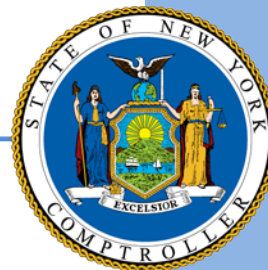


New York State Agencies' Use of Overtime

OFFICE OF THE NEW YORK STATE COMPTROLLER

Thomas P. DiNapoli, State Comptroller



JUNE 2017

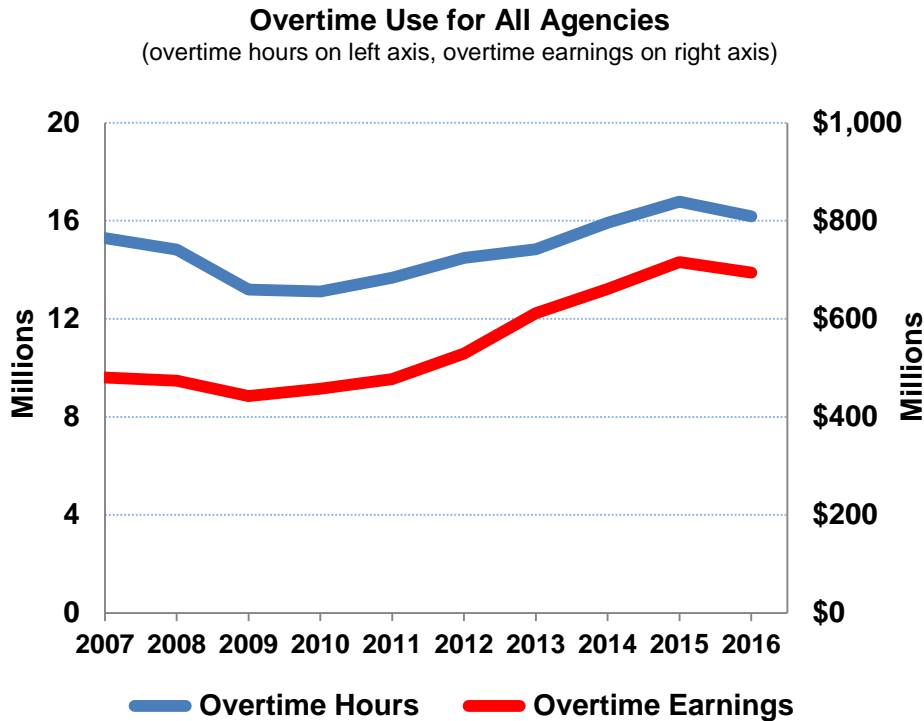
Table of Contents

I. Executive Summary	1
II. Overtime Use By All Agencies	3
III. Agency Overtime Comparisons.....	5
IV. State Workforce Trends	9
V. Appendices.....	11

I. Executive Summary

This report on the use of overtime by New York State agencies examines patterns over the past ten calendar years.¹ The total cost of overtime in calendar year 2016 was more than \$694 million, covering roughly 16.2 million overtime hours worked.

Figure 1



As shown in Figure 1, total overtime usage by New York State agencies decreased in 2016, reversing a recent trend of annual increases. Compared to 2015, total overtime hours went down 3.5 percent while total overtime earnings decreased 3.1 percent. The last previous decrease in total earnings was in 2009, while total overtime hours last declined in 2010.

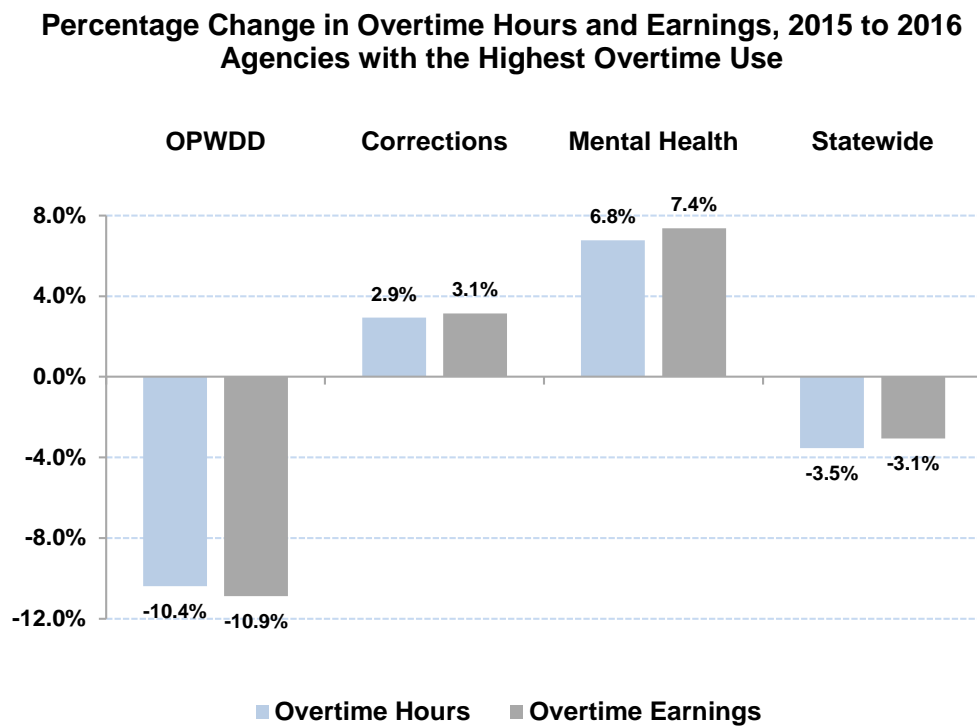
Other key findings include:

