



OFFICE OF THE STATE COMPTROLLER

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New York State Agencies' Use of Overtime

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An era of tight budgets has sparked renewed interest in reducing government costs and identifying ways for State agencies to function more cost effectively. To help identify opportunities to achieve more efficient State operations, the Office of the State Comptroller has prepared this statistical overview of overtime use by State agencies over the past five years. The report uses the State's payroll data to detail overtime use as it applies to the State workforce.¹ Key findings include the following:

- Overtime is a relatively small portion of overall payroll spending, representing 3.15 percent of total payroll between 2007 and 2011.²
- Agencies that manage institutional settings are significantly more dependent on overtime than other agencies. Nearly 60 percent of the \$469 million spent on overtime pay in 2011 was used at three agencies: the Department of Corrections and Community Supervision (DOCCS), the Office for People With Developmental Disabilities (OPWDD), and the Office of Mental Health (OMH), which account for 22.1 percent, 20.0 percent, and 17.8 percent, respectively, of all overtime paid.
- Overtime spending varies by agency. In 2011, it ranged from 0.2 percent of the payroll for the Department of Taxation and Finance (Tax) to more than 9.5 percent of the payroll for the State's Veterans' Homes.³
- The percentage of employees receiving overtime also varies by State agency. In 2011, shares ranged from 1.2 percent of employees at Tax to 42.5 percent of employees at Veterans' Homes, with an average across all State agencies of 14.6 percent.
- Over the past five years, the size of the State payroll headcount has decreased 2.7 percent, and the amount of overtime hours worked declined 11.8 percent. However, overtime hours worked in three large agencies that administer institutional settings (DOCCS, OPWDD and OMH) have remained level, thus increasing those agencies' portion of total overtime hours in 2011 when compared with earlier years.

¹ The data used to produce this report are taken from the New York State payroll system, which is maintained and operated by the Office of the State Comptroller. This report is based on agency total employee headcounts, rather than Full-Time Equivalent (FTE) counts. It is necessary to use total headcount statistics when the components of workforce time and pay are analyzed as distinct parts of the whole.

² Calendar year data are used to allow a full-year comparison for 2011.

³ Veterans' Homes are part of the Department of Health but maintain a separate payroll and are therefore presented independently. These institutions are located at Batavia, Montrose, Oxford, and St. Albans (Queens).

- Overtime hours have trended down over the past five years, with declines in overtime occurring every year between 2007 and 2010. While overtime hours increased in 2011 over 2010 levels, they are still down 11.8 percent over 2007.

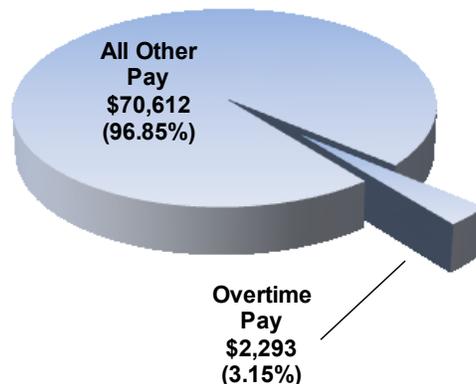
All agencies should continue to monitor overtime use carefully to: make certain that it is justified; achieve reductions whenever possible; and ensure that necessary work gets done efficiently and effectively.

Overtime Overview

The Division of the Budget (DOB) provides guidance for State agency overtime usage in its bulletin *Payment of Overtime Compensation to State Employees*, found in the Budget Policy and Reporting Manual.⁴ Generally speaking, employees in positions allocated or equivalent to civil service grade 23 and above are exempt from and/or ineligible for overtime compensation. Consistent with applicable provisions of the Federal Fair Labor Standards Act, employees of the State who are eligible for overtime compensation are paid for work performed in excess of 40 hours per week, at a rate equal to one and one-half times their regular rate of pay.

The figure below shows the sum of all overtime paid between 2007 and 2011, expressed both in dollar terms and as a percentage of the total State payroll. All other pay is the difference between the total State payroll and overtime. Overtime has accounted for about 3.15 percent of all State payroll costs over the past five years, totaling approximately \$2.3 billion over that time period.

