

INTER-DEPARTMENTAL ACCOUNTS

SUMMARY
(amounts expressed in thousands)

-----Year Ending June 30, 1988-----						Year Ending -----June 30, 1990-----		
Orig. & (S)Supple- mental	Reapp. & (R)Rec	Transfers (E) Emer- gencies	Total Avai lable	Expended		1989 Adjusted Approp	Requested	Recom- mended
104,800	6,225	-1,000	110,025	107,510	General Government Services	112,000	139,000	139,000
5,400	9,707	5,150	20,257	6,236	Property Rentals	21,613	28,711	24,211
655,070	---	8,353	663,423	662,334	Insurance and Other Services	765,229	902,190	902,190
5,475	3,835	-3,480	5,830	4,587	Employee Benefits	9,575	7,500	7,500
138,022	---	-133,000	5,022	5,022	State Contingency Fund	5,000	75,500	75,500
908,767	19,767	-123,977	804,557	785,689	Salary and Other Benefits			
					Total Appropriation, Inter-Departmental Accounts	913,417	1,152,901	1,148,401

94. INTER-DEPARTMENTAL ACCOUNTS
70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
74. GENERAL GOVERNMENT SERVICES

OBJECTIVES

1. To provide pooled funds for the costs of certain services which are managed centrally for or on behalf of all agencies of State government.
2. To provide pooled contingency reserve funds to cover certain emergency situations and probable cost increases for various utilities and common services which cannot be predicted with reasonable certainty.
3. To provide pooled funds for salary adjustments and other salary and compensation benefits for State employees.

Program Classifications

01. Property Rentals--Provides for payment by the Department of the Treasury of rents for office space and other premises for State agencies, except the Legislature, whose operations are financed from the General Fund appropriations. This account also functions as a clearing account for payment of rents for agencies financed from other than General Fund sources, which amounts are shown as a deduction from the gross rent recommendation.
02. Insurance and Other Services--Provides funds to pay all central insurance premium costs and to cover the State's liability in tort and its statutory duty to indemnify its employees for adverse judgments in all instances where the State does not carry insurance. This account also provides the self-insurance funds to pay losses which fall within the deductible areas of property insurance coverage and other insurance claims.
03. Employee Benefits--Provides pension funds for the following classes of employees: (1) Heath Act pensioners (RS 43:5-1 et seq.), consisting of persons employed by the State as of January, 1921; (2) Veterans' Act pensioners (RS 43:4-1 et seq.); (3) miscellaneous special pension acts, in accordance with various laws of the State authorizing payments to designated individuals; (4) Annuity for Widows of Governors (RS 43:8-2); (5) Judicial pensioners (C43:6-6.4 et seq.); (6) Prison officers (C43:7-7 et seq.) whose funds are administered by a commission of five members including an appointee of the Governor, and the State Treasurer; public employees (C43:15A-1 et seq.), whose funds are administered by a board of nine trustees, including municipal and county representation, two appointees of the Governor, and the State Treasurer; State Police (C53:5A-1 et seq.), whose funds are administered by a board of five trustees including two active members of the system, two appointees of the Governor, and the State Treasurer, ex officio; benefit payments for non-contributory insurance on a policy of group insurance covering the lives of employees of the State and other participating employers in the employees' retirement system (C43:15A-1 et seq.); State's share of Social Security Tax (C43:22-1 et seq.); Pension Increase Act (C3:3B-1 et seq.) provides increases in benefits payable to members of State retirement systems; and pension and the non-contributory group life insurance benefit payments to be made by the State on behalf of those members of the Teachers' Pension and Annuity Fund, not employees of school districts, employed by the State Department of Education, the Department of Higher Education and by public institutions of higher education in the State. Funds are also provided for the employer's share of health benefits charges for State employees enrolled in the public and school employees' health benefits program. Under CS2:14-17.25 et seq., the administration of this program was transferred to the Division of Pensions.

Alternate retirement programs were established (NJS 18A:64C-11.1, NJS 18A:65-74 and C18A:66-130), for faculty members at the University of Medicine and Dentistry of New Jersey; Rutgers, The State University, and New Jersey Institute of Technology. The employer contribution to this program is included in this budget.

