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IGO Releases Report on the Effects of Furlough on the Use of Overtime

The City of Chicago Office of Inspector General (IGO) today released a report on the effects of the City's previous furlough policy on overtime use.

Though the IGO has previously reported on two instances in the City where the furlough program led to increases in overtime pay to City employees ([Chicago Fire Department](#) and [Chicago Department of Aviation](#)), the IGO report found that on the whole, overtime worked by City employees has actually decreased substantially since the imposition of furloughs.

However, one aspect of the City's furlough cost cutting strategy required employees to accept compensatory time instead of direct payment for overtime worked. The primary effect of substituting compensatory time for direct pay overtime was to postpone payouts for overtime, whether in the form of payments or in paid time off, to future years. Since this provision was implemented, there has been a 144 percent increase, 201,000 hours, in the total compensatory time balance citywide. These 201,000 hours represent an estimated liability of \$7.51 million that City will be obligated to pay over the next several years.

"Furloughs have been a valuable tool for the City," said Inspector General Joseph Ferguson. "They have provided the City with savings when we desperately needed them. However, programs with considerable impact on out-year budgets need to be accounted for properly and publicly. We therefore strongly recommend that the out-year consequences of City policies be fully disclosed to the public."

The recommendation can be found [online](#) at the IGO website: www.chicagoinspectorgeneral.org

Also, today the IGO posted City overtime payments for 2008, 2009, 2010, and thru April 2011. The City has recently posted this data, but did so in a .PDF format, instead of in a format that easily enables analysis of the data. To help facilitate analysis of overtime spending, the IGO converted the .PDFs into Excel and CSV files, which are available on our website.

The release of this data was part of the [Open Chicago](#) initiative, which seeks to enhance transparency in City government by publishing public, non-confidential City data and documents on the IGO's website.

The IGO is charged by ordinance with promoting economy, efficiency, effectiveness and integrity in the operations of the City government. In our continuing effort to be fully responsive to the City's challenges and supportive of the efforts of the Mayor and City Council in meeting those challenges, the IGO welcomes any suggestions or comments on our reports, or suggestions of City programs to review.

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