



June 2, 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-144-0012 Integrity Oversight Monitor
Maternal Health Project**

Dear Mr. Sussman:

Thank you for your response to the Task Order Request for the above referenced program. I am pleased to inform you that K2 Integrity has been awarded this TOR with a total budget not-to-exceed \$124,260 consisting of \$84,840 for the initial year of monitorship, and \$41,420 for continued monitoring services for the ensuing six (6) months.

We will schedule a kickoff meeting as soon as possible. I look forward to working with K2 Integrity.

Sincerely,

Elizabeth George-Cheniara

[REDACTED]
Director, Legal Compliance
Accountability Officer

cc: [REDACTED] Chief Counsel
[REDACTED], Team Lead, Legal Compliance
2022-RFP-144-0012

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

[Reference RFP #2022-RFP-144-12]

VENDOR NAME	Deloitte & Touche, LLP and K2 Integrity
PROJECT TITLE	Maternal Health Project
DATE	5/2/2025
PROJECT SUMMARY	Integrity Monitoring Services for the Maternal Health Project
DATE NEEDED	ASAP

NJEDA CONTACT (Name, Title, Address, E-mail & Telephone Number)	Maternal Health Project questions:	
	[REDACTED] VP Real Estate Development, Construction and Infrastructure 36 West State Street Trenton, NJ 08608 [REDACTED]	[REDACTED] – Senior Project Officer Real Estate Development 36 West State Street Trenton, NJ 08608 [REDACTED]
	For TOR and general IOM program questions:	
	[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-144-12 Integrity Oversight Monitor. By providing a cost estimate, the Vendor is certifying that there is no Conflict of Interest with the subject request. By the date listed in the cover letter issuing this TOR, 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 **Maternal Infant Health Center (the “Project”)**, which has been funded with more than \$20,000,000 by the Coronavirus State Fiscal Recovery Fund (CSFRF or SFRF).

Pursuant to RFP section 3.3.1, the awardee of this Task Order is requested to perform integrity monitoring services for the above referenced Maternal Infant Health Center Project, in accordance with the requirements of the RFP, addenda, Executive Order 166 (Murphy, 2020), American Rescue Plan Act (ARP) of March 11, 2021, 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 Project.

Program Background:

In 2019, Governor Phil Murphy and First Lady Tammy Snyder Murphy launched Nurture NJ, a statewide awareness campaign committed to both reducing maternal and infant mortality and morbidity and ensuring equitable care among women and children of all races and ethnicities. New Jersey is ranked 47th in the nation for maternal deaths and has one of the widest racial disparities for both maternal and infant mortality. In January 2021, the First Lady released Nurture NJ's strategic plan which features nine action areas and dozens of recommendations, including to "establish a Center in the state capital [Trenton] that focuses on innovation and research in maternal and infant health through partnerships with the state's academic, funder, business, and faith communities" and charged the Authority with a central role in implementing this recommendation, with support from the Departments of Health, Human Services, and Office of the Secretary of Higher Education. Trenton has amongst the highest maternal and infant health disparities in the state, making it the natural choice to host the Maternal Infant Health Innovation Authority ("MIHIA"). Only 47 percent of women in Trenton receive prenatal care in their first trimester and the city has the largest Medicaid population in the state. The MIHIA will work to achieve the Nurture NJ goal of making New Jersey the safest and most equitable place in the nation to give birth and raise a baby.

In April 2021, NJEDA issued a Request for Information about its plans to establish the Maternal Infant Health Innovation Center ("Center" or "MIHIC") and received more than 50 responses. Many respondents emphasized that the Center should prioritize offering prenatal and postpartum services and community-based education and health programs. Respondents also recommended that the Center engage in workforce development through trainings and certifications to develop a diverse, high-quality perinatal workforce (e.g., midwives, doulas, community health workers).

