



MEMORANDUM

TO: HONORABLE MAYOR &
CITY COUNCIL

FROM: Donna Hom
Budget Director

SUBJECT: Police Officer Academy Costs

DATE: March 27, 2013

City Administrator
Approval

Date

INFORMATION

The purpose of this memorandum is to respond to questions from the City Council and the public, as well as to be transparent, about police costs and details associated with staff's analysis.

Introduction

Public safety is one of the City's top priorities. As such, many stakeholders have been concerned about the declining number of police officers over the past few years due to layoffs, attrition, and limited new hiring. The City can add police officers through one of two routes, hiring officers who are already academy trained (referred to as "lateral" hires), or hiring trainees that the City puts through its own police academy.

The City has experimented with both approaches over the years. Lateral recruitments have proven challenging recently, so the Police Department is currently focusing on hiring trainees as its main strategy. The City budgeted for two police academies in fiscal year (FY) 2012-13 and is exploring different options for academies in FY 2013-14 and FY 2014-15.

The City Administrator's Office, Budget Office and Controller's Office recently worked with the Police Department, Human Resources, Department of Information Technology, and Public Works Agency to jointly develop updated, thorough estimates of the cost of police academies and the one-time and ongoing costs of new officers. This information is presented below.

The process of increasing the size of the sworn staff by hiring trainees has three major stages:

- Pre-academy;
- Academy; and
- Field training.

The pre-academy stage lasts approximately six months and consists of the recruitment of applicants; physical, written, oral, and medical examinations; and background checks. The

academy stage consists of the police academy training itself, which involves classroom instruction on procedures and tactics and skill development. Upon completion of the academy, the graduates are sworn peace officers, but must undergo four months of field training under the supervision of an Oakland police officer to further develop their skills and practice applying Oakland's procedures.

Pre-Academy Costs

As noted above, the pre-academy stage lasts approximately six months and consists of the recruitment of applicants; physical, written, oral, and medical examinations; and background checks. Peace officers in California, including police officers, must meet minimum selection standards dictated by the California Commission on Peace Officer Standards and Training (POST). These selection standards address reading and writing ability, medical and psychological ability, moral character, and other attributes.

The police department recruits applicants through print, radio, television, and online advertising. Department representatives also attend job fairs. These activities result in an average of 4,000 applicants per police academy. The City's Human Resources Department supports the Police Department in accepting applications and screening them to identify candidates that meet the position's minimum qualifications, usually around 2,500 of the 4,000 applicants. The candidates that meet the minimum qualifications then take a physical ability test, written examination, and oral examination (interview) to demonstrate their suitability for law enforcement. Approximately 400 candidates normally pass this battery of tests. Of those, 100 pass the background check that assesses candidates on ten dimensions identified by POST including integrity, impulse control, risk-taking behavior, stress tolerance, conscientiousness, interpersonal skills, decision making and judgment, communication skills, and others. Those candidates that pass the background check undergo a character evaluation by police department staff, and the 55 most highly rated are admitted to the academy.

The table below illustrates the costs required to secure 55 academy trainees from an applicant pool of 4,000. Note that the cost to perform background checks on 400 applicants represents over two-thirds of the total pre-academy cost. Background checks include personal history analysis, a polygraph test, a psychological examination, and a detailed background investigation performed by police officers and civilian staff, requiring approximately 20 hours per candidate.

Table 1 – Pre-Academy Stage Costs

Activity	Cost
Recruitment	\$136,000
Physical, written, and oral examinations	\$77,000
Background check	\$820,000
Character evaluation and conditional job offer	\$88,000
Total	\$1,120,000

Academy Costs

As noted above, the police academy itself, which is a training program administered by the Police Department in accordance with POST standards, involves six months of classroom instruction on procedures and tactics and skill development. The academy costs are composed of salaries and benefits of the academy participants, referred to as Police Officer Trainees, salaries and benefits of Police Department instructors, contract costs for non-Police Department instructors, and materials and equipment for the 55 trainees that enter the academy. These costs are itemized in the table below. Note that trainees receive a monthly salary of \$4,959 plus limited fringe benefits valued at \$1,441 monthly during the academy. These salary and benefits costs are lower now than they have been at other times in the past as a result of an agreement reached with the police officers union in the current memorandum of understanding (MOU). Of 55 trainees that enter the academy, approximately 40 normally graduate. The others are lost to withdrawal or not meeting the standards.

