File No. 120596

Committee Item No. 4
Board Item No. 9

COMMITTEE/BOARD OF SUPERVISORS

AGENDA PACKET CONTENTS LIST

Committee: Budget and Finance Committee **Date** June 18 & 22, 2012

Board of Supervisors Meeting **Date** 7/10/12

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☐	☐	**Ordinance**
☐	☐	**Legislative Digest**
☒	☒	* **Budget and Legislative Analyst Report**
☐	☐	**Legislative Analyst Report**
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Completed by: Victor Young **Date** June 14, 2012
Completed by: Victor Young **Date** 7-3-12

An asterisked item represents the cover sheet to a document that exceeds 25 pages.
The complete document can be found in the file.

[Proposition J Contract/Certification of Specified Contracted-Out Services Previously Approved]

Resolution concurring with the Controller's certification that services previously approved can be performed by private contractor for a lower cost than similar work performed by City and County employees, for the following services: budget analyst (Board of Supervisors); absentee voter ballot distribution (Department of Elections); LGBT Anti-violence Education and Outreach Program (District Attorney); central shops security, convention facilities management, and security services (General Services Agency-City Administrator); security services-1680 Mission Street (General Services Agency-Public Works); mainframe system support (General Services Agency-Technology); security services (Human Services Agency); and food services (Sheriff).

WHEREAS, The Electorate of the City and County of San Francisco passed Proposition J in November 1976, allowing City and County Departments to contract with private companies for specific services which can be performed for a lower cost than similar work by City and County employees (Charter Section 10.104.15); and

WHEREAS, The City has previously approved outside contracts for the services listed below; and

WHEREAS, The Controller has determined that a Purchaser's award of a contract for the services listed below to a private contractor will continue to achieve substantial cost savings for the City; and

WHEREAS, The City and County of San Francisco must reconcile a projected $170 million budget deficit for FY2012-2013 and a projected $312 million budget deficit for FY2013-2014 with a Charter obligation to enact a balanced budget each fiscal year; and

WHEREAS, The Mayor has determined that the state of the City's budget for FY2012-2013 and FY2013-2014 as indicated herein has created an emergency situation justifying a Purchaser's award of a contract for budget analyst (Board of Supervisors); absentee voter ballot distribution (Department of Elections); LGBT Anti-violence Education and Outreach Program (District Attorney); central shops security, convention facilities management, and security services (General Services Agency–City Administrator); security services–1680 Mission Street (General Services Agency–Public Works); mainframe system support (General Services Agency–Technology); absentee voter ballot distribution (Department of Elections); security services (Human Services Agency); food services (Sheriff), and

WHEREAS, The Controller's certification, which confirms that said services can be performed at lower costs to the City and County by private contractor than by employees of the City and County, is on file with the Clerk of the Board of Supervisors in File No. 120596, which is hereby declared to be part of this resolution as if set forth fully herein; now, therefore be it;

RESOLVED, That the Board of Supervisors hereby concurs with the Controller's certification, and the Mayor's determination of an emergency situation, and approves the Proposition J Resolution concerning the Purchaser's award of a contract to a private contractor for the services listed below for the period of July 1, 2012 through June 30, 2013.

Department/Function	City Cost (High)	Contract Cost (High)	SAVINGS	FTEs
Board of Supervisors (BOS)				
Budget Analyst	2,544,446	2,014,000	530,446	14.5
Department of Elections (REG)				

Department/Function	City Cost (High)	Contract Cost (High)	SAVINGS	FTEs
Department of Elections (REG)				
Absentee Voter Ballot Distribution	505,703	179,000	326,703	10.0
District Attorney (DAT)				
LGBT Anti-Violence Education and Outreach Program	158,597	83,179	75,418	1.5
General Services Agency–City Administrator (ADM)				
Central Shops–Security	268,393	107,543	160,850	3.0
Convention Facilities Management	27,811,732	22,106,625	5,705,107	251.5
Security Services	2,785,293	1,117,857	1,667,436	27.6
General Services Agency–Public Works (DPW)				
Security Services–1680 Mission St.	152,061	66,378	85,683	1.6
General Services Agency–Technology (TIS)				
Mainframe System Support	1,084,252	849,190	235,062	3.5

Department/Function	City Cost (High)	Contract Cost (High)	SAVINGS	FTEs
Human Services Agency (DSS)				
Security Services	8,343,648	5,532,237	2,811,411	83.5
Sheriff (SHF)				
Food Services	2,106,504	1,253,000	853,504	22.5

RESOLVED, That the Board of Supervisors hereby concurs with the Mayor's determination that the state of the City's budget for fiscal year 2013-14 as indicated herein has created an emergency situation and concurs with the Controller's certification and approves the Proposition J Resolution concerning the Purchaser's award of a contract to a private contractor for the services listed below for the period of July 1, 2013 through June 30, 2014.

Department/Function	City Cost (High)	Contract Cost (High)	Savings	FTEs
Board of Supervisors (BOS)				
Budget Analyst	2,637,521	2,015,000	622,521	14.5
Department of Elections (REG)				
Absentee Voter Ballot Distribution	904,255	318,000	586,255	18.0
District Attorney (DAT)				
LGBT Anti-Violence Education and				

Department/Function	City Cost (High)	Contract Cost (High)	Savings	FTEs
Outreach Program	171,165	83,669	87,496	1.5
General Services Agency–City Administrator (ADM)				
Central Shops–Security	289,965	107,330	182,635	3.0
Convention Facilities Management	29,353,777	23,104,714	6,249,063	255.5
Security Services	2,890,422	1,115,925	1,774,497	27.6
General Services Agency–Public Works (DPW)				
Security Services–1680 Mission St.	158,508	68,486	90,022	1.6
General Services Agency–Technology (TIS)				
Mainframe System Support	1,129,223	891,650	237,573	3.5
Human Services Agency (DSS)				
Security Services	8,032,265	5,620,856	2,411,409	83.5
Sheriff (SHF)				
Food Services	2,283,238	1,294,000	989,238	22.5

