



Office of the Auditor General / Bureau du vérificateur général

AUDIT OF FIVE SPECIFIC STAFFING PROCESSES

2009

VÉRIFICATION DE CINQ CAS DISTINCTS

D'EMBAUCHE DE PERSONNEL

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Executive Summary

Introduction

This audit was conducted as a result of reports to the Fraud and Waste Hotline. The reports received through the Fraud and Waste Hotline allege improprieties and preferential treatment in the recruitment and/or selection of four individuals in the Revenue Division as a result of family relationships, and the appointment of an employee in Public Works allegedly without posting and contrary to City policy.

Key Findings

In two of four cases reviewed in the Revenue Division, applicants who did not meet the basic requirements of the position as posted were allowed to compete on the basis of liberal interpretations of “equivalencies” and the fact that the applicants were known by a hiring manager or other City employee.

The City provides good paying jobs and benefits and should only consider the best-qualified candidates who meet the full requirements of the jobs from within the City or from the labour market. Accepting candidates who do not meet the basic requirements results in employees being paid for education and experience they do not possess, and potentially impacts the City’s level of expertise and capability to deliver on its programs.

The City’s policy on Hiring and Employment of Family Members is not well understood or applied and was contravened without repercussions in the case involving the [REDACTED] Unit of the Revenue Division. This case involves a disregard or lack of understanding amongst managers of the City’s policy, and the need to be cognizant that broader familial ties and other close personal relationships may give rise to the same concerns surrounding real or perceived conflicts as those specifically addressed in the policy.

The City needs to take stronger disciplinary action for those involved in selection processes that are deemed to be inappropriate, unfair or in contravention of City policy to deter such behaviour and to demonstrate its commitment to its principles of merit and integrity.

The sourcing, selection and hiring of temporary employees and summer students is left to a large extent to the sole discretion of the hiring manager, which is a prime reason behind the complaints of favouritism or perceptions of favouritism involving familial ties.

The combination of familial ties, the lowering of minimum standards in some cases, and that some employees are privy to information on available opportunities can undoubtedly lead to real or perceived conflicts of interest and favouritism in hiring practices.

Relatives of City employees have undoubtedly more opportunities to work for the City than other citizens. A similar conclusion was arrived at in the 2007 Audit of Staffing regarding the City's summer employment practices.

Of the four cases from the Revenue Division reviewed during this audit involving the selection of temporary or part-time employees with familial ties at entry level positions, three of these placements subsequently led to successful competitions for full-time or longer term seasonal employment opportunities.

The fifth case reviewed, in Public Works, followed the appropriate staffing process.

The City needs to implement higher standards and better practices related to the hiring of temporary employees and summer students to ensure greater objectivity and impartiality in the hiring process in order to eliminate real or perceived conflict of interest in its hiring practices. The establishment of a pool of pre-qualified candidates for temporary positions should be considered.

Recommendations

Recommendation 1

That the City clearly indicate in the competition poster how equivalencies will be evaluated by way of a grid or definition of equivalent combinations of education and experience in order to protect the integrity of the process, and to ensure that successful candidates do in fact provide the City with value for money and the level of expertise for which it pays.

Management Response

Management disagrees with the recommendation.

The Human Resources department (HR) refers to the Education & Experience Equivalency Guidelines For Recruitment & Staffing Purposes, which outlines the various options for evaluating equivalencies. Each individual applicant must be assessed on their own merits, given their unique combination of experience, training and education. It is not practical, therefore, to attempt to include all of the equivalency options in a competition poster.

Recommendation 2

That the City ensure that screening of candidates is conducted in a more consistent and rigorous fashion based on job poster requirements and that candidates who do not meet the requirements are screened out.

Management Response

Management agrees with the recommendation.

The Human Resources department conducts screening of candidates based on the posted requirements and the City's equivalency considerations. Given the

technical requirement of some jobs, hiring managers may need to make their own interpretations with respect to the suitability of applicants. If the hiring manager screens a candidate back in, the hiring manager must document the rationale/criteria in the 'Competition Screening Summary'. Staffing Officers review the file to confirm that this documentation is present and appropriate, and will contact the hiring manager if it is not.

Based on the limited sample reviewed as part of this audit, it cannot be assumed as indicated in the report, that it is a prevalent practice to allow employees to compete on the basis of a liberal interpretation of equivalencies.

OAG COMMENT: The OAG considers that this recommendation should be forwarded to the Audit, Budget and Finance Committee for discussion.

Recommendation 3

That the City ensure that its hiring managers provide documented rationale of actions and decisions taken, such as providing the competition screening summary with their comments to Human Resources within a reasonable period of time prior to the scheduling of interviews to allow meaningful consultation and the opportunity for Human Resources to fulfill its oversight and compliance role.

Management Response

Management agrees with the recommendation that hiring managers provide documented rationale of actions and decisions taken on the Competition Screening Summary, and this is the current practice.

Management disagrees with the recommendation that the Competition Screening Summary be returned to HR and reviewed prior to the interviews being scheduled.

The role of the Human Resources (HR) department is to provide hiring tools, direction, and advice to managers; the role of hiring managers is to be accountable for the hiring decision.

HR provides a 'Competition Screening Summary' spreadsheet and an email to hiring managers that includes detailed instructions and links to key tools with respect to the competition process. Hiring managers are required to document their comments and decisions on the 'Competition Screening Summary' spreadsheet prior to initiating interviews. Consultation with HR is recommended however, in many cases the competition is straightforward and the hiring manager can choose to proceed without consulting HR. Further, given the volume of competitions, this recommendation is neither practical nor feasible.

The completed Competition Screening Summary is checked for compliance upon return to HR. In addition, HR conducts quarterly reviews/audits of competition files to ensure that the proper staffing processes have been followed.

OAG COMMENT: The OAG considers that this recommendation should be forwarded to the Audit, Budget and Finance Committee for discussion.

Recommendation 4

That the City ensure that hiring managers document competition results and send competition files with summary sheets outlining all results as well as the proposed order in which offers would be made for discussion and validation to Human Resources prior to any verbal or written offers being made.

Management Response

Management agrees that a review of the competition file should be completed by HR prior to a written offer being issued, however, that review can be done via a discussion with the hiring manager.

The role of the Human Resources (HR) department is to provide hiring tools, direction and advice to managers; the role of hiring managers is to be accountable for the hiring decision. HR is directly involved in creating all written offers.

For all competitions, HR provides hiring managers with detailed instructions and links to key tools with respect to the process.

Final interview results and proposed offers are generally discussed with the Staffing Officer or Human Resource Consultant prior to offers being extended. However, where Human Resources is not directly involved in the interview process, a verbal offer may be extended at the discretion of the hiring manager.

Requiring that all competitions have a consultation point with HR prior to a verbal offer would prolong the process unnecessarily for a straightforward staffing action. Management believes that this additional investment yields limited returns. All written offers are extended following consultation and a review of the hiring decision with HR.

The Human Resources department uses the "Competition Administrator" database to track competition milestones, including the date the completed file is received.

OAG COMMENT: The OAG considers that this recommendation should be forwarded to the Audit, Budget and Finance Committee for discussion.

Recommendation 5

That the City, as part of their current review, ensure that the policy includes a broader definition of "family" and at a minimum develop an appropriate communication strategy to clearly explain to all hiring managers and employees the importance of being free from any real or perceived improper influence based on family relationships in order to maintain public confidence in the

integrity of the City's hiring and employment practices, and avoid the situations described above.

Management Response

Managements agrees with the recommendation.

This issue was considered during the last review of the Hiring Policy and a statement has been developed to address this concern, namely:

"While this policy is intended to apply solely to immediate family relationships (see definitions), employees and elected officials should be cognizant that broader familial ties and other close personal relationships may give rise to the same concerns surrounding real or perceived conflicts as those specifically addressed in this policy. As a result, employees and elected officials who may find themselves in such situations should be sensitive to these concerns and govern themselves in keeping with the spirit and intent of this policy."

A similar recommendation was made in the 2007 Audit of the Staffing Process and was discussed at the November 21, 2008 meeting of the Council Audit Working Group (CAWG). CAWG has directed the City Manager to "review the definition of "family member" contained in the portion of the Hiring Policy that relates to employees, with a view to establishing a broader definition of "family member" that is in keeping with the spirit and intent of the policy and the law in this regard, and to report such direction to Council". The Auditor General was in agreement with the above-mentioned direction. The CAWG direction will go forward for Council approval in the next status report.

Further, a communication strategy will be developed and issued in Q4 2009 that clearly explains to all hiring managers and employees, the importance of being free from any real or perceived improper influence based on family relationships in order to maintain public confidence in the integrity of the City's hiring and employment practices, and to avoid the situations noted in the audit.

Recommendation 6

That the City develop clear guidelines and disciplinary consequences for those involved in selection processes that are deemed to be inappropriate, unfair or in contravention of City policy to deter such behaviour and demonstrate commitment to its principles of merit and integrity.

Management Response

Management agrees with the recommendation. The guidelines and disciplinary consequences in place meet the intent of the recommendation.

The Code of Conduct sets out that the Department Head will ensure that the matter is addressed in an appropriate manner: "Upon receiving written disclosure of an actual or potential breach of the Code, the Department Head

shall either determine that no breach exists or take reasonable steps to ensure that the matter is addressed in the appropriate manner. This may include seeking a written legal opinion from the City Solicitor". Any resulting disciplinary action would be documented as indicated in response to Recommendation 8. These policies are currently in place.

Recommendation 7

That the City ensure that:

- a) **All disciplinary actions taken are documented, and a record of such infraction is kept on the employee's file or in the immediate supervisors records; and,**
- b) **Performance appraisals address disciplinary issues.**

Management Response

Management agrees with recommendation 7 a).

There is a training course available for managers: "Managing in a Unionized Environment", which has a section on the disciplinary process. Managers dealing with a disciplinary issue typically work with a Labour Relations Consultant and receive guidance throughout the process.

Disciplinary actions are documented, as outlined in the corporate procedures on discipline, and are placed on the employee's file according to time limits outlined in collective agreements or terms and conditions.

Management disagrees with recommendation 7 b).

Performance appraisals are non-disciplinary tools that have a much broader application for performance and development and are not intended to deal with disciplinary issues. While aspects of performance that have been subject to discipline may be discussed and referred to in a performance appraisal document, the disciplinary process is separate from the performance management process.

Recommendation 8

That the City review the discipline imposed to date, if any, in particular the case of the [REDACTED] in the [REDACTED] Unit of the Revenue Division, and consider imposing proper discipline to all involved in this process. [REDACTED]

Management Response

Management agrees with the recommendation.

