

Statement of Work

Disability Assistance Program Internal Audit Project

Submitted on:

May 6, 2019 for SPC on Finance meeting on May 13, 2019





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City of Saskatoon SPC on Finance
222 Third Avenue North
Saskatoon, Saskatchewan S7K 0J5

Statement of Work - Disability Assistance Program Internal Audit Project

Recommendation

That the enclosed Statement of Work for the Disability Assistance Program Internal Audit Project be approved and that SPC on Finance allocate \$60,420 and 380 hours for this project, which is an increase of 6% from the \$57,000 and 360 hours estimated in the approved 2019 Internal Audit Plan.

Please find enclosed the Statement of Work for the above referenced project. Note that the total proposed scope of the project is 380 hours and \$60,420. Detailed planning and preparation for the project has been ongoing since March 2019 and detailed fieldwork efforts on the project will continue upon approval of the Statement of Work by SPC on Finance with reporting planned for Q3 2019.

Yours truly,

A handwritten signature in black ink, appearing to read 'Jesse Radu', is written over a light blue horizontal line.

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1. Background

The Strategic Plan for the City of Saskatoon (the “City”) states that: “strategic goals will be achieved through the talent, creativity, and commitment of staff who demonstrate our five Guiding Values in our workplace every day”. The five Guiding Values are: Courage, Respect, Integrity, Safety and Trust.

To achieve its Strategic Goal of “A Culture of Continuous Improvement”, the City is striving for a workforce that is engaged, healthy and safe. Metrics such as employee absenteeism rate and lost time injury frequency are being implemented to measure success.

Absenteeism at the City is classified into three categories: periodic absences, ongoing medical conditions, and long-term. Periodic absences are less than 10 days per occurrence.

A disability, for context of this project, is commonly defined as a state of incapacity that prevents an employee from doing their job due to illness or bodily injury. At the City, disability management is currently delivered through the Disability Assistance Program (“DAP”). This program manages accommodations and return to work plans, and falls within the responsibility of the City’s Strategic Partner, Human Resources.

The City has 12 different collective agreements with varying terms regarding benefit plans that are designed to assist as a form of accommodation for employees struggling with illness or injury.

In Canada, an employer has a legal duty to take reasonable steps to accommodate an employee’s individual needs. This is usually accomplished through policies and conditions of work. Of note, is that this legal duty does not apply if the only way to resolve the problem will cause the employer undue hardship.

2. Scope of Work

This project will assess City practices under the Disability Assistance Program regarding absenteeism that is ten days or greater and caused by an ongoing medical condition due to illness or injury.

Areas of focus will include:

Identification & Needs Evaluation

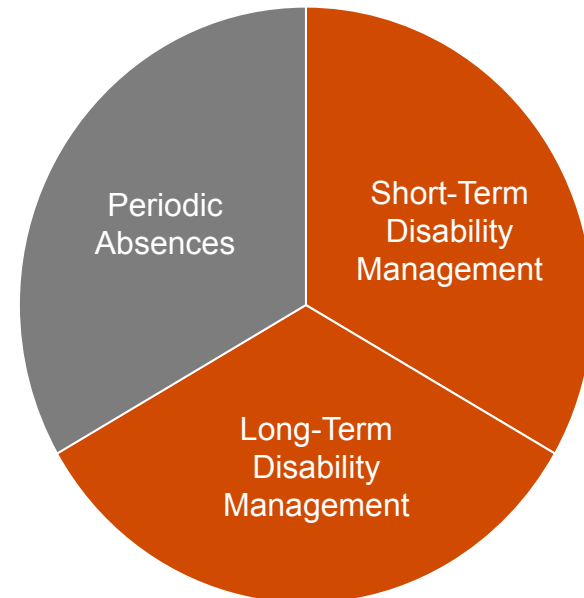
Return to Work

Ability Management

Reporting / Program Monitoring

Areas out of scope include:

- Workers’ Compensation Board Benefits
- Practices at Controlled Corporations (SaskTel Centre, Remai Modern Art Gallery of Saskatchewan, TCU Place)



3. Approach

Phase 1: Understand the Current State	Phase 2: Leading Practice Analysis	Phase 3: Future State Design	Phase 4: Report & Action Plan
<p>Objective: Obtain a thorough understanding of the business requirements and practices, stakeholder experiences, and enabling technology</p>	<p>Objective: Identify gaps within the current state through analysis against leading practice</p>	<p>Objective: Leverage leading practices to collaborate with stakeholders in the design of an operating model to deliver value and enhance experience</p>	<p>Objective: Formally report on our analysis and related recommendations for action</p>
<p>Activities:</p> <ul style="list-style-type: none"> • Read current reports, policies and collective agreements • Conduct a Discovery workshop with key internal stakeholders to capture the steps involved in the delivery of the program, including practices that add value, and create pain points • Administer a survey to other internal stakeholders to capture additional information regarding stakeholder experience 	<p>Activities:</p> <ul style="list-style-type: none"> • Identify leading practice standards by conducting desktop and interview research with 3-4 similar sized organizations • Assess current state practices against leading practice and PwC subject matter specialist experience • Identify gaps and quick wins (low effort, low impact) 	<p>Activities:</p> <ul style="list-style-type: none"> • Identify and prioritize additional solutions by level of implementation effort and likely performance impact, including a high-level estimate of cost • Conduct a Validation workshop with key internal stakeholders to finalize and rank solutions • Prepare a detailed cost estimate for the highest ranked solution(s) 	<p>Activities:</p> <ul style="list-style-type: none"> • Prepare a report that encompasses the deliverables of each phase, including: <ul style="list-style-type: none"> ○ Current state operating model ○ Gap analysis against leading practice ○ Future state operating model • Prepare an action plan for implementation and communication for each of the highest ranked solution(s)
<p>Outcome: Documented current state operating model, including identification of issues and root causes</p>	<p>Outcome: Gap analysis against leading practice, including identification of quick wins</p>	<p>Outcome: Documented future state operating model, including solutions to improve business practices, stakeholder experiences and enabling technology</p>	<p>Outcome: Executive Summary, Detailed Report, and Action Plan</p>

4. Stakeholders

The key stakeholders of the project from the City include the Chief Human Resources Officer and those involved in the delivery of the DAP. As this project affects the organization as a whole, the Administrative Leadership Team is also a key stakeholder, as are all employees who have the opportunity to participate in the DAP.

5. Budget

Our fees are based on actual hours incurred at the agreed upon hourly billing rates in the “Internal Audit Services Agreement” dated January 1, 2015. Specifically, sections 6(4) and 6(6) of the “Internal Audit Services Agreement” specify hourly rates to be charged. We estimate our fees for the completion of our services under this Statement of Work will be \$60,420 plus out of pocket expenses and applicable taxes, which will be charged on an actual basis. We estimate out of pocket expenses to be \$6,000.