1. For each line item reduction in the department’s or unit’s budget, specify the change, if any, in the nature, breadth or level of service or benefit that will be provided and identify and quantify the population that may be affected.

Excess Patient Cost Recovery Revenue   (823)

This is a supplemental appropriation that is not continued as part of the Department’s base appropriation.

There is no change in the nature, breadth or level of service or benefit due to this technical adjustment.

Attrition Savings   (347)

Due to reorganization/consolidation of units and efficiencies in services, there is no change in the nature, breadth or level of service or benefit due to this line item reduction.

Reduction of National Guard Training Center Appropriation   (100)

Due to efficiencies in services, there is no change in the nature, breadth or level of service or benefit due to this line item reduction.

Reduce Grants-In-Aid Accounts   (100)

Due to a decline in the number of current eligible participants, there is no change in the nature, breadth or level of service or benefit due to this line item reduction.

Reduction to State Active Duty Account   (100)

Based upon previous histories of short term events the reduction will not affect the State Active Duty mission.

RN and LPN Recruitment   (57)

The nursing shortage in the Veteran Memorial Homes (VMHs) has abated due to the efforts of the recruiter, who has ensured that the VMHs were fully staffed, as required by federal and state regulation. There is an adequate nursing pool at the present time,
therefore the reduction of this position would have minimal effect on the operation of the VMHs.

**Energy Conservation** (50)

The installation of a solar panel array at the Sea Girt Training Facility has effectuated these savings. As such there is no change in the nature, breadth or level of service or benefit due to this line item reduction.

**Nursing Initiative** (28)

DMAVA will continue to maintain this program to the greatest extent possible within the current budgetary constraints.

**Governor’s Veterans’ Services Council** (5)

There is no change in the nature, breadth or level of service or benefit due to this line item reduction. Costs associated with this activity can be absorbed within the department’s existing appropriations.

**Affirmative Action/Equal Opportunity** (5)

There is no change in the nature, breadth or level of service or benefit due to this line item reduction. Costs associated with this activity can be absorbed within the department’s existing appropriations.

2. For each line item reduction in the department’s or unit’s budget, please indicate the number of positions (budgeted, funded and filled or unfilled) that will be eliminated and the number of individuals whose employment will be ended. If appropriate distinguish between staffing actions that may occur before and after January 1, 2011.

In conjunction with the Department's response to Question #1 above, the associated schedule identifies the number of impacted positions and whether those positions are currently filled or funded vacancies.

### Position Impact

<table>
<thead>
<tr>
<th>Military &amp; Veterans’ Affairs</th>
<th>Unfunding of Vacancies</th>
<th>Filled Positions*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Eliminate Funded Vacancies</td>
<td>(5)</td>
<td></td>
</tr>
<tr>
<td>Nursing Initiative</td>
<td>(1)</td>
<td>(5)</td>
</tr>
</tbody>
</table>

*Some of these positions may no longer have incumbents due to separations.
It is anticipated that these staffing actions will be completed by the end of FY 2011. The Memorandum of Agreement with the public employee unions will be honored to the extent that classified employees are involved. For those reductions associated with the elimination of funded vacancies, the savings will accrue throughout Fiscal Year 2011 as separations, retirements, and resignations occur.

3. **Please identify any reductions in the department’s or unit’s budget that constitute one-time savings that are not likely to recur in Fiscal Year 2012.**

All reductions will continue.

4. **Please identify each Fiscal Year 2010 mid-year reduction that is recommended for continuation in Fiscal Year 2011.**

Uncommitted Salary Balances - Management and Administration (126)

RN and LPN Recruitment and Retention Advertising Funds (147)

Yellow Ribbon Outreach Advertising Funds (30)

5. **Are any of the appropriations recommended for Fiscal Year 2011 required to compensate for the effects of Fiscal Year 2010 reductions? If so, please identify and explain.**

Not applicable.

6. **Please list any anticipated increase in fees, fares or co-payments that are reflected in the FY 2011 budget recommendation, including the amount of revenue or cost reduction, and the intended effective date.**

Patient Daily Care Rate: The DMAVA and the VMHs plan to increase the Daily Care Rate for residents of the Homes from $221.00 to $239.00 on/about 01 January 2011, and accounts for the increase in revenue of approximately $460,533.00.

7. **If additional revenues were to become available during the budget process, which one or two reductions proposed for the department or unit should be top candidates for restoration? Please justify your selections.**

The Governor’s proposed Fiscal year 2011 budget represents the culmination of many tough choices that had to be made in order to balance spending and revenues for next year. The funding proposed for the Department of Military and Veterans’ Affairs, while reduced, will allow it to meet its core missions and provide vital services to residents and businesses in the State.
In the event that additional revenues become available during the budget process, the Department would welcome the opportunity to work closely with the Legislature to restore funding for important programs. The Department believes that any such restorations should be considered in the context of programs and spending needs throughout the State budget, not only those administered by the Department. The Department looks forward to consulting with the Legislature to ensure that only the programs of greatest value are restored.

8. Please identify proposed budget reductions which require Federal approvals, waivers or similar actions, and the timetable for seeking and obtaining approvals in order to achieve the projected savings. Please indicate whether approvals/waivers have been previously sought and not obtained, and explain why approvals should be expected in this case. If federal approval is not received, what alternative actions may have to be taken to achieve savings of comparable value? Please also identify proposed budget reductions that may reduce the receipt of federal funds, and the estimated loss of federal funds that would result from such reductions.

Not applicable.

9. Please describe how the department or unit implemented mandatory workforce furloughs in FY 2010, identifying the amount saved and the proportion of the workforce exempt from furloughs, and detailing the impact on individuals or firms served by or regulated by the department.

The Department implemented the mandatory self directed furlough in accordance with the Memorandum of Agreement between the State of New Jersey and the represented bargaining units, and Civil Service Commission guidelines. No staff within the Department were exempt. The Department is reallocating within its fiscal resources to balance the required furlough savings with the staffing requirements at the three veterans’ homes.

10. The Budget in Brief references savings to be achieved both through privatization and “insourcing.” Please identify savings in your budget associated with either of these initiatives. Please provide examples of successes or failures of such initiatives in prior years.

Not applicable