

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

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

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

Integrity Monitor Management and Oversight

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

- Developing a budget and a plan to manage the contract. In developing a budget, the Agency Contract Manager should consider any caps on the amount of federal funding that can be used for oversight and administrative expenses and ensure that the total costs for Integrity Monitoring services are reasonable in relation to the total amount of program funds being administered by the Recovery Program Participant;

- Daily management of the contract, including monitoring and administering the contract for the Recovery Program Participant;

- Communicating with the Integrity Monitor and responding to requests for meetings, information or documents on a timely basis;

- Resolving issues with the Integrity Monitor in accordance with contract terms;

- Ensuring that all tasks, services, products, quality of deliverables and timeliness of services and deliverables are satisfied within contract requirements;

- Reviewing Integrity Monitor billing and ensuring that Integrity Monitors are paid only for services rendered;

- Attempting to recover any and all over-billings from the Integrity Monitor; and

- Coordinating with the State Contract Manager regarding any scope changes, compensation changes, the imposition of liquidated damages, or use of formal dispute processes.

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

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

Attachment 2

Community Based Organization Service Provider Tasks

DHS desires to engage with providers who can review applications and review eligibility documentation, and/or provide application navigation support to general public, and/or public outreach to educate the public on the Excluded New Jerseyans Fund (the "Fund").

Program Application and Eligibility Review Providers: Review applications and supporting documents to ensure eligibility criteria are met, following compliance guidelines established by DHS. These providers must meet the following criteria:

- Registered to do business in New Jersey and be a 501(c)(3) nonprofit organization.
- Experience with implementing social service programs such as cash, food, or housing assistance
- Capacity to review applications and supporting materials to process a minimum of 5,000 applications.
- Technological resources to access applications and materials virtually including web access and equipment for all employees.
- Telephonic capacity to process applications via phone for those who are unable to submit applications electronically.
- Demonstrated experience with serving vulnerable communities, providing culturally relevant and linguistically appropriate services to ethnically diverse immigrant communities.

Application assisters: Assist individuals fill out program application, understand eligibility criteria and collect and submit required documentation. These providers must meet the following criteria:

- Registered to do business in New Jersey and be a 501(c)(3) nonprofit organization.
- Represent a diverse geographic region of the state (North, Central and South) with a particular focus in counties with significant COVID impact and/or larger numbers of excluded populations. Those counties include but are not limited to: Essex, Passaic, Hudson, Union, Middlesex, Mercer, Monmouth, Ocean, Camden, Cumberland, Atlantic. There must be at least one (1) provider that has its primary location or service delivery area in each region with the capacity to reach more than one county listed above. One provider may cover more than one region if they provide services across regions.
- Demonstrates at least two (2) years of experience providing culturally relevant and linguistically appropriate services to ethnically diverse immigrant communities, which may include but should not be limited to immigrant communities from the following geographic regions of origin: Asia/Pacific Islands, Central, South America and the Caribbean, and Africa.
- Has the capability to assist individuals re-entering from the criminal justice system, recently incarcerated and released.
- Capacity to access online application and support community questions by phone.

Program outreach: Ensure eligible community members are aware of the program. These providers must meet the following criteria:

- Registered to do business in New Jersey and be a 501(c)(3) nonprofit organization.

- Represent a diverse geographic region of the state (North, Central and South) with a particular focus in counties with significant COVID impact and/or larger numbers of excluded populations. Those counties include but are not limited to: Essex, Passaic, Hudson, Union, Middlesex, Mercer, Monmouth, Ocean, Camden, Cumberland, Atlantic. There must be at least one (1) provider that has its primary location or service delivery area in each region with the capacity to reach more than one county listed above. One provider may cover more than one region if they provide services across regions.
- Demonstrates at least two (2) years of experience providing culturally relevant and linguistically appropriate information to ethnically diverse immigrant communities, which may include but should not be limited to immigrant communities from the following geographic regions of origin: Asia/Pacific Islands, Central, South America and the Caribbean, and Africa.
- Have the ability to assist individuals re-entering from the criminal justice system, recently incarcerated and released.
- Strong social media and community based presence for public education and outreach.
- Experience with community outreach, public education, and information sharing with immigrant and refugee communities.

Integrity Monitor Report
Categories 1 and 2

Integrity Monitor Firm Name: [Type Here]
Integrity Monitor Category (1 or 2):   [Type Here]
Quarter Ending: [MM/DD/YYYY]
Expected Engagement End Date: [MM/DD/YYYY]

A. General Information

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/Subject to Engagement:

   [Type Here]

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

   [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. 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]

14. Description of activities to prevent, detect, and remediate waste, fraud, and/or abuse during the quarter:

    a) IM Response

       [Type Here]

    b) Recovery Program Participant Comments

[Type Here]

15. General description of any findings of waste, fraud, or abuse:

   a) IM Response

   [Type Here]

   b) Recovery Program Participant Comments

   [Type Here]

C. Miscellaneous

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

   a) IM Response

   [Type Here]

   b) Recovery Program Participant Comments

   [Type Here]

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

NORTH HIGHLAND

NEW JERSEY DEPARTMENT OF HUMAN SERVICES (DHS)

Integrity Monitor Engagement Query

Excluded New Jerseyans Fund

Category 2: Financial Auditing and Grant Management

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

Submitted To:

Mona Cartwright, Fiscal Manager
Department of the Treasury

██████████

Department of Human Services

Submitted By:

North Highland
25 Independence Blvd
Suite 302
Warren, NJ 07059
www.northhighland.com

July 16, 2021

State Contract Manager
Mona Cartwright, Fiscal Manager
Department of the Treasury
Via email at █████████████████████████
Cc: Brian Francz, ████████████████████

<div align="center">

RE: Integrity Monitor Engagement Query
Department of Human Services – Excluded New Jerseyans Fund

</div>

Dear Ms. Cartwright:

Thousands of New Jersey residents and businesses have been impacted by the COVID-19 crisis. While there have been multiple sources of assistance available for residents, many have been unable to receive the help they desperately need. In response, Governor Murphy allocated $40 million in federal Coronavirus Relief Fund (CRF) funds for New Jerseyans who have previously been ineligible for federal assistance, including individual taxpayer identification number (ITIN) holders and others previously excluded from COVID relief assistance such as federal stimulus checks or unemployment insurance. The Department of Human Services (DHS) is establishing the Excluded New Jerseyans Fund (the Fund) to provide the programmatic delivery of the allocated funds to the appropriate recipients. Our team of North Highland and HORNE is uniquely positioned to provide Integrity Monitoring support to DHS to ensure Department compliance with the federal rules and guidance and assist in the establishment of the Community Based Organization (CBO) contracts to provide outreach and application processing support across the State. We understand the critical need to quickly get the program operational across the state and bring vast experience in working with a broad spectrum of stakeholders to establish a consistently delivered service to those in need. Our team brings:

- **Experience coordinating and monitoring third-party administration of federally provided funds** – North Highland and HORNE bring extensive experience in providing oversight for federally provided funds. Together we managed the fund distribution to 55 counties in Florida that were releasing CRF. We leveraged a common system where we established the application protocols and secure data capture and storage needs.
- **Extensive experience working with local and regional coordinators** – North Highland has worked with assistance programs nationally where local and regional agencies serve as providers of services through State contracts. In New Jersey, we helped the Department of Health's Women, Infants, and Children (WIC) program to engage local agencies in a system modernization project, redesigned state and local agency business processes, coordinated user acceptance testing, and provided training and support for the statewide rollout of the new system and processes.
- **Procurement support as a core competency** – Our procurement support services have managed billions of dollars in services to state agencies across the nation. We bring a comprehensive and proven methodology that rapidly engages the right potential service providers and provides a framework for successfully negotiating terms and conditions for the services.
- **Experience in rapid deployment of programs** – We understand the need to get the program operational quickly and make funds available to intended recipients. Their need is urgent and is highly visible to the public. Facing similar pressures in Florida, North Highland and HORNE established the Florida CARES program in a two (2) week period with fully operational systems and application processing capabilities. We know DHS faces urgency to get

funding distributed rapidly while still making sure the funds are apportioned appropriately across the State.

- **Monitoring experience of complex and highly visible programs** – $40M may not be large in the COVID-19 relief funding world, but the program objectives and design are complex, and the effort is highly visible. We bring a team that has extensive experience in providing guidance and oversight to similarly intricate programs. For example, our management audit of NJ Transit provided an independent and objective consideration of a highly complex service delivery program, and the pragmatic recommendations earned praise from the Governor's Office. Similarly, North Highland and HORNE together provided the monitoring and oversight for Florida's highly complex and visible CARES program, and we bring this experience to New Jersey.

North Highland is excited about this opportunity to work with DHS to meet this challenging moment with the deep knowledge, expertise, and urgency it demands.

Sincerely,

Wayne Messina
Vice President

Table of Contents

SCOPE OF WORK

The following section details our approach to delivering each component of the scope of work in the Engagement Query.

Review and Finalize Program Design

In this activity we review the DHS program design and evaluate the program eligibility requirements and operational processes that have been defined. Our review covers four key categories of criteria:

- Compliance with CRF regulations (Department of the Treasury, Coronavirus Relief Fund program guidance)
- Compliance with State program requirements
- Alignment with policy objectives
- Administrative efficiency

Policy objectives, such as the equal access to and equitable distribution of benefits, may or may not be fully specified and we identify where further clarification and specificity is needed. Program design can significantly impact the program's ability to meet these objectives. For example, processing applications and disbursing benefits on a first-come-first-served basis may disadvantage applicants based on the readiness of the CBO(s) in their region. Alternatively, a program design that distributes benefits based on a lottery of eligible applications may address this concern.

Also in this activity, we conduct a review of the draft program eligibility requirements and draft program design against the Federal and State requirements for the program and present our findings to the Project Steering Committee. In addition to this review, we facilitate tabletop walk-throughs of the draft program design with representative process stakeholders. The objective of the exercise is to anticipate how the program will play out under its draft design, identify challenges and opportunities to improve the design, and brainstorm and consider alternative approaches. Based on these two approaches, we document the finalized program design.

Development of Application Document and Submission Processes

In this activity, we assist DHS in developing an application form that addresses the finalized program design requirements. This activity also includes defining the requirements for the system application that will provide an online portal and repository for the program.

Our review of the engagement query raises questions that we anticipate will be resolved in the program design activity, such as:

For the Florida CARES Program, North Highland and Horne developed application forms for local entities to submit their requested spend for the CRF funds. The applications adhered to Federal rules and provided a secure storage approach that addressed both short term usage and long-term audit support needs.

- In how many languages will the application form and portal need to be delivered?
- If applicants can apply over-the-phone, what verifiable documentation of eligibility can be collected?
- If applicants can apply over-the-phone, what procedures can ensure application data is data entered correctly?

We understand DHS will provide the application development team, tools, and infrastructure for the development of the application portal and repository system. The Integrity Monitor's role is to provide assistance to DHS through the application form specifications, functional requirements of the portal, and support for user acceptance testing of the system. We also assume that DHS will provide translation services to support the delivery of the application form and portal in the required languages.

Development of Eligibility Determination Documents

> Instructions and tools needed for staff at CBOs who will be directly assisting applicants, answering questions, and performing eligibility determinations. These documents must include instructions on accessing the DHS supported IT system, entering applicant information and supporting documentation, calculating recipient program benefit, and checking on application status within the system. The Contractor must also provide technical expertise to assist DHS staff to develop FAQ document for public facing portal and use by application assisters.

In this activity, we develop materials that provide guidance to applicants and CBO staff concerning program eligibility and procedures for applying for the program. The material provides an easy-to-understand description of the applicant journey through the program and will be designed for both applicant distribution as well as the basis for training CBO staff that will be assisting applicants.

Once the materials are drafted, we will facilitate sessions with program stakeholders to "field test" the materials and collect feedback for their finalization. We will produce the English language version of the materials and DHS will produce other language versions using its translation services.

Community Based Organization Procurement, Support, and Monitoring

DHS plans to contract with CBOs across New Jersey to support the promotion, outreach, applicant assistance, and eligibility screening for the program. The Integrity Monitor supports the procurement, training and technical assistance, and monitoring of CBO performance in fulfillment of their program contracts with DHS.

Procurement

> Engagement Query Reference:
>
> II.A.4.   The Contractor will, with input from DHS, develop the scope and requirements for a Request for Proposal (RFP) (or a similar competitive solicitation) to be issued publicly by DHS to solicit CBOs to perform the functions and meeting the draft requirements outlined in Attachment 1.