All individuals in the employ of the State of New Jersey or an instrumentality of the State, with respect to service performed after December 31, 1971 for a hospital or institution of higher education became covered under the unemployment compensation law (RS 43:21-1 et seq., as amended by PL 1971, c. 346). Any political subdivision of the State may elect to cover individuals employed by the subdivision in all of the hospitals and institutions of higher education operated by that political subdivision. Benefits paid based on wages earned in the employ of the State or of a political subdivision are financed by payments in lieu of employer contributions to the Unemployment Compensation Fund. All covered State employees are required to contribute each year to the Fund in accordance with the established rate. Benefits under the unemployment compensation program are payable in accordance with the provisions of the unemployment compensation law.

The New Jersey State Prescription Drug Program (CS2:14-17.29) helps meet the cost of drugs prescribed for eligible employees and their dependents for use outside of hospitals, nursing homes or other institutions. Included are those drugs which, as required by Federal Law, can be dispensed only upon a written prescription order by a physician. The program covers the full cost of a prescription item dispensed by a licensed participating pharmacy, less a \$3.50 co-payment charge for each non-generic eligible prescription and prescription refill and \$1.00 for each generic eligible prescription and prescription refill. All full time State employees are eligible to enroll for coverage in the Program without cost to the employee.

04. State Contingency Fund--Provides funds for allotment by the Director of the Division of Budget and Accounting to various departments or agencies of State government for meeting emergency conditions and for a number of contingencies which cannot be predicted with sufficient certainty to be included within the budget recommendations of individual departments or agencies, including worker's compensation awards, the Governor's Emergency Fund, the premium portion of required payments for overtime compensation, seed money to implement cost saving processes or other productivity improvements and other contingency funds, as appropriate.
05. Salary and Other Benefits--Includes funds to be allotted to various State departments or agencies for the cost of general and special salary adjustments, and other special salary-related benefits.

APPROPRIATION DATA (amounts expressed in thousands)

-----Year Ending June 30, 1988-----						Year Ending -----June 30, 1990-----			
Orig. & (S) Supplemental	Reapp. & (R) Rec	Transfers (E) Emergencies	Total Available	Expended	PROGRAM CLASSIFICATIONS	Ref Key	1989 Adjusted Approp	Requested	Recommended
104,800	4,000	-1,000	107,800	106,653	Property Rentals	01	112,000(a)	139,000	139,000
21,439	9,906	6,403	37,748	22,958	Insurance and Other Services	02	21,613	28,711	24,211
126,239	13,906	5,403	145,548	129,611	Total Appropriation		133,613	167,711	163,211

94. INTER-DEPARTMENTAL ACCOUNTS--Continued
 70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
 74. GENERAL GOVERNMENT SERVICES

-----Year Ending June 30, 1988-----					-----Year Ending June 30, 1990-----				
Orig. & (S)Supplemental	Reapp. & (R)Rec	Transfers (E) Emergencies	Total Available	Expended	Ref Key	1989 Adjusted Approp	Requested	Recommended	
					<u>Distribution By Object</u>				
					Services Other Than Personal Rent:				
107,824	4,000	-1,000	110,824	110,177		116,300	143,000	143,000	
10,900	---	---	10,900	10,900					
13,576	---	---	13,576	13,076					
132,300	4,000	-1,000	135,300	134,153					
						Sub-Total Appropriation, Rent (Gross)	140,000	167,000	167,000
					Less:				
(27,500)	---	---	(27,500)	(27,500)		Direct charges and charges to Non-State fund sources	(28,000)	(28,000)	(28,000)
104,800	4,000	-1,000	107,800	106,653		Sub-Total Appropriation, Rent (Net)	252,000	306,000	306,000
					Insurance Premiums:				
1,494	---	---	1,494	1,494		Property Insurance (b)	1,629	1,954	1,954
5,455	41	-4,216	1,280	1,068		Casualty Insurance (b)	2,180	1,748	748
113	---	---	113	113		Special Insurance Policies (b)	104	109	109
7,062	41	-4,216	2,887	2,675		Sub-Total Appropriation, Insurance	3,913	3,811	2,811
111,862	4,041	-5,216	110,687	109,328		Total Services Other Than Personal	255,913	309,811	308,811
					Special Purpose--				
500	3,355	---	3,855	---		Excess liability insurance master policy	---	500	---
4,000	77	---	4,927	4,247	02	Tort Claims Liability Fund	4,000	5,000	5,000
850 S	158	5,469	14,604	14,047		Workers' Compensation Self-Insurance Fund (b)	11,100	16,000	16,000
8,977	5,233	---	10,383	1,430		Vehicle Claims Liability Fund (b)02	2,500	3,000	---
---	625	---	625	476		Self-Insurance Deductible Fund	100	400	400
50	417	---	467	83		Self-Insurance Fund - Foster Parents	---	---	---
14,377	9,865	10,619	34,861	20,283		Total Special Purpose	17,700	24,900	21,400

