

INTER-DEPARTMENTAL ACCOUNTS

INTER-DEPARTMENTAL ACCOUNTS OVERVIEW

The Interdepartmental Accounts provide funding for Property Rentals, Insurance and Other Services, Utilities and Other Services, Employee Benefits, State Contingency Fund, and Salary and Other Benefits.

The Property Rentals account provides for payment of rents for existing and anticipated leases of offices and other facilities used by State agencies. This account also subsumes lease-purchase rental agreements for buildings whose titles will pass to the State upon the final lease payment. The debt service associated with the State's lease-purchase of facilities acquired or built by authorities such as the New Jersey Building Authority, Sports and Exposition Authority, Mercer County Improvement Authority and the Economic Development Authority or private parties are also included in the Rent Account. Properties acquired or built by authorities are not considered as ratable properties, and payments in lieu of taxes are also made available through the Rent Account. The FY 1996 Recommendation for property rentals shows an increase of \$28.6 million. A significant portion of this increase is due to the increase in the debt service for the New Jersey Building Authority from \$15.7 million to \$36.4 million. This increased debt service is attributable to a January 1994 issuance of debt to finance a 3,000 bed prison in Bridgeton, to renovate various historical buildings in the Capital Complex — the War Memorial, the Old Barracks and Brownstones adjacent to the State House, and office buildings housing the the Division of Taxation and the Departments of Labor and Education. The additional factors contributing to the the increase in property rentals are increases for existing lease commitments, as well as funding for construction of the Newark Performing Arts Center through the Economic Development Authority.

The Insurance and Other Services Account includes funding for insurance premiums for property, casualty, and special insurance policies for the State of New Jersey. The insurance policies provided include various items such as coverage to insure against loss to State-owned real and personal property, boilers and machinery, fine arts and liability. The insurance accounts also provide self-insurance funds to cover claims that may be brought against a State entity as a result of negligence ensuing in injury or death to a person or damage to or loss of property (Tort Claims Liability), employees medical costs (Worker's Compensation), vehicle liability claims for property damage and for injuries resulting from the negligent operation of a State vehicle by its employees (Vehicle Claims Liability), payment of losses within the deductible areas of primary insurance coverage (Self-Insurance Deductible) and payment of claims and expenses arising out of the operation of the Foster Parent Program (Self-Insurance Fund-Foster Parents).

The fiscal year 1996 Recommendation contains an increase of \$2.9 million. Of this amount, \$700,000 is necessary to pay for losses that will become due and payable in 1996 from the Vehicle Claims Liability Fund. The premiums the State maintains as part of the Master Property Program is increasing by \$2 million in fiscal year 1996. The primary factors associated with this increase, are the estimated replacement value of new State buildings projected for occupancy in 1996, and the assimilation of assets as a result of the County Court Unification.

The Utilities and Other Services account funds the fuel, utility, janitorial and trash removal costs for the Capitol Complex facilities and the Camden Aquarium. The FY 1996 Recommendation is decreasing by \$1.0 million. This decrease is largely a result of energy savings initiatives. Savings in this account are partially offset by a 3 percent projected rate hike for utility expenses.

The Employee Benefits budget consists of a variety of pension accounts, health benefits accounts, Social Security Tax, and a number of other employment insurance accounts. The Fiscal Year 1996 budget proposes a number of initiatives expected to save the State approximately \$58.9 million. The Fiscal Year 1996 pension recommendations include the continuing savings from the Fiscal Year 1994 pension reforms of approximately \$176.7 million. For the seven State retirement systems, and other special acts, the recommendation is \$297.7 million.

In the area of health benefits, the State provides coverage for health insurance, dental insurance, vision care, and a prescription drug program. This budget provides for the continuation of all programs, and the initiative of N. J. Plus as the new "benchmark", at a total cost of \$538.6 million. The State continues to work toward lower health insurance premiums through a more educated workforce, more efficient health care, and less costly and redundant administrative practices.

In addition, the State appropriates contingency funds for unexpected or emergency needs. Other services include the 911 emergency telephone now statewide, with a recommendation of \$12.6 million, appropriations to pay interest on short term notes if the State needs to borrow cash temporarily, and numerous other smaller expenditures.

Finally, funds are recommended to support increments for active employees, COLA for State Police, and unused accumulated sick leave payments for retiring State employees in the Salary and Other Benefits account. The Fiscal Year 1996 budget recommends a net \$53.9 million for those purposes.