Finance has undertaken a review of the discipline imposed as a result of the competition for the [REDACTED] referenced within this report, and believes that the actions taken were appropriate. [REDACTED]

[Redacted text block]

[Redacted text block]

[Redacted text block]

[Redacted text block]

Recommendation 9

That the City revoke the delegation of authority for hiring from the Managers involved in this case for a definite period of time during which time all hirings would involve the direct participation and final approval of Human Resources.

Management Response

Management disagrees with the recommendation.

In accordance with the Staffing and Selection Guide for Managers and Supervisors, the hiring manager is accountable for the hiring process, which is not subject to final “approval” by Human Resources. Human Resources will work with the hiring manager to ensure compliance with the process.

Although this recommendation is based on an isolated case, the Finance department will implement new measures to ensure greater internal scrutiny to mitigate any perception of conflict of interest in its hiring practices.

Recommendation 10

That the City ensure appropriate processes and controls are implemented with respect to the proper documentation and retention of competition files, and that the hiring managers and the Department of Human Resources fulfill their respective responsibilities in this regard.

Management Response

Management agrees with the recommendation, and it has been implemented.

Human Resources have an approved Records Information Management (RIM) file that incorporates all aspects of the competition process and managers submit all of their competition files for inclusion on this official file. The Human Resources Consultant and/or Staffing Officer review the file upon receipt and request missing documents from the hiring manager.

OAG COMMENT: The OAG considers that this recommendation should be forwarded to the Audit, Budget and Finance Committee for discussion.

Recommendation 11

That the City implement higher standards and more objective practices relating to the hiring of temporary employees and summer students to ensure greater fairness and impartiality in the hiring process such as selection from pre-qualified job inventory lists.

Management Response

Management disagrees with the recommendation.

Summer students are subject to a competitive process. Temporary hires are subject to various processes outlined in collective agreements and may include a competitive or non-competitive process, however, the hiring decision must be defensible under the collective agreement rules. Accordingly, management believes that this process is objective and has high standards. The exception to this process is for temporary positions of less than 14 weeks where the employee can be hired through a temporary agency, which has its own screening process.

With respect to the proposal of a pre-qualified job inventory list, the City has a vast variety of jobs that would preclude developing and maintaining inventories

for temporary employees in all possible job turnover situations. In many cases, the hiring of temporary employees is subject to various considerations under collective agreement, such as acting appointments and recalls from layoff. Temporary employees may also be hired from temporary agencies under the City's standing offer.

Recommendation 12

That the City determine a maximum duration for acting appointments.

Management Response

Management disagrees with the recommendation.

The Terms and Conditions of Employment (MPE in this instance) provide guidelines that indicate when an acting appointment should be posted, with an ability to recognize exceptions to meet operational requirements. It is management's view that flexibility is sometimes necessary for operational requirements but has found that it is not often exercised.

Conclusion

While it is impossible to conclude unequivocally that any candidate received preferential treatment as a result of familial ties, there is no question that the circumstances of these cases clearly contravenes the intent and spirit of the policy on Hiring and Employment of Family Members. These cases serve as a classic example of what happens in the workplace when favouritism or perception of favouritism occurs in employment practices. Under normal circumstances, the results of the competitions would be overturned and new competitions held to uphold the broader objectives of fairness and integrity of the City's hiring practices. Unfortunately, the passage of time has made this intervention untenable.

These cases reflect a disregard of the policy and poor judgment on the part of several managers. Corrective actions taken to date were cosmetic and actually served to condone the inappropriate behaviour of all involved. There is a need for stronger actions now as none were taken at the appropriate time by those who had an opportunity and responsibility to act, and eliminate any conflict in order to protect the integrity of the City's hiring and employment practices. The City needs to uphold the principles of its policies and convey the implications to everyone who is not in compliance with them.

Acknowledgement

We wish to express our appreciation for the cooperation and assistance afforded the audit team by management.

Résumé

Introduction

Cette vérification a été réalisée à la suite de signalements effectués à la Ligne directe de fraude et d'abus. Ces signalements faisaient état d'irrégularités alléguées et de favoritisme lors du recrutement ou de la sélection de quatre personnes à la Division des recettes en raison de leurs liens de parenté, et de la nomination d'un employé au Service des travaux publics sans que, prétendument, le poste en question ait été affiché, ce qui est contraire aux politiques de la Ville.

Principales constatations

Dans deux des quatre cas examinés à la Division des recettes, des candidats qui ne satisfaisaient pas aux exigences de base propres au poste tel qu'affiché ont quand même eu la possibilité de postuler à la suite d'une libre interprétation de la notion « d'équivalences » et du fait que ces deux personnes étaient connues du gestionnaire recruteur ou d'un autre employé de la Ville.

La Ville offre des emplois bien rémunérés et d'excellents avantages sociaux et ne devrait considérer que les candidatures qui satisfont pleinement aux exigences propres aux postes à pourvoir, qu'elles proviennent de personnes faisant déjà partie de son personnel ou étant sur le marché du travail. Le fait d'accepter des candidatures qui ne satisfont pas aux exigences de base a pour effet que des employés sont rémunérés en fonction d'une formation et d'une expérience qu'ils ne possèdent pas et pourrait avoir des répercussions sur le degré d'expertise de la Ville et sur sa capacité de réaliser ses programmes.

La politique de la Ville en matière d'embauche et d'emploi de membres d'une même famille n'est pas bien comprise ou appliquée et a été enfreinte sans répercussions dans le cas impliquant l'Unité de [REDACTED] de la Division des recettes. Ce cas démontre une non-observation ou une mauvaise compréhension, par les gestionnaires, de la politique de la Ville et fait aussi état de la nécessité, pour ceux-ci, d'être conscients que les liens familiaux à une échelle plus large et les autres liens personnels peuvent donner lieu aux mêmes préoccupations que celles entourant les conflits d'intérêts réels ou allégués qui sont précisément abordés dans la politique.

La Ville doit prendre des mesures disciplinaires plus strictes à l'endroit des personnes participant à un processus de sélection jugé inapproprié, injuste ou contrevenant à la politique de la Ville, afin de décourager de tels comportements et de démontrer son engagement envers ses propres principes de mérite et d'intégrité.

Le recrutement, la sélection et l'embauche d'employés temporaires et d'étudiants pour la saison estivale sont laissés, dans une large mesure, à la seule discrétion du

gestionnaire recruteur, ce qui explique en grande partie les plaintes pour favoritisme ou la perception de favoritisme en raison de liens de parenté.

La combinaison des liens de parenté, de l'abaissement des normes minimales dans certains cas et du fait que certains employés ont un accès privilégié à de l'information sur d'éventuelles possibilités d'emploi peut sans aucun doute conduire à des conflits d'intérêts réels ou allégués et à du favoritisme réel ou allégué dans les pratiques d'embauche.

Les personnes ayant des liens de parenté avec des employés de la Ville ont sans aucun doute plus de possibilités de travailler pour la Ville que les autres citoyens. La Vérification de dotation en personnel réalisée en 2007, était d'ailleurs arrivée à des conclusions similaires, relativement aux emplois d'été.

Des quatre cas de la Division des recettes examinés dans le cadre de cette vérification touchant la sélection d'employés temporaires ou à temps partiel ayant un lien de parenté à des postes de premier échelon, trois d'entre eux ont par la suite franchi avec succès les étapes du processus d'embauche menant à des emplois à plein temps ou à des emplois saisonniers de plus longue durée.

Dans le cinquième cas, dans le Service des travaux publics, on a suivi le processus d'embauche approprié.

La Ville doit mettre en place des normes plus élevées et de meilleures pratiques pour l'embauche d'employés temporaires et d'étudiants pour la saison estivale afin d'assurer une plus grande objectivité et impartialité dans le processus d'embauche et d'éliminer les conflits d'intérêts réels ou allégués. La création d'une banque de candidats qualifiés pour les emplois temporaires devrait être envisagée.

Recommandations

Recommandation 1

Que la Ville indique clairement, dans l'affiche du poste à pourvoir, comment les équivalences seront évaluées à l'aide d'une grille ou de la définition des combinaisons d'éducation et d'expérience jugées équivalentes, et ce, afin d'assurer l'intégrité du processus et de garantir que les candidats embauchés offrent à la Ville la valeur et le degré d'expertise correspondants aux montants qu'elle débourse.

Réponse de la direction

La direction est en désaccord avec cette recommandation.

Le Service des ressources humaines (RH) utilise les lignes directrices des équivalents en formation et en expérience à des fins de recrutement et de dotation (*Education & Experience Equivalency Guidelines For Recruitment & Staffing Purposes*). Ces lignes directrices décrivent les diverses possibilités d'évaluation des équivalences. Chaque candidat, individuellement, doit être évalué en

fonction de son propre mérite, en tenant compte de la combinaison particulière de son expérience, de sa formation et de son éducation. Il est donc pratiquement impossible d'inclure toutes les possibilités d'équivalences sur une affiche de concours.

Recommandation 2

Que la Ville s'assure que la présélection des candidats s'effectue de manière plus constante et plus rigoureuse, en fonction des exigences de l'emploi affiché, et que les candidats ne satisfaisant pas aux critères soient éliminés.

Réponse de la direction

La direction est d'accord avec cette recommandation.

Le Service des ressources humaines assure la présélection des candidats en fonction des exigences affichées et des facteurs d'équivalences fixés de la Ville. Compte tenu des exigences techniques liées à certains postes, les gestionnaires recruteurs peuvent avoir à évaluer la compétence des candidats à leur façon. Si le gestionnaire recruteur reprend un candidat qui n'avait pas été présélectionné, il doit justifier sa décision et ses critères dans un « sommaire de présélection » dans le cadre du concours. Les agents de dotation examinent le dossier afin de confirmer que les documents appropriés s'y trouvent et sont conformes. Ils communiquent avec le gestionnaire concerné si ce n'est pas le cas.

Le nombre limité de dossiers examinés dans le cadre de cette vérification fait en sorte que nous ne pouvons en déduire, comme en fait état le rapport, qu'il est courant que l'on permette à des employés de poser leur candidature en fonction d'une interprétation libérale des équivalences.

COMMENTAIRE DU BVG : Le BVG estime que cette recommandation devrait être soumise au Comité de la vérification, du budget et des finances aux fins de discussion.

Recommandation 3

Que la Ville s'assure que ses gestionnaires recruteurs accompagnent leurs actions et leurs décisions de justifications documentées, notamment en fournissant un résumé de la présélection dans le cadre de concours, accompagné de leurs commentaires au Service des ressources humaines, et ce, dans un délai raisonnable avant l'organisation des entrevues afin de permettre une consultation sérieuse et de donner la possibilité au Service des ressources humaines aux employés de remplir leur rôle en matière de supervision et de conformité.

Réponse de la direction

La direction est d'accord avec la recommandation voulant que les gestionnaires recruteurs préparent une justification documentée de leurs actions et de leurs décisions dans un « sommaire de présélection ». Il s'agit d'une pratique courante.

