Los Angeles Times

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\$750,000 in overtime: How a group of LAUSD employees abused extra-pay practices



The Local District West office of L.A. Unified became a focus for abnormally large overtime and extra-duty pay, attracting the notice of auditors and investigators. (Google street view)

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A small group of Los Angeles Unified School District employees collected more than \$750,000 combined in extra pay over three years, much of it improperly approved, prompting investigations and leading to the demotions, reassignments or departures of at least 10 employees, including four senior administrators, court documents and district records show.

Employees from the Westside region — including one top regional administrator and another who later served on then-Supt. Austin Beutner's cabinet — became the focus of an internal investigation. Five people collected extra pay that totaled from \$78,000 to \$149,000 over a three-year span beginning in 2017. In one year alone, a mid-level administrator, whose regular salary was \$127,509, received \$55,569 in extra pay.

Excessive overtime pay for public employees has come under scrutiny in California and throughout the country, especially with public safety workers. Los Angeles <u>fire</u> and <u>police</u> department employees frequently earn large sums, taking advantage of understaffing or policies that allow them to bank time. However, in this L.A. Unified episode, an

internal investigation found employees repeatedly violated the district's extra-pay rules.

The improperly authorized extra pay coincided with the run-up to the teachers' strike of January 2019, when district officials stressed that the school system was operating as efficiently as it could and struggling to provide basic services to students — leaving it unable to afford raises sought by teachers and low-paid nonteaching staff.



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As LAUSD teachers prepare to strike, one central question: Where's the money?

Jan. 13, 2019

No employee was ordered to return their extra pay and no criminal or civil charges were filed. In documents reviewed by The Times, those who received or authorized the extra pay denied wrongdoing, but at least two acknowledged mistakes.

Former L.A. Unified Supt. Ramon Cortines, who retired just before the period in question but knew of the overtime problems, called the proliferation of extra pay "unconscionable."

"The people that were generally involved in getting

overtime were not at the bottom of the rung,"
Cortines said, adding that misconduct drew public
dollars away from other employees who followed the
rules and from services to students. "I believe that it
took money from those that needed it most."

In a statement, district officials suggested the internal investigation could be reopened.

"In 2020 and under a former superintendent, the district was made aware of allegations of potential violations of district policy related to additional work compensation," the statement said. "After a full investigation, it was determined there were no violations of law, and the district took the necessary steps and approach. Given the gravity of these allegations and the responsibility to ensure all guidelines and procedures are adhered to, this administration is conducting a full review and reserves the right to take appropriate action as necessary."

The demotions and reassignments occurred during Beutner's term. He declined to comment.

Details of the mishandled extra pay emerged in school district and court documents that were part of a harassment and discrimination lawsuit the school system settled for \$1.65 million on May 12.

The suit was filed by former lead operations coordinator Karen Brown, who helped oversee nonacademic matters for about 150 schools in Local District West.

Her litigation focused mainly on harassment and discrimination claims, but she also alleged retaliation against her for raising questions to her superiors about payment practices. In the settlement, the district admitted no wrongdoing in its treatment of Brown.



L.A. Board of Education member Nick Melvoin, right, confers with with current Supt. Alberto Carvalho in this file photo. Melvoin said he supported strong action in response to violations of extra pay policies. (Carolyn Cole / Los Angeles Times)

Board member Nick Melvoin, who represents a portion of the West region, said that when he learned of the investigation into extra pay, "I had confidence that something would be done because I

was not unclear in my displeasure. And this investigation led to some personnel changes." He said at least some of those involved "should have lost jobs" with the district.

"We tried to have strict protocols and then to have this kind of favoritism, and people looking the other way, or in some cases, allegedly forging time-sheets — I have no tolerance for it."

Doling out approvals for extra pay was rampant in the West region, as laid out in documents reviewed by The Times, including a disciplinary memo issued to Karen Long, administrator of instruction in Local District West. She allegedly chastised a colleague, Sal Rodriguez, who was trying to clamp down on extra pay practices.

In front of others, Long directed him "to apologize to staff members who did not get paid their Extra Duty Pay," according to the district disciplinary memo. It quoted Long as having said that the other administrator "had cost people their Black Friday money,' or words to the effect."

when you requested and were paid for 24 hours of Extra Duty Pay despite the following:

- i. There was no approval form located;
- ii. There was no written approval in advance;
- iii. There was no documentation of work performed;
- iv. Allowable hours were exceeded by 2 hours.
- T. On or about December 6, 2019, during a meeting regarding Extra Duty Pay for Certificated Administrators at LD West, you did the following:
 - You directed Sal Rodriguez, Interim Administrator of Instruction, in the presence of his peers, as well as subordinate staff, to apologize to staff members who did not get paid their Extra Duty Pay; and
 - Stated to Mr. Rodriguez that he had "cost people their Black Friday money," or words to the effect.
- U. Due to the incidents described above, I informed you that I have serious concerns about your ability to perform the roles and responsibilities of the Administrator of Instruction.

An excerpt from senior administrator Karen Long's disciplinary memo, dated Sept. 3, 2020. (L.A. Superior Court records)

In a deposition, Long said she did not remember making that remark, but that it was possible that she had. Long's disciplinary memo faulted her both for receiving extra pay and authorizing it without following the rules. L.A. Unified has not provided figures for how much extra pay Long received.

Long did not respond to attempts to contact her through her work email and cell phone.

The school system defines money above an employee's salary as "overtime" for clerical staff and many other types of workers who are authorized to work beyond eight hours a day. Staff and managers with a teaching credential receive "extra duty pay," which can be earned — with proper approval — only on days that are not part of their regular work week. One example claimed by the employees was an emergency at Crenshaw High, where a group of

seniors had not been programmed into the classes they would need to graduate.

Both kinds of extra pay situations are supposed to be rare, although board member George McKenna, who also represents part of the West district, said he recalled two crises, including the situation at Crenshaw, where extra pay would have been appropriate.

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The highest-ranking person to be demoted was former Local District West Supt. Cheryl Hildreth, who oversaw schools in the west and southwest portion of L.A. Unified. She did not receive extra pay. Rather, she authorized it or directly supervised those who did.

Her 2020 demotion lowered her salary from more

than \$250,000 annually to about \$160,000, according to Hildreth in sworn testimony during a deposition. Within six months, she left the district to accept the superintendent's job at a small Sacramento-area school system. Hildreth declined to be interviewed about what happened, but in the deposition, she gave an account of why she was demoted.

"There were concerns that people were receiving additional compensation and there wasn't — there wasn't enough documentation," she said. Much of the clerical overtime resulted from having trouble hiring qualified help, she said.

L.A. school board member George McKenna said emergency situations could sometimes justify extra pay for staff members. (Luis Sinco / Los Angeles Times)

top lieutenants of Hildreth, Long and Ra'Daniel McCoy.

At the time of the payroll investigation, McCoy was the head of operations for about 150 campuses. McCoy did not respond to attempts to contact him through his work and private email and cellphone.

However, in his response to the district after a 2020 disciplinary memo, he wrote, "I take responsibility for not being fully aware of district policy and for not following appropriate procedures."

At about the same time, McCoy reached a settlement under which the district gave him less of a demotion than he had been facing. After being reassigned to a job with lower pay, Long recently was promoted.

Two of the largest extra pay beneficiaries — receiving \$88,617 and \$109,173 over three years — were Hildreth's sorority sisters, according to Hildreth's testimony. And Hildreth described a third major recipient of about \$148,000 over three years as her "thought partner" in her doctoral thesis. All three were mid-level administrators, similar to the rank of principal or higher, who made base salaries of more than \$122,000.

Slavery, reparations, racism. No topics are off limits in this Black history AP class

July 24, 2023

Also receiving large amounts of extra pay were senior clerical staff for Hildreth and McCoy. Hildreth's administrative assistant, who remains a district employee, received close to \$132,000 in overtime over the three years.

McCoy's administrative assistant, who has left the district, received \$98,456 over three years. The executive secretary resigned during the investigation after more than a year on paid administrative leave, she testified in a deposition.

In that deposition she also testified that district investigators accused her of receiving "upwards of \$40,000 in overtime" to which she was not entitled. She denied any wrongdoing and said she did the work of three people. In a separate internal district document, she said that on "seven occasions" she was responsible for "clerical oversights," adding, "this was a human error. I would not have intentionally overpaid myself."

Neither former executive secretary — each of whom had regular pay of more than \$83,000 a year — agreed to be interviewed.

The fallout reached into the cabinet of then-Supt.

Beutner, whom Darnise Williams served for a year as senior director. On July 1, 2020, she too was demoted. Her three year's worth of extra pay totaled \$78,051. Prior to joining Beutner's cabinet, she'd worked as administrator of instruction in Local District West. She currently serves as superintendent of the small Pacifica School District in the Bay Area.

A confidential investigation of extra pay abuse began while Austin Beutner was the L.A. schools superintendent. (Al Seib / Los Angeles Times)

She did not respond to attempts to contact her through her cellphone and work phone numbers and work email.

A sharply critical March 2021 audit of districtwide overtime did not assign blame or clearly identify those involved, but the full names of employees who received among the highest amounts of extra pay were included in documents released to The Times in response to repeated public records requests.

In total dollars, the school police department paid, by far, the most overtime, and auditors concluded that the department needed to refine its policies and reorganize to make overtime less necessary to cover shifts — conclusions that the department agreed with.

Other areas also were part of the review, and some individual schools also had notably high extra pay totals.

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July 13, 2023

Auditors singled out Local District West as a locus of high overtime use — and disciplinary memos faulted staff for charging extra for tasks that were part of regular duties.

Among issues that auditors cited: Overtime request forms "could not be located"; "no evidence" was provided that "showed the hours were actually

worked"; and overtime request forms "were not completed properly."

Auditors concluded "Administrators did not fully enforce the district policies and procedures." In addition, in the central office, "the Human Resources Division and Payroll Administration did not adequately monitor the payment of extra duty pay. As a result, paid extra duty pay hours were excessive, creating the opportunity for possible misuse, waste or abuse."

In written responses to investigators and disciplinary memos, employees frequently countered that they did the work for which they were paid, even if the rules weren't followed — for which they blamed other people or inadequate training.

Times researcher Scott Wilson contributed to this report.

Howard Blume

Howard Blume covers education for the Los Angeles Times. He's won the top investigative reporting prize from the L.A. Press Club and print Journalist of the Year from the L.A. Society of Professional Journalists chapter. He recently retired "Deadline L.A.," a past honoree for best public-affairs radio program, which he produced and co-hosted on KPFK-FM (90.7) for 15 years. He teaches tap dancing and has two superior daughters.

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