

RESEARCH REPORT

NJEA LEADERSHIP WASTED \$45 MILLION OF DUES ON NJEA PRESIDENT SEAN SPILLER'S VANITY RUN FOR GOVERNOR AND HID THE TRUTH FROM TEACHERS

Will there be any accountability?

August 11, 2025

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EXECUTIVE SUMMARY

"First, to be clear, not one dollar of dues money has gone to Spiller for Governor."

-- NJEA President Sean Spiller, June 9, 2025

That was a false statement. Dark-money Super PAC Protecting Our Democracy contributed \$5,800 to Spiller for Governor, and Protecting Our Democracy was secretly funded by \$5 million of teachers' highest-in-the-nation dues. Spiller was chairman of Protecting Our Democracy, so he knowingly deceived his own members.

Spiller's duplicity was just a small part of NJEA leadership's years-long effort to deceive its own members. Due to media reports that led to questions from members at the very end of the primary campaign, NJEA leadership was finally forced to admit that it had spent \$45 million of teachers' dues on Spiller's run. But this was only after NJEA leadership hid the truth from teachers for years.

We also now know that the \$45 million for Spiller's vanity run was merely the latest covert use of dues for political spending. All told, since 2013, NJEA leadership has spent \$115.4 million of dues on politics via its internal Super PAC Garden State Forward -- all while hiding the truth from teachers.

The Sunlight Policy Center has examined every main interface between the NJEA and its members going back to 2022, when the NJEA launched and secretly funded Protecting Our Democracy, the initial platform for Spiller's run: there were zero notifications about NJEA leadership using teachers' dues to fund Spiller's run. There were also zero mentions of Protecting Our Democracy and pro-Spiller Super PAC Working New Jersey, which received an additional \$40 million of teachers dues and essentially ran Spiller's campaign. All during Spiller's years-long run, NJEA leadership did not want teachers to know the truth and they didn't -- not until the very end, when the \$45 million was already out the door.

Without this appropriation of teachers' dues, there could have been no Spiller run. Spiller's own campaign organization (Spiller for Governor) had no paid staff and raised so little money that Spiller was the only candidate not to qualify for matching funds. The \$45 million of dues amounted to 99%+ of Spiller's funding and made his candidacy the most expensive in New Jersey history.

This proved to be a profligate waste of dues for what was a "vanity" run. Spiller was such a weak candidate that even with a record \$45 million behind him he finished a distant fifth out of six, gaining a mere 10.7% of the vote. Each vote for Spiller cost an astounding \$533. Spiller was always a long-shot candidate with no real chance of winning: his run was more about his personal political ambitions than teachers' best interests.

Teachers made it very clear by their actions that they did not see Spiller's run as in their best interests: the election results showed that they did not support his candidacy. Despite being inundated with pro-Spiller communications, only 44 active teachers (0.03% of NJEA teachers) contributed \$200 or more to his campaign for a miniscule total of \$17,518. We also know that teachers did not volunteer "by the thousands" to get out the vote for Spiller, as the NJEA claimed. Rather, Working New Jersey spent an exorbitant \$8.3 million on *paid* get-out-the-vote (GOTV) efforts. Finally, we know that a large majority of teachers did not even vote for Spiller.

This vanity run constituted a massive conflict of interest for Spiller, one of several in his checkered political career. Spiller's serving as NJEA president while NJEA leadership funded his personal vanity project violated the plain language of the NJEA's Conflict of Interest Policy, which prohibits even the "appearance" of a conflict. There are also strong indications of a conflict regarding Spiller's role in the secret contribution of \$5 million to Protecting Our Democracy when Spiller was both NJEA president and chairman of Protecting Our Democracy.

That's why NJEA leadership hid the truth from teachers. The facts show that, if given a choice, teachers would not support the reckless and wasteful decision to spend \$45 million of their hard-earned dues on Spiller's vanity run (let alone \$115.4 million of political spending since 2013). But leadership did it anyway and hid the truth.

This is a scandal of historic magnitude. Will there ever be an accounting of the profligate waste of \$45 million of dues? Will Spiller and NJEA leadership ever be held accountable for their actions?

THE NJEA SUPER PACS THAT FUNDED SPILLER'S RUN

Garden State Forward. Founded in 2013, Garden State Forward is the NJEA's Super PAC and has served as the NJEA's main vehicle for political spending. NJEA leadership has used Garden State Forward as a political slush fund, spending \$115.4 million on its political priorities, including the \$45 million¹ to the two pro-Spiller Super PACs listed below. As a Super PAC, Garden State Forward can spend unlimited amounts of money in support of political candidates, but the expenditures must be independent of the candidates and their political parties. Importantly, Garden State Forward is funded by teachers' highest-in-the-nation, annual dues, which are withheld from every teacher's paycheck and flow automatically to the NJEA.

Working New Jersey. After Spiller officially announced his candidacy in June 2024, the NJEA launched Super PAC Working New Jersey, the NJEA's main vehicle for supporting Spiller. Working New Jersey was entirely funded by \$40 million of dues via Garden State Forward. It was headed by former-NJEA officers Ed Richardson, Steve Wollmer, and Gayl Sheppard. Working New Jersey effectively ran Spiller's campaign, as Spiller's campaign had no paid staff and raised a de minimis amount of money.