Maternal Health Project:

In March 2022, NJEDA began its partnership with Kean University's John S. Watson Institute for Urban Policy and Research to lead community engagement efforts in Trenton. NJEDA works in partnership with the recently established Maternal and Infant Health Innovation Authority. MIHIA's role is to lead the State's coordination, promotion, and implementation of education, policymaking, research, innovation, perinatal workforce development, and more in furtherance of maternal and infant health improvement.

The primary goal of the MIHIC is to tackle and eradicate racial disparities in maternal and infant health outcomes. Serving women across Trenton and New Jersey, the MIHIC will place particular emphasis on providing support to black and brown birthing individuals, who have historically experienced disproportionately worse birth outcomes compared to other demographic groups. In New Jersey, statistics show disparities, with black mothers being seven times more likely to succumb to pregnancy-related complications than white mothers, and Hispanic mothers facing three times higher risks. The EDA allocated SFRF funding towards the construction of the MIHIC in the city of Trenton. (See below funding sources) The construction of the MIHIC will be a mechanism to close the gaps in maternal disparities and offer quality healthcare/social services to communities that have been disproportionately impacted by COVID-19.

The Center will have three major components to address adverse maternal and infant health outcomes: (1) an Institution of Higher Education to train and build the perinatal workforce; (2) Healthcare Clinical Service Provider to offer pre- and post-natal services; and (3) a Multi-Service Organization to aid in resource navigation and social service support. The Center will be a catalyst for innovation and maternal and infant health research to eliminate disparities and improve maternal outcomes. A part of the Center's innovation will be an incubation space that supports organizations focused on creating state-of-the-art technology to address adverse maternal outcomes.

Per federal SLFRF program guidelines, all Program funds must be expended by December 31, 2026.

Site Selection

In March 2022, the NJEDA was approved to work with real estate advisory firm Jones Lang LaSalle ("JLL") to conduct site analysis and planning to inform the eventual location and footprint of the Center.

Based upon JLL's analysis, EDA reviewed the available parcels of land in that area and identified the Battle Monument Site, located at the Southwest corner of Pennington and Warren Street in Trenton, as the most attractive location for the Center. The Authority further validated this conclusion through community listening sessions conducted by the Watson

Institute in which community members voiced their support for the Center to be in this neighborhood. The purchase of the site for \$2,573,685 was approved at the NJEDA's December 2024 Board meeting.

Site Development

Pursuant to the MOU between the NJEDA and MIHIA, the NJEDA would develop and lease the subject property to MIHIA for \$1 per year. EDA would be the owner and developer of MIHIC and provide the services as listed in the NJEDA Board Memo dated March 12, 2025.

- Secure all project financing
- Purchase property
- Comply with all the rules and regulations of project financing
- Procure project professionals
- Hold all contracts in EDA's name
- Manage project professionals
- Facilitate and manage all phases of the project from design, through construction and Certificate of Occupancy
- Design and construct MIHIA to the specifications of MIHIA within the project financial perimeters
- Ensure project secures all necessary approvals for occupancy
- Comply with all relevant building codes
- Report to MIHIA on a regular basis regarding the project development and schedule
- Meet with MIHIA board and their constituencies
- Master lease MIHIC to MIHIA

At that same March 12, 2025, NJEDA Board meeting, the Authority approved NJEDA to enter into a MOU with MIHIA to develop, construct, finance and operate the Maternal Infant Health Innovation Center. **(Please note that this MOU between MIHIA and NJEDA is pending execution.)**

Funding

A Memorandum of Understanding between NJEDA and NJDCA was signed May 29, 2024 for \$20,000,000 in SFRF funding for the Maternal Infant Health Center Project, followed by an Amendment for an additional \$20 million in SFRF funding executed on September 20, 2024, as well as additional funding by multiple sources for a total of **\$86,737,000**, including:

- U.S. Treasury Fiscal Year 2023 in the amount of \$25,000,000 by utilizing the American Rescue Plan **Capital Projects Fund**;
- NJEDA in the amount of \$10,000,000 through allocation of **Strategic Innovation Funding** in Fiscal Year 2024;
- Fiscal Year 2022 allocation of the **State Budget** towards planning activities for the Maternal and Infant Health Innovation Center in the amount of \$2,900,000, which was then reduced for staff salaries and resulted in **\$1,856,089**.
- Fiscal Year 2023 **State Funding for Real Estate Projects** in the amount of **\$10,380,911**.

