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OAKLAND

2015 JAN 30 AM 8:49

AGENDA REPORT

TO: JOHN A. FLORES
INTERIM CITY ADMINISTRATOR

FROM: KIRAN BAWA

SUBJECT: Amending the FY 2014-15 Budget
To Fund Two Lateral Police Officer
Academies

DATE: January 26, 2015

City Administrator
Approval

Date

1/29/15

COUNCIL DISTRICT: City-Wide

RECOMMENDATION

Staff recommends that the City Council approve a resolution authorizing the appropriation of funds from FY 2014-15 General Purpose Fund (GPF) undesignated fund balance in the amount of \$807,980 and reserving an additional \$60,599 (7.5%) in accordance with the general purpose fund emergency reserve policy to fund two Oakland Police Department (OPD) lateral academies; and amending the city of Oakland's FY 2013-15 biennial budget, which was adopted pursuant to Resolution No. 84466 C.M.S. and amended by subsequent resolutions.

OUTCOME

Council approval would result in the conduct of two lateral police academies filling 30 vacant sworn police positions at a total cost of \$868,579 drawn from GPF undesignated fund balance, and bring OPD sworn staffing to the levels required by the full staffing policy.

BACKGROUND/LEGISLATIVE HISTORY

The Oakland City Council passed Resolution No. 84767 C.M.S. on December 10, 2013 and subsequently a new policy, "Implementation of Budgeted Police Staffing," hereafter "hiring plan" was passed by the City Council on June 3, 2014. This resolution and policy require that OPD provide a hiring plan that describes the expected hiring and training methods for achieving Budgeted Staffing as quickly as possible and present to the Council alternative hiring options if vacancies exceed those in the hiring plan. The resolution also states that "in the event that salary savings are insufficient to cover the incremental cost of utilizing an alternative hiring method, the City Administrator shall bring a request to fund this cost along with the quarterly report."

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Per the biennial FY 2013-2015 Budget, OPD's FY 2014 –2015 budgeted sworn strength is 722 officers for December 2014 through June 2015. This total includes:

- 25 officers from the 2011 Department of Justice/Community Oriented Policing Services (DOJ/COPS) Hiring Grant,
- 10 officers from the 2013 DOJ/COPS Hiring Grant,
- 15 officers from the 2014 COPS grant, and
- Approximately 63 officers associated with Measure Y.

According to the "Hiring Plan," based on the April 29, 2014 Full Police Staffing Report, OPD should have 716 filled sworn positions for December, decreasing by five officers per month to 686 filled position by June 2015. While the budget includes funding for 722 sworn officers throughout the year the hiring plan specifies the number of officers that should be employed in each month based upon the expected hiring and training methods and their timing.

ANALYSIS

Based on the most recent projections from the January 2015 monthly staffing report, filled sworn staffing within OPD has fallen below the two benchmarks of authorized staffing levels set by the budget and the hiring plan; the January Monthly Staffing Report shows that OPD had 695 filled officer positions as of December 31, 2014 (27 officers below the budgeted level and 21 below the Hiring Plan). Based on the current projections, by March 2015, the filled sworn staffing level will be at 677 filled positions (45 below the budgeted level and 24 below the Hiring Plan) and this gap will persist and grow throughout the remainder of the Fiscal Year.

OPD can most quickly address this immediate shortfall in filled sworn police officer positions by additionally holding two lateral officer academies in the current fiscal year. Each lateral officer academy should provide approximately fifteen (15) police officers; this approximation assumes:

- 50 applicants to each lateral academy,
- 45 of which will meet the minimum qualifications,
- 40 of which will pass the physical ability test (PAT),
- 35 of which will pass the oral exam (interview),
- 30 of which will pass the background check,
- 20 of which will that pass character evaluation, and
- 15 of which will be hired.

The first lateral academy should begin in mid-to-late February 2015 and the second in mid-May 2015. These additional 30 officers would bring the end of month filled sworn staffing to a projection of 735 officers for May and 729 for June of this year.