Overtime Spending for All Agencies 2007 – 2011
(In Millions of Dollars)



2011 Agency Overtime Comparison

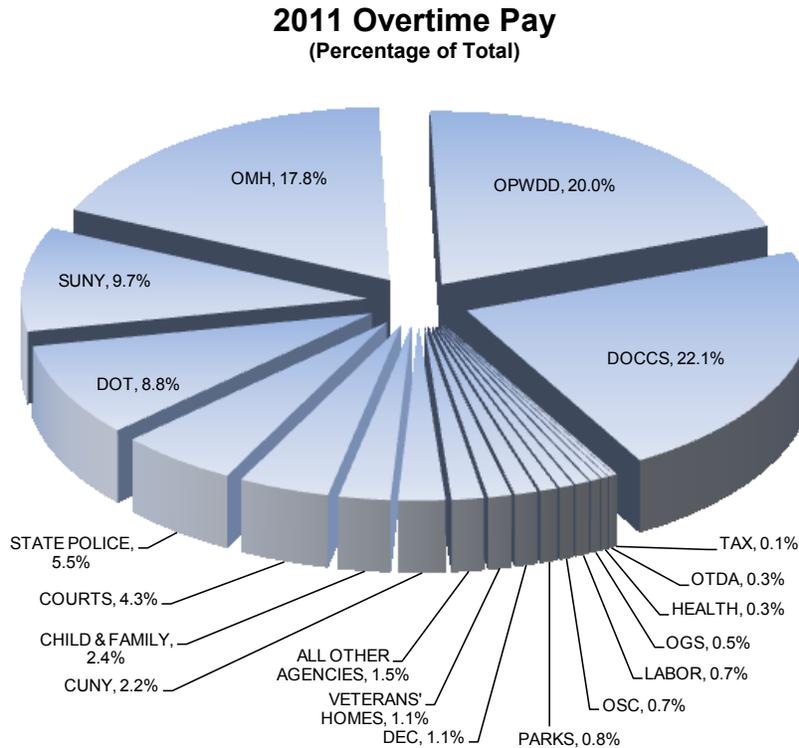
There are a number of ways to compare State agencies' use of overtime. This report examines four: 1) overtime hours, 2) overtime pay, 3) overtime as a percentage of agency pay, and 4) the percentage of agency employees receiving overtime.

⁴ See Division of the Budget, Budget Bulletin G-1024, dated July 27, 1986. On May 13, 2010, the Paterson administration issued a memorandum limiting agency overtime to employees providing direct care services or performing functions necessary for the preservation of health and safety.

Overtime hours - State agencies accrued more than 12.2 million hours of overtime in 2011. The highest total hours of overtime were accrued at agencies that administer institutional settings, with the top three accounting for 61.4 percent of the total. OPWDD had the most total overtime, at almost 3.0 million hours, accounting for 24.4 percent of the total overtime hours in the State. OMH followed at 2.3 million, or 18.9 percent of the total, and DOCCS had 2.2 million, or 18.2 percent of the total. See Appendix A for full details.

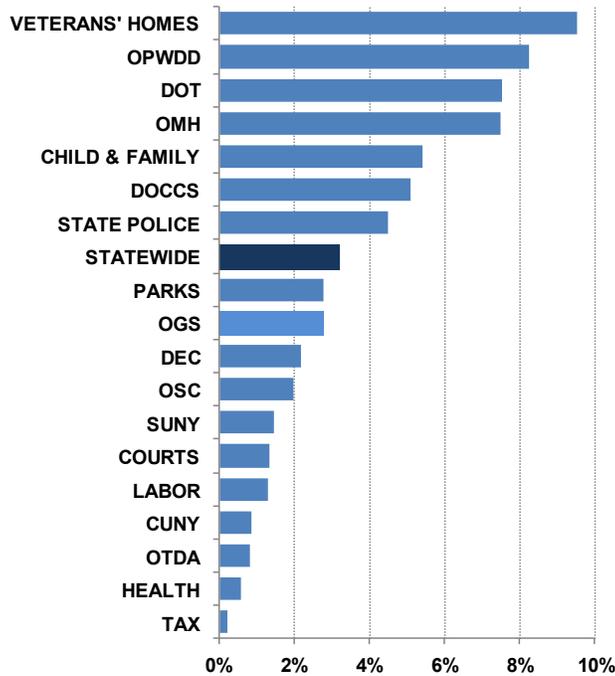
Overtime pay - In 2011, the State spent \$469 million on overtime pay. The same three agencies – DOCCS, OPWDD, and OMH – accounted for approximately 60 percent of total overtime payroll spending by State agencies. Of this total, DOCCS accounted for 22.1 percent, followed by OPWDD at 20.0 percent, and OMH at 17.8 percent. The State University of New York (SUNY) and the City University of New York (CUNY) combined accounted for 11.9 percent. The State Police and the Unified Court System (Courts) combined accounted for 9.8 percent of the total. The Department of Transportation (DOT) accounted for 8.8 percent. All other agencies accounted for the remaining 9.6 percent.

