

**INTERIM REPORT  
[REDACTED FOR PUBLIC REVIEW]**

**Of**

**THE FEDERALLY-APPOINTED MONITOR FOR THE  
UNIVERSITY OF MEDICINE AND DENTISTRY OF NEW JERSEY**

**To**

**Hon. Christopher J. Christie  
United States Attorney  
For the District of New Jersey**

**Prepared Pursuant to the  
Deferred Prosecution Agreement  
Dated December 30, 2005**

**By:  
Herbert J. Stern, Monitor**

**September 18, 2006**

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## **Executive Summary**

The following report is made to the Honorable Christopher J. Christie, United States Attorney for the District of New Jersey in accordance with paragraphs 10 and 11c. of the Deferred Prosecution Agreement (the “DPA”) entered into between the United States Attorney and the University of Medicine and Dentistry of New Jersey (“UMDNJ”) and the Monitor Agreement entered into between UMDNJ and Herbert J. Stern<sup>1</sup>.

Specifically, this report details the investigation that the Monitor conducted concerning New Jersey State Senator Wayne Bryant’s employment with UMDNJ. This investigation was initiated based on credible evidence that UMDNJ’s hiring of Senator Bryant was inappropriate. This report addresses why Senator Bryant was hired, how he was hired, and what he did and did not do for the University during his tenure. Our findings are based on over 35 interviews conducted with current and former employees of UMDNJ and supportive documentary evidence reviewed in the course of the investigation. We have requested a meeting with Senator Bryant through his counsel. To date, such request has not been accepted.

Our conclusion is that UMDNJ created a no-work job for Senator Bryant so that he could use his political power in the State Senate to benefit his employer, UMDNJ’s School of Osteopathic Medicine (“SOM”). In short, Senator Bryant was paid \$35,000 per year by UMDNJ to lobby himself in his capacity as a State Senator.

By all accounts, Bryant performed little-to-no work at the school, spent less than his required one-day per week at the institution; no reports, memoranda, email communications, correspondence, or evidence of work by the Senator were found or

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<sup>1</sup> For purposes of this report, the terms “Monitor”, “Monitor’s Office”, “Monitor’s staff”, “we”, and “our” shall include, in the appropriate context, the Monitor; the Monitor’s counsel, Stern & Kilcullen; and/or Sobel & Co.

produced by UMDNJ/SOM; and no one in the administration of SOM while Bryant was employed with UMDNJ recalls supervising what the Senator was doing or supposed to be doing.

The conclusion is inescapable that the Senator did not perform any substantive work as an employee of UMDNJ in return for his \$35,000 per year “salary”– but did increase SOM’s funding by millions of dollars while chairing the Senate Budget and Appropriations Committee. Moreover, a one-day per week position would not normally carry benefits and inure to the benefit of a state pension. In this “special” circumstance, however, the Senator’s \$35,000 annual salary from SOM was credited towards his state pension calculation.

Bryant’s efforts on behalf of SOM, in effect lobbying himself as Chair of the Budget Committee and others, resulted in SOM receiving in excess of \$12.8 million over the course of his three year tenure with SOM<sup>2</sup> where previously SOM received approximately \$2.8 million annually. In fact, from FY 2003 – the year before Bryant was employed by SOM – to FY 2004 – when Bryant was employed by SOM just three months before passage of the state budget legislation – SOM’s state funding more than doubled.

### **The Decision to Hire Bryant**

The investigation reveals that the decision to hire Senator Bryant at SOM was prompted by the Senator’s own request to work for UMDNJ. This request conveniently coincided with the then-Dean of SOM’s agenda to increase state funding for SOM and the

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<sup>2</sup> Senator Bryant worked at SOM from March 2003 through February 2006.

fears of the then-President of UMDNJ that UMDNJ would be merged into other state academic institutions.

Former UMDNJ President Stuart Cook details that late in 2002 or early 2003, he attended an event at Cooper Hospital in Camden to discuss the details of a proposed new UMDNJ building on the Cooper campus. During this site-visit/meeting Senator Bryant was in attendance. Bryant approached Cook to discuss the UMDNJ presence in Camden. Bryant, seemingly wearing his hat as advocate for the City of Camden, told Cook that if UMDNJ were to build in Camden that he would want UMDNJ to pay taxes on the site as if it were a taxable entity. Cook, admittedly uncomfortable dealing with politicians, indicated that Bryant ended the conversation with a request that he (Bryant) be hired by UMDNJ. Now extremely uncomfortable, Cook stated that he ended the conversation abruptly before Bryant indicated what exactly he could do if employed by UMDNJ.

