

by Matthew Golden

# Ethics Lapses

## Tarnish New Jersey Politics



### Scandals spur hiring of Cooper '67 as State Inspector General

Most observers of state politics agree that New Jersey has the most powerful governorship in the nation. The state's top executive has the authority to appoint both an attorney general, New Jersey's top law enforcement official, and a treasurer, the individual who shapes an annual budget of roughly \$28 billion and oversees a massive procurement process that spends more than \$11 billion each year.

Many also consider New Jersey politics to be rife with corruption. That view may be worthy of debate, but what is certain is that New Jersey's governor wields uncommon influence over the state's political, legal, and fiscal operations.

Trenton insiders have long understood New Jersey's unique political landscape, where connections and influence produce results, and they are well versed in what it takes to make things happen in the capital city. Terms like "pay to play" (the use of campaign contributions to win lucrative public contracts), "double dipping"



(legislators padding their wallets and pensions by holding multiple, taxpayer-funded positions), and “no-bid” deals (contracts that are awarded without being subject to a competitive bidding process) have been around for decades and, sadly, too often reflect the regular course of public business in New Jersey. In recent years, however, these phrases have gone mainstream and are now part of the vernacular of most Garden Staters, even those who pay little attention to the political scene.

A spate of high-profile investigations, arrests, and prosecutions of New Jersey officials, including many longtime supporters and confidantes of former-Governor James E. McGreevey, over the last three years by the United States Attorney’s Office and the Federal Bureau of Investigation have put the issue of government ethics front and center with voters and members of the media alike. So, when McGreevey departed office a year and two months before his term was to expire because of a scandal that bridged his personal and professional lives, acting Governor and Senate President Richard J. Codey realized he needed to take action.

One of Codey’s first steps toward restoring government integrity and public confidence was to issue an executive order creating the position of inspector general and charging the person occupying that post with the task of rooting out waste and mismanagement at all levels of government supported by state funds, from New Jersey’s executive branch to municipalities and local school boards.

Codey needed to find someone with the investigative skills to navigate New Jersey’s murky bureaucratic waters, and, after consulting with top aides and legal experts, he quickly turned to **Mary Jane Cooper ’67**. The College of New Jersey