The following chart presents overtime pay by individual agency, expressed as a percentage of the statewide sum of all overtime in 2011.



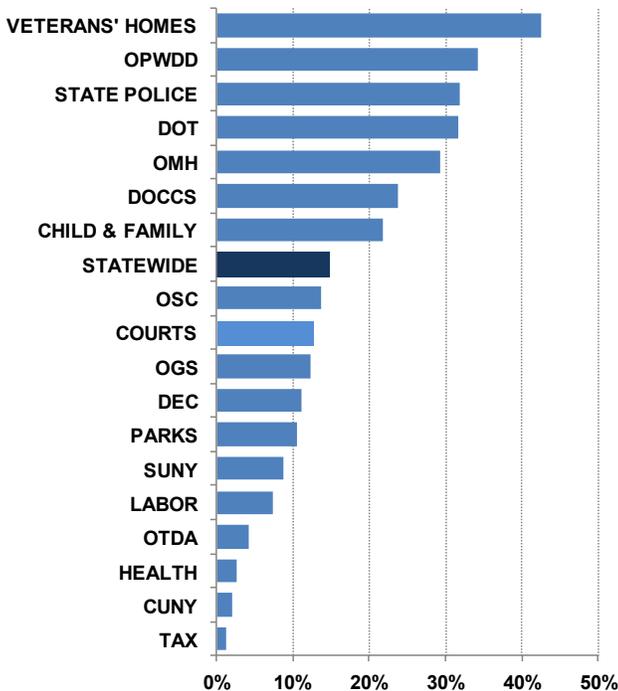
Overtime pay as a percentage of agency pay - In 2011, the agency with the highest percentage of payroll devoted to overtime was Veterans' Homes, at 9.5 percent of total agency pay. While this agency is small, it is similar in service characteristics to larger institutional agencies such as OPWDD, which was the next highest at 8.2 percent, followed by OMH and the Department of Transportation (DOT) at 7.5 percent each. As the bar chart below shows, seven agencies exceeded the statewide average of 3.2 percent.

Overtime as a Percentage of Agency Pay in 2011



Percentage of agency employees receiving overtime - This percentage is the average of the number of employees who earned overtime over the 26 pay periods in 2011 divided by the average number of agency employees in that year. As the bar chart below shows, those with the highest levels above the statewide average included institutional agencies - Veterans' Homes, OPWDD, and OMH, as well as the State Police and DOT.

Percentage of Agency Employees with Overtime in 2011



The following table presents the two measures of overtime use (hours and pay) for employees who worked overtime, sorted based on pay. Social service agencies tend to have higher averages of overtime pay per pay period, largely reflecting the significant number of hours of overtime worked.

