



October 9, 2025

Mr. Bradley Sussman
Managing Director
K2 Integrity
730 Third Avenue
New York, NY 10017

VIA EMAIL ONLY: bsussman@k2integrity.com

**RE: NOTICE OF AWARD: RFP #2022-RFP-144-018 Integrity Oversight Monitor
Real Estate Gap Financing Grant Program**

Dear Mr. Sussman:

Thank you for your response to the Task Order Request for the above referenced program. K2 Integrity has been awarded this monitorship work with a total budget not-to-exceed \$79,500 for the duration of the monitorship, including compliance work and related tasks.

We will schedule a kickoff meeting with the Real Estate Gap Financing Grant Program team as soon as possible. NJEDA continues to look forward to working with K2 Integrity during its monitorship.

Sincerely,

Elizabeth George-Cheniara

[REDACTED]
Director, Legal Compliance
Accountability Officer
[REDACTED]

cc: [REDACTED] Chief Counsel
[REDACTED] Chief Compliance Officer
[REDACTED] Team Lead, Legal Compliance
2022-RFP-144-018

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY TASK
ORDER REQUEST**

[Reference RFP #2022-RFP-144-18]

VENDOR NAME	K2 Integrity
PROJECT TITLE	Real Estate Gap Financing Grant Program
DATE	9/10/2025
PROJECT SUMMARY	Integrity Monitoring Services
DATE NEEDED	ASAP

NJEDA CONTACT (Name, Title, Address, E-mail & Telephone Number)	<u>For Real Estate Gap Financing Grant Program questions:</u> [REDACTED] Director Brownfields/Sustainable Systems
	<u>For IOM RFP/TOR questions:</u> [REDACTED], Director – Legal Compliance and Accountability Officer [REDACTED]

Cost Submission: Please provide a cost estimate for the above referenced project, in accordance with the Fee Schedule submitted for **RFP #2022-RFP-144 –18 Integrity Oversight Monitor**. By providing a cost estimate, the Vendor is certifying that there is no Conflict of Interest with the subject request. Within five (5) business days of confirmation of receipt of the TOR Request, the Vendor shall e-mail the New Jersey Economic Development Authority (NJEDA) a TOR Vendor Response Form provided by the NJEDA. **Each estimate must include a Not-to-Exceed amount and statement.**

WRITTEN NOTICE TO PROCEED MUST BE PROVIDED BY THE AUTHORITY BEFORE WORK ON THIS PROJECT MAY BEGIN.

PROJECT DESCRIPTION

For all COVID-19 Recovery Programs valued at \$20 million or more, the Engagement/Task Order Requests (TOR) will be provided to the Primary and Secondary contractors. Their responses will be evaluated and awarded accordingly and should include pricing. For all other programs under \$20 million, the TOR will be first provided to the Primary Contractor. If there is a conflict with the Primary Contractor, the task order will be provided to the Secondary Contractor. This TOR is for the **Real Estate Gap Financing Grant Program**, which is a competitive program, funded with \$10 million by the American Rescue Plan (ARP) Coronavirus State and Local Fiscal Recovery Funds (SLFRF).

Pursuant to RFP section 3.3.1, the awardee of this Task Order is requested to perform integrity monitoring services for the above-referenced **Real Estate Gap Financing Grant Program**, in accordance with the requirements of the RFP, addenda, Executive Order 166 (Murphy, 2020), the [COVID-19 Compliance Plan \(Feb. 2022\)](#) and the [Integrity Monitor Guidelines \(June 2021\)](#). The awardee must provide quarterly and other reports in accordance with RFP section 3.3.2 utilizing the template attached to the RFP (and available online at <https://nj.gov/comptroller/doc/Integrity%20Monitor%20Report%20Template%20-%20Category%203.docx>).

The awardee will work with the NJEDA's Accountability Officer and other NJEDA staff to monitor the above-referenced **Real Estate Gap Financing Grant Program**.

Program Background

The American Rescue Plan, which was signed into law by President Joe Biden on March 11, 2021, is a \$1.9 trillion economic stimulus bill designed to rebuild and restart the American economy in the wake of the Coronavirus (COVID-19) public health emergency by investing in families, communities, and small businesses. Through the SLFRF, the ARP delivers \$350 billion to state, local, and tribal governments to support their response to, and recovery from, COVID-19.

In June 2022, Governor Murphy signed the Fiscal Year 2023 Appropriations Act P.L. 2022, c.49 (“Act”) into law. The Act appropriated significant State and federal funding to the Authority for numerous strategic economic development investments to support key industries, advance the innovation economy, continue to bolster recovery, and spur statewide growth. These strategic investments included \$10 million appropriated for “Gap Financing – Real Estate Projects Funding” from ARP SLFRF.