Unlike basic police academies, lateral academies begin with employees who are already in the position of police officer (as opposed to police officer trainee (POT) serving in other California jurisdictions). Lateral academies are only 10 weeks in length – considerably shorter than the 27

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weeks required for the Oakland Basic Police Academy. Oakland Police recruiting staff have the opportunity to recruit from any of the 22 providers of the intensive basic course throughout California. The estimated cost of each lateral academy (\$403,990) as well as a required 7.5% set-aside (\$60,599) of the General Purpose Fund Emergency Reserve is described in the cost summary/implications section of this report. The 7.5% increase to the General Purpose Fund Emergency Reserve is required per the Consolidated Fiscal Policy as this appropriation will increase budgeted General Purpose Fund Expenditures. The Consolidated Fiscal Policy requires that an amount equal 7.5% of General Purpose Fund budgeted expenditures be held in a reserve.

OPTIONS & ALTERNATIVES

The Oakland Police Department (OPD) has different options for finding and employing new police officers. At different times, and for different reasons, OPD has employed new officers through basic academies, through external academies, and through lateral academies. For each of the following employment options, there are cost, timing and cultural factors which OPD leadership must consider:

1. **OPD Cadet Program:** The Police Cadet Program is designed for young, hardworking, and ambitious men and women (ages 17.5-20.5 years old) who wish to explore the law enforcement field. Cadets participate in this program while earning college degrees. The goal of the program is to prepare Cadets for a law enforcement service career as a Police Officer Trainee or other position within the Department. The Cadet program lasts four years and is therefore OPD's most long-term approach to recruiting new officers. However, OPD leadership very highly values the Cadet Program, as the City of Oakland looks to "grow our own," and recruit more officers with significant local community connections.
2. **Basic Police Officer Academies:** Basic officer academies are the most common method for employing new officers by most police departments from around the United States. 319 of the 354 officers hired by OPD since 2012 have come to the department as basic academy graduates. In basic academies, OPD operates the academy with OPD personnel and has the opportunity to advertise widely before the start of a new academy. OPD receives thousands of candidates and ultimately selects the most qualified individuals with the greatest promise to succeed in the academy. Beyond the academy success, OPD seeks applicants who will also succeed in field training and ultimately become highly-qualified officers who meet OPD's high standards for integrity, work ethic and an ability to serve Oakland's diverse communities.

New recruits begin employment as police officer trainees (POT) and must complete a rigorous 27 week (1,048 hours) academy, which they must graduate from, before entering the OPD's Field Training Program (15 weeks) as an actual officer. POTs receive training in all Police Officer Standard Training (POST) performance objectives, as well as several department-specific objectives. The most recently completed 170th Academy (October,

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2014) graduated 35 POTs who then began field training as police officers. The cost for a basic academy, such as the currently ongoing 171st OPD Basic Academy, costs over \$3 million when accounting for the total cost of recruitment efforts, background checks, oral, physical and written interviews, full salary and compensation costs for the training program, facility rentals and all equipment. Additionally, the City has the capacity to only manage two overlapping academies at any one time due to capacity issues as well as due to the significant planning and coordination required by OPD and the Human Resources Department.

3. **External Academies:** The Oakland Police Department at times has the opportunity to send Oakland basic academy applicants to basic academies operated by other law enforcement agencies, such as Alameda County Sheriff's Office (ACSO) and or Santa Clara County Sheriff's Department (SCCSD). These are POST certified academies that slightly differ from OPD basic academies in that they focus specifically on POST requirements. ACSO's academies, offered twice a year, train over 20 different law enforcement agency candidates from throughout the greater Bay Area. The training is delivered in a high-stress and highly disciplined format, similar to military-type basic training. In the most recent ASCO partnership (April, 2014), 13 of the 24 Oakland POTs graduated. POTs who participate in these external academies must then participate in an additional 10-week OPD Lateral Academy (described below). It should be noted that the California Highway Patrol (CHP) also operates academies. However, CHP academies are open only to CHP applicants, and thus they do not represent an option for employing new OPD officers.

4. **Lateral Transitional Course (Lateral Academies):** The Oakland Police Department can hire both experienced officers from other law enforcement agencies or graduates of other academies (such as ASCO or from several other California training academies, where applicants pay for the training). These individuals come to OPD with POST certificates and only require a 10-week training program at OPD on "department-specific" objectives before entering the 15-week field training program. These candidates are hired as police officers on the first day of employment. The shorter program provides OPD with an option for most quickly employing new officers. However, the shorter training period under direct OPD leadership provides less opportunity to train new officers with Oakland-specific objectives, such as compliance with Oakland's ongoing Negotiated Settlement Agreement, CeaseFire, and characteristics of local crime-trends and related histories of specific Oakland neighborhoods.