Protecting Our Democracy. Dark-money Super PAC Protecting Our Democracy was launched in October 2022 to raise Spiller's profile and gain him name recognition and was the initial platform for Spiller's gubernatorial run. From 2022 to 2024, it was secretly funded by \$5 million of dues via Garden State Forward.² Spiller was chairman.

I. AFTER YEARS OF DECEPTION, NJEA LEADERSHIP FINALLY IS FORCED TO ADMIT THE TRUTH

Spiller's "vanity" run. The \$45 million backing Spiller was the most money ever spent for a gubernatorial candidate in New Jersey history.³ Yet Spiller finished a distant fifth out of six, with a mere 10.7% of the vote. Spiller was a weak candidate who never had a serious chance of winning, so his was a "vanity" run, which had more to do with

¹ The number is actually at least \$45 million: \$40 million to Working New Jersey and \$5 million to Protecting Our Democracy, and anything the NJEA spent internally on the flood of pro-Spiller ads distributed via the NJEA's various channels of communication with teachers, which has not been accounted for.

² The \$5 million the NJEA contributed to Protecting Our Democracy was transferred secretly via three contributions in April and September 2022 and January 2024. None of these contributions was reported to the New Jersey Election Law Enforcement Commission (ELEC), the New Jersey press or public, or to NJEA members. They were only disclosed in Garden State Forward's IRS Form 8872 filings, which were revealed by Sunlight's report in June 2024.

³ NJ Spotlight News reported that the 2025 primary was the most expensive race for governor in New Jersey history. It also reported that Spiller was the highest-funded candidate by \$20 million, almost twice any other candidate. Therefore, the \$45 million spent on Spiller is certainly the highest amount ever spent for a single candidate for governor.

his personal political ambitions than the best interests of teachers. Spiller's own campaign raised a mere \$438,817 -- he was the only candidate to fail to qualify for matching funds -- so teachers' dues made up 99%+ of the money backing Spiller. All told, the NJEA spent an astounding \$533 for each of Spiller's 84,367 votes, a profligate waste of teachers' highest-in-the-nation dues.

NJEA finally admits Spiller's run was funded by teachers' dues. One of the unexpected benefits Spiller's vanity run for governor is that the NJEA has been forced to admit that its internal Super PAC, Garden State Forward, is funded by teachers' annual dues. Garden State Forward was the conduit for the \$45 million sent to Working New Jersey and Protecting Our Democracy, so they were also funded by dues. After much dissembling and obfuscation, here is the belated admission to the *New Jersey Democrat* by Craig Varoga, Deputy Treasurer of Working New Jersey on May 16, 2025, a mere 24 days before the election:

It's money that comes from teachers, via their annual dues, which fall into the range of roughly between \$1,000 and \$1,300 per year ...

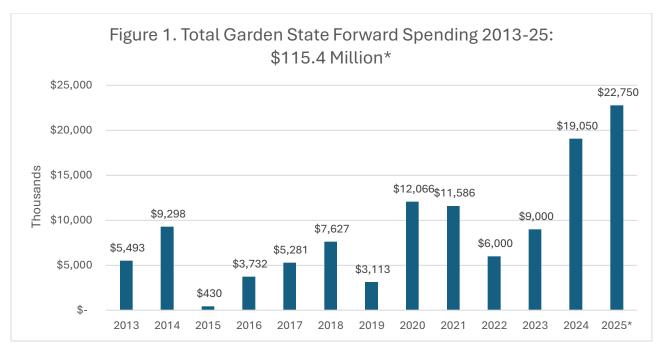
Indeed, in a post-mortem piece after the election, *NJ Spotlight News* opened its story:

Despite *spending more than \$40 million in teachers' dues*, the president of the New Jersey Education Association landed a fifth-place finish in the race ... [Emphasis added].

So it's now an established fact that NJEA leadership spent \$45 million of teachers' mandatory, annual dues on Spiller's run. But only after the NJEA hid the truth for years and almost the entirety of the primary campaign.

II. SINCE 2013, GARDEN STATE FORWARD HAS SPENT \$115.4 MILLION OF TEACHERS' DUES ON POLITICS

Because the NJEA has finally been forced to admit that Garden State Forward is funded by teachers' dues, we can also establish the fact that the NJEA has spent \$115.4 million of dues on politics. As Sunlight's research has amply documented, NJEA leadership has used Garden State Forward as a largely unaccountable, political slush fund for its political priorities. One notorious example was the waste of \$5.4 million of dues in a failed attempt to unseat Democrat and then-Senate President Steve Sweeney in 2017. As shown in Figure 1, since its founding in 2013, Garden State Forward has spent \$115.4 million on politics, including the unprecedented \$45 million spent on Spiller's personal political ambitions from 2022 to 2025.



^{* 2025} amount equals the total of \$40mm spent on Working New Jersey less the \$17.25mm spent in 2024. Sources: IRS Forms 990 for 2013-23; IRS Form 8872 for 2024.

III. SPILLER AND NJEA LEADERSHIP HID THE TRUTH WITH A CAMPAIGN OF DECEPTION

Spiller's run for governor began in 2022. As the *New Jersey Democrat* article stated, NJEA leadership "knew full well, probably since 2022" that Spiller was planning to run. In addition, NJEA leadership launched and secretly funded Protecting Our Democracy in 2022. So the campaign of deception lasted from April 2022 (the first contribution to Protecting Our Democracy⁴) until Varoga's direct admission in May 2025 -- over three years.

