



Office of the  
**Merit Commissioner**

**Budget Submission**

**Fiscal Years**

**2020/21 – 2022/23**

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

**September 10, 2019**



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## Overview

The Office of the Merit Commissioner (the office) operates with a small complement of four full-time and two part-time staff. The office also engages external auditors, legal advisors and other professionals 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 office was able to fulfill its statutory mandate and deliver on plans and commitments within the budget allocation for 2018/19. The voted appropriation was fully used as was \$36,223 of the \$75,000 approved as “access to contingencies.” The Public Accounts reflect this access to contingencies as a supplementary approval, and the budget at the end of March 2019 showed fully expended. The office was able to manage within the approved contingency access through rigorous budget management practices, including ongoing monitoring and adjustments to spending.

At the beginning of the 2018/19 fiscal year, through amendments to the *Public Service Act*, the Merit Commissioner was mandated to review processes related to just cause dismissals from the public service. A total increase in funding for 2019/20 in the amount of \$224,000 was approved. Of that, \$41,000 was to cover inflationary costs for salary, building occupancy and corporate shared services and \$183,000 was to support the implementation and operations related to the new mandate. This funding represented the salary for half a year for the newly approved position, as it was planned to fill the position half way through the fiscal year. In this submission we propose to fund this position internally.

The current Commissioner’s term will end September 15, 2019. Compensation for the Merit Commissioner going forward has been set to effectively cap the legislative salary at \$80,000 providing the opportunity to reallocate funding from the current salary allocation to cover known funding pressures for FY 2020/21. These funding pressures which total \$119,000 are listed below:

- Additional annualized funding previously identified for a new position related to the dismissal process review is \$38,000.
- The full impact of the change in mandate for review of just cause dismissal processes cannot yet be determined. To maintain maximum flexibility for the incoming Merit Commissioner, \$56,000 is proposed to be added to the contracting allocation. This will allow for the expert advice needed to implement the requirements of the legislation.
- Inflationary and performance pay increases for staff are governed by either negotiated collective agreements or public service policy. The increases introduced in 2018/19 have resulted in a \$13,000 funding pressure.
- A classification review of two jobs in the office determined that they were not accurately classified. Correcting this has resulted in a \$12,000 funding pressure.



- One-time tenant improvements to create a new office (\$31,000) were made in 2019/20; therefore, we are able to remove this allocation and reduce funding needs.

In summary, no increase in funding is requested for FY 2020/21. This and future funding requests will need to be reviewed and confirmed once a new Merit Commissioner has become familiar with the portfolio.

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 organization is hosted by the Office of the Ombudsperson.

## Mandate

The Merit Commissioner was established as an independent officer in 2006 following changes to the *Public Service Act* in 2005. The creation of an independent officer 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.

In April 2018, the *Public Service Act* was amended conferring upon the Merit Commissioner responsibility for conducting reviews of processes related to just cause dismissals in the BC Public Service. These reviews will examine whether all government policies, procedures, and standards were properly applied when actions were taken to dismiss employees for just cause from ministries, as well as any agencies, boards and commissions which fall under the *Act*.



## Priorities for Fiscal 2020/2021

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.
- Undertake reviews of eligible dismissals that occurred after April 1, 2018.



## Statement of Operations

(Previous and Current Fiscal Years)

	Fiscal 2018/19 (previous)		Fiscal 2019/20 (current)
	Budget	Actual	Budget
<b>Funding</b>			
Voted Appropriation	1,216,000	1,177,234	1,365,000
<b>Total</b>	<b>1,216,000</b>	<b>1,177,234</b>	<b>1,365,000</b>
<b>Expenses (STOB)</b>			
Salaries (50, 51, 54)	543,000	545,775	576,000
Employee Benefits (52)	144,000	142,328	152,000
Travel (57)	17,000	19,512	17,000
Professional Services (60)	191,000	165,187	216,000
Information Systems (63)	26,000	22,182	28,000
Office and Business Expenses (65)	15,000	11,468	21,000
Informational Advertising and Publications (67)		4,375	19,000
Statutory Reporting (68)	12,000	7,494	12,000
Utilities, Materials and Supplies (69)	4,000	3,787	6,000
Amortization (73)	15,000	7,698	15,000
Building Occupancy (75)	154,000	152,428	191,000
Other Expenses (85)	95,000	95,000	112,000
<b>Total Expenses</b>	<b>1,216,000</b>	<b>1,177,234</b>	<b>1,365,000</b>
<b>Capital Budget and Expenditures</b>			
Info. Systems, & Furniture & Equipment	15,000	3,083	32,000
<b>Total Capital</b>	<b>15,000</b>	<b>3,083</b>	<b>32,000</b>