Par contre, la direction est en désaccord avec la recommandation voulant que le sommaire de présélection soit retourné aux RH et revu avant que les entrevues soient organisées.

Le rôle du Service des ressources humaines (RH) consiste à fournir des outils d'embauche, des directives et des conseils aux gestionnaires; le rôle du gestionnaire recruteur consiste à rendre compte de sa décision d'embauche.

Les RH remettent aux gestionnaires recruteurs un tableur pour le « sommaire de présélection » et un courriel contenant les directives détaillées et des liens vers les principaux outils relatifs au processus du concours. Les gestionnaires recruteurs doivent documenter leurs commentaires et leurs décisions dans le tableur pour le « sommaire de présélection » avant d'amorcer le processus d'entrevues. Il est recommandé de consulter les RH. Toutefois, dans bien des cas, le processus d'embauche est très simple et le gestionnaire recruteur peut choisir d'aller de l'avant sans consulter les RH. De plus, compte tenu de la quantité de concours, cette recommandation n'est ni pratique, ni faisable.

La conformité du sommaire de présélection est vérifiée à son retour aux RH. De plus, les RH effectuent des examens et des vérifications trimestriels des dossiers des concours afin de s'assurer que les processus de dotation adéquats sont suivis.

COMMENTAIRE DU BVG : Le BVG estime que cette recommandation devrait être soumise au Comité de la vérification, du budget et des finances aux fins de discussion.

Recommandation 4

Que la Ville s'assure que les gestionnaires recruteurs documentent les résultats des concours et envoient au Service des ressources humaines aux employés les dossiers du concours avec les tableaux résumant tous les résultats de même que l'ordre proposé dans lequel les offres devraient être présentées, aux fins de discussion et de validation, et ce, avant que toute offre écrite ou verbale soit faite.

Réponse de la direction

La direction convient qu'un examen du dossier d'un concours doit être effectué par les RH avant qu'une offre écrite soit présentée. Toutefois, cet examen pourrait avoir lieu dans le cadre d'une discussion avec le gestionnaire recruteur.

Le rôle du Service des ressources humaines (RH) consiste à fournir des outils d'embauche, des directives et des conseils aux gestionnaires; le rôle du

gestionnaire recruteur est de rendre compte de sa décision d'embauche. Les RH participent directement à la préparation de toutes les offres écrites.

Pour tous les concours, les RH fournissent aux gestionnaires recruteurs des directives détaillées et des liens vers les principaux outils relatifs au processus du concours.

Les résultats des dernières entrevues et les offres proposées sont généralement discutés avec l'agent de dotation ou le conseiller en ressources humaines avant qu'une offre soit présentée. Toutefois, lorsque les Ressources humaines ne participent pas directement au processus d'entrevues, une offre verbale peut être faite à la discrétion du gestionnaire recruteur.

Exiger que dans le cadre de tous les concours, on consulte les RH à un moment ou à un autre avant qu'une offre verbale soit formulée prolongerait indûment un processus de dotation simple. La direction croit que cet investissement supplémentaire n'aura que des retombées limitées. Toutes les offres écrites sont présentées à la suite d'une consultation et d'un examen de la décision d'embauche avec les RH.

Le Service de ressources humaines a recours à la base de données « gestionnaire de concours » pour assurer le suivi des étapes des concours, qui comprend notamment la date de réception du dossier complété.

COMMENTAIRE DU BVG : Le BVG estime que cette recommandation devrait être soumise au Comité de la vérification, du budget et des finances aux fins de discussion.

Recommandation 5

Que la Ville, dans le cadre de son examen actuel, s'assure que la politique comprend une définition plus large du terme « famille » et, qu'au minimum, elle élabore une stratégie de communication appropriée afin d'expliquer clairement à tous les gestionnaires recruteurs et aux employés l'importance d'être libre de toute influence malvenue réelle ou alléguée en fonction de liens familiaux afin de maintenir la confiance du public dans l'intégrité des pratiques de la Ville en matière d'embauche et d'emploi et d'éviter des situations comme celles décrites précédemment.

Réponse de la direction

La direction est d'accord avec cette recommandation.

Cette question a été abordée lors du dernier examen de la politique d'embauche et l'énoncé de principe suivant a été formulé à cet effet :

« Bien que cette politique ne s'applique qu'aux relations avec la famille immédiate (voir les définitions), les employés et les représentants élus doivent être conscients que les liens familiaux à une échelle plus large et les autres liens

personnels étroits peuvent donner lieu aux mêmes préoccupations que celles entourant les conflits d'intérêts réels ou allégués, qui sont précisément abordés dans la politique. Conséquemment, les employés et les représentants élus qui pourraient se trouver dans de telles situations devraient être sensibles à ces préoccupations et se conduire de façon à sauvegarder l'esprit et l'intention de cette politique. »

Une recommandation similaire a été formulée dans la vérification de dotation en personnel réalisée en 2007 et discutée le 21 novembre 2008 lors d'une rencontre du Groupe de travail sur la vérification du Conseil (GTVC). Le GTVC a demandé au directeur municipal de « revoir la définition de "membre de la famille" contenue dans la portion de la politique d'embauche liée aux employés, et d'élaborer une définition plus large de la notion de "membre de la famille", conformément à l'esprit et à l'intention de la politique et de la loi à cet égard, et de faire ensuite rapport au Conseil sur cette question ». Le vérificateur général était d'accord avec la directive ci-dessus. Le GTVC demandera l'approbation de sa définition par le Conseil dans son prochain rapport d'étape.

De plus, une stratégie de communication sera préparée et mise en œuvre au cours du quatrième trimestre de 2009 afin d'expliquer clairement à tous les gestionnaires recruteurs et à tous les employés l'importance d'être libre de toute influence malvenue réelle ou alléguée en fonction de liens familiaux afin de maintenir la confiance du public dans l'intégrité des pratiques de la Ville en matière d'embauche et d'emploi, et d'éviter les situations comme celles faisant l'objet de la présente vérification.

Recommandation 6

Que la Ville élabore des directives claires et mette en place des mesures disciplinaires à l'intention des personnes participant à un processus de sélection jugé inapproprié, injuste ou contrevenant à la politique de la Ville, afin de décourager de tels comportements et de démontrer son engagement envers ses propres principes de mérite et d'intégrité.

Réponse de la direction

La direction est d'accord avec cette recommandation. Les directives et les mesures disciplinaires en place satisfont aux intentions de cette recommandation.

Le Code de conduite précise que le chef de service doit s'assurer que la question est traitée de manière appropriée : « Après avoir reçu une divulgation écrite faisant état d'une infraction réelle ou alléguée au Code de conduite, le chef de service doit établir s'il y a eu ou non infraction à ce Code et prendre les mesures jugées raisonnables afin de s'assurer que la question est abordée de manière appropriée. On pourrait chercher à obtenir un avis juridique du Chef du contentieux de la Ville. » Toute mesure disciplinaire qui s'ensuivrait serait

documentée tel que précisé dans la réponse à la recommandation 8. Ces politiques sont déjà en vigueur.

Recommandation 7

Que la Ville s'assure que :

- a) toutes les mesures disciplinaires mises en vigueur sont documentées et qu'une telle infraction est consignée dans le dossier de l'employé concerné ou conservée dans le dossier de son superviseur immédiat; et,
- b) les évaluations du rendement abordent les questions disciplinaires.

Réponse de la direction

La direction est d'accord avec la recommandation 8 a).

Une formation a été mise sur pied à l'intention des gestionnaires. Elle s'intitule *La gestion en milieu syndiqué (Managing in a Unionized Environment)* et comporte une section sur le processus disciplinaire. Les gestionnaires qui doivent faire face à des problèmes disciplinaires travaillent habituellement avec un conseiller en relations de travail et reçoivent de l'aide tout au long du processus.

Les mesures disciplinaires sont documentées, tel que l'exigent les procédures générales relatives à la prise de mesure disciplinaire, et sont ajoutées au dossier de l'employé dans les délais prescrits dans les conventions collectives ou dans les conditions générales.

La direction est en désaccord avec la recommandation 8 b).

Les évaluations de rendement sont des outils non disciplinaires ayant une application beaucoup plus large pour le rendement et le perfectionnement et qui ne sont pas conçues pour traiter des questions disciplinaires. Si les aspects du rendement ayant fait l'objet de mesures disciplinaires peuvent être abordés et inclus dans le document d'évaluation du rendement, le processus disciplinaire doit être indépendant du processus de gestion du rendement.

Recommandation 8

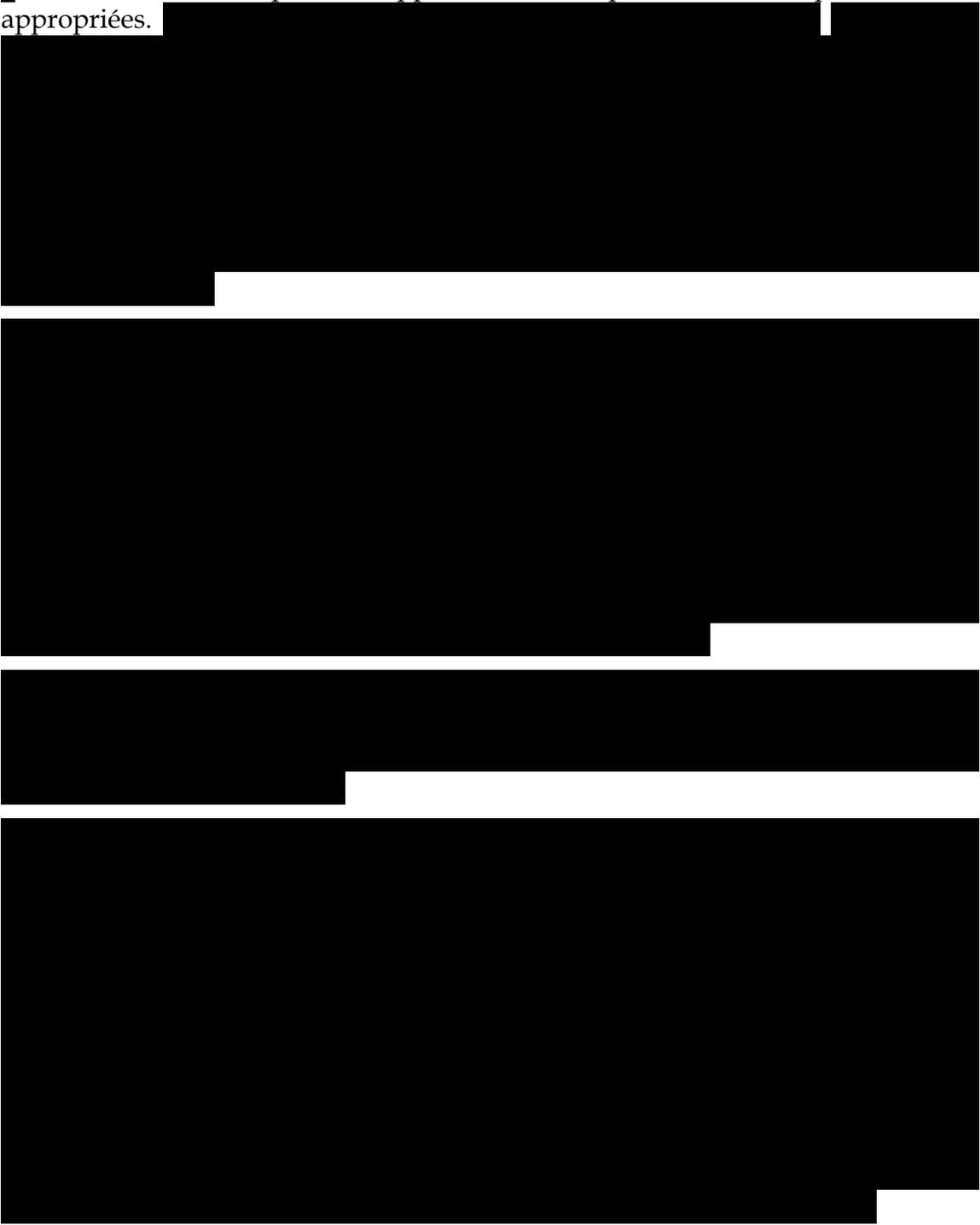
Que la Ville revoie les mesures disciplinaires imposées à ce jour, le cas échéant, particulièrement dans le cas de [REDACTED] de l'Unité de [REDACTED] de la Division des recettes, et songe à imposer des mesures disciplinaires adéquates à toutes les personnes engagées dans ce processus. [REDACTED]