It is recommended that the Director of the Division of Budget and Accounting be empowered to allocate to any State agency occupying space in any State-owned building, equitable charges for the rental of such space to include but not be limited to the costs of operation and maintenance thereof, and the amounts so charged be credited to the General Fund; and, to the extent that such charges exceed the amounts appropriated for such purposes to any fund other than the General Fund, the required additional appropriation be made out of such other fund.

It is further recommended that receipts derived from direct charges and charges to Non-State Fund sources be appropriated for the rental of property, including the costs of operation and maintenance of such properties.

It is further recommended that, notwithstanding any other provision of law, and except as hereinafter provided, no lease for the rent of any office or building shall be executed without the prior written consent of the State Treasurer, the Director of the Division of Budget and Accounting, the President of the Senate and the Speaker of the General Assembly.

It is further recommended that the unexpended balance as of June 30, 1989 in the Rent-Buildings and grounds account, not to exceed \$2,000,000, be appropriated for the same purpose.

It is further recommended that the unexpended balance as of June 30, 1989 in the Master Lease Program Fund be appropriated for the same purpose.

It is further recommended that the unexpended balance as of June 30, 1989 in the Excess liability insurance master policy account be appropriated for the same purpose.

It is further recommended that the unexpended balance as of June 30, 1989 in the Tort Claims Liability Fund account created by N.J.S. 59:12-1 be appropriated for the same purpose.

It is further recommended that there be appropriated such additional sums as may be required to pay tort claims under N.J.S. 59:12-1, subject to the approval of the Director of the Division of Budget and Accounting.

It is further recommended that the amount hereinabove for the Tort Claims Liability Fund under N.J.S. 59:12-1 be available for the payment of direct costs of outside legal and investigative services related to the investigation and litigation of claims against the Fund.

It is further recommended that, to the extent that sums appropriated to pay Workers' Compensation claims are insufficient, there be appropriated such additional sums as may be required to pay Workers' Compensation claims, subject to the approval of the Director of the Division of Budget and Accounting.

94. INTER-DEPARTMENTAL ACCOUNTS--Continued
 70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
 74. GENERAL GOVERNMENT SERVICES

It is further recommended that the amount hereinabove for the Workers' Compensation Self-Insurance Fund under N.J.S. 34:15 be available for the payment of direct costs of outside legal, investigative, and medical services related to the investigation and litigation of claims against the Fund.

It is further recommended that, to the extent that sums appropriated to pay auto insurance claims are insufficient, there be appropriated such additional sums as may be required to pay auto insurance claims, subject to the approval of the Director of the Division of Budget and Accounting.

It is further recommended that the unexpended balances as of June 30, 1989 in the Inter-departmental accounts for automobile insurance be appropriated as a reserve for payment of vehicular and Division of Motor Vehicle Inspection Station Premises and operations liability claims settlements and judgements, payment of vendored claims, investigative costs, or for the reallocation to departments based on loss experience.

It is further recommended that the unexpended balances as of June 30, 1989 in the Self-Insurance Deductible Fund, the Self-Insurance Fund - Foster Parents, and in the Workers' Compensation Self-Insurance Fund be appropriated for the same purposes.

It is further recommended that the sums hereinabove be available for payment of obligations applicable to prior fiscal years.

It is further recommended that the unexpended balance as of June 30, 1989, not to exceed \$5,000,000, in the Vehicle Claims Liability Fund be appropriated.

It is further recommended that funds appropriated to the Tort Claims Liability Fund be available for the indemnification of pool attorneys engaged by the Public Advocate for the defense of indigents.

(a) The FY1989 adjusted appropriation is supplemented by \$7 million in carryforward balances.

