



Office of the  
**Merit Commissioner**

Budget Submission

Fiscal Years

**2016/17 – 2018/19**

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

**November 16, 2015**

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## Overview

Over the 2014/15 fiscal year, the Office of the Merit Commissioner managed its budget allocation effectively to fulfill its statutory mandate and deliver on plans and commitments as outlined in our Service Plan. The Office operated with a small complement of five staff. The Office also engages four external auditors on an as and when required contract basis, and consults as appropriate with an external Audit Advisory Committee. The Merit Commissioner serves as a part-time appointee.

The current budget submission for the Office of the Merit Commissioner is accompanied by the Service Plan for 2016/17 to 2018/19 which describes the broad direction for the Office over the same three-year time horizon. No budget increase is proposed for 2016/17; a minor \$2,000 increase is proposed in 2017/18 to offset costs for anticipated non-discretionary increases to salaries and benefits, as well as increasing building occupancy costs; and a subsequent \$2,000 increase is proposed in 2018/19 for similar purposes.

While the Office is prepared to absorb costs in 2016/17 associated with general increases to employee salaries and benefits, and to absorb additional costs associated with individual employee's anticipated leave requirements (such as, parental leave or long-term sick leave), given the limited budget flexibility associated with a small office, it is unlikely such costs can continue to be absorbed on an ongoing basis. Minor increases are requested to address the anticipated budget pressure.

Attached as Appendix A are the completed budget tables which provide detailed information in the format requested by the Select Standing Committee.



## Mandate

The Office of the Merit Commissioner was established as an independent office in 2006 following changes to the *Public Service Act* in 2005. The creation of an independent office allowed for a separation of the staffing audit and review function from the organization at the time which had responsibility for developing and implementing staffing policy; and was also intended to improve the efficiency of the process for final review of staffing decisions.

All appointments to and from within the public service must be made on the principle of merit. Merit is commonly accepted to mean that appointments are made on the basis of an assessment of competence and ability to do the job, and are not influenced by patronage. The Merit Commissioner has a mandate to provide independent oversight and insight into merit-based hiring in the BC Public Service through random audits of appointments and to act as the final level for review of staffing decisions, upon request.

The Office provides credible and relevant information about the quality and outcome of staffing processes. This information enables the employer to determine where amendment to policy or practice may be warranted and to bring positive change. The work of the Office supports the broader goal of building employee commitment as well as public confidence that BC's public service is qualified and that hiring is conducted in accordance with the principle of merit.

## Priorities for Fiscal 2016/17

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

- Conduct a Merit Performance Audit designed to examine appointments made to and from within the BC Public Service, report results to organization heads and the BC Public Service Agency, and formulate recommendations for improvement.
- Investigate and respond to employee requests for review of staffing decisions in a thorough and timely manner.
- Conduct an audit of auxiliary appointments.



## Statement of Operations

(Previous and Current Fiscal Years)

	Fiscal 2014/15 (previous)		Fiscal 2015/16 (current)
	Budget	Actual	Budget
<b>Funding</b>			
Voted Appropriation	1,039,000	1,013,939	1,054,000
<b>Total</b>	<b>1,039,000</b>	<b>1,013,939</b>	<b>1,054,000</b>

<b>Expenses (STOB)</b>			
Salaries (50, 51, 54)	582,000	540,876	483,000
Employee Benefits (52)	112,000	124,675	128,000
Travel (57)	13,000	15,287	15,000
Professional Services (60)	75,000	125,411	100,000
Information Systems (63)	31,000	16,881	23,000
Office and Business Expenses (65)	25,000	13,002	15,000
Information Reporting (67)	2,000	0	0
Statutory Reporting (68)	5,000	11,808	12,000
Utilities, Materials and Supplies (69)	2,000	3,465	4,000
Amortization (73)	54,000	33,418	28,000
Building Occupancy (75)	138,000	129,116	152,000
Other Expenses (85)	0	0	94,000
<b>Total Expenses</b>	<b>1,039,000</b>	<b>1,013,939</b>	<b>1,054,000</b>