- Despite the declines from 2015, total overtime earnings and hours were higher in 2016 than in 2014 or in any other year prior within the past decade.

¹ The data used to produce this report are taken from the New York State payroll system, which is operated and maintained by the Office of the State Comptroller. Overtime usage is presented in this report on a calendar year basis. This report is based on total employee counts at the agencies, rather than Full-Time Equivalent (FTE) counts. Lump sum and retroactive overtime payments are not included. With the exception of 2008 and 2013, which each had an extra pay period, the data generally reflect 26 two-week pay periods each year. Hours and earnings totals include payments made in pay period 27 of 2008 and 2013, which consisted of, respectively, the institutional and administrative payrolls. Calculations of averages exclude data from these partial end-of-year pay periods.

- Overtime comprised 4.3 percent of overall payroll spending in 2016, down slightly from 4.6 percent in 2015, but largely the same as in 2014. Overtime spending cumulatively totaled over \$5.5 billion, or 3.7 percent of total payroll, between 2007 and 2016.
- Overtime hours and earnings at the Office for People With Developmental Disabilities (OPWDD) decreased significantly, by more than 10 percent, from the prior year, as shown in Figure 2. Both measures increased considerably at the Office of Mental Health (Mental Health), by about 7 percent. The third agency with comparatively high overtime use, the Department of Corrections and Community Supervision (Corrections), saw increases in overtime hours and pay in 2016, both in the range of 3 percent.

Figure 2



- The average annual number of State employees, not including the State University of New York (SUNY) and the City University of New York (CUNY), increased slightly in 2016 but was still 12.5 percent lower than in 2007. Seven major agencies have seen reductions of more than 10 percent in employee counts since 2007, with the largest decreases occurring in the Office of Children and Family Services (Children & Family), the Department of Transportation (Transportation), and the Department of Environmental Conservation (DEC).

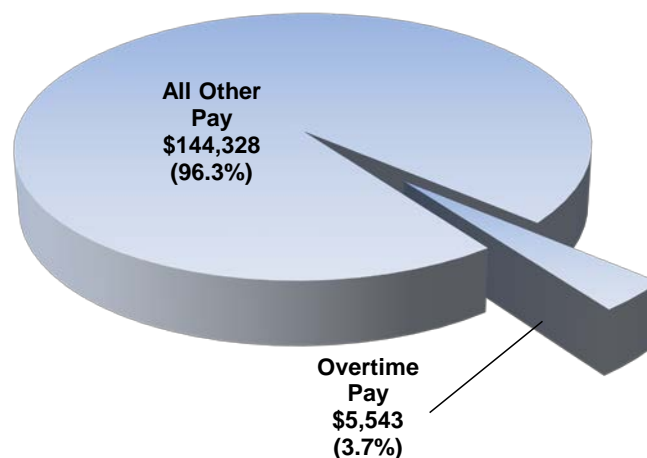
II. Overtime Use By All Agencies

Consistent with 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. Not all State employees are eligible for overtime earnings. Generally speaking, under Division of the Budget (DOB) guidelines, employees in positions allocated or equivalent to Civil Service grade 23 and above are exempt from and/or ineligible for overtime compensation.² Subject to guidance from DOB, individual agencies determine use of overtime, which can affect the State's long-term pension costs as well as current operating expenses. Longstanding DOB policy regarding State agency use of overtime provides that:

It is the policy of the State that overtime work be held to a minimum consistent with the needs and requirements of sound and orderly administration of State government. The State requires supervisors to hold overtime work to such a minimum by the proper scheduling and assignment of activities, simplification of work processes and requiring compliance with realistic standards of performance. It is critical that agencies carefully review all current scheduling, standby and on-call arrangements to insure that overtime payments are consistent with this policy.³

Figure 3

Overtime as a Share of Total Payroll, 2007 – 2016
(in millions of dollars and in percentages)



² See Division of the Budget, *Payment of Overtime Compensation to State Employees*, Budget Bulletin G-1024, dated July 27, 1986. Effective October 26, 2012, the Division of the Budget instituted a special policy through Budget Bulletin G-1034 to accommodate employee overtime compensation for work associated with Superstorm Sandy, granting commissioners and agency heads the flexibility to provide employees who were otherwise ineligible for overtime with overtime compensation for excessive hours worked for necessary preparation and response to the storm, within existing budget allocations. According to DOB's website, this budget bulletin is no longer in effect.