(b) The FY1988 fiscal data for these accounts is reflected in the individual agency budgets. The fiscal data shown for this year in the Interdepartmental accounts is for comparison purposes only. Beginning with FY1989, these accounts are budgeted in the Inter-departmental section.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
 74. GENERAL GOVERNMENT SERVICES
 9410. EMPLOYEE BENEFITS

	Actual FY 1987	Actual FY 1988	Budgeted FY 1989	Budget Estimate FY 1990
EVALUATION DATA				
Health Act pensioners.....	5	5	5	5
Veterans' Act pensioners.....	11	11	11	11
Special Act pensioners.....	2	2	2	2
Widows of Governors.....				
Judicial Retirement System				
Assets.....	\$56,274,327	\$66,377,909	\$77,712,433	\$90,982,413
Active members.....	351	345	351	357
Pensioners.....	235	250	260	270
Annual pensions.....	\$8,289,197	\$8,973,722	\$9,655,153	\$10,388,329
Prison Officers' Pension Fund				
Assets.....	\$1,230,943	\$1,011,915	\$1,220,816	\$1,472,843
Active members.....	38	29	24	20
Pensioners.....	380	375	375	376
Public Employees' Retirement System				
Assets.....	\$5,861,253,692	\$6,682,636,591	\$7,669,976,410	\$8,782,545,445
Active members.....	218,615	257,380	272,211	287,916
State.....	62,196	73,225	78,456	84,061
Local.....	156,419	184,155	193,755	203,856
Pensioners.....	57,092	60,130	63,936	67,982
Annual pensions.....	\$268,975,010	\$295,469,010	\$329,014,431	\$366,368,357
Lump sum death benefits.....	\$41,326,625	\$54,203,662	\$60,589,236	\$67,727,076
State Police Retirement System				
Assets.....	\$346,658,649	\$399,577,107	\$463,218,222	\$536,995,531
Active members.....	2,124	2,657	2,998	3,383
Pensioners.....	983	1,029	1,080	1,134
Annual pensions.....	\$16,888,062	\$18,845,450	\$21,064,916	\$23,545,773
Health Benefits Fund				
Covered employees.....	289,232	296,659	302,476	308,450
State.....	104,310	109,621	113,488	117,491
Local.....	184,922	187,038	188,988	190,959
Alternate Benefit Programs				
Participating employees.....	7,983	8,304	8,313	8,321

94. INTER-DEPARTMENTAL ACCOUNTS--Continued
 70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
 74. GENERAL GOVERNMENT SERVICES
 9410. EMPLOYEE BENEFITS

APPROPRIATION DATA (amounts expressed in thousands)

-----Year Ending June 30, 1988-----					-----Year Ending June 30, 1990-----				
Orig. & (S) Supplemental	Reapp. & (R) Rec	Transfers (E) Emergencies	Total Available	Expended	PROGRAM CLASSIFICATION	Ref Key	1989 Adjusted Approp	Requested	Recommended
655,070	---	8,353	663,423	662,334	Employee Benefits	03	765,229	902,190	902,190
655,070	---	8,353	663,423	662,334	Total Appropriation		765,229	902,190	902,190
<u>Distribution By Object</u>									
<u>Special Purpose--</u>									
35	---	-12	23	19	Health Act		35	25	25
70	---	12	82	76	Veterans' Act		70	95	95
9	---	---	9	7	Miscellaneous special acts		9	12	12
9,988	---	---	9,988	9,987	Judicial Retirement System		10,112	9,950	9,950
2,166	---	---	2,166	2,166	Prison Officers' Pension Fund		2,276	2,700	2,700
136,419	---	---	136,419	136,419	Public Employees' Retirement System		143,918	168,057	168,057
169,842	5}	---	194,283	194,283	Social security tax		220,600	232,000	232,000
26,858	---	-2,417	23,363	23,363	State Police Retirement System		26,441	26,691	26,691
23,400	---	-37	8,830	8,816	Dental care program-shared cost		9,000	10,000	10,000
9,200	---	9,000	169,000	168,338	State employees' health benefits		222,000	296,500	296,500
18,600	---	-630	17,970	17,868	Prescription drug program		19,400	26,800	26,800
32,769	---	-1,050	31,719	31,629	Pension Adjustment Act		34,008	37,407	37,407
200	---	-50	150	142	Minimum Pension Benefit Act		160	120	120
26,654	---	2,200	28,854	28,854	Employer contributions-alternate benefit program		31,337	38,759	38,759
5,784	---	---	5,784	5,784	Pension and non-contributory group life insurance benefit payments to Teachers' Pension and Annuity Fund for higher education and State employee members		3,770	4,162	4,162
2,298	---	600	2,898	2,702	Temporary disability insurance		3,098	4,939	4,939
16,041	---	433	16,474	16,474	Police and Firemen's Retirement System (P.L. 79, c.109)		19,312	21,573	21,573
13,337	---	566	13,903	13,902	Police and Firemen's Retirement System (C43:16A-1)		18,283	21,000	21,000
1,400	---	108	1,508	1,505	Vision care		1,400	1,400	1,400
655,070	---	8,353	663,423	662,334	Total Special Purpose		765,229	902,190	902,190
<u>OTHER RELATED APPROPRIATIONS</u>									
<u>All Other Funds</u>									
---	7	---	7	---	Employee Benefits		---	---	---
---	7	---	7	---	Total All Other Funds		---	---	---
655,070	7	8,353	663,430	662,334	Grand Total		765,229	902,190	902,190

