



Office of the
Merit Commissioner

Budget Submission
Fiscal Years
2018/19 – 2020/21

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

November 8, 2017



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Overview

The Office of the Merit Commissioner (the Office) was able to fulfill its statutory mandate and deliver on plans and commitments within the budget allocation for 2016/17. Less than three per cent of the voted appropriation remained unspent at the end of the fiscal year. Due to anticipated budget pressures, in 2016/17 the Merit Commissioner requested and received access to contingency funding in the amount of \$25,000. Use of this additional funding proved unnecessary and the funding was returned to the Consolidated Revenue Fund. The Office was able to manage with the initial budget allocation through rigorous budget management practices, including ongoing monitoring and adjustments to spending.

The Office operates with a small complement of four full-time and two part-time staff. The Office also engages 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.

Given the limited budget flexibility associated with a small office, and the pressure on the budget from operational requirements, it has become clear that absorbing costs associated with general increases to employee salaries and benefits is increasingly difficult without a negative impact on operations. As a result, the Merit Commissioner is requesting a slight budget increase of \$7,000 to cover these non-discretionary expenses. In addition, as costs associated with building occupancy, shared services, and contracted workers to conduct the merit performance audit are also expected to increase, an additional \$9,000 is being requested. In total, the request for a budget increase is \$16,000 or 1.4 per cent.

The Office of the Merit Commissioner is one of four Offices of the Legislature that participate in a corporate shared services model. The model provides a pool of funds based on organizational size in order to provide support for facilities, human resources, finance, and information technology. The corporate shared services is hosted by the Office of the Ombudsperson.



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 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 2018/19

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 2016/17 (previous)		Fiscal 2017/18 (current)
	Budget	Actual	Budget
Funding			
Voted Appropriation	1,079,000	1,048,000	1,125,000
Total	1,079,000	1,048,000	1,125,000
Expenses (STOB)			
Salaries (50, 51, 54)	519,000	493,000	518,000
Employee Benefits (52)	137,000	127,000	137,000
Travel (57)	15,000	18,000	17,000
Professional Services (60)	105,000	114,000	136,000
Information Systems (63)	21,000	25,000	26,000
Office and Business Expenses (65)	15,000	14,000	15,000
Statutory Reporting (68)	11,000	10,000	12,000
Utilities, Materials and Supplies (69)	4,000	4,000	4,000
Amortization (73)	15,000	9,000	15,000
Building Occupancy (75)	145,000	142,000	152,000
Other Expenses (85)	92,000	92,000	93,000
Total Expenses	1,079,000	1,048,000	1,125,000
Capital Budget and Expenditures			
Info. Systems, & Furniture & Equipment	15,000	12,000	15,000
Total Capital	15,000	12,000	15,000



Proposed Budget

By Standard Object of Expenditure (STOB)

		Fiscal 2017/18 (current) Budget	Fiscal 2018/19 Proposed Estimates	Change	Fiscal 2019/20 Planned Budget	Fiscal 2020/21 Planned Budget
STOB	Expense Type					
50	Salaries	368,000	373,000	5,000	373,000	373,000
51	Supplemental Salary	-	-	-	-	-
52	Employee Benefits	137,000	139,000	2,000	139,000	139,000
54	Officer of the Legislature Salary	150,000	150,000		150,000	150,000
57	Travel	17,000	17,000		17,000	17,000
60	Professional Services	136,000	141,000	5,000	141,000	141,000
63	Information Systems	26,000	26,000		26,000	26,000
65	Office and Business Expenses	15,000	15,000	-	15,000	15,000
68	Statutory Adv. & Publications	12,000	12,000		12,000	12,000
69	Utilities, Materials and Supplies	4,000	4,000	-	4,000	4,000
73	Amortization Expense	15,000	15,000	-	15,000	15,000
75	Building Occupancy	152,000	154,000	2,000	154,000	158,000
85	Other Expenses	93,000	95,000	2,000	95,000	95,000
	Total	1,125,000	1,141,000	16,000	1,141,000	1,145,000
Capital Budget						
	Info. Systems, Furniture & Equipment	15,000	15,000	-	15,000	15,000
	Total	15,000	15,000	-	15,000	15,000

