

BACKGROUND CHECK FEE STRUCTURE

Police Services Board

October 29, 2018



OTTAWA POLICE SERVICE
SERVICE DE POLICE D'OTTAWA

A Trusted Partner in Community Safety
Un partenaire fiable de la sécurité communautaire



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RECOMENDATION



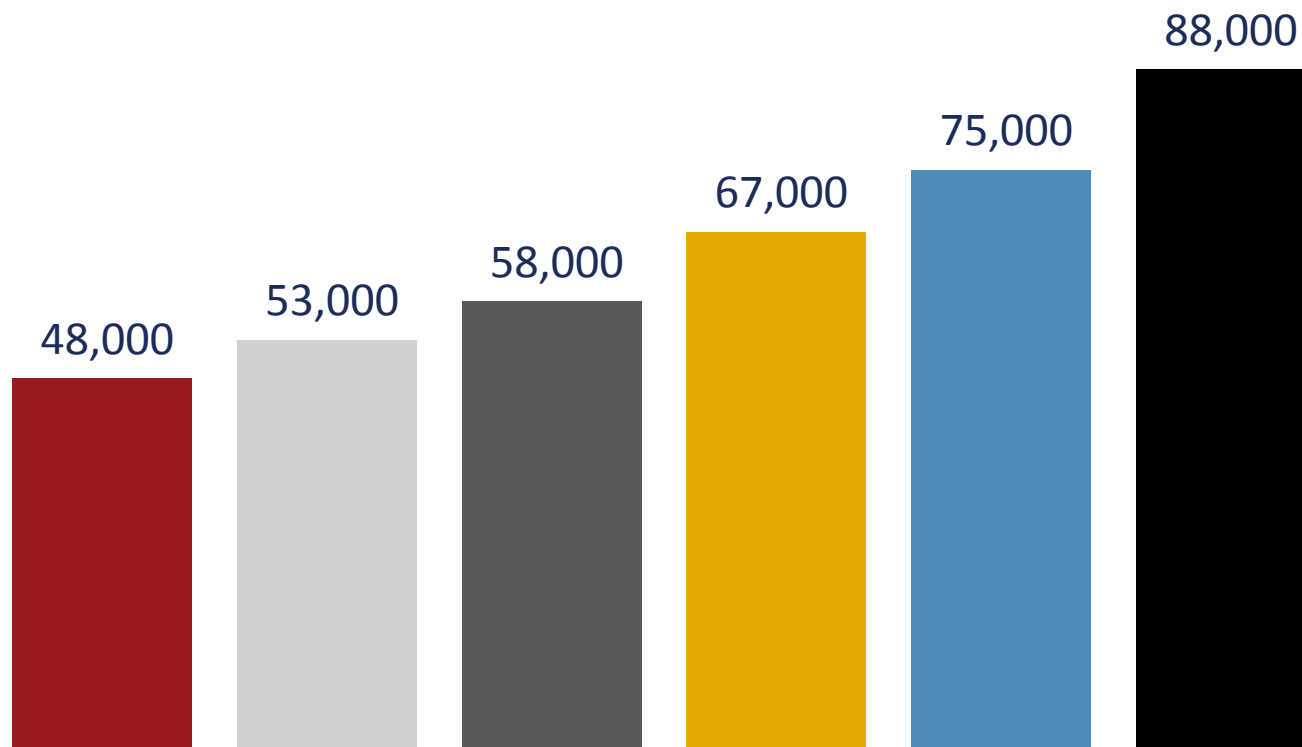
- Outline for the Board feedback from consultations and options for Background check fee prices.
- That the Board adopt one of the full-cost recovery options outlined in the report for implementation on 1 January 2019.

GROWTH



Background Checks

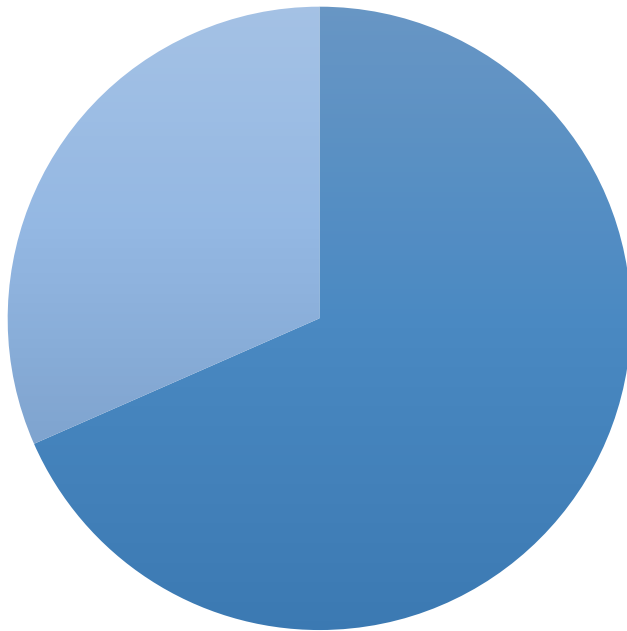
■ 2013 ■ 2014 ■ 2015 ■ 2016 ■ 2017 ■ 2018 - Est