Réponse de la direction

La direction est d'accord avec cette recommandation.

Le Service des finances a déjà entrepris un examen des mesures disciplinaires imposées à la suite du concours pour le [REDACTED]

■ mentionné dans le présent rapport et estime que les mesures prises étaient appropriées.



Recommandation 9

Que la Ville révoque la délégation de l'autorité d'embaucher des employés aux gestionnaires impliqués dans ce dossier pour une durée définie au cours de laquelle l'embauche de tout nouvel employé fera l'objet d'une participation directe et d'une approbation finale des Service des ressources humaines.

Réponse de la direction

La direction est en désaccord avec cette recommandation.

Conformément au Guide de dotation et de sélection à l'usage des gestionnaires et des superviseurs, le gestionnaire recruteur est responsable du processus d'embauche, lequel n'est pas sujet à une « approbation » finale par le Service des ressources humaines. Les Ressources humaines travailleront avec le gestionnaire recruteur afin que ce processus soit respecté.

Malgré le fait que cette recommandation repose sur un cas isolé, le Service des finances mettra en place de nouvelles mesures visant à assurer une plus grande vigilance à l'interne afin de réduire toute perception de conflit d'intérêts dans le cadre des pratiques d'embauche.

Recommandation 10

Que la Ville assure la mise en œuvre de processus et de contrôles appropriés relativement à la documentation adéquate et à la conservation des dossiers de concours, et que les gestionnaires recruteurs et le Service des ressources humaines aux employés prennent leurs responsabilités respectives à cet égard.

Réponse de la direction

La direction accepte cette recommandation, qui a été mise en vigueur.

Les Ressources humaines disposent d'un dossier approuvé de gestion de l'information et des dossiers regroupant tous les aspects du processus de concours et les gestionnaires soumettent tous leurs dossiers des concours aux RH afin qu'ils soient versés à ce dossier officiel. Le conseiller en ressources humaines et/ou l'agent de dotation revoit le dossier lorsqu'il le reçoit et il demande au gestionnaire recruteur les documents manquants.

COMMENTAIRE DU BVG : Le BVG estime que cette recommandation devrait être soumise au Comité de vérification, du budget et des finances aux fins de discussion.

Recommandation 11

Que la Ville impose des normes plus élevées et des pratiques plus objectives pour l'embauche d'employés temporaires et d'étudiants durant l'été afin que le processus d'embauche soit plus juste et plus impartial, comme la sélection à partir d'une liste d'inventaire d'emplois préqualifiés.

Réponse de la direction

La direction est en désaccord avec cette recommandation.

Les étudiants occupant des emplois d'été sont soumis à un processus de concours. Les postes temporaires sont accordés à la suite de divers processus précisés dans les conventions collectives et peuvent comprendre un processus

avec ou sans concours; toutefois, la décision d'embauche doit reposer sur des arguments défendables en vertu des règles incluses aux conventions collectives. Conséquemment, la direction croit que ce processus est objectif et rigoureux. La seule exception à ce processus est celle des emplois temporaires de moins de 14 semaines, où l'employé peut être embauché par l'intermédiaire d'une agence de placement qui possède son propre processus de sélection.

Pour ce qui est de la proposition d'une éventuelle liste d'inventaire des emplois préqualifiés, la Ville regroupe une grande variété d'emplois qui rend impossible la création et le maintien d'inventaires d'employés temporaires dans toutes les situations possibles de roulement du personnel. Dans bien des cas, l'embauche d'employés temporaires est sujette à divers facteurs conformément à la convention collective tels que les nominations intérimaires ou le rappel à la suite d'une mise à pied. Les employés temporaires peuvent aussi être embauchés par l'intermédiaire d'agences de placement en vertu d'une offre permanente de la Ville.

Recommandation 12

Que la Ville fixe une durée maximale à toute nomination intérimaire.

Réponse de la direction

La direction est en désaccord avec cette recommandation.

Les conditions d'emploi (DPE, dans ce cas) fixent des lignes directrices qui précisent quand une nomination intérimaire doit être affichée, avec la possibilité que soient reconnues les exceptions lorsqu'il importe de satisfaire aux exigences opérationnelles. La direction estime qu'il faut parfois faire preuve de souplesse au chapitre des exigences opérationnelles, mais a constaté que cette souplesse est rarement exercée.

Conclusion

S'il est impossible de conclure sans équivoque qu'un candidat a fait l'objet d'un traitement préférentiel en raison de ses liens de parenté, il ne fait aucun doute que les circonstances liées à ces cas contreviennent à l'intention et à l'esprit de la politique sur l'embauche et l'emploi de membres d'une même famille. Ces cas constituent des exemples classiques de ce qui se produit dans les lieux de travail lorsqu'il y a favoritisme ou apparence de favoritisme dans les pratiques liées à l'emploi. Dans des circonstances normales, les résultats des concours seraient infirmés et de nouveaux concours seraient organisés afin de confirmer les grands objectifs d'équité et d'intégrité que prône la Ville dans ses pratiques d'embauche. Malheureusement, procéder de cette façon est maintenant impossible, puisque trop de temps s'est écoulé.

Ces cas reflètent une certaine indifférence face à la politique en place et un piètre jugement chez plusieurs gestionnaires. Les mesures correctives mises en place à ce

jour sont essentiellement cosmétiques et, dans les faits, servent plutôt à admettre les comportements inappropriés de toutes les personnes impliquées. Il est nécessaire de prendre des mesures plus énergiques sans tarder, puisque rien n'a été fait en temps opportun par les personnes qui avaient la possibilité et la responsabilité d'agir et d'éliminer tout conflit afin de protéger l'intégrité des pratiques de la Ville en matière d'embauche et d'emploi. La Ville doit réitérer les principes de ses politiques, et en informer toute personne qui ne s'y conforme pas.

Remerciements

Nous souhaitons exprimer notre reconnaissance à la direction pour sa collaboration et l'aide qu'ils ont apportée à l'équipe de vérification.

1 Introduction

This audit was conducted as a result of reports to the Fraud and Waste Hotline. The reports received through the Fraud and Waste Hotline allege improprieties and preferential treatment in the recruitment and/or selection of four individuals in the Revenue Division as a result of family relationships, and the appointment of an employee in Public Works allegedly without posting and contrary to City policy.

2 Audit Scope

The scope of the audit included a review of all matters leading up to and including the selection, hiring and/or appointment of the five aforementioned cases under investigation including the City's policies and practices, posting, screening, interviewing, rating and selection of candidates, reporting relationships, objectivity and impartiality to the processes used and outcomes, in keeping with the accepted standards and practices. In addition, 12 hiring managers and individuals involved in the staffing decisions were interviewed.

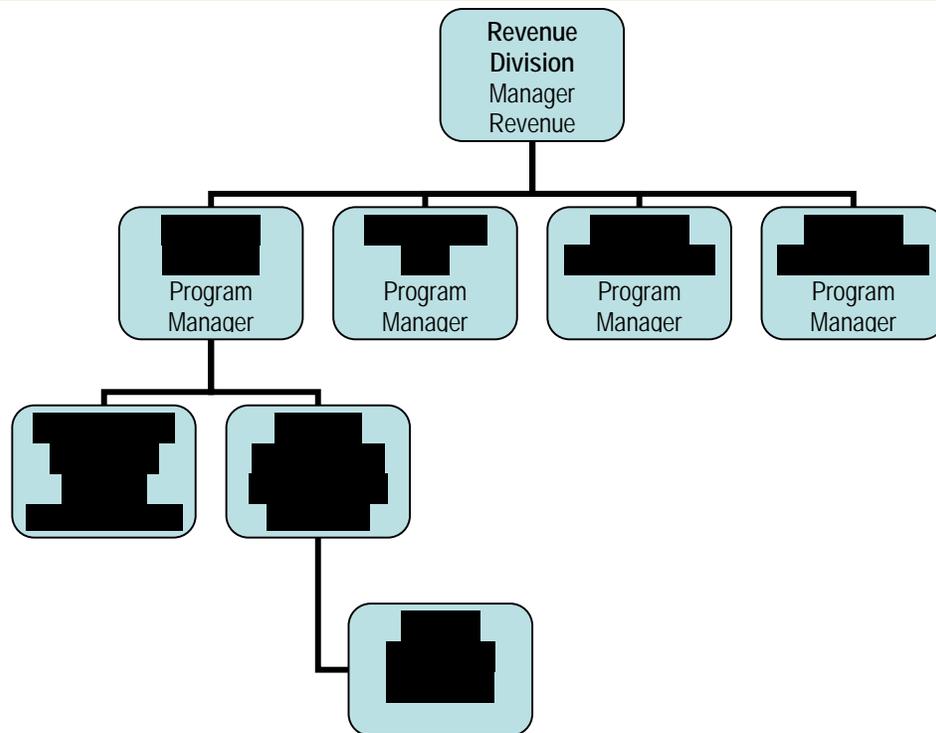
3 Detailed Observations and Recommendations

3.1 Case 1 [REDACTED]

The case of [REDACTED] involves an individual who successfully participated in competition [REDACTED] in [REDACTED] for a [REDACTED] position in the [REDACTED] Unit of the Revenue Division which is managed by [REDACTED] who has the overall responsibility for the [REDACTED] Unit. [REDACTED] reports directly to the Manager of Revenue. The annual salary range in 2008 for a [REDACTED] based on a 35 hour work week, was [REDACTED] to [REDACTED].