The Real Estate Gap Financing Grant Program is a competitive pilot program established to provide grants for real estate development projects located in distressed municipalities as defined below that require gap financing and that address the negative economic impacts of the COVID19 pandemic. The Real Estate Gap Financing Grant Program is established to mitigate the negative economic impacts of the COVID-19 pandemic and provides grant funding to support new real estate construction or substantial rehabilitation projects located within distressed municipalities. On July 17, 2024, the Board approved the creation of the Real Estate Gap Financing Grant Program.

Eligible Applicant Criteria

Eligible applicants are for-profit and non-profit entities (each, an “Applicant” or “Developer Entity”). Any city, State, or county entity and any state colleges or universities are not eligible to apply for this Program, including any such government entity that may also have a non-profit status under federal law. Applications are limited to one applicant per EIN. Applicants must be in substantial good standing with the New Jersey Department of Labor and Workforce Development, New Jersey Department of Environmental Protection, and NJEDA prior to approval. The Program requires Applicants to provide a current tax clearance certificate at time of application to demonstrate the Applicant is in good standing with the New Jersey Division of Taxation, unless the applicant is not required to register with the Division of Taxation.

Eligible Project Types

Real estate projects (new construction and/or substantial rehabilitation defined below) which are located in distressed municipalities are eligible and considered for Real Estate Gap Financing grants:

- Commercial (including office and/or supermarkets/grocery stores)
- Mixed-use developments (any residential portion must comply with the 20% reservation for low- and moderate-income households required by N.J.S.A. 52:27D-329.9(b)).
- Non-profit/community use projects (not government owned)
- Cultural, Arts, Performing Arts
- Manufacturing/Industrial

Substantial rehabilitation shall have the same meaning as “reconstruction” in N.J.A.C. 5:23-6.3 as “any project where the extent and nature of the work is such that the work area cannot be occupied while the work is in progress and where a new certificate of occupancy is required before the work area can be reoccupied. Reconstruction may include repair, renovation, alteration or any combination thereof. Reconstruction shall not include projects comprised only of floor finish replacement, painting or wallpapering, or the replacement of equipment or furnishings. Asbestos hazard abatement and lead hazard abatement projects shall not be classified as reconstruction solely because occupancy of the work area is not permitted.”

Applicants must agree to a 5-year deed restriction ensuring no change in the proposed project use for 5 years.

Construction, including demolition and remediation, cannot start until EDA’s approval of the application. All projects will be subject to compliance with New Jersey prevailing wage law and the Public Works Contractor Registration Act (N.J.S.A. 34:11-56.48 et seq.) which require all contractors, subcontractors, or lower tier subcontractors (including subcontractors listed in the bid proposal) who bid on or engage in the performance of any public work in New Jersey to register with the NJ Department of Labor and Workforce Development.

Eligible Project Locations

Applicants must ensure that the project location is located within a municipality ranked in BOTH the top 20% of the Department of Community Affairs 2023 Municipal Revitalization Index and the top 20% of Commuter Adjusted Population, as described below.

- Top 20% of municipalities within the 2023 Municipal Revitalization Index (MRI). The MRI serves as the State's official measure and ranking of municipal distress. The MRI ranks New Jersey's municipalities according to eight separate indicators that measure diverse aspects of social, economic, physical, and fiscal conditions in each locality. The MRI is used as a factor in distributing certain "need based" funds.
- Top 20% of municipalities based on Commuter-Adjusted Population (2018-2022 American Community Survey 5-Year Estimates)
 - This is "Daytime Population" which is the calculation of Total Resident Population + Total Workers Working in Area – Total Workers Living in Area.

The 25 municipalities with areas that are eligible for the Program are: Bayonne, Belleville, Bridgeton, Carteret, East Orange, Elizabeth, Garfield, Hackensack, Irvington, Jersey City, Kearney, Lakewood Township, Linden, Long Branch, Middle Township, Millville, North Bergen, Orange, Pennsauken, Perth Amboy, Plainfield, Union City, Vineland, West New York, and Winslow.

Ineligible Project Types

- Projects consisting solely of warehouse and/or retail spaces are ineligible for funding. Additionally, any warehouse use included must be ancillary and in direct support of the site's eligible primary use.
- Projects primarily for governmental or educational use are ineligible for funding, including buildings that would be owned, ground leased, or primarily leased (51% of square footage) by governmental or educational entities following development.
- Projects that have started construction are not eligible.

Ineligible Project Locations

The cities of Atlantic City, Camden, Newark, New Brunswick, Passaic, Paterson, and Trenton meet the above location eligibility criteria, however, EDA has recently targeted other significant program funding to these cities, therefore, project locations in these seven (7) municipalities are not eligible.