<b>Capital Budget and Expenditures</b>			
Information Systems, Furniture and Equipment	15,000	12,271	15,000
<b>Total Capital</b>	<b>15,000</b>	<b>12,271</b>	<b>15,000</b>



## Proposed Budget

### By Standard Object of Expenditure (STOB)

STOB	Expense Type	Fiscal 2015/16 Current Budget	Fiscal 2016/17 Estimates	Change from 2015/16 to 2016/17	Fiscal 2017/18 Planned	Fiscal 2018/19 Planned
50	Salaries	346,000	<b>366,000<sup>1</sup></b>	20,000	367,000	368,000
52	Employee Benefits	128,000	<b>133,000<sup>1</sup></b>	5,000	133,000	133,000
54	Officer of the Legislature Salary	137,000	<b>137,000</b>		137,000	137,000
57	Travel	15,000	<b>15,000</b>		15,000	15,000
60	Professional Services	100,000	<b>100,000</b>		100,000	100,000
63	Information Systems	23,000	<b>21,000<sup>2</sup></b>	(2,000)	21,000	21,000
65	Office and Business Expenses	15,000	<b>15,000<sup>3</sup></b>		15,000	15,000
68	Statutory Advertising and Publications	12,000	<b>11,000<sup>4</sup></b>	(1,000)	11,000	11,000
69	Utilities, Materials and Supplies	4,000	<b>4,000<sup>5</sup></b>		4,000	4,000
73	Amortization Expense	28,000	<b>15,000<sup>6</sup></b>	(13,000)	15,000	15,000
75	Building Occupancy	152,000	<b>145,000<sup>7</sup></b>	(7,000)	146,000	147,000
85	Other Expenses	94,000	<b>92,000<sup>8</sup></b>	(2,000)	92,000	92,000
	<b>Total</b>	<b>1,054,000</b>	<b>1,054,000</b>	-	1,056,000	1,058,000
<b>Capital Budget</b>						
	Information Systems, Furniture and Equipment	15,000	<b>15,000<sup>9</sup></b>		15,000	15,000
	<b>Total</b>	<b>15,000</b>	<b>15,000</b>		<b>15,000</b>	<b>15,000</b>