Shortly after that meeting, Cook and Central Administration heard from Dean Gallagher at SOM that Gallagher wanted to hire Bryant. Gallagher made it clear to Central Administration that Gallagher had instructed his staff to create a position for Bryant to take advantage of his political clout; that discussions had taken place with Bryant before a position at UMDNJ even existed; and that Bryant was involved in this plan.

The timing of this news coincided with Cook's and Central Administration's concern over the "Vagelos report" in which it was recommended that UMDNJ, the New Jersey Institute of Technology, and Rutgers University would merge to create a single institution. Cook's staff, including George Hampton and Larry Feldman, indicated that Cook, though previously concerned with Bryant's request for a job at UMDNJ, was more

concerned with the impact of the Vagelos report and desired to identify more political friends to thwart attempts to implement recommendations made in the Vagelos Report.

Cook instructed his staff to confirm the legality of the hiring with Legal Management. However, no documentation from legal management was found analyzing the legality of the hiring or analyzing the ethics/conflicts of interest issues involved. Several people interviewed indicated that then UMDNJ General Counsel Vivian Sanks-King determined that the hiring was legal; however, no one could state that they were apprised of any ethical or conflict of interest concerns by Sanks-King or any other representative of Legal Management.

John Crosbie, Director of Strategic Planning and Program Development at SOM, stated that soon after he (Crosbie) was hired in 2003, he was approached by Warren Wallace (the Senior Associate Dean for Student and Academic Affairs under Gallagher) and told of the opportunity to hire New Jersey State Senator Wayne Bryant. Crosbie indicated that he questioned the SOM administration about Bryant taking a position at SOM while also being a State Senator but was informed that there was no conflict. Bryant himself informed Crosbie that he notified the New Jersey Office of Legislative Services (OLS) and they indicated to him that there was no conflict.

Crosbie confirms, in no uncertain terms, that Bryant was hired for his “political juice” and not for any substantive work related to SOM’s academic mission. Crosbie confirmed that Gallagher’s plan to hire Bryant was timed with the fear by UMDNJ Central Administration over then-Governor McGreevey’s display of support for the Vagelos Commission’s report. He was told the Bryant hiring could help deflect any negative actions by the Governor.

Robert Prodoehl, Director of Operations at SOM, stated that he was approached by Gallagher, who informed him that Senator Bryant was going to work at SOM – well before a position was even created for Bryant. It was clear to him from conversations with Gallagher and others that Bryant had approached Gallagher and Warren Wallace regarding a position at SOM.

Thus, the confluence of Gallagher's and Bryant's pressure coincided with Central Administration's fears over the Vagelos Report.

### **Creating a Position**

At the beginning of 2003, Gallagher instructed his Director of Operations, Robert Prodoehl, along with John Crosbie, to develop a job description for Bryant's position that they were creating. There was no existing position available that matched Senator Bryant's "qualifications." Thus, a new position had to be created in order to put Bryant on the payroll. According to Gallagher, the position was to be a coordinator level position to assist SOM in dealing with the local community. From a rough draft prepared by Gallagher, Prodoehl wrote a job description for the position for Gallagher's review.

Prodoehl states that he questioned Bryant's suitability for a position at UMDNJ due to the conflict of interest posed by his political position, but was assured by Gallagher that any such issues had been taken care of.

Crosbie confirmed that the job description was created to fit Bryant's credentials. Moreover, the position was only posted internally at UMDNJ on its Human Resources website. It was not posted for the general public. By all accounts, this was done to preclude any candidate but Bryant from applying.

To Gallagher's surprise, in addition to Bryant, Evan Polansky applied. Prodoehl indicates that this made everyone more nervous. A committee of Prodoehl, Crosbie, and George Hampton (Vice President of Urban and Community Development for UMDNJ) interviewed the two candidates. Given that Polansky was a viable candidate who was qualified for the position earmarked for Bryant, Polansky was hired in another position at SOM.

Bryant was employed at UMDNJ from March, 2003 until his resignation in February, 2006. Bryant's position as a Program Support Coordinator was to be a part-time position (.2 Employee), which means that he was to work one day per week. However, when the paperwork was sent to UMDNJ Central Administration in February, 2003, Bryant was listed as a ".6 Employee". This document was signed and sent by Dean Gallagher. The difference being that anything above a .5 Employee is more than half time, which results in the employee receiving benefits and public pension credits. Thus, Dean Gallagher approved pension credits for a one-day per week job in clear violation of UMDNJ policy.

Two years elapsed before SOM personnel (Gallagher and Prodoehl) began to address this issue – and they only did so after an Open Public Records Act ("OPRA") request was made by the press in 2005 concerning Bryant's salary. Prodoehl recalls that originally Bryant was to be hired as a .2 employee at \$35,000 per year. He does not know who changed it after he reviewed it.

