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FEATURED

Some '1180' Members Grumbling City Corrects a Botched Admin. Manager Payout

By BOB HENNELLY
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WORKING OUT THE KINKS: Communications Workers of America Local 1180 President Gloria Middleton, seen here at a union rally prior to reaching a settlement with the de Blasio administration involving the union's pay-discrimination suit on behalf of 1,800 past and present Administrative Managers, has had to deal with city glitches in making the proper payments to employees and complaints by some of her members about how much of their awards were diverted to pay lawyers' fees in the case.

The Office of Payroll Administration mishandled payouts that were due to 1,400 members of Communications Workers of America Local 1180 who were part of a class-action pay-discrimination lawsuit, city officials have acknowledged.

In April, a Federal Judge approved a \$15-million settlement of a lawsuit brought by the union in 2013 during Mayor Michael Bloomberg's final year in office. The pact between the de Blasio administration and Local 1180 covered 1,800 active and retired Administrative Managers who were on the job from December 2013 through 2017.

Sharing \$5.5M Payout

As part of that settlement, Local 1180 members were to receive checks for the \$5.5-million portion of the settlement that covers retroactive and damage payments in compensation for past pay disparities.

The clerical error, which resulted in initially inaccurate electronic payments being deposited in the city employees' bank accounts, which were then withdrawn by the city, was rectified with the mailing of paper checks for the proper amounts.

The city's gyrations with the payments added to the disappointment of Patty McCabe, a CWA 1180 member who works as an administrator at the Fire Academy. She said in a phone interview that she was also taken aback by the size of the legal fees deducted from her settlement.

"I cleared just \$2,000 for waiting for nine years, and I took more responsibility all along the way, and the union misled us," she said. "The lawyers are the only ones who made out on this."

Two other union members called this newspaper to complain about the size of their payout but did not want their name published.

Some Withdrew Quickly

Some did not have sufficient funds in their accounts by the time the city attempted to rescind the faulty payments.

Depending on the race and gender of members and the length of time of their employment, the checks ranged from \$200 to \$8,000, minus taxes and legal fees, according to the union.

"As you are aware, there were calculation errors in the recent back pay payments made to employees in the title of Administrative Manager (non-Managerial) pursuant to the settlement in CWA 1180 v. City of New York," Neil Matthew, the Executive Director of the Office of Payroll Administration wrote in a form

letter to union members. “These errors necessitated a reversal of the initial direct-deposit payments and the issuance of new paper checks. We apologize for this error and are writing to provide you with information about what occurred.”

“We apologize for any inconvenience this error may have caused,” wrote Freddi Goldstein, a spokesperson for the Mayor. “It has since been corrected and the vast majority of people affected have now received the correct payment. For the remaining 59 employees who received two payments, we are following the procedures laid out in the collective-bargaining agreement to fix the error and recoup the overpayment.”

Stringer: City’s Snafu

City Comptroller Scott Stringer absolved Local 1180 President Gloria Middleton of blame for the snafu, saying in a statement, “The back-payment error was the fault of the City, and not CWA Local 1180 or President Middleton. Unions have never issued paychecks to City employees, and I urge the City to ensure clear and prompt communication going forward.”

Ms. Middleton said she “understood members’ frustrations with the city messing with the money.” But she defended the settlement and the process the union used to engage its members through the long and contentious legal process. In a phone interview, she pointed out that once the tentative terms of a settlement had been reached, the union held a meeting on Sept. 4, 2018 at Lincoln Hospital attended by 400 members and asked them how they wanted the union to proceed.

“We asked the Administrative Managers do you want to go through with the settlement or continue through the EEOC process, which meant going through the Trump administration—who was not going to be kind to us,” she said.

Ms. Middleton said members opted to take what was on the table and not press on with the litigation. “That would have taken forever, and we would all be gone to glory before that case would have been settled, if it were winnable,” she said.

Expectations were high in 2015 after the U.S. Equal Employment Opportunity Commission found for the union in its case against the city. While the EEOC estimated that Local 1180 members had been shortchanged \$246 million, its findings did not have the force of law.

Didn’t Have ‘Justice’ Support

Unlike the Federal discrimination case that produced a \$98-million settlement between the de Blasio administration and the Vulcan Society on behalf of African-American firefighters and candidates for the job, the Local 1180 lawsuit had not been supported by the U.S. Department of Justice.

Regarding the legal fees, Ms. Middleton noted that “in any lawsuit the attorney gets 30 percent and a judge had to set what the attorney fees were going to be, and it was 21.9 percent of the \$5.6 million.”

She said the union still had some work to do to bring the case to a close in terms of how Administrative Managers covered by the settlement were ranked by pay grade going forward and additional annuity funds due some members.

“The only concern we have now is the city agencies have put a lot of these people, not surprisingly, at Level 1 [the lowest-paying grade in the title] and we want to make sure all of our members are being placed in the right level,” she said.

20% Due an Upgrade

Ms. Middleton estimated that 360 of the 1,800 members in the settlement class might be performing duties and have responsibilities that correspond to higher-level designations that would carry higher pay. “And we do have language in the settlement that allows us to make their case in arbitration,” she said.

“We did this because we saw pay disparity,” she said. “There were Administrative Managers making \$53,000 and there were Administrative Managers making \$150,000, and there was something wrong with that. Those who were making \$53,000 and been in the title for over seven years, from the arbitration case and from this lawsuit, their new salary will be a minimum of \$71,000.”

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