2011 Overtime Averages
(Per Pay Period for Employees with Overtime)

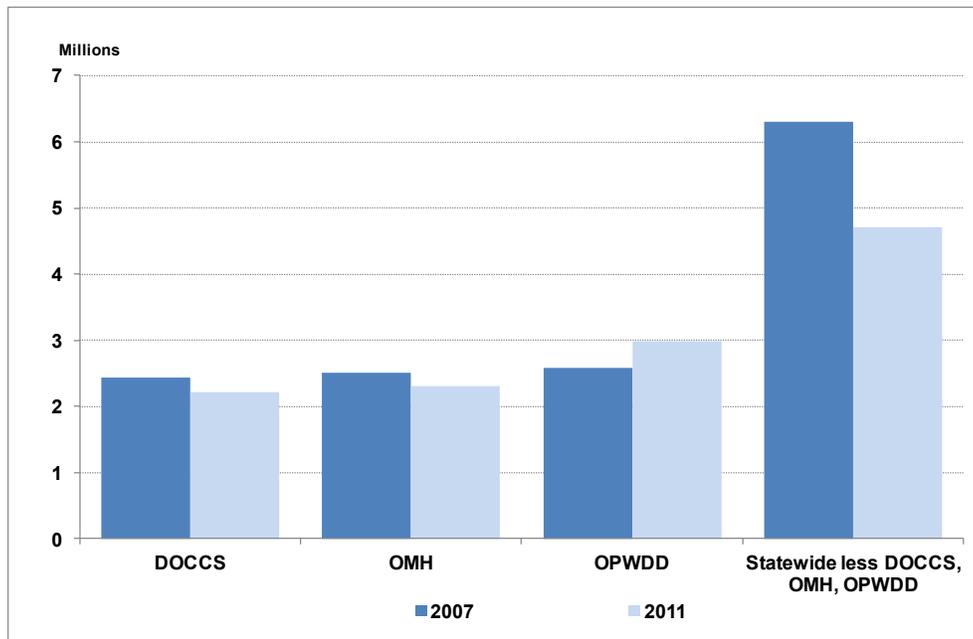
Agency	Hours	Pay
OMH	18.2	\$659
HEALTH	14.8	\$596
CHILD & FAMILY	15.2	\$576
CUNY	14.6	\$573
STATE POLICE	7.9	\$568
DOT	16.5	\$543
DOCCS	11.4	\$533
OTDA	12.1	\$506
OGS	13.0	\$482
DEC	10.8	\$455
OPWDD	14.3	\$453
VETERANS' HOMES	12.1	\$397
SUNY	10.6	\$389
LABOR	9.8	\$379
ALL OTHER AGENCIES	8.9	\$362
PARKS	10.0	\$361
TAX	9.2	\$358
OSC	10.1	\$357
COURTS	7.2	\$352
STATEWIDE	12.9	\$496

Agency Overtime Trends: 2007 Compared to 2011

Over the past five years, the size of the State workforce has decreased, along with the overall amount of overtime. The average State workforce headcount in 2011 was 2.7 percent smaller than the average in 2007, and the total amount of overtime hours was 11.8 percent lower. However, overtime hours used in agencies that manage institutional settings have stayed relatively level, thus increasing those agencies' portion of total overtime hours in 2011.

OPWDD, DOCCS and OMH combined used 7.5 million overtime hours in 2007, or 54.4 percent of all statewide overtime hours, which totaled 13.8 million. In that year, the largest user of overtime was OPWDD, which made up 18.6 percent of total statewide overtime hours. In 2011, all statewide overtime hours totaled 12.2 million, but the three institutional agencies listed above made up 61.5 percent of the total. OPWDD was again the biggest user of overtime, at 24.4 percent of the total.

Total Overtime Hours – 2007 Compared to 2011



The following tables show a comparison of overtime at State agencies, including total overtime hours accrued, total overtime pay in millions of dollars, the percentage of agency employees who received overtime, and the percentage of agency pay spent on overtime for 2007 and 2011.

