

Devolution of Operating Budgets to Branches

Although the department has one budget for the items listed above, devolution to RC managers will be phased-in gradually. For the 1993-94 fiscal year, ADMs will be given reference levels by code vote as in previous years. Through the PMB process, ADMs will then have the option of transferring funds between Code Votes 015 (Canada based overtime), 017 (LES salaries), 014 (Other operating costs), 024 (Canada based salaries), and 050 (Minor Capital) taking into consideration the policies and restrictions noted below.

Transfer Price Regime

(a) When a manager commits additional resources to salaries from the OB, in addition to the salary requirements:

- a 20% Treasury Board transfer price will be charged to the manager's budget to cover items such as pension costs, insurance benefits, etc., as the budget for these items is in Treasury Board's reference levels. This amount will be taken out of Branch reference levels by MCBA to be returned to TB at year-end;

- a common service transfer price of up to \$10,000 may be charged, as required, to cover one-time costs for computer hardware/software, office furniture, equipment and supplies for new incremental positions. Ongoing transfers of \$1,500 per year for these items may also be required. In addition, training costs may be assessed depending on the circumstances;

- an FSD transfer price may be charged for positions affecting payment of FSDs (Canada based employees abroad). An amount will be determined by ADA for each specific case; and

- an accommodation transfer price may be applied depending on the space requirements for additional staff.

Note: all items in this section, with the exception of the FSD transfer price, apply to both Canada based and LES salaries. Determination of amounts, if any, for the common services and accommodation transfer prices will be done by MCBA in consultation with the manager and the appropriate division(s) (e.g. CFSI, MSD, MFM, MRD).

(b) When a manager makes a decision to transfer funds from salaries to other components of the OB, the reverse applies and the resulting funds would be increased by the TB transfer price (this would normally involve deleting a Canada based or LES position).