File No. 120401

Committee Item No. 10
Board Item No. _____

COMMITTEE/BOARD OF SUPERVISORS

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Committee: Budget and Finance Sub -Committee **Date** May 16, 2012

Board of Supervisors Meeting **Date** _____

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Completed by: Victor Young **Date** May 11, 2012
Completed by: Victor Young **Date** _____

An asterisked item represents the cover sheet to a document that exceeds 25 pages.
The complete document can be found in the file.

orig: Joy COB cpage
B/F clerk
B/F Chair

POLICE DEPARTMENT
CITY AND COUNTY OF SAN FRANCISCO
THOMAS J. CAHILL HALL OF JUSTICE
850 BRYANT STREET
SAN FRANCISCO, CALIFORNIA 94103-4603

EDWIN M. LEE
MAYOR

GREGORY P. SUHR
CHIEF OF POLICE

April 24, 2012

File 120401

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2012 APR 30 AM 10: 04
RN

Angela Calvillo
Clerk of the Board of Supervisors
1 Dr. Carlton B. Goodlett Place
City Hall, Room 244
San Francisco, CA 94102

Re: Release of Reserve for COPS Grant – Ordinance No. 233-090, File No. 091169

Ms. Calvillo:

The San Francisco Police Department requests that the following item be added to the Budget and Finance Committee agenda: "Request to Release COPS Hiring Recovery Project (CHRP) Grant Funds from Budget and Finance Committee Reserve."

- On November 3, 2009 the Board of Supervisors authorized the San Francisco Police Department to retroactively accept and expend $16,562,750 of federal COPS Hiring Recovery Program (CHRP) grant funds, and amended the Annual Salary Ordinance (Ordinance No. 233-09, File No. 091169), to create and hire 50 entry level officer positions. The Budget and Finance Committee then placed $14,112,750 of the grant funds on reserve pending a presentation to the committee regarding SFPD's plans for Community Policing.
- On March 10, 2010, a presentation was provided to Committee entitled "Community Policing in San Francisco," along with a request to release funds on reserve (File No. 100170). The Committee then released $900,000 from reserve.
- On February 9, 2011, SFPD's Chief Financial Officer (Deborah Landis) and Deputy Chief of Police (Denise Schmitt) brought an agenda item to the Budget and Finance Committee requesting release the remaining grant funds (File No. 110057). Supervisors released $6,000,000, leaving $7,212,750 in reserve.

The SFPD now requests release of the remaining grant funds to enable SFPD to seek reimbursement of expenditures in a timely manner from the Department of Justice COPS Office. All fifty officers have been hired and the funds should be fully expended in approximately 19 months. The project end date is December 31, 2013. Attached is a project status report. Please contact my office if you have any questions.

Sincerely,

James Dudley
Deputy Chief of Police
Office of Administration

Attachment: CHRP Project Status Report

cc: Supervisor Carmen Chu
Victor Young, Budget and Finance Committee

CHRP Project Status Report (P.E. 3/31/2012)

Project Name: COPS Hiring Recovery Program 2009
Project Recipient: San Francisco Police Department
Total Number of Full-time Officers Funded: 50
Grant Amount: $16,562,750
DOJ Award #: 2009RJWX0019
Project Start Date: 7/1/09
Project End Date: 12/31/2013 (Initially set at 6/30/12, extended by COPS Office)
Project Expenditures to date (as of 3/31/2012): $10,657,946

Award Description:

The COPS Hiring Recovery Program (CHRP) provides funding directly to law enforcement agencies to hire and/or rehire career law enforcement officers in an effort to create and preserve jobs, and to increase their community policing capacity and crime prevention efforts.

Description of Jobs Created:

Officer candidates were hired and trained in the academy classes listed below.