Funding

- The minimum grant funding request could be \$500,000 per project.
- The maximum grant funding request could be \$5,000,000 per project.
- Program grant funding may not exceed 50% of the total of all project development costs within the approved application. Property acquisition costs/equity are not to be considered as part of total project development costs.
- Program grant funding can only be used for the real estate project costs specifically approved based on the application, Authority review, and funding grant agreement.
- Project costs may include hard construction costs with a maximum 10% contingency, soft costs not exceeding 20% of total project costs and developer fee not exceeding 10% of total project costs or as otherwise allowed by another State agency providing funding to a project. Acquisition funding and operating costs are not eligible.
- All project costs and Grant funding are subject to federal Duplication of Benefits requirements and a cost reasonableness analysis will be undertaken prior to project approval.

No Applicant (or Applicant related entity) may receive more than one grant award, and only one application will be funded in any one eligible municipality

Applicants Awarded

The application window closed on January 8, 2025.

Twelve (12) applications were submitted by the deadline, of which three (3) applicants did not submit the required application documentation during the cure period and, thus, were rejected. Two (2) other applicants withdrew their applications, leaving seven (7) applications to proceed to scoring.

Of those remaining 7, which were presented at the NJEDA Board Meeting on August 18, 2025:

Five (5) applicants were approved for awards by the Board for the full allotment of \$10M:

- Grant Award of \$2,748,485 to Parkway Eye Care Center
- Grant Award of \$1,300,000 to Greater Bergen Community Action, Inc.
- Grant Award of \$1,160,000 to The Institute of Music for Children
- Grant Award of \$2,000,000 to 500 BLVD Urban Renewal LLC
- Grant Award of \$2,791,515 to 500 High Street LLC

Grant Agreement and Disbursement

The Authority will enter into a Grant Agreement (“Grant Agreement”) with the applicant detailing the project to be funded, eligible project costs, the amount of grant funding, and all financial programmatic requirements including the amount of other funding as may be applicable. The Grant Agreement will detail timelines for the project based on the project schedule included in the application and the project approval. At the Authority’s sole discretion, the Authority may grant timeline extensions. The Grant Agreement will detail the funding disbursement process. The Grant Agreement will indicate that, to comply with federal funding requirements, all projects must be fully completed, and all funds fully disbursed by December 31, 2026.

The applicant shall be responsible for assuring the compliance of the project with all terms and conditions of the application, Grant Agreement, and the Program funding requirements. Additionally, the Grant Agreement will have a deed restriction indicating that, if project development timelines are not met, the Authority may recapture or may require repayment of Grant funds and/or the Applicant may no longer be eligible for any remaining unused grant funds.

Per US Treasury deadlines and federal SLFRF requirements, all Program funds must be expended by December 31, 2026. Therefore, project readiness to proceed and ability to complete the project within the program timeline requirements will be key in funding consideration.

Documents Attached

- Board Memo re: Creation of Real Estate Gap Financing Grant Program (7.17.2024)
- Board Memo re: Real Estate Gap Financing Application Funding Awards (8.18.2025)
- NJEDA’s Memorandum of Understanding with The New Jersey Department of Affairs and NJEDA for Real Estate Gapp Financing Program. (10.15.2024),

This Engagement/TOR shall run from the effective date until the **Real Estate Gap Financing Grant Program** has disbursed all funding and completed any post-award compliance work.

Deliverables

- **Quarterly Reports**

Integrity Monitors (IMs) shall submit draft quarterly reports to the NJEDA **five (5) business days** before 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. The draft quarterly report is submitted to the NJEDA with a copy to the Integrity Monitoring mailbox: TreasuryIM@treas.nj.gov.

Prior to the posting of a quarterly report that contains findings of waste, fraud, or abuse, the NJEDA shall be permitted to respond to the findings and have that response included in the publicly posted report. This will allow the NJEDA to highlight any course corrections from the finding, or to contest any finding that it contends is inappropriate. An NJEDA response is due within fifteen (15) business days after receipt of a draft quarterly report. Fifteen (15) business days after the quarter-end, the IM will deliver its final quarterly report, inclusive of any comments from the NJEDA, to TreasuryIM@treas.nj.gov for distribution to the NJ State Treasurer, the New Jersey Governor’s Disaster Recovery Office (GDRO), the NJ Senate President, the Speaker of the NJ General Assembly, the NJ Attorney General and the NJ OSC.

The IM quarterly reports will be posted on the GDRO transparency website pursuant to Executive Order 166. The topics covered by the quarterly report should include the information included in the templates downloadable from NJ Office of the State Comptroller (OSC) website ([New Jersey Governor’s Disaster Recovery Office \(GDRO\) – COVID-19 Oversight \(nj.gov\)](#)).

- **Additional Reports**

IMs must promptly prepare responses for OSC inquiries. OSC, GDRO and the State Treasurer may request that IMs prepare additional reports or prepare additional memoranda that will assist OSC in evaluating whether there is waste, fraud, or abuse in COVID-19 recovery programs administered by Recovery Plan Participants. OSC may also request that IMs 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.

