

Managing Employee Attendance – Opportunities for Improvement

Date:	October 15, 2008
To:	Audit Committee
From:	Jeff Griffiths, Auditor General
Wards:	All
Reference Number:	

SUMMARY

Complaints to the Fraud and Waste Hotline Program have highlighted issues with attendance management and specifically the potential for employees to misuse sick leave banks, particularly prior to retirement. In view of this, we included a limited review of these issues in our 2008 Work Plan.

The overall objective of this review was to assess whether management was monitoring employee attendance, specifically the potential misuse of sick leave, a form of culpable absenteeism.

As part of our review, we also considered the City's Attendance Management Program policy which deals with non-culpable or innocent absenteeism for all employees. Our review included an examination of employee attendance records and related practices and procedures in place across City divisions. We focused on those employees who had significant sick leave above the divisional average.

Effective management of non-culpable or innocent employee absences is important to identifying potential incidents that may not be legitimate and are actually culpable or blameworthy.

During the course of the review, we identified opportunities for improvement relating to the management of employee attendance. In this context, our report contains five recommendations.

RECOMMENDATIONS

The Auditor General recommends that:

1. The City Manager take immediate action to reinforce management and supervisory staff awareness of the availability of attendance management reports. Attendance Management reports should be used by all supervisory staff in the management of employee attendance.
2. The City Manager direct all staff to ensure that the attendance management Program policy is complied with.
3. The City Manager, in consultation with the Executive Director Human Resources, develop a standardized reporting format to document results of meetings held with employees, in accordance with the Attendance Management Program policy.
4. The City Manager, in consultation with the Director, Pension, Payroll & Employee Benefits re-emphasize the requirements for medical certificates including the sufficiency of information to be provided on the certificate, by all City staff, in support of absences due to illness.
5. The City Manager, in consultation with the Executive Director Human Resources, expedite the availability of training designed to provide guidance to management and supervisory staff responsible for dealing with attendance issues.

FINANCIAL IMPACT

The implementation of the recommendations in this report will improve management of employee attendance and reduce the risk of potential misuse of sick leave. The extent of any potential reduction in absenteeism or potential cost savings resulting from implementing the recommendations in this report is not determinable at this time.

DECISION HISTORY

This report provides the results of the Auditor General's review of the City's management of employee attendance. This review was conducted as part of the Auditor General's Annual Work Plan.

COMMENTS

The Auditor General's report entitled "Review of the City's Attendance Management Program" contains five recommendations and is attached as Appendix 1. Management, in a separate communication, has prepared a detailed response to the report. Our review found varying levels of compliance and inconsistent practices with the Policy requirements. Awareness of the Policy requirements need to be enhanced through better training and communication at the management and supervisory level.

We also found inconsistent practices in divisional monitoring of attendance which identified the need to standardize documentation and record keeping practices.

In addition, we found a need to re-emphasize requirements to provide medical certificates in support of absence due to illness. This requirement for medical certificates is defined under the new Short Term Disability Plan for Management and Non-Union Employees and under the City's collective agreements for union employees.

Lastly, there are issues related to expediting the availability of training to staff responsible for dealing with attendance issues.

CONTACT

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SIGNATURE

Jeffrey Griffiths, Auditor General

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ATTACHMENTS

Appendix 1: Managing Employee Attendance – Opportunities for Improvement