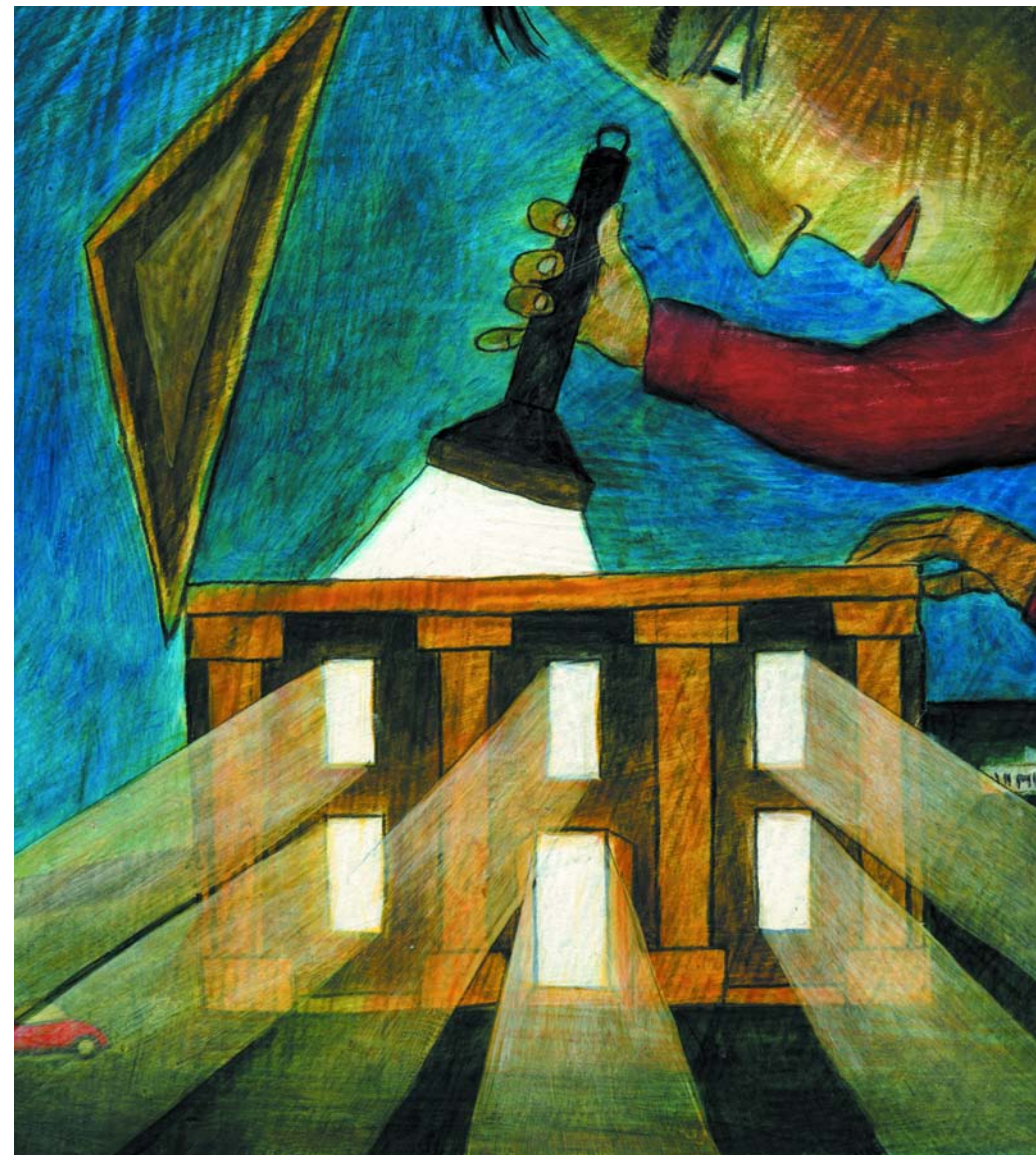
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Following graduation from TCNJ and a few years as a stay-at-home mother, Cooper decided to pursue a long-held interest and enrolled in law school at Rutgers University–Camden. While working toward her degree, Cooper was introduced to criminal prosecutions through an internship at New Jersey’s Division of Criminal Justice. After completing her degree in 1979, she was hired to work there as an appellate lawyer, which Cooper characterized as “...a great introduction to the legal process.”

Cooper soon began to try her own cases and eventually rose to the rank of section supervisor. In that capacity she prosecuted murder, drug, white-collar crime, and numerous other case types, including indictments handed down by the state’s Grand Jury.

After almost 10 years at Criminal Justice, Cooper was recruited by Edwin Stier, the former head of the division, to his private legal practice. The firm, Stier Anderson, which has offices in New York City, Washington, DC, and Skillman, NJ, was unusual in that its function was to conduct independent internal investigations for private clients, such as major corporations. “We looked at allegations of fraud, harassment, and conflict of interest, among other things; and our work involved the same process that would be used to conduct a criminal investigation,” Cooper explained. “This



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entailed intensive document review and extensive interviewing. At the end of the investigation, however, we presented our findings to the client...”

Among Cooper’s most important accomplishments in that role was an investigation that resulted in millions of dollars in reimbursements to customers of Elizabethtown Gas. Another was a recent project that uncovered rampant overbilling by contractors working to clean the former site of the World Trade Center in New York City following the terrorist attacks of September 11, 2001. The latter case resulted in a savings of approximately \$7.5 million for the state of New Jersey.

After receiving a glowing recommendation from Stier, Codey met with Cooper and, later, offered her the cabinet-level post of inspector general. Although legislation that would grant the inspector general a five-year term and the power of subpoena had been introduced, the only certainties the governor could promise were an enormous task and the remaining 10 months of his administration to do the job. Yet Cooper did not hesitate to walk away from the more lucrative private sector and accept the challenge. “The opportunity to continue what I was doing but to have my efforts provide a significant benefit to the people of this state was very appealing,” Cooper said. “Plus, it’s no secret that I am 63 and, if the legislation is adopted and I serve five years, I would consider it the crowning

achievement of my legal career to be New Jersey’s first inspector general and to set this office up in a way that will enable it to be successful and have an important impact on the state.”

