OVERTIME & ATTENDANCE MANAGEMENT

Response to the Auditor General Report

Presentation to General Committee of Council
October 19, 2009

MARKHAM

Overtime & Attendance Management Audit Report

Moved by Deputy Mayor J. Heath

Seconded by Councillor E. Shapero

1. That the presentation by Ms. I. Kutter entitled "Town of Markham Auditor Report" be received; and,

2. That the Auditor General Report titled "Overtime and Attendance Management Audit Report", dated May 26, 2009, be received for information; and,

3. The proposed Town staff actions plans, developed in response to the Auditor General recommendations, be deferred to the October 19, 2009 General Committee Meeting; and,

4. That the Auditor General Work plan status update be received for information; and further,

5. That the recommendation authorizing and directing Staff to do all things necessary to implement the Action Plans detailed in the report be deferred to October 19, 2009 General Committee Meeting.

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KEY THEMED AUDIT RECOMMENDATIONS

1. An Attendance Management program

2. Medical Certificates (excludes Fire and Library Services)

3. Process Inefficiency

4. Overtime

5. Fire Services

Attendance Management
6.1

Finding	Description	Highlights
6.1.1	Attendance Management Program	The Town does not have a formal attendance management program in place.
6.1.2	Management Reporting	Availability and integrity of management reports to support attendance management was limited
6.1.3	Medical Certificates	The process for obtaining medical certificates for excessive absence events in the year is not fully effective to ensure certificates are requested and received.
6.1.4	Inefficient process	The absence reporting process is manually intensive and prone to errors.
6.1.5	Vacation Entitlement	Vacation carry over is excessive for 9% of Town Staff.
6.1.6	Vacation Policy	The vacation policy does not require staff to take at a minimum a one week block of time each year.
6.1.7	Records Retention	Employees are not clear on the records retention requirements.

Management Response
6.1

The Auditor General's report reveals that there are many opportunities for improving the effective management of workplace attendance. Of most significance is her finding that without an investment in technology, there are minimal opportunities for efficiency gains. We are in agreement with that observation. The Town's ability to effectively manage all facets of employee attendance and develop relevant longer term people management strategies relies heavily on systems that are Intelligent, integrated and efficient. Therefore, management's response is primarily focused around a solution rooted in technology.

It is recognized that the review of current attendance management processes is a priority. Although several draft policies will be reviewed and adopted by year end, the full Implementation of a comprehensive attendance program will require a phased multi-year approach. Relying on the information presented in the report, the following short, mid and long term opportunities have been identified.

6.1 Short-Range Improvement Opportunities (October 2009 – June 2010)

1. Review of draft policies that facilitate adherence to legislative requirements by December 31, 2009; with adoption and implementation by June 2010.

Policies

*   Hours of Work and Overtime
*   Vacation
*   Employment Standards Act Posting
*   Flexible Work Arrangements
*   Leaves of Absence
*   Attendance Management

2. Review and revision of time sheets and absence reports for the purpose of recording all types of absence and embedding associated legislative requirements and corporate regulations.

3. Review HR resources to determine whether additional support can be provided to departments with high rates of absenteeism.

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6.1 Mid Range Improvement Opportunities February 2010 – December 2010)

1. Secure contracted/consulting services to identify technology-based attendance management solutions/options. Expected deliverables include:

- gap analysis

- process mapping

- identification of accountabilities

- systems technology review, analysis and recommendation

- procedure for development

- development of collection, measurement and reporting tools;

- development of training tools and associated communication

2. Corporate review of proposed solutions and identification of the most appropriate

3. Incorporate solution and implementation costs and work activities into business unit planning and budget process. It is expected that significant additional investment in technology will be required in 2011 and onward.

6.1 Long Range Improvement Opportunities (January 2011 – June 2012)

Program and system implementation

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Human Resources

The Town does not have a formal attendance management program in place.

