



Office of the **Merit Commissioner**

**Budget Submission
Fiscal Years
2011/12 – 2013/14**

**Presented to
The Select Standing Committee on Finance and Government Services
Legislative Assembly of British Columbia**

November 23, 2010



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Overview

This is the budget submission for the Office of the Merit Commissioner. It is accompanied by the Service Plan for 2011/12 to 2013/14 which describes the broad direction for the Office over the three-year time horizon, starting in the fiscal year 2011/12. This budget request to the Committee is mindful that government delivers services from a limited public purse. For the coming fiscal year, aside from previously approved requirements related to rent and the amortization of tenant improvement costs incurred in 2010/11, I am prepared to manage within my existing budget allocation.

The Committee may have noted that the budget for 2009/10 was underspent. Due to the absence of a Merit Commissioner for a significant portion of the fiscal year, expenditures and long-term commitments were not made, new initiatives were not undertaken and new staff was not hired. At this point vacancies have been filled; contracts have been undertaken with five auditors; with advice from a new Audit Advisory Committee, a robust audit plan for the coming years has been developed; and work is underway on a number of special studies and initiatives. Plans are such that the Office intends to make efficient and effective use of the budget allocation in the current and coming years.

The request for additional funds in 2011/12 for building occupancy and amortization is a direct result of the relocation of the Office of the Merit Commissioner to shared accommodation at 947 Fort Street under a 15-year lease agreement, as recommended by the Select Standing Committee on Finance and Government Services in the fall of 2008. Construction of the space was completed on time and within the 2010/11 budget approved by the Committee. Fiscal 2011/12 is the first full year at the building. The request for an increase in building occupancy also includes the cost of the remaining lease at the Office's previous location at 1070 Douglas Street. Shared Services BC, the province's lease manager, is responsible for sub-leasing this space. To date, they have not found a new tenant and are unable to predict when they may be successful in doing so. (Should a new tenant be found within the fiscal year, the Office of the Merit Commissioner will return the directly-related funds.)

The operating budget request is sufficient to allow an efficient office with four staff to carry out an ambitious plan of annual and special audits, respond promptly and appropriately to requests from employees for reviews of appointment decisions, and to communicate the value of merit and its impact on employee engagement and productivity.

Mandate

The Merit Commissioner’s Office provides independent oversight and insight into merit-based hiring in the BC Public Service.

All appointments to and within the Public Service must be made on the principle of merit. Merit means that appointments are made on the basis of an assessment of competence and ability to do the job, and are not influenced by patronage. To carry out this mandate we focus on our core services: annual and special audits; independent staffing reviews; and education about the requirement of merit-based staffing.

The Office provides credible and relevant information about staffing on which the employer will act to produce positive changes. These outputs all support the long-term goal of building public confidence and a strong consensus that the Public Service is qualified, and hired fairly according to the principle of merit.

Priorities for Fiscal 2011/12

The Service Plan provides details that support each of the following priorities.

- Conduct a robust merit performance audit incorporating a revised audit system and audit program adjusted to the fundamental change to hiring practices introduced by the BC Public Service Agency.
- Introduce a special stratification of appointments audited on an ongoing basis selected to allow a focus on occupational groups where merit-based hiring is considered at higher risk. (These groups are those where the BC Public Service Work Environment Survey (WES) results have indicated low confidence that hiring is based on merit in their work-unit, or where collective staffing approaches are being implemented.)
- Conduct a special audit of temporary appointments originally intended to be under seven months but which have continued significantly beyond that timeframe.
- Undertake a special audit of auxiliary appointments, depending on the outcome of the statistical analysis to be conducted in 2010/11.
- Carry out a special study related to lateral transfers, and a special study related to merit-based hiring in specific ministries.