INTER-DEPARTMENTAL ACCOUNTS

SUMMARY OF APPROPRIATIONS BY PROGRAM (thousands of dollars)

Year Ending June 30, 1994					Year Ending June 30, 1996		
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	1995 Adjusted Approp.	Requested	Recom- mended
181,936	6,025	-500	187,461	184,205			
48,651	3,014	80	51,745	50,205			
1,088,836	2	-7,964	1,080,874	983,475			
36,550	1,076	-3,487	34,139	28,289			
1,070	—	13,655	14,725	10,023			
18,763	—	498	19,261	19,226			
1,375,806	10,117	2,282	1,388,205	1,275,423			
					General Government Services		
					198,148	226,760	226,760
					52,266	55,140	55,140
					1,140,363	1,235,381	1,181,481
					25,365	65,314	40,314
					4,723	58,974	53,974
					20,206	19,200	19,200
					1,441,071	1,660,769	1,576,869
					Total Appropriation		

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 is self insured. 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 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 State laws 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; (7) 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; (8) 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; (9) and the pension and the non-contributory group life insurance 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, and by the public institutions of higher education in the State. Funds are also provided for the payments for non-contributory group life insurance covering employees of the State and other participating employers in the retirement system (C43:15A-1 et seq.); the State's share of Social Security Tax (C43:22-1 et seq.); Pension Adjustment Act (C3:3B-1 et seq.) providing increases in benefits payable to members of State retirement systems; and the employer's share of health benefits charges for State employees enrolled in the public and school employees' health benefits program. Under C52:14-17.25 et

seq., the administration of this program was transferred to the Division of Pensions.

The Alternate Benefit Program was established (NJS 18A:64C-11.1, NJS 18A:65-74 and C18A:66-130), for faculty and staff members at the University of Medicine and Dentistry of New Jersey; Rutgers, The State University; the New Jersey Institute of Technology; and the State Colleges. The employer contribution to this retirement 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 are 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 (C52:14-17.29) 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 co-payment charge for each eligible prescription and prescription refill, with no co-pay for mail order. The co-payment charge is dependent upon whether the employee chooses a prescription which is generic or non-generic. 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 other contingencies which cannot be predicted with sufficient certainty to be included within the budget recommendations of individual departments or agencies. Included are the Governor's Emergency Fund, the premium portion of required payments for short term notes, seed money to implement cost saving processes, the 911 emergency telephone payments, and other productivity improvements as appropriate.
05. **Salary and Other Benefits.** Includes funds to be allotted to the various State departments or agencies for the cost of general and special salary adjustments, unused accumulated sick leave, and other special salary-related benefits.
06. **Utilities and Other Services.** Provides for payment of fuel, utilities, janitorial services, and trash removal for State-owned and lease-purchase facilities primarily in the Capitol district.

INTER-DEPARTMENTAL ACCOUNTS

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1994					Year Ending June 30, 1996				
Orig. & (S) Supplemental	Reapp. & (R) Recpts.	Transfers & (B) Emergencies	Total Available	Expended	Prog. Class.	1995 Adjusted Approp.	Requested	Recommended	
181,936	6,025	-500	187,461	184,205					
48,651	3,014	80	51,745	50,205					
<u>18,763</u>	<u>—</u>	<u>498</u>	<u>19,261</u>	<u>19,226</u>					
249,350	9,039	78	258,467	253,636					
Distribution by Program									
					01	198,148	226,760	226,760	
					02	52,266	55,140	55,140	
					06	<u>20,206</u>	<u>19,200</u>	<u>19,200</u>	
						270,620	301,100	301,100	
Distribution by Object									
18,763	—	-2,594	16,169	16,158		16,814	16,200	16,200	
2,011	—	3,172	5,183	5,010		5,958	7,440	7,440	
157,784	—	-220	157,564	154,610		146,909	151,523	151,523	
7,298	—	—	7,298	7,298		7,298	7,298	7,298	
12,920	—	—	12,920	12,920		12,920	14,220	14,220	
18,670	—	80	18,750	18,750		35,290	35,319	35,319	
17,506	—	-360	17,146	16,937		15,684	36,436	36,436	
14,607	—	—	14,607	14,607					
						17,445	19,362	19,362	
<u>228,785</u>	<u>—</u>	<u>-500</u>	<u>228,285</u>	<u>225,122</u>		235,546	264,158	264,158	
(46,849)	—	—	(46,849)	(46,849)		(37,398)	(37,398)	(37,398)	
<u>181,936</u>	<u>—</u>	<u>-500</u>	<u>181,436</u>	<u>178,273</u>		198,148	226,760	226,760	
1,089	-1	—	1,088	1,062		1,440	3,400	3,400	
802	89	—	891	772		977	852	852	
120	-8	—	112	108		149	188	188	
<u>2,011</u>	<u>80</u>	<u>—</u>	<u>2,091</u>	<u>1,942</u>		2,566	4,440	4,440	
	6,025	—	6,025	5,932	01	—	—	—	
6,000						6,000			
2,500 ^S	2,410	—	10,910	10,777	02	6,000 ^S	12,000	12,000	
27,000									
5,000 ^S	65	—	32,065	31,734	02	32,000	32,000	32,000	
3,000						3,000			
2,740 ^S	271	—	6,011	5,452	02	2,000 ^S	5,700	5,700	
400	100	—	500	179	02	500	800	800	
<u>—</u>	<u>168</u>	<u>—</u>	<u>168</u>	<u>121</u>	02	<u>200</u>	<u>200</u>	<u>200</u>	
46,640	9,039	—	55,679	54,195		49,700	50,700	50,700	