The Budget and Legislative Analyst Reports for the Mayor's Fiscal Year 2012-2013 to Fiscal Year 2013-2014 Budget for the following files are located in Board of Supervisors **File No. 120591:**

120592
120593
120595
120596
120597
120598
120599
120600
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102602
120603
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120673

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

May 31, 2012

Honorable Board of Supervisors
City Hall, Room 244
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102

RECEIVED
BOARD OF SUPERVISORS
SAN FRANCISCO
2012 MAY 31 PM

Attention: Angela Calvillo, Clerk of the Board

RE: Budget and Legislative Analyst Services for FY 2012-13 and FY 13-14 Elections

The cost information and supplemental data provided by your office on the proposed contract for Budget and Legislative Analyst services for FY 2012-13 and FY 13-14 have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at (415) 554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

BOARD OF SUPERVISORS
BUDGET ANALYST SERVICES - FY 2012-13
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title (3)	Class	# of Full Time Equivalent Positions (4)	Bi-Weekly Rate		Low	High
Budget & Legislative Analyst	0955	1	$ 5,722	$7,303	148,772	189,878
Policy and Legislative Director	0953	1	4,717	6,019	122,642	156,494
Audit, Special Projects, and Budget Directo	0953	1	4,717	6,019	122,642	156,494
Principal Administrative Analyst	1824	3	3,503	4,258	273,234	332,124
Senior Administrative Analyst	1823	6	3,027	3,679	472,212	573,924
Administrative Manager 2	0923	1	3,520	4,492	91,520	116,792
Executive Secretary I 2	1450	1	2,079	2,527	54,054	65,702
Temporary Salaries	1823	0.5	3,027	3,679	39,351	47,827
Holiday Pay (if applicable)					42,025	52,014
Night / Shift Differential (if applicable)					37,488	46,399
Overtime Pay (if applicable)					1,949	2,369
Other Pay (if applicable)					0	0
Total Salary Costs		14.5			1,405,889	1,740,017

FRINGE BENEFITS		
Variable Fringes (5)	345,164	427,215
Fixed Fringes (6)	206,454	206,454
Total Fringe Benefits	551,618	633,668
ADDITIONAL CITY COSTS (if applicable)		
Operating Expenses (materials and supplies, office equipment, other expenses)	48,025	48,025
Space Rental	99,495	99,495
Data Processing Hardware & Software	23,240	23,240
Total Capital & Operating	170,761	170,761
ESTIMATED TOTAL CITY COST	2,128,268	2,544,446
LESS: ESTIMATED TOTAL CONTRACT COST (7)	(2,011,000)	(2,014,000)
ESTIMATED SAVINGS	$ 117,268	$ 530,446
% of Savings to City Cost	6%	21%

Comments/Assumptions:

1. FY 1979 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012.
3. Classifications based on current configuration of Budget and Legislative Analyst services. Salary schedules are based on FY 2012-2013 compensation schedules.
4. Full time equivalent (FTE) positions include 12 managers and analyst staff and 2 administrative staff. The staff level of 12 managers and analysts is based on the number of staff required to provide 17,000 hours of productive service, as well as MOU-mandated leave and training hours and other nonproductive administrative hours (staff meetings, performance evaluations, and other administrative hours) consistent with ALGA (Association of Local Government Auditors) standards.
5. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
6. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
7. Includes 0.08 FTE for contract monitoring. Although contract includes provision for 10% contingency factor, bringing the potential annual contract amount to $2.2M, the Annual Appropriations Ordinance for the contract limits the amount, which has been set at $2M for the past few years. This is also the amount budgeted for 2012/13.

BOARD OF SUPERVISORS
BUDGET ANALYST SERVICES - FY 2013-14
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title (3)	Class	# of Full Time Equivalent Positions (4)	Bi-Weekly Rate		Low	High
Budget & Legislative Analyst	0955	1	$ 5,836	$7,449	152,331	194,420
Policy and Legislative Director	0953	1	4,811	6,139	125,576	160,238
Audit, Special Projects, and Budget Directo	0953	1	4,811	6,139	125,576	160,238
Principal Administrative Analyst	1824	3	3,503	4,258	274,285	333,401
Senior Administrative Analyst	1823	6	3,027	3,679	474,028	576,131
Administrative Manager 2	0923	1	3,590	4,582	93,709	119,586
Executive Secretary I 2	1450	1	2,193	2,666	57,246	69,582
Temporary Salaries	1823	0.5	3,027	3,679	39,502	48,011
Holiday Pay (if applicable)					42,428	52,522
Night / Shift Differential (if applicable)					37,993	47,032
Overtime Pay (if applicable)					2,056	2,499
Other Pay (if applicable)					0	0
Total Salary Costs		14.5			1,424,731	1,763,661

FRINGE BENEFITS		
Variable Fringes (5)	391,398	484,555
Fixed Fringes (6)	213,422	213,422
Total Fringe Benefits	604,819	697,977
ADDITIONAL CITY COSTS (if applicable)		
Operating Expenses (materials and supplies, office equipment, other expenses)	49,466	49,466
Space Rental	102,480	102,480
Data Processing Hardware & Software	23,938	23,938
Total Capital & Operating	175,884	175,884
ESTIMATED TOTAL CITY COST	2,205,433	2,637,521
LESS: ESTIMATED TOTAL CONTRACT COST (7)	(2,012,000)	(2,015,000)
ESTIMATED SAVINGS	$ 193,433	$ 622,521
% of Savings to City Cost	9%	24%

Comments/Assumptions:

1. FY 1979 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2013.
3. Classifications based on current configuration of Budget and Legislative Analyst services. Salary schedules are based on FY 2013-2014 compensation schedules.
4. Full time equivalent (FTE) positions include 12 managers and analyst staff and 2 administrative staff. The staff level of 12 managers and analysts is based on the number of staff required to provide 17,000 hours of productive service, as well as MOU-mandated leave and training hours and other nonproductive administrative hours (staff meetings, performance evaluations, and other administrative hours) consistent with ALGA (Association of Local Government Auditors) standards.
5. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
6. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
7. Includes 0.08 FTE for contract monitoring. Existing contract will expire on 12/31/2013, midway through the fiscal year. This analysis assumes the contract cost for the second half of FY 13/14 will be comparable to the existing contract.

