

**OFFICE OF THE STATE COMPTROLLER
RESPONSES TO BUDGET QUESTIONS
FISCAL YEAR 2012**

1. The FY 2011 budget required all departments to cope with reduced appropriations. In some instances these reductions could be handled through improved efficiency and operational adjustments. In other instances less money resulted in programmatic reductions, including both fewer recipients and reduced benefits. Please provide examples of operational improvements in your department that saved money in FY11 and provide examples where less government meant reduction in services.

Answer: *The Office of the State Comptroller (“OSC”) addressed its reduced appropriation in Fiscal Year 2011 primarily through performing with in-house staff certain functions for which OSC is statutorily permitted to retain external professionals. OSC did not retain any external professionals in Fiscal Year 2011.*

2. The FY 2011 budget included reductions requiring Federal approvals, waivers or similar actions in order to achieve the projected savings. Please identify each such reduction in your FY 2011 budget, and indicate whether approvals/waivers have been obtained. If not, please explain whether approvals are still expected in this case, and if so, why. If federal approval is not received, what alternative actions may have to be taken to achieve savings of comparable value?

Answer: *Not applicable. No federal action is required.*

3. The revised budget plan for Fiscal Year 2011 requires appropriation lapses of \$605 million to achieve a balanced budget and an ending surplus. Please list all appropriation items and amounts in your agency’s chart of accounts that have been identified to contribute to that lapse target. Please describe the impact of each lapse on the nature, breadth or level of service or benefit provided by each appropriation, and identify and quantify the population that may be affected. Please also identify the amount of FY 2012 funding, if any, recommended to restore, in part or in full, the lapsed amount.

Answer: *The Office of Management and Budget has submitted under separate cover the list of anticipated lapses totaling \$605 million.*

4. The FY 2011 Appropriation Act assumed savings of \$50 million from privatization initiatives. Please describe all privatization initiatives undertaken/to be undertaken by your department, and specify the effective date, the amount of savings in FY 2011 and FY 2012, respectively, and the reduction in positions, filled and vacant. Please also indicate the private vendor(s) involved in the initiative, and the quantity and quality of services required of the vendor(s) relative to the quantity and quality provided by the department prior to privatization.

Answer: *This is not applicable as this office did not receive a privatization allocation, or a share of savings to be produced through privatization initiatives.*

5. For each line item reduction in the department's or unit's FY 2012 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.

Answer: *In developing the FY 2012 budget, the State Comptroller worked cooperatively with the Treasurer and Treasury staff to identify core departmental mission areas and consistent with law, to allocate limited budget resources with reference to those core priorities. Developing the budget in this manner, from the bottom up, recognizes fiscal realities while at the same time focusing available funding on key priorities and mission areas. More specifically, as outlined in the budget summary, the Comptroller's Office did not incur any line item reductions in FY 2012. However, the State Comptroller's Office continues to monitor its spending closely and find efficiencies where possible.*

6. For each line item reduction in the department's or unit's FY 2012 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. Please also indicate areas where funded and/or filled positions are projected to significantly increase, and the justification (s) for those increases.

Answer: *Response provided by the Office of Management and Budget.*

7. In his budget address, the Governor stated that "Zero-based budgeting...has finally come to New Jersey." This would mark a change from budget processes used in other years. Please provide examples of how the recommended budget for your department is substantively different than it would have been if the budget had been developed by the procedures used in prior years.

Answer: *This office's recommended budget is not substantively different. However, it has reviewed, and will continue to review all programs from the bottom up to determine required reductions, cost avoidance measures and efficiencies. This process further strengthens identified core mission areas and associated funding requirements.*

8. Please identify any reductions in the department's or unit's FY 2012 budget that constitute one-time savings that are not likely to recur in Fiscal Year 2013.

Answer: *Response provided by the Office of Management and Budget.*

9. Are any of the appropriations recommended for FY 2012 required to compensate for the effects of Fiscal Year 2010 or FY 2011 reductions? If so, please identify and explain.

Answer: *Response provided by the Office of Management and Budget.*

10. Please list any anticipated increase in fees, fares or co-payments that are reflected in the FY 2012 budget recommendation, including the amount of revenue or cost reduction, and the intended effective date.

Answer: *The FY 2012 proposed budget does not anticipate any new or increased fees, fares, or co-payments for this office.*

11. Please identify proposed FY 2012 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.

Answer: *Not applicable. No federal action is required.*