Recommendation 6.1.1 – Attendance Management Program

a) The attendance management program should be finalized and implemented in 2009. The draft policy does incorporate key elements that would be expected in such a program. Additional guidance on standard reporting and documentation requirements is recommended, such as standard templates to support attendance review activities.

Response

It is recognized that the review of current attendance management processes is a priority. Although a several draft policies will be reviewed and adopted by year end, the full implementation of a comprehensive attendance program will require a phased multi-year approach. Details are embedded in the full management response.

MARKHAM

Human Resources

Recommendation 6.1.1 – Attendance Management Program

b) Attendance management training should be available for people managers.

Response

Agreed – mid-range improvements will include procedure development and management training.

MARKHAM

Human Resources

Recommendation 6.1.1 – Attendance Management Program

c)   The rising trend in the town absence rates needs to be continually monitored and managed against established divisional targets to define success and trigger action as needed.

Response

Agreed – will be incorporated into mid-range improvements in the identification of accountabilities.

MARKHAM

Human Resources

Recommendation 6.1.1 – Attendance Management Program

d)   Benchmarking should be conducted on an annual basis with comparative numbers.

Response

Agreed – will be incorporated into mid-range improvements in the identification of accountabilities

Human Resources

Availability and integrity of management reports to support attendance management was limited.

Recommendation 6.1.2 Management Reporting

a) Regular reporting should be developed for people managers and senior management to ensure compliance with policy and enable effective monitoring. Consideration should be given to providing people managers direct access to absence information to enable timely action. A short term alternative to consider is redesigning the absence spreadsheets submitted to HR to include a rolling balance of absences. This would allow supervisors the ability to review absences and leaves prior to submission. Since some employee groups are subject to "pay by exception" (paid full salary unless noted otherwise) a rolling balance would avoid overpayments.

Response

As identified in the full management response, included in the short range improvement opportunities, is the review and revision of time sheets and absence reports for the purpose of recording all types of absence and embedding associated legislative requirements and corporate regulations.

In addition the mid-range improvement opportunities include the development of collection, measurement and reporting tools.

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Recommendation 6.1.2 Management Reporting

b) Anomalies encountered in system reports should be communicated to the vendor for investigation and correction.

Response

Agreed – The first meeting with vendor has taken place and vendor has been advised of all anomalies. Our expectation for prompt correction has been communicated to the vendor.

MARKHAM

Human Resources

Recommendation 6.1.2 Management Reporting

c) Automation of approved absence forms for direct upload would improve efficiency and support data integrity. Without automation, regular departmental absenteeism reporting is critical. There should be independent verification of the data upload. The absence report review is a key control in tracking absences and should always be approved by the supervisor especially for the error corrections.

Response

The Auditor General's report reveals that there are many opportunities for improving the effective management of workplace attendance. Of most significance is her finding that without an investment in technology, there are minimal opportunities for efficiency gains. We are in agreement with that observation. The Town's ability to effectively manage all facets of employee attendance and develop relevant longer term people management strategies relies heavily on systems that are intelligent, integrated and efficient.

Recommendation 6.1.2 Management Reporting

d) The attendance review process, as noted in the draft attendance management policy, should be clarified as to expectations and implemented for all high users of sick leave. Responsibility for follow up on documentation should be clarified. Departments with high sick time, such as Roads, should be more fully supported by Human Resources with an attendance review process.

Response

The draft Attendance Management policy will be reviewed and approved by CCC by the end of 2009. The policy sets out the accountabilities and responsibilities. A short range improvement activity includes a review of Human Resources staffing resources to determine whether additional support can be provided to department with high rates of absenteeism.

MARKHAM

Recommendation 6.1.2 Management Reporting

e) The service agreement for the Payroll and HR system should be reviewed on a regular basis to ensure it continues to meet Town needs efficiently. Control reports should be obtained from the vendor to provide assurance on data integrity and security.

Response

Agreed – The service agreement has been reviewed with vendor, and the vendor will work with Town staff over the short term to improve accuracy and efficiency of reports. Data integrity issues will continue to be discussed with the vendor with an expectation of prompt correction.