Of particular concern in this case is the level of involvement, decision making and influence the [REDACTED] played in the competition process and appointment of her [REDACTED] in spite of the real or perceived conflicts this may have given rise to and contrary to the spirit or intent of the City's policy on "Hiring and Employment of Family Members".

An abbreviated version of the Revenue Division's organization chart is provided to facilitate the understanding of the reporting relationships of the various parties involved in this particular case:



3.1.1 Approval, Priority Consideration and Competition Poster

The necessary steps and authority to proceed with the competition were initiated and supervised by [REDACTED] as [REDACTED] was the [REDACTED] and responsible authority. Documentation and steps leading up to the competition were on the competition file and were in accordance with the City of Ottawa “Staffing and Client Relations Reference Guide” and the pertinent collective agreement, which in this case was the CUPE 503 agreement. The scope of the work as well as the statement of qualifications found on the competition poster mirrored those of the job description.

Approval to staff the position was obtained and priority consideration was completed. Both processes were clearly included and documented in the competition file.

The competition was posted internally as per the City of Ottawa guidelines and procedures and in accordance with the appropriate collective agreement (article 11 of CUPE 503).

The competition poster did not state the actual number of vacancies that would be filled through the competition, but indicated “1 (or more) Full Time Continuous Position(s)” which is apparently not unusual for this type of position with numerous incumbents and high turnover. A total of 20 employees submitted applications, as well as 9 others who were deemed at the outset to be screened out as they were either summer students or deemed not to be eligible in accordance with the CUPE 503 collective agreement.

The Interview Committee was comprised of [REDACTED] as [REDACTED] [REDACTED] to [REDACTED]. Both [REDACTED] and [REDACTED] stated that they were aware of the relationship between [REDACTED], and did not have any concerns or second thoughts about a real or perceived conflict arising from [REDACTED].

3.1.2 Application of equivalencies

[REDACTED] worked for the City in numerous capacities such as [REDACTED] for several summer and seasonal periods since [REDACTED].

On [REDACTED] 2007, [REDACTED] submitted [REDACTED] application for full-time employment by applying to the competition for [REDACTED]. On [REDACTED] 2007, [REDACTED] [REDACTED] to inform [REDACTED] "Good Morning [REDACTED] Here is the application I sent in for the [REDACTED]. Thanks [REDACTED]".

The Department of Human Resources normally reviews resumes and screens candidates based on education and experience as set out in the competition poster. Those who do not meet the minimum requirements are not considered further. This is an excellent HR practice as it provides hiring board members and/or hiring managers with an overall at-a-glance picture of the pool of candidates. The Human Resources Consultant usually provides the hiring department with recommendations for their consideration. The hiring manager reviews the screening summary provided by Human Resources and comments on the screening rationale.

[REDACTED] was originally not deemed to be eligible by [REDACTED] the HR Professional from the Department of Human Resources, because [REDACTED] employment status on the SAP system reflected that of a [REDACTED]. However, [REDACTED] intervened on [REDACTED] 2007 by way of email to [REDACTED], suggesting that [REDACTED] be included in the competition because [REDACTED] possessed a substantive right to CUPE 503 competitions as a result of [REDACTED] previous work as a [REDACTED]. On [REDACTED] 2007, [REDACTED] wrote an email to [REDACTED] colleagues with a copy to [REDACTED] advising them that [REDACTED] would now be screened in to the competition. [REDACTED] stated "just heard from [REDACTED] and can confirm that [REDACTED] will be screened into [REDACTED] competition for the similar reasons [REDACTED] was screened in. [REDACTED] and [REDACTED] have both agreed to this".

As a result of the intervention by [REDACTED] on behalf of [REDACTED] [REDACTED] was screened in, but upon review of [REDACTED] qualifications in relation to the requirements of the position, [REDACTED] was once again screened out because according to the HR department who does the initial screening, [REDACTED] did not possess the requisite education and experience. The job required two years of post secondary Business Administration or equivalent, as well as three years customer inquiry/problem solving experience dealing with

customers on telephone/in person, including one year of finance experience working in a municipal government environment.

██████████ has an undergraduate degree in a totally unrelated ██████████ ██████████ combined with ██████████ months experience as a ██████████ ██████████ months as a ██████████ ██████████ and ██████████ work as an ██████████. Arguably, ██████████ experience fell well short of the posted requirements. Nevertheless, ██████████ was allowed to participate because it was deemed by the members of the selection committee that ██████████ possessed the requisite “equivalencies”.

The City of Ottawa has established guidelines to determine when and how to use equivalencies in order to maintain consistency throughout the organization while providing maximum hiring flexibility and career progression opportunities.

Provided it is clearly indicated on competition posters, hiring managers have the possibility of considering “equivalencies” for education and experience. If equivalencies are to be used, the equivalent combinations of education and experience as outlined on the “CUPE 503 Plan 2 Equivalent Combinations of Education and Experience” grid should have been articulated on the poster. Hence, candidates who do not possess the full education requirements and experience or a truly equivalent mix should be excluded. Even though there are clear guidelines and grids to determine true “equivalencies”, screening was not consistent with those guidelines.

All that is stated on the competition poster for the ██████████ ██████████ position is a general statement which can be easily circumvented. It states “Experience and formal training combined with demonstrated performance and ability, may substitute for stipulated academic requirements”. It says nothing about substituting for lack of experience and allows too much discretion to the hiring manager to lower the minimum requirements.

Normally, equivalencies allow managers to consider candidates with less education but with more experience than sought on the job competition poster. If done objectively and fairly, this is an excellent practice to increase opportunities while maintaining consistency throughout the organization. However, if it is not clearly stipulated at the outset, it is unfair to other potential candidates who deem themselves as not meeting the minimum requirements and do not apply.

When the candidates selected for interviews do not possess the education and experience required nor the equivalencies to perform the job, as described on the job poster (which mirrors the job description), this results in appointing personnel who do not meet the requirements of the positions and can ultimately impact program delivery and overall employee perceptions of inequity or preferential treatment.

Job descriptions are the common basis for classification, staffing and compensation. It is therefore critical that all disciplines respect the basic requirements outlined in the job description in order to equitably pay the candidate who possesses the skills outlined as a basic requirement in the job description, given that these are the same basic requirements that were used to evaluate the job and determine the rate of pay.

For these reasons, the classification process calls for “minimal” education and experience on job descriptions. Hiring managers may, in some cases, “exaggerate” the “minimal requirements” for classification purposes in order to obtain the highest grade and ultimate pay band for their positions, yet they are prepared to interview and select candidates who do not meet those same requirements. In some cases, equivalencies make good sense as long as they are clearly articulated and applied. However, one can argue that not respecting the guidelines can ultimately result in having employees that are paid for education and experience that they simply don’t have. The City provides very good paying jobs with great benefits and as a result should be able to attract the best qualified candidates from within the City and if not, then from the labour market to achieve its goals and value for money.

In this case, the City provided the opportunity to an employee to compete who did not meet the strict requirements of the position. The employee was allowed to compete on the basis of an interpretation of “equivalencies” and the fact that the applicant was known to the hiring manager. Management indicated this practice is particularly prevalent and occurs regularly in high turnover areas. Such actions undermine the principle of fairness and integrity and raise concerns of preferential treatment where there is no level playing field, particularly when familial ties exist.

It was inappropriate for the hiring manager to provide an opportunity to someone who did not meet the minimal education and experience as outlined in the competition poster. This candidate was ultimately successful in the competition and received the highest mark, which in itself appears to defy logic or shows a low correlation between the requirements of the position and the tests administered.

Finally, the competition screening summary was provided to HR only after the interview and selection process was fully completed. It should have been provided at the outset with comments and rationale for inclusion or exclusion of candidates to allow HR to fulfill its oversight and compliance role. Some rationale is required to justify any discrepancies between HR and the hiring managers on “screening in” or “screening out” of candidates. Inasmuch as it is the hiring manager’s determination in the end, there should be a rationale to justify the actions and ultimate decisions. A similar recommendation was previously included in a 2006 the Audit of the Staffing Process for [REDACTED] [REDACTED] and agreed to by management (Reference Recommendations 3 and 4).

Recommendation 1

That the City clearly indicate in the competition poster how equivalencies will be evaluated by way of a grid or definition of equivalent combinations of education and experience in order to protect the integrity of the process, and to ensure that successful candidates do in fact provide the City with value for money and the level of expertise for which it pays.

Management Response

Management disagrees with the recommendation.

The Human Resources department (HR) refers to the Education & Experience Equivalency Guidelines For Recruitment & Staffing Purposes, which outlines the various options for evaluating equivalencies. Each individual applicant must be assessed on their own merits, given their unique combination of experience, training and education. It is not practical, therefore, to attempt to include all of the equivalency options in a competition poster.

Recommendation 2

That the City ensure that screening of candidates is conducted in a more consistent and rigorous fashion based on job poster requirements and that candidates who do not meet the requirements are screened out.

Management Response

Management agrees with the recommendation.

The Human Resources department conducts screening of candidates based on the posted requirements and the City's equivalency considerations. Given the technical requirement of some jobs, hiring managers may need to make their own interpretations with respect to the suitability of applicants. If the hiring manager screens a candidate back in, the hiring manager must document the rationale/criteria in the 'Competition Screening Summary'. Staffing Officers review the file to confirm that this documentation is present and appropriate, and will contact the hiring manager if it is not.

Based on the limited sample reviewed as part of this audit, it cannot be assumed as indicated in the report, that it is a prevalent practice to allow employees to compete on the basis of a liberal interpretation of equivalencies.

OAG COMMENT: The OAG considers that this recommendation should be forwarded to the Audit, Budget and Finance Committee for discussion.

Recommendation 3

That the City ensure that its hiring managers provide documented rationale of actions and decisions taken, such as providing the competition screening summary with their comments to Human Resources within a reasonable period

of time prior to the scheduling of interviews to allow meaningful consultation and the opportunity for Human Resources to fulfill its oversight and compliance role.

Management Response

Management agrees with the recommendation that hiring managers provide documented rationale of actions and decisions taken on the Competition Screening Summary, and this is the current practice.

Management disagrees with the recommendation that the Competition Screening Summary be returned to HR and reviewed prior to the interviews being scheduled.

The role of the Human Resources (HR) department is to provide hiring tools, direction, and advice to managers; the role of hiring managers is to be accountable for the hiring decision.