IMs are required to follow the Method of Operation for the Task Order Competition Process previously provided, with the following modification on time to submit:

- i. Immediately, **but by no later than three (3) business days** of the IM's receipt of the TOR, the IM must advise NJEDA of any conflicts of interest.
- ii. Within **14 calendar days** of the IM's receipt of the TOR, the IM must return a signed **Conflict of Interest Certification Statement (RFP Exhibit B2)** to [REDACTED], *whether or not a conflict exists.*

Pricing & No Modifications:

The IM must ensure that all pricing reflects itemized costs for all activities required for the Real Estate Gap Financing Grant Program including the "not-to-exceed" (NTE) pricing for: (a) all services within the year, *and* (b) for any additional necessary services that would exceed one (1) year.

The TOR response MUST include the NTE for the total cost of services for all applications and other IOM review criteria, as applicable, for the full duration of the project. Pricing for all IOM services under this TOR associated with the Real Estate Gap Financing Grant Program must be listed in the TOR response (i.e., "additional [applications/services] beyond the number quoted will be priced at the rate of [dollar amount] per [time/unit] through the end of the program, with an increase in the cost NTE CPI per annum.").

- The pricing will be evaluated based upon **the entirety** of the duration of the engagement and the proposal is to provide for this period. **ANY LIMITATIONS OR CAVEATS (SUCH AS LIMITING PRICING QUOTES OR SERVICES TO A SELF-SPECIFIED PERIOD OF TIME, i.e. ONE YEAR) SUBMITTED WITH THE PRICING SHALL BE REJECTED AND RENDER THE SUBMISSION NONRESPONSIVE.**

Any adjustments to hours or positions/titles (i.e. substituting a subcontractor or staff employee) are subject to the final approval of the Authority's Designated Contract Manager, at his/her sole discretion.

ADDITIONAL PARTIES TO RELY ON THE RESPONSE

NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
TASK ORDER REQUEST
CONFLICT OF INTEREST CERTIFICATION STATEMENT
[Reference RFP #2022-RFP-144 (TOR-18)]

I hereby certify that I am an authorized representative of the Vendor and can provide this Conflict of Interest Certification Statement on the Vendor's behalf.

I hereby certify and attest that to the best of my knowledge that the Vendor does not have a direct, familial, personal or monetary interest in the business entity, business site or project indicated below; nor does the Vendor or any employee, agent and/or representative of the Vendor currently have or have had any previous or existing personal or professional relationships with, interaction with, or done business with the project-specific business, site and/or with the current or previous owner(s). Further, neither Vendor nor any employee, agent and/or representative of the Vendor is now or has been employed by, or is a principal of, or is affiliated with the respective business, business sites, owner(s) or project involved with the Task Order Request (TOR) named below, in any manner.

To the best of my knowledge, neither the Vendor or any employee, agent or representative of the Vendor hold any ownership interest in the respective Task Order Request businesses or business sites which are the subject of the work to be performed, nor does Vendor under contract (other than the Authority Contract) to perform work or services, including representation for the same businesses or business sites referenced in the Task Order Request for the work to be performed.

During the performance of the work for the Task Order Request, should a conflict of interest arise, whether real or perceived, Vendor will immediately notify the New Jersey Economic Development Authority's Designated Contract Manager of the conflict and await the Authority's review and decision regarding Vendor's further participation.

I understand that, should a conflict exist, whether real or perceived, in the sole discretion of the Authority, Vendor shall immediately recuse itself from the work to be performed. In the event Vendor declines to complete and execute this Conflict of Interest Statement, Vendor understands that it will be removed from the work.

TASK ORDER REQUEST DETAILS:

2022-RFP-144 (TOR-18)
RFP #

Real Estate Gap Financing
RFP Title

- Vendor hereby certifies and attests that, to the best of my knowledge, there is no conflict of interest, as indicated above, that would affect Vendor's ability to accurately, effectively and impartially perform the work required on the specific Task Order Request.
- Vendor hereby recuses itself from participating in the performance of any work required on the specific Task Order Request for the following reasons:

Bradley Sussman _____
Vendor Employee Name


Vendor Employee Signature

Vendor Contract Manager Name

Vendor Contract Manager Signature

Sr. Managing Director _____
Title

September 24, 2025
Date

Title

Date



INTEGRITY MONITORING

K2 Integrity - Bid Submission-2022-RFP-144 – Integrity Oversight Monitor:

Task Order Request – Real Estate Gap Financing Grant Program

Prepared for:
New Jersey Economic Development Authority

Attention:
[REDACTED]
Director Brownfields/Sustainable Systems
New Jersey Economic Development Authority
36 West State Street
P.O. Box 990
Trenton, NJ 08625-0990

September 29, 2025

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1. Management Overview and Technical Approach

1.1. Introduction

K2 Integrity, operating through K2 Intelligence, LLC (referred to herein as “K2 Integrity”) appreciates the opportunity to submit a proposal to the New Jersey Economic Development Authority (“EDA” or “the Authority”) to provide Integrity Oversight Monitor (“IOM”) services, Task Order Request (“TOR”) for the **Real Estate Gap Financing Grant Program (“REGFGP”)**.