The scope of the Integrity Monitor's procurement support includes developing the RFP, designing CBO performance metrics and the payment model, screening CBO RFP responses against the minimum criteria, and supporting the evaluation, scoring and ranking of CBO proposals.

Develop Request for Proposal

> Engagement Query Reference:
>
> • Review and assist DHS in finalizing the draft criteria in Attachment 1 and develop the public request for proposal based on the finalized requirements.

Attachment 1 summarizes the draft CBO RFP scope of services as:

- Program Application and Eligibility Review, and/or
- Application Assistance, and/or
- Program Outreach.

The attachment also provides draft criteria for CBOs to qualify to provide each of these services.

In this activity, the Integrity Monitor will support DHS in finalizing the RFP. We do this in three key steps:

1. **Confirm Procurement Strategy:** Aligning the procurement strategy with the program design is essential for developing an RFP process that will yield the best CBO partners to help DHS meets it objectives for the program. Competing and sometimes conflicting objectives must be considered, and an appropriate balance determined and implemented in the RFP. For example, as worded in the draft ("and/or"), CBOs may, but need not, provide all three of the services. This approach may enable better coverage, outreach, and support for potential applicants in key geographical or socio-cultural demographic groups. One factor to consider is that having all CBOs provide the same services may be advantageous from an efficiency perspective – fewer CBOs to select, administer, and monitor. Another key consideration will be: Based on the projected population of Excluded New Jerseyans, what is the optimal mix of CBO partners to balance program effectiveness and efficiency goals? Yet another strategic balance includes the program objectives of facilitating applications and maintaining program integrity. Generally, segregating the responsibility for supporting applicants in completing applications from the responsibility for evaluating applications to determine eligibility helps ensure both program objectives are met. If the strategy is to combine these functions in the CBOs, the rationale should be clear and potential risks mitigated. The first step of the RFP process will be to address these and similar issues to ensure the contracting strategy is clear prior to finalizing the RFP requirements to implement that strategy.

2. **Draft Scope of Service and Contractor Requirements:** The core of the RFP is the specification of the scope of services and the administrative and qualification requirements for the CBOs. These requirements flow from the program design and the procurement strategy. As the contractual basis for the agreement with each CBO, the RFP must specify what the CBO must do to fulfill its contract and, importantly, what it is prohibited from doing. These specifications should be clear, unambiguous, and measurable or readily observable for compliance monitoring purposes. This activity has a dependency on the Develop Performance Metrics and Payment Models activity below, as these also need to be incorporated into the RFP requirements. Our proposed approach to this activity is to outline the requirements based on the program design, work with DHS to develop teams to consider the language for the requirements and document the draft RFP.

   For the Ohio Board of Pharmacy, North Highland designed and implemented the Medical Marijuana Dispensary Application and Licensing process supporting the end-to-end competitive application process for the award of 60 provisional licenses from across 23 geographic regions.

3. **Review and Finalize RFP:** The final step in the process is to ensure a thorough review of the draft RFP by appropriate stakeholders from the relevant program, procurement, finance, and legal units. Our experience is that the review process can be expedited if stakeholders are engaged in the process of developing the requirements and if the reviews can be scheduled concurrently rather than serially. We will work with DHS project leadership to engage the appropriate stakeholders and schedule the work to minimize the review cycle, minimize iterations of drafts, and expedite approval of the RFP and its readiness for issuance.

Develop Performance Metrics and Payment Models

The model by which the CBOs are paid for their support of the program needs to be carefully designed to properly steward the funds while providing an incentive for adequate CBO participation. The program design and procurement strategy will be important inputs in evaluating alternative payment models and establishing payment parameters.

One challenge is relating the optimal mix of CBOs with their funding requirements. For example, a large CBO may be capable of supporting the program without significant additional staffing, while a smaller CBO may need additional staff to support the program. Likewise, the costs of support may vary from region to region across the State. Establishing a single payment model may be a challenge and adjustment factors may be necessary.

Alternative models will also have different implications for administrative and monitoring efforts. For example, a per applicant payment model may be easier to administer and monitor than a cost-reimbursement model. These considerations are also factored into the design of the payment model.

Screen Responses for Minimum Contracting Criteria

In this activity, we review CBO responses to verify that the CBO meets the minimum criteria for contracting and further consideration. The minimum criteria need to be specified in the RFP development process and the RFP response needs to be structured so that CBOs can show evidence or otherwise demonstrate they meet these criteria.

In some cases, validation of CBO compliance with these criteria will be performed and documented. For example, one validation might be to perform a lookup of the CBO and its principals on the NJ Treasury Consolidated Debarment Report.

The objective of this activity is to screen out non-compliant proposals so the selection committee can focus its efforts on evaluating and scoring only those proposals that meet the minimum criteria.

Evaluate, Score and Rank Responses

Engagement Query Reference:

• Provide a qualitative and quantitative review of responses resulting in a ranked list of providers to aid the DHS evaluation team in selecting the most highly qualified bidders, price and other factors considered.

Question 7 Response:

The number of CBO responses cannot be estimated at this time as CBO capacity to handle the scope of work ranges across the state. The network of CBOs that could provide application and eligibility review is small, we anticipate that to be around 30 providers across New Jersey. The CBOs who may have capacity to provide assistance and outreach services could be between 50-100.

We estimate needing between 10 to 20 CBOs to support the application and eligibility review needs for this program and 10-15 CBOs who can provide application assistance and outreach. There would be overlap between those who do application reviews and assistance depending on CBO capacity.

Once the CBO proposals have been screened for compliance with minimum contracting criteria, they are evaluated, scored, and ranked for final selection and award.

This activity is interdependent with the Develop RFP activity in defining the selection criteria, and the weighting/points for the criteria. The scoring scale also needs to be defined for the criteria. Some scores can be defined based on absolute metrics and others may be defined on a relative basis, which will require evaluating each proposal's standing (e.g., percentile) relative to the rest. In this activity, we evaluate these criteria for review by the evaluation committee.

Ideally, most criteria are quantitative and objective; however, some element of qualitative and subjective evaluation is likely necessary as well. For these elements, the members of the evaluation committee provide individual scores and we will facilitate tabulation and determination of the aggregate committee score for each proposal.

The procurement strategy involves selecting CBOs to provide specific services, in specific regions/counties, targeting specific segments of the Excluded New Jerseyans population. Accordingly, the final selection process needs to ensure adequate coverage of the population across these dimensions and therefore, the scoring needs to account for these factors in addition to qualifications and price.