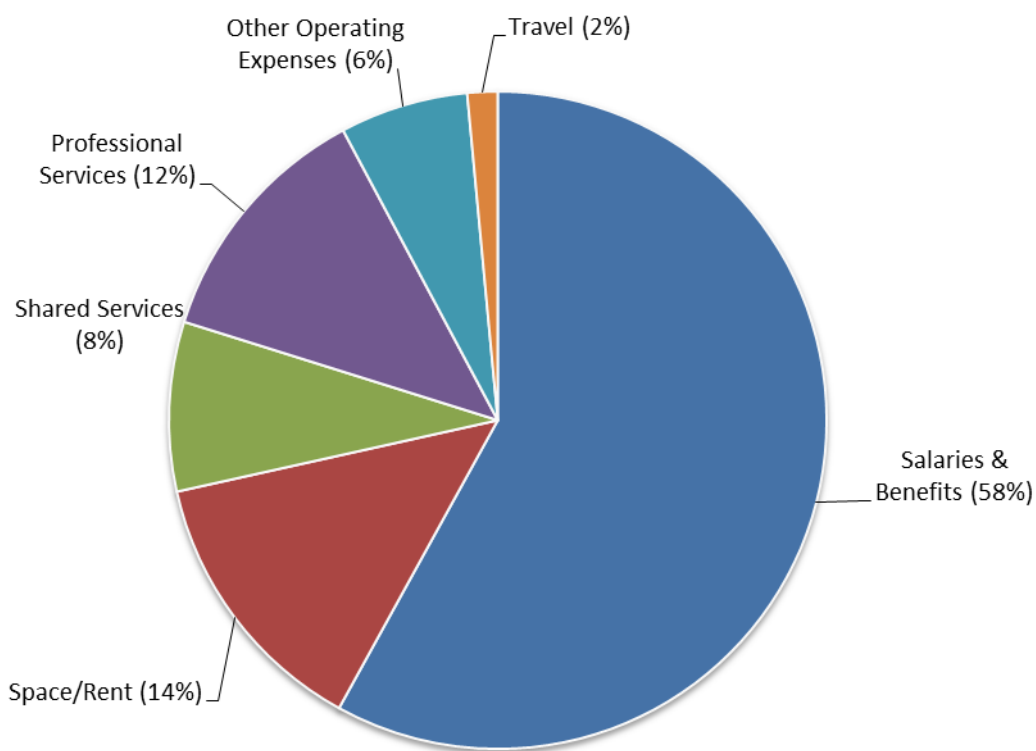


Notes:

1. STOB 50 (Salaries) and STOB 52 (Employee Benefits) includes salaries for existing staff positions and the known financial impact of the salary increases. The impact of the new Management Classification and Compensation Framework rolled out by central government last fiscal year is included in the budget figures moving forward.
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, and office furniture. Expenditures for information systems are amortized over three or five years depending on the nature of the purchase. Expenditures for 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 slightly in subsequent years.
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 2018/19

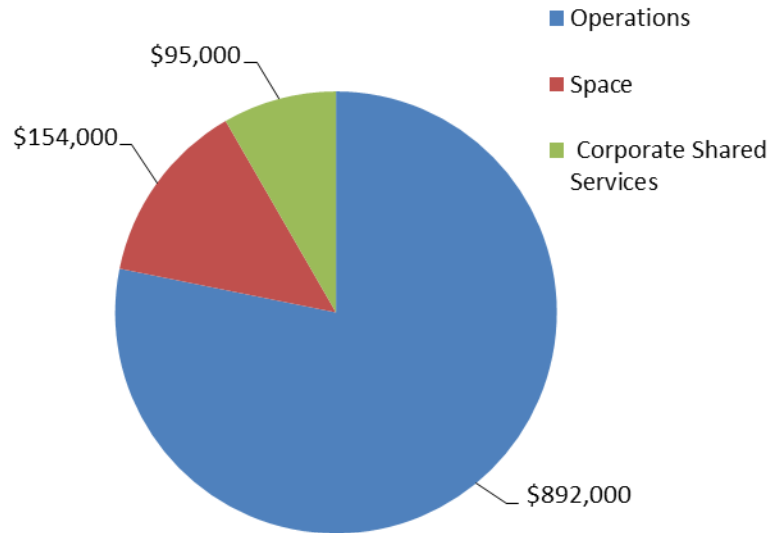


* Other Operating STOBs includes Information Systems (63), Office Expenses (65), Reporting (68), Utilities (69) and Amortization (73)



Proposed Space and Shared Services Budgets Fiscal 2018/19

Operating Budget Request Office of the Merit Commissioner



Corporate Shared Services Budget All Offices