K2 Integrity is the preeminent risk, compliance, investigations, and monitoring firm — built by industry leaders, driven by interdisciplinary teams, and supported by cutting-edge technology to safeguard our clients’ operations, reputation, and economic security. K2 Integrity represents the merger of K2 Intelligence, LLC an industry-leading investigative, compliance, monitoring, and cyber defense services firm founded in 2009 by Jeremy M. Kroll and Jules B. Kroll, the originator of the modern corporate investigations industry, and the Financial Integrity Network (“FIN”), a premier strategic advisory firm founded by Juan Zarate and Chip Poncy, former senior U.S. Treasury and government officials, dedicated to helping clients achieve their financial integrity goals.

Our teams include former senior government advisors, regulators, compliance officers, technology professionals, prosecutors, lawyers, law enforcement and intelligence professionals, forensic accountants, investigative journalists, and academics, each bringing a unique set of risk management, investigative, and advisory skills and perspectives to the client’s situation.

Headquartered in New York with offices in London, Washington, DC, Madrid, Geneva, Doha, Los Angeles, and Chicago, K2 Integrity employs a total global staff of more than 300 and maintains deep, diverse global networks. We act as advisors to governments, financial institutions, companies, and high-net-worth individuals; our clients frequently include public entities and authorities along with private companies across a wide variety of business sectors.

K2 Integrity advises governments, companies, boards, and individuals in business areas including integrity monitoring, investigations and disputes, regulatory compliance, cyber defense, construction and real estate, strategic risk and security, and private client services. We also assist financial institutions and governments with strategic advisory, policy, controls, and training to protect against the full range of illicit financing threats.

K2 Integrity is known for its strategic application of technology. Whether it is sophisticated digital forensic tools, deep web search capabilities, or sophisticated analytic platforms for interrogating massive data sets, we consistently produce efficient results for clients by knowing how and when to employ innovative technology.

K2 Integrity leverages unmatched multidisciplinary experience to develop cutting-edge solutions, stimulate business opportunities, and shape global economic security in a complex world. Whether it’s protecting clients’ assets or navigating the complex financial regulatory landscape to help clients identify, manage, and mitigate risk, K2 Integrity is a trusted advisor striving to meet and exceed clients’ goals in a rapidly changing world.

K2 Integrity is confident it can assist the Authority and provide a monitoring plan that can perform the requested services. We are uniquely qualified to provide the services requested in the Authority’s RFP. No other firm possesses decades of experience, depth of proprietary intelligence, and expertise in performing such services. As explained below, we are currently performing very similar IOM services on four engagements including for the Authority and other New Jersey agencies in which we monitored the expenditure of Covid-19 relief funds.

1.2. Management Overview and Technical Approach to Achieve the Scope of Work

K2 Integrity understands that the TOR calls for integrity monitoring services for the Real Estate Gap Financing Grant Program (“REGFGP”) a pilot program to provide grants for real estate development projects located in distressed municipalities that requires gap financing and addresses the negative economic impacts of the COVID 19 pandemic.

K2 Integrity understands that (5) applicants were approved for award. The minimum grant award for the program is \$500,000 and the maximum grant award is \$5,000,000 per project.

K2 Integrity is prepared to review the following:

- **Eligible Applicant:**

- For-profit and non-profit entities (each, an “Applicant” or “Developer Entity”).
- Any city, State, or county entity and any state colleges or universities are not eligible to apply for this Program, including any such government entity that may also have a non-profit status under federal law.

- **Eligible Project Types:**

Real estate projects (new construction and/or substantial rehabilitation defined below) which are located in distressed:

- Municipalities are eligible and considered for Real Estate Gap Financing grants;
- Commercial (including office and/or supermarkets/grocery stores);
- Mixed-use developments (any residential portion must comply with the 20% reservation for low- and moderate-income households required by N.J.S.A. 52:27D-329.9(b));
- Non-profit/community use projects (not government owned);
- Cultural, Arts, Performing Arts; and
- Manufacturing / Industrial

- **Eligible Project Locations**

- Project location is located within a municipality ranked in both the top 20% of the Department of Community Affairs 2023 Municipal Revitalization Index and the top 20% of Commuter Adjusted Population.

In addition, K2 Integrity understands that the following particulars are part of the requested IOM services:

- Initial program risk assessments.¹
- Ongoing program risk assessments.
- Evaluation of program performance.

¹ This task is included in the NJEDA Task Order Request - Risk Assessment issued on March 24, 2023.

