

Findings and Recommendations from the Casuals Payment Audit

Commissioned by La Trobe University

June 2021

ENQUIRIES
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Introduction

Background

Underpayment of casual staff is a concerning issue that has been identified in several industries, including the university sector.

In response to these concerns, the University commissioned an independent audit of its payment practices for casual staff, which was part of a wider internal review. At the time this internal review was established, the University had not received any reports of underpayments or claims by staff.

Our Collective Agreement outlines the conditions which apply to staff and includes casual staff engagement requirements.

Objective

An independent internal audit of our payment practices for casual staff was undertaken to assess the University's systems and processes relating to the engagement and payment of casual staff. The independent internal audit findings and recommended remediation have been summarised in the next section of this document.

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Findings and Recommendations from the Casuals Payments Audit

The independent internal audit commissioned by La Trobe University identified nine recommendations relating to casual payments. The findings and agreed actions have been summarised below. Please note that a remediation plan is currently being developed based on the recommendations.

	FINDINGS	AGREED ACTIONS
1.	Minimum Engagement Period for Professional Casuals 1.1. Interpretation of criteria in the University Collective Agreement is unclear. 1.2. Lack of application and monitoring of minimum engagement period.	1.1 Interpretation of criteria in the University Collective Agreements is unclear i) As part of developing LTU CA application guidance, provide clear guidelines in terms of how the 3 hour and one-hour minimum engagement period is to be applied for example, minimum 3 hours must be paid for employees per day. ii) Refine or remove the criteria relating to casual employees who are students and/or have a primary occupation elsewhere during CA renegotiations commencing late 2021, unless a process is developed to enable application of this clause. <hr/> 1.2 Lack of Application and monitoring of minimum engagement periods i) Explore potential system controls to: <ul style="list-style-type: none"> Automatically apply the 3-hour minimum engagement period on days where staff record less than 3 hours per day; or Identify or flag the staff member or workflow approver that less than 3 hours per day have been assigned. ii) Where system controls cannot be applied, establish exception reporting in timesheets submitted to identify where minimum hours have not been claimed.
2.	Application of Marking Rates to Ensure Consistency 2.1 Definitions not clear	2.1 Application of marking rates to ensure consistency i) Redefine and provide clarity on the definition of marking wage codes outlined in the LTU CA, particularly 'Academic Judgement' and the types of assessments that fall under standard marking (Rate N) and high marking (Rate M). ii) Revisit the application of formulas to calculate the number of marking hours depending on the nature of the work being performed and establish acceptable formulas to be applied henceforth. iii) Update relevant policies and guidance documentation on the application of marking rate, this should include a detailed review of all school-based policies and processes to ensure School level nuances are considered and aligned with University-wide requirements. iv) Perform periodic assessment of marking formulas to ensure that marking remains reasonable and current. v) Develop and implement continuous compliance monitoring mechanisms with respect to the appropriate utilisation of marking wage codes vi) Consider the use of automation, robots or alternative technology solutions to aid in marking processes (e.g. robotic marking of multiple-choice answers etc.)

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	FINDINGS	AGREED ACTIONS
3.	Casual Hours Allocation 3.1 Monitor committed hours 3.2 Contracted hours are not fully documented	3.1 Monitor committed hours i) Explore system capability to allow tracking of claimed vs committed hours for casual staff, this could include: <ul style="list-style-type: none"> • A system alert that identifies attempts to claim more than the committed hours. This alert should restrict the submission of timesheets until further reviewed. • escalation and approval pathways should be developed to allow more than committed hours to be charged in circumstances where additional time was worked. ii) Implement a process whereby Schools: <ul style="list-style-type: none"> • Formally report on their workload planning (i.e. hours committed per casual staff member) • Monitor exception reports to identify casual staff who have under or over charged based on the agreed committed hours and investigate variances. 3.2 Contracted hours are not fully documented i) The University should re-establish and mandate the formal contracting process which requires Schools to provide casual staff member with a University approved casual contract which outlines key time-charging information for example, hours committed, subject codes and the wage types to be charged to. The contract should provide University-wide expectations regarding the submission of timesheets and broader employment contractual requirements (e.g. requirements to comply with University policies etc.)
4.	Ad Hoc Wages Code 4.1 Criteria for Use	4.1 Criteria for use i) Review all wage codes within the payroll system and align each with the respective LTU CA wage code. Where codes have been created which do not align with the CA (i.e. Ad-hoc and agreed hourly wage codes) the University should consider the need for codes outside of those listed in the CA and ensure consistent and appropriate approvals and guidance on the use of these codes is created. This review may inform the upcoming renegotiation of LTU's CA. ii) Update policies and guidance documentation on the utilisation of wage code not defined in the LTU CA and ensure School level nuances are considered and aligned with University-wide requirements. iii) Develop and implement continuous compliance monitoring mechanisms with respect to the appropriate utilisation of ad-hoc wage codes. iv) The University should explore the potential system controls to restrict pay code selection in timesheets to only contracted casual pay codes and within contracted limits. The approval for the release of pay codes for timesheets should be centrally managed.