Teachers kept in the dark. Sunlight runs an active Facebook page and has interacted with scores of teachers. Not a single teacher -- including some local unions reps -- has claimed he or she knew teachers' dues were funding Spiller's run until the very end of the primary election campaign. To the contrary, many of these teachers claimed that Sunlight's reporting was false because they were certain all the NJEA's political spending came from NJEA PAC, the NJEA's traditional PAC, which is funded by voluntary contributions, not dues. The bottom line is that up until the very end of the primary campaign -- when the money was already out the door -- teachers did not know that \$45 million of their highest-in-the-nation dues were funding Spiller's run.

 $^{^4}$ Garden State Forward IRS Form 8872 "Political Organization Report of Contributions and Expenditures" for the period $\frac{4}{1/22-6/30/22}$.

The truth leaks out. In April 2025, the *New York Times* reported that the NJEA was spending \$35 million of teachers' dues on Spiller's run. Soon thereafter, the *Star-Ledger* wrote a blockbuster report in which Spiller -- although dissembling -- was forced to admit the truth: teachers' dues were funding his run. This led to an interview⁵ with Spiller at a NJEA campaign event where Spiller was asked directly by a teacher if dues were funding his campaign. Once again, Spiller dissembles but is forced to admit the truth.

Teachers are outraged. Then came numerous news articles (here, and

The NJEA falsely claims it informed teachers. In an effort to explain away these negative reactions, the May 16 *New Jersey Democrat* piece stated that NJEA officials "readily admit that, despite their efforts, a number of NJEA members may not have heard or may have *ignored multiple efforts* to inform them" about supporting Spiller's run with their dues (emphasis added). Tellingly, the article provides no examples of those efforts.

We think NJEA spokesman Steve Baker inadvertently revealed the truth to *NJ Spotlight News*: there were no efforts to communicate the truth to teachers. Rather, Baker noted that "Delegate Assembly meetings are advertised and open to all members." That's it. That's how NJEA members were supposed to find out that their regular dues were being spent: attend a Delegate Assembly meeting. Note what Baker does not say: he does not say there was any direct notification to teachers via the NJEA's multiple paths to communicate with teachers.

Campaign of deception. That's because there were none. Instead, NJEA leadership embarked on a campaign of deception, ranging from outright falsehoods to dissembling away the truth to the systematic omission of any reporting of the truth.

1. A outright falsehood from Spiller. In a Reddit forum the night before the election (see Appendix A), Spiller was asked: "Did the teachers union members get to vote on whether you could use their money for campaign expenses?"

Spiller answered:

First, to be clear, *not one dollar of dues money has gone to Spiller for Governor*. I am grateful for the \$5,800 PAC contribution from NJEA PAC (to which members voluntarily contribute). [Emphasis added].

⁵ A friendly teacher provided Sunlight with a <u>TikTok</u> of the interview.

That was a false statement. According to the Spiller campaign's ELEC filing (see Appendix B), on September 30, 2024, Protecting Our Democracy gave the maximum \$5,800 to Spiller for Governor. Protecting Our Democracy was secretly funded by \$5 million from Garden State Forward, which is funded by teachers' dues. So it is a fact \$5,800 of dues went to Spiller for Governor.

Spiller was chairman of Protecting Our Democracy and can be presumed to know of the contribution. Therefore, this was a knowing deception by Spiller.

2. Spiller's dissembling. In addition to the dissembling answers mentioned above, Spiller provided a revealing response during the election-eve Reddit forum. Rather than tell the truth clearly, Spiller dissembled. As with the other instances, he was still trying to hide the truth. Here's the second paragraph Spiller's response to the question above:

Second, the decision to invest in this gubernatorial cycle -- as we did with Murphy and others before him -- is made by the NJEA budget committee and the Delegate Assembly. Those representatives are elected from membership and vote on how to use net assets (earnings on investments and otherwise) to help elect someone who will fight for great public schools ... [Emphasis added.]

"Net assets (earnings on investments and otherwise)" is a deliberately deceptive way of saying "teachers' dues," and "someone who will fight for great public schools" is Spiller. Spiller was not outright lying, but he was certainly trying to obscure the truth, which reflects Spiller's deceptive intentions.

3. No mention of the truth on any of the NJEA's main interfaces with teachers.

Internal NJEA contact system. We have learned from friendly teachers (including a local rep) that the NJEA has the ability to communicate with teachers via email or other means at any time. All local association presidents possess contact information for local association members. Sunlight knows that's true because state law requires school districts provide the local association with updated employment and contact information for all district employees every 120 days. So we know the NJEA could easily contact all local presidents and tell them to distribute the information to all their members, as the NJEA has done many times for other priorities, including supporting Spiller's gubernatorial run. Indeed, it would be surprising if an organization like the NJEA did not have this capability.

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⁶ The Workplace Democracy Enhancement Act, signed into law by Gov. Murphy on May 17, 2018.

Therefore, at any time during this four-year process when the NJEA made major decisions that allocated tens of millions of teachers' dues to fund Spiller's run, the NJEA could have communicated that information directly to all its members. It never did. Not even in May 2024 when the decision was made to spend an unprecedented \$40 million of dues.

Main public interfaces with teachers. Sunlight has studied closely all the NJEA's main public interfaces with teachers: the NJEA website, the NJEA monthly magazine for teachers, *NJEA Review*, the NJEA <u>Facebook page</u>, the NJEA's <u>X</u> and <u>Bluesky</u> pages, and the Delegate Assembly minutes and Summary Budgets presented in *NJEA Review*. We found nothing informing teachers that their dues were being spent on Spiller's run, nor any mention of Protecting Our Democracy, Working New Jersey, or even Garden State Forward. Here's where we looked.