CUSTOMERS

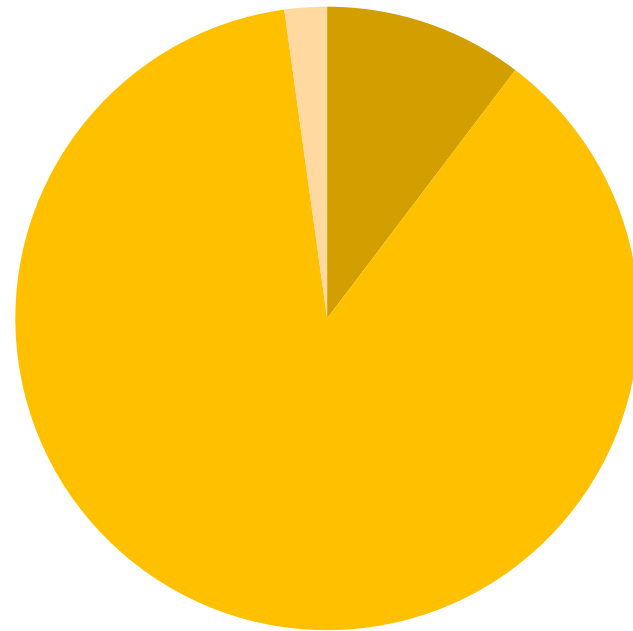
Reason

■ Employment 68% ■ Volunteer 32%



Demographics

■ Youth 10% ■ Adult 88% ■ Senior 2.19%



§ 88,000 in 2018 background checks yearly

§ Means testing data not available

FULL COST RECOVERY

§ Volume 75,000

Cost Item	Amount
Total direct costs	\$2,700,000
Overhead	\$2,025,000
Total Cost to Recover	\$4, 725,000

Avg. cost = \$63 / transaction

Interpretation of the Municipal Act:

To be a valid fee, it is generally regarded that there must be a reasonable relationship between the fee or charge and the cost to deliver the service for which it is imposed.

CURRENT FEE STRUCTURE

LEARN Guidelines	Employment	Volunteer	Volume
Level 1 – Police Criminal Record Check	\$50	\$0	12,590
Level 2 – Criminal Records and Judicial Matters	\$15	\$0	3,393
Level 3 – Police Vulnerable Sector Check	\$15	\$0	53,824
Express Surcharge	\$42		19.5%
Out-of-jurisdiction	\$42		0.6%

FEE STRUCTURE OPTIONS

Options:	Fee for Employment	Fee for Volunteer	Total Revenue*
A: Status Quo	\$90	\$0	\$4.7M
B: Volunteer Pays	\$85	\$10	\$4.7M
C: Volunteer Pays	\$80	\$20	\$4.7M
D: Volunteer Pays	\$75	\$25	\$4.6M
E : Equal Pay	\$63	\$63	\$4.6M
F: Market Rates	\$50	\$50	\$3.5M

* Revenue based upon 2017 volumes

CONSULTATION

- Fee Structure survey consisting of 7 questions was posted online from June 27, 2018 to July 12, 2018
- 2,946 surveys were completed
- 70% of respondents did not support cost recovery for all applicants
- 69% did not think volunteers should pay a portion of the cost
- Less than 10% felt that students and seniors should be exempt from fees
- 38% felt that employees should pay the full cost including the volunteer portion
- Many respondents felt that the City, taxpayers, different levels of government and the police service should cover the cost of the fees.

FEE STRUCTURE OPTIONS

Options:	Fee for Employment	Fee for Volunteer	Ranking
A: Status Quo	\$90	\$0	64%
B: Volunteer Pays	\$85	\$10	13%
C: Volunteer Pays	\$80	\$20	9%
D: Volunteer Pays	\$75	\$25	8%
E : Equal Pay	\$63	\$63	6%

RECOMMENDED OPTIONS

Fee Options	Employment	Volunteer
1: Full-Cost Recovery <ul style="list-style-type: none">All Levels	\$90	\$0
2: Full-Cost Recovery <ul style="list-style-type: none">All Levels	\$85	\$10
3. Status Quo		
<ul style="list-style-type: none">Level 1	\$50	\$0
<ul style="list-style-type: none">Level 2 and 3	\$15	\$0

IMPLEMENTATION

- 1 January 2019
- Increases year end deficit by \$0.4 million
- Communication to public stakeholders