

**Item 8**  
**File 11-0057**

**Department(s):**  
Police Department

## EXECUTIVE SUMMARY

### Legislative Objective

- Request to release \$13,212,750 of funds on reserve for the Police Department's Community Oriented Policing Services (COPS) Hiring Recovery Program (CHRP).

### 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 (CHRP) grant funds, (b) amended the FY 2009-2010 Annual Salary Ordinance to create 50 new Q2 Police Officer<sup>1</sup> grant-funded positions, and (c) placed on Budget and Finance Committee reserve \$14,112,750 of the \$16,562,750 grant, pending providing a presentation to the Budget and Finance Committee regarding the Police Department's plans for community policing, as outlined in the CHRP 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 CHRP 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 CHRP 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..

### Fiscal Impact

- As of January 28, 2011, the Police Department had expended all of the \$900,000 released from Budget & Finance Committee reserve and all of the \$2,450,000 in previously authorized CHRP grant funds and has a negative balance of \$1,158,059 for the CHRP program.

### Policy Considerations

- The requested remaining \$13,212,750 was placed on reserve pending the Police Department providing a presentation to the Budget and Finance Committee on the Department's plans for community policing. There has not been such a presentation since March 10, 2010, at which time the Budget and Finance Committee released \$900,000 from reserve.

<sup>1</sup> The Q-2 Police Officer position is the entry-level position for the sworn ranks in the San Francisco Police Department.

- The Police Department cannot provide timelines for hiring the 19 additional Q2 Police Officers or estimates for fully expending the subject grant funds that are currently on reserve.

### **Recommendation**

- Approval of the requested release of \$13,212,750 is a policy decision for the Budget and Finance Committee.

## **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 (CHRP) 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<sup>2</sup> capacity. CHRP 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) CHRP grant funds, to be expended by the Police Department from July 1, 2009 through June 30, 2012 for salary and fringe benefits for 50 new sworn Q2 Police Officers. Under the terms of this CHRP grant, the City is required to retain all 50 new Q2 Police Officer positions for at least one year after the three-year Federal ARRA CHRP grant funding expires on June 30, 2012.

When the Budget and Finance Committee met to consider this legislation 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 CHRP 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 CHRP grant less \$14,112,750 placed on reserve) of the CHRP grant funds on the advice of the

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<sup>2</sup> 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."

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 CHRP grant funds, (b) amended the FY 2009-2010 Annual Salary Ordinance to create 50 new Q2 Police Officer<sup>3</sup> grant-funded positions, and (c) placed on Budget and Finance Committee reserve \$14,112,750 of the \$16,562,750 in grant funds, pending a presentation by the Police Department to the Budget and Finance Committee regarding the Department's plans for community policing, as outlined in the CHRP grant application (Ordinance No. 233-09; File 09-1169). The Budget and Finance Committee had requested that this presentation be provided by the end of November, 2009.

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) As of the writing of this report, \$13,212,750 (\$14,112,750 originally placed on reserve less \$900,000 previously released from reserve) remains on Budget and Finance Committee reserve.

## DETAILS OF PROPOSED REQUEST

The Police Department is now requesting the release of the remaining \$13,212,750 on reserve for the Police Department's Community Oriented Policing Services (COPS) Hiring Recovery Program (CHRP).

## FISCAL ANALYSIS

According to Ms. Dana Lang, Grants Unit Manager of the Police Department, the \$13,212,750 requested to be released would be expended by the Police Department as previously outlined in the original legislation (Ordinance No. 233-09; File 09-1169) and approved by the Board of Supervisors on November 2, 2009. Ordinance No. 233-09 provided a total of \$16,562,750 in CHRP 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.<sup>4</sup>

<sup>3</sup> The Q-2 Police Officer position is the entry-level position for the sworn ranks in the San Francisco Police Department.

<sup>4</sup> The salary increases listed in Table 1 were calculated using projected wage increases for Q2 Police Officers per the Memorandum of Understanding (MOU) with the San Francisco Police Officer's Association (SFPOA).

<b>Table 1: Estimated Salary and Benefits Costs for 50 New Q2 Police Officers</b>					
	<b>ARRA CHRP Grant Funds</b>				<b>General Fund Monies</b>
	<b>FY 2009-2010</b>	<b>FY 2010-2011</b>	<b>FY 2011-2012</b>	<b>Total Three-Year ARRA CHRP Grant Period</b>	<b>FY 2012 - 2013</b>
Salary	\$78,156	\$87,795	\$95,415	\$261,366	\$98,277
Benefits	20,044	23,799	26,046	69,889	28,651
<b>Total Salary and Benefits Per Officer</b>	<b>\$98,200</b>	<b>\$111,594</b>	<b>\$121,461</b>	<b>\$331,255</b>	<b>\$126,928</b>
<b>Total Salary and Benefits for 50 Officers</b>	<b>\$4,910,000</b>	<b>\$5,579,700</b>	<b>\$6,073,050</b>	<b>\$16,562,750</b>	<b>\$6,346,400</b>

As noted above, pursuant to the terms of the CHRP grant, the City is required to retain all 50 new Q2 Police Officer positions for at least one year after the three-year Federal ARRA CHRP grant funding expires on June 30, 2012, or from July 1, 2012 through June 30, 2013.