- 227th Academy: 25 new hires (October 2009)
- 228th Academy: 6 lateral hires (August 2010)
- 229th Academy: 13 lateral hires (April 2011)
- 230th Academy: 6 lateral hires (May 2011)

Quarterly Activities/Project Description:

The 50 officer positions (Q2 Police Officers) have now been filled by 25 new hires and 25 lateral hires. During the most recent quarter (P.E. 3/31/2012) one officer resigned and one officer was released. Since this COPS grant allows grant-funded positions to be filled by other new or recent hires, two other officers hired during 2011 (230th Academy class) using general funds are now paid from grant funds. All 50 officers have completed the academy and field training, and have been assigned to the stations.

Item 10 File 12-0401	Department(s): Police Department

EXECUTIVE SUMMARY

Legislative Objective

- Request to release $7,212,750 of funds previously placed on Budget and Finance Committee reserve for the Police Department's Community Oriented Policing Services (COPS) Hiring Recovery Program.

Key Points

- On November 2, 2009, the Board of Supervisors (a) authorized the Police Department to retroactively accept and expend $16,562,750 of Federal American Recovery and Reinvestment Act (ARRA) COPS Hiring Recovery Program grant funds, (b) amended the FY 2009-2010 Annual Salary Ordinance to create50 new Q2 Police Officer[1] grant-funded positions, and (c) placed on Budget and Finance Committee reserve $14,112,750 of the $16,562,750 grant, pending a presentation to the Budget and Finance Committee regarding the Police Department's plans for community policing, as outlined in the COPS grant application (Ordinance No. 233-09; File 09-1169).
- The Board of Supervisors authorized the expenditure of $2,450,000 without a reserve, ($16,562,750 total grant less $14,112,750 placed on reserve) of the grant funds because the Police Department had already commenced an Academy class of 42 Q2 Police Officers on October 19, 2009, to allow completion of the 26-week academy training.
- On March 10, 2010, the Budget and Finance Committee released $900,000 on reserve to partially fund the COPS program, pending review of the Police Department's FY 2010 – 2011 budget by the Board of Supervisors based on the former Chief of Police's presentation to the Committee on community policing, changes in the Police Department's organizational structure, operational objectives, and the Community Policing Service Delivery Model. A balance of $13,212,750 ($14,112,750 less $900,000) remained on reserve.
- On February 9, 2011, the Budget and Finance Committee released $6,000,000 of the remaining $13,212,750 on reserve to partially fund the COPS program on an as-needed basis to be determined by the Controller. The Committee continued to reserve the balance of $7,212,750 ($13,212,750 less $6,000,000).

Fiscal Impact

- A total of $9,350,000 of the COPS grant funds of $16,562,750 has been previously released by the Budget and Finance Committee, leaving a balance of $7,212,750 ($16,562,750 less $9,350,000 previously released).
- According to Ms. Dana Lang, Grants Unit Manager of the Police Department, of the $7,212,750 remaining balance of the COPS grant funds requested to be released from reserve, $2,903,293 would be used in FY 2011-12 to account for a projected budget shortfall, $3,584,941 would be expended in FY 2012-2013, and the remainder of $724,516 would be expended in FY 2013-2014.

Recommendation

- Approve the requested release of $7,212,750 currently on reserve.

[1] The Q-2 Police Officer position is the entry-level position for the sworn ranks in the San Francisco Police Department.

MANDATE STATEMENT/ BACKGROUND

Mandate Statement

Section 3.3 of the City's Administrative Code provides that the committee of the Board of Supervisors that has jurisdiction over the budget (i.e., Budget and Finance Committee) may place requested expenditures on reserve which are then subject to release by the Budget and Finance Committee.

Background

The COPS Hiring Recovery Program is a national competitive Federal grant program which provides funding directly to State and local law enforcement agencies to hire and rehire police officers in an effort to create and preserve jobs, and increase community policing[2] capacity. COPS grant monies may be used to hire new police officer positions or rehire officers who have been laid off due to State or local budget reductions. The grant monies provide full funding for approved entry-level salaries and fringe benefits of full-time police officers for three years.