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5.	Application of Other Academic Activity (OAA) 5.1 Inconsistency of Usage	5.1 Inconsistency of Usage i) Explore system capability to allow tracking of OOA wage codes, this could include: <ul style="list-style-type: none"> • A system alert that identifies timesheets that have charged to OOA. This alert should restrict the submission of timesheets until further reviewed and approved; and/or • A regular exception report which identifies time charged to OOA codes for investigation or validation of appropriateness.
6.	Process to Capture Doctoral Qualification 6.1 Ability to capture doctoral qualifications to ensure these staff are not paid at PhD rates.	6.1 Ability to capture doctoral qualifications to ensure these staff are not paid at PhD rates i) The University should revise the current process to unlock PhD wage codes to include requirement for non-PhD wage codes to be locked for PhD staff to avoid the incorrect wage code being assigned in timesheets. ii) Develop and implement regular and systematic exception reporting and continuous controls monitoring mechanisms using data analytics to continuously identify anomalies in the use of PHD wage codes.
7.	Timesheet Data Quality and Submission 7.1 Regular submission of timesheets is not mandated 7.2 Information such as subject codes are not required to be entered into timesheet data	7.1 Regular submission of timesheets is not mandated i) Develop exception reporting to be run at the end of the specified time period (e.g. fortnightly) to identify missing timesheets or where timesheets are not complete (i.e. do not have key information such as subject codes). The exceptions should be raised with Schools for analysis and remediation. ii) Each School should implement a process to conduct a full reconciliation of all casual contracted hours at the end of each semester to identify unclaimed hours to follow-up. <hr/> 7.2 Information such as subject codes are not required to be entered into timesheet data i) Consider the implementation of mandatory fields within timesheets (e.g. subject codes) and system generated timesheet reminders for casual staff at the end of a defined time period (e.g. fortnightly).

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8.	Standard vs Repeat Lecture and Tutorial Rates 8.1 Incorrect use of standard vs repeat rate	8.1 Incorrect use of standard vs repeat rate i) Conduct a detailed, whole of population analysis/testing (review of data and where appropriate manual records) and investigate whether Initial vs. repeat lectures/tutorial pay rates were applied and paid to staff correctly on a week-to-week basis, in accordance with the LTU CA. Identified issues should be quantified and remediation activity should occur for staff affected. ii) Determine key stakeholders responsible for remediation and develop a project plan to engage with Schools in relation to the implementation of the actions identified within this report and any other identified actions for remediation. iii) Recommunicate initial vs. repeat lectures/tutorial requirements and define scenarios with ambiguity to provide additional guidance for use. iv) Undertake a comprehensive review of rates to determine whether rates are representative of current market conditions and work effort. v) Explore the potential system controls to restrict 'repeat' wage code selection for a subject prior to a 'standard' wage code in timesheet entry. vi) Implement regular and systematic exception reporting and continuous controls monitoring mechanisms to continuously identify anomalies in casual pay inaccuracies.
9.	Normal vs Little Preparation 9.1 Incorrect use of normal vs little rate	9.1 Incorrect use of normal vs little rate in clinical nursing i) Define what is required for minimal vs. normal preparation in casual clinical nurse educator wage codes. ii) Develop and implement regular and systematic exception reporting such as normal vs little preparation % based on unit guide and committed hours to identify anomalies in casual clinical nurse wage code inaccuracies.

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