MARKHAM

Human Resources

The process of obtaining Medical Certificates for excessive absence events in the year is not fully effective to ensure certificates are requested and received.

Recommendation 6.1.3 Medical Certificates

a) Responsibility for follow up on required medical certificates and ensuring the certificates contain sufficient information to support the employee's absence should be clarified as part of the attendance management program.

Response

The current process requires that Performance Managers ensure the receipt of required medical certificates. Supervisors are entitled to know:

- the reason for absence i.e. the employee is ill/disabled, on personal leave or bereavement leave. (not diagnosis);

- information related specifically to prognosis including: what portion(s) of the job that he/she is unable to fulfill due to illness/disability;

- the return to work date or estimated return date

A communication dated October 5, 2009 was sent to Performance Managers directing that they review and understand their obligations in this regard. Council received a copy of this communication.

Recommendation 6.1.3 Medical Certificates

b) An improved reporting mechanism should be developed to enable Human Resources and people managers to monitor absences and trigger requests for medical certificates.

Response

Agreed - Short range improvements include a review and revision of time sheets and absence reports for the purpose of recording all types of absence and embedding associated legislative requirements and corporate directions. In addition, mid range improvements include a technology-based attendance management solution allowing the development of attendance management collection, measurement and reporting tools.

Recommendation 6.1.3 Medical Certificates

c) Human Resources should work with the system vendor to identify opportunities to automate absence tracking, specifically the count of absence occurrences and absence entitlements.

Response

Agreed – The service agreement has been reviewed with vendor, and the vendor will work with Town staff over the short term to improve accuracy and efficiency of reports. Data integrity issues will continue to be discussed with the vendor with an expectation of prompt correction. System upgrades will be explored with the vendor as well.

Human Resources

The absence reporting process is manually intensive and prone to errors.

Recommendation 6.1.4 Inefficient Process

Without an investment in technology, there are minimal opportunities for efficiency gains; however the following low cost alternative initiatives may provide some relief. They should be explored further to determine feasibility.

•Absences input directly to HR system by the attendance clerks, or approved absence forms in PDF format to be electronically managed, or automation of approved absence forms for direct upload,

•Attendance spreadsheets to include rolling balances,

•Regular reporting of individual absence on pay stubs,

•Expand department tracking mechanisms to other departments,

•Vendor consultation on opportunities to streamline through the system

In addition, the following higher cost initiatives could be considered,

•Automated call in system with reporting

•Move towards employee self serve, consider portal opportunities

Response - Mid-range improvements include securing external contracted services who will provide a review of our systems technology to determine additional capacity and make recommendations for upgrade. We will incorporate solution and implementation costs and work activities into 2011 Business Unit Planning and Budget process. It is expected that a significant additional investment in technology will be required in 2011 and onward. A cross-commission team will be involved in this process.

MARKHAM

Human Resources

Vacation carry over is excessive for 9% of Town staff.

Recommendation 6.1.5 Vacation Entitlement

Supervisors should develop a plan for individuals with excessive carry over as to how the carry over will be reduced going forward and this should be monitored.

Response

Agreed - In early 2009 performance managers were directed to address vacation carry over in their own business units. A formal plan will be discussed with CCC this week. Implementation will commence by the end of 2009 with the objective of significant individual reductions by the end of 2010.

MARKHAM

The vacation policy does not require staff to take at a minimum a one week block of time each year.

Recommendation 6.1.6 Vacation Policy

The vacation policy should be updated to require staff to take at least a one week block of vacation annually. Management reports should be designed to monitor compliance.

Response

Employment Standards Act (ESA) requirement has been incorporated into draft vacation policy. As a minimum the ESA states "…the vacation shall be a two-week period or two periods of one week each, unless the employee requests in writing that the vacation be taken in shorter periods and the employer agrees to that request." The vacation policy is scheduled for CCC review this week.

MARKHAM

Clerks

Employees are not clear on the records retention requirements.

