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Retaliation

New York City Agrees to Pay \$750,000 To Settle Official's Employment Rights Case

NEW YORK—A discrimination and retaliation lawsuit filed by a former New York City Human Resources Administration legal official who claimed that she was forced out for questioning city contract awards has been settled for \$750,000 (*Glaves-Morgan v. New York City*, S.D.N.Y., No. 11-civ-1248, settlement 4/13/12).

The April 13 settlement between the city and Sandra Glaves-Morgan, a former HRA deputy commissioner and chief contracting officer, was reached three days after a partial jury verdict had been returned in a trial before Judge Harold Baer of the U.S. District Court for the Southern District of New York.

The jury awarded Glaves-Morgan \$420,000 in economic and noneconomic compensatory damages and found that she was entitled to punitive damages, attorneys in the case said. The settlement was reached before the jury could consider the amount of the punitive damages, they said.

The jury found in the plaintiffs' favor on both of the claims that it heard: discrimination by sex, race, or color, and retaliation for her whistleblowing reports.

Although the jury verdict for compensatory damages was for economic damages and emotional distress, the amount seemed to approximate the findings of an economist's report presented in the case in February, which set the plaintiffs' lost past and future earnings at \$415,000, the plaintiff's attorney, Samuel O. Maduegbuna of Maduegbuna Cooper in New York, told BNA.

The agreement also calls for the city to pay \$668,000 in attorneys' fees and approximately \$52,000 in costs, although the city was given two weeks to examine the plaintiff's submissions and those amounts could change, representatives of both sides said.

In a February 2011 complaint, Glaves-Morgan charged that she was ostracized and demoted by HRA officials on the basis of race, color, and sex and faced retaliation for making race discrimination complaints and reporting what she viewed as legal violations in agency contracting. The discrimination-based retaliation claim was not presented to the jury.

The lawsuit was filed under 42 U.S.C. § 1981 and 42 U.S.C. § 1983, as well as state and city human rights laws and state civil service law.

In Public Service for 25 Years. Glaves-Morgan, a black woman of Jamaican national origin, is a graduate of Yale University and Brooklyn Law School, with 25 years of public service, the lawsuit said.

She was hired by HRA in 1995 as a deputy general counsel and rose to deputy commissioner for contract monitoring and training, the lawsuit alleged. In 2002, she was named chief contracting officer by then-Commissioner Verna Eggleston, a black woman, giving her responsibility for the agency's \$6 billion contract portfolio, according to the complaint.

In that post, the lawsuit said, Glaves-Morgan criticized the conduct of the head of the city Mayor's Office of Contract Services, who had approval authority over HRA contract decisions. She believed that vendors whose employees were members of Local 32BJ of the Service Employees International Union were being favored, which she saw as a violation of legal bars on preferential treatment, the lawsuit said.

Glaves-Morgan made her protests known to Robert Doar, who had succeeded Eggleston as commissioner in January 2007, the lawsuit said. Soon after, she terminated a contract on the basis of a \$370,000 misappropriation by the contractor and filed a complaint with the city Investigation Department alleging corrupt practices in connection with awarding the contract, the lawsuit said.

Glaves-Morgan maintained that the mayor's office, Doar, and his deputy Thomas DePippo had stymied her efforts to ensure legal compliance. In retaliation, she said, they set in motion a reorganization calculated to remove her as chief contract officer and "replace her with white employees."

Doar and DePippo were named as defendants in the case, along with HRA.

Among the changes was appointing her former subordinate, a white man, to a newly created second chief contracting officer position in April 2008, the lawsuit said. When she complained about the changes in October 2008, the lawsuit alleged, Doar told her that she would "never be anyone in this agency."

Told in 2009 to report to her former subordinate and the agency's general counsel, another white man, Glaves-Morgan was deliberately excluded from senior staff meetings, the lawsuit said. When her former subordinate died, he was replaced by an unqualified white woman, "based on considerations of race and color and in retaliation" for Glaves-Morgan's complaints, it charged.

Lost Title, Privileges. In July 2009, the lawsuit said, Graves-Morgan was removed as chief contract officer and given the newly created post of executive deputy commissioner, office of interagency relations, with no staff or secretary. Later, she was told that she would be terminated if she did not voluntarily give up that job and had her agency vehicle and parking space taken away, the lawsuit said.

As part of the pressure to resign, the lawsuit said, Doar told Graves-Morgan in September 2010 that he thought that she would leave the agency when her job was changed and that “ ‘it’s been a year, and you’re still here.’ ” In December 2010, she was demoted and relocated to the agency’s management and information systems department, with a 20 percent pay cut, the lawsuit charged.

DePippo told her that “at least you’re not going to be cleaning washrooms” and that the demotion was in the city’s best interest, the complaint charged. He also warned her to find a new job within six to nine months or face termination, it alleged.

In a statement, Maduegbuna said “the jury’s finding in this case not only vindicates the rights of my client, but also reaffirms the truism that in today’s workplace, it is highly impermissible to treat people differently because of their sex, race, and color, or retaliate against an employee because the employee opposed what she, as in this case, reasonably believed to be improper governmental action.”

He added that “In the face of what was overwhelming evidence—replete with testimony as well as star-

ting admissions by defendants of sexist and racist animus, shown by their cruel, invidious, and hurtful comments to the plaintiff—the jury had absolutely no difficulty finding defendants liable.”

Maduegbuna said the case was “not at all about the much vaunted pedigree of any of the individual defendants. It is simply about whether or not their conduct violated well-established civil rights laws, and the jury rightly found that it did.”

City Denies Liability. In a statement for the city, James Lemonedes, senior counsel in the city Law Department’s Labor & Employment Law Division, said “HRA and its leaders did nothing wrong, and the evidence does not support any finding of wrongdoing.”

He added that, due to “the risks of litigation and appeal, and the desire to save the taxpayers money, we felt that before the jury issued a final verdict, a settlement was in the city’s best interest.” In addition, the city said there was no admission of liability.

A representative of HRA called the lawsuit’s allegations without merit. “HRA’s key leaders are as diverse as New York City, and Commissioner Doar’s record throughout his tenure in promoting women, people of color, and ensuring integrity throughout HRA’s programs stands on its own.”

BY JOHN HERZFELD

Text of the complaint is available at <http://op.bna.com/dlrcases.nsf/r?Open=mcan-8thtya>.