Cooper has been allotted a \$3 million annual budget and envisions a unit with three small teams consisting of a lawyer, an accountant, an auditor, and an investigator working collaboratively on cases. She explained, “I believe it is important, in this line of work, to have people of varying backgrounds with whom you can exchange ideas and discuss strategies.” Despite being just weeks into the job and still in the process of building her investigative staff, Cooper launched her initial major probe in February, an examination of massive cost overruns on New Jersey Schools Construction Corporation projects. That agency, which is responsible for more than \$8.6 billion of funds that support school district capital projects throughout the state, had been criticized by legislators and the press for having possibly squandered millions of dollars. Cooper’s findings revealed improper bonuses paid to top officers in 2003 and 2004, more than \$90 million dollars of unnecessary spending, and lapses in the management practices and financial controls implemented by the agency.

Though Codey requested this inquiry after the story made the headlines, Cooper has the discretion to take investigations in whatever direction she deems fit. “I report directly to the governor and believe it is perfectly appropriate for him to highlight areas of potential concern, but it is the prerogative of the inspector general to set investigative priorities,” Cooper noted. “I have the autonomy to look at anything that entails the expenditure of state funds, but it is important to note

that this is not a prosecuting agency. My goal is to investigate cases that have the greatest impact on and benefit for the state. In situations where illegal activity comes to light, the results of our work will be shared with the attorney general's office for purposes of potential criminal prosecution."

The relationship between Cooper's office and that of the attorney general is one that, initially, raised concerns on the part of some previous state attorneys general, including John Farmer, W. Cary Edwards, and Robert Del Tufo. They believed the creation of an inspector general could undercut the authority of their former office. Cooper, however, notes that the two units perform similar but different functions and envisions a strong collaboration that will lead to success for both departments.

In hopes of tapping every available resource, Cooper has reached across party lines to begin a dialogue with United States Attorney Christopher Christie, a Republican who has enjoyed tremendous success in uncovering government scandal. Concerning Christie, Cooper said, "I don't feel any pressure because of his accomplishments, and I think everyone is grateful for the work that he and the FBI are doing. In the course of his investigations, I would imagine that he comes across instances of mismanagement and inefficiency. While his resources are going to be committed to criminal prosecutions, information related to waste would be very useful to me."

A Democrat who characterizes herself as "not very politically active," Cooper understands that New Jersey's ethics and judgment problems are not exclusive to individuals of any particular party affiliation. "I was told very early on, by the governor himself, that this will not be a political position and that I will

have the discretion to take investigations in whatever direction I deem necessary," Cooper said. "That's what I intend to do."

Codey echoed Cooper's assessment, saying, "Mary Jane has the experience to uncover fraud, the experience to root out mismanagement, and the experience to make sure taxpayer dollars are spent wisely. She is a professional, not a politician. She has unquestioned integrity and superior character, and she is willing to ask tough questions and take investigations wherever they go."



Mary Jane Cooper '67

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— Acting Governor Codey

Senator Leonard Lance, the top-ranking Republican in the New Jersey Legislature, said of Cooper, "(She) has a reputation as a methodical and tenacious investigator. Her experience as a prosecutor and as a corporate lawyer specializing in internal investigations has prepared her well for her new position. I am hopeful that her office will aggressively pursue and hold accountable those who have abused the public treasury. This vigilance will help deter future abuses and go toward restoring the public's trust in government."

The scandals that have plagued all levels of New Jersey government are an embarrassment for the people of the state, and the fraud, mismanagement, and waste that Mary Jane Cooper plans to combat have caused New Jersey residents to, literally, pay a steep price. The path to higher ethical ground may prove a difficult climb for the state's political establishment, but at least the hiring of Inspector General Cooper seems to be a step in the right direction.

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