Prop J Supplemental Questionnaire

1. ***The department's basis for proposing the Prop J certification***

Services for the Board of Supervisors' Budget Analyst Office have been provided by a vendor since 1979. The vendor selected in December 2009 is a joint venture known as the Budget and Legislative Analyst Joint Venture. The selected vendor maintains staff possessing specialized skills and expertise not widely available or found in the City's existing civil service classifications. Additionally, the vendor has the ability to adjust staffing levels and secure uniquely qualified staff for limited scope special projects according to the Board's service needs. Over the past 30 years, the Controller has certified, as required under Charter Section 10.104, that the vendor can provide the aforementioned services more cost effectively than maintaining a division of civil services employees to do so.

2. ***The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor:***

Services formerly provided by the Bureau of the Budget have been provided by a vendor since 1979. In January 2010, the vendor contract added the functions of the Office of the Legislative Analyst. Now the budget analyst services and the legislative analyst services are provided by a single vendor.

3. ***The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract:***

The Budget and Legislative Analyst provides quarterly reports to the Clerk of the Board of Supervisors documenting direct service hours provided by professional staff. These reports include detailed billing information for all committee work, special projects, responses to requests by individual members of the Board of Supervisors, annual budget review and performance audits. The Budget and Legislative Analyst's work product, in the form of Committee reports, special project reports, budget reports, and performance audit reports, is widely disseminated to each member of the Board of Supervisors. Additionally, the vendor provides regular briefings on the progress of special projects and performance audits and advice to the President of the Board, members of the Government Audit and Oversight Committee, and the Budget and Finance Committee. Finally, the Budget Analyst provides the Clerk of the Board detailed reporting regarding hours used and fees incurred on a monthly basis as part of its invoicing process.

4. ***The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract***

Each member firm of the Budget and Legislative Analyst Joint Venture is required to be in compliance with all local ordinances and state and federal statutes regarding current employee wages. Each member firm is in compliance with the City and County's 12b ordinance regarding equal benefits provision and is on the approved Human Rights Commission (HRC) list for equal benefits for employees, and domestic partners and the Domestic Partners Ordinance as required. Assurance of the vendor's continued compliance with these requirements is contained in Paragraph 34 of the Contract.

5. ***The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance)***

Paragraph 43 of the contract provides assurance that the vendor will ensure that all employees maintain salaries at or above minimum prescribed wage rate. All employee wage rates will meet or exceed the minimum San Francisco minimum wage standards.

The department is obligated and committed to enforce the provisions and spirit of all applicable regulations and ordinances of the City and County of San Francisco governing city contracts. To that end, we will work with the Human Rights Commission, the Contract Compliance Office and the City Attorney's Office to ensure that the contractor complies with all wage, compensation, health care and equal benefits privileges stipulated by law.

6. ***The department's plan for City employees displaced by the contract***

Because the services provided under the contract have been provided by vendors for an extended period (thirty-three years), there is no anticipated displacement of City employees FY 2012-2013.

7. ***A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees.***

Developing and implementing a transition plan to have City and County employees provide Budget and Legislative Analyst services would likely require a cost investment of money and time. The City would have to recruit, hire, and train staff experienced and qualified to assume the services provided by the current vendor. The recruitment and hiring process could take as long as six to 12 months. Avoiding service gaps would also require overlapping expenses for the

vendor and the new department during the transition. Additionally, such transition would create the need for overhead expenses for office space, furnishings and equipment, information technology equipment and systems infrastructure.

It would be a challenge for the City and County to compete in the job market for the many specially qualified, highly skilled and experienced professional Budget and Legislative Analyst staff provided by the vendor. An attempt to transition the Budget and Legislative Analyst responsibilities to a department at this time could result in a sizeable gap in service if not planned well in advance for the Board of Supervisors and the people of San Francisco.

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

May 31, 2012

John Arntz, Director
Department of Elections
City Hall - 1 Dr. Carlton B. Goodlett Place, Room 48
San Francisco, CA 94102

Attention: Aura Mendieta, Finance Director

RE: Absentee Voter Ballot Distribution for FY 2012-13 and FY 13-14 Elections

The cost information and supplemental data provided by your office on the proposed contract for ballot distribution services for FY 2012-13 and FY 13-14 elections have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at (415) 554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

Department of Elections
Assembly of Vote By Mail Envelopes (VBM)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions (3)	Bi-Weekly Rate		Low	High
Junior Clerk (November 2012 Election)	1402	10.0	$1,398	$1,694	$364,878	$442,134
Holiday Pay (if applicable)					11,578	14,029
Night / Shift Differential (if applicable)					10,328	12,515
Total Salary Costs		10.0			386,784	468,678

	Low	High
FRINGE BENEFITS		
Variable Fringes (4)	30,556	37,026
Fixed Fringes (5)	0	0
Total Fringe Benefits	30,556	37,026
ADDITIONAL CITY COSTS (if applicable) (6)		
	0	0
Total Capital & Operating	0	0
ESTIMATED TOTAL CITY COST	417,340	505,703
LESS: ESTIMATED TOTAL CONTRACT COST (7)	(176,000)	(179,000)
ESTIMATED SAVINGS	$241,340	$326,703
% of Savings to City Cost	58%	65%

Comments/Assumptions:

1. FY 07/08 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month
3. One election would require 1402s to work for the entire FY.
4. Variable fringe benefits consist of Social Security, Medicare, and Unemployment Insurance.
5. There are no fixed fringe benefits associated with these temporary employees.
6. This analysis assumes operating and supply costs would be the same for the City or the contractor.
7. The estimated contract cost assumes one ballot (November 2012, 5-card ballot) and includes 0.2 FTE for contract monitoring.