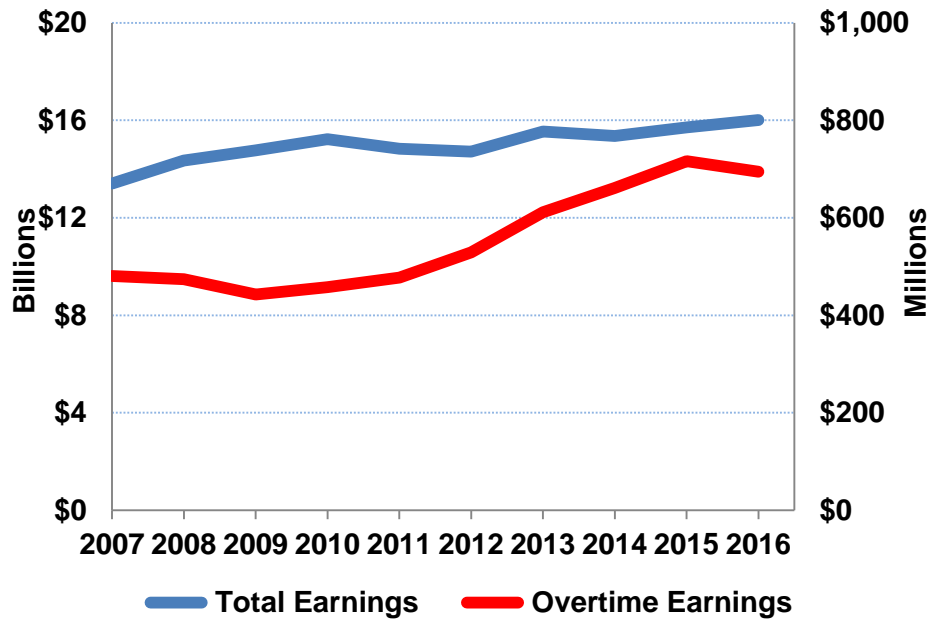
³ Ibid.

Figure 3 shows overtime pay from 2007 to 2016, expressed both in dollar terms and as a percentage of total earnings. The amounts for All Other Pay represent the difference between the total State payroll and overtime. Overtime has accounted for 3.7 percent of all State payroll costs during this period, totaling more than \$5.5 billion. Total overtime expenditures in 2016 were over \$694 million.

As illustrated in Figure 4, total earnings of State employees increased in 2016 by \$301 million, or 1.9 percent, to approximately \$16 billion, while overtime earnings fell by \$21.9 million to just under \$700 million. Before 2016, 2009 was the last year in which overtime earnings decreased from the prior year. Figures on overtime earnings and hours for major agencies, from 2007 through 2016, are in the appendices to this report.

Figure 4

Comparison of Total Earnings vs. Overtime Earnings for All Agencies
 (total earnings on left axis, overtime earnings on right axis)



III. Agency Overtime Comparisons

The majority of overtime use in 2016 was concentrated within three agencies that manage institutional settings – OPWDD, Corrections and Mental Health. Together, these agencies accounted for 66.5 percent of the overtime hours and 64.5 percent of the overtime earnings logged by all State agencies in 2016, consistent with recent patterns. Figure 5 shows the average number of hours of overtime per employee for each of these agencies. While overtime hours increased at Mental Health and Corrections, overtime per employee decreased statewide from 2015 to 2016, back to its level in 2014. Even though overtime per employee at OPWDD decreased significantly in 2016 from the prior year, it has increased more than 63 percent from 2007 through 2016.

Figure 5

Three Agencies With Highest Average Annual Overtime Hours per Employee, 2016

(total number of overtime hours per year divided by annual average number of employees per pay period)