Table 2 –Academy Stage Costs

Activity	Cost
Police Officer Trainee salaries and benefits	\$1,920,000
Police Department instructor salaries and benefits	\$486,000
Non-Police Department instructors	\$30,000
Training materials and equipment	\$289,000
Total	\$2,725,000

Field Training Costs

Upon completion of the academy, the graduates are sworn peace officers. However, POST standards require that they complete supervised field training to gain practical experience. The City’s field training exceeds POST’s minimum requirements so that new graduates can master the City’s specific procedures and tactics. Field training involves new officers riding along with experienced officers, referred to as Field Training Officers (FTOs), from whom they receive training, coaching, and evaluation. The main cost of the field training stage is a field training salary premium that is paid to the FTOs. This premium, which is stipulated in the police officers’ MOU, is 7.5% of a field training officer’s base salary. Based on average salaries, the field training premium amounts to approximately \$9,800 annually for each FTO, \$7,400 in premium pay plus \$2,400 in pension benefits.

This premium is paid to FTOs for the entire period they are certified as FTOs. Because the certification and decertification processes are lengthy and cumbersome, in practice this premium ends up being an annual premium paid for the entire year in which at least one field training period takes place. Note that three FTOs are required to oversee a single new officer. As such, 120 FTOs are required to supervise an academy’s 40 graduates. As the field training premium is paid as an annual premium to 120 FTOs, the expenditure totals approximately \$1,173,000, as illustrated in the table below.

Note that whereas there are few economies of scale in pre-academy and academy costs for running multiple academies in succession, there are economies of scale in field training premiums. As each field training session normally lasts four months, marginally longer when accounting for trainees that have their training extended, it is possible to hold two or more field training sessions per year. Because the FTO premium is paid essentially annually, the same annual premium could cover the training for either one or two sessions. If three academies were held in one year, the department would be required to certify more than 120 FTOs. This scalability of FTOs must be accounted for in estimating the cost of different police academy scenarios. For example, the cost of one academy (including pre-academy and academy stages) would be approximately \$5,018,000 (\$1,120,000 + \$2,725,000 + \$1,173,000), whereas two academies with field training in the same fiscal year would be less than twice that cost, \$8,863,000 (2 * \$1,120,000 + 2* \$2,725,000 + \$1,173,000).

Table 3 –Field Training Stage Costs

Activity	Cost
Field Training Officer premium	\$1,173,000
Total	\$1,173,000

Note that during the field training period, the new officers are being paid regular police officer salaries and benefits. That cost is not included among the field training costs, but rather detailed below as part of costs related to new officers.

Costs Related to New Officers

For planning and budgeting purposes, it is important to accurately estimate the cost of new officers, once they have completed the academy. The main costs associated with new officers are salaries and benefits; one-time start up expenses for vehicles, information technology equipment, and miscellaneous equipment; and ongoing annual expenses for vehicles and equipment. There are also expenses for new sworn supervisory and civilian staff to support the new officers.

Entry level police officers are hired into either 80-hour or 84-hour biweekly positions, depending on the department’s operational needs. The step 2 salary of an 80-hour officer is \$6,811 monthly and is \$7,152 monthly for an 84-hour officer. The blended average of these salaries is approximately \$6,924 monthly. (Note that the City’s standard practice is to budget vacant positions at the step 2 salary level, which allows room for step increases to occur in the first year of service, which is a condition of some MOUs.) Officers are entitled to benefits that total an additional 68% of salary, as well as various premiums and allowances including for uniform, education, and special shifts. Together salary, benefits, and other compensation average approximately \$157,000 per new officer.

New officers must be outfitted with vehicles, information technology equipment, and miscellaneous equipment. Costs to procure these items are incurred on a one-time basis when officers start. The one-time start up cost for a vehicle is \$30,000 per officer, as one vehicle costing approximately \$60,000 can be shared by two officers (the City has conducted detailed analysis to ensure that attrition is appropriately considered in planning for new vehicle

purchases). The one-time start up cost for information technology equipment is approximately \$10,000, comprised of expenses for hardware such as computers and radios and software. The one-time start up cost for miscellaneous equipment totals approximately \$1,600 for items like holsters, tasers, cartridges, badges, protective gear, and other items.