Support

Engagement Query Reference:

Integrity Monitors will be responsible for providing documentation, training, and ongoing technical assistance to CBO providers.

The Integrity Monitor provides guidance documentation, training, and technical support to the contracted CBOs for the program.

Develop Compliance Protocols and Training

> Engagement Query Reference:
>
> • Create federal compliance protocols and trainings for providers, including the management of CBO post-training support that should include assistance with case-specific eligibility questions.
>
> Question 9 Response:
>
> The State will not dictate the number [or] nature of training sessions, but anticipates much of this work can occur virtually to multiple CBOs at once.

In this activity we develop and execute a training plan to prepare CBOs to fulfill their role in the program. The training plan outlines the content of the training and the plan for delivery of the training. The content follows from the program design, the requirements incorporated into the CBO RFP/contracts, and the program portal/repository application design.

For the NJ Department of Health WIC program, North Highland planned, developed content, coordinated, and helped deliver training to over 400 staff at 16 local WIC agencies in support of the statewide system rollout.

The plan for delivery of the training will depend in part upon the overall program schedule. For example, while onsite trainings for each CBO and their staffs may be beneficial, the timeline for the program may not support this. Alternatives include a regional training approach, using virtual/recorded training sessions, training CBO program coordinators (i.e., a train-the-trainer approach), or other models. Prerequisites for training include having the program design and portal, having the CBOs under contract, and having the CBOs program staff identified. The overall program plan and decisions regarding the training model will need to consider when these prerequisites will be complete and how much schedule impact the training model will have on the start of the program application process. Based on the State's response to the Engagement Query question, we have planned for virtual training to minimize impact on the program timeline.

Develop Eligibility Determination Guides

> Engagement Query Reference:
>
> • Provide eligibility determination guides and instructions for provider staff to ensure consistency and compliance. These must include instructions on the use of the DHS operated portal for all aspects of program application and inquiry.

In this activity, we develop instructional guides for CBO staff to perform their roles in the program consistently and compliantly. In general, we recommend controls on eligibility determination be automated in the system to the greatest extent possible rather than leaving determinations to the judgement of the staff. However, the staff will play a role in the application and determination process, and these guides are important in ensuring program compliance.

In addition, to the extent possible, these instructional materials and guidance should be incorporated into the system as real-time prompts to staff as they process the applications. This approach will be more effective at guiding staff than relying on staff to lookup the reference material when they have a question.

Provide Ongoing Technical Support

> Engagement Query Reference:
>
> • IM must provide ongoing technical support to CBOs related to eligibility as well as technical aspects of the program application during normal business hours for the full program period.
>
> Question 10 Response:
>
> Normal business hours are defined as 8:00am – 6:00pm Monday – Friday. The full program period is through 12/30/2021 or such earlier date should program funds be exhausted.

In this activity, we provide additional technical support to CBO staff as needed during the program period. We recommend that DHS leverage one of its help desk email/telephone and ticketing systems as a central point of contact for program assistance. We can be assigned tickets that require program technical assistance and system technical assistance requests can be routed to the DHS portal/repository application team.

Monitoring

> Engagement Query Reference:
>
> IM will be responsible for ensuring CBO vendors comply with performance metrics and program guidelines for the Fund.

The Integrity Monitor monitors CBO performance of their contractual responsibilities for the program.

Monitor CBO Performance

> Engagement Query Reference:
>
> • Monitor CBO performance on application submission, assistance, outreach and other tasks as may be outlined in the CBO contract. Notify DHS immediately of non-compliance and recommend corrective action.

First-level CBO monitoring involves the regular review of reported information on CBO performance. We envision the CBO contract will include administrative reporting provisions that include the regular reporting of metrics related to the service tasks (e.g., number of applicants assisted). In addition, we envision the application portal/repository system will generate reports that can be leveraged for CBO monitoring (e.g., number of applications submitted via CBO). In this activity, we will regularly review the metrics reported by the CBOs and evaluate compliance with the performance targets identified in the CBO contract. In addition, we will cross-reference and validate where possible the CBO-reported metrics against metrics generated from the application portal/repository system. We will immediately report to DHS CBO deviations from acceptable performance and/or discrepancies in reported metrics and will recommend corrective action, if known, or recommend second-level monitoring to better assess the observed deviations.

Second-level CBO monitoring will be invoked only where issues are noted by the first-level monitoring review. This level of monitoring will typically involve a specific data request to the CBO to gather additional information for monitoring. For example, if a reported metric appears to be a significant discrepancy when validated against the application portal/repository system, case-level records may be requested from the CBO to validate the reported metric. In some cases, the additional data request may clarify the issue and the case can be closed with or without a corrective action recommendation.

Third-level CBO monitoring will be invoked only where second-level monitoring data requests have substantiated an issue exists, but the root cause and corrective action are not clear. Typically, third-level monitoring will involve site visits to observe CBO operations to evaluate the non-compliance issue, identify root cause, and recommend corrective actions.

Sample CBO Eligibility Determinations

Engagement Query Reference:

• Weekly sampling of eligibility determinations done by each CBO to ensure compliance with federal and DHS program rules. Weekly report of findings to DHS at the close of business each Monday, including recommendations for corrective action, and provider retraining as necessary.

Question 5 Response:

The portal will perform eligibility screening. Manual eligibility processes will predominately relate to document verification.

This monitoring activity includes sampling of applicant cases processed by each CBO, inspection of the case documentation, and validation of compliance with eligibility and processing requirements. The sampling is risk-based such that a larger sample (on a percentage of total basis) will be taken from CBOs deemed to be higher risk. Risk factors may include considerations such as:

- Prior findings of non-compliance
- Significant increase or decrease in the volume of applications processed
- Prior State contract performance
- Changes in staffing
- Percentage of applications accepted/denied

We envision the relevant case documentation will be accessible by query from the application portal/repository system and that sampling will not require field visits to CBOs.

The sampling is performed weekly, with a weekly report of findings and recommendations (if any) to DHS.

Monitor for Duplication of Benefits

Engagement Query Reference:

• Weekly match of applications otherwise deemed eligible to ensure no duplication of benefits across CBOs. IM to define metrics best suited to identify obvious cases of duplication without undue burden on Program processes and timelines.