Department of Elections
Assembly of Vote By Mail Envelopes (VBM)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions (3)	Bi-Weekly Rate		Low	High
Junior Clerk (November 2013 and June 2014 Elections)	1402	18.0	$1,394	$1,690	$654,901	$793,962
Holiday Pay (if applicable)					20,701	25,097
Night / Shift Differential (if applicable)					18,537	22,473
Total Salary Costs		18.0			694,139	841,532

	Low	High
FRINGE BENEFITS		
Variable Fringes (4)	51,737	62,723
Fixed Fringes (5)	0	0
Total Fringe Benefits	51,737	62,723
ADDITIONAL CITY COSTS (if applicable) (6)	0	0
Total Capital & Operating	0	0
ESTIMATED TOTAL CITY COST	745,876	904,255
LESS: ESTIMATED TOTAL CONTRACT COST (7)	(312,000)	(318,000)
ESTIMATED SAVINGS	$433,876	$586,255
% of Savings to City Cost	58%	65%

Comments/Assumptions:

1. FY 07/08 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2013. Costs are represented as annual 12 month costs.
3. Two elections would require 1402s to work for the entire FY.
4. Variable fringe benefits consist of Social Security, Medicare, and Unemployment Insurance.
5. There are no fixed fringe benefits associated with these temporary employees.
6. This analysis assumes operating and supply costs would be the same for the City or the contractor.
7. The estimated contract cost assumes two ballots (November 2013, 5-card ballot; and, June 2014, 2-card ballot) and includes 0.4 FTE for contract monitoring.

Prop J Supplemental Questionnaire

1. ***The department's basis for proposing the Prop J certification***
The Department's basis for obtaining Prop J certification is voters receive enhanced services for less cost when the assembly and mailing of vote-by-mail ballots is automated rather than when completed by temporary as-needed employees. The vendor is able to print ballots for specific voters and insert the ballots into envelopes unique to each voter. The vendor electronically tracks the printing, insertion, sealing, and palletizing of each envelope. The vendor has developed a database which the Department accesses to inform voters with real-time information regarding the printing, assembling, and mailing of their ballots. Further, the database links to the USPS' processing data and will indicate when each envelope enters the mail stream in San Francisco. The Department cannot match these processing and tracking features using manual processes even if the Department's staffing costs were doubled compared to the vendor's charges.

2. ***The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor:***

   The Department no longer organizes over 60 temporary as-needed employees immediately prior an election to assemble the vote-by-mail ballot packages which required several weeks lead time before each election to complete. Now, the Department's involvement in the preparation of vote-by-mail ballots is to send an extract of voter information to the vendor a few weeks before an election. This extract is prepared by one Departmental employee and the vendor is responsible for the printing of ballots, assembling them in the correct manner specifically for each voter.

3. ***The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract:***

   The Department has twice visited the vendor's facilities within the past three years to observe its operation and to verify that the vendor's processes occur as stated. Further, the Department can also indirectly monitor the vendor's performance from responses from voters upon their receiving correct ballots as well as when the Department tabulates those ballots.

4. ***The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract***

The Department does not monitor the wages and benefits of the vendor's employees. The vendor is qualified to perform services in San Francisco and has complied with all of the City's relevant requirements and has submitted the necessary documents regarding its practices.

5. ***The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance)***

As stated above, the Department does not monitor the wages and benefits of the vendor's employees. The vendor is qualified to perform services in San Francisco and has complied with all of the City's relevant requirements and has submitted the necessary documents regarding its practices.

6. ***The department's plan for City employees displaced by the contract***

No City employees have been displaced by the services this vendor provides.

7. ***A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees.***

Over many years, the vendor has established specialized services specific to the printing of ballots, the assembly of vote-by-mail packages, and the tracking of this material. The vendor provides services to several counties in California and in Washington and thus is continually improving its processes. The City would essentially need to develop its own ballot printing and mailing operation and offer these services to other jurisdictions to contemplate establishing a similar situation using City employees.

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

May 31, 2012

George Gascon
District Attorney
Hall of Justice
850 Bryant Street, Room 325
San Francisco, CA 94103

Attention: Eugene Clendinen
Chief Financial Officer
Office of the District Attorney
Hall of Justice
850 Bryant Street, Room 325
San Francisco, CA 94103

RE: LGBT Anti-Violence Program – FY 2012-13 & FY2013-14

The cost information and supplemental data provided by your office on the proposed contract for the lesbian, gay, bisexual and transgender (LGBT) anti-violence program have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at (415) 554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

District Attorney, Victim Witness Division
LGBT Anti-Violence Program
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Assistant Chief Victim Witness Investigator	8135	0.5	$ 2,868	$ 3,486	$ 33,556	$ 40,786
Victim Witness Investigator II	8131	1.0	2,215	2,693	$ 57,590	$ 70,018
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
Holiday Pay (if applicable)						
Night / Shift Differential (if applicable)						
Overtime Pay (if applicable)					0	0
Other Pay (if applicable)					0	0
Total Salary Costs		1.5			91,146	110,804
FRINGE BENEFITS						
Variable Fringes (3)					24,309	29,551
Fixed Fringes (4)					18,241	18,241
Total Fringe Benefits					42,550	47,792
ADDITIONAL CITY COSTS (if applicable)						
					0	0
					0	0
					0	0
					0	0
Total Capital & Operating					0	0
ESTIMATED TOTAL CITY COST					133,695	158,597
LESS: ESTIMATED TOTAL CONTRACT COST					(80,694)	(83,179)
ESTIMATED SAVINGS					$ 53,001	$ 75,418
% of Savings to City Cost					40%	48%

Comments/Assumptions:

1. FY 1981 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective June 30, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. Both the city and contract cost estimates exclude operating costs that are assumed to be the same under either scenario.
6. The estimated contract cost includes 0.1 FTE for contract monitoring.