In addition to the one-time start up costs to equip new officers, there is an ongoing annual cost, beginning in the first year, for vehicle and information technology repair, support, and replacement. The ongoing annual cost for vehicles is approximately \$11,200, including maintenance costs, accrual for replacement, and fuel costs, and for information technology equipment is approximately \$4,900. These costs are illustrated in the table below. (Note that the department currently has a backlog on equipment replacement for existing officers that will not be entirely remedied by purchasing new equipment for new officers.)

Table 4 – Costs Related to New Officers

Activity	Cost
One-time start up expenses	
One-time start up for vehicle	\$30,000
One-time start up for IT equipment	\$10,000
One-time start up for miscellaneous equipment	\$1,600
One-time subtotal	\$41,600
Ongoing expenses	
Salary, benefits, and other compensation	\$157,000
Ongoing for vehicles	\$11,200
Ongoing for IT equipment	\$4,900
Ongoing subtotal	\$173,100

Although not detailed here, it is important to note that the department believes that it is currently understaffed in certain civilian positions to support current service demand levels and the current number of sworn staff. The department has reduced its civilian staff by 34% over six years (from 394 to 261). These civilian positions include Police Evidence Technicians, Police Records Specialists, Criminalists, Police Communications Dispatchers, Administrative Analysts, and others. If there were a net increase in police officers through academies or lateral hires, there would be a need for increased sworn supervisory and civilian support staff as well. The department will have a more detailed estimate of its current understaffing and future supervisory and support needs at the conclusion of the organizational assessment currently underway.

Notes Regarding the Cost Estimates

It is important to note that the costs presented above are estimates based on current conditions. Costs will likely increase over time due to normal escalation in salaries, benefits, and equipment. The figures are useful for budgeting the average cost of new officers. However, these figures would need to be adjusted to estimate different specific scenarios. For example, the figures above do not include any overtime for the new officers, as it is not certain to what extent new officers

would work on overtime if they are adding to the size of the force. Typical examples of overtime are court appearance and mandatory training. Similarly, these cost estimates do not include proportional increases in support and supervisory staff, such as evidence technicians, records specialists, and sergeants, as it is not clear to what extent new officers would require new staff. Also, if the City were to add officers through lateral hires rather than academies, the average cost for salary, benefits, and other compensation would be higher, as the new officers would likely join the department at a higher salary step. The City will continue to periodically revisit and revise these estimates to make them more current and thorough.

The City has provided estimates of the “average cost of a police officer” over the years that have varied based on changes in salary and benefits costs and what specific cost elements are included, such as vehicle and equipment costs, overtime, etc. Different values can each be accurate and valid, depending on the specific question. In some cases, the term police officer is used to refer to all sworn personnel within the department, including officers, sergeants, lieutenants, captains, deputy chiefs, assistant chiefs, and chief. As the purpose of this document is to address academy cost, “police officer” here only refers to the rank of police officer, not any other ranks.

Note that converting these costs to a fiscal year estimate is sensitive to different assumptions, particularly timing. The complete process of recruitment, academy training, and field training takes approximately sixteen months. Depending on when you assume each stage begins in a fiscal year will impact the estimated cost for that fiscal year. Also, assumptions about when expenditures will hit are important to budgeting. For example, if you assume that the full Police Officer Trainee salary and benefits cost of approximately \$1.9 million for six months of the academy all hits the budget at the beginning of the academy, the fiscal year cost implications would be different from an assumption that the costs are incurred on a monthly basis spread over six months if the academy spans fiscal years. We recommend that users of this information assume that all costs for a given stage (pre-academy, academy, field training) hit the budget at the beginning of that stage, a reasonably conservative approach. For the reasons noted above, there are likely to be slight variations in the estimated costs calculated by different parties using slightly different assumptions.

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The City will be developing more detailed cost estimates of different police academy scenarios as part of the FY 2013-15 budget development process. That information will be shared publicly as appropriate through various memoranda and reports.

For questions, please contact Andrew Murray at 510-238-7570.

Respectfully submitted,

/s/

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