Note: (a) Property Rentals reflects off-to-on budget shift in funding for the Department of Environmental Protection, and the movement of Grants-In-Aid funding from the Department of Corrections for leased facilities. Prior year appropriation history has been converted to reflect these shifts in funding.

INTER-DEPARTMENTAL ACCOUNTS

PROPERTY RENTALS DISTRIBUTION BY AGENCY

	Existing and Approved Leases	Debt Service Leases and Tax Payments	Total Cost
Legislature	1,053	5,130	6,183
Chief Executive Office	153	—	153
Agriculture	37	540	577
Banking	—	343	343
Commerce and Economic Development	693	3,914	4,607
Community Affairs	1,579	2,023	3,602
Corrections	6,834	14,866	21,700
Education	3,604	2,033	5,637
Environmental Protection & Energy	10,940	4,685	15,625
Health	4,085	—	4,085
Human Services	29,063	356	29,419
Insurance	390	1,679	2,069
Labor	19,130	1,598	20,728
Law and Public Safety	13,158	5,870	19,388
Military and Veterans' Affairs	1,182	44	1,226
Personnel	5,567	—	5,567
State	11,038	3,554	14,592
Transportation	10,009	12,204	22,213
Treasury	21,523	6,292	27,816
Judiciary	3,682	4,399	8,081
Interdepartmental	7,364	7,787	15,151
Miscellaneous Commissions	<u>77</u>	<u>—</u>	<u>77</u>
 Total Cost of Allocated Space	 151,523	 75,465	 228,839
 Sports and Exposition Authority			 <u>35,319</u>
 Grand Total			 264,158

LANGUAGE PROVISIONS

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 agency financed from 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 for leases negotiated by the Office of Property Management and subject to approval or disapproval by the State Leasing and Utilization Committee pursuant to P.L. 1992, c.130 (C.52:18A-191.1 et seq.), and except as hereinafter provided, no lease for the rental of any office or building 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, an amount not to exceed \$3,000,000 be appropriated to implement the Facilities Master Plan, subject to the approval of the Director of the Division of Budget and Accounting.

It is further recommended that the amount hereinabove for Newark Performing Arts Center account be used to pay the State's obligations pursuant to a lease with the New Jersey Economic Development Authority for the lease of real property and infrastructure improvements and the Performing Art Center structure to be constructed thereon purchased by the authority for the State in the city of Newark for the purpose of constructing buildings to comprise a Performing Arts Center. Notwithstanding any other provision of law, the State Treasurer may enter into a lease with the New Jersey Economic Development Authority to lease the real property and improvements thereon purchased or caused to be constructed by the authority for the State in the city of Newark for the Performing Arts Center, subject to the prior written consent of the Director of the Division of Budget and Accounting, the President of the Senate and the Speaker of the General Assembly. Upon the final payment of the State's obligations pursuant to the lease for the real property and infrastructure improvements purchased by the authority, the title to the real property and improvements shall revert to the State. The State may sublease the land and facilities for the purpose of operating, maintaining or financing a Performing Arts Center in Newark. Any sublease for use of land and improvements acquired for the State by the New Jersey Economic Development Authority for the Performing Arts Center shall be subject to the prior written approval of the Director of the Division of Budget and Accounting and the Joint Budget Oversight Committee, or its successor.