- **NJEA website**: There has never been any mention of dues being spent to support Spiller. Nor has there ever been mention of the three Super PACs used to fund Spiller's run. A search of the NJEA's website for the terms "Working New Jersey," Protecting Our Democracy," and "Garden State Forward," resulted in this response in each case: "Sorry, but nothing matched your search terms. Please try again with different keywords."
- NJEA Facebook page: Likewise, we scrolled down the NJEA Facebook page and found no posts or notifications informing teachers about the use of their dues to back Spiller. Using the Facebook search function, we found that the NJEA made no mention of Protecting Our Democracy or Working New Jersey.9 We also searched for the term "Garden State Forward" but there were no relevant results.10
- X. We scrolled through all the posts since the NJEA's endorsement of Spiller in June 2024 on the NJEA's X account (@NJEA). We found nothing that disclosed or even suggested the use of teachers' dues to back Spiller's run.

 $^{^7}$ The search for "Working New Jersey" turns up one result: an article on the NJEA's endorsement of Spiller

[&]quot;Sean Spiller: the clear choice for New Jersey." But there is no mention of Working New Jersey in the article.

⁸ There was an October 2022 *New Jersey Globe* article on Protecting Our Democracy, but it was posted by the Camden County Republican Committee, not by the NJEA.

⁹ There was a *New Jersey Globe* <u>article</u> with a visible headline on former-State Senator Ray Lesniak's endorsement of Spiller. If you click through to the body of the article, Working New Jersey and its plans to spend \$35 million backing Spiller is mentioned. While this would be the perfect place to have such information, there is no mention that Working New Jersey was funded by teachers' dues.

¹⁰ There were posts made by Garden State Forward in 2013 (Garden State Forward ceased its social media activities in 2017 - see p. 6 of Sunlight's <u>report</u> on the matter) and a Sunlight Policy Center digital ad on December 14, 2021 but nothing from the NJEA explaining what Garden State Forward was and the fact that it was funded by teachers' dues.

- **Bluesky**: We scrolled through all the displayed posts on the NJEA's Bluesky account (@teamnjea). Once again, we found nothing on the use of dues. We also used the Bluesky search function to look for Working New Jersey, Protecting Our Democracy, and Garden State Forward. Nothing.
- NJEA Review, including Summary Budgets and Delegate
 Assembly Minutes: Sunlight has studied the NJEA's monthly magazine
 for teachers, NJEA Review (as well as the now-defunct NJEA Reporter)
 going back to 2013, when Garden State Forward was launched. There has
 never been in any part of NJEA Review anything that would inform
 teachers that their dues were funding Spiller's run. That includes all the
 Delegate Assembly minutes and annual Budget Summaries. Nor has there
 ever been any mention of Working New Jersey, Protecting Our
 Democracy, or even Garden State Forward. In fact, NJEA deliberately
 disguises its funding for Garden State Forward in the annual Budget
 Summaries.¹¹ Likewise, Sunlight examined Delegate Assembly minutes
 and found no mention of Garden State Forward by name.¹²
- **NJEA PAC.** On the other hand, the NJEA's traditional political action committee, NJEA PAC, which is funded by voluntary contributions, is a model of transparency. So we know that NJEA leadership knows what transparency looks like.¹³ No wonder teachers frequently -- and erroneously -- commented on Sunlight's Facebook page that their dues were not spent on politics.

Post-Election Deceit. Even post-election, the NJEA continued to mislead teachers about Spiller's run, perhaps to justify the outrageous spending because the truth had finally come out. Despite Spiller's dismal performance, the headline of the NJEA's post-election <u>statement</u> claimed Spiller made a "strong showing," which was prominently displayed on the website, the NJEA's Facebook page, and the NJEA's Bluesky page the

¹¹ The NJEA's spending on Garden State Forward is listed as "Organizational Projects," as seen in the screenshot of the Budget Summary in Appendix D. The budgets for "Organizational Projects" for actual FY2021 (\$11,586,850), proposed FY2022 (\$6,000,000), and proposed FY2023 (\$9,000,000) match exactly the amounts contributed to Garden State Forward for the same time-periods in the NJEA's IRS Forms 990.

¹² For example, the Delegate Assembly minutes for January 4, 2020, published online and in *NJEA Review*, a \$25 million budget transfer to Garden State Forward is described as to "strategic organizing and organizational projects accounts." Similarly, in the minutes for January 20. 2018, the ultimately explosive revelation that the NJEA was secretly funding the pro-Murphy Super PAC New Direction New Jersey was described as an "independent expenditure issue advocacy effort to support the governor's policy agenda." That money was transferred to Garden State Forward.

¹³ The transparency about NJEA PAC is underscored by using the search function on the NJEA website. A search for "NJEA PAC" generates <u>seven pages</u> of results.

day after the election. Note that the statement does not mention that \$45 million of teachers' dues had been spent.

IV. IRREGULAR BUDGETING AND MORE LACK OF DISCLOSURE

The NJEA retroactively pulled \$20 million from the previous year's budget. Spiller's run for governor began in 2022. As the *New Jersey Democrat* article states, NJEA leadership "knew full well, probably since 2022" that Spiller was likely to run.