Most commonly, lateral academies consist of seven (7) to 10 new hires, but in some lateral academies OPD has the opportunity to hire more new officers. In the December, 2013 academy, four candidates were hired, and all four completed the course and field training and remain employed as OPD officers. In the September, 2014 academy, seven candidates were hired, five completed the course (two unfortunately had medical issues). These five officers are now in field training (to be completed March 20, 2015). The

lateral academies being requested in this report and resolution will cost \$403,990 each for a total of \$807,980. The personnel costs for officers in the academy will be paid through salary savings from vacancies (see the table below).

PUBLIC OUTREACH/INTEREST

This item did not require any significant public outreach besides posting on the city's website.

COORDINATION

This report was produced in coordination with the Oakland Police Department, City Administrator's Office – Budget Department, and the Controller's Bureau.

COST SUMMARY/IMPLICATIONS

The proposed expenditures for both lateral academies totals \$807,980. An additional appropriation is required under the GPF Emergency Reserve Policy equal to \$60,599 which is 7.5% of the appropriation for both lateral academies.

Table 1: Total Non-Salary Costs of 2015 OPD Lateral Officer Academies

Item	Amount
Recruitment and background	\$111,117
Academy Class	\$96,418
One-time start up IT costs	\$154,080
One-time start up miscellaneous equipment	\$42,375
Total	\$403,990
Officer's salary during academy - \$436,723 per academy (paid for through temporary salary savings due to current vacancies).	\$0
Sub-Total Costs for <u>One Two</u> Lateral Officer Academy	
Total Costs for <u>Two</u> Lateral Officer Academies	\$807,980

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Table 2: 7.5% General Fund Reserve

Item	Amount
GPF Emergency Reserve (7.5%)	\$60,599
Grand Total (Two Academies + Reserve Appropriation)	\$868,579

OPD's budget for officer salaries currently has a temporary salary savings due to current vacancies budgeted sworn positions. Therefore, OPD is not requesting the \$436,723 per academy (\$873,446 for two academies) that will be spent to fund the officer salaries during the two academies. The request is only for the costs to conduct both academies. OPD will require an immediate funding allocation to start the February lateral academy, to begin the recruitment and background process, as well as to begin purchasing necessary equipment and one-time IT-related expenses.

The \$868,579 in O&M Costs and Reserve appropriation required for the two lateral academies will be drawn from GPF fund balance. The following table details the estimate of undesignated fund balance in the GPF since the publication of the Fourth Quarter FY 2013-14 Revenue and Expenditure (Q4 R&E) Report, and its presentation to the City Council on November 5, 2014.

Table 3: Appropriations Since the Q4 R&E Report

Report / Legislation	Amount	Resolution
Estimated Fund Balance Available as of Q4 R&E	\$11,246,887	85257 CMS
Q4 Appropriation Report	\$7,246,887	85281 CMS
Legal Services for Unaccompanied Children Unfunded Amount	\$377,231	85218 CMS
COPS Grant Appropriation Report	\$1,537,612	85308 CMS
January 6, 2015 OPR & OPL Reserve	\$1,185,155	85336 CMS
Present Estimated Available Fund Balance	\$900,002	
Two Lateral Academies	\$868,579	
Remaining Estimated Available Fund Balance	\$31,423	

It should be noted that OPD is projected to exceed its authorized FY 2014-15 budget by approximately \$10 million primarily due to costs associated with the response to recent and unanticipated protests and special enforcement activities. These estimates are preliminary and are subject to further refinement in the Second Quarter FY 2014-15 Revenue and Expenditure Report which is scheduled to be heard by the Finance and Management Committee on February 24, 2015.

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SUSTAINABLE OPPORTUNITIES

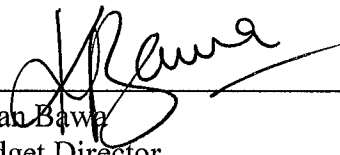
Economic: None

Environmental: None

Social Equity: None

For questions regarding this report, please contact Bradley Johnson, Assistant to the City Administrator, at (510) 238-6119.

Respectfully submitted,



Kiran Bawa
Budget Director

Reviewed by:

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OPD, Office of the Chief of Police, Research & Planning

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City Attorney

RESOLUTION No. _____ C.M.S.