NJDCA has distributed some of the SFRF funds to NJEDA for the implementation of the Program/Project.

Please see the following funding chart which is only for Project related costs and does not include administrative costs.

Sources of Funding		
Federal		
Maternal Health Trenton - Capital Projects Fund (CPF)		\$ 25,000,000
EDA Maternal and Infant Health Center SLFRF - FY23		20,000,000
Maternal Health SLFRF - FY24		19,500,000
Total SLFRF		\$ 39,500,000
Total Federal		\$ 64,500,000
State Appropriation		
* Strategic Innovation Center FY22-FY25		\$ 10,000,000
Maternal Health Appropriation - FY22		\$ 1,856,089
Total State Appropriations for SIC and Maternal Health		\$ 11,856,089
Real Estate Project Funding - FY23		\$ 10,380,911
Total State Appropriations		\$ 22,237,000
Total Federal/State Appropriations		\$ 86,737,000

* See February 12, 2025 NJEDA Board Memo

Documents Attached:

- NJEDA’s executed MOU and Amendment with DCA for SFRF funding;
- NJEDA’s executed MOU with DCA for Capital Project Funds;
- March 12, 2025 - NJEDA Board Memo, including the MOU between MIHIA and NJEDA to develop the Center and Lease to the Maternal and Infant Health Authority *see Exhibit B. Note” This MOU is pending execution.*)
- February 12, 2025 - NJEDA Board Memo

This Engagement/TOR shall run from the effective date until the Program/Project 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 the 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 \(nj.gov\)](https://www.nj.gov/governor/disaster-recovery-office/gdro)).

- **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 and 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 Maternal Health Project 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 Maternal Health Project 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.**

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-12)]**

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-12)
RFP #

Maternal Infant Health
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:

Michael Bernstein
Vendor Employee Name

Vendor Employee Signature

Associate Managing Director
Title
5/16/2025
Date

Bradley Sussman
Vendor Contract Manager Name

Vendor Contract Manager Signature

Senior Managing Director
Title
5/16/2025
Date



INTEGRITY MONITORING

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

Task Order Request – Maternal Health Project

Prepared for:

New Jersey Economic Development Authority

Attention:

[REDACTED]

Vice President Real Estate Development
Construction and Infrastructure
New Jersey Economic Development Authority
36 West State Street
P.O. Box 990
Trenton, NJ 08625-0990

May 20, 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 **Maternal Health Project (“MHP”)**.

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 MHP. The NJEDA allocated State Fiscal Recovery Fund (“SFRF”) towards the contraction of the Maternal Infant Health Innovation Center (“MIHIC”) in the city of Trenton, New Jersey. The goal of the MIHIC is to close gaps in maternal disparities and offer quality healthcare and social services to communities that have been disproportionately impacted by COVID-19.

NJEDA selected the Battle Monument Site for the center. NJEDA will be the owner and developer of MIHIC; and will lease the property to the Maternal Infant Health Innovation Authority (“MIHIA”) for \$1 per year. K2 Integrity understands that the MOU between NJEDA and MIHIA is pending execution at this time; and that some SFRF funds have been distributed to NJEDA for the implementation of MHP.

K2 Integrity is prepared to review the following:

- **Site Development:**
 - Secure all project funding
 - Purchase of property
 - Compliance with all the rules and regulations of project financing
 - Procurement of project professionals
 - Hold all contracts in EDA’s name
 - Manage project professionals
 - Facilitate and manage all phases of the project from design, through construction and Certificate of Occupancy
 - Design and construct MIHIA to the specifications of MIHIA within the project financial perimeters
 - Ensure project secures all necessary approvals for occupancy
 - Comply with all relevant building codes
 - Report to MIHIA on a regular basis regarding the project development and schedule
 - Meet with MIHIA board and their constituencies
 - Master lease MIHIC to MIHIA

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 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 MHP TOR.