Statement of Operations

(Previous and Current Fiscal Years)

	Fiscal 2009/10 (previous)		Fiscal 2010/11 (current)
	Budget	Actual	Budget
Funding			
Voted Appropriation	955,000	729,999	965,000
Total	955,000	729,999	965,000
Expense Type			
Salaries	541,000	395,030	534,000
Employee Benefits	102,000	68,841	109,000
Travel	25,000	13,923	13,000
Centralized Management Support Services	80,000	60,483	0
Professional Services	100,000	108,916	100,000
Information Systems	20,000	30,197	31,000
Office and Business Expenses	45,000	39,649	25,000
Information, Advertising and Publications	2,000	142	2,000
Statutory Advertising and Publications	5,000	1,094	5,000
Utilities , Materials and Supplies	5,000	303	2,000
Amortization Expense	25,000	11,421	37,000
Building Occupancy	0	0	107,000
Other Expenses	5,000	0	0
Internal Recoveries	0	0	0
External Recoveries	0	0	0
Total Expenses	955,000	729,999	965,000
Capital Budget			
Info. Systems, & Furniture & Equipment	15,000	15,000	8,000
Tenant Improvements	0	0	144,000
Total	15,000	15,000	152,000

Proposed Operating Budget (By Standard Object of Expenditure (STOB))

		Fiscal 2010/11 (current) Budget	Fiscal 2011/12 (proposed) Estimates	Change	Fiscal 2012/13 Planned*	Fiscal 2013/14 Planned*
STOB Expense Type						
50	Salaries	392,000	392,000¹	0	392,000	392,000
51	Supplemental Salary	5,000	5,000	0	5,000	5,000
52	Employee Benefits	109,000	109,000¹	0	109,000	109,000
54	Officer of the Leg. Salary	137,000	137,000²	0	137,000	137,000
57	Travel	13,000	13,000	0	13,000	13,000
59	Centralized Mgmt Support Services	0	0	0	0	0
60	Professional Services	100,000	100,000	0	100,000	100,000
63	Information Systems	31,000	31,000	0	31,000	31,000
65	Office and Business Expenses	25,000	25,000³	0	25,000	25,000
67	Info., Advertising & Publications	2,000	2,000⁴	0	2,000	2,000
68	Statutory Adv. & Publications	5,000	5,000⁵	0	5,000	5,000
69	Utilities , Materials and Supplies	2,000	2,000⁶	0	2,000	2,000
73	Amortization Expense	37,000	54,000⁷	17,000	54,000	54,000
75	Building Occupancy	107,000	187,000⁸	80,000	169,000*	133,000*
85	Other Expenses	0	0	0	0	0
88	Internal Recoveries	0	0	0	0	0
90	External Recoveries	0	0	0	0	0
Total		965,000	1,062,000	97,000	1,044,000	1,008,000
Capital Budget						
	Info. Systems, Furniture & Equipment	8,000	15,000 ⁹	7,000	15,000	15,000
	Tenant Improvements	144,000	0	(144,000)	0	0
Total		152,000	15,000	(137,000)	15,000	15,000
Full Time Equivalent						
Total		4	4	0	4	4

* Fiscal 2012/13 and 2013/14 Planned Budgets reflect expiry of lease at former location on November 30, 2012.

Notes:

1. STOB 50 (Salaries) and STOB 52 (Employee Benefits) include funds for four positions in Fiscal 2011/12 (no change) and the Office's portion of Shared Services costs.
2. STOB 54 (Officer of the Legislature Salary) the salary for the Merit Commissioner is set by Order in Council.
3. STOB 65 (Office and Business Expenses) includes costs for office supplies, offsite file storage, postal and courier charges, printing and photocopying expenses (other than reports), newspaper subscriptions, staff training (including Pacific Leaders charges), and business meeting expenses.
4. STOB 67 (Information, Advertising and Publications) includes costs for office supplies, offsite storage, postal and courier charges, printing and photocopying expenses (other than reports), books and professional journals, staff training and business meeting expenses.
5. STOB 68 (Statutory Advertising and Publications) includes costs for preparation and printing of the Annual Report to the Legislature.
6. STOB 69 (Utilities, Materials, and Supplies) includes costs for utilities such as cablevision and recycling, books, and supplies.
7. STOB 73 (Amortization) is the cost of repaying the Capital Budget expenditures for tenant improvements, furniture and information systems hardware and software. Tenant improvements and furniture expenditures are amortized on a monthly basis over five years, whereas information systems expenditures are amortized over 3 years.
8. STOB 75 (Building Occupancy) is the Merit Commissioner's share of the consolidated office space for the four independent offices at 947 Fort Street. Occupancy commenced in October, 2010. The Fiscal 2011/12 Proposed Estimates includes the first full year of occupancy in the building. In addition, it includes the cost of rent at the Office's leased space at 1070 Douglas Street. Shared Services BC, the province's lease manager, is responsible for finding a tenant to lease this space. To date, they have not been successful. The Fiscal 2012/13 and Fiscal 2013/14 Planned Budgets reflect expiry of the lease on Nov. 30, 2012.
9. CAPITAL BUDGET is for the purchase of Information systems hardware and software and furniture as is consistent with 2009/10 Budget. Capital amounts are repaid through amortization in STOB 73.