As shown in Table 1 above, the City estimated incurring \$6,346,400 of General Fund costs, as required to fund the 50 Q2 Police Officers in FY 2012-2013 (July 1, 2012 through June 10, 2013), after the Federal grant funds have been fully expended. In addition, Ms. Deborah Landis, Acting Chief Financial Officer of the Police Department, advised that the Police Department intends to retain all of these newly hired Q2 Police Officers after June 30, 2013, when the requirements of the Federal grant funds expires.

According to Mr. Albert Pardini, Assistant Chief of the Police Department, there are currently 31 Q2 Police Officers who are part of the CHRP program. Twenty five of those Police Officers went through San Francisco's Police Academy training<sup>5</sup> and six Police Officers were laterally hired from other Police departments. Two additional lateral hired Police Officers will be hired in March 2011, which will increase the total number of Police Officers who are part of the CHRP program to 33. According to Ms. Lang, the Police Department plans to continue to laterally hire Police Officers to meet the CHRP grant's requirements of 50 total Q2 Police Officers.

While the grant was to cover the costs of 50 newly hired Q2 Police Officers, the Police Department currently only has 31 Q2 Police Officers. Ms. Lang advises that attrition is a regular part of the hiring process of Police Officers and, while the Police Department does not have 50 Q2 Police Officers on staff currently, the Police Department is allowed to continue to fill these slots with lateral hires until the grant is fully expended. According to Ms. Lang, at the end of the 3-year grant period, the Police Department can request time extensions to expend the grant funds of up to 18 months at a time from the Federal Department of Justice until the funds are fully expended.

<sup>5</sup> While 42 Q2 Police Officers were originally hired, 17 Police Officers have resigned as of January, leaving 25 Police Officers still in the Police Department's employ.

Table 2 below, compares the Police Department's projected expenditures for 50 Q2 Police Officers to the actual expenditures for Q2 Police Officers to date on the CHRP program.

<b>Table 2: Comparison between Actual Salary and Benefits for 50 New Q2 Police Officers and Actual Costs for CHRP Police Officers</b>			
	<b>FY 2009-2010</b>	<b>July 1, 2010 – December 31, 2010) for FY 2010-2011</b>	<b>Total for 18 month period of July 1, 2009 – December 31, 2010</b>
<b>Total Estimated Salary and Benefits Based on 50 Q2 Police Officers</b>	\$4,910,000	\$2,789,850	\$7,699,850
<b>Actual Expenditures for Salary and Benefits of Q2 Police Officers</b>	2,642,106	1,810,076	4,452,182
<b>Difference between Estimated and Actual Expenditures</b>	\$2,267,894	\$979,774	\$3,247,668

As shown in Table 2 above, based on actual expenditures incurred for the 18-month period from July 1, 2009 through December 31, 2010, the Police Department expended \$3,247,668 less than the \$7,699,850 projected for the same time period if 50 Q2 Police Officers had been hired. However, according to Ms. Lang, as of January 28, 2011, the Police Department has expended all of the \$2,450,000 previously authorized CHRP grant funds plus the additional \$900,000 released from the Budget and Finance Committee reserve on March 10, 2010, for a total of \$3,350,000 of the CHRP grant funds. In addition, Ms. Lang advises that as of January 28, 2011, the Police Department had expended an additional \$1,158,059 of General Fund monies on this CHRP program from the Police Department's FY 2010-2011 budgeted funds, as previously appropriated by the Board of Supervisors.

As of the writing of this report, the Police Department could not provide projected timelines for hiring each of the additional 19 Q2 Police Officers or estimates for fully expending the subject \$13,212,750 in grant funds that are currently on reserve.

## **POLICY CONSIDERATIONS**

As noted above, the Budget and Finance Committee placed on reserve \$14,111,750 of the CHRP grant funds, pending a presentation by the Police Department to the Budget and Finance Committee by the end of November, 2009 regarding further explanations of the Police Department's plans for community policing.

As noted above, the former Chief of Police attended the March 10, 2010 Budget and Finance Committee and made a presentation to the Committee regarding community policing, changes in the Police Department's organizational structure, operational objectives, and the Community Policing Service Delivery Model. At that time, the Budget and Finance Committee asked the former Chief of Police additional questions about the community policing program. According to Ms. Lang, there have been no additional presentations to the Budget and Finance Committee on

community policing, despite several attempts by the Police Department to calendar such a presentation.

Given that (a) the requested remaining \$13,212,750 was placed on reserve by the Budget and Finance Committee for the Police Department's Community Oriented Policing Services (COPS) Hiring Recovery Program (CHRP) pending the Police Department providing a presentation to the Budget and Finance Committee regarding the Department's plans for community policing, (b) there has not been a presentation since the March 10, 2010 presentation to the Budget and Finance Committee at which time \$900,000 was released from reserve, and (c) the Police Department cannot provide timelines for hiring each of the additional Q2 Police Officers or estimates for fully expending the subject grant funds that are currently on reserve, approval of the requested release is a policy decision for the Budget and Finance Committee.

## **RECOMMENDATION**

Approval of the requested release of \$13,212,750 is a policy decision for the Budget and Finance Committee.