INTER-DEPARTMENTAL ACCOUNTS

- It is further recommended that there be appropriated such additional sums as may be required to pay future debt service costs for projects undertaken by the New Jersey Building Authority, subject to the approval of the Director of the Division of Budget and Accounting.
- It is further recommended that the unexpended balance as of June 30, 1995 in the Master Lease Program Fund be appropriated for the same purpose.
- It is further recommended that the unexpended balance as of June 30, 1995 in the Tort Claims Liability Fund account created by N.J.S.A. 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.A. 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.A. 59:12-1 be available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the Fund.
- It is further recommended that, to the extent that sums appropriated to pay Workers' Compensation claims under N.J.S.A. 34:15, et. seq., 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.
- It is further recommended that the amount hereinabove for the Workers' Compensation Self-Insurance Fund under N.J.S.A. 34:15-1 be available for the payment of direct costs of legal, investigative, and medical services related to the investigation, mitigation 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 amount hereinabove for the Vehicle Claims Liability Fund be available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the Fund.
- It is further recommended that the unexpended balances as of June 30, 1995 in the Inter-departmental accounts for automobile insurance be appropriated as a reserve for payment of vehicular claims settlements and judgments, payment of vendored claims, investigative costs, or for the reallocation to departments based on loss experience.
- It is further recommended that the amount hereinabove for the Self-Insurance Fund - Foster Parents be available for the payment of direct costs of legal, investigative and medical services related to the investigation, mitigation and litigation of claims against the Fund.
- It is further recommended that the unexpended balances as of June 30, 1995 in the Self-Insurance Deductible Fund, and in the Workers' Compensation Self-Insurance Fund be appropriated for the same purposes.
- It is further recommended that the unexpended balance as of June 30, 1995, not to exceed \$200,000, in the Self-Insurance Fund-Foster Parents be appropriated for the same purpose.
- 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, 1995 in the Vehicle Claims Liability Fund be appropriated for the same purpose.
- 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 Defender for the defense of indigents.
- It is further recommended that funds appropriated to the Tort Claims Liability Fund be available for the indemnification of designated pathologists engaged by the State Medical Examiner.
- It is further recommended that there be appropriated such additional sums as may be required to pay all insurance costs incurred by the county courts after January 1, 1995, at which time these responsibilities pass to the State as a result of the passage of P.L.1993, c.275, subject to the approval of the Director of the Division of Budget and Accounting.

INTER-DEPARTMENTAL ACCOUNTS

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL

74. GENERAL GOVERNMENT SERVICES

9410. EMPLOYEE BENEFITS

EVALUATION DATA

	Actual FY 1993	Actual FY 1994	Revised FY 1995	Budget Estimate FY 1996
PROGRAM DATA				
Employee Benefits				
Health Act Pensioners	3	2	2	2
Veterans' Act Pensioners	10	10	10	10
Miscellaneous Special Act Pensioners	1	—	—	—
Judicial Retirement System				
Assets	\$108,677,009	\$114,763,581	\$121,049,095	\$128,948,359
Active Members	411	406	416	426
Pensioners	294	299	310	322
Annual Pensions	\$13,960,603	\$14,754,966	\$15,820,274	\$16,962,498
Prison Officers' Pension Fund				
Assets	\$825,387	\$738,282	\$650,054	\$593,956
Active Members	1	—	—	—
Pensioners	325	317	311	306
Public Employees' Retirement System				
Assets	\$10,082,773,230	\$10,603,436,425	\$11,133,608,246	\$11,690,288,658
Total Members	282,634	281,922	281,366	288,083
State (Active)	73,767	72,581	78,884	78,884
State (Inactive)	9,476	9,377	9,373	9,369
Local	199,391	199,304	196,008	199,830
Pensioners	77,961	81,852	86,133	90,638
Annual Pensions	\$545,665,219	\$619,573,873	\$696,401,033	\$782,754,781
Lump Sum Death Benefits	\$71,424,134	\$75,040,407	\$79,835,489	\$84,938,977
State Police Retirement System				
Assets	\$621,114,198	\$672,400,818	\$706,020,859	\$741,821,902
Total Members	2,476	2,429	2,443	2,458
Active	2,447	2,402	2,418	2,434
Inactive	29	27	25	24
Pensioners	1,361	1,377	1,418	1,461
Annual Pensions	\$34,119,639	\$35,823,749	\$37,973,174	\$40,251,564
Police and Firemen's Retirement System				
Assets	\$6,134,864,823	\$6,637,337,812	\$7,209,476,114	\$7,830,932,955
Total Members	36,740	38,884	39,868	40,879
State (Active)	5,428	5,869	6,121	6,384
State (Inactive)	477	362	373	384
Local	30,835	32,652	33,374	34,111
Pensioners	14,763	18,019	17,027	18,098
Annual Pensions	\$304,477,555	\$341,404,377	\$389,474,114	\$444,312,069
Lump Sum Death Benefits	\$18,020,245	\$17,034,993	\$19,580,021	\$22,505,276
Alternate Benefits Program				
Total Active Members	11,972	12,477	13,101	13,756
State	9,328	9,725	10,211	10,722
County	2,644	2,752	2,890	3,034
Teachers' Pension and Annuity Fund				
Assets	\$12,110,398,701	\$12,757,021,691	\$13,395,187,776	\$14,064,347,164
Total Members	118,052	118,210	120,505	121,821
State	606	662	515	472
County	117	109	100	92
Local	117,329	118,539	119,890	121,257
Pensioners	38,636	39,691	40,985	42,321
Health Benefits Program				
Covered Members	309,020	311,721	309,356	307,936
State	113,503	115,137	122,263	122,263
Local	195,517	196,584	187,093	185,673