HR provides a 'Competition Screening Summary' spreadsheet and an email to hiring managers that includes detailed instructions and links to key tools with respect to the competition process. Hiring managers are required to document their comments and decisions on the 'Competition Screening Summary' spreadsheet prior to initiating interviews. Consultation with HR is recommended however, in many cases the competition is straightforward and the hiring manager can choose to proceed without consulting HR. Further, given the volume of competitions, this recommendation is neither practical nor feasible.

The completed Competition Screening Summary is checked for compliance upon return to HR. In addition, HR conducts quarterly reviews/audits of competition files to ensure that the proper staffing processes have been followed.

OAG COMMENT: The OAG considers that this recommendation should be forwarded to the Audit, Budget and Finance Committee for discussion.

3.1.3 Interviews, Written Test and Results

As stated earlier, the selection committee was comprised of [REDACTED] as Board Chairperson and [REDACTED]

[REDACTED]. Based on the competition file, the selection committee followed the guidelines in the reference guide "Staffing and Selection for Managers and Supervisors" issued in February 2007 to assist managers in structuring and conducting a competition. An expected and potential answers document for all questions was on file for ease of correction by all Board Members. Tests and interview portions were corrected by Board Members. The Chairperson did not score individual candidates, but oversaw the competition and consensus scoring process. Results were achieved by consensus and a summary sheet for each candidate was prepared and was in the competition folder. The pass mark was set at 70%. Supporting documentation was on file.

There was no consolidated summary sheet on file of all scores containing results for both portions (written and oral), which should be completed as a matter of record for ease of reference to follow the process and provide the rationale for the ranking of each candidate. A similar recommendation was previously included in the 2006 Audit of the Staffing Process for [REDACTED]. Recommendation 6 was agreed to by management.

The City normally uses a form called “City of Ottawa Consensus Scoring and Selection Decision Summary” which calls for overall results and the signatures of all Board members. There was no summary found on file. The form was developed and rolled out to Managers after the 2007 Audit of Staffing. Interestingly, this form contains a statement as follows:

We certify that the above interviews were carried out in a non-discriminatory and bias-free manner, as detailed in the Ontario Human Rights Code (Provincial) or Canadian Charter of Human Rights (Federal) employment legislation, and per the requirements of the applicable Collective Agreement and City of Ottawa Guidelines on recruitment and selection.

However, it does not specifically address the issue of a real or perceived risk of conflict of interest or ask participants on selection committees to declare any potential risk of conflict of interest. Secondly, this summary sheet and signatures are completed after the closing of the competition when the damage may have already occurred.

As a result of the competition, there were five candidates selected. [REDACTED] scored the highest in both the written and oral sections of the competition and was appointed to the position of [REDACTED] 2007.

The results were communicated to Human Resources on [REDACTED], 2007 by way of email to [REDACTED] from [REDACTED]. The letter of offer to [REDACTED] dated [REDACTED] is signed by [REDACTED] advising [REDACTED] to report to [REDACTED]. Evidently, nobody at the time of the appointment raised any questions or concerns as to any real or perceived conflict of interest including the Manager of Revenue who knew [REDACTED] had been employed by the City in [REDACTED] and in the [REDACTED] prior to the competition.

Recommendation 4

That the City ensure that hiring managers document competition results and send competition files with summary sheets outlining all results as well as the proposed order in which offers would be made for discussion and validation to Human Resources prior to any verbal or written offers being made.

Management Response

Management agrees that a review of the competition file should be completed by HR prior to a written offer being issued, however, that review can be done via a discussion with the hiring manager.

The role of the Human Resources (HR) department is to provide hiring tools, direction and advice to managers; the role of hiring managers is to be accountable for the hiring decision. HR is directly involved in creating all written offers.

For all competitions, HR provides hiring managers with detailed instructions and links to key tools with respect to the process.

Final interview results and proposed offers are generally discussed with the Staffing Officer or Human Resource Consultant prior to offers being extended. However, where Human Resources is not directly involved in the interview process, a verbal offer may be extended at the discretion of the hiring manager.

Requiring that all competitions have a consultation point with HR prior to a verbal offer would prolong the process unnecessarily for a straightforward staffing action. Management believes that this additional investment yields limited returns. All written offers are extended following consultation and a review of the hiring decision with HR.

The Human Resources department uses the "Competition Administrator" database to track competition milestones, including the date the completed file is received.

OAG COMMENT: The OAG considers that this recommendation should be forwarded to the Audit, Budget and Finance Committee for discussion.

3.1.4 Hiring and Employment of Family Members Policy

The Hiring and Employment of Family Members Policy is of particular significance in this case. The conduct of those involved inevitably lead to concerns of real or perceived conflict of interest and allegations of preferential treatment. The purpose of this policy is to ensure that employment related decisions concerning existing or potential City employees are free from any real or perceived improper influence based on familial relationships and to maintain public confidence in the integrity of the City's hiring and employment practices.

Inasmuch as the purpose is broad, the actual definition of "family" in the policy is strictly limited to child, parent, spouse, but excludes brothers, sisters, in-laws. In addition, the only working relationship which is prohibited is the "direct reporting relationship" whereby family has authority to approve or deny increments, overtime or negotiate salary level, conduct performance appraisals; administer discipline; or direct work assignments with respect to an employee. However, it clearly states the implications of broader familial ties beyond the immediate family,

the need to be sensitive to these and the obligation to govern ones actions to avoid contravening the spirit and intent of the policy.

The policy description reads as follows:

“One of the City’s human resources objectives is to hire the best candidate available for each vacancy, while taking into consideration the legal requirements imposed by such things as collective agreements. While strong family relationships are to be encouraged, these should not form the basis of an employment decision within a large government organization. As a consequence, the City prohibits employment situations where family members would:

1.1.1 Be supervised by, or subordinate to, one another;

1.1.2 Be given preferential treatment in being recruited and/or selected from vacancies; or

1.1.3 Be appointed to positions where job responsibilities would be incompatible with positions occupied by family members.

While this policy is intended to apply solely to immediate family relations (defined as child, parent, spouse) employees and elected officials should be cognizant that broader familial ties and other close personal relationships may give rise to the same concerns surrounding real or perceived conflicts as those specifically address in this policy. As a result, employees and elected officials who find themselves in such situations should be sensitive to these concerns and govern themselves in keeping with the spirit and intent of this policy.”

Upon review of this file, it is apparent through the conduct, behaviour and influence of this manager throughout the competition and that of [REDACTED] direct reports as well as the Manager of Revenue, that there was disregard for the policy or at the very least a lack of understanding of the intent and spirit of the policy, and poor judgment in not fulfilling their responsibility as managers to protect the integrity of the City’s hiring and employment practices.

While strictly speaking this family relationship [REDACTED], it most certainly infringes on the intent and spirit of the policy and the need for employees to be cognizant that broader familial ties and other close relationships may give rise to the same concerns surrounding real or perceived conflicts as those specifically addressed in the policy. There is a critical need for the City to advocate more strongly to its employees who find themselves in such situations to be sensitive to these concerns and govern themselves in keeping with the spirit and intent of this policy.

As stated, what is disconcerting in this case is the general acceptance of this situation by everyone including [REDACTED]'s direct reports and the Manager of Revenue, and the indifference or lack of concern to intervene or prevent a conflict of interest or the appearance of one. In fact, it appears that nothing was done until after the complaint was lodged on the Fraud and Waste Hotline and management reviewed the matter.

Management's review report dated [REDACTED] 2008 did not delve into the magnitude and [REDACTED] level of involvement in the competition, but simply made reference to the fact that [REDACTED] was involved in the selection process. The report states that [REDACTED] was verbally reprimanded for xxx [REDACTED] behaviour "When the Manager, Revenue became aware that [REDACTED] was now employed in [REDACTED] area, he met with [REDACTED] to investigate... [REDACTED] was verbally reprimanded for the poor judgment exercised". The question to be asked is at what point did the Manager, Revenue become aware of the situation and did he in fact consider the discussion with [REDACTED] to be a form of discipline.

During the audit, the Manager, Revenue did not recall when he became aware of [REDACTED] involvement in the competition and when he actually reprimanded [REDACTED]. At the audit interview with [REDACTED] stated that [REDACTED] did not recall being disciplined for [REDACTED] conduct. [REDACTED] claimed that the issue of [REDACTED] involvement in the competition was brought to [REDACTED] attention in the middle of the competition process, but nevertheless [REDACTED]. There was no record of any discipline imposed, and therefore it is difficult to establish when it may have occurred. Perhaps because it was a verbal reprimand, no record was kept. Even the Fraud and Waste Hotline management review report dated [REDACTED] is inconclusive as to when and if any discipline had been imposed by that date. The portion of the report called "Actions planned or taken" does not shed much light as to whether or not at the time of the Report on [REDACTED] the remedial actions had in fact occurred or where still planned.

Management's report states:

"In regard to case 1 (case 1 refers to [REDACTED] case) two remedial actions are planned:

- *Prior to this appointment, [REDACTED] had been previously employed by the City in [REDACTED] and another area of Revenue. When the Manager, Revenue became aware that [REDACTED] was now employed in [REDACTED] area, he met with [REDACTED] to investigate. [REDACTED] admitted that [REDACTED] had been involved in the staffing process. [REDACTED] was verbally reprimanded for the poor judgement exercised by not [REDACTED], and he explained the concerns regarding the perception of conflict of interest in the case [REDACTED].*

- *The [REDACTED] reports to and takes direction from [REDACTED] and is providing excellent service in an area not easily staffed. In order to remove the [REDACTED] from potential conflict of interest situations, the [REDACTED] will be instructed to deal directly with the [REDACTED] regarding actions such as performance appraisal, expense approval or discipline as it relates to this employee."*

The second corrective action taken by the Manager, Revenue was to change somewhat the normal reporting relationships between [REDACTED] and [REDACTED] and have the [REDACTED] supervisor deal directly with [REDACTED] on all matters of performance, expense, discipline, etc. involving [REDACTED]. At best this was a compromise that attempted to circumvent the intent and spirit of the policy and is untenable from an effective management perspective. The premise for this decision is predicated on not unduly penalizing the interests of [REDACTED] and the inherent complexities of transferring out an employee under the provisions of the CUPE 503 collective agreement.

The interests of [REDACTED] and the collective agreement constraints may be valid arguments at this late stage, but the lack of strong and meaningful corrective action does very little to address the fundamentals of this case, and does little to stress the importance and the City's commitment to its principles as enunciated in the Hiring and Employment of Family Members Policy.

Recommendation 5

That the City, as part of their current review, ensure that the policy includes a broader definition of "family" and at a minimum develop an appropriate communication strategy to clearly explain to all hiring managers and employees the importance of being free from any real or perceived improper influence based on family relationships in order to maintain public confidence in the integrity of the City's hiring and employment practices, and avoid the situations described above.

Management Response

Managements agrees with the recommendation.