It is recommended that there be appropriated a sufficient amount in order that upon application to the Director of the Division of Budget and Accounting, an annuity of \$4,000 may be paid to the widow of any person, now deceased, who was elected and served as Governor of the State; provided such widow was the wife of such person for all or part of the period during which he served as Governor, and; provided, further, that this not apply to any widow receiving a pension granted under RS 43:8-2, and continued by RS 43:7-1 et seq., RS 43:8-1 et seq. and RS 43:8-8 et seq.

It is further recommended that, notwithstanding the provisions of any other law, the sum hereinabove for the Public Employees' Retirement System be paid to the System not later than June 30, 1990 in amounts and at times as determined by the Director of the Division of Budget and Accounting, with interest at the average rate of earnings during the fiscal year from the State's general investments computed from the period beginning July 1, 1989 through the date of such payment. It is further recommended that any such interest as may be required to be paid on account of delayed payments to the various retirement systems be appropriated from investment earnings.

It is further recommended that such additional sums as may be required for Social security tax, Unemployment compensation liability and/or State employees' health benefits be allotted from the various departmental operating appropriations to this account, as the Director of the Division of Budget and Accounting shall determine.

It is further recommended that the amount hereinabove for the Prescription drug program be based upon a co-payment of \$3.50 for each eligible non-generic prescription/refill and a co-payment of \$1.00 for each eligible generic prescription/refill.

It is further recommended that, of the amounts hereinabove for the Pension Adjustment Act, such sums as are appropriated in advance for increased retirement benefits for local employee members of State-administered retirement systems, be repaid to the General Treasury upon reimbursement from local public employers.

94. INTER-DEPARTMENTAL ACCOUNTS--Continued
 70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
 74. GENERAL GOVERNMENT SERVICES
 9420. STATE CONTINGENCY FUND

APPROPRIATION DATA (amounts expressed in thousands)

-----Year Ending June 30, 1988-----					-----Year Ending June 30, 1990-----				
Orig. & (S) Supplemental	Reapp. & (R) Rec	Transfers (E) Emergencies	Total Available	Expended	PROGRAM CLASSIFICATION	Ref Key	1989 Adjusted Approp	Requested	Recommended
5,475	3,835	-3,480	5,830	4,587	State Contingency Fund	04	9,575	7,500	7,500
5,475	3,835	-3,480	5,830	4,587	Total Appropriation		9,575	7,500	7,500
<u>Distribution By Object</u>									
<u>Special Purpose--</u>									
2,000	---	-1,661	339	300	To the Governor, for allotment to the various departments or agencies, to meet any condition of emergency or necessity; provided, however, that a sum not in excess of \$5,000 shall be available for the expense of officially receiving dignitaries and for incidental expenses, including lunches for non-salaried board members and others for whom official reception shall be beneficial to the State		2,000	2,000	2,000
---	132	-132	---	---	Continuation and expansion of data processing systems		---	---	---
1,875	---	---	1,875	1,875	Three Mile Island-New Jersey contribution		1,875	---	---
1,500	---	-1,500	---	---	Contingencies, including fuel, food and services		1,500	1,500	1,500
---	150	-125	25	---	Productivity improvements		---	---	---
100	---	-62	38	---	Compensation awards		100	100	100
---	250	---	250	---	Bank match system		---	---	---
---	775	---	775	---	Check cycling system		---	---	---
---	2,528	---	2,528	2,412	Telephone buy-out		4,100	3,900	3,900
5,475	3,835	-3,480	5,830	4,587	Total Special Purpose		9,575	7,500	7,500

It is recommended that unless otherwise indicated, the above amounts be allotted by the Director of the Division of Budget and Accounting to the various departments and agencies.