#### **HR's Limited Role**

Human Resources indicates that the Bryant hiring, purposefully, was handled locally at SOM and that the creation of the position and the terms of the employment



were determined by the administration at SOM. Maryann Master, head of Human Resources, advised that she received a phone call from George Hampton regarding the hiring of New Jersey State Senator Wayne Bryant, sometime after she became Acting Vice President of HR in 2003. Hampton advised her that Dean Gallagher wanted to bring Bryant “on board” at SOM and that Hampton had a job description to show her. She recalls there was a sense of urgency to this request and that Gallagher wanted to move forward expeditiously. Hampton told her that he talked to Gallagher and that he (Gallagher) and Bryant had discussions regarding the position for some time.

Master stated that she called Barbara Swinton, then the HR representative at SOM, regarding the Bryant hiring. Master stated that Swinton was livid and questioned the validity of the hiring and the scope of work to be performed by Bryant. Master recalled that Swinton was going to talk to Dean Gallagher and “push back” the hiring of Bryant. Master contacted Hampton and advised him that Swinton had an issue with the hiring of Bryant since he was a political figure. Master says Swinton also questioned whether it was a legitimate job. Swinton was unable to stop the hiring.

Master advised that her staff reviewed the job description; and confirmed that the job was posted only internally, on UMDNJ bulletin boards, as a part-time position. Bryant was not interviewed by HR. Master indicated that Bryant’s salary normally would be based on his responsibilities and a comparison with similar internal and external positions but was unsure if a proper review of the salary for this position was conducted.

Delzal Moss, UMDNJ’s Director of Compensation Services, advised that her duties include classifying new positions, reclassification of existing positions, and union

issues. Moss stated that the normal procedure for classifying a job would be as follows: the hiring department, either directly or through their campus HR representative, would submit a job description and a Staff Position Transaction Form (SPTF) to her office. On occasion, Moss may ask the hiring department for an organizational chart and a justification for the hiring. This would depend on the position that is being filled. The classification takes into account the job responsibilities of the position. These responsibilities are then matched to a HR chart which indicates the position title and the salary level. After classifying the position, an Approval Memo would be sent to the hiring department and a copy sent to the campus HR.

Moss recalls that, in 2003, while she was a Manager of Compensation Services, she was asked to classify a new position in SOM. The position was to be in the Dean's Office. She received a job description and a SPTF from SOM. She recalls this job description because it "stuck out" to her. The position was for institutional development, campaigning for SOM and work with the faculty and practice areas.

Moss advised that this was not an entry level position. Based on the responsibilities and requirements, it was a mid-level professional position. This description matched the job title of "Program Support Coordinator". Since it was in the Dean's Office, it would receive a confidential classification, which is a "Y". Based on the description and job title, the salary range was "26". Even though this was a new position at SOM, the position existed elsewhere within UMDNJ. This job classification was based on a full time position – not a .6 or a .2 position.

After classifying the position, Moss would have sent an Approval Memo, along with the SPTF, to SOM HR and the Dean's Office. When SOM received the approval,

they would have posted the position. Moss does not set the salary for the position, the hiring department does.

Monica Caione, a UMDNJ Human Resources Generalist, stated that in regard to the Wayne Bryant hiring, Gallagher produced the SPTF with the job description, for his hiring department, the Dean's Office. HR posted the job internally. HR forwards all resumes to the hiring department and the hiring department decides who to interview.

A position classified as Y26, such as the Bryant position, requires the preparation of a "Search and Selection Activities Report (Attachment H) Form". This form requires the signatures of those involved in the approval process, who applied for the position, and where the position was advertised.

The Attachment H form indicates that on February 18, 2003 Dean Gallagher submitted a waiver in regard to the outside advertising. This resulted in the position only being posted internally on the UMDNJ HR Web site. The form also indicated that it was a new and permanent position entitled Program Support Coordinator with an annual salary of \$35,000.00. No candidates other than Bryant were listed on the form. The following signatures were entered on the Attachment H form:

- Director/Department Chairperson, R. Michael Gallagher, D.O. February 18, 2003
- VP, Dean or Faculty Administrator R. Michael Gallagher, D.O. February 18, 2003
- AA/EEO Office Aaron Sanders February 20, 2003

#### **Bryant's "Work" at UMDNJ**

No one interviewed in the course of the investigation, including many individuals in Central Administration, SOM administration, SOM department heads, SOM support/secretarial personnel, and UMDNJ HR personnel could state that they had

observed Senator Bryant performing any work for the University at any time during his entire “employment.” Consistently, most people interviewed observed that Bryant spent about 3 hours per week at SOM – from 9:00 to noon on Tuesdays – but that such time was inconsistent at best. While in his office at SOM, the only thing observed of Bryant by anyone was that he read the newspapers. In fact, no one can confirm that Bryant was reporting to anyone at SOM.