In the article, NJEA spokesman Baker stated that the decision to fund Spiller's run via Working New Jersey was made according to the NJEA's regular budget process. In "late 2023," the NJEA began preparing its FY2025 (9/1/24-8/31/25) budget, which included the commitment of "significant resources" to the 2025 gubernatorial election. The final outline of the budget was developed in April 2024 and was presented for approval to the Delegate Assembly "sometime in May." *NJ Spotlight News* reported that in May 2024, the Delegate Assembly approved the allocation of \$20 million from both the FY2024 (9/1/23-8/31/24) and FY2025 budgets, for a total of \$40 million.

But if this was all according to the NJEA's regular budget process, how was the NJEA able reach back and grab \$20 million from FY2024 budget? According to Baker, the regular budget process would have required that the FY2024 budget be developed and voted on from late 2022 to May 2023. How could the NJEA decide in May 2024 to retroactively spend \$20 million from the previous year's budget? Was that truly the NJEA's regular budget process?

Teachers kept in the dark. Tellingly, there is no evidence this major and unprecedented expenditure of \$40 million was communicated to teachers.¹⁴

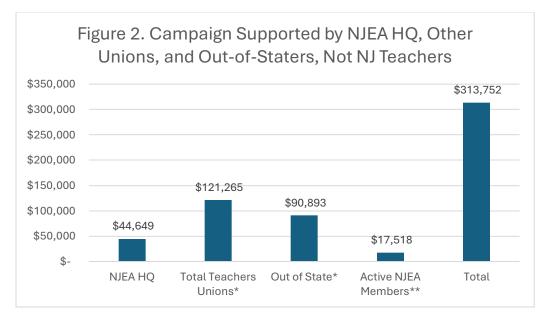
V. WHEN GIVEN A CHOICE, TEACHERS DID NOT SUPPORT SPILLER'S RUN

The election results made very clear that teachers did not see Spiller's candidacy as in their best interests: they didn't contribute money, they didn't volunteer for GOTV, and they didn't even vote for him.

¹⁴See Appendix D for a screenshot of the Summary Budget published in the September 2024 *NJEA Review*. Listed as the fourth line-item of the "Expenditures" section is "Organizational Projects." This is where the NJEA conceals the expenditures for Garden State Forward. ¹⁴ As can be seen, the Budget for FY2024 was \$9,000,000, and the Projected Budget for FY2025 was \$7,000,000. The \$40 million has not been accounted for. The Delegate Assembly minutes for May 2023 and May 2024 have not yet been published in *NJEA Review*.

That's why the NJEA tried to make it appear otherwise. In his election-eve Reddit forum, Spiller claimed his candidacy gained "overwhelming support shown by the vast majority of members." The facts show that this simply wasn't true.

Teachers did not contribute to Spiller's campaign. ELEC filings disclose the names and occupations of donors who contribute more than \$200. As shown in Figure 2, those 281 donors accounted for \$313,752, or 73% of the \$431,000 total raised by Spiller. Of those 281, only 44 were active teachers, which represents 0.03% of the NJEA's 117,000 teachers. These 44 collectively contributed a mere \$17,518, or 5% of the \$313,752 total. Unions (NJEA, NEA, and other state EAs), NJEA headquarters staff, and out-of-state donors contributed 95%.



^{*}Total teachers unions includes NJEA, NEA, and other state EA contributions. Other state EAs are counted in Out of State category as well.

What's clear is that when teachers had a choice, they chose not to contribute their hardearned money to Spiller's run. This makes the forced appropriation of \$45 million of their dues all the more egregious.

Paid canvassers, not teacher volunteers. The NJEA also worked hard to make it appear that Spiller's GOTV efforts were fully supported by NJEA volunteers. Vice President Steve Beatty <u>described</u> Spiller's "unprecedented grassroots effort powered by thousands of member volunteers" and "the effort that our fellow NJEA members put into it." Once again, the facts speak otherwise.

Rather than use NJEA "volunteers" to get out the vote as Beatty claimed, the NJEA paid \$8.3 million to a mysterious consulting firm for canvassing (door-to-door solicitation of

^{**}Does not include retired NJEA members or NJEA staff.

votes). <u>Politico</u> reported that the canvassing operation covered all 21 New Jersey counties and claimed to be "the biggest GOTV operation, independent or otherwise, in the Democratic primary ..."

Here is Working New Jersey's Varoga to the New Jersey Democrat:

We've had an organization of people working on behalf of Working New Jersey ... for eight and a half months now." Most of them are "paid a competitive wage." "We've knocked on about 900,000 doors since the field program began" and had "face-to-face conversations with a quarter million primary voters. We have the best organization in the state, bar none."

But this "best-in-the-state" canvassing operation was not staffed NJEA volunteers. NJEA spokesman Baker told *NJ Spotlight News* that any NJEA members who worked on the campaign "did so on a voluntary basis." Vice President Beatty's claim that members volunteered "by the thousands" rings false, given Working New Jersey's statewide, \$8.3 million, *paid* canvassing operation.

NJEA members did not vote for Spiller. On its <u>website</u>, the NJEA claims 200,000 members. Sean Spiller received 84,367 votes, so if every one of those votes was a NJEA member, 42% of NJEA members would have voted for Spiller. But of course we know that every one of those votes was not a NJEA member, so Spiller likely received substantially less than 42% of NJEA members votes. In other words, it's certain that a large majority of NJEA members did NOT vote for Spiller. This despite the fact that over the past school year, the NJEA has been turned into <u>a virtual "Spiller for Governor" Super PAC</u>. NJEA members have made one thing very clear: they did not want Spiller as governor.