Recommendation 6.1.7 Records Retention

a) Records retention By-law should be updated to be consistent for attendance records.

Response

The appropriate retention period for attendance and health records will be covered in the inventory of records Clerk's is about to undertake and will also be informed by the consultant that we are engaging to help us review the appropriateness of our By-law and corresponding retention periods. The inventory of records will be conducted in December 2009.

MARKHAM

Recommendation 6.1.7 Records Retention

b) Medical records should always be kept in a secure location, preferably with Human Resources who have a secure process already in place.

Response

Human Resources has for many years had a secure departmental process for medical information. The Attendance Management policy will include direction in this regard for business units.

MARKHAM

Human Resources

Overtime policy is outdated and does not provide sufficient guidance.

Recommendation 6.2.1 Overtime Policy

The overtime policy should be updated to provide guidance to Town staff on not only the process for approving and recording overtime but also how overtime should be used and when it is appropriate. The policy should set the tone at the top by acknowledging the significance of overtime and communicating a commitment to use it efficiently.

Response

A draft Hours of Work and Overtime Policy has been revised and will be reviewed by CCC this week.

In addition, the Town acknowledges the need for a framework and protocols to guide corporate policy development. CCC will assign the undertaking of the framework for corporate policy development to a cross commission team made up of Strategy Managers. Project scoping and a draft work plan will be provided to CCC for approval by the end of 2009. Framework development, handoff strategy, including alignment to corporate learning plans, and project communication and implementation will have a target completion date in the fourth quarter of 2010.

Budgeting for overtime is not effective in controlling overtime costs.

Recommendation 6.2.2 Overtime Planning

Budgets are management's authority for expenditures and as such, management should be held accountable. Budgets should be developed to reflect actual expectations with regular monitoring against line items. Opportunities to deliver services with improved scheduling or mix of staff should be assessed on a regular basis especially by high overtime user departments. Opportunities to realign work schedules with the work requirements, such as special events should be thoroughly examined.

Response

Staff believe that, following the 2010 Budget approval, there will be an opportunity to re-design the structure of personnel budgets to identify the projected overtime expected while protecting the integrity of the total fulltime salary budgets. This would then allow for better analysis of monthly variances and overtime trends to identify opportunities for realigned work schedules. Staff anticipate that, allowing for time to consult with departments incurring overtime cost, the restructured budgets can be completed by the end of February 2010.

MARKHAM

Overtime drivers and expenditures are not monitored and analyzed sufficiently.

Recommendation 6.2.3 Managing and Monitoring Overtime

a) There should be a higher level of approval, beyond the immediate supervisor, once a certain level of overtime has been reached. Where employees are incurring high overtime (for example greater than $10,000) opportunities to reduce the overtime should be considered, such as reassigning work, stopping non essential activities and scheduling.

Response

The draft Hours of Work and Overtime policy sets out the overtime authorization required. Accountability for overtime resides with the department Director as does the management of departmental budgets.

MARKHAM

Recommendation 6.2.3 Managing and Monitoring Overtime

b) High overtime user departments should analyse their overtime requirements regularly to identify opportunities to minimize the people costs and continuously monitor overtime drivers.

Response

The Town acknowledges that the need for overtime and its use varies by business unit. Those departments with services that include front-line community response have very different overtime budgets than a unit providing internally focused corporate services. However, in all cases there is an expectation that departments will manage within their approved budgets. There is also an expectation that all business unit leaders will include as part of their yearly operation planning and budgeting, an assessment of their resources. That assessment should include a projection of overtime requirements for the following year.

Before the end of 2009 the Director's forum will be asked to add to their 2010 annual work plan the identification of a framework and protocols for improved management of overtime. Specifically, they will be asked to review the findings of this Audit and report back to CCC with specific recommendations by the third quarter of 2010.

Recommendation 6.2.3 Managing and Monitoring Overtime

c) Reports should be available to support departmental management.