District Attorney, Victim Witness Division
LGBT Anti-Violence Program
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Assistant Chief Victim Witness Investigator	8135	0.5	$ 3,026	$ 3,678	$ 35,404	$ 43,033
Victim Witness Investigator II	8131	1.0	2,337	2,841	$ 60,762	$ 73,866
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
Holiday Pay (if applicable)						
Night / Shift Differential (if applicable)						
Overtime Pay (if applicable)					0	0
Other Pay (if applicable)					0	0
Total Salary Costs		1.5			96,166	116,899
FRINGE BENEFITS						
Variable Fringes (3)					28,715	34,906
Fixed Fringes (4)					19,360	19,360
Total Fringe Benefits					48,076	54,266
ADDITIONAL CITY COSTS (if applicable)						
					0	0
					0	0
					0	0
					0	0
Total Capital & Operating					0	0
ESTIMATED TOTAL CITY COST					144,242	171,165
LESS: ESTIMATED TOTAL CONTRACT COST					(81,112)	(83,669)
ESTIMATED SAVINGS					$ 63,130	$ 87,496
% of Savings to City Cost					44%	51%

Comments/Assumptions:

1. FY 1981 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective June 30, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. Both the city and contract cost estimates exclude operating costs that are assumed to be the same under either scenario.
6. The estimated contract cost includes 0.1 FTE for contract monitoring.

CITY AND COUNTY OF SAN FRANCISCO

OFFICE OF THE DISTRICT ATTORNEY

George Gascón
District Attorney

EUGENE CLENDINEN
Chief Administrative and
Financial Officer

DIRECT DIAL: (415)553-1895
E-MAIL: EUGENE.CLENDINEN@SFGOV.ORG

MEMORANDUM
PRIVILEGED & CONFIDENTIAL

TO: Swetha Venkat, Controller's Office

FROM: Eugene Clendinen

DATE: February 17, 2012

RE: Request for Prop J Board Approval to Continue Contracting Out District Attorney LGBT Anti-Violence Program

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Please find attached the Prop J questionnaire pertaining to the department's LGBT Anti-Violence Program for FY 2012-13. We are submitting the analysis and questionnaire to comply with section 10.104.15 of the City Administrative Code.

1. **The department's basis for proposing the Prop J certification**: The department is proposing to continue contracting out specialized services to the lesbian, gay, bisexual and transgender (LGBT) community to reduce violence against and within that community, on the basis that a private contract can provide these services at lower cost than City and County employees. Services provided include community outreach and advocacy regarding personal safety, hate violence and domestic violence affecting the LGBT community through speaking engagements, hospital visits and presentations, as well as individual services to victims and witnesses including counseling and relocation assistance.

2. **The impact the contract will have on the provision of services covered by the contract.** No impact. This contract has been ongoing with annual requests.

3. **The department's proposed oversight and reposting requirements for the services covered by the contract.** We will enter into a standard contract agreement with the contractor, following the guidelines set by the City Attorney and the Office of Contract Administration (OCA).

4. **Contractor's proposed wages and benefits for employees covered under the contract and the contractor's current labor agreements for employees providing the services covered by the contract.**

Position	FTE	Budget
Operations Director	.27	$12,000
Education Director	.55	$24,800
Membership Director	.34	$15,486
Organizing Director	.11	$5,100
Sub-Total Personnel	1.27	$54,768
Benefits (@ 18.25%)		$10,473
TOTAL PERSONNEL		**$67,859**

Memorandum
Privileged & Confidential

TO:
DATE: May 27, 2012
PAGE: 2
RE: Request for Prop J Board Approval to Continue Contracting Out District Attorney LGBT Anti-Violence Program

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5. **The department's proposed procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including 12P, 12Q, and 12B.1(b).** The Contractor, an non-profit organization, complies with all applicable contracting requirements.
6. **The departments' plan for City employees displaced by the contract.** No employees were displaced by the contract.
7. **A discussion of how the service could be provided using City employees.** To provide this service using City employees, the Department would have to hire a .50 FTE 8135 Assistant Chief Victim Witness Investigator and 1.0 FTE 8131 Victim Witness Investigator II. In order to carry out the responsibilities of the 1.27 FTE outlined in the contractor's proposal, the Department would need a minimum of 1.5 staff to provide this service using city employees.

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

May 31, 2012

Naomi Kelly, Director
General Services Agency – City Administrator
City Hall, Room 362
San Francisco, CA 94102-4683

Attention: Kenneth Bukowski
Linda Yeung
Deputy Director

RE: Contracting for Central Shops Security Services - FY 2012-13 & FY 2013-14

Dear Ms. Kelly:

The cost information and supplemental data provided by your office on the proposed contract for central shops security services has been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budgetary approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at (415) 554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

415-554-7500 City Hall • 1 Dr. Carlton B. Goodlett Place, Room 316 • San Francisco CA 94102-4694 FAX 415-554-7466

PROP J SUBMISSION COVER SHEET

[DEPARTMENT] GSA / City Administrator
[DIVISION] Internal Services / Central Shops
[CONTRACT DESCRIPTION] Security guard Services (Unarmed)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

To Be Completed By Department:

PROJECTED PERSONNEL COSTS	Class	Positions	BW Rate		Low	High
Job Class Title						
Building & Grounds Patrol Officer	8,207	3.0	1,769	2,151	137,982	167,778
					0	0
					0	0
Holiday Pay (If Applicable)					4,378	5,324
Premium Pay (If Applicable)					9,439	11,478
Total Salary Costs		3.0			151,800	184,580
FRINGE BENEFITS						
Variable Fringes (3)					37,891	46,074
Fixed Fringes (4)					37,740	37,740
Total Fringe Benefits					75,631	83,814
ESTIMATED CAPITAL & OPERATING COSTS						
Total Capital & Operating					0	0
ESTIMATED TOTAL CITY COST					227,431	268,393
LESS: ESTIMATED TOTAL CONTRACT COST (5) (6)					106,601	107,543
ESTIMATED SAVINGS					$ 120,830	$ 160,850
% of Savings to City Cost					53%	60%

Comments/Assumptions:

1. These services have been contracted out since 1983.
2. Salary and Fringes reflect proposed salary and fringe rates effective July 01, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of employer retirement, Social Security, Medicare, unemployeement, and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. The estimated City cost does not include materials, supplies, and uniforms; if included these costs would increase the estimated savings to the City.

. Estimated contract cost also includes 0.05 FTE for contract monitoring.

