



Office of the
New York City Comptroller
John C. Liu

NEWS RELEASE

PR10-03-028
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March 4, 2010
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LIU TO BLOOMBERG: FREEZE OUT-OF-CONTROL CITYTIME ‘MONEYPIT’

NEW YORK, NY – New York City Comptroller John C. Liu called for Mayor Michael Bloomberg to immediately freeze all requests for contracts or payments associated with the CityTime project (CityTime) until the completion of his audit into the Office of Payroll Administration's (OPA's) oversight of the bloated project. CityTime is one of the timekeeping systems used in City agencies for employees, the cost of which has mushroomed by nearly eleven hundred percent with less than one-third of projected City employees actually using the system to date.

In a letter to the Mayor, Comptroller Liu urged the Mayor to stop "the hemorrhaging of funds that are still slated to be poured into CityTime", which to date is at \$193 million. "The reality is CityTime was intended to save money by modernizing timekeeping systems," Comptroller Liu wrote. "Unfortunately the cost has mushroomed from \$68 million projected at its onset to more than \$738 million to date. At the same time, only about 45,000 of a projected 156,000 City employees actually use the CityTime system." The full text of the letter is below.

Comptroller Liu stated: "As our City is faced with ever expanding budget gaps and service cuts, each dollar of taxpayer monies spent warrants ever more scrutiny to ensure both wise budgetary decisions and safeguards against this type of bloated spending."

Despite OPA's projections that CityTime will be completed within a year, Comptroller Liu labeled the deadline as unrealistic, citing OPA's "past performance" and loss of credibility relating to the mushroomed project. Comptroller Liu has subsequently appointed Mr. Ari Hoffnung, Executive Director of Accountancy and Budget in the Comptroller's Office, as his new representative and thus co-Director of OPA; the Mayor's representative also serves as co-Director. The two co-Directors of OPA make recommendations on the agency's staffing and operations.

Below is the full text of the letter sent to Mayor Bloomberg on March 3, 2010.

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March 3, 2010

Honorable Michael R. Bloomberg
Mayor
City Hall
New York, New York 10007

Dear Mayor Bloomberg:

I am writing to urge you to immediately freeze all requests for both contracts and payments related to CityTime until my team completes our audit of the oversight of this bloated project.

The reality is CityTime was intended to save money by modernizing timekeeping systems. Unfortunately, the cost has mushroomed from \$68 million projected at its onset to more than \$738 million to date. At the same time only about 45,000 of a projected 156,000 City employees actually use the CityTime system.

While our City faces growing budget gaps, we must do all we can to ensure that our dollars are spent wisely. This includes stopping the hemorrhaging of funds that are still slated to be poured into CityTime, which at last count was \$193 million.

Based on OPA projections, CityTime is scheduled for completion within a year, however due to the past performance of OPA relating to this project; the agency has lost all credibility. I therefore believe this is an unrealistic deadline.

It is clear from the funds already expended, and the lack of results shown that this project has ballooned out of control. It is time for City Hall to finally rein-in this spending spree and put these funds to better use.

I will take whatever steps within my authority to ensure that taxpayer funds no longer fall victim to this endless money pit. I am confident that my review of OPA's oversight of Spherion and the full cooperation of your office will help us ensure that this type of bloated spending does not repeat itself.

I look forward to working with you on this issue.

Sincerely,

John C. Liu

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