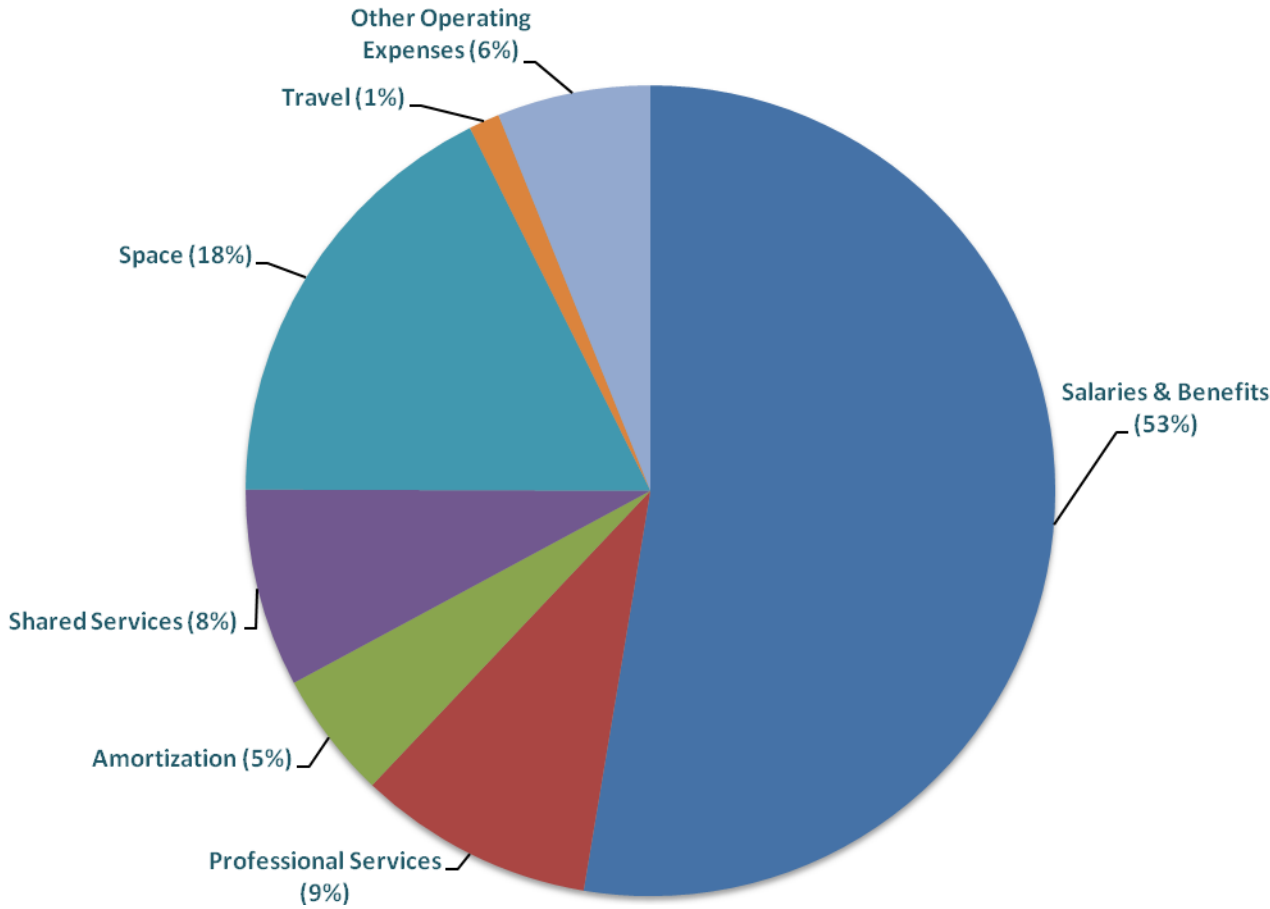
Proposed 2011/12 Budget (By Lines of Business)

