

NJ corruption case undermines Christie claims as prosecutor

By Mark Lagerkvist / November 12, 2015 / News / 1 Comment



Governor's Office

JERSEY JUSTICE: The administration of Gov. Chris Christie appears to be trying to bury a corruption probe involving Lt. Gov. Kim Guadagno

On the presidential campaign trail, Chris Christie boasts that he was a no-nonsense prosecutor above politics.

“The fact is that this Justice Department under this president has been a political Justice Department,” Christie said during last month’s debate on CNBC. If elected, he promised to nominate “an attorney general who will enforce the law and make justice more than just a word.”

But back in New Jersey, the Christie administration appears to be burying a corruption case involving Lt. Gov. Kim Guadagno, his second-in-command. An alleged \$245,000 pension fraud occurred when Guadagno was Monmouth County sheriff in 2008, the year before she first ran for lieutenant governor as Christie’s running mate.

On Thursday, a New Jersey appeals court ruled the state attorney general’s Division of Criminal Justice must release two confidential documents. In a [14-page opinion](#), Justices George S. Leone and Carol E. Higbee rejected a lower court’s decision to



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block release of the records as an “abuse of discretion.”

“We cannot agree that the fact the investigation concerned possible sensitive issues of public corruption weighs against disclosure,” the ruling stated. “In cases involving allegations of public corruption, transparency and the public’s right to know are particularly important.”

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Guadagno made false and conflicting statements that enabled her sheriff’s chief officer, Michael Donovan, to improperly collect an \$85,000 a year pension in addition to his \$87,500 salary, [as first reported by New Jersey Watchdog in 2010](#).

In 2011, DCJ began an investigation at the request of the Police and Firemen’s Retirement System board of trustees. From the start, the probe was riddled with conflicts of interest.

Guadagno is a former deputy director of DCJ who had supervised or worked with many of its investigators. Yet Christie did not use his authority to appoint a special prosecutor or independent investigator under [Article 5, Section IV, Paragraph 5 of the State Constitution](#). Instead, the former U.S. attorney picked Guadagno to run with him for re-election in 2013.

What happened to that investigation is a mystery slowly being revealed through years of public records battles between New Jersey Watchdog and the Christie administration.

Documents previously released show DCJ – a unit that reports to the attorney general appointed by Christie – did little to pursue a 13-month probe that ended in June 2012. The records show:

- DCJ’s staff generated only two investigative records totaling six pages while the case was active.
- There is no indication investigators ever contacted, interviewed or took statements from Guadagno or other key figures during the probe.
- The file does not include any other notes, tapes or reports, according to an index DCJ submitted in court.

More than three years later, DCJ still refuses to reveal its findings, not even to the pension board that requested the investigation.

“The inference is DCJ didn’t really do an investigation,” said John Sierchio, former chair of the PFRS board, told New Jersey Watchdog last year. “The inference is that they really didn’t do very much, but we don’t know for sure.”

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Despite DCJ’s secrets, evidence of the impropriety that led the board to seek a criminal investigation can be found in public records.



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As Monmouth County sheriff, Guadagno hired Donovan, a retired investigator for the county prosecutor, as her “chief of law enforcement division” in 2008.

Guadagno announced the appointment in a [memo to her staff](#). The [sheriff’s official website](#) subsequently identified Donovan as “sheriff’s officer chief,” supervising 115 subordinate officers and 30 civilian employees.

As a sheriff’s officer chief — a position covered by the pension system — Donovan should have stopped receiving retirement checks and resumed his contributions to PFRS.

Instead, Guadagno misrepresented Donovan’s job title.

In [county payroll records](#) and a [news release](#) from Guadagno, Donovan was listed as the sheriff’s “chief warrant officer” – a similar sounding, but lower ranking position exempt from the pension system. A chief warrant officer is generally responsible for serving warrants and other legal documents.

A [photo released by the sheriff’s office](#) shows Guadagno attended a ceremony in which Donovan took an [oath of office](#) as chief warrant officer. Yet on [Guadagno’s organizational chart](#), Donovan was listed as chief of law enforcement. The position of chief warrant officer was absent from the chart.

The following year, [Donovan campaigned for Guadagno and Christie](#) as Monmouth County chair of “[Law Enforcement for Christie-Guadagno](#)”.

Guadagno has avoided comment on whether she lied about Donovan’s job title so he could collect both a salary and pension. When an Associated Press reporter asked her about the controversy just prior to the November 2013 election, Guadagno put a different spin on the issue.

“It saved the taxpayers of Monmouth County \$50,000 for the year, put a uniformed officer on the street, put a well-qualified retired law enforcement officer in his place,” [Guadagno told AP](#).

In reality, Guadagno added a new administrative job that cost county taxpayers an extra \$77,000 a year. And that does not include the expense of Donovan’s retirement checks to the state pension system.

Guadagno was neither the first nor the only sheriff who manipulated job titles to help top aides game the pension system.

In 1990, Essex County Sheriff Armando Fontoura hired John Dough – a retired Newark deputy police chief – to function as his sheriff’s officer chief. The sheriff altered the title to chief warrant officer, just as Guadagno later did for Donovan.

As a [New Jersey Watchdog investigation in 2011 found](#):

- Dough identified himself as “[Chief of the Essex County Sheriff’s Office](#)” in a [2001 statement to a Congressional committee](#).
- According a state [Civil Service Commission decision in 2009](#), Dough was the “Chief, Sheriff’s Office,” who supervised and outranked a Sheriff’s Officer Captain.

- The [Essex County Sheriff's official web site](#) in 2011 proclaimed: "As Chief of the Department, Chief Dough is responsible for the day to day operations of the Essex County Sheriff's Office."

Dough currently receives \$197,832 a year from public coffers – [\\$119,472 in salary](#) plus [\\$78,360 from pension](#). A revised web page now lists Dough as "chief warrant officer" instead of sheriff's officer chief.

In Union County, the late Sheriff Ralph Froehlich hired Harold Gibson – a retired county public safety director – as his sheriff's officer chief in 2008. As a result, Gibson started collecting \$195,031 a year – [\\$122,995 in salary](#) plus [\\$72,306 from pension](#).

After Gibson's pension eligibility was questioned by the PFRS board in 2011, Union County changed his title to "clerk to constitutional officer." By early 2012, Gibson had left the payroll, [according to county records](#).

The PFRS board asked DCJ to investigate Dough and Gibson, as well as the Donovan case.

As part of the appellate court decision on Thursday, the judges postponed the latest release of DCJ documents for up to 45 days while the case is remanded to Mercer County Superior Court for disposition.

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DISCLOSURE: Investigative reporter Mark Lagerkvist is the plaintiff-appellant in [Lagerkvist vs. State of New Jersey](#), #A004907-13T1, Superior Court of New Jersey Appellate Division.



Monmouth County Sheriff's Office

HONEST? Michael Donovan becomes a double-dipper in 2008 with an oath of office before his mother, Emily, Kim Guadagno and Judge Lawrence M. Lawson (left to right).



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