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### Profile in Public Integrity: Matthew Boxer

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## **Profile in Public Integrity:**

## Matthew Boxer New Jersey's first independent State Comptroller

Matthew Boxer currently chairs the Corporate Investigations and Integrity practice group at Lowenstein Sandler, LLP. Previously, Boxer served six years as New Jersey's first independent State Comptroller. In that role, he was responsible for auditing government finances, examining the efficiency of government programs, investigating misconduct by government officers, scrutinizing the legality of government contracts and recovering improperly



expended Medicaid funds. Under Boxer's leadership, the office uncovered hundreds of millions of dollars in waste and fraud.

Earlier in his career, Boxer directed the state Authorities Unit, where he monitored independent agencies including the New Jersey Turnpike Authority and Economic Development Authority. He also spent six years as an assistant U.S. attorney, where his prosecutions included a major corruption case against the "Monmouth 11," a group that included three sitting mayors, four sitting councilmen and a police commissioner in one of the largest single-day corruption busts in New Jersey history. Boxer graduated from Princeton University and Columbia Law School.

# You served as New Jersey's first state comptroller, for six years. What were the challenges you faced setting up a new statewide oversight office?

The challenges we faced in setting up the Office of the State Comptroller were similar to the challenges faced by any start-up venture. Most fundamentally, we had no employees. On the day we started on January 2, 2008, it was just me and my assistant. We did not have a copy machine or other basic equipment, let alone a road map of how the office was to be structured and what its focus would be. So we really had to craft the entire effort from scratch, putting even the most basic functions in place. To go from that to a thriving office of 140 employees was extremely rewarding.

# Your office launched many attention-grabbing investigations that led to indictments as well as reforms. Which of your office's achievements are you most proud of?

More than any one project, we were most proud of our ability to put out impactful audits and other reports on a consistent basis. It was especially gratifying when those reports led to remedial legislation being adopted or significant programmatic improvements, including, for example, in the state pension system, at the NJ Turnpike Authority, or with the state simply disconnecting thousands of phone lines it was paying for needlessly. We were also honored as a young office to have received the National State Auditors Association "Excellence in Accountability" Award. We had a great staff and they really did outstanding work on a consistent basis.

### New Jersey has long been notorious for political corruption, yet the state is also a pioneer of oversight efforts like pay-to-play laws. Why is New Jersey a perennial battleground for public corruption and the struggle to combat it?

One of the somewhat unique challenges that New Jersey faces is that it is subdivided into many very small government units. On average, there is another government unit in New Jersev every four square miles. That results

in there being a large number of public officials with independent responsibility in spending tax dollars. Headlines are made when the bad apples in that bunch fail to discharge their duties in a responsible way, either intentionally or because of incompetence. government unit in New Jersey every Then, the many good apples push back with reform efforts, some of which have been more successful than others.

On average, there is another four square miles.

#### What reforms or changes are most needed in Jersey right now to improve oversight or reduce opportunities for corruption?

In a state with more than 1,600 independent government units, one key is simply finding an effective mechanism through which real oversight can be provided. The oversight system in New Jersey relies heavily on annual audits conducted by independent audit firms. Oversight will continue to improve as that process is enhanced through, for example, periodic rotation of those firms at each government entity. The reports of the Comptroller's Office set forth dozens of recommendations along those lines.

#### In the recent CAPI event "The Water Crisis Next Door: Unraveling a Multi-Million Dollar Fraud in Newark," you detailed your office's breakthrough investigation into outrageous corruption in a quasipublic watershed conservation agency in Newark. What are some key takeaways from your work to uncover this case? How can we better guard against similar scandals in the future?

The recurring theme of our findings in that investigation was that if a government entity delegates the provision of basic governmental services to a private or quasi-public entity, it needs to ensure that appropriate safeguards are put in place. That would include steps like having a contract manager within the government agency who is charged with supervising the provision of services and who understands that he or she will be held accountable for failures in that supervision. The government agency's monitoring also should include review of the vendor's annual audits and financial statements. The contract itself also should include provisions designed to protect the interests of the public, such as clear and unambiguous language detailing the vendor's scope of work. In addition, in cases where the contract amount is not known at execution, the entity should include "not to exceed" language to protect against unnecessary expenditures of taxpayer funds.

### From "On the Waterfront" to "American Hustle," corruption in New Jersey has been a fertile source of popular culture. What's your favorite book, film, or television show about graft in the Garden State?

Boardwalk Empire, by Nelson Johnson.