Business Area	Current Year	Planned		
	Fiscal 2010/11	Fiscal 2011/12	Fiscal 2012/13	Fiscal 2013/14
Operating Expenses (\$000)				
Core Operating Services*	867	978	960	924
Shared Services	98	84	84	84
Total	965	1,062	1,044	1,008

Capital Budget (\$000)				
Info. Systems, Furniture & Equipment	8	15	15	15
Tenant Improvements	144	0	0	0
Total	152	15	15	15

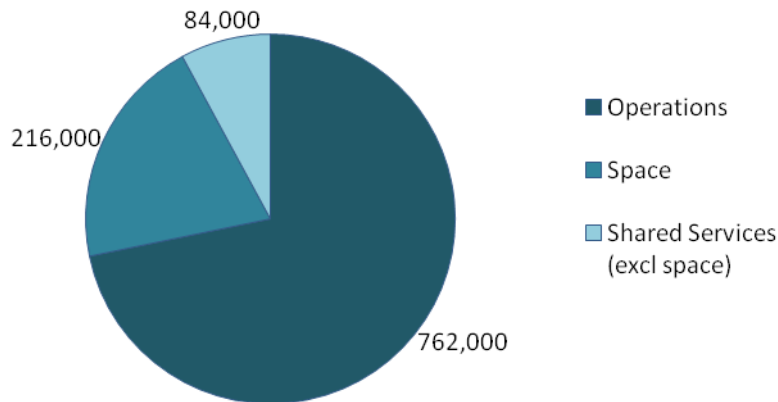
* Fiscal 2012/13 and 2013/14 Planned Budgets reflect expiry of lease at former location on November 30, 2012.

Fiscal 2011/12 Proposed Operating Budget by Expenditure Type

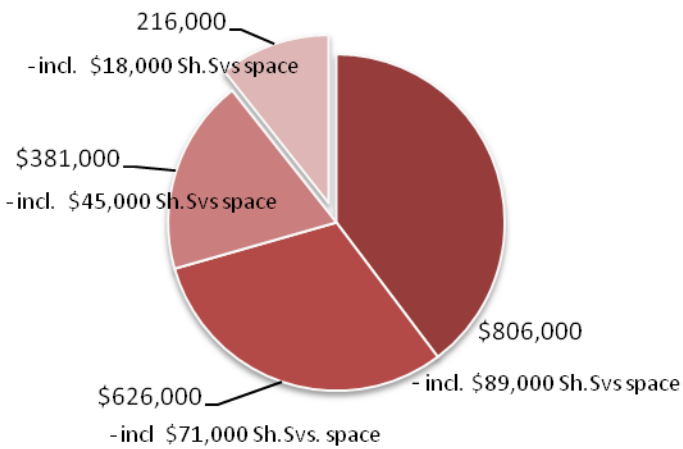


Fiscal 2011/12 Proposed Shared Services and Space Budgets

**Operating Budget Request
Office of the Merit Commissioner
Total: \$1,062,000**

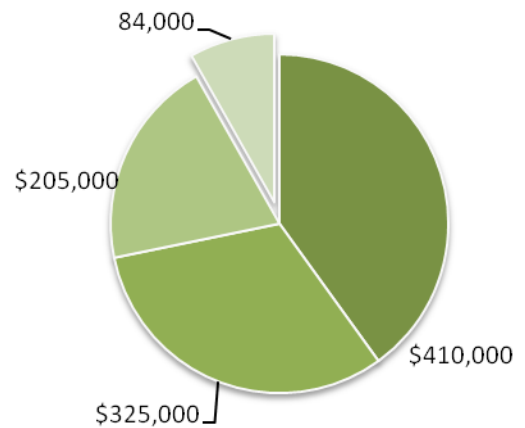


**Space Budget, All Offices
(incl. Amortization of Tenant Improvement Capital Costs)
Total: \$2,029,000**



- Ombudsperson
- Info & Privacy Comm.
- Police Complaint Comm.
- Merit Commissioner

**Shared Services Budget, All Offices
(excl. Space for Shared Services)
Total: \$1,024,000**



- Ombudsperson
- Info & Privacy Comm.
- Police Complaint Comm.
- Merit Commissioner