INTER-DEPARTMENTAL ACCOUNTS

70. GOVERNMENT DIRECTION, MANAGEMENT AND CONTROL
 74. GENERAL GOVERNMENT SERVICES
 9420. STATE CONTINGENCY AND OTHER FUNDS

APPROPRIATIONS DATA
 (thousands of dollars)

Year Ending June 30, 1994					Year Ending June 30, 1996				
Orig. & (S)Supplemental	Reapp. & (R)Recpts.	Transfers & (E)Emergencies	Total Available	Expended	Prog. Class.	1995 Adjusted Approp.	Requested	Recommended	
<u>36,550</u>	<u>1,076</u>	<u>-3,487</u>	<u>34,139</u>	<u>28,289</u>	Distribution by Program				
36,550	1,076	-3,487	34,139	28,289	04	25,365	65,314	40,314	
					State Contingency Fund				
					Total Appropriation				
						25,365	65,314	40,314	
					Distribution by Object				
					Special Purpose:				
2,000	—	-1,702	298	—	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				
					04	2,000	2,000	2,000	
1,500	—	-1,495	5	—	04	1,500	1,500	1,500	
20,400 ^S	—	—	20,400	15,526	04	400	25,400	25,400	
					LESS:				
					04	—	—	-25,000	
<u>20,400</u>	<u>—</u>	<u>—</u>	<u>20,400</u>	<u>15,526</u>		400	25,400	400	
					Local Exam and Discrimination Adjudication Costs				
600 ^S	—	—	600	256	04	8,000	—	—	
					04	600	600	600	
					04	860	110	110	
					04	—	13,000	13,000	
					04	—	100	100	
					04	—	10,000	10,000	
50	—	—	50	50	04	—	—	—	
<u>12,000</u>	<u>1,076</u>	<u>-290</u>	<u>12,786</u>	<u>12,457</u>	04	12,005	12,604	12,604	
36,550	1,076	-3,487	34,139	28,289	Total Special Purpose				
						25,365	65,314	40,314	

LANGUAGE PROVISIONS

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

It is further recommended that balances resulting from the implementation of cost savings processes or other productivity improvements be transferred to the Productivity Improvements Account as the Director of the Division of Budget and Accounting shall determine.

INTER-DEPARTMENTAL ACCOUNTS

It is further recommended that revenue in excess of anticipation, resulting from the implementation of a revenue producing improvement be appropriated as determined by the Director of the Division of Budget and Accounting for other productivity improvements.

It is further recommended that the Director of the Division of Budget and Accounting shall transfer to the agency which will house the Juvenile Administration the amount appropriated for the Juvenile Justice Reform Initiative.