Question 11 Response:

All benefit payments will be disbursed and tracked by the State and/or a separate vendor independent of the work of the IM under this engagement.

The scope of the Engagement Query does include the design of the benefit payment process, but we recommend that both preventive and detective controls be implemented to mitigate the risk of duplicative payments. A centralized disbursement process can enable collection of applications across CBOs but prevent or detect duplicative payments. The timing of the disbursements relative to application acceptance is also important in preventing or detecting multiple payments to the same

individual or household. In addition, a design that processes disbursements after the application period closes can help to ensure the distribution of benefits is equitable.

During the design phase, monitoring for duplication focuses on assessing the risk of duplication of benefits and designing the preventive and detective controls to be implemented in the program's design, guidelines, contract requirements, systems, and procedures. This includes the design of data collection and system reports to support detection of duplicates. In the execution phase, we focus on executing the monitoring functions designed to ensure the process and controls are functioning.

Document Retention and Data Security

Engagement Query Reference:

II.A.5.   Supporting documents such as proof of identity and eligibility will be requested as part of the application process. However, in order to safeguard sensitive applicant information and to ensure applicants feel safe coming forward to apply for the program, the Contractor will provide technical knowledge and expertise in grant management to ensure compliance with federal regulations while also including the privacy protections for applicants such as application forms for the program that:

(i) neither request nor require an applicant's place of birth, citizenship, or immigration status;

(ii) do not identify the type of documents an applicant used to prove age or identity; and

(iii) for applicants who are ineligible for a social security number, unemployment or federal stimulus payments under the CARES Act or subsequent federal COVID stimulus, the reasons for such ineligibility.

Copies of the applicants' proofs of identity, residency or other documents presented to show eligibility will only be used for the purposes of this program.

Information disclosed by an applicant, including personal identifying information, will not be disclosed by the agency to any other state or federal government or private entities except when needed for the implementation of this program, as required by state or federal law, or where the applicant has provided express consent in writing.

We understand the State's privacy protection objectives and the State's imperative to both comply with regulatory requirements and to be able to monitor compliance. These requirements are incorporated into the design of the program application form, the application process, the program repository, and the CBO requirements.

Audit Support

Engagement Query Reference:

II.A.6.   In the event of an audit of the Fund, the Contractor shall provide all necessary support to assist DHS in responding to any audits or reviews initiated by a government agency resulting from work that was done as part of this engagement. Contractor shall be compensated based on staff rates otherwise outlined in this Engagement plus any direct costs as allowable under the IOM RFQ during such audit support.

Consistent with this requirement, we have not made provision for staff time in our pricing proposal to respond to audit requests, but we will provide such support, if necessary. Based on the scope of the audit request, we will provide DHS with a not to exceed hours and cost estimate to fulfill the request.

Reporting

Quarterly Integrity Monitor Reports

Engagement Query Reference:

II.D.1.a. Pursuant to E.O. 166, the Integrity Monitor shall submit a draft quarterly report to the Using Agency on the last day of every calendar quarter detailing the specific services rendered during the quarter and any findings of waste, fraud, or abuse using the Quarterly Report template attached hereto. If the Integrity Monitor report contains findings of waste, fraud or abuse, the Using Agency has an opportunity to respond within 15 days after receipt.

II.D.1.b. Fifteen business days after each quarter-end, the Integrity Monitor shall deliver its final quarterly report, including any comments from the Using Agency, to the State Treasurer, who shall share the reports with the GDRO, the Senate President, the Speaker of the General Assembly, the Attorney General, and the State Comptroller. The Integrity Monitor quarterly reports will be posted on the COVID-19 transparency website pursuant to E.O. 166.

In this activity, we prepare and deliver the quarterly Integrity Monitor reports using the Quarterly Report template.

Additional Reports

Engagement Query Reference:

II.D.2.a. E.O. 166 directs the Office of the State Comptroller, (OSC) to oversee the work of Integrity Monitors. Therefore, in accordance with E.O. 166 and the IOM Guidelines, OSC may request that the Integrity Monitor issue additional reports or prepare memoranda that will assist OSC in evaluating whether there is waste, fraud, or abuse in COVID-19 Recovery Programs administered by the Using Agencies. OSC may also request that the Integrity Monitor share any corrective action plan(s) prepared by the Using Agencies to evaluate whether those corrective plan(s) have been successfully implemented.

If the OSC requests additional reports or memoranda we will prepare and deliver such reports.

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

Engagement Query Reference:

II.D.3.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.
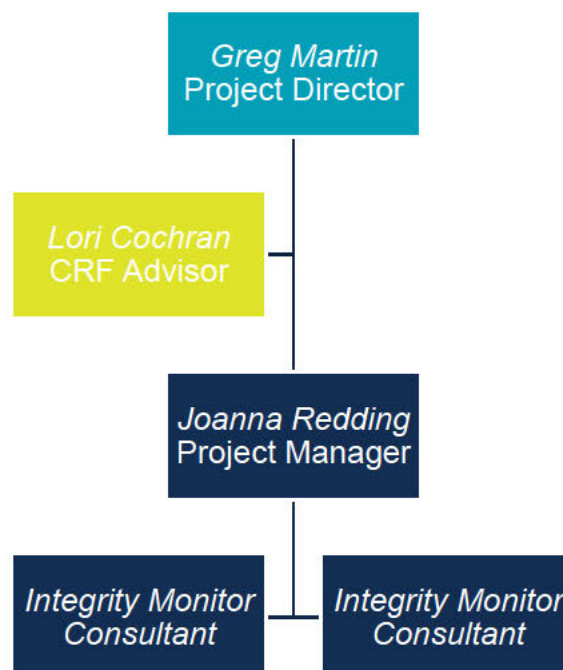
We understand and shall comply with these mandatory contractual reporting requirements.

Project Team

We are proposing a team with the requisite skills to deliver the scope of work outlined in the Engagement Query, including experience with:

- CRF regulations
- Application and eligibility screening procedures
- Program design
- System requirements definition
- System application testing
- Contract requirements development
- Proposal evaluation and scoring
- Contract management
- Procedure training
- Data analysis
- Monitoring

Based on the scope of work and magnitude of the proposed program, we are proposing a core, full-time team of three consultants with part-time oversight by our Project Director and as-needed advisory support by our CRF subject matter expert.