PROP J SUBMISSION COVER SHEET

[DEPARTMENT] GSA / City Administrator
[DIVISION] Internal Services / Central Shops
[CONTRACT DESCRIPTION] Security guard Services (Unarmed)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

To Be Completed By Department:

PROJECTED PERSONNEL COSTS	Class	Positions	BW Rate		Low	High
Job Class Title						
Building & Grounds Patrol Officer	8,207	3.0	1,866	2,269	146,108	177,663
					0	0
					0	0
Holiday Pay (If Applicable)					4,618	5,616
Premium Pay (If Applicable)					10,013	12,175
Total Salary Costs		3.0			160,739	195,454
FRINGE BENEFITS						
Variable Fringes (3)					44,784	54,456
Fixed Fringes (4)					40,056	40,056
Total Fringe Benefits					84,840	94,512
ESTIMATED CAPITAL & OPERATING COSTS						
Total Capital & Operating					0	0
ESTIMATED TOTAL CITY COST					245,578	289,965
LESS: ESTIMATED TOTAL CONTRACT COST (5) (6)					106,384	107,330
ESTIMATED SAVINGS					$ 139,194	$ 182,635
% of Savings to City Cost					57%	63%

Comments/Assumptions:

1. These services have been contracted out since 1983.
2. Salary and Fringes reflect proposed salary and fringe rates effective July 01, 2013. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of employer retirement, Social Security, Medicare, unemployeement, and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. The estimated City cost does not include materials, supplies, and uniforms; if included these costs would increase the estimated savings to the City.
6. Estimated contract cost also includes 0.05 FTE for contract monitoring.

PROP J QUESTIONS
ADM Central Shops - Security
Annual Analysis: FY 2012-13 and FY 2013-14

Supplemental Reports Required

1. Basis for proposing the Prop J certification

   Central Shops has been contracting out for Security Guard Services since 1983. Central Shops has consistently had these services performed at a lower cost to the City and County then by employees of the City and County.

2. Impact

   Central Shops is a work order department and any additional cost would have to be charged back to the user departments. Central Shops would also have to hire additional employees to fill the security positions.

3. Current oversight and reporting requirement for the service covered by the contract

   While performing security services, it is required the guards must maintain a daily written log for each shift and must sign in and out. Guards must also utilize an electronic tour monitoring system while making continuous rounds throughout the facility. The electronic tour record must indicate that each station was visited once each ½ hour. Failure to activate the electronic tour monitoring sensor every ½ hour will result in a reduction in the monthly charges. A Central Shop designee is responsible for examining the electronic tour monitoring report monthly and reviewing all written reports that are submitted by the Security Service. Any discrepancies or activities are immediately addressed.

4. Contractor's current wages and benefits for employees, and the contractor's current labor agreements for employees providing the services covered by the contract.

   The Contractor's current charge rate is $18.31 an hour, and they are in compliance with the minimum compensation requirements as per Chapter 12.P of the S.F. Administrative Code.

5. Current procedures for ensuring contractor's ongoing compliance with all applicable contracting requirement (12P, 12Q, 12B).

   Per the general conditions of the security guard contract #86054, upon request the Contractor must provide the City with documentation/records pertaining to Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance) within a five day period.

6. Department's plan for City employees displaced by the contract.

   Employees were absorbed into Central Shops work force back in 1983.

7. A discussion, including timelines and cost estimates, under what conditions the service could be provided in the future using City employees.

Central Shops would have to restructure our overhead rates charged to the departments to cover these additional costs.

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

May 31, 2012

Naomi Kelly, Director
General Services Agency – City Administrator
City Hall, Room 362
San Francisco, CA 94102-4683

Attention: Kenneth Bukowski
Linda Yeung
Deputy Director

RE: Contracting for Convention Facilities Management - FY 2012-13 and FY 2013-14

Dear Ms. Kelly:

The cost information and supplemental data provided by your office on the proposed contract for convention facilities management has been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14, the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budgetary approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at (415) 554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

ATTACHMENT A
GENERAL SERVICES AGENCY - CITY ADMINISTRATOR
MANAGEMENT OF FACILITIES (1)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES
FISCAL YEAR 2012-13

ESTIMATED CITY COST:

PERSONNEL COSTS PROJECTED	POSITIONS	LOW	HIGH
Salaries (2)	251.5	$ 16,132,228	$ 19,651,192
Total Salary Costs	251.5	16,132,228	19,651,192
FRINGE BENEFITS			
Variable Fringes (3)		3,989,302	4,849,276
Fixed Fringes (4)		3,311,264	3,311,264
Total Fringe Benefits		7,300,566	8,160,540
ESTIMATED TOTAL CITY COSTS:		**23,432,794**	**27,811,732**
LESS: ESTIMATED CONTRACT COST:		**(22,061,067)**	**(22,106,625)**
ESTIMATED SAVINGS (5)		**$ 1,371,728**	**$ 5,705,107**
% of Estimated Savings to Estimated City Cost		**6%**	**21%**

Comments/Assumptions:

1. The service has been contracted out since the opening of the convention facilities in 1981.
2. Salary and Fringes reflect proposed salary and fringe rates effective July 1, 2012.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. Both the City and contract cost estimates exclude operating costs that would be the same under either scenario. This does not affect the estimated cost savings.
6. The contractor (SMG) has efficiencies in assigning event attendants and other staff. SMG does not guarantee full time employment to event operations staff over the course of the year, and has flexibility to increase or reduce hours of their regular employees at any particular time. So while the hourly rates and benefits of SMG employees (mostly SEIU represented) may not be much less than for comparable City classes, the work flexibility makes an enormous difference, one that is essential in the ever more competitive convention industry.