John Crosbie stated that he was Wayne Bryant’s direct supervisor, but he had no control over Bryant. Crosbie indicated that Dean Gallagher was Bryant’s main point of contact at SOM after he was hired. Crosbie observed Bryant present at SOM most Tuesdays, arriving before 9:00 A.M. and leaving around noon. Crosbie stated that he was told that the other half-day that Bryant was responsible for working was made up during the week either on the telephone or attending student meetings. However, no evidence was offered by any party interviewed that Bryant attended student meetings or conducted SOM business by telephone off-site.

Gallagher confirmed that Bryant’s direct supervisor was John Crosbie, and indicated that Bryant did not report to Gallagher. Gallagher thought that Bryant was supposed to generate quarterly reports to Crosbie. No evidence of quarterly reports or any documentation produced by Bryant was found during the course of the investigation. Gallagher believed that Bryant’s job was to sell SOM to the community, initiate new programs, make introductions to local groups, and advise the department chairs and deans on how to deal with the governmental system. Gallagher claimed that Bryant fulfilled these obligations but could offer no substantiation or concrete example of any achievement by Bryant in any one of these areas.

### **Bryant's Political Influence**

Bryant also solicited SOM's funding of organizations of interest to other politically connected contacts. Mary Louise Bianco-Smith, SOM Director of Marketing, related one instance of such a request. In December 2004, Bianco was approached at SOM's winter party by Jodi Nash, wife of Camden County Freeholder Director Jeff Nash, with a request that SOM purchase a \$32,000 sponsorship for a designated driver program at the Tweeter Center in Camden. Jodi Nash works for a marketing firm working with the Tweeter Center. Gallagher told Bianco-Smith that she had to pay for the sponsorship, and that Bryant had told him that it "had to be done". Although the original amount of \$32,000 was not approved, SOM did provide \$20,000. The payment was made in two installments of \$10,000 each, in consecutive fiscal years (FY05 and FY06), although both payments were made in calendar year 2005. Apparently, UMDNJ took so long getting the proper legal paperwork finalized that SOM essentially received no recognition except a small sign at the last show of the season at the Tweeter Center.

### **The Results**

The facts reveal that SOM received in excess of \$12.8 million over the course of the three years that Senator Bryant was employed by SOM.

Prior to Bryant's employment with UMDNJ, SOM received \$2.86 million in FY 2001 and 2002; and \$2.7 million in FY 2003.<sup>3</sup> In the three years that Bryant worked for SOM, SOM's state funding increased to a total of \$12,825,000.<sup>4</sup>

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<sup>3</sup> In Senate Bill 2000, for FY 2001, the UMDNJ School of Osteopathic Medicine – Stratford (SOM) was specifically allocated a total of \$2,860,000 as follows:

On the basis of the evidence we are forced to conclude that Senator Bryant was hired by UMDNJ to fill a no-work position in order to induce him to use his position in the State Legislature to promote the interests of UMDNJ.

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- \$160,000 - New Jersey Area Health Education Program under UMDNJ's Grants-In-Aid appropriation
  - \$2,700,000 for debt service.

In Senate Bill 2500, for FY 2002, SOM was again specifically allocated a total of \$2,860,000 as follows:

- \$160,000 - New Jersey Area Health Education Program under UMDNJ's Grants-In-Aid appropriation
- \$2,700,000 for debt service

In Senate Bill 2003, for FY 2003, SOM was only specifically allocated \$2,700,000 as follows:

- \$2,700,000 for debt service

<sup>4</sup> In Senate Bill 3000, for FY 2004, SOM was specifically allocated over \$5,825,000 as follows:

- \$800,000 from Purchase of Social Services for SOM's Center for Children's Support
- \$2,700,000 for debt services
- \$2,325,000 for the purpose of supporting costs associated with operating medical school programs, including medical school faculty

In Senate Bill 2005, for FY 2005, SOM was specifically allocated a total of \$3,500,000 as follows:

- \$800,000 for SOM's Center for Children's Support appropriated from the Purchase of Social Services budget
- \$2,700,000 for debt service

In Senate Bill 3000, for FY 2006, SOM was again specifically allocated a total of \$3,500,000 as follows:

- \$800,000 for the Center for Children's Support
- \$2,700,000 for debt service

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While we have concluded our investigation of this issue, we will, of course, update the United States Attorney's Office as to the status of further developments in this investigation if any arise.

Respectfully submitted,

Herbert J. Stern