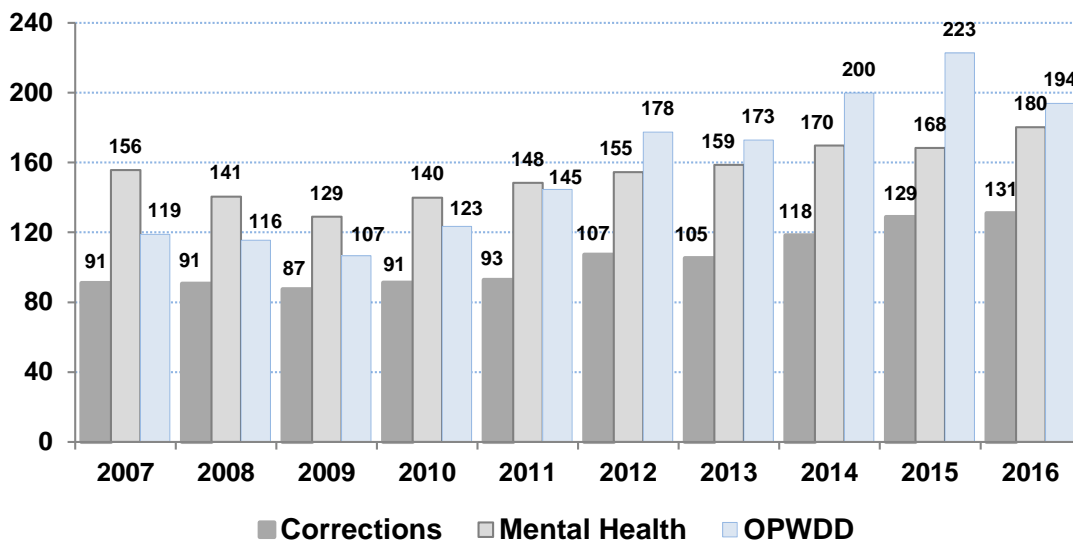


Figure 6 summarizes overall overtime results for major State agencies in 2016, including total overtime hours accrued, total overtime earnings in millions of dollars, percentage of agency employees who received overtime, average overtime pay per hour and percentage of agency pay spent on overtime.

Figure 6

Summary of Overtime at Major Agencies, 2016

(Ranked by overtime pay as share of total agency pay)

Agency	Total OT Hours	Total OT Pay (Millions \$)	OT Employees as Share of Agency Employees	Average OT Pay per OT Hour	OT Pay as Share of Agency Pay
OPWDD	4,092,699	\$133.7	43.3%	\$32.67	12.1%
MENTAL HEALTH	2,755,333	\$109.0	35.3%	\$39.57	10.0%
VETERANS' HOMES	155,035	\$5.6	47.5%	\$36.17	9.5%
CORRECTIONS	3,922,277	\$205.0	35.3%	\$52.26	9.4%
STATE POLICE	620,351	\$47.8	39.6%	\$77.08	7.4%
TRANSPORTATION	997,118	\$35.9	34.6%	\$36.04	6.8%
CHILDREN & FAMILY	341,806	\$13.1	24.9%	\$38.39	6.7%
GENERAL SERVICES	104,760	\$3.8	18.7%	\$35.92	3.4%
DEC	149,430	\$7.8	12.1%	\$52.25	3.2%
PARKS	128,872	\$5.0	12.6%	\$38.84	3.2%
SUNY	1,636,702	\$70.4	8.4%	\$43.01	1.9%
COMPTROLLER	91,694	\$3.4	12.3%	\$36.92	1.8%
COURTS	441,825	\$22.5	12.9%	\$50.85	1.4%
CUNY	366,116	\$14.9	3.5%	\$40.66	1.1%
HEALTH	45,573	\$1.9	4.4%	\$41.21	0.7%
OTDA	22,465	\$1.0	5.3%	\$42.67	0.7%
ALL OTHER AGENCIES	270,683	\$11.8	4.1%	\$43.68	0.6%
TAXATION & FINANCE	39,030	\$1.5	3.0%	\$38.19	0.5%
LABOR	2,716	\$0.1	0.6%	\$37.59	0.1%
STATEWIDE	16,184,486	\$694.2	17.2%	\$42.89	4.3%

Key measures of overtime in 2016, as shown in Figures 6, 7 and 8, are as follows:

- Overtime hours** – State agencies accrued about 16.2 million hours of overtime in 2016, almost 594,000 hours, or 3.5 percent, less than in 2015. OPWDD had the most total overtime, with almost 4.1 million hours, accounting for 25.3 percent of the total for all agencies. Corrections followed with over 3.9 million hours, or 24.2 percent of the total, and Mental Health had close to 2.8 million hours, or 17.0 percent of the total. See the appendices for more details on overtime hours.
- Overtime earnings** – In 2016, the State spent over \$694.2 million on overtime earnings, a decline of \$21.9 million, or 3.1 percent, from 2015. As previously noted, OPWDD, Corrections and Mental Health accounted for 64.5 percent of the total overtime payroll spending by State agencies. Of the total, Corrections accounted for 29.5 percent, followed by OPWDD at 19.3 percent and Mental Health at 15.7 percent. The appendices provide additional details on overtime earnings from 2007 through 2016.
- Overtime workers as a share of all agency employees** – This measure identifies the percentage of an agency’s workforce that earns overtime, providing an indicator of each agency’s reliance on overtime to accomplish its work. Agencies with over 25 percent of their workforces accruing overtime can be considered heavily reliant on overtime to