ATTACHMENT A
GENERAL SERVICES AGENCY - CITY ADMINISTRATOR
MANAGEMENT OF FACILITIES (1)
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES
FISCAL YEAR 2013-14

ESTIMATED CITY COST:

PERSONNEL COSTS PROJECTED	POSITIONS	LOW	HIGH
Salaries (2)	255.5	$ 16,601,207	$ 20,220,988
Total Salary Costs	255.5	16,601,207	20,220,988
FRINGE BENEFITS			
Variable Fringes (3)		4,583,852	5,571,467
Fixed Fringes (4)		3,561,322	3,561,322
Total Fringe Benefits		8,145,173	9,132,789
ESTIMATED TOTAL CITY COSTS:		**24,746,381**	**29,353,777**
LESS: ESTIMATED CONTRACT COST: (3) (4)		**(23,056,878)**	**(23,104,714)**
ESTIMATED SAVINGS		**$ 1,689,503**	**$ 6,249,062**
% of Estimated Savings to Estimated City Cost		**7%**	**21%**

Comments/Assumptions:

1. The service has been contracted out since the opening of the convention facilities in 1981.
2. Salary and Fringes reflect proposed salary and fringe rates effective July 1, 2013.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. Both the City and contract cost estimates exclude operating costs that would be the same under either scenario. This does not affect the estimated cost savings.
6. The contractor, SMG, has efficiencies in assigning event attendants and other staff. SMG does not guarantee full time employment to event operations staff over the course of the year, and has flexibility to increase or reduce hours of their regular employees at any particular time. So while the hourly rates and benefits of SMG employees (mostly SEIU represented) may not be much less than for comparable City classes, the work flexibility makes an enormous difference, one that is essential in the ever more competitive convention industry.

CHARTER 10.104.15 (PROPOSITION J) QUESTIONNAIRE
CONVENTION FACILITIES DEPARTMENT – FY 2012-13 & FY 2013-14

1. The department's basis for proposing the Prop J certification;

   To demonstrate, on an annual basis, that it is more efficient and cost effective to secure required services by contracting with a private operator than by utilizing City employees.

2. The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor;

   The service has been contracted out since the opening of the convention facilities in 1981.

3. The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract;

   The Convention Facilities Department (GSA/City Administrator) is responsible for oversight and reporting requirements. A number of financial controls and performance measures are included in the scope of this responsibility.

4. The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract;

   The department's annual Prop J report covers in great detail a full analysis of wages and benefits, with appropriate labor agreement changes (if any) taken into account.

5. The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance);

   The Convention Facilities Department reviews Administrative Code changes on an annual basis with the City Attorney's Office to ensure the contracted operator is in constant compliance.

6. The department's plan for City employees displaced by the contract; and,

   No City employees are displaced by this contract.

7. A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees. (Added by Ord. 105-04, File No. 040594, App. 6/10/2004)

   The department's annual Prop J report specifies the estimated differences in salary and benefit costs of the contracted operator and City employees, at both lowest and highest salary steps. Management and operation of convention facilities demand tremendous industry expertise to be competitive with other first tier cities nationwide. A top-level private operator can offer experience and depth that City employees cannot.

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

May 31, 2012

Naomi Kelly, Director
General Services Agency – City Administrator
City Hall, Room 362
San Francisco, CA 94102-4683

Attention: Kenneth Bukowski
Linda Yeung
Deputy Director

RE: Contracting for Security Services at Various Locations - FY 2012-13 & FY 2013-14

Dear Ms. Kelly:

The cost information and supplemental data provided by your office on the proposed contract for security services at various locations has been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budgetary approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at (415) 554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

415-554-7500 City Hall • 1 Dr. Carlton B. Goodlett Place • Room 316 • San Francisco CA 94102-4694 FAX 415-554-7466

GENERAL SERVICES AGENCY - CITY ADMINISTRATOR - REAL ESTATE
SECURITY SERVICES: 1650 MISSION STREET, 1660 MISSION STREET, 25 VAN NESS AVENUE & 30 VAN NESS AVENUE, ONE SOUTH VAN NESS, ALEMANY/UNITED NATIONS PLAZA MARKETS
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS	Class	Positions	BW Rate		Low	High
Security Guard	8202	27.60	1,474	2,482	$ 1,057,742	$ 1,781,083
Night Pay (5PM-7AM) 8.5%					8,531	14,365
Holiday Pay					67,126	113,030
Total Salary Costs		27.60			1,133,399	1,908,479
FRINGE BENEFITS						
Variable Fringes (3)					314,520	529,606
Fixed Fringes (4)					347,208	347,208
Total Fringe Benefits					661,728	876,814
ESTIMATED TOTAL CITY COST					**1,795,128**	**2,785,293**
LESS: ESTIMATED TOTAL CONTRACT COST (5) (6)					**(1,115,303)**	**(1,117,857)**
ESTIMATED SAVINGS					**$ 679,825**	**$ 1,667,436**
% of Estimated Savings to Estimated Cost					**38%**	**60%**

Comments/Assumptions:

1. These services have been contracted for various times, depending on location.
2. Salary levels reflect salary rates effective March 31, 2012.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement costs, employee retirement pick-up, and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. The estimated contract cost includes 0.1 FTE for contract monitoring.
6. Both the City and contract cost estimates exclude operating costs that would be the same under either scenario. This does not affect the estimated cost savings.

GENERAL SERVICES AGENCY - CITY ADMINISTRATOR - REAL ESTATE
SECURITY SERVICES: 1650 MISSION STREET, 1660 MISSION STREET, 25 VAN NESS AVENUE & 30 VAN NESS AVENUE, ONE SOUTH VAN NESS, ALEMANY/UNITED NATIONS PLAZA MARKETS
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS	Class	Positions	BW Rate		Low	High
Security Guard	8202	27.60	1,474	2,482	$ 1,061,811	$ 1,787,934
Night Pay (5PM-7AM) 8.5%					8,563	14,420
Holiday Pay					67,126	113,030
Total Salary Costs		27.60			1,137,500	1,915,383
FRINGE BENEFITS						
Variable Fringes (3)					360,199	606,523
Fixed Fringes (4)					368,515	368,515
Total Fringe Benefits					728,715	975,038
ESTIMATED TOTAL CITY COST					**1,866,215**	**2,890,422**
LESS: ESTIMATED TOTAL CONTRACT COST (5) (6)					**(1,113,296)**	**(1,115,925)**
ESTIMATED SAVINGS					**$ 752,919**	**$ 1,774,497**
% of Estimated Savings to Estimated Cost					**40%**	**61%**

Comments/Assumptions:

1. These services have been contracted for various times, depending on location.
2. Salary levels reflect salary rates effective March 31, 2012.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement costs, employee retirement pick-up, and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. The estimated contract cost includes 0.1 FTE for contract monitoring.
6. Both the City and contract cost estimates exclude operating costs that would be the same under either scenario. This does not affect the estimated cost savings.