Response

In February of 2009, the Payroll area of the Finance department introduced a monthly summary overtime report. The report captures individual overtime activity and a year-to-date total for each business unit. The introduction of this process allows for the improved management review, communication and accountability.

Recommendation 6.2.3 Managing and Monitoring Overtime

Response to a), b) and c)

In February of 2009, the Payroll area of the Finance department introduced a monthly overtime summary report. The report captures individual overtime activity and a year-to-date total for each business unit. The introduction of this process allows for improved management review, communication and accountability. Before the end of 2009 the Directors forum will be asked to add to their 2010 work plan the identification of a framework and protocols for improved management of overtime. Specifically, they will be asked to review the findings of this audit and report back to CCC with specific recommendations by the third quarter of 2010.

MARKHAM

Finance

Amount of lieu time earned and taken cannot be reliably determined and managed.

Recommendation 6.2.4 Lieu Time

a) A town wide policy for earning and taking lieu time should be developed for all employee groups subject to existing collective agreements. The policy should set clear boundaries and consider criteria such as how much lieu time can be accumulated, any restrictions on when it can be taken, is it transferable year to year, approval process consistent with overtime process and does it need to be used before vacation time. Can lieu time be used when there are regular work demands such as evening meetings or would the time be better managed adjusting working hours to accommodate the needs?

Response

The draft Hours of Work and Overtime Policy includes lieu time protocols and will be reviewed with CCC this week.

MARKHAM

Recommendation 6.2.4 Lieu Time

b) Lieu time earned and taken should be recorded in human resources "People At Work" system for tracking purposes and regular reporting back to Department Heads.

Response

Lieu time is provided to the employee as an alternative to overtime. The Town's draft Hours of Work and Overtime Policy outlines obligations in this regard and will be reviewed at CCC this week.

MARKHAM

Recommendation 6.2.4 Lieu Time

c) Department Heads should consider adjusting work schedules if the work regularly accumulates lieu time.

Response

The draft Hours of Work and Overtime Policy includes lieu time protocols and will be reviewed with CCC this week.

Finance

Part-time staff earns overtime that is not intended within their positions.

Recommendation 6.2.5 Recreation Part-time Staff

a) Recreation management should continue to monitor part time staff hours continuously to identify non compliance.

Response

It was the intent of Finance to roll out any automated solution to Operations following the successful in Recreation. Recreation implementation will occur in 2010. Operations implementation will occur in 2011 following budget approval.

MARKHAM

Recommendation 6.2.5 Recreation Part-time Staff

b) As the Town embarks on implementing the automated solution for part
time staff in recreation there should be library representation on the
advisory committee to share lessons learned and provide a forum for
developing automated reports that both departments can use, creating
consistency and ease of use. If the automated solution is viable,
consideration should be given to expanding to other departments such as
Operations.

Response

It was the intent of Finance to roll out any automated solution to
Operations following the successful in Recreation. Recreation
implementation will occur in 2010. Operations implementation will occur in
2011 following budget approval.

MARKHAM

Overtime budgets are not effective in controlling spend and ensuring accountability.

Recommendation 6.3.1 Overtime Budgets

a) The Town needs to conduct a staffing study to address the optimal staffing model and force size. The staffing study should be aligned with the upcoming Town Fire Master Plan update.

Response

Fire & Emergency Services department has included a request for funding to complete a Master Fire Plan in 2010, one component of the plan would be a staffing model for all divisions of the department, completion 2011.

MARKHAM

Recommendation 6.3.1 Overtime Budgets

b) Detailed variance analysis is needed to better explain the overtime cost drivers, build a realistic budget and enable targeted actions to reduce variances. More refinement is needed in the data captured.

Response

Staff continues to identify data required to better analyze the cost drivers for overtime. The recoding of the reasons for absences that was introduced in September 2008 will assist with this. Staff now generate monthly overtime reports that identify the reasons for overtime. A year end review of the 2009 data will be completed with the Finance Department to facilitate changes to the 2010 overtime budget. It may be beneficial to contract a consultant to review the data.