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

APPROPRIATIONS DATA (thousands of dollars)

Year Ending June 30, 1994					Year Ending June 30, 1996				
Orig. & (S)Supple- mental	Reapp. & (R)Recpts.	Transfers & (E)Emer- gencies	Total Available	Expended	Prog. Class.	1995 Adjusted Approp.	Requested	Recom- mended	
Distribution by Program									
1,070	—	13,655	14,725	10,023	05	170,525	58,974	53,974	Salary and Other Benefits
1,070	—	13,655	14,725	10,023		170,525	58,974	53,974	<i>Subtotal</i>
LESS:									
(—)	(—)	(—)	(—)	(—)		(165,802)	(—)	(—)	<i>Tentative allocation for Salary and Other Benefits</i>
(—)	(—)	(—)	(—)	(—)		(165,802)	(—)	(—)	<i>Total Deductions</i>
1,070	—	13,655	14,725	10,023		4,723	58,974	53,974	Total Appropriation
Distribution by Object									
Special Purpose:									
1,538	—	-538	—	—	05	27,963	27,902	27,902	Salary and Benefits Increases-Increments
-1,000 ^S	—	—	—	—					
81	—	-81	—	—	05	91,553	—	—	Salary and Benefits Increases-Cost of Living Adjustments
451	—	-426	25	—	05	48,009	27,772	27,772	Salary and Benefits Increases-Deferred Cost of Prior Contract (COLA and Increments)
3,000	—	3,000	3,000	3,000	05	3,000	3,300	3,300	Unused Accumulated Sick Leave Payments
-3,000 ^S	—	—	—	—					
16,000	—	11,700	11,700	7,023	05	—	—	—	Unused Accumulated Sick Leave Costs Associated With the Early Retirement Program
-16,000 ^S	—	—	—	—					
LESS:									
—	—	—	—	—	05	—	—	-5,000	<i>Savings From Overtime and Other Initiatives</i>
1,070	—	13,655	14,725	10,023		170,525	58,974	53,974	<i>Total Special Purpose</i>
1,070	—	13,655	14,725	10,023		170,525	58,974	53,974	<i>Subtotal</i>
(—)	(—)	(—)	(—)	(—)		(165,802)	(—)	(—)	<i>Less Deductions</i>

LANGUAGE PROVISIONS

It is recommended that the sums hereinabove appropriated to the various State 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 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, the State Colleges or to the State Treasurer for the New Jersey Institute of Technology; or holding office, position or employment under the Palisades Interstate Park Commission or the Pinelands 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 the payments of unused accumulated sick leave.

INTER-DEPARTMENTAL ACCOUNTS

It is further recommended that no salary range or rate of pay shall be increased or paid in any State department, agency, or commission without the approval of the Commissioner of Personnel and the Director of the Division of Budget and Accounting. Nothing herein shall be construed as applicable to unclassified personnel of the Legislative Branch, or the unclassified personnel of the Judicial Branch.

It is further recommended that notwithstanding the provisions of any other laws, including R.S. 34:15-49 and section 1 of P.L. 1981, c.353 (C.34:15-49.1), the State Treasurer, the Commissioner of Personnel, and the Director of the Division of Budget and Accounting shall establish directives governing salary ranges and rates of pay, including salary increases. The implementation of such directives shall be made effective at the first full pay period of Fiscal Year 1996 as determined by such directives, with timely notification of such directives to the Joint Budget Oversight Committee or its successor. Such directives shall not be considered an "administrative rule" or "rule" within the meaning of subsection (e) of section 2 of P.L. 1968, c.410 (C.52:14B-2), but shall be considered exempt under paragraphs (1) and (2) of subsection (e) of section 2 of P.L. 1968, c.410(C.52:14B-2), and shall not be subject to the "Administrative Procedure Act" P.L.1968, c.410(C.52:14B-1 et seq.). Nothing herein shall be construed as applicable to the Presidents of the State Colleges, Rutgers, The State University; the University of Medicine and Dentistry of New Jersey, and the New Jersey Institute of Technology.

It is further recommended that in addition to the sums hereinabove for Salary and Other Benefits, the Director of the Division of Budget and Accounting shall transfer or credit to this classification a sum of up to \$5,000,000 from appropriations made to various spending agencies salary accounts to reflect savings from overtime or other initiatives to reduce salary expenditures. This additional sum shall be appropriated for the Salary and Other Benefits classification.

1,375,806	10,117	2,282	1,388,205	1,275,423	Total Appropriation, Inter-Departmental Accounts	1,441,071	1,660,769	1,576,869
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