CHARTER 10.104.15 (PROPOSITION J QUESTIONNAIRE)

DEPARTMENT: General Services Agency

CONTRACT SERVICES: Security Guard Services (unarmed) for 25 Van Ness Avenue, 30 Van Ness Avenue, 1650 Mission Street, 1660 Mission Street, One South Van Ness Avenue and Alemany Farmer's and Flea Market (armed and unarmed)

CONTRACT PERIOD: FY 2012-12 & FY 2013-14

1. Who performed the service prior to contracting out?	These services have always been contracted out
2. How many City employees were laid off as a result of contracting out?	None
3. Explain the disposition of employees if they were not laid off.	Not applicable
4. What percentage of City employees' time is spent on services to be contracted out?	None
5. How long have the services been contracted out? Is this likely to be a one-time or an on-going request for contracting out?	Varies by building. Earliest since July 1992 This will be an on-going request
6. What was the first fiscal year for a Proposition J certification? Has it been certified for each subsequent year?	Varies by building. Earliest is 1992-93 No Last certified in FY 2007-08
7. How will the services meet the goals of your LBE Action Plan?	HRC has determined that these contracts do not require LBE goals. Farmer's Market is set-aside for LBE micro-business
8. Does the proposed contractor comply with the Minimum Compensation ordinance, the Health Care Accountability ordinance and the Equal Benefits ordinance?	All contractors are required to comply per the contracts awarded
9. What measures will be used to provide oversight of the proposed contract?	The Building/Market Managers are responsible for ensuring that services are as stated in the contract
10. Under what conditions could City employees perform the services in the future?	If cost of service was equal to or lower than contracting cost

Department Representative: Taylor Emerson

Telephone Number: 415.554.9863

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

May 31, 2012

Robert Carlson
Director of Public Works
City Hall, Room 348
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4645

Attn: Douglas Legg, Manager of Finance & Budget

RE: Contracting for Security at 1680 Mission Street - FY 2012-13 and FY 2013-14

Dear Mr. Carlson:

The cost information and supplemental data provided by your office on the contract for security services at 1680 Mission Street have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at (415) 554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

415-554-7500 City Hall • 1 Dr. Carlton B. Goodlett Place • Room 316 • San Francisco CA 94102-4694 FAX 415-554-7466

JBLIC WORKS - INFRASTRUCTURE DE N & CONSTRUCTION
ECURITY GUARD SERVICES @ 1680 MISSION
OMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
SCAL YEAR 2012-13

STIMATED CITY COSTS:

ROJECTED PERSONNEL COSTS

ob Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
ecurity Guard - 1680 Mission	8202	1.5	$ 1,474	$2,482	$ 57,707	$ 97,170
ecurity Guard as needed - 1680 Mission	8202	0.1	1,474	2,482	3,847	6,478
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
Holiday Pay (if applicable)					1,953	3,289
Night / Shift Differential (if applicable)					1,742	2,934
Overtime Pay (if applicable)					0	0
Other Pay (if applicable)					0	0
Total Salary Costs		1.6			65,250	109,871

FRINGE BENEFITS		
Variable Fringes (3)	25,056	42,190
Fixed Fringes (4)	0	0
Total Fringe Benefits	25,056	42,190
ADDITIONAL CITY COSTS (if applicable)		
	0	0
	0	0
	0	0
	0	0
Total Capital & Operating	0	0
ESTIMATED TOTAL CITY COST	90,306	152,061
LESS: ESTIMATED TOTAL CONTRACT COST	(66,378)	(66,378)
ESTIMATED SAVINGS	$ 23,928	$ 85,683
% of Savings to City Cost	26%	56%

Comments/Assumptions:
1. FY 95-96 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.

The estimated contract cost for annual service is based on the contract's bid for services.

'UBLIC WORKS - INFRASTRUCTURE DESIGN & CONSTRUCTION
SECURITY GUARD SERVICES @ 1680 SION
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Security Guard - 1680 Mission	8202	1.5	$ 1,487	$ 2,504	$ 58,216	$ 98,032
Security Guard as needed - 1680 Mission	8202	0.1	1,487	2,504	3,881	6,535
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
Holiday Pay (if applicable)					1,970	3,318
Night / Shift Differential (if applicable)					1,758	2,960
Overtime Pay (if applicable)					0	0
Other Pay (if applicable)					0	0
Total Salary Costs		1.6			65,825	110,845

FRINGE BENEFITS		
Variable Fringes (3)	28,305	47,663
Fixed Fringes (4)	0	0
Total Fringe Benefits	28,305	47,663

ADDITIONAL CITY COSTS (if applicable)		
	0	0
	0	0
	0	0
	0	0
Total Capital & Operating	0	0

ESTIMATED TOTAL CITY COST	94,130	158,508
LESS: ESTIMATED TOTAL CONTRACT COST	(68,486)	(68,486)
ESTIMATED SAVINGS	$ 25,644	$ 90,022
% of Savings to City Cost	27%	57%

Comments/Assumptions:
1. FY 95-96 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.

The estimated contract cost for annual service is based on the contract's bid for services.

City and County of San Francisco

San Francisco Department of Public Works
Office of the Deputy Director for Design & Construction
Infrastructure Division
1680 Mission Street
San Francisco, CA 94103
(415) 554-8200 www.sfdpw.org

Edwin M. Lee, Mayor
Mohammed Nuru, Interim Director

Patrick Rivera, Division Manager

February 2, 2012

CHARTER 10.104.15 (PROPOSITION J) QUESTIONNAIRE

1. The department's basis for proposing the Prop J certification:

   Our office building located at 1680 Mission Street in San Francisco is owned by the City and is currently housing employees of the Infrastructure Division under the Office of the Deputy Director for Design and