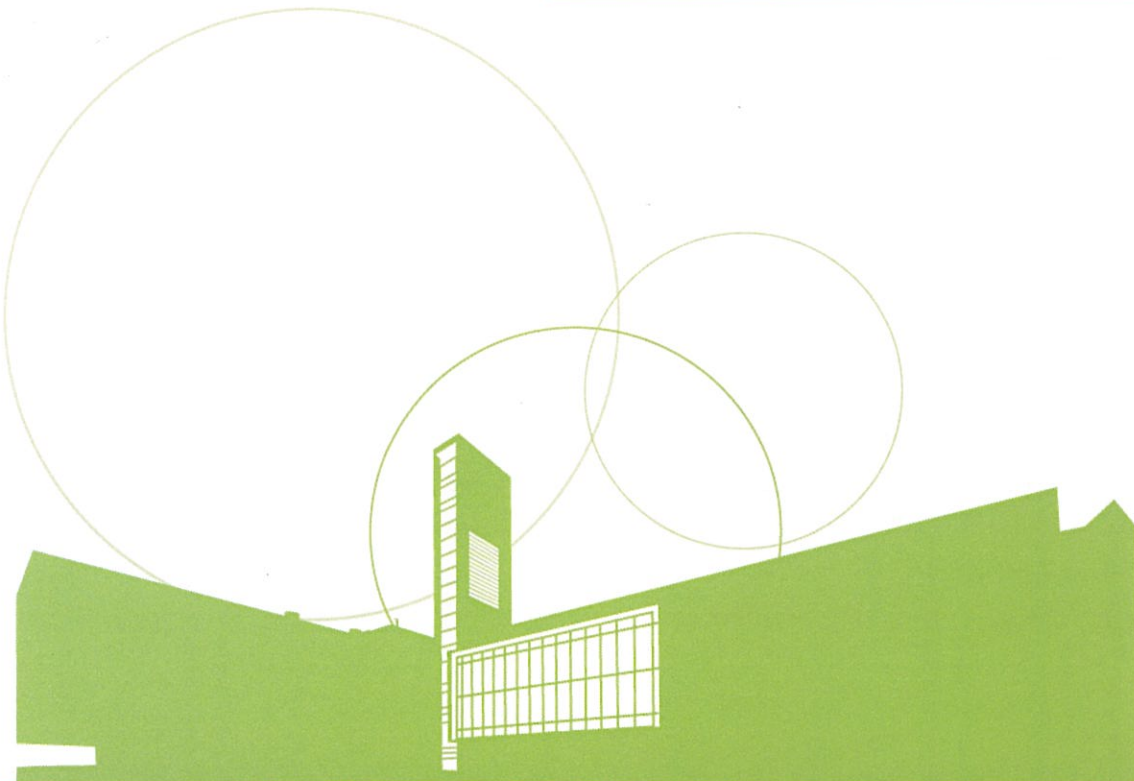


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Corporate Overtime Audit

Monday February 1, 2016



Today's Presentation

- Audit Objective, Scope and Methodology
- Audit Conclusion
- Audit Observations
- Management Action Plans
- Next Steps
- Questions

Audit Objective

- To evaluate the effectiveness of the controls, processes and procedures in place to mitigate the business risks associated with the use of overtime.

Audit Scope & Methodology

- Review of existing Policies, Procedures & Collective Agreements
- Staff interviews
- Data analytics
- Sampling of timekeeping records
- Review of 2014 overtime expenditures

Audit Conclusion

- Organization wide improvements are required to better manage overtime
- Tools and controls are not in place on a corporate wide basis to assist management with determining whether overtime expenditures are reasonable

Issues and Observations

1. Develop corporate wide policy and procedures.
2. Invest in technological advances to assist with service delivery, data analytics, management reporting and automation of processes.
3. Develop a better understanding of what drives overtime costs.
4. Manage the impact of overtime on employee wellness.

Management Action Plans

- Overtime is a necessary part of Municipal Operations.
- Vaughan's overtime is comparable to other municipalities.
- Management has already taken steps to better understand overtime drivers and data, adjust service delivery models and improve efficiencies without compromising service outcomes.

Management Action Plans

1. Develop corporate wide policy & procedures for overtime and standby use:
 - Clarify staff roles and responsibilities
 - Creating a framework as to when overtime is required and when it should be authorized
 - Approval of time and attendance reports and related documents.

Management Action Plans

2. Invest in technological advances to assist with service delivery, data analytics, management reporting and automation of processes:

- Capital funding for time and labour automation has been approved
- Project will be prioritized with other Service Excellence Strategic Initiatives.

Management Action Plans

3. Develop a better understanding of what drives overtime costs:

- Data capture and analysis
- Productivity based performance measures
- Risk based approach for determining overtime and standby requirements.

Management Action Plans

4. Manage the impact of overtime on employee wellness:

- Incorporate into existing Attendance Management Programs
- Develop better monitoring and reporting tools.

Next Steps

- Action plans have been developed.
- Implementation is underway.
- Internal Audit will follow up and report on the status of these action plans.

Questions?