MARKHAM

Recommendation 6.3.1 Overtime Budgets

c) Budgets should be set against an agreed staffing model. For 2009 the overtime forecast should be broken down sufficiently for variance analysis and to promote accountability. Variances should be explained monthly and action taken to bring the actual costs back into line with budgets.

Response

As in "b" above the recoding of the reasons for overtime will assist with identifying the cost drivers and developing the 2010 budget. Fire staff will work with finance to identify the necessary budgets for overtime in 2010 based on the results of the analysis.

MARKHAM

Recommendation 6.3.1 Overtime Budgets

d) Fire Services has planned for a recruitment class in 2009 and expects to have a fully staffed suppression unit in 2010. The staffing study should be used to ensure the staffing model in 2010 is appropriate and cost effective.

Response

The recruitment conducted in 2009 will improve the staffing in the suppression division as of January 1, 2010 under the current fire services staffing model (which was one of the lowest per capita in Ontario, 2008). The planned Fire Master Plan to be conducted in 2010 and completed by 2011 will review options for a staffing model that provides appropriate response and is cost effective.

MARKHAM

Controls to ensure accurate processing of overtime are adequate, however managing the drivers of overtime needs improvement in particular staffing shortfalls and absences. Reliance on overtime has become excessive.

Recommendation 6.3.2 Overtime costs

a) Identify the optimal level of overtime through the staffing study. Drivers of unacceptable or unplanned overtime should be assessed and corrected as necessary.

Response

Fire Master Plan will evaluate staffing model options that will minimize as appropriate an optimal level of overtime. Fire services will continue to monitor the reasons for overtime and address any causes of unplanned overtime. An attendance management program developed in conjunction with Human Resources would be helpful. Changes to our attendance management are currently being implemented within the parameters of the collective agreement.

Recommendation 6.3.2 Overtime costs

b) Should be explored especially if vacancies are expected to continue in 2009.

Response

Fire Services will continue to incur significant overtime in 2009 until the new recruitment class is in place. The analysis completed by Finance Department in 2008 that recommended overtime versus filling vacancies was based on half the number of vacancies. Since the time of the analysis the number of permanent vacancies has doubled. However, the Fire Chief will continue to monitor and implement the most cost effective method to cover the vacancies in 2009 in accordance with the collective agreement.

Recommendation 6.3.2 Overtime costs

c) The staffing study should identify the threshold for recruitment activity in order to minimize impact of vacancies.

Response

Included in the Terms of Reference for the Fire Master Plan will be a section on a staffing model, the staffing model will be expected to identify a threshold for recruitment. Fire Services has been in discussions with Human Resources about an on-going recruitment process for fire as opposed to a current practise so we have candidates available when we meet an identified threshold for hiring. Fire Services is also considering commissioning a staffing study outside the Master Fire Plan.

MARKHAM

Fire & Emergency Services

Unplanned absences have increased over the last few years increasing the need for overtime

Recommendation 6.3.3 Leave and Overtime Costs

There is an opportunity to reduce overtime costs if captain overtime can be managed more effectively. Strengthen the attendance program to minimize overtime for chronic sick users.

Response

The Fire and Emergency Services and Human Resources departments have been actively managing chronic absenteeism. Attendance must be managed within parameters of the Collective Agreement.

MARKHAM

Fire & Emergency Services

The process for requiring medical certificates is haphazard. Generally active attendance management is done for longer term absences. Medical certificates are not requested for shorter term absences in a consistent and sufficient manner.

Recommendation 6.3.4 Medical Certificates

Fire Services should formalize standards on when to request medical certificates for employee absences. Consideration should be given to adopting the Town standard of requiring medical certificates for 3 or more consecutive absences and for more than 5 absence incidents in the year. There would be a minimal cost to the Town if implementing this recommendation because the collective agreement requires the Town to pay for the costs of the medical certificates.