VI. CONFLICTS OF INTEREST

Spiller has a long history of ignoring his conflicts of interest as a Montclair elected official. He was removed from the Board of School Estimates and stripped of his mayoral power to appoint the school board because of his conflicts. ¹⁵ In the case of his gubernatorial run, it appears there are two more.

Appearance of a conflict. Appendix C contains the NJEA's Conflict of Interest Policy as presented in the NJEA's IRS Form 990. Here's the text:

No NJEA official shall, directly or indirectly, have any interest or relationship, take any action or engage in any transaction, or incur any obligation which is in

¹⁵ See, e.g., the Star-Ledger's February 4, 2024 editorial "Gov. Sean Spiller? Not until he explains all this."

conflict with, *or gives the appearance of a conflict with*, the proper and faithful performance of his or her NJEA responsibilities. [Emphasis added.]

Spiller's serving as NJEA president while \$45 million of dues were covertly diverted to his vanity run for governor surely creates the *appearance* of a conflict. That's a violation of the plain language of the policy.

Did Spiller recuse himself? Well aware of Spiller's apparent conflict of interest, NJEA spokesman Baker told the *New Jersey Democrat* that throughout the process, Spiller "walled himself off from any NJEA decisions about 2025." But, as usual, Baker provided no concrete examples of how that was achieved. We do know that, as president, Spiller was a <u>member</u> of the Executive Committee, which was involved in the decision-making surrounding the 2025 gubernatorial election. Did Spiller officially recuse himself? Is there any official record of that?

Spiller, Garden State Forward, and Protecting Our Democracy. Then there's the \$5 million secretly transferred to Protecting Our Democracy via Garden State Forward. We know that Spiller was chairman of Protecting Our Democracy during this time. Spiller was asked who ran Garden State Forward for a February 4, 2024 <u>Newark Star-Ledger</u> editorial. Here is his reported answer:

Guess who determines how much in teachers' dues gets transferred from Garden State Forward to Spiller's own dark money group, Protecting Our Democracy, a likely platform for his gubernatorial run? It's decided behind the scenes by three top executives -- one of whom is Spiller himself. That's a pretty big conflict of interest.

But by February 4, 2024, Garden State Forward had already secretly contributed \$5 million to Protecting Our Democracy. ¹⁶ So, per the *Star-Ledger*, Spiller had overseen the outflow of \$5 million to the Super PAC he chaired in furtherance of his own political ambitions. As the *Star-Ledger* concluded: that sure looks like a conflict of interest.

Neither the *New Jersey Democrat* nor the NJEA officials they interviewed addressed this issue.

In any event, it appears that Spiller was not "walled off" at the time of the *Star-Ledger* editorial or else Spiller would have mentioned that. And any later recusal by Spiller - if indeed it occurred - would confirm that this was indeed a serious conflict of interest that warranted recusal. That would be a clear violation of the NJEA's Conflict of Interest Policy.

 $^{^{16}}$ Garden State Forward IRS Forms 8872 "Political Organization Report of Contributions and Expenditures" for periods $\frac{4}{122-6}$, $\frac{7}{122-9}$, and $\frac{1}{122-3}$.

VII. WILL THERE BE AN ACCOUNTING OF HOW THE \$45 MILLION OF DUES WAS SPENT?

To say that Working New Jersey is an opaque organization is an understatement. The only glimpses are provided by the ELEC filings, which show some but not all expenditures, and the *New Jersey Democrat* article. And there is even less disclosure by Protecting Our Democracy.

Compensation for former-NJEA officials. In particular, what were former-NJEA officers Ed Richardson, Steve Wollmer, and Gayl Sheppard paid? Richardson was clearly a well-connected NJEA insider when he was part of the headquarters staff: he managed to amass a jaw-dropping \$9.3 million in compensation over his 11 years. We suspect that teachers would want to know if similarly remunerative arrangements were made at Working New Jersey.

Suspiciously large expenditure for paid canvassing. Then there's the \$8.3 million paid to the mysterious Newark consulting firm for paid canvassing. Neither the founder nor the firm appeared to have any expertise in canvassing. And they were exceptionally well-paid canvassers: per Varoga, \$8.3 million means \$9.20 per door knocked, or \$33.20 per conversation. As *Politico* pointed out, \$8.3 million was an extremely high amount for canvassing: Working New Jersey "spent as much just on canvassing as his rival candidates' actual campaigns are allowed to spend, period." The bottom line is that this is a suspiciously large expenditure, and teachers deserve an accounting of it.

CONCLUSION: WHY NJEA LEADERSHIP HID THE TRUTH

Spiller's vanity run did not benefit teachers. *NJ Spotlight News* provides the real reason why NJEA leadership hid the truth from teachers. It quotes Micah Rasmussen, director of the Rebovich Institute for New Jersey politics:

It's hard to find value for teachers in this \$40 million-plus investment. I don't think there is any evidence I can find that it led to a bigger discussion on the plight of teachers. It didn't lead to, I think, an improved climate for teachers.

¹⁷ Per Sunlight's <u>research</u>: AP Consulting Firm's <u>Facebook page</u> lists accounting services, tax preparation, insurance, translations, airline tickets, divorce, and event promotion. It's owned by Ariagna Perello, apparently the former-president of the Newark school board. We could not discern the expertise that would justify \$8.3 million in payments. A *Politico* <u>report</u> raised additional questions about the two people who ran the operation.

