

## **Press Release**

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### **Comptroller's Office announces start of new level of oversight for government contracts**

#### **Notification sent to close to 2,000 government units today**

The Office of the New Jersey State Comptroller sent notice to more than 1,900 government units today directing them to provide details on certain future public contracts.

The office will use the information provided to determine if an audit is warranted or, in some cases, to put a stop to the contract.

“When government entities hand out contracts without a proper review, the public’s money gets wasted,” State Comptroller Matthew Boxer said. “Our efforts today mark the start of a new level of oversight for government contracts in New Jersey.”

The letters were sent to all of New Jersey’s school districts, counties, municipalities, state agencies, state authorities and public institutions of higher education. Also receiving letters were a string of local government units with contracting power that have historically faced little oversight, such as local parking authorities, bridge commissions, improvement authorities and park commissions.

“The number of government entities with contracting authority in New Jersey is a real problem in and of itself,” Boxer said. “To have close to 2,000 entities doling out contracts in a state of 7,500 square miles is patently absurd – and a significant obstacle to transparency and efficiency in our government. We do not need a government unit every four miles spending public dollars.”

State law empowers the Comptroller’s Office to review proposed public contracts valued at more than \$10 million before advertisements are issued. The office can direct government units not to proceed with such a contract if the proposed vendor selection process does not comply with the law.

In addition, contracts valued at more than \$2 million are to be reported to the Comptroller's Office no later than 20 business days after the contract is awarded, with a detailed description of the process used to select the vendor and a list of rejected or disqualified bids. Information received can trigger a financial audit by the Comptroller's Office.

Entities sent letters today include:

- 616 school districts
- 566 municipal governments
- 216 local authorities and commissions
- 186 fire districts
- 85 housing authorities
- 43 state authorities
- 31 state departments and other agencies
- 33 urban enterprise zones
- 31 public colleges and universities
- 21 county governments
- 21 county tax boards
- 19 county park commissions
- 18 joint insurance fund commissions
- 17 workforce investment boards

The Comptroller's Office sent the letters out electronically in almost all instances to reduce paper and mailing costs.