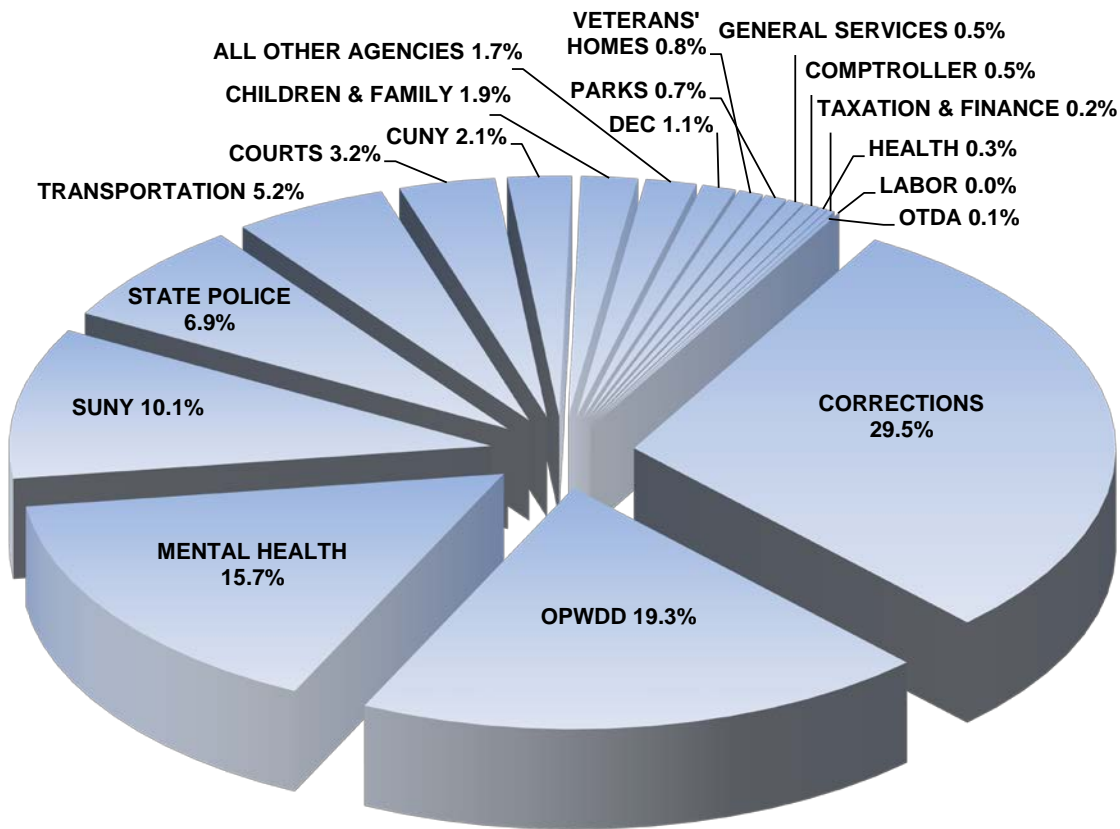
meet their responsibilities. Six State agencies meet this criterion. Veterans' Homes had the highest share of overtime workers, at 47.5 percent.

- **Average overtime pay per overtime hour** – This measure compares average hourly overtime earnings rates among agencies. The State Police paid the highest hourly rate, at \$77.08 per overtime hour. Corrections paid the next highest, at \$52.26, followed closely by DEC at \$52.25.

Figure 7 identifies individual agencies' overtime earnings as a percentage of overtime earnings for all State agencies in 2016. With the exception of the State Police, where this proportion decreased to 6.9 percent compared to 9.0 percent in 2015, these percentages are relatively similar to those in 2015.

Figure 7

2016 Agency Overtime Earnings as Share of Total Overtime Earnings



Note: Department of Labor overtime earnings, which total 0.015 percent, are available in Appendix A.

Figure 8 shows two additional measures of overtime use in 2016 – average overtime hours and average overtime earnings per pay period – for all employees who worked overtime at major State agencies, ranked by average biweekly overtime earnings.

Compared to 2015, the statewide average of overtime hours per pay period for employees who worked overtime decreased 5.3 percent in 2016, while the statewide average of overtime earnings per pay period went down 4.8 percent.

In 2016, the State Police had the highest average biweekly overtime earnings, followed by Mental Health, Corrections and DEC. Among other factors influencing these figures, State Police, Corrections and DEC have the highest overtime hourly pay rates among State agencies, as shown earlier in this report.

Figure 8

2016 Overtime Averages
(per pay period for employees who worked overtime)

Agency	Hours	Earnings
STATE POLICE	10.5	\$813
MENTAL HEALTH	19.7	\$778
CORRECTIONS	14.3	\$746
DEC	13.0	\$679
CHILDREN & FAMILY	16.5	\$635
CUNY	14.5	\$590
OPWDD	17.2	\$563
TRANSPORTATION	12.9	\$466
SUNY	10.7	\$460
HEALTH	10.9	\$451
GENERAL SERVICES	11.3	\$406
COURTS	7.9	\$401
COMPTROLLER	10.7	\$396
PARKS	9.8	\$381
ALL OTHER AGENCIES	8.5	\$372
TAXATION & FINANCE	9.5	\$365
VETERANS' HOMES	10.0	\$361
OTDA	8.1	\$344
LABOR	5.1	\$191
STATEWIDE	14.1	\$606

IV. State Workforce Trends

Since 2007, the average annual number of employees working for the State, not including SUNY and CUNY, has declined by 12.5 percent, as illustrated in Figure 9. The workforce grew slightly in 2016 compared to 2015 – by 0.7 percent, or 1,081 employees.