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
 74. GENERAL GOVERNMENT SERVICES
 9430. SALARY AND OTHER BENEFITS

APPROPRIATION DATA (amounts expressed in thousands)

-----Year Ending June 30, 1988-----					-----Year Ending June 30, 1990-----				
Orig. & (S) Supplemental	Reapp. & (R) Rec	Transfers (E) Emergencies	Total Available	Expended	PROGRAM CLASSIFICATION	Ref Key	1989 Adjusted Approp	Requested	Recommended
138,022	---	-133,000	5,022	5,022	Salary and Other Benefits	05	5,000	75,500	75,500
138,022	---	-133,000	5,022	5,022	Total Appropriation		5,000	75,500	75,500
<u>Distribution By Object</u>									
<u>Special Purpose--</u>									
106,142	---	-133,000	---	---	Salary and benefits increases		135,000	45,000	45,000
26,858	---	---	---	---	Salary and benefits increases--deferred cost of prior contract		---	25,000	25,000

94. INTER-DEPARTMENTAL ACCOUNTS--Continued
 70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
 74. GENERAL GOVERNMENT SERVICES
 9430. SALARY AND OTHER BENEFITS

Orig. & (S)Supple- mental	Year Ending June 30, 1988-----				Ref Key	1989 Adjusted Approp	Year Ending -----June 30, 1990-----	
	Reapp. & (R)Rec	Transfers (E) Emer- gencies	Total Available	Expended			Requested	Recom- mended
500 4,522 S }	---	---	5,022	5,022	Unused accumulated sick leave payments	5,000	5,500	5,500
138,022	---	-133,000	5,022	5,022	Sub-Total	140,000	75,500	75,500
(---)	(---)	(---)	(---)	(---)	Less: <u>Tentative allocation for Salary and Other Benefits</u>	(135,000)	(---)	(---)
138,022	---	-133,000	5,022	5,022	<u>Total Special Purpose</u>	5,000	75,500	75,500

It is recommended that the sums hereinabove appropriated to the various departments, agencies, commissions, or institutions of higher education for the cost of salaries, wages, or other benefits shall be allotted as the Director of the Division of Budget and Accounting shall determine.

It is further recommended that the State Treasurer, the Commissioner of Personnel, and the Director of the Division of Budget and Accounting shall establish rules and regulations governing salary ranges and rates of pay. The implementation of such rules and regulations shall be made effective at the beginning of the bi-weekly pay period nearest July 1, 1989 or thereafter as determined by such rules and regulations, with timely notification of such rules and regulations to the Joint Budget Oversight Committee or its successor.

It is further recommended that any sums appropriated for salaries shall be made available for any person holding State office, position or employment, whose compensation is paid directly or indirectly, in whole or in part, from State funds, including any person holding office, position or employment in any educational institution for which appropriations are made to Rutgers, The State University; the University of Medicine and Dentistry of New Jersey or to the State Board of Higher Education for the New Jersey Institute of Technology; or holding office, position or employment under the Delaware River Joint Toll Bridge Commission, the Palisades Interstate Park Commission, and the Interstate Sanitation Commission.

It is further recommended that, in addition to the amount hereinabove for unused accumulated sick leave payments, there be appropriated such additional sums as may be necessary for payments of unused accumulated sick leave.

It is further recommended that, notwithstanding the provisions of section 1 of P.L. 1974, c.55 (C.52:14-15.107), as amended, the amounts appropriated to the various departments for salaries shall be available to provide for payment of such salaries to the heads of the principal Executive departments and the members of the Board of Public Utility Commissioners as the Governor shall fix and establish, but not to exceed \$95,000 for any individual.

It is further recommended that no salary range or rate of pay shall be increased or paid in any State department, agency, commission or higher education institution without the approval of the Commissioner of Personnel and the Director of the Division of Budget and Accounting; provided, however, that any sums appropriated to the several departments for salaries be made available for salary adjustments therein, arising from various exigencies of the State service including employees assigned to the Senior Executive Service, as the Commissioner of Personnel and the Director of the Division of Budget and Accounting, shall determine. Nothing herein shall be construed as applicable to unclassified personnel of the Legislative Branch or the unclassified personnel of the Judicial Branch.

NOTES