This issue was considered during the last review of the Hiring Policy and a statement has been developed to address this concern, namely:

"While this policy is intended to apply solely to immediate family relationships (see definitions), employees and elected officials should be cognizant that broader familial ties and other close personal relationships may give rise to the same concerns surrounding real or perceived conflicts as those specifically addressed in this policy. As a result, employees and elected officials who may

find themselves in such situations should be sensitive to these concerns and govern themselves in keeping with the spirit and intent of this policy.”

A similar recommendation was made in the 2007 Audit of the Staffing Process and was discussed at the November 21, 2008 meeting of the Council Audit Working Group (CAWG). CAWG has directed the City Manager to “review the definition of “family member” contained in the portion of the Hiring Policy that relates to employees, with a view to establishing a broader definition of “family member” that is in keeping with the spirit and intent of the policy and the law in this regard, and to report such direction to Council”. The Auditor General was in agreement with the above-mentioned direction. The CAWG direction will go forward for Council approval in the next status report.

Further, a communication strategy will be developed and issued in Q4 2009 that clearly explains to all hiring managers and employees, the importance of being free from any real or perceived improper influence based on family relationships in order to maintain public confidence in the integrity of the City’s hiring and employment practices, and to avoid the situations noted in the audit.

Recommendation 6

That the City develop clear guidelines and disciplinary consequences for those involved in selection processes that are deemed to be inappropriate, unfair or in contravention of City policy to deter such behaviour and demonstrate commitment to its principles of merit and integrity.

Management Response

Management agrees with the recommendation. The guidelines and disciplinary consequences in place meet the intent of the recommendation.

The Code of Conduct sets out that the Department Head will ensure that the matter is addressed in an appropriate manner: “Upon receiving written disclosure of an actual or potential breach of the Code, the Department Head shall either determine that no breach exists or take reasonable steps to ensure that the matter is addressed in the appropriate manner. This may include seeking a written legal opinion from the City Solicitor”. Any resulting disciplinary action would be documented as indicated in response to Recommendation 8. These policies are currently in place.

Recommendation 7

That the City ensure that:

- a) **All disciplinary actions taken are documented, and a record of such infraction is kept on the employee’s file or in the immediate supervisors records; and,**
- b) **Performance appraisals address disciplinary issues.**

Management Response

Management agrees with recommendation 7 a).

There is a training course available for managers: “Managing in a Unionized Environment”, which has a section on the disciplinary process. Managers dealing with a disciplinary issue typically work with a Labour Relations Consultant and receive guidance throughout the process.

Disciplinary actions are documented, as outlined in the corporate procedures on discipline, and are placed on the employee’s file according to time limits outlined in collective agreements or terms and conditions.

Management disagrees with recommendation 7 b).

Performance appraisals are non-disciplinary tools that have a much broader application for performance and development and are not intended to deal with disciplinary issues. While aspects of performance that have been subject to discipline may be discussed and referred to in a performance appraisal document, the disciplinary process is separate from the performance management process.

Recommendation 8

That the City review the discipline imposed to date, if any, in particular the case of the [REDACTED] in the [REDACTED] of the Revenue Division, and consider imposing proper discipline to all involved in this process [REDACTED]

Management Response

Management agrees with the recommendation.

Finance has undertaken a review of the discipline imposed as a result of the competition for the [REDACTED] referenced within this report, and believes that the actions taken were appropriate [REDACTED]

[REDACTED]

[REDACTED]

[Redacted]

[Redacted]

[Redacted]

Recommendation 9

That the City revoke the delegation of authority for hiring from the Managers involved in this case for a definite period of time during which time all hirings would involve the direct participation and final approval of Human Resources.

Management Response

Management disagrees with the recommendation.

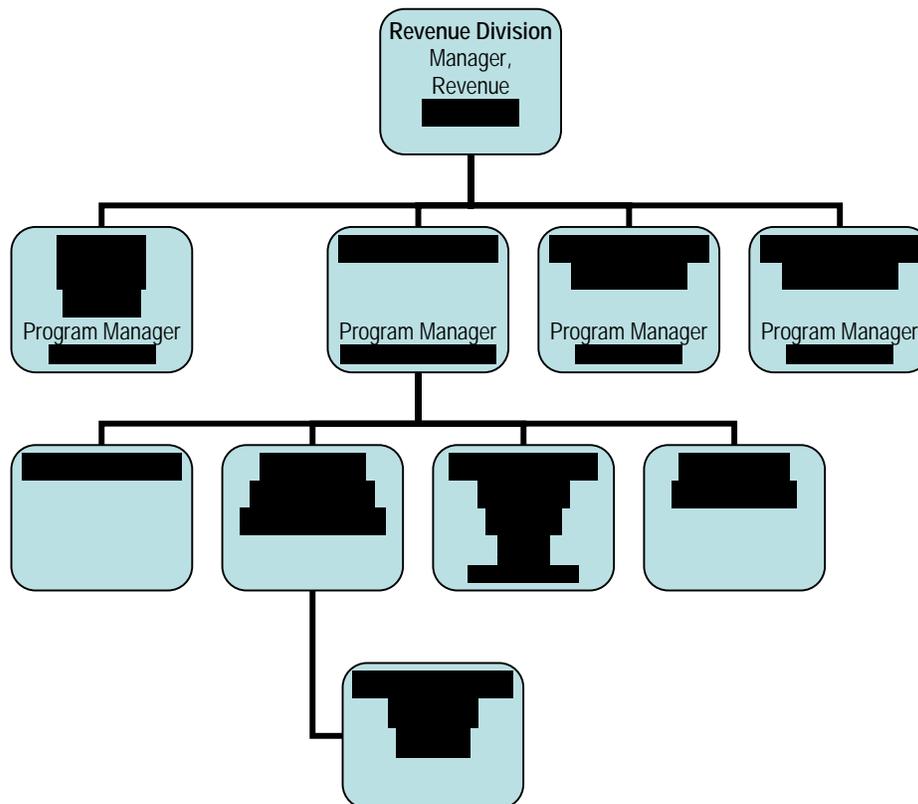
In accordance with the Staffing and Selection Guide for Managers and Supervisors, the hiring manager is accountable for the hiring process, which is not subject to final “approval” by Human Resources. Human Resources will work with the hiring manager to ensure compliance with the process.

Although this recommendation is based on an isolated case, the Finance department will implement new measures to ensure greater internal scrutiny to mitigate any perception of conflict of interest in its hiring practices.

3.2 Case 2 [REDACTED]

[REDACTED] of [REDACTED] within the Revenue Division. [REDACTED] is employed in the [REDACTED] of the Revenue Division as a [REDACTED]. The annual salary range in 2008 for a [REDACTED] based on a 35 hour week was [REDACTED] to [REDACTED].

An abbreviated version of the Revenue Division's organization chart is provided to facilitate the understanding of the reporting relationships of the various parties involved in this particular case:



[REDACTED] was first hired as a summer student [REDACTED] in the former City of Ottawa municipal structure as a [REDACTED]. [REDACTED] was then transferred from student status to a part-time temporary CUPE 503 [REDACTED] on [REDACTED]. On [REDACTED], 2002, [REDACTED] applied for [REDACTED] position within the [REDACTED] unit, which was later re-classified as a [REDACTED].

The competition for [REDACTED] position(s) was chaired by [REDACTED] for [REDACTED]. HR indicated that they agreed this file was poorly documented. This was a very old file and predated many of our staffing practices, tools and policies developed post

amalgamation. At the time of the competition, the [REDACTED] was aware of the fact that [REDACTED] was the [REDACTED] of [REDACTED]

The competition file available for review was incomplete and much of the requisite competition documentation was missing, for example:

- Process used for selection;
- Written test and interview guides;
- Actual results of the tests and interviews; and,
- Summary of the overall results and ranking of candidates.

There was a competition screening summary on file which lists who competed on the competition, and a note in the comment section of the form indicating who succeeded and who failed. As for [REDACTED] name was handwritten at the end of the competition screening summary along with two other names, and the note beside [REDACTED] name states simply "late applicant-offer to make" with no other details. The letter of offer to [REDACTED] appointing [REDACTED] to the position of [REDACTED] is signed by [REDACTED].

The only other observation that could be made in examining the competition poster and the resumé of [REDACTED] is that [REDACTED] did not meet the minimum requirements for the position. [REDACTED] did not possess [REDACTED] or equivalent, nor did [REDACTED] have the [REDACTED] experience dealing with customers including at least [REDACTED] [REDACTED] had a [REDACTED] with limited experience as a [REDACTED]

As stated earlier in this report involving another case, when candidates selected for interview do not possess the education and experience required nor the equivalencies to perform the job, which should mirror the job description as described on the job poster this results in appointing personnel who do not meet the requirements of the positions, and can ultimately impact program delivery and overall employee perceptions of inequity or preferential treatment particularly when familial ties exist.

This is another case where the City provided an opportunity to an employee to compete who did not meet the strict requirements of the position. The employee was allowed to compete on the basis of an interpretation of "equivalencies" and that the employee was known by the manager. This practice is particularly prevalent and occurs regularly in high turnover areas.

Furthermore, of the four cases from the Revenue Division reviewed during this audit which involved the selection of temporary or part-time employees with

familial ties at entry level positions, three of them led to successful competitions for full-time or longer term seasonal employment opportunities.

Given that hiring managers have the flexibility to request the list of names and interview candidates of their choice, it is not impossible to suggest that influence or communications amongst hiring managers could facilitate the hiring of employees with internal family ties.

Internal employees are privy to the information and have an advantage over others. There are not always pre-established inventories of candidates or databases from which candidates could be randomly or practically selected. Once a candidate is selected for a temporary or part-time position, they have the right to compete for any full-time employment opportunity. Inasmuch as seniority is an important element in competitions, it is not so when there are multiple opportunities such as for Finance Specialists.

Therefore, the combination of familial ties, the lowering of minimum standards, and the fact that employees are privy to information about potential opportunities may lead to real or perceived conflicts of interest. It can be argued that as a result, relatives of City employees have undoubtedly more opportunities to work for the City than other citizens. A very similar conclusion involving summer students and the impact of familial ties was arrived at in the 2007 audits of Employee Services which examined staffing and reclassifications, and labour relations.

Under the current process the hiring manager does a Request for Personnel Action (RPA) which is forwarded to the HR Specialist for review to ensure that there is no other qualified employee who could be suitable for the position on some priority list within the City. If there are none then the hiring manager has the authority, in the case of temporary or part-time requirements of six months or less, to essentially do as they please which is where the real source of concern originates.

3.2.1 Risk of Internal Control Breakdown

Some concerns were raised with respect to the risk of internal control breakdown and potential collusion that could arise as a result of multiple family members working in separate units of the Revenue Division, namely in this case the [REDACTED] and the [REDACTED] each handling a different portion of the process relating to the [REDACTED] stream. Employee roles and accesses would normally be set up in each of these areas to ensure appropriate segregation of duties. However, related parties could pose a risk from an internal control standpoint.