This number is based on the agency “count,” or total number of all employees, including full-time, part-time and temporary staff per pay period throughout the year. These workforce counts are somewhat higher than the comparable number of Full-Time Equivalent (FTE) employees.⁴ Compared to these figures, the number of FTE employees would range from 8,100 to 14,400 fewer per year from 2007 to 2016.

Figure 9

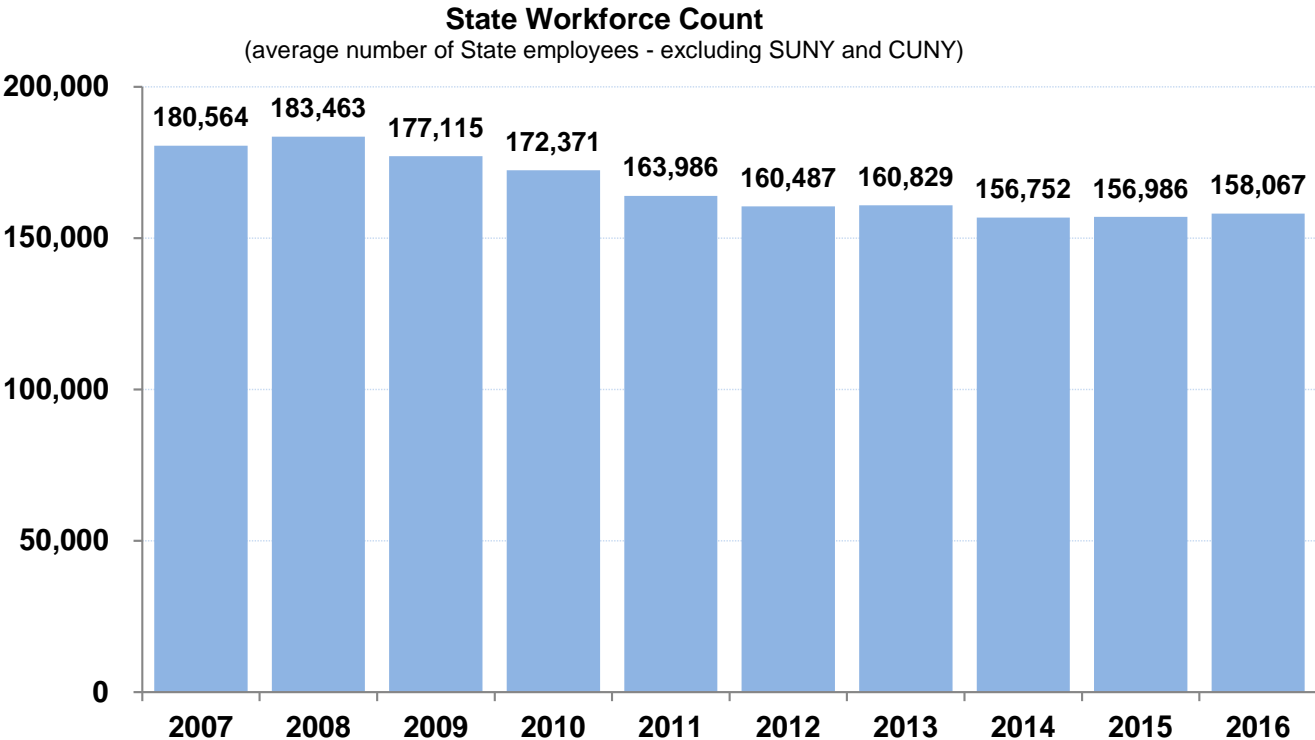


Figure 10 shows actual workforce counts on an average annual basis, broken down by agency. The table is sorted in the order of the percentage changes that occurred between

⁴ FTE reflects a unit of measure which is equal to one filled, full-time, annual-salaried position, rather than a person. For example: one person serving in one position at 100 percent time (full-time) equals 1 FTE; two people sharing one position, each at 50 percent time (half-time) equals 0.5 FTE + 0.5 FTE, for a total of 1 FTE; and two people serving in separate positions, each at 50 percent time (half-time) equals 0.5 FTE + 0.5 FTE, for a total of 1 FTE. In total, these examples indicate that 5 people are employed within State service, but since 4 people work half-time, only 3 FTEs are counted. See the explanation of Full Time Equivalent at <http://openbudget.ny.gov/userGuide.html>. SUNY and CUNY are excluded from this calculation for methodological reasons including certain changes over time in the reporting of workforce counts.

2007 and 2016, beginning with the largest decline. Some changes may be due to the transfer of staff between agencies and reorganizations that have been underway during this period.

Seven major agencies have seen staff reductions of more than 10 percent since 2007. The largest percentage reductions in employee counts during that period have been in Children & Family, Transportation, DEC, OTDA and OPWDD. During 2016, six major agencies saw workforce reductions while 10 experienced increases compared to 2015.