- Evaluation of internal controls associated with the Authority's fiscal management, cash management, acquisition management, property management, and records management capabilities.²
- Validation of compliance with sub-grant award agreements, general terms, and special conditions.
- Review of 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.
- Interviews of Authority 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 of specific files to become familiar with the progression of the disbursement of funds in a particular program, (i.e., are actual expenditures consistent with planned expenditure and is the full scope of services listed in the project work plan being accomplished at the same rate of actual and planned expenditures?).
- Ensuring that the Authority is retaining appropriate documentation, based on Federal and State regulations and guidance, to support fund disbursement.
- Following up with questions regarding specific funding decisions, and reviewing decisions related to emergency situations.
- Facilitating the exchange of ideas and promotion of operational efficiency.
- Identifying present and future needs.
- Promotion of cooperation and communication among Integrity Monitors engaged by other Recovery Programs Participants (e.g., to guard against duplication of benefits).
- Supporting services, including analysis of internal processes in support of Federal compliance and efficient and effective delivery of program.

1.3. General Approach

Designing, implementing, and managing proactive integrity monitoring and anti-fraud engagements is a core competency of K2 Integrity. As a result, K2 Integrity has an intimate understanding of the risks inherent in federal grant and disaster recovery programs, and knowledge of how to apply our methodologies in an independent fashion while collaborating and calibrating our work with decision-makers.

K2 Integrity has performed this type of work with multiple agencies in the past and continues to do so. In 2020 through present, we were instrumental in assisting the Authority, The New Jersey Department of Agriculture, the New Jersey Department of State, the New Jersey State Police, and the New Jersey Office of Higher Education in monitoring their expenditures of Covid-19 recovery funds.

We have performed integrity monitoring for major disaster recovery engagements since 2001, with our work on the clean-up of the World Trade Center site. Since then, we have performed these services in other engagements for a host of government agencies, including the New Jersey Department of Environmental Protection, the New Jersey Transit Corporation, the Port Authority of New York & New Jersey, the New York State Empire Development Corporation, and the Metropolitan Transportation Authority. Our experience on these past and current disaster recovery engagements allows us to design and implement efficient monitoring methodologies that will minimize the time and expense required to perform the services required on the engagement.

² This task is typically included as part of the programmatic risk assessment. Therefore, K2 Integrity does not anticipate performing this task as part of the REGFGP.

Our proposed work plan approach, as further described in the following sections of this document, focuses on practicality and real-world solutions to how grant funds and grant disbursements are managed. Our years of integrity monitoring experience enable us to target engagement-specific risks, not wasting resources in areas that do not require scrutiny. As we identify problems, we strive to get to the heart of the matter and design solutions to address and prevent integrity issues without burdening the engagement's progress. We also follow through to ensure that proposed solutions work and do not adversely impact the fulfillment of our clients' goals.

We understand that our clients have limited resources. We understand that while we cannot effectively monitor every transaction on every engagement, we maximize our efforts to focus on those activities or transactions most susceptible to risks of fraud, waste, and abuse. We can accomplish these objectives successfully, despite our clients' resource limitations, because we employ a cost-effective, intelligence-driven approach designed to identify the areas of greatest risk (both in terms of impact and likelihood of occurrence), and the controls in place to mitigate those risks, so that we can target the use of our resources and make our sampling of processes and controls maximally effective. This pragmatic approach avoids duplication of the routine operational reviews of grant management controls and processes and provides a value-add for an affordable cost.

K2 Integrity's approach is distinguished by the following characteristics:

Solutions-oriented, Not Process-Driven

We believe that there is no such thing as a routine situation. We work to understand the problem before forming the solution. We are experts at analyzing internal data, documents, and communications and marrying that to market and situational intelligence to give our clients an edge.

Decades of Combined Experience

Our senior practitioners bring decades of experience as leaders in their fields and deliver the best solutions to our clients.

Strategic Application of Technology

Whether using sophisticated digital forensic tools, analytic platforms for interrogating massive data sets, or cutting-edge case management systems, K2 Integrity consistently relies on technology to deliver the most effective solution to our clients.

Tailored to the Needs of the Client

We address client challenges from every possible angle and work tirelessly to craft solutions as quickly and efficiently as the particular situation requires. Our investigations frequently support the legal strategies of law firms.

Multidisciplinary Breadth

Our teams can engineer multifaceted solutions that always put our clients' needs first. Using the latest technological, data, and analytical tools, our teams address client challenges from every angle and discipline to craft solutions.

Nimble Teams

With global experience and local knowledge, we are able to go anywhere in the world at a moment's notice, including many remote or difficult locations. In addition to drawing on our own collective experience, we partner with a worldwide network of experts and practitioners in every field and capacity. This footprint allows us to service client needs wherever and whenever they arise.

Independence and Insight

We are proud of what we have come to stand for: good outcomes, honest outcomes, and a reputation not only for risk advisory, consulting and compliance excellence, but for our independence and insight. Because of it we are trusted by governments around the world.