As a result of a summary review of the roles and responsibilities of those involved in this case; the degree of segregation of duties and delegation of authorities between units and employees; the nature of the systems and internal controls in place; the availability of performance reporting and the occurrence of regular audits would place the risk of collusion or of an internal control breakdown at a low level.

Recommendation 10

That the City ensure appropriate processes and controls are implemented with respect to the proper documentation and retention of competition files, and that the hiring managers and the Department of Human Resources fulfill their respective responsibilities in this regard.

Management Response

Management agrees with the recommendation, and it has been implemented.

Human Resources have an approved Records Information Management (RIM) file that incorporates all aspects of the competition process and managers submit all of their competition files for inclusion on this official file. The Human Resources Consultant and/or Staffing Officer review the file upon receipt and request missing documents from the hiring manager.

OAG COMMENT: The OAG considers that this recommendation should be forwarded to the Audit, Budget and Finance Committee for discussion.

Recommendation 11

That the City implement higher standards and more objective practices relating to the hiring of temporary employees and summer students to ensure greater fairness and impartiality in the hiring process such as selection from pre-qualified job inventory lists.

Management Response

Management disagrees with the recommendation.

Summer students are subject to a competitive process. Temporary hires are subject to various processes outlined in collective agreements and may include a competitive or non-competitive process, however, the hiring decision must be defensible under the collective agreement rules. Accordingly, management believes that this process is objective and has high standards. The exception to this process is for temporary positions of less than 14 weeks where the employee can be hired through a temporary agency, which has its own screening process.

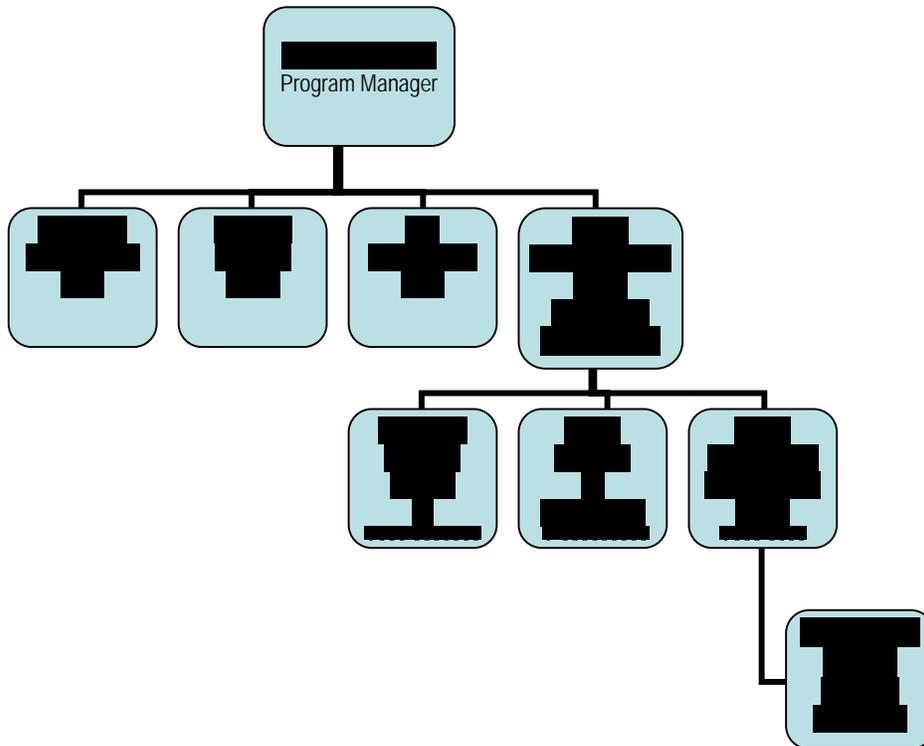
With respect to the proposal of a pre-qualified job inventory list, the City has a vast variety of jobs that would preclude developing and maintaining inventories for temporary employees in all possible job turnover situations. In many cases, the hiring of temporary employees is subject to various considerations under collective agreement, such as acting appointments and recalls from layoff. Temporary employees may also be hired from temporary agencies under the City's standing offer.

3.3 Case 3 [REDACTED]

This case involves the manner in which [REDACTED] was hired as a [REDACTED] in the [REDACTED] within the Revenue Division, and the perceived preferential treatment [REDACTED] received based on familial relationships, contrary to City policy on "Hiring and Employment of Family Members". [REDACTED] is the [REDACTED], a [REDACTED]

[REDACTED] within the Revenue Division. The rate of pay for the position of [REDACTED] in 2008 based on the CUPE 503 collective agreement was [REDACTED] to [REDACTED] per hour.

An abbreviated version of the organizational chart of [REDACTED] Unit of the Revenue Division is provided to facilitate the understanding of the reporting relationships of the various parties involved in this particular case:



The City employs approximately [REDACTED] plus additional term positions depending upon residential and commercial demands. In addition, there is a fairly high degree of turnover, [REDACTED] As a result, the need for temporary help fluctuates tremendously and the requirements tend to be sporadic and of short duration leading to great difficulties in planning and anticipating needs. The requirements to do the job are [REDACTED]

[REDACTED] There is no pre-established list of qualified candidates and management

indicated that it is impractical or difficult to establish an inventory of pre-qualified candidates.

As standard practice, an RPA is sent to HR to check for priority listing and then the hiring manager is free to interview anyone. If there is no priority listing it is common practice according to those interviewed to openly solicit names or references from other employees within the Revenue Division or from any source, as apparently not too many internal candidates seem interested or available for this type of work and its uncertain duration. As a result, referrals from other employees are most often the source of new hires for these opportunities.

This is how [redacted] came to be a [redacted] on [redacted], 2006. [redacted] was [redacted] on [redacted] and placed on a [redacted] list. [redacted] was [redacted] into a vacant [redacted] job on [redacted], pursuant to Article 12 of the collective agreement. [redacted] was then [redacted] and was [redacted] [redacted] 2008. The events related to [redacted] and [redacted] were conducted in keeping with the provisions of the collective agreement.

At issue are the hiring practices and more importantly the need for a standard of objectivity and impartiality in the hiring practices of the City to maintain some level of integrity and to avoid favouritism or the perception of favouritism. This is an example where the combination of familial ties, influence, and that some employees are privy to information, can lead to a real or perceived conflict of interest or favourable treatment. Internal employees are privy to the information and have an advantage over others. There are not always pre-established inventories of candidates or databases from which candidates could be randomly or objectively chosen to avoid these situations from occurring. As stated in Recommendation 12 of this report, the City needs to implement higher standards and practices relating to the hiring of temporary employees and summer students to ensure greater objectivity and impartiality in the hiring process.

3.4 Case 4 [redacted]

[redacted] is the [redacted] of [redacted] reports to [redacted] provided [redacted] name to [redacted] (see abbreviated organizational charts of Revenue Division in sections 3.2 of this report for the position of [redacted] and in section 3.3 of this report for the [redacted] Unit.

[redacted] was hired as a [redacted] by the Program Manager on [redacted] 2008 for a term of [redacted]. Since it was for a [redacted] there was no need to post the requirements as per

the provisions of the CUPE 503 collective agreement. The rate of pay for the position of [REDACTED] in 2008, based on the CUPE 503 collective agreement, was [REDACTED] to [REDACTED] per hour.

As a [REDACTED] [REDACTED] was entitled to compete for any position arising during [REDACTED] term of employment. [REDACTED] applied for a competition of [REDACTED] in the [REDACTED]. The rate of pay for this position in 2008 was [REDACTED] to [REDACTED] per hour. [REDACTED] was screened into the competition by HR and was hired as a [REDACTED]

This is another example where the combination of familial ties, influence and an employee being privy to information can lead to a real or perceived conflict of interest. As stated earlier, internal employees are privy to the information and have an advantage over others. There are not always pre-established inventories of candidates or databases from which candidates could be randomly or objectively selected. Once a candidate is selected for a temporary or part-time position, they have the right to compete for any CUPE 503 employment opportunity. As outlined previously in Recommendation 12 of this report, there is a definite need to implement a more rigorous system to bring about more objectivity and impartiality to the process of hiring temporary employees and summer students.

3.5 Case 5 [REDACTED]

This case involves the temporary appointment of [REDACTED] to a position of [REDACTED] without posting, allegedly contrary to City policy.

In [REDACTED] 2008 [REDACTED] General Manager of Public Works, created a [REDACTED]. The supporting documentation and approvals were obtained in keeping with proper procedures and were available for review.

[REDACTED]

The position was created for a temporary period and the incumbent appointed on an acting basis. There is no provision in the Management and Professional Exempt Group (MPE) Terms and Conditions of Employment with respect to the maximum duration of acting appointments. There is also no obligation to post acting appointments. In situations of this nature, it falls within the manager's discretion to appoint the candidate most likely to meet the requirements of the temporary assignment.

The General Manager chose [REDACTED] to fill this temporary need. [REDACTED] had been employed with the [REDACTED] since [REDACTED]. For the past several years [REDACTED] had been working for [REDACTED] as a [REDACTED]. [REDACTED] last few performance appraisals indicated that [REDACTED] consistently exceeded expectations. According to the General Manager [REDACTED] was the best candidate to respond to the challenges and inherently well qualified to do the work.

Accordingly, the decision taken was appropriate and in keeping with standard practice for temporary assignments.

Recommendation 12

That the City determine a maximum duration for acting appointments.

Management Response

Management disagrees with the recommendation.

The Terms and Conditions of Employment (MPE in this instance) provide guidelines that indicate when an acting appointment should be posted, with an ability to recognize exceptions to meet operational requirements. It is management's view that flexibility is sometimes necessary for operational requirements but has found that it is not often exercised.

4 Conclusion

While it is impossible to conclude unequivocally that any candidate received preferential treatment as a result of familial ties, there is no question that the circumstances of these cases clearly contravenes the intent and spirit of the policy on Hiring and Employment of Family Members. These cases serve as a classic example of what happens in the workplace when favouritism or perception of favouritism occurs in employment practices. Under normal circumstances, the results of the competitions would be overturned and new competitions held to uphold the broader objectives of fairness and integrity of the City's hiring practices. Unfortunately, the passage of time has made this intervention untenable.

These cases reflect a disregard of the policy and poor judgment on the part of several managers. Corrective actions taken to date were cosmetic and actually served to condone the inappropriate behaviour of all involved. There is a need for stronger actions now as none were taken at the appropriate time by those who had an opportunity and responsibility to act, and eliminate any conflict in order to protect the integrity of the City's hiring and employment practices. The City needs to uphold the principles of its policies and convey the implications to everyone who is not in compliance with them.

5 Acknowledgement

We wish to express our appreciation for the cooperation and assistance afforded the audit team by management.