He then goes on to say, "the high spending may have created more backlash than benefits." In other words, Spiller's vanity run did not benefit teachers and likely harmed them by wasting \$45 million of their dues and creating a political "backlash."

<u>Politico</u> likewise quoted a former-high-level-NJEA official as noting that, given Spiller's poor showing, the NJEA's spending \$45 million of dues "didn't seem like a good investment." Further, "NJEA leadership's credibility ... has been diminished," which could "impact its ability to advocate for teachers in Trenton."

This is particularly poor timing for the NJEA to lose political clout because two problematic issues of major importance for teachers -- pensions and health benefits -- are currently being hashed out in Trenton. It's a lose-lose for teachers.

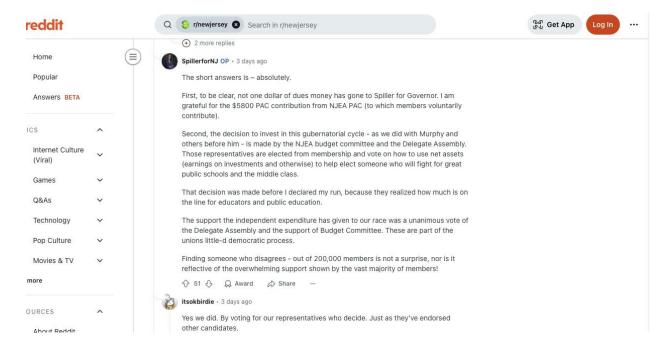
Teachers did not support Spiller's run. As shown in Section V, when given the choice, teachers did not choose to support Spiller. They didn't contribute to his campaign, they didn't volunteer to get out the vote, and they didn't even vote for him. The former-high-level-NJEA official gets to the crux of the matter:

If you were to ask [teachers] 'Is this how you want your monies used — for a sitting president to spend millions of dollars to run for governor — they would say no. And how do I think they would say no? The numbers that did not vote for him on election day is proof."

That's why NJEA leadership hid the truth from teachers. They knew that teachers would never choose to support Spiller's vanity run with their hard-earned dues. So NJEA leadership, led by the conflicted Spiller, simply appropriated it and then spent it in a reckless and wasteful way, all while deliberately keeping teachers in the dark. Will Spiller and NJEA leadership ever be held accountable for their actions?

APPENDIX A

Screenshot of Spiller's answer in a <u>Reddit</u> forum on June 9, 2025, the night before the election.



APPENDIX B

Screenshot of the \$5,800 contribution from Protecting Our Democracy to Spiller for Governor made on September 30, 2024. This can be found on p. 15 of Spiller for Governor's New Jersey Election Law Enforcement Commission (ELEC) Form G-1, "Report of Contributions and Expenditures," for (2024-Q4) QUARTER 4 (JAN 15TH), filed May 12, 2025.

00115011154							
PRINGLE, REBECCA	Monetary Con	tributions (in Exc	4552 MAGNOLIA MANOR WAY, ALEXANDRIA VA 22312- 1400 Employer Address 1201 16TH ST NW, WASHINGTON DC 20036-3201				
Employer Name							
NATIONAL EDUCATION	ASSOCIATION						
Occupation Education/Professor/Teac	cher						
Date Received	ato riccontos						
09/26/2024	\$1,035.25	\$1,035.25					
☐ Currency Contril	bution						
Contributor Name PROTECTING OUR DEN	MOCRACY INC.		Contributor Address 611 PENNSYLVANIA AVE SE UNIT 143, WASHINGTON DO 20003-4303				
Date Received	Amount	Aggregate Amount					
09/30/2024	\$5,800.00	\$5,800.00					
☐ Currency Contril	bution						
Contributor Name	7-7-1-0		Contributor Address				
REICHENBACH, MIRIAN	1 J.		18 HILLSIDE RD, WEST DEPTFORD NJ 08086-2210				
Employer Name INFORMATION REQUES	STED		Employer Address 18 HILLSIDE RD, WEST DEPTFORD NJ 08086-2210				
Occupation							
Date Received 08/14/2024	Amount \$500.00	Aggregate Amount \$500.00					
☐ Currency Contril	bution						
Contributor Name			Contributor Address				
ROBERTSON, KURT			200 VESEY ST, NEW YORK NY 10281-5525				
Employer Name ROBERTSON & ASSOCI	IATES		Employer Address 200 VESEY ST, NEW YORK NY 10281-5525				
Occupation Attorney							
Date Received	Amount	Aggregate Amount					
09/20/2024	\$1.035.25	\$1.035.25					

APPENDIX C

NJEA 2022 IRS Form 990, Schedule O, Supplemental Information to Form 990, p. 31.