1.4. Addressing Potential Problems

Given our extensive experience assisting agencies such as the Authority, The New Jersey Department of Agriculture, the New Jersey Department of State, the New Jersey State Police, and the New Jersey Office of Higher Education in monitoring their expenditures of Covid-19 recovery funds, we feel fully equipped to effectively handle any problems that may arise over the scope of this engagement. Our recent engagement with the Authority has given us specific familiarity with Agency procedures, programs, and staff, and should mitigate any potential problems that may arise.

1.5. Proposed Work Plan

Upon notification of an award and execution of a written engagement letter for a Task Order, K2 Integrity professionals will work closely with NJEDA to plan and conduct the following four-phases of work to assist NJEDA in achieving its objectives:

1.5.1. Kickoff and Identification of Monitorship Needs

Objective

During this phase of work, K2 Integrity will work with the NJEDA to plan and scope the project to ensure that key stakeholders are aligned with the project objectives, related deliverables, and timelines.

Project Kick-off Meeting

During this initial phase of work, K2 Integrity will coordinate a project kick-off meeting with key NJEDA personnel. The purpose of the kick-off meeting is to ensure that all stakeholders are aligned on the project objectives, scope, timelines, and deliverables.

Preparation of an Information Request

K2 Integrity will prepare a preliminary information request including relevant policies, procedures, and internal controls implemented by NJEDA. This may include, but will not necessarily be limited to the following:

- Documentation evidencing processes, controls, and technologies implemented to support the execution of applicable programmatic, financial, and administrative requirements set forth in Federal-State grant agreements, sub-grant award agreements, and applicable Federal and State laws, regulations, and guidelines in its administration of American Rescue Plan (“ARP”) Coronavirus State Fiscal Recovery Funds (“SLFRF”); Additional programmatic funds received from the State; and other Federal Agency for this purpose and subject to an Integrity Oversight Monitoring requirement.
- Results of quality assurance reviews and assessments associated with the payments process to ensure that they are following Federal and State regulations.
- Grants management policies and procedures.
- Accounting policies and procedures including, but not limited to, procurement, payments, expense reimbursement process, financial reporting, and accounts reconciliation process.
- Code of conduct, compliance program, and other governance related documentation.
- Results of prior risk assessments and related risk and control matrix.
- Audit reports including the identification of prior internal control deficiencies and management’s response regarding the same.

- Board memoranda related to the program subject to monitorship.
- Periodic reports and other financial reports that NJEDA produces or receives in its management of the grants and its program utilizing grant funding.
- Sub-grantee application processing data.

Identify Expenditures Subject to Monitorship

- K2 Integrity will review information obtained to identify funds subject to monitorship and develop a schedule for operational and internal controls review.
- K2 Integrity understands that NJEDA currently estimates \$10,000,000 million subject to monitorship in ARP SLFRF for REGFGP.
- K2 understands that (5) awardees have been identified.
- NJEDA expects that all projects to be completed by December 31, 2026.

1.5.2. Ongoing Program Risk Assessment

Objective

K2 Integrity understands that the scope of work for the initial risk assessment for the REGFGP may be included separately in the Phase I or II of this program, or NJEDA TOR for Risk Assessment released on March 24, 2023. As such, K2 Integrity will review the risk assessment created under that TOR and will provide any ongoing risk assessment services as needed including, but not limited to: (i) reviewing the operational effectiveness of key control activities against the initial risk matrix to determine residual risk, and (ii) updating the risk assessment to address information obtained throughout the monitorship of the REGFGP. K2 Integrity will ensure that there is no duplication or overlap of services related to the risk assessment.

1.5.3. Substantive Testing of Grant Applications

Objective

During this phase of work, K2 Integrity will perform monitoring and testing of control operational effectiveness inclusive of transaction testing.

K2 Integrity understands the importance of NJEDA's deadlines, and as such, will be nimble in our approach to conducting tasks in a timely and efficient manner. K2 Integrity professionals will work closely with designated NJEDA personnel to coordinate and perform the following tasks to achieve the project objectives.

Identification of High-risk Areas Subject to Testing

Based on the reviewed risk assessment from the prior TOR, and knowledge of the REGFGP, K2 Integrity will work with NJEDA to identify potential areas of focus of the transaction testing. This may include, but is not necessarily limited to, the following:

- Project eligibility criteria;
- Grant Payments;
- Financial reporting and reimbursement; and
- Reconciliation.

Utilizing information learned from the risk assessment and initial analysis of data, we will determine the appropriate weighting of random and judgmental sampling to best identify noncompliant and fraudulent transactions. We will identify potential exceptions based on the transactions testing, which will include potential exceptions to established

controls as well as potential indicators of fraud, waste, or abuse. We will conduct follow-up inquiries to obtain an understanding of the root cause of the exceptions and provide recommendations regarding control remediation. Testing and follow-up activity will include inquiry, observations, and forensic analysis of books and records to ensure that procedures and controls were executed based on program requirements and that Authority financial data reconcile with transactional and source data.

