TTC AUDIT COMMITTEE
REPORT NO.

MEETING DATE: July 14, 2009

SUBJECT: INTERNAL AUDIT REPORT – TRAINING DEPARTMENT

INFORMATION ITEM

RECOMMENDATION

It is recommended that the Audit Committee receive for information the attached Internal Audit Report.

BACKGROUND

Internal Audit provides the Commission with independent evaluations of the efficiency and effectiveness of control systems, and operations. Internal Audit is also required to provide recommendations for improvement.

- - - - - - - - - - -

Richard G. Beecroft
Chief Auditor

July 14, 2009
01-23

Attachment - Internal Audit Report

OPERATIONS BRANCH

TRAINING AND SUPPORT SERVICES DEPARTMENT

TRAINING

TABLE OF CONTENTS

EXECUTIVE SUMMARY

This audit assessed the management, financial and operational controls of the Training Section of the Training and Support Services Department. An Exit meeting was held on March 31st, 2009 with the General Manager – Operations Branch to discuss the audit. The audit found that the department is well managed and that the overall internal controls are effective in monitoring and controlling the delivery of the section responsibilities.

However, weaknesses pertaining to Trainer Recertification, Trainer Quality Evaluations and Resource Utilization were noted. Audit made recommendations to ensure that trainers maintain their recertification, evaluations are scheduled and conducted and review with the operating departments on how to improve employee attendance to the course they have requested. Management has committed to taking corrective action in addressing the noted area of concern.

Audit also recommended improvement in the effectiveness of the Planning and Program Development function, to ensure that the backlog for in-house training programs is addressed. Management has agreed to review and update the procedure.

We wish to express our thanks for the co-operation and assistance received from all parties during the course of the audit.

R.G. Beecroft   K. Draudvila
Chief Auditor   Audit Project Manager

FOREWORD

Training is responsible for the delivery of training to ensure employees and contractors are properly trained, qualified, certified and licensed to perform their work.

AUDIT SCOPE AND OBJECTIVES

SCOPE: The audit included a review of key management, operational and financial controls of Training for the period January 2007 to May 2008.

OBJECTIVES: To assess the management and operational controls to ensure:

- accountability and reporting relationships are appropriate for the Commission;

- due regard for economy, efficiency and effectiveness; and

- procedures and processes are in place to measure and report on the Department's activities.

To evaluate the adequacy of financial controls to ensure:

- compliance to Legislative and Commission requirements;

- the timeliness, accuracy, completeness and authority of transactions; and

- the safeguarding and control of assets and other information.

AUDITED ITEMS FOUND ACCEPTABLE

KEY CONTROL	FINDING
Planning and Budgeting	The department's budget and goals and objectives are developed in accordance with TTC policy and procedures. Input is obtained from the operations branch department to identify new training requirements.
Training/Development (Department Staff)	New training requirements may arise due to the introduction of new equipment. Training for this is scheduled and provided and the department ensures all necessary personnel are trained. Other development or training requirements are identified in the external training budget requirements.
Purchasing & Expenditures	Purchases and expenditures are approved in accordance with policy and monitored and controlled with regular periodic reviews.
Asset Control & Security	An access control system is in place to control access of employees or other personnel to the department. Asset lists are verified and updated periodically for all locations where training equipment is maintained.
Management Information System	Controls are in place to maintain the Pathlore application and database.
Training Simulators	Implementation and maintenance plans are developed for the bus and subway simulators being developed by external suppliers. Cut over dates have been established and training is progressing.
Training Records	Controls are in place to update and maintain employee training records in the Pathlore database.

AUDITED ITEMS FOUND UNACCEPTABLE

FINDING #1

TRAINING

OBJECTIVE: To assess that employees and contractors are properly trained, qualified and certified to perform their work.

ANALYSIS: Trainer Recertification:

A review of trainer recertification documentation found that trainers have not met their recertification requirements. Although the department has a process in place to identify when recertification is needed, the department is not following up to ensure the recertification is acquired.

It was noted that when recertification was obtained the trainer was only required to write and pass the test. They did not attend the course to ensure they are aware of any new information on the subject matter.

