PUBLIC EMPLOYMENT RELATIONS COMMISSION
RESPONSE TO
Office of Legislative Services
Analysis of the New Jersey Budget
Fiscal Year 2010-2011

Budget Questions for All Departments and Units

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.

100-062-4555-001
The $71K recommended reduction in the PERC salary account will be realized from retirement savings anticipated in FY 2011. Any reduction in PERC staff could result in reduced case processing capacity, delays and increased backlog.

100-062-4555-006
The $31K reduction in this account results from an equal amount of Line of Credit debt for computer hardware that was paid off in FY 2010. The remaining $5K recommended appropriation is for the Line of Credit balance due in FY 2011.

100-062-4556-001
This reduction of $4K represents a reallocation of funds to address a need in another line item while providing the anticipated necessary funds to cover salary requirements in this account.

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 2, 2011.

In conjunction with the agency’s response to Question #1 above, a retirement will occur in one (1) currently filled position. The savings will accrue during FY 2011 from the retirement of the incumbent employee.

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.
Any reductions in PERC’s FY 2011 budget will recur in FY 2012 unless otherwise so determined by the Executive and Legislative branches.

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

The FY 2010 mid-year reduction in the PERC salary account is continued in FY 2011 with a very small additional cut.

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.**

None.

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.**

None.

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 FY 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 Public Employment Relations Commission, while reduced, will allow it to meet its core mission and provide vital services to its constituency.

In the event that additional revenues become available during the budget process, PERC would welcome the opportunity to provide technical advice to the Legislature on the restoration of funding for important programs. Any such restorations should be considered in the context of programs and spending needs throughout the State budget, not only those administered by the agency. The agency 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.

The agency receives no Federal funds.

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.

All agency personnel are required to take nine (9) furlough days from July 1, 2009 through June 30, 2010. Three (3) of those days were mandatory State shutdown days and the remaining six (6) days being self-directed.

Advance approval by the employee’s supervisor is required to ensure minimal impact on delivery of agency services on any given day. The estimated PERC FY 2010 savings from furloughs is $107,000.

A tenth furlough day was required in FY 2009 when the agency mandatorily shut down on May 22, 2009.

10. The Budget in Brief references savings to be achieved both through privatization and “in sourcing.” 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.

PERC routinely assesses its resources to maximize operational efficiency in delivering its quality and timely constituent services. Internal reallocation of resources, use of privately employed labor relations neutrals and “in sourcing” are constantly under review based on caseload demands and available funds.

PERC has a very lean organizational structure with no layers of stratified bureaucracy. All agency professional staff provide direct constituent services.