K2 Integrity’s team of forensic accountants, investigative attorneys, forensic engineers, and investigators are available to conduct onsite monitoring, interviews, and data capture in the event of noncompliance with reporting requirements, unresponsiveness, allegations of misuse of funds, or other high-risk.

K2 Integrity has a vast network of professionals in additional areas of practice, including commercial lending and economic development incentives structuring, who are available to provide services at NJEDA’s discretion should the need arise.

1.5.4. Reporting

K2 Integrity will provide draft quarterly reports to the Authority, with a copy to TreasuryIM@treas.nj.gov, on the last day of the quarter detailing the specific services rendered and any findings of waste, fraud, or abuse. K2 Integrity will utilize the report templates on the Office of the State Comptroller’s website for submittal.

1.5.5. Engagement Timeline

K2 Integrity has prepared the following proposed timeline for the initial year of the Task Order based on the information presently available at the time of proposal. The timeline may need to be adjusted due to circumstances as they arise including, but not limited to, requirements of Task Orders that the Authority may issue.

Key Milestone:	Date:
TOR Award	October 01, 2025
Kick-Off Meeting	October 15, 2025
IOM Information Request	October 15, 2025
Obtain Requested Information	October 31, 2025
Interviews of Authority Stakeholders	November 03, 2025
Conduct Quarterly Compliance Testing	November 10, 2025 – December 12, 2025
Issue Interim Report	December 15, 2025
Draft Quarterly Report Preparation	December 22, 2025
Draft Quarterly Report Submission	December 29, 2025
Quarterly Report Finalization	January 14, 2026
Conduct Quarterly Compliance Testing	January 05, 2026 – March 16, 2026
Issue Interim Report	March 16, 2026
Draft Quarterly Report Preparation	March 19, 2026
Draft Quarterly Report Submission	March 30, 2026
Quarterly Report Finalization	April 13, 2026
Conduct Quarterly Compliance Testing	April 01, 2026 – June 15, 2026

Key Milestone:	Date:
Issue Interim Report	June 19, 2026
Draft Quarterly Report Preparation	June 22, 2026
Draft Quarterly Report Submission	June 29, 2026
Quarterly Report Finalization	July 13, 2026
Conduct Quarterly Compliance Testing	July 06, 2026 – September 15, 2026
Issue Interim Report	September 21, 2026
Draft Quarterly Report Preparation	September 23, 2026
Draft Quarterly Report Submission	September 30, 2026
Quarterly Report Finalization	October 14, 2026

2. Organization Chart



3. Key Team Member List

Our Key Team Members for this TOR are identified below:

Key Team Member	Proposed Role
Bradley Sussman	Executive Oversight of IOM Team
Tejah Duckworth	Project Management
Michael Bernstein	Management of All Audit Functions

4. NJEDA Task Order Request – Vendor Response Form

Attached please find K2 Integrity’s TOR Vendor Response Form, RFP Exhibit B3, as Appendix 1.

K2 Integrity understands that the term of the monitorship over the REGFGP is until all funds have been dispersed, which the NJEDA anticipates will occur by December 31, 2026, and all post-award compliance work is completed. As such, K2 Integrity’s proposes a budget to reflect the period of the Notice to Proceed to December 31, 2026. K2 Integrity will review up to five (5) awardees who are awarded funds from the REGFGP. K2 Integrity’s total budget for this TOR is not-to-exceed \$79,500.

Appendix 1 – Vendor Response Form

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
TASK ORDER REQUEST - VENDOR RESPONSE FORM
[Reference RFP #2022-RFP-144-18]**

TASK ORDER REQUEST # 144-18

The undersigned, having familiarized himself/herself with the conditions affecting the cost of the work and with the Authority Contract documents agrees to furnish all mobilization, insurances, labor, materials and services, and perform all work as described in the Contract documents, per the rates included in the Fee Schedule. The Contractor is responsible for verifying and estimating all quantities for providing the prices.

CONTRACTOR NAME			
PROJECT SUMMARY			
COVID-19 Recovery Programs valued at \$20 million or more		Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
STANDARDIZED POSITIONS/TITLES	HOURLY RATES	NUMBER OF HOURS	PRICE
Senior Executive / Manager	\$340	11	\$3,740
Mid-Level Manager	\$290	174	\$50,460
Low-level (or similar title)	\$220	115	\$25,300
Administrative/Support Staff			
TOTAL PRICE			\$79,500
<p>Contractor agrees as follows: Project completion shall be consistent with the dates outlined on the Task Order Request. Scheduling of all work shall be coordinated with the Authority. Consultant represents that there is no conflict of interest in the performance of this Task Order Request. The Authority is a tax-exempt organization: [REDACTED].</p>			

Respectfully submitted,

K2 Intelligence LLC _____
Name of Firm

Bradley Sussman _____
Name of Individual



Signature & Title

09/29/2025 _____
Date