Response

The Fire Chief disagrees that the process for requiring medical certificates is "haphazard", sick notes are covered in the collective agreement and the Deputy Chief's Standing orders as follows:

Recommendation 6.3.4 Medical Certificates (continued)

COLLECTIVE AGREEMENT

— A firefighter may be required to produce a certificate signed by a qualified medical practitioner for any illness. No firefighter shall draw during his/her active service with the Corporation, sick leave benefits if the absence from work is not due to illness as attested by the medical certificate, if required by a representative of the Corporation. In the case of a prolonged absence a certificate shall be submitted every thirty (30) days unless waived by representatives of the Corporation. The certificate shall set out any specific limitations that would restrict the firefighter's ability to perform his/her normal work and the prognosis for return. The Corporation shall pay the reasonable cost of any such certificate. (1981)(1998) (2006)

MARKHAM

Recommendation 6.3.4 Medical Certificates (continued)

DEPUTY CHIEF'S STANDING ORDERS

4.13   Doctors, Dentists, etc. Appointments & Sick Notes

(a) The use of sick leave allowance will not be allowed for doctor or dentist appointments when it falls on working time.

(b) A sick note will be required for all absences on the shifts before or after a scheduled vacation, lieu day, trade or management time off. The sick note must be presented to their immediate supervisor upon return to duty.

Fire Services will be implementing the Town standard for sick notes in 2010 while maintaining our ability to ask for medical certificates as outlined in the collective agreement

MARKHAM

Vacation scheduling is not fully optimized

Recommendation 6.3.5 Leave and Overtime Costs

a) Staff should be discouraged from working overtime during their scheduled vacation.

Response

Unfortunately, discouraging staff from working overtime during their scheduled vacation could be problematic with the current high vacancy rate or current staffing levels. Not allowing staff to work overtime while on vacation would not reduce overtime costs, in fact it may have a negative impact as the overtime at any given time would be distributed amongst fewer people. This option can be reviewed when all current vacancies have been filled and a staffing model developed.

MARKHAM

Recommendation 6.3.5 Leave and Overtime Costs

b) Overtime incurred due to vacation should be monitored as part of the decision making on the staffing model and the timing of a new recruit class.

Response

Overtime is not incurred due to vacation unless we have a resignation during the calendar year, when this happens fire management assess available alternatives and implements the most cost effective method to cover the shortage created by the vacancy.

There is insufficient management information and analysis on overtime.

Recommendation 6.4.1 Overtime Management

a) Analyse overtime usage with the goal of reducing overtime through better management practises in work scheduling. Overtime costs for special events should be tracked and provided to decision makers for consideration of funding sources. The service delivery review process underway by town staff may be a good fit for conducting the initial analysis

Response

Operations Managers have implemented a new staffing schedule for 2009 to meet the service demands for Special Events. The new schedule includes six seasonal staff covering weekend shifts which should significantly reduce overtime demands. In addition, Operations Department will be working with cross Commission team on the new E3 initiative to address Special Event planning, services-in-kind, opportunities for cost recovery (fees) etc. (2010).

Recommendation 6.4.1 Overtime Management

b) Improve data collection to support improved analysis. Consideration should be given to technology that has one point of entry, allows for approvals, scheduling and identification of potential overtime. Currently, The Town is implementing a scheduling and time reporting system linked to the current payroll system. Depending on the outcome of that pilot project, Operations should consider its feasibility.

Response

Through the third quarter of 2009, Operations staff will review current data collection to identify opportunities to improve both analysis and monthly reporting for Supervisors and Managers. The Service Planning Project currently underway will incorporate process mapping, approval procedures, and monthly management reports for overtime for all service areas of Operations. Upon the successful completion of the pilot project, Operations will test the new scheduling and time reporting system (Easy Labour) to determine feasibility of the system for both Roads and Parks operations.

Recommendation 6.4.1 Overtime Management

c) In conjunction with the current Town initiative to implement a job costing system, Operations should ensure it is identified as a user of that system and its processes are included as requirements.

