

California State Athletic Commission

Improper Overtime Payments (Case I2009-1341)

REPORT NUMBER I2012-1, CHAPTER 3, ISSUED DECEMBER 2012

This report concludes that the California State Athletic Commission (athletic commission) overpaid a total of \$118,650 to 18 athletic inspectors from January 2009 through December 2010 because it inappropriately paid them an hourly overtime rate rather than an hourly straight-time rate for the work they performed.

In the report, the California State Auditor (state auditor) made the following recommendations to the athletic commission. The state auditor's determination regarding the current status of recommendations is based on the athletic commission's response to the state auditor as of December 2012.

Recommendation 1—See pages 18—22 of the investigative report for information on the related finding.

The athletic commission immediately should cease paying the 18 athletic inspectors discussed in the report an overtime rate for work they perform and inform all athletic inspectors that it will compensate them at the classification's straight-time rate unless their work meets the criteria for receiving overtime under the Fair Labor Standards Act of 1938.

Athletic Commission's Action: Fully implemented.

The athletic commission ceased paying overtime to the employees in October 2012. It is working with the Department of Consumer Affairs to recoup overpayments that it made the last three years.

Recommendation 2—See pages 22 and 23 of the investigative report for information on the related finding.

The athletic commission should make greater efforts to broaden its hiring and increase the number of applicants who are not full-time state employees by posting hiring announcements at locations where the athletic commission has a presence, such as gyms and venues at which it holds events.

Athletic Commission's Action: Pending.

The athletic commission is exploring options to broaden the applicant pool for the athletic inspector classification.