## Proposed Budget

### By Standard Object of Expenditure (STOB)

	Fiscal 2019/20 (current) Budget	Fiscal 2020/21 Proposed Estimates	Change	Fiscal 2021/22 Planned Budget	Fiscal 2022/23 Planned Budget
<b>STOB Expense Type</b>					
50 Salaries	426,000	<b>476,000</b>	50,000	476,000	476,000
51 Supplemental Salary	-	-	-	-	-
52 Employee Benefits	152,000	<b>147,000</b>	(5,000)	147,000	147,000
54 Officer of the Leg. Salary	150,000	<b>80,000</b>	(70,000)	80,000	80,000
57 Travel	17,000	<b>17,000</b>	-	17,000	17,000
60 Professional Services	216,000	<b>272,000</b>	56,000	266,000	266,000
63 Information Systems	28,000	<b>28,000</b>	-	28,000	28,000
65 Office and Business Expenses	21,000	<b>21,000</b>	-	21,000	21,000
67 Informational Adver. and Publications	19,000	<b>19,000</b>	-	19,000	19,000
68 Statutory Adv. & Publications	12,000	<b>12,000</b>	-	12,000	12,000
69 Utilities, Materials and Supplies	6,000	<b>6,000</b>	-	6,000	6,000
73 Amortization Expense	15,000	<b>14,000</b>	(1,000)	14,000	14,000
75 Building Occupancy	191,000	<b>160,000</b>	(31,000)	165,000	165,000
85 Other Expenses	112,000	<b>113,000</b>	1,000	114,000	114,000
<b>Total</b>	<b>1,365,000</b>	<b>1,365,000</b>	-	<b>1,365,000</b>	<b>1,365,000</b>
<b>Capital Budget</b>					
Info. Systems, Furniture & Equipment	32,000	12,000	(20,000)	12,000	28,000
<b>Total</b>	<b>32,000</b>	<b>12,000</b>	<b>(20,000)</b>	<b>12,000</b>	<b>28,000</b>



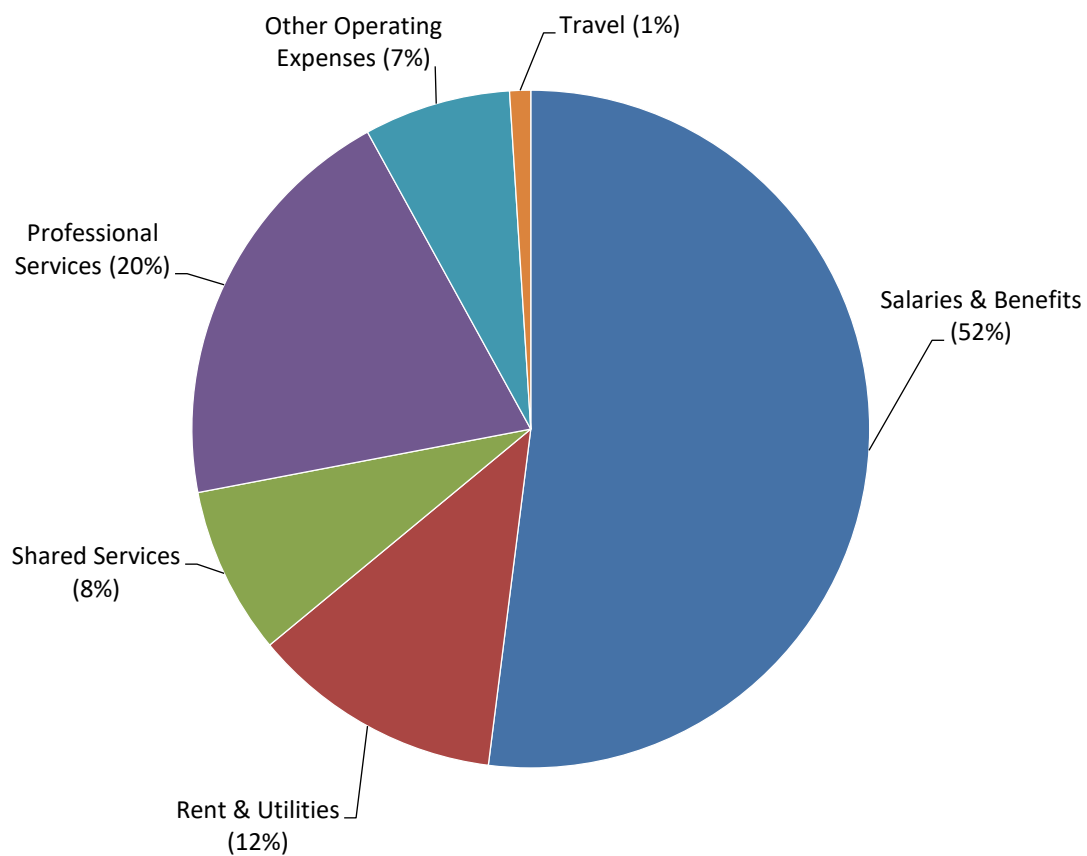
## Notes:

1. STOB 50 (Salaries) and STOB 52 (Employee Benefits) includes salaries for existing staff positions and the known financial impact of the salary increases.
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 67 (Advertising and Publications) – Includes costs for producing and distributing communications materials which are not required under statute.
5. STOB 68 (Statutory Advertising & Publications) includes costs for preparing and printing the Annual Report to the Legislature.
6. STOB 69 (Utilities, Materials & Supplies) includes costs for utilities, recycling, books and supplies.
7. 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.
8. 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.
9. 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.
10. CAPITAL BUDGET is for the purchase of information systems hardware and software, and office furniture. Capital amounts are repaid through amortization expense in STOB 73.





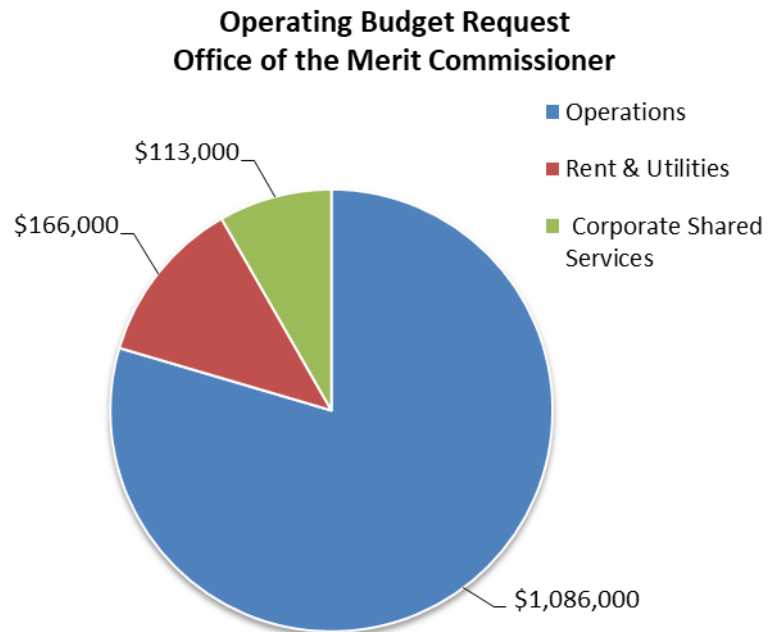
## Proposed Operating Budget by Expenditure Type Fiscal 2020/21



\* Other Operating STOBs includes information Systems (63), Office Expenses (65), Information advertising and publications (67), statutory reporting (68) and amortization (73)



## Proposed Space and Shared Services Budgets Fiscal 2020/21



### Proposed Corporate Shared Services 2020/21 Budget All Offices