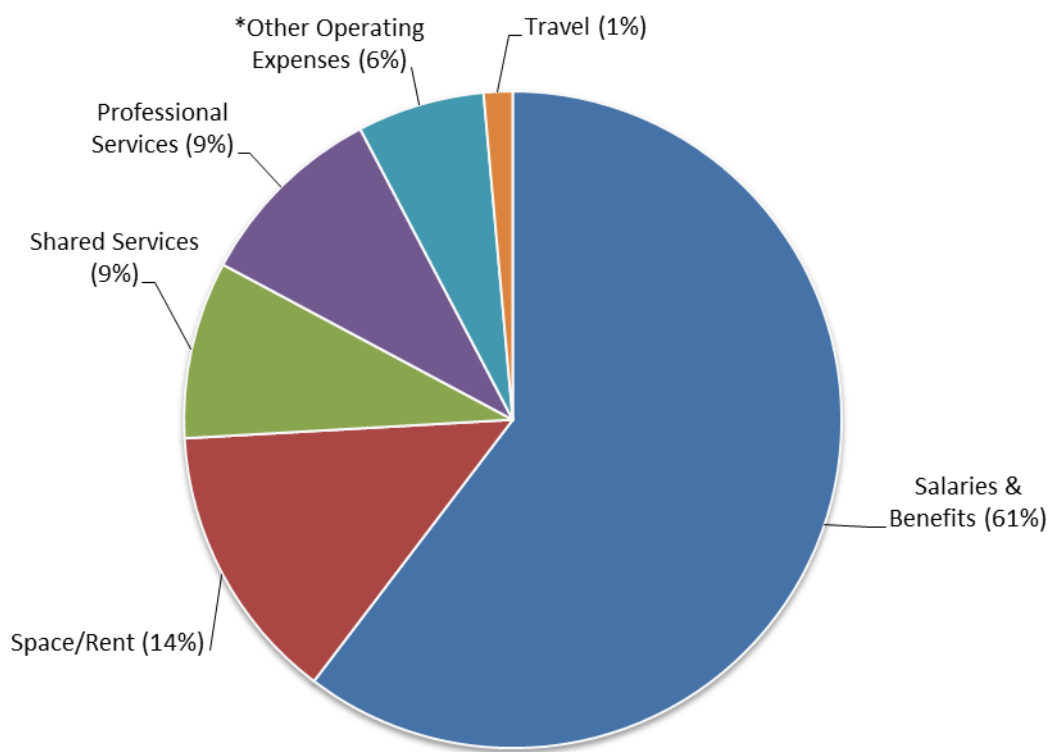


## Notes:

1. STOB 50 (Salaries) and STOB 52 (Employee Benefits) includes salaries for existing staff positions and the known financial impact of the salary increases for Schedule A (union classified).
2. STOB 63 (Information Systems) includes data lines, IDIR accounts, voice services, software licensing, data communication, network security and supplies.
3. STOB 65 (Office & Business Expenses) includes costs for office stationery and supplies, offsite file storage, postal and courier charges, printing expenses (other than reports), news subscriptions, staff training, photocopier leases, and business meeting expenses.
4. STOB 68 (Statutory Advertising & Publications) includes costs for preparing and printing the Annual Report to the Legislature.
5. STOB 69 (Utilities, Materials & Supplies) includes costs for utilities, recycling, books and supplies.
6. STOB 73 (Amortization) is the cost of repaying the Capital budget expenditures for information systems hardware and software, tenant improvements and office furniture. Expenditures for information systems are amortized over three or five years depending on nature of the purchase. Expenditures for tenant improvements and office furniture are amortized over five years.
7. STOB 75 (Building Occupancy) is the proportionate share of the costs associated with the office space of the four Independent Offices located at 947 Fort Street. Operating costs (e.g., building insurance, hydro, property taxes and maintenance) are anticipated to increase in subsequent years. The rate for base rent increased in fiscal year 2015/16.
8. STOB 85 (Other Expenses) is the amount contributed toward the operations of Corporate Shared Services which include information technology, finance, human resources, facilities and reception.
9. CAPITAL BUDGET is for the purchase of information systems hardware and software, and office furniture, and is consistent with the Capital budget in prior fiscal years. Capital amounts are repaid through amortization expense in STOB 73.



## Proposed Operating Budget by Expenditure Type Fiscal 2016/17

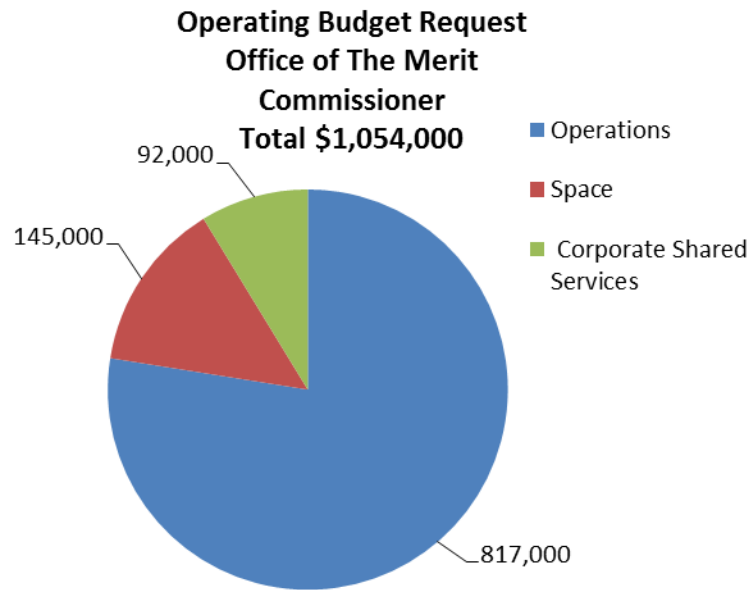


\* Other Operating STOBs includes information Systems (63), Office Expenses (65), Reporting (68), Utilities (69) and Amortization (73)





## Proposed Space and Shared Services Budgets Fiscal 2016/17



### Corporate Shared Services Budget All Offices