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, grant award agreements, and applicable Federal and State laws, regulations, and guidelines in its administration of State Fiscal Recovery Funds (“SFRF”); 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.

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 \$86,737,000 million subject to monitorship in Capital Projects Fund (“CPF”) in the amount of \$25 million; \$20 million in SLFRF FY23; \$19.5 million in SLFRF FY24; \$22,237,000 in State appropriations.
- K2 understands that the NJEDA will operate as the owner and developer of the property, and will lease the site for \$1 per year to MIHIA.
- 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 MHP may be included separately in the Phase 1 or 2 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 MHP. K2 Integrity will ensure that there is no duplication or overlap of services related to the risk assessment.

1.5.3. Substantive Testing of Site Development

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 MHP, 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:

- Purchase of property
- Compliance with all the rules and regulations of project financing
- Procurement of project professionals

- Financials related all phases of the project from design, through construction and Certificate of Occupancy³
- Design and construct MIHIA to the specifications of MIHIA within the project financial perimeters⁴
- Master lease MIHIC to MIHIA

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	May 30, 2025
Kick-Off Meeting	June 2, 2025
IOM Information Request	June 5, 2025
Obtain Requested Information	June 15, 2025
Issue Interim Report	June 19, 2025
Draft Quarterly Report Preparation	June 23, 2025
Draft Quarterly Report Submission	June 30, 2025
Interviews of Authority Stakeholders	July 2, 2025
Conduct Quarterly Compliance Testing	July 3, 2025 – September 15, 2025

³ Pricing in this proposal does not include activity past December 31, 2026.

⁴ Pricing in this proposal does not include construction monitoring services.

Key Milestone:	Date:
Issue Interim Report	September 15, 2025
Draft Quarterly Report Preparation	September 19, 2025
Draft Quarterly Report Submission	September 29, 2025
Conduct Quarterly Compliance Testing	October 2, 2025 – December 15, 2025
Issue Interim Report	December 19, 2025
Draft Quarterly Report Preparation	December 22, 2025
Draft Quarterly Report Submission	December 29, 2025
Conduct Quarterly Compliance Testing	January 5, 2026 – March 16, 2026
Issue Interim Report	March 20, 2026
Draft Quarterly Report Preparation	March 23, 2026
Draft Quarterly Report Submission	March 31, 2026
Begin Quarterly Compliance Testing	April 1, 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 MHP 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 NJEDA expenditures related to the site development of MHP. K2 Integrity's total budget for this TOR is not-to-exceed \$124,260, consisting of a) \$84,840 for the initial year of monitorship, and b) \$41,420 for continued monitoring services for the ensuing six (6) months.

Appendix 1 – Vendor Response Form

**NEW JERSEY ECONOMIC DEVELOPMENT AUTHORITY
TASK ORDER REQUEST - VENDOR RESPONSE FORM
[Reference RFP #2022-RFP-144 (TOR-12)]**

TASK ORDER REQUEST # 144-12 _____

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		Maternal Health Program	
COVID-19 Recovery Programs valued at \$20 million or more		Yes <u> X </u> No _____	
STANDARDIZED POSITIONS/TITLES	HOURLY RATES	NUMBER OF HOURS	PRICE
Senior Executive / Manager	\$340	7.5	\$2,550
Mid-Level Manager	\$290	183.0	\$53,070
Low-level (or similar title)	\$220	312.0	\$68,640
Administrative/Support Staff	N/A		
		502.5	
TOTAL PRICE			\$124,260
<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 Integrity

 Name of Firm



 Senior Managing Director
 Signature & Title

Bradley Sussman

 Name of Individual

5/20/2025

 Date