2007 Agency Overtime Comparisons

Agency	Total OT Hours	Total OT Pay (Millions \$)	OT Employees as % of Agency Employees	OT Pay as % of Agency Pay
CHILD & FAMILY	378,424	\$12.0	25.1%	5.6%
COURTS	846,806	\$35.9	20.6%	2.7%
CUNY	315,343	\$11.0	2.9%	1.1%
DOCCS	2,441,752	\$99.1	25.2%	5.3%
DOT	1,339,033	\$38.9	35.0%	7.5%
DEC	190,818	\$7.2	16.9%	3.0%
HEALTH	91,747	\$3.2	8.9%	1.3%
ALL OTHER AGENCIES	446,583	\$15.5	5.6%	0.9%
LABOR	38,392	\$1.2	4.0%	0.6%
STATE POLICE	724,410	\$43.3	38.7%	8.2%
OGS	119,304	\$3.5	19.7%	3.7%
OMH	2,516,454	\$77.4	31.3%	7.6%
OPWDD	2,582,373	\$69.1	30.7%	6.7%
OSC	104,912	\$3.3	14.2%	2.2%
OTDA	36,159	\$1.5	4.0%	1.0%
PARKS	160,125	\$5.0	14.0%	3.6%
SUNY	1,230,368	\$38.3	8.6%	1.5%
TAX	130,450	\$4.1	7.9%	1.6%
VETERANS' HOMES	155,930	\$4.3	41.1%	9.1%
STATEWIDE	13,849,384	\$474.0	16.7%	3.6%

2011 Agency Overtime Comparisons

Agency	Total OT Hours	Total OT Pay (Millions \$)	OT Employees as % of Agency Employees	OT Pay as % of Agency Pay
CHILD & FAMILY	299,390	\$11.3	21.8%	5.4%
COURTS	407,676	\$20.0	12.5%	1.3%
CUNY	261,824	\$10.3	2.0%	0.9%
DOCCS	2,217,794	\$103.9	23.7%	5.1%
DOT	1,252,149	\$41.2	31.7%	7.5%
DEC	120,079	\$5.0	11.2%	2.2%
HEALTH	38,114	\$1.5	2.8%	0.6%
ALL OTHER AGENCIES	173,050	\$7.1	2.7%	0.4%
LABOR	82,886	\$3.2	7.4%	1.3%
STATE POLICE	359,253	\$25.9	31.8%	4.5%
OGS	62,390	\$2.3	12.2%	2.7%
OMH	2,313,586	\$83.6	29.2%	7.5%
OPWDD	2,976,201	\$94.0	34.2%	8.2%
OSC	91,393	\$3.2	13.6%	2.0%
OTDA	29,932	\$1.3	4.3%	0.8%
PARKS	106,869	\$3.8	10.5%	2.8%
SUNY	1,247,102	\$45.6	8.8%	1.5%
TAX	16,250	\$0.6	1.2%	0.2%
VETERANS' HOMES	157,735	\$5.2	42.5%	9.5%
STATEWIDE	12,213,672	\$469.1	14.6%	3.2%

The total cost of overtime as a percentage of gross payroll declined from 3.6 percent in 2007 to 3.18 percent in 2011. The total cost of overtime in 2007 was \$474 million, or 1.1 percent higher than in 2011 (not adjusted for inflation). However, overtime costs as a percentage of gross payroll within OPWDD increased from 6.7 percent in 2007 to 8.2 percent in 2011, representing the largest increase among State agencies. Overtime pay as a percentage of gross agency pay increased in only three agencies – Labor, OPWDD and Veterans' Homes.

The overall average percentage of employees receiving overtime statewide declined from 16.7 percent in 2007 to 14.6 percent in 2011. The share of employees using overtime has declined at all agencies except OPWDD, Labor, Veterans' Homes, OTDA, and SUNY.

See Appendix A for a five-year history of agency overtime pay and overtime hours.

Recommendations

Overtime use in New York State is relatively low compared to total payroll, and is declining along with a decrease in the State workforce. While the data shows that the use of overtime is highest in agencies that manage institutional settings, all agencies should monitor overtime use to: make certain that it is justified; achieve reductions whenever possible; and ensure that necessary work gets done efficiently and effectively.