Figure 10

Agency Workforce Counts 2007 – 2016
(average number of State employees)

Count - Average Number of Agency Employees	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	Change 2007 to 2016	
Major Agencies												
CHILDREN & FAMILY	4,200	4,215	3,947	3,732	3,493	3,404	3,275	3,140	3,193	3,190	(1,010)	-24.0%
TRANSPORTATION	10,264	10,429	10,273	9,990	9,198	9,010	8,975	8,580	8,578	8,558	(1,706)	-16.6%
DEC	4,367	4,512	4,344	4,122	3,813	3,852	3,705	3,613	3,607	3,646	(721)	-16.5%
OTDA	2,378	2,343	2,306	2,338	2,219	2,108	1,927	1,969	1,978	2,015	(363)	-15.3%
OPWDD	24,838	25,316	24,743	24,027	23,348	22,672	22,606	21,214	20,497	21,098	(3,739)	-15.1%
MENTAL HEALTH	17,983	18,474	17,759	17,331	16,681	15,907	15,717	15,355	15,326	15,279	(2,704)	-15.0%
HEALTH	4,158	4,285	4,206	3,908	3,593	3,410	3,286	3,412	3,521	3,625	(532)	-12.8%
LABOR	3,633	3,656	4,030	4,475	4,403	4,408	4,303	3,891	3,438	3,284	(349)	-9.6%
CORRECTIONS	32,993	32,847	31,737	30,899	31,156	30,360	30,162	29,536	29,572	29,959	(3,034)	-9.2%
PARKS	4,390	4,596	4,189	4,053	3,919	3,965	4,011	3,936	4,056	4,019	(370)	-8.4%
COURTS	18,252	18,695	18,675	18,522	17,448	16,935	17,166	16,461	16,629	16,714	(1,538)	-8.4%
STATE POLICE	6,031	6,055	6,032	5,819	5,511	5,356	5,456	5,550	5,679	5,717	(314)	-5.2%
TAXATION & FINANCE	5,384	5,430	5,639	5,930	5,584	5,315	5,004	5,296	5,495	5,186	(198)	-3.7%
GENERAL SERVICES	1,977	2,008	1,851	1,690	1,510	1,455	1,538	1,683	1,805	1,908	(70)	-3.5%
VETERANS' HOMES	1,276	1,316	1,272	1,227	1,180	1,183	1,205	1,192	1,219	1,256	(20)	-1.6%
COMPTROLLER	2,637	2,707	2,688	2,641	2,543	2,545	2,585	2,595	2,622	2,666	29	1.1%
All Other Agencies												
ALL OTHER AGENCIES	35,804	36,580	33,424	31,667	28,387	28,603	29,907	29,329	29,773	29,948	(5,856)	-16.4%
AVERAGE - ALL STATE AGENCIES	180,564	183,463	177,115	172,371	163,986	160,487	160,829	156,752	156,986	158,067	(22,497)	-12.5%
Universities												
SUNY	63,465	65,014	64,727	64,992	65,206	67,137	68,121	67,926	68,691	70,302	6,837	10.8%
CUNY	29,598	32,136	32,735	34,653	35,768	38,523	39,680	27,151	27,639	27,783	(1,815)	-6.1%
All Agencies and Universities												
OVERALL AVERAGE	273,627	280,613	274,577	272,016	264,960	266,147	268,630	251,829	253,316	256,152	(17,475)	-6.4%

V. Appendices

Appendix A

Agency Overtime Earnings – Annual Totals, 2007-2016 (in millions of dollars)