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                  ┌──────────────────────┐
                  │    Greg Martin       │
                  │   Project Director   │
                  └──────────┬───────────┘
                             │
      ┌──────────────────┐   │
      │   Lori Cochran   │───┤
      │   CRF Advisor    │   │
      └──────────────────┘   │
                             │
                  ┌──────────┴───────────┐
                  │   Joanna Redding     │
                  │   Project Manager    │
                  └──────────┬───────────┘
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        ┌────────────────────┴────────────────────┐
┌───────────────────┐                    ┌───────────────────┐
│ Integrity Monitor │                    │ Integrity Monitor │
│    Consultant     │                    │    Consultant     │
└───────────────────┘                    └───────────────────┘
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This team structure and size is predicated on the assumption that CBO trainings will be delivered virtually by topic or type of service and that on-site training for each CBO is not required.

Resumes for the above-named team members and a representative Project Staff are presented below. Project staff will be assigned once a start date is established, and their resumes will be presented to DHS project leadership once the assignments are made.

GREG MARTIN
PROJECT DIRECTOR

Background: Greg is a Principal with North Highland, leading the Public Sector Emergency Management group. Greg has over 34 years working with Federal, state, and local agencies in business and technology management consulting. He has worked with several Florida agencies on Emergency Management and Disaster Recovery initiatives, including Department of Economic Opportunity, Department of Environmental Protection and the Division of Emergency Management. Prior to joining North Highland, Mr. Martin led Accenture's global Regulatory Practice, working with some of largest regulatory agencies in world on transformational project. He also authored several white papers and publications on government reform and creating efficiencies in agency operations and creating a Command Center for emergency response to disasters. He has demonstrated the ability to lead the development and implementation of complex management reforms that transform organizations by, for instance, implementing innovative technological solutions, focusing organizational structures and responsibilities on well-defined core services, and utilizing effective performance management systems.

Education:

- Bachelor of Arts, Vanderbilt University

Skills:

- Regulatory Compliance
- Grants Management
- Project Management & Oversight
- Program Design & Contract Administration
- Government Procurement & Competitive Selection Process
- Housing Assessment & Recovery Program

Select Experience:

- *State of Florida, Executive Office of Governor, Office of Policy and Budget, FL CARES Coronavirus Relief Fund Administrative Services* Served as Subject Matter Expert in administering the funding provided to the State by the US Department of Treasury under the Coronavirus Relief Fund (CRF) portion of the CARES Act. North Highland, in partnership with HORNE, LLP, provided services to validate expenses eligible for reimbursement under the CRF, including but not limited to activities such as informing State strategy and policy on use of funds; interpreting and summarizing guidance provided by US Treasury on expense eligibility; developing and executing communication strategy and plan for stakeholders, including State executives, agencies and counties; serving as liaison for communications and eligibility guidance to stakeholders; advising the State on expense eligibility and risk mitigation; facilitating full lifecycle process of expense intake, review, tracking, progress monitoring, reporting and retention; providing support tools and data repository to facilitate full lifecycle process for expense eligibility determination and retain records of expense claims for future use. The value for this State in this effort is in the independent review and verification of explains claims and assistance in expense eligibility determination in order to maximizes the State's full and timely use of the over $8 billion in CRF directed to the State.

- *Florida Department of Environmental Protection, Deepwater Horizon Disaster Recovery Response, Project Lead* Mr. Martin led multiple different projects for the Department. He led the team that provided management and oversight for the Departments response to the Deepwater Horizon oil spill disaster. He also led the legislatively mandated assessment for the consolidation of all water ways and water bodies that are environmentally controlled across the state. The team determined all the sources of data and the approach to

consolidating the data into a single, easy to use portal for public consumption. The second project was also legislatively mandated and required the Department to develop a system that consolidated all the State lands held for environmental reasons regardless of the holding entity. This included publicly held lands and privately held lands. The team determined the best approach to leveraging multiple data aggregators across public and private entities to create a consolidated view of all environmentally held lands.

- *Florida Department of Economic Opportunity, Hurricane Michael Disaster Recovery Project* Leading the team, in partnership with Horne, that is managing the Federal funding to assist low income individuals with restoring their housing to pre-Michael state. The team is managing over $400m in federal funding to complete the restoration. Call center and customer service centers have been setup across the Panhandle to assist individuals with the application filing process and to provide assistance to construction companies that been approved to complete the restoration work.

- *Florida Department of Economic Opportunity, Community Development Block Grant Program, Organization Assessment* Led project in assisting the CD-BG Program in assessing the organizational structure to support the various Block Grant initiatives including recent hurricane Disaster Recovery programs for Michael and Irma. The team assisted in restructuring the program to align to the various programs and better service the communities and citizens. In addition, the team define new delivery processes to help manage the vendors administering the block grants.

- *Florida Department of Revenue, AMS Replacement Assessment, Call Center Assessment* Greg led two projects with the Department. The first project involved defining the requirements and procurement approach for replacing the Department's front end processing systems. In conjunction with defining the future state systems, the team also identified short term modifications to the existing system to minimize the risk of system failure. The second project assessed the current call center capabilities for people, processes and technology and defining a long term plan for technology modernization and process improvement. In addition, multiple short term recommendations were made to drive immediate improvements to customer service.

- *Massachusetts Department of Environmental Protection, Disaster Recovery Strategic Assessment* Greg led two projects for the MassDep. First, He led the team that assisted MassDep with the re-engineering specific business process using the Lean Six Sigma methodology. The team trained the agency key team members on the methodology allowing them to continue the process improvement efforts after the work was completed. He was responsible for managing the implementation of a COTS package to support over 300 license types for the

Commonwealth. The project involved the implementation of the solution in an enterprise environment supporting multiple agencies.

- *Florida Agency for Healthcare Administration, SEAS Project Greg* currently leads all projects for the Medicaid transformation program for the Agency. The program is a multi-year initiative to modernize all Medicaid services through the implementation of a series of modules and organization transformation. North Highlands responsibility includes strategic planning, procurement support, program and project management, technical support and Medicaid expert advice.

LORI COCHRAN
CRF ADVISOR

Background: Lori has nearly two decades of experience working with governments and the built environment. Her background includes planning, design, procurement, and grants management for both civic and residential structures. Since 2010, Lori has focused on disaster response, recovery, and mitigation programs. She has experience with both FEMA and HUD administered programs at the Federal and state levels. Since joining HORNE, Lori has focused on providing solutions and operational leadership to one-of-a-kind grant programs and cross-cutting Federal regulatory compliance requirements.