RESOLUTION AUTHORIZING THE APPROPRIATION OF FUNDS FROM FY 2014-15 GENERAL PURPOSE FUND UNDESIGNATED FUND BALANCE IN THE AMOUNT OF \$807,980 AND RESERVING AN ADDITIONAL \$60,599 IN ACCORDANCE WITH THE GENERAL PURPOSE FUND EMERGENCY RESERVE POLICY TO FUND TWO OAKLAND POLICE DEPARTMENT (OPD) LATERAL ACADEMIES; AND AMENDING THE CITY OF OAKLAND'S FY 2013-15 BIENNIAL BUDGET, WHICH WAS ADOPTED PURSUANT TO RESOLUTION NO. 84466 C.M.S. AND AMENDED BY SUBSEQUENT RESOLUTIONS.

WHEREAS, on December 10, 2013, the City Council adopted Resolution No. 84767 C.M.S known as the Oakland Full Police Staffing Policy, which states that in the event of any hiring shortfalls, the City Administrator must “document the use of alternative hiring methods designed to catch-up hiring and eliminate the staffing shortfall;” and

WHEREAS, the Oakland Full Police Staffing Policy also states that “in the event that salary savings are insufficient to cover the incremental cost of utilizing an alternative hiring method, the City Administrator shall bring a request to fund this cost along with the quarterly report;” and

WHEREAS, On June 3, 2014, the City Council accepted a report with action titled the “Implementation Of Budgeted Police Staffing,” which, in addition to implementing a sworn police officer staffing level early warning system, budgeting transparency requirements for future biannual fiscal budgets, calling for funding of the 171st and 172nd OPD officer training academies, and requesting an action plan for reducing sworn officer attrition rates, also requires a description of “what actions have been taken to address any staffing shortfall, including the alternative hiring method described in the current OPD Hiring Plan. A staffing shortfall shall be defined as when actual staffing is more than 5 officers below the Hiring Plan staffing projections;” and

WHEREAS, on July 1, 2014, the City Council adopted the FY 2014-15 Midcycle Policy Budget (Resolution 85085 C.M.S.), which authorized appropriations of \$493,709,824 in FY 2014-15 in the General Purpose Fund; and

WHEREAS, the projections in the FY 2014-15 Midcycle Policy budget were based upon the FY 2013-14 Third Quarter Revenue and Expenditure Report; and

WHEREAS, based on the FY 2013-14 Fourth Quarter Revenue and Expenditure Report projections, and after the appropriation of \$6,832,586 by Resolution No. 85281 on November 18, 2014, there still remains an undesignated and un-appropriated fund balance in the General Purpose Fund an amount equal to \$900,002; and

WHEREAS, OPD can most immediately address the current shortfall in filled sworn police officer positions by instituting lateral officer academies; and

WHEREAS, OPD has the operational capacity to implement two (2) lateral officer academies this year, which will bring a total of approximately thirty (30) additional filled police officer positions to the OPD's sworn staffing level; and

WHEREAS, each lateral officer academy will require an additional \$403,990 in one-time costs, for a total of \$807,980; therefore be it

RESOLVED: That the Oakland City Council hereby amends the Fiscal Year 2014-15 budget and appropriates additional expenditures for two lateral police officer academies in an amount not to exceed \$807,980 as detailed in Exhibit 1; and

FURTHER RESOLVED: That the Oakland City Council, hereby amends the Fiscal Year 2014-15 budget and reserves \$60,599 in accordance with the General Purpose Fund Emergency Reserve Policy.

IN COUNCIL, OAKLAND, CALIFORNIA, _____

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN, REID and President GIBSON MCELHANEY

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LaTonda Simmons
City Clerk and Clerk of the Council
of the City of Oakland, California

Exhibit 1

Total Non-Salary Cost of 2015 OPD Lateral Officer Academies	
Recruitment & Background	\$111,117
Academy Class	\$96,418
One-time start up IT	\$154,080
One-time start up miscellaneous equipment	\$42,375
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Officer's salary during Academy - \$436,723 (paid for through temporary salary savings due to current vacancies)	\$0
Total One-Time Costs for <u>Two</u> Lateral Officer Academies	\$807,980

General Purpose Fund Emergency Reserve	
General Purpose Fund Emergency Reserve (7.5%)	\$60,599
Grand Total (Two Academies + Reserve Appropriation)	\$868,579