

Contracting for Law Enforcement Services: Lessons from Research and Practice*

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Contracting Case Studies and Outcomes California

Over time, contract city residents have paid, on average, about three-fifths of what residents in cities with their own police departments paid for police services, and they yielded other economic benefits as well (Colby, 1982; Deacon, 1979; Kirlin, 1973; Nelligan & Bourns, 2011; Skoien & Vernick, 1978). Costs may vary by county, with some cities experiencing economies of scale; costs may also be lower in contract cities because of the need for less police work, resulting from lower crime rates there (Nelligan & Bourns, 2011).

Exactly what cities should pay for contracting services has evolved over time (Nelligan & Bourns, 2011). In the early days of contracting, the Los Angeles County sheriff offered contracts to cities at very favorable terms, but independent cities pressed for contract cities to pay more proportional costs for service. More recently, the sheriff has used a statistical model to calculate both direct and indirect costs.

Common Themes in Contracting

Contracting may provide an opportunity to enhance both the level and quality of service delivered. By contracting, a community can receive not only the benefits of the contract deputies assigned to it but also the investigations, forensics, traffic enforcement, and crime analysis services of the county sheriff. They may find that the breadth and depth of experience in the larger department far exceeds their own.

In offering a contract, a sheriff's office, as noted, will generally conduct an analysis to determine the appropriate staffing level, identifying the resources required to satisfy what the sheriff believes to be necessary to meet community requirements. In a small community, this can be as simple as defining a minimum staffing level such as two deputies on duty at all times. In a larger community, needs may be complex and require a wide array of services.

Communities contracting for services may find they can provide equivalent services with fewer staff than they had employed in a stand-alone entity. There are several reasons for this. First, the American policing system is highly fragmented, leading to a significant duplication of local services that consolidation through contracting

can mitigate. Communities may, for example, provide capacity for rare events that far exceeds their true needs. By contracting with a larger agency with specialized capabilities as needed, communities can better focus their resources on base law enforcement services.

Second, contracting can make more efficient use of staffing resources, especially in communities with local law enforcement agencies governed by minimum staffing levels. Such levels may be defined by collective bargaining but more often are driven by policy and practice. Such levels assume departments are autonomous and cannot rely on nearby agencies for resources. This may lead to communities setting staffing levels at an unnecessarily high level. Sheriffs with resources in the area adjacent to the contract community may determine fewer officers are needed on duty and that backup and supervision from others can provide additional resources when needed.

Local Control and Identity

Though they may differ in approach to such issues as branding, contract service departments are sensitive to the idea of local control. They understand local leaders want to maintain input on how services are provided. To accomplish this, a sheriff may assign a senior member of the department to direct the contract community police cadre. This member of the department effectively serves as a local chief of police and as a liaison to the community. Contracts may also specify circumstances under which local communities can request removal of a deputy. Oakland County (n.d.), for example, has a policy stating an “elected official need only” request transfers if necessary, given that “not all employees fit into all areas.”

Success in contracting also depends on setting reasonable expectations. Communities may have few officers assigned to them under contracting, but they may also decide to procure more or fewer services under contract or even to choose an alternative to contract law enforcement services. Very few communities have found contract services to be so unsatisfactory that they have turned away from them, although costs of doing so may also prevent this. Communities may also request a lower staffing level than the contracting service provider estimates is necessary for effective service, but, as noted, those providing the services generally refuse to enter into such agreements (see also Wilson, Melekian, & McCullough, 2013).

Economics of Contracting

As noted, sheriffs differ in how they price contract services. The principal difference is whether the county seeks to recover all the costs for providing those services. Some counties use a “fully loaded” rate that includes both direct and indirect costs. For example, a recent contract between Washtenaw County and the Village of Dexter (2012) states that “local jurisdictions must share paying the responsibility for the service” and “that the Village shall contract for three (3) Police Service Units (PSU) from the Sheriff to provide road patrol and other law enforcement services to the Village.” It defines a PSU as “the services of one Sheriff’s deputy plus all necessary support to keep that deputy on the road.” For

2014, a PSU cost \$153,621.

Other departments use different approaches to contracting. Some, for example, only charge for the direct costs (e.g., salary, fringe benefits, fleet, uniform)—that is, the county absorbs some or all of the indirect costs for the service. This approach is particularly attractive for communities that can contract. It can also be attractive to counties in some circumstances. For example, if the county uses general funds to provide the sheriff's road patrol, then the added revenue and staffing from contracts can improve agency performance, particularly if the funding stream is relatively predictable.

Other Advantages and Disadvantages of Contracting

Contracting, as noted, may result in significant cost savings. Savings may result from reducing administrative and command staff positions through consolidation, the pooling of resources, and lower capital costs (see also Levin & Tadelis, 2010, for cost savings from other government services). Contracting may also provide economies of scale just as larger organizations may be more efficient and provide services at a lower cost than smaller ones (Carrizales et al., 2010).

As noted, contracting agencies may also have specialists that can access particular challenges in a community, including those in forensics, crime laboratories, or specialized patrols (see, for example, Deacon, 1979, on police specialists in larger cities). Within the Orlando-Kissimmee area of Florida, for example, agreements among law enforcement agencies led to closer integration across and greater connectivity among jurisdictions (Andrew, 2009). Finally, contracting may lead to competition, improving efficiency in local government (Colby, 1982; Mehay, 1979; Mehay & Gonzales, 1985). Municipal law enforcement agencies may improve efficiency to avoid contracting, and a sheriff's department may improve services so as to retain contracts.

Contracting can also have its disadvantages. Communities using contracted services may lose local identity and view contracts as a piecemeal solution to very complicated problems (Andrew, 2009). Communities may also, as noted, be concerned about the lack of accountability or even legal restrictions regarding contracting (Fixler & Poole, 1998). While contracting can reduce costs and increase efficiencies, it may do so by introducing a higher span of control ratio, decreasing the ability of a community to manage employees and the work culture (Shook & Rogers, 2011).

Conclusion

Contracting for law enforcement services has long existed, but changing community conditions, coupled with the increasing cost and difficulty of providing police services, have increased the interest in and adoption of contracted police services. Communities seeking contract services vary considerably in their need and approach. Some seek simply to enhance existing law enforcement services. Others look for contracted services to completely replace their current

police department. Contracting may help a community enhance its level and quality of service delivered, providing an array of services that can be revised as needs change and at a cost less than that for supporting an independent law enforcement organization.

Communities may have concerns as to whether contracting will restrict their ability to retain their control and identity as well as the complexity contracting may add to accountability and legal issues. There are several approaches to mitigating these issues, but they are not feasible in every community. As a result, when policymakers consider whether to enter into a contract, whether as a provider or receiver of services, they should critically examine their particular circumstances and needs, and determine whether any of the available contracting options meets them.