FORM 990, PART VI, SECTION B, LINE 12C THE ORGANIZATION HAS A CONFLICT OF INTEREST POLICY FOR NJEA OFFICIALS: NO NJEA OFFICIAL SHALL, DIRECTLY OR INDIRECTLY, HAVE ANY INTEREST OR RELATIONSHIP, TAKE ANY ACTION OR ENGAGE IN ANY TRANSACTION, OR INCUR ANY OBLIGATION WHICH IS IN CONFLICT WITH, OR GIVES THE APPEARANCE OF A CONFLICT WITH, THE PROPER AND FAITHFUL PERFORMANCE OF HIS OR HER NJEA REPONSIBILITIES. A COPY OF THE CONFLICT OF INTEREST POLICY IS DISTRIBUTED TO ALL NJEA OFFICIALS, ALL CANDIDATES FOR NJEA OFFICE, AND ALL PERSONS WHO BECOME MEMBERS OF NJEA COMMITTEES OR ARE OTHERWISE DESIGNATED TO REPRESENT NJEA EACH YEAR. A REVIEW OF THE POLICY AND ITS RELATED PROCEDURES ARE REVIEWED AND PRESENTED ANNUALLY. THE CURRENT NJEA STAFF CONTRACTS INCLUDES A CONFLICT OF INTEREST SECTION, SPECIFICALLY: AVOIDANCE OF CONFLICT OF INTEREST (MONITORED ANNUALLY): NO NJEA EMPLOYEE SHALL ACCEPT IN ANY FORM OR BY ANY MEANS ANYTHING OF VALUE WHICH HE/SHE KNOWS OR HAS REASON TO BELIEVE IS OFFERED TO HIM/HER WITH THE INTENT TO INFLUENCE HIM/HER IN THE PERFORMANCE OF HIS/HER NJEA DUTIES AND RESPONSIBILITIES.

APPENDIX D

Screenshot from the September 2024 NJEA Review, p. 58.

NJEA	BU	DC							
NJEA	BU					- 1			
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PROPOSED INCO	ME AND E	VDENIDITI	IDEC						
EXCLUSIVE OF F		APENDITO	IKES		COMPARATIVE IN	COME			
,			****				****	****	
	2023 Artual	2024 Budget	2025 Prop Budget	Budget Variance		2023 Actual	2024 Budget	2025 Prop Budget	Budget Variance
INCOME	Actual	buuget	Prop budget	variance	DUES INCOME	Actual	bunger	Frop budget	variance
NJEA Membership Dues	\$ 125,385,821	128,360,880	133.985.770	4.38%	Active Professional	\$ 109.375.998	\$ 111,602,600	\$ 116,739,000	4.60%
NEA Funds	6.029.323	7.003.000	5.444,000	-22.26%	Active Supportive	15.294.495	16.066.100	16,551,900	3.02%
General Income	6,829,464	1,644,720	2.193,630	33.37%	Retired Members	717,991	680,680	691,870	1.64%
Publications	187,241	190,000	185,000	-2.63%	General Members	3,750	2,500	2,500	0.00%
					Subscribing Members	1,250	500	500	0.00%
TOTAL INCOME	138,431,849	137,198,600	141,808,400	3.36%	Preservice Members	(7,663)	8,500	0	-100.00%
EXPENDITURES					TOTAL MEMBERSHIP DUES	125,385,821	128,360,880	133,985,770	4.38%
PROGRAM SERVICES	1241121111	1044044	120225000	2222	Secretary Control				
Governance	5,904,007	6,213,400	5,902,000	-5.01%	NEA FUNDS				
Legal Services	13,157,968	13,512,900	13,307,900	-1.52%	Unisery Grant	3,416,778	3,417,000	3,417,000	0.00%
Organizational Activities	1,998,047	4,172,000	4,663,200	11.77%	Unisery Option Program	399,310	407,000	407,000	0.00%
Organizational Projects Communications	9,000,000	9,000,000	7,000,000	-22.22%	Legal Defense (DuShane)	1,456,577	2,800,000	1,500,000	-46.43% 0.00%
Communications Government Relations	6,673,796 4,872,025	7,027,200 5,304,100	7,159,600 5,758,100	1.88% 8.56%	Legal Fee Reimbursements Member Benefits Grant	25,076 70.951	50,000 90.000	50,000 70,000	-22 22%
Organizational Development	4,922,164	6,107,600	5,756,100	-3.08%	Cooperative Projects	659.218	239.000	70,000	-100.00%
	23.983.805	25,117,200	26.452.700	5.32%	Preservice Reimbursement	1.413	239,000	0	0.00%
UniServ Regional Offices UniServ Field Office	8.520.473	8,436,600	8.574.700	1.64%	Preservice Reimbursement	1,413	U	u	0.00%
Prof Development	4,736,683	5,086,800	4,681,100	-7.98%	TOTAL NEA FUNDS	6,029,323	7.003.000	5,444,000	-22.26%
Pror Development Research & Economic Services	6.074.024	6,473,700	6.599.300	1.94%	15		-10001001		
Research & Economic Services Conventions	3,426,013	3,701,100	3,707,100	0.16%	GENERAL INCOME				
Organizational Mgmt	8.055.459	8,421,600	8.488.100	0.79%	Convention Exhibits & Fees	369,193	406,500	406,500	0.00%
Membership Organizing	152.696	334,700	340,500	1.73%	Interest & Investments	5,323,145	0	500,000	0.00%
Membership Organizing ADMINISTRATIVE & GENERAL	132,096	334,700	340,500	1./3%	Conference & Workshop Fees	861,045	912,000	960,000	5.26%
ADMINISTRATIVE & GENERAL Executive Office	6.278.812	6,579,500	6.971,900	5.96%	Teacher Leader Academy	48,790	156,000	156,000	0.00%
Executive Office Rusiness and Finance	16.382.540	18,077,700	18.862.900	4.34%	Member Benefits Income	68,669	30,000	30,000	0.00%
ousiness and riflance	10,382,340	10,077,700	10,052,900	4.34%	Grant Income	100,000	100.000	100,000	0.00%