Appendix A

Agency Overtime Pay – Annual Totals

	2007	2008	2009	2010	2011	5-Yr Total
DOCCS	\$99,082,046	\$93,199,654	\$91,833,640	\$102,269,637	\$103,859,503	\$490,244,479
OPWDD	\$69,145,559	\$73,176,427	\$68,794,766	\$80,671,921	\$94,022,438	\$385,811,111
OMH	\$77,406,721	\$75,832,557	\$70,825,024	\$77,880,390	\$83,590,338	\$385,535,030
SUNY	\$38,334,023	\$42,424,649	\$41,942,766	\$43,498,826	\$45,610,993	\$211,811,257
DOT	\$38,908,407	\$39,264,530	\$34,458,396	\$28,558,816	\$41,220,209	\$182,410,358
COURTS	\$35,924,303	\$38,527,307	\$34,896,280	\$35,536,354	\$19,978,546	\$164,862,791
STATE POLICE	\$43,313,377	\$32,827,421	\$26,854,397	\$24,119,029	\$25,913,361	\$153,027,585
CHILD & FAMILY	\$11,955,727	\$10,928,586	\$11,637,117	\$12,129,659	\$11,342,422	\$57,993,511
CUNY	\$10,979,952	\$12,611,621	\$12,280,312	\$10,261,400	\$10,297,277	\$56,430,562
ALL OTHER AGENCIES	\$15,525,947	\$15,959,232	\$9,212,712	\$7,622,157	\$7,050,855	\$55,370,902
DEC	\$7,174,654	\$6,292,405	\$4,311,049	\$4,243,389	\$5,041,454	\$27,062,952
VETERANS' HOMES	\$4,321,370	\$4,477,927	\$4,221,730	\$4,979,543	\$5,171,189	\$23,171,759
PARKS	\$5,041,552	\$4,967,558	\$4,382,985	\$3,833,327	\$3,844,840	\$22,070,262
OSC	\$3,273,424	\$3,604,440	\$3,439,989	\$3,820,810	\$3,242,315	\$17,380,977
LABOR	\$1,198,965	\$2,398,091	\$4,451,014	\$3,375,816	\$3,199,551	\$14,623,437
TAX	\$4,131,683	\$2,484,895	\$4,407,527	\$1,101,708	\$631,995	\$12,757,807
OGS	\$3,536,589	\$2,865,760	\$1,735,184	\$1,460,578	\$2,318,033	\$11,916,144
HEALTH	\$3,229,764	\$3,201,181	\$2,201,223	\$1,691,268	\$1,529,307	\$11,852,743
OTDA	\$1,495,325	\$1,725,435	\$2,587,194	\$1,976,824	\$1,255,144	\$9,039,923
STATEWIDE	\$473,979,387	\$466,769,676	\$434,473,305	\$449,031,452	\$469,119,770	\$2,293,373,590

Agency Overtime Hours – Annual Totals

	2007	2008	2009	2010	2011	5-Yr Total
OPWDD	2,582,373	2,580,569	2,307,050	2,595,147	2,976,201	13,041,340
OMH	2,516,454	2,317,639	2,089,435	2,226,099	2,313,586	11,463,212
DOCCS	2,441,752	2,246,681	2,106,693	2,207,679	2,217,794	11,220,600
SUNY	1,230,368	1,297,318	1,195,064	1,192,331	1,247,102	6,162,183
DOT	1,339,033	1,297,244	1,085,626	883,308	1,252,149	5,857,360
COURTS	846,806	884,883	748,385	729,695	407,676	3,617,446
STATE POLICE	724,410	568,269	442,747	356,993	359,253	2,451,672
CHILD & FAMILY	378,424	328,710	332,085	333,018	299,390	1,671,628
CUNY	315,343	354,430	327,094	268,935	261,824	1,527,626
ALL OTHER AGENCIES	446,583	426,957	237,184	192,031	173,050	1,475,806
VETERANS' HOMES	155,930	152,815	135,585	153,711	157,735	755,776
DEC	190,818	161,408	102,952	98,522	120,079	673,779
PARKS	160,125	148,910	127,073	108,036	106,869	651,013
OSC	104,912	110,413	103,123	110,534	91,393	520,376
LABOR	38,392	70,605	126,388	95,298	82,886	413,569
TAX	130,450	70,084	126,575	29,026	16,250	372,384
OGS	119,304	91,172	51,240	40,966	62,390	365,072
HEALTH	91,747	85,348	57,186	43,893	38,114	316,288
OTDA	36,159	42,847	58,205	44,400	29,932	211,542
STATEWIDE	13,849,384	13,236,301	11,759,690	11,709,622	12,213,672	62,768,669