On July 28, 2009, the United States Department of Justice Community Oriented Policing Services (COPS) Program awarded $16,562,750 in Federal American Recovery and Reinvestment Act (ARRA) grant funds, to be expended by the Police Department over a three year period from July 1, 2009 through June 30, 2012 for salary and fringe benefits for 50 new sworn Q2 Police Officers. Subsequent to this award, the grant end date was extended 18 months to December 31, 2013.[3] Under the terms of the COPS grant, the City is required to retain each of these 50 new Q2 Police Officer positions with General Fund monies for at least one year beyond the three year period of the COPS grant funding.

When the Budget and Finance Committee met to consider this grant on October 21, 2009, the Police Department had already commenced a Police Academy class of 42 Q2 Police Officers on October 19, 2009, to be funded with the requested grant funds, pending retroactive authorization from the Board of Supervisors (Ordinance No. 233-09; File 09-1169). The Board of Supervisors authorized the expenditure of $2,450,000 without a reserve ($16,562,750 total grant less $14,112,750 placed on reserve) on the advice of the Controller in order to allow completion of a 26-week Police Academy training class that extended from October 19, 2009 through April 30, 2010.

On November 2, 2009, the Board of Supervisors (a) authorized the Police Department to retroactively accept and expend the $16,562,750 of federal grant funds, (b) amended the FY 2009-2010 Annual Salary Ordinance to create 50 new Q2 Police Officer[4] grant-funded positions, and (c) placed on Budget and Finance Committee reserve $14,112,750 ($16,562,750 less $2,450,000), pending a presentation by the Police Department to the Budget and Finance Committee regarding the

[2] According to the U.S. Department of Justice, community policing is "a philosophy that promotes organizational strategies, which support the systematic use of partnerships and problem-solving techniques, to proactively address the immediate conditions that give rise to public safety issues such as crime, social disorder, and fear of crime."
[3] According to Ms. Dana Lang, Grants Unit Manager of the Police Department, the COPS office will allow further extensions upon request, but no extension request can go beyond September 30, 2015.
[4] The Q-2 Police Officer position is the entry-level position for the sworn ranks in the San Francisco Police Department.

Department's plans for community policing, as outlined in the grant application (Ordinance No. 233-09; File 09-1169).

On March 10, 2010, the former Chief of Police made a presentation to the Budget and Finance Committee regarding community policing, changes in the Police Department's organizational structure, operational objectives, and the Community Policing Service Delivery Model, such that the Board of Supervisors released $900,000 of the $14,112,750 placed on Budget and Finance Committee reserve to fund 50 Q2 Police Officers through July 31, 2010, pending review of the Police Department's FY 2010 – 2011 budget by the Board of Supervisors in June of 2010 (File 10-0170). A balance of $13,212,750 ($14,112,750 less $900,000) remained on reserve.

On February 9, 2011, the Budget and Finance Committee released $6,000,000 of the remaining $13,212,750 on reserve to partially fund the COPS program on an as needed basis to be determined by the Controller. At that time $7,212,750 ($13,212,750 less $6,000,000) was left on Budget and Finance Committee reserve. By June 30, 2012, the end of the current Fiscal Year, 2011-2012, the Police Department is projected to have expended $12,253,293 of the total $16,562,750 in grant funds including all of the previously released funds of $9,350,000 thereby resulting in a projected negative balance of $2,903,293 ($12,253,293 spent less $9,350,000 previously released from reserve).

DETAILS OF PROPOSED REQUEST

The Police Department is now requesting the release of the remaining balance of $7,212,750 on reserve for the Police Department's Community Oriented Policing Services (COPS) Hiring Recovery Program.

FISCAL IMPACT

A total of $9,350,000 of the COPS grant funds of $16,562,750 has been previously released by the Budget and Finance Committee, leaving a balance of $7,212,750 ($16,562,750 less $9,350,000 previously released).

According to Ms. Dana Lang, Grants Unit Manager of the Police Department, of the $7,212,750 remaining balance of the COPS grant funds requested to be released from reserve,$2,903, 293 would be used in FY 2011-12 to account for a projected budget shortfall, $3,584,941 would be expended in FY 2012-2013,a nd the remainder of $724,516 would be expended in FY 2013-2014.