Trainer Quality Evaluations:

The department has established a goal of conducting two Quality Evaluations per trainer annually. The trainer is evaluated on the critical areas such as; safety equipment, lesson plan, training material used and followed, class discussion and questions fostered and tests performed.

With the exception of the Surface Transportation training section, the other three training sections have not conducted the quality evaluations on the training staff.

It was also noted that the department has not established a schedule to ensure that the evaluations are rotated so that each trainer is evaluated on each course they are responsible for delivering.

Resource Utilization:

Each budget year input is obtained from the operating departments on their expected training requirements. The Training department establishes course dates and commits resources by ensuring that trainers, training rooms and training material is available. Testing of the Pathlore database records indicated that enrolment for scheduled training is below capacity. In 2007 the number of scheduled classes with no enrolment was 23.79%, and 23.5% for the first half of2008. Resources are wasted when operating departments do not ensure that their employees attend the courses.

RECOMMENDATIONS:

Management should review the effectiveness of the processes and take the necessary steps to ensure that;

- the trainers maintain their recertification requirements,
- required Trainer Quality Evaluations are scheduled and conducted, and
- discussions are held with the operating departments to review and improve employee attendance to the course they have requested.

MANAGEMENT'S RESPONSE:

- We agree that Instructors should recertify on the courses they conduct, however, no provision was made for this in the calculation of Instructor availability we use for budget purposes. For 2010 we will reduce Instructor availability from 1600 hours per Instructor per year to 1560 hours per Instructor per year to ensure sufficient time in our training schedule to allow Instructors to attend recertification training.

- Three out of four sections now have Chief Instructors who are primarily responsible for providing training for new Instructors and monitoring/supervising Instructors in the field. In those sections quality evaluations are being conducted. In the 2010 budget we will request a Chief Instructor position for the Bus Maintenance Training Section.

- During the budget planning and scheduling process there are a number of unknowns that result in scheduled classes being cancelled or cancelled and rescheduled with Instructor resources reallocated as appropriate. These

classes currently show has having no enrolment in the Pathlore LMS. In future, we will label cancelled classes. We have, however, identified a problem with employees who fail to attend training as scheduled and in 2008 began producing monthly "no show" reports to alert Departments to the need to ensure that employees are available to attend training as scheduled. For the first four periods of 2009 the number of scheduled classes with no enrolment was 15.29%.

FINDING #2

PLANNING & PROGRAM DEVELOPMENT

OBJECTIVE: To assess the development of training programs in response to the identified needs of the Operations department.

ANALYSIS: The Planning & Program Development section is responsible for the development of all in-house training programs This includes the development of a program curriculum for all identified training. As part of the annual budget process, program development needs are assessed and the long range plan is updated to identify programs that require review and revision.

Based on the review of 2008 program development documents, Audit noted for the 173 programs listed, 110 (63%) of the programs did not meet current standards and lacked specific elements of the curriculum. Of particular concern is that many of these courses are being delivered without standardized program materials, mainly in the Rail and Bus Maintenance sections.

Where documentation is lacking the trainers are required to deliver courses based on their experience rather than the department's standard lesson plan and training material. An effective evaluation of the delivery of these courses would be difficult since standardized lesson plans have not been developed.

Management has identified what training materials and course information is required for each of the courses listed. However, resources for curriculum development are budgeted annually based on priorities and revision cycles. As a result most of these courses do not move up the list. The long range plan does not provide a timeline as to when these courses can expect to have a formal curriculum developed.

RECOMMENDATIONS: Management should modify the current planning process to address the program development backlog for in-house training programs, including the use of off the shelf or third party training material.

MANAGEMENT'S RESPONSE:

Development needs have consistently exceeded available resources. In conjunction with the 2010 budget process we have undertaken a major review of the curriculum to:

- List all training courses currently being delivered.
- Set a target level for documentation for each course.
- Report on the status of existing documentation for each course.
- Set a development priority level for each course requiring development.
- Establish target completion date for high priority development requirements.

Also in conjunction with the 2010 budget, the Department will request the creation of a Program Documentation Specialist position to support the development process.