



New York City Comptroller
John C. Liu

NEWS RELEASE

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LIU: LAW DEPARTMENT VIOLATED OVERTIME RULES

Sloppy Management Opened Door to Salary Padding

NEW YORK, NY – City Comptroller John C. Liu released an audit of the City Law Department that found supervisors did not follow the rules when it came to approving overtime – giving away an extra \$10,000 to some people who weren’t even eligible to collect overtime.

“The amounts involved may seem small, but these violations are indicative of a larger problem that if left unchecked lead to greater waste of taxpayer money,” Comptroller Liu said.

The audit found that 46 workers collected \$186,805 in overtime pay for which they weren’t eligible. A group of 16 employees took home the lion’s share -- \$172,053 -- of the unapproved overtime pay.

The employees were barred from receiving overtime because their salaries were all higher than the earnings cap set by the Office of Labor Relations.

In this case, supervisors showed a complete disregard for the rules by approving overtime pay without obtaining the waivers for the employees. To make matters worse, the troubled CityTime system apparently lacked a function to automatically reject the overtime requests.

The audit also pointed out the potential for pension abuse by workers who collect unwarranted overtime. The pension formula for employees of the New York City’s Retirement System is based in part on the employees highest three consecutive years of earnings including overtime payments.

The Law Department agreed with the Comptroller’s recommendation that it comply with overtime regulations and stated that it has since “received overtime waiver approvals for 2010 and 2011, and will do so going forward.” The Law Department has declined to recoup the money.

Comptroller Liu credited Deputy Comptroller for Audit H. Tina Kim and the Audit Bureau for presenting the findings. The full report is available at <http://comptroller.nyc.gov/audits>.

LAW DEPARTMENT UNEARNED OVERTIME EXPENDITURES

Year	# of employees	\$ Amount
Calendar 2008	25	\$103,851
Calendar 2009	21	\$82,954

EARNINGS CAP

The Office of Labor Relations earnings cap for overtime eligibility was \$71,230 in 2008. It was raised to \$74,079 as of March 3, 2009.

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