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	10-Yr Total
CORRECTIONS	\$99.7	\$94.1	\$92.7	\$103.0	\$104.6	\$137.3	\$160.4	\$180.2	\$198.7	\$205.0	\$1,375.7
OPWDD	\$69.7	\$74.0	\$69.9	\$81.8	\$95.1	\$112.9	\$124.1	\$138.5	\$150.0	\$133.7	\$1,049.8
MENTAL HEALTH	\$77.9	\$76.4	\$71.3	\$78.4	\$83.9	\$85.2	\$94.6	\$101.5	\$101.6	\$109.0	\$879.7
SUNY	\$42.9	\$46.8	\$46.7	\$48.6	\$50.8	\$52.2	\$57.9	\$62.6	\$68.5	\$70.4	\$547.5
TRANSPORTATION	\$39.0	\$39.4	\$34.7	\$28.8	\$41.5	\$29.9	\$43.3	\$46.1	\$44.5	\$35.9	\$383.2
STATE POLICE	\$43.3	\$32.8	\$26.9	\$24.1	\$25.9	\$34.1	\$35.1	\$38.9	\$64.6	\$47.8	\$373.6
COURTS	\$35.9	\$38.5	\$34.9	\$35.5	\$20.0	\$13.6	\$17.8	\$18.0	\$20.0	\$22.5	\$256.5
CHILDREN & FAMILY	\$12.0	\$11.0	\$11.7	\$12.3	\$11.5	\$13.7	\$15.3	\$15.8	\$12.9	\$13.1	\$129.4
CUNY	\$11.0	\$12.6	\$12.3	\$10.3	\$10.3	\$11.7	\$12.9	\$15.2	\$15.8	\$14.9	\$126.9
ALL OTHER AGENCIES	\$15.5	\$16.0	\$9.3	\$7.7	\$7.4	\$8.1	\$11.7	\$11.0	\$10.2	\$11.8	\$108.8
DEC	\$7.2	\$6.3	\$4.4	\$4.3	\$5.1	\$6.0	\$6.6	\$5.8	\$6.1	\$7.8	\$59.6
VETERANS' HOMES	\$4.3	\$4.5	\$4.3	\$5.0	\$5.2	\$5.7	\$6.4	\$6.7	\$5.9	\$5.6	\$53.7
PARKS	\$5.0	\$5.0	\$4.4	\$3.8	\$3.9	\$4.8	\$5.2	\$4.4	\$4.5	\$5.0	\$46.0
TAXATION & FINANCE	\$4.2	\$2.5	\$4.4	\$1.1	\$0.6	\$1.6	\$8.3	\$6.7	\$3.1	\$1.5	\$34.1
COMPTROLLER	\$3.3	\$3.6	\$3.4	\$3.8	\$3.3	\$3.0	\$2.6	\$2.5	\$2.6	\$3.4	\$31.4
GENERAL SERVICES	\$3.6	\$2.9	\$1.7	\$1.5	\$2.3	\$2.5	\$3.3	\$4.0	\$4.5	\$3.8	\$30.0
LABOR	\$1.2	\$2.4	\$4.5	\$3.4	\$3.2	\$4.3	\$3.5	\$0.8	\$0.1	\$0.1	\$23.4
HEALTH	\$3.2	\$3.2	\$2.2	\$1.7	\$1.5	\$1.2	\$1.8	\$1.7	\$1.8	\$1.9	\$20.3
OTDA	\$1.5	\$1.7	\$2.5	\$2.0	\$1.3	\$1.3	\$0.6	\$0.8	\$0.7	\$1.0	\$13.4
STATEWIDE	\$480.3	\$473.8	\$442.4	\$457.3	\$477.4	\$529.0	\$611.2	\$661.2	\$716.1	\$694.2	\$5,543.0

Appendix B

Agency Overtime Hours – Annual Totals, 2007-2016

	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	10-Yr Total
OPWDD	2,950,981	2,924,900	2,638,139	2,965,848	3,378,317	4,024,717	3,836,751	4,239,803	4,566,814	4,092,699	35,618,971
CORRECTIONS	3,005,194	2,973,602	2,775,403	2,819,161	2,888,396	3,256,812	3,134,687	3,491,550	3,810,404	3,922,277	32,077,485
MENTAL HEALTH	2,799,412	2,596,516	2,290,173	2,425,279	2,476,752	2,458,536	2,445,027	2,607,666	2,580,538	2,755,333	25,435,233
SUNY	1,357,967	1,424,671	1,342,439	1,350,440	1,411,322	1,436,002	1,363,333	1,466,690	1,600,174	1,636,702	14,389,741
TRANSPORTATION	1,343,628	1,308,566	1,105,164	901,985	1,270,583	872,383	1,243,178	1,323,187	1,266,730	997,118	11,632,520
COURTS	845,391	884,765	747,867	728,917	407,573	270,606	352,562	358,308	396,261	441,825	5,434,075
STATE POLICE	723,719	567,980	443,590	357,892	360,017	462,116	472,124	523,720	848,809	620,351	5,380,318
CHILDREN & FAMILY	390,439	341,722	351,014	356,363	321,519	383,779	402,301	412,184	334,261	341,806	3,635,387
CUNY	316,635	355,483	327,933	269,375	262,058	312,543	323,610	363,667	387,001	366,116	3,284,422
ALL OTHER AGENCIES	515,918	490,394	264,530	205,323	182,748	195,991	276,954	265,311	238,489	270,683	2,906,341
VETERANS' HOMES	156,755	153,682	137,282	154,678	158,718	177,015	188,622	192,672	166,390	155,035	1,640,849
PARKS	182,277	166,400	136,270	117,117	114,897	130,949	125,790	109,139	114,049	128,872	1,325,759
DEC	190,057	163,335	107,430	102,087	123,906	124,647	129,648	111,899	117,434	149,430	1,319,873
TAXATION & FINANCE	130,977	70,776	127,470	29,362	16,499	47,389	231,814	190,647	86,638	39,030	970,602
COMPTROLLER	104,751	111,003	103,359	111,189	91,765	85,052	71,208	67,805	69,475	91,694	907,302
GENERAL SERVICES	119,868	91,919	51,579	41,630	62,763	66,145	88,655	113,457	132,018	104,760	872,793
LABOR	37,667	70,050	126,591	95,254	83,324	114,036	89,300	21,578	2,987	2,716	643,501
HEALTH	91,372	86,382	58,995	45,198	38,158	31,047	44,460	41,053	43,854	45,573	526,092
OTDA	35,964	42,453	56,758	44,495	30,558	30,798	14,490	17,012	15,927	22,465	310,920
STATEWIDE	15,298,972	14,824,600	13,191,985	13,121,592	13,679,872	14,480,562	14,834,515	15,917,346	16,778,253	16,184,486	148,312,184



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