Response

Operations and Finance Departments have met and confirmed that the Operations Department requirements will be included in the procurement process for new job costing software. The main purpose of this project is to track and report costs associated with our various maintenance activities. We expect to have the Request for Proposal for the job costing system issued by the end of the year.

It is recognized by the Finance Department that the Operations Department will be the key user of a job costing system, and that its system requirements will be primary.

Recommendation 6.4.1 Overtime Management

d) Guidelines on which circumstances and activities are appropriate for overtime should be developed. Defining discretionary and non discretionary overtime provides supervisors direction in making overtime decisions and should help to reduce overtime by deferring non essential work to regular work hours. Overtime should normally be in response to emergency or sick coverage for essential services. Work schedules should be revisited to ensure alignment with the work, such as supervising contractors.

Response

In the absence of Town overtime financial parameters, the Operations Department will proceed with documenting guidelines specific to operational activities, circumstances and/or customer service demands for both discretionary and non-discretionary overtime requirements. Operations Department anticipates completion of this task by the end of the third quarter 2009. In addition, Operations Managers will work with Human Resources in preparation for the next round of collective bargaining (April 2010) to identify opportunities to implement flexible hours of work to better align with contractors' schedules.

MARKHAM

Operations - Parks

There was no evidence that overtime is approved.

Recommendation 6.4.2 Overtime Approval - Parks

a) Supervisors should be aware when scheduling staff for work if overtime will be incurred. The decision to allow overtime should not be taken lightly. Timesheets should clearly indicate the hours eligible for overtime.

Response

Through the third quarter of 2009, Operations Managers and Supervisors will re-design daily timesheets to clearly identify both regular and overtime hours worked during all shifts. Scheduled overtime will be pre-authorized by the employees' Supervisor and clearly indicated on daily timesheets including the activity, circumstance or service requirement. Supervisors will undertake staff training sessions for all full and part time staff to ensure daily time sheets are properly filled out and signed off by both the employee and Supervisor.

MARKHAM

Recommendation 6.4.2 Overtime Approval – Parks

b) Discretionary overtime should be defined and require additional approvals.

Response

All full-time and part-time staff schedules will be provided to all Supervisors and Working Supervisors to manage overtime to a minimum. The Operations Department has schedules in place to respond to emergency (non-discretionary) after hours overtime requirements.

MARKHAM

Recommendation 6.4.2 Overtime Approval – Parks

c) Mechanism needs to be in place to support supervisors in identifying overtime situations and to manage overtime to a minimum.

Response

Managers and Supervisors will re-visit emergency and non-emergency response protocols and provide updates and training to the Contact Centre, Information Markham and Fire & Emergency Services Dispatch as required

Recommendation 6.4.2 Overtime Approval – Parks

d) With the current time reporting system in place, there are limitations to improving the approval process. Consideration should be given to Overtime incurred due to vacation should be monitored as part of the decision making on the staffing model and the timing of a new recruit class.

Response

As noted in our previous comments, the new Special Events staffing schedule implemented in June 2009 should significantly reduce weekend overtime requirements for Parks maintenance staff.

MARKHAM

Management discretion to obtain medical certificates was used excessively

Recommendation 6.5.1 Medical Certificates

Library Services should adopt the town standard policy and remove the discretion, improving employee equity and achieving consistency within Library Services and the Town.

Response

The Library agrees with the recommendation. This will require a revision of the Library's Management Policy entitled "Sick Leave and Family Illness Leave Policy" (#VII-M.4).

The policy has been revised and implemented.

MARKHAM

Markham Public Libraries

Overtime used for the Library's classification project was not economical

Recommendation 6.5.2 Overtime

The budgeting process should reflect planned expenditures rather than prior year budgets. Projects should have separate budgets that can be tracked and monitored. Overtime for projects should be necessary and demonstrate economical reason, or service delivery rationale.

Response

The Markham Public Libraries agree and have implemented the recommendations.

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