Education:

- Master of Arts, French Literature, Duke University
- Bachelor of Arts, Chemistry & Physics and Romance Languages & Literatures, Harvard College

Skills:

- Regulatory Compliance
- Grants Management
- Project Management & Oversight
- Program Design & Contract Administration
- Government Procurement & Competitive Selection Process
- Uniform Relocation Act
- Home Buyout

Select Experience:

- *Program Manager, New York Governor's Office of Storm Recovery (GOSR), 2/2019- Present.* Provides daily leadership to all of HORNE's active assignments in support of GOSR's recovery programs. Ensures adequate capacity at all times to meet GOSR's evolving needs. Coordinated return to office planning in June 2020 accordance with NYS guidelines related to COVID-19.

- *Subject Matter Expert, NY COVID Rent Relief Program, 7/2020.* Advised the HORNE Team during project start up and onboarding on nuances and challenges facing low income renters. Reviewed program policies and guidance documents to offer feedback and recommendations to streamline the eligibility review and payment processes. The program provides emergency rental assistance to LMI households that became additionally rent burdened as a result of loss of income due to COVID-19.

- *Project Manager, Delaware County, NY Buyout & Home Elevations Program, 9/2019– Present.* Coordinates and oversees subrecipient activities on behalf of GOSR to deliver a targeted buyout and home elevation program addressing severe flooding of the Susquehanna River. Maintains GOSR's system of record documenting the legal relationship between GOSR and the subrecipient and the eligibility of all property specific activities receiving grant funding. Drafted the program policy manual, other guidance documents, and closeout review checklists. Prepares and maintains program schedules and conducts regular update and coordination meetings. The program is subject to FEMA HMGP and HUD CDBG-DR regulations.

- *Project Manager, NY Rising Housing Recovery Programs Uniform Relocation Act Compliance, 2/2018– Present.* Directs the HORNE team charged with ensuring all NY Rising Housing Recovery Programs comply with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Act of 1970, as amended (URA). Led a wholistic program review focused on mitigating outstanding compliance risks and improving the coordination of tenant services with GOSR's core disaster

- Housing Assessment & Recovery Program

- Zoning Analysis

- Floodplain Management

recovery mission that resulted in comprehensive updates to the program policies, procedures, and guidance documentation.

- *Project Manager, NY Rising Condominium and Cooperative Program, 12/ 2015–11/2018.* Collaborated with GOSR to design and implement the first CDBG-DR program nationally to provide housing recovery assistance to condominium and cooperative associations. Developed unique solutions to account for prior assistance funds received by individual owners and the common association as well as mechanisms to address non-compliant owners while continuing to provide assistance to the association and participating owners.

JOANNA REDDING
PROJECT MANAGER

Background: Joanna is a Consultant with North Highland providing program and project management support to Public Sector state agencies in business and technology management consulting. Prior to joining North Highland, Joanna spent over 30 years in the telecommunications industry serving in a variety of capacities including roles in regulatory, marketing, operations, vendor contract management, budgeting, financial results, call center management, and customer experience.

Education:

- Bachelor of Science, Accounting; Florida State University

Skills:

- Regulatory Compliance

- Grants Management

- Project Management & Oversight

- Program Design & Contract Administration

- Government Procurement & Competitive Selection Process

- Local Service Provider Management

Select Experience:

- *State of Florida, Executive Office of Governor, Office of Policy and Budget, FL CARES Coronavirus Relief Fund Administrative Services* Currently serving as County Liaison in administering the funding provided to the State by the US Department of Treasury under the Coronavirus Relief Fund (CRF) portion of the CARES Act. Managing a portfolio of Counties, serving as the main point of contact for oversight of the FL CARES Act Local Government Program, with primary responsibility for managing expenditures of the Coronavirus Relief Fund (CRF) for the 55 Counties in Florida with populations of less than 500,000. Responsibilities include building relationships and coordinating project communication with Counties, working directly with County representatives, financial reviewers, subject matter experts (SMEs), and program leadership to implement and achieve program priorities in accordance with the CRF regulations, and for utilizing advanced professional skills and multidisciplinary knowledge to facilitate processes and productivity.

- *Florida Agency for Healthcare Administration, SEAS Project* Provided project management support to the technical project team for $20B, 5-year rebuild of Florida's MMIS. Delivered oversight, input, and quality assurance for annual refresh of 8 technical deliverables. Created strategy and documentation for agency's Integrated Change Control Process. Led completion and maintenance of complex, detailed program RACI matrix.

- *Florida Department of Transportation, ROADS Project and TSP* Provided oversight for phased approach project with multiple work streams, with objective to create and implement Enterprise-wide 5-year technology modernization strategy and implementation plan. Led strategy development, execution, and implementation of activities associated with the project, including development of strategy roadmap and Statement of Work, governance design, data and analytics, enterprise information management, organizational change management, business process design, project management office, and procurement strategy. Managed team of 8 resources and directly responsible for completion of +60 project deliverables.

DETAILED BUDGET

Engagement Query Reference:

III.2)   A detailed budget identifying staff classifications and hourly rates which shall not exceed the rates in the Integrity Monitor's BAFO Price Schedule.

The table below presents the estimated hours by labor category to complete the tasks requested in the engagement query.

To demonstrate our commitment to this program and the importance of validating the use of Coronavirus Relief Funds for Excluded New Jerseyans Fund, we have elected to offer a discount off our contract rates that results in a total price discount of over 22% on the total price. In addition, we have reduced our Not-To-Exceed Total Price by an additional 7%.

Category/Role	Total Project Hours	Contract Rate	Non-Discounted Price	Discounted Rate	Total Discounted Price
Partner/Principal/Director	92	$351.01	$32,292.92	$260.00	$23,920.00
Project Manager	920	$268.80	$247,296.00	$220.00	$202,400.00
Consultant	1,840	$202.71	$372,986.40	$150.00	$276,000.00
Subject Matter Expert	92	$308.98	$28,426.16	$260.00	$23,920.00
Total	2944		$681,001.48		$526,240.00
Additional Discount					($36,240.00)
Total Not to Exceed					$490,000.00

ASSUMPTIONS

1. The above staffing, hours estimates, and discounted rates were derived from careful consideration of the tasks identified in the Engagement Query and our team's experience in delivering similar services. We look forward to discussing the assumptions and adjusting our estimates, as needed.

2. The engagement will begin on July 26, 2021. Delays to the start date may require revisions to the staffing plan and thus the overall budget.

3. The engagement will complete by 12/31/21. Delays in collection of required data, interviews, or scheduling field work may require revisions to the staffing plan and thus the overall budget.

4. The proposed discount applies only to labor rates for this engagement. Pass-through expenses will be invoiced in accordance with GSA rules.

SCHEDULE OF DELIVERABLES

The following table summarizes the deliverables required by the Engagement Query and our proposed timeline for their delivery.

We have assumed an engagement start date of July 26, 2021. In the event the start date is delayed beyond this, the proposed dates may need to be adjusted.

Ref	Activity	Deliverable	EQ Milestone Date	Proposed Date
1	Review and Finalize Program Design	Project Work Plan		7/28/2021
2		Formal Policy Document	8/2/2021	8/2/2021
3	Application development and application submission systems	Application Form Specifications		8/9/2021
4		Application Process Workflow		8/9/2021
5		Online Portal Requirements		8/9/2021
6		Online Portal Testing	8/16/2021	8/16/2021
7	Eligibility Determination Documents	CBO Instructions and Tools	8/16/2021	8/16/2021
8		Public FAQ Document	8/16/2021	8/16/2021
9	CBO Procurement	CBO scope of services and requirements		8/23/2021
10		CBO performance metrics		8/23/2021
11		CBO payment model		8/23/2021
12		CBO RFP	8/30/2021	8/30/2021
13		RFP Response Minimum Contracting Criteria Assessment		9/13/2021
14		RFP Response Qualitative & Quantitative Assessment		9/20/2021
15		RFP Scoring Tabulation & Ranked List	5 business days following submission deadline	9/24/2021
16	CBO Support	Training Plan		9/3/2021
17		Training Delivery		10/8/2021
18		Report of Technical Support Activity		Month end + 2 business days
19	CBO Monitoring	Report of Monitoring Activity		Wednesdays beginning 10/20/2021

Ref	Activity	Deliverable	EQ Milestone Date	Proposed Date
20		Report of Weekly Eligibility Determination Sampling		Wednesdays beginning 10/20/2021
21		Report of Application Matching/Duplicate Benefits		Wednesdays beginning 10/20/2021
22		Draft Quarterly Integrity Monitor Report	Last Day of Quarter	9/30/2021 12/31/2021
23		Final Quarterly Integrity Monitor Report	15 business days after Quarter	10/21/2022 1/21/2022
24		Final Reporting and Document Transfer to DHS	20 business days following program closure or 12/30/2021 whichever comes first	12/30/2021

Our proposed timeline envisions the following program milestones:

Program Milestone	Date
CBO RFP Release	8/30/2021
CBO RFP Responses Due	9/10/2021
CBO Contracts Awarded	10/1/2021
Application Period Opens	10/18/2021
Application Period Closes	12/17/2021
Disbursements Completed	12/24/2021
Program Closure	12/30/2021

These milestone dates are confirmed or adjusted in the finalizing the program design activity.

IDENTIFICATION OF POTENTIAL CONFLICTS

Engagement Query Reference:

III.4)   Identification of any potential conflicts of interest regarding the delivery of services for the scope of work under this Engagement Query.

North Highland, nor our subcontractor HORNE, has no known conflict of interest regarding the requested services identified in the scope of work in the Engagement Query.

Revised Dates:

Ref	Activity	Deliverable	EQ Milestone Date	Proposed Date	Revised Proposed Date
1	Review and Finalize Program Design	Project Work Plan		7/28/2021	8/27/2021
2		Formal Policy Document	8/2/2021	8/2/2021	9/2/2021
3	Application development and application submission systems	Application Form Specifications		8/9/2021	9/10/2021
4		Application Process Workflow		8/9/2021	9/10/2021
5		Online Portal Requirements		8/9/2021	9/10/2021
6		Online Portal Testing	8/16/2021	8/16/2021	9/17/2021
7	Eligibility Determination Documents	CBO Instructions and Tools	8/16/2021	8/16/2021	9/17/2021
8		Public FAQ Document	8/16/2021	8/16/2021	9/17/2021
9	CBO Procurement	Review draft procurement document		8/23/2021	8/30/21
10		CBO performance metrics		8/23/2021	9/10/21
11		CBO payment model		8/23/2021	9/10/2021
12		CBO RFP	8/30/2021	8/30/2021	9/13/2021
13		RFP Response Minimum Contracting Criteria Assessment		9/13/2021	10/01/2021
14		RFP Response Qualitative & Quantitative Assessment		9/20/2021	10/01/2021
15		RFP Scoring Tabulation & Ranked List	5 business days following submission deadline	9/24/2021	10/01/2021
16	CBO Support	Training Plan		9/3/2021	10/1/2021
17		Training Delivery		10/8/2021	10/08/2021
18		Report of Technical Support Activity		Month end + 2 business days	Month end + 2 business days

Ref	Activity	Deliverable	EQ Milestone Date	Proposed Date	Revised Proposed Date
19	CBO Monitoring	Report of Monitoring Activity		Wednesdays beginning 10/20/2021	Wednesdays beginning 10/13/2021
20		Report of Weekly Eligibility Determination Sampling		Wednesdays beginning 10/20/2021	Wednesdays beginning 10/13/2021
21		Report of Application Matching/Duplicate Benefits		Wednesdays beginning 10/20/2021	Wednesdays beginning 10/13/2021
22		Draft Quarterly Integrity Monitor Report	Last Day of Quarter	9/30/2021 12/31/2021	9/30/2021 12/31/2021
23		Final Quarterly Integrity Monitor Report	15 business days after Quarter	10/21/2022 1/21/2022	10/21/2022 1/21/2022
24		Final Reporting and Document Transfer to DHS	20 business days following program closure or 12/30/2021 whichever comes first	12/30/2021	12/30/2021

Program Milestone	Proposed Date	Revised Date
CBO RFP Release	8/30/2021	9/13/2021
CBO RFP Responses Due	9/10/2021	9/24/2021
CBO Contracts Awarded	10/1/2021	10/01/2021
Application Period Opens	10/18/2021	10/18/2021
Application Period Closes	12/17/2021	12/17/2021
Disbursements Completed	12/24/2021	12/24/2021
Program Closure	12/30/2021	12/30/2021