

State of New Jersey

Office of the State Comptroller P.O. Box 024 Trenton, NJ 08625-0024

CHRIS CHRISTIE Governor KIM GUADAGNO Lt. Governor

A. MATTHEW BOXER State Comptroller

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Contact: Pete McAleer 609-633-2377

State Comptroller follow-up report finds significant progress at New Jersey Turnpike Authority since 2010 audit

An Office of the State Comptroller (OSC) follow-up to its 2010 audit of the New Jersey Turnpike Authority found the agency has instituted significant cost-saving reforms in response to the audit's recommendations.

OSC's follow-up report, released today, found that Turnpike officials have made changes to lower the cost of the Authority's health insurance coverage, reform the Authority's procurement procedures and eliminate wasteful spending identified in the initial OSC audit. In total, Turnpike officials thus far have implemented or partially implemented 15 of the audit's 17 recommendations, OSC found.

In its October 2010 audit, OSC identified numerous examples of wasteful spending, including unjustified employee bonuses, annual sick leave payouts and an employee relations account used to pay unnecessary costs such as sponsoring an employee bowling league.

According to OSC's follow-up report, the Turnpike Authority eliminated those bonuses and sick leave payouts for its management and non-union employees while also modifying multiple collective bargaining agreements to eliminate the bonuses and payouts for its toll collectors and toll violation officers. The Authority is in the process of negotiating new collective bargaining agreements in which it seeks to eliminate the bonuses and payouts for its remaining union employees as well. Turnpike officials also ended the practice of allocating public funds for its employee relations program. Additionally, in responding to OSC's recommendation to evaluate options for cheaper health care coverage, the Turnpike Authority implemented changes projected to save \$3 million to \$5 million over a three-year period.

"We're pleased that the Turnpike Authority has made significant progress in implementing our recommendations," State Comptroller Matthew Boxer said. "While there is more work to be done, Turnpike officials have made real improvements to their operations that are leading to cost savings and more efficient use of public toll dollars."

OSC conducts follow-up reviews for each of its audits to ensure that its recommendations are implemented. All OSC reports are available on the office's website: www.nj.gov/comptroller.