Ordinance No. 233-09 provided a total of $16,562,750 in COPS grant funds for salary and fringe benefits for 50 new sworn Q2 Police Officers over three years, from July 1, 2009 through June 30, 2012, as summarized in Table 1 below.

Table 1: Estimated Salary and Benefits Costs for 50 New Q2 Police Officers (February 2011 Projection)					
	ARRA COPS Grant Funds				General Fund Monies
	FY 2009-2010	FY 2010-2011	FY 2011-2012	Total Original Three-Year ARRA COPS Grant Period	FY 2012 - 2013
Total Salary and Benefits for 50 Officers (Projected in Feb 2011 by SFPD)	$4,910,000	$5,579,700	$6,073,050	$16,562,750	$6,346,400

As noted above, pursuant to the terms of the grant, the City is required to retain all 50 new Q2 Police Officer grant-funded positions for at least one year after each position has been filled for three years using General Fund monies. The Federal ARRA COPS grant funding expiration has been extended from July 1, 2012 to December 31, 2013. The COPS office will allow further extensions upon request, but no extension requests can go beyond September 30, 2015. Ms. Lang advised that the Police Department intends to retain all of these newly hired Q2 Police Officers after December 31, 2013, when the requirements of the Federal grant funds expire.

According to Ms. Lang, there are currently 50 Q2 Police Officers who are part of the COPS program. 25 of those Police Officers went through San Francisco's Police Academy training and an additional 25 Police Officers were laterally hired from other Police departments and went through lateral training. The final Q2 Police Officers were hired in May 2011 to reach the 50 position threshold. Due to the timing of the hiring of the 50 Q2 Police Officers and the extension of the deadline to expend grant funds, the funds will be spent over five fiscal years instead of three. Additionally, General Fund monies needed to retain the 50 Q2 Police Officers for an additional year will be expended over a three year period instead of the one year period. Further, an additional $48,010 of General Fund monies will be required to retain the 50 Q2 Police Officers for an additional year, as required by the grant, due to annual increases in base salary and benefits.

Table 2 below shows the updated expenditures and projected expenditures as provided by the Grants Unit of the Police Department.

	Table 2: Estimated Salary and Benefits Costs for 50 New Q2 Police Officers (May 2012 Projection)						
	ARRA COPS Grant Funds						General Fund Monies
	FY 2009-10	FY 2010-11	FY 2011-12 (Projected)	FY 2012-13 (Projected)	FY 2013-14 (Projected)	Total ARRA COPS Grant Period	FY 2012 – 13 to FY 2014-15 (Projected)
Total Salary and Benefits for 50 Officers	$2,642,106	$3,799,926	$5,811,261	$3,584,941	$724,516	$16,562,750	$6,394,410

In addition to the $6,394,410 in General Fund monies required by the grant shown in Table 2 above, an additional $683,057 of General Fund expenditures will be expended by the City over five years (from FY 2009-2010 through FY 2013-2014) for salary and benefit costs above starting salary costs as the grant only pays for starting salary and benefit levels. These additional funds as needed in FY 2009-2010 and FY 2010-2011 and projected for FY 2011-2012 through FY 2013-2014 are shown in Table 3 below.

Table 3: Estimated General Fund Monies Needed for Salary and Benefits Costs Above Starting Salary Costs for 50 New Q2 Police Officers (May 2012 Projection)					
General Fund Monies					
FY 2009-10	FY 2010-11	FY 2011-12 (Projected)	FY 2012-13 (Projected)	FY 2013-14 (Projected)	Total (Projected)
$0	$70,991	$225,834	$239,096	$147,136	**$683,057**

Therefore, a total of $7,077,467 in projected General Fund monies ($6,394,410 in Table 2 above plus $683,057 in Table 3 above) would be expended in connection with the COPS grant during FY 2009-2010 through FY 2014-2015.

RECOMMENDATION

Approve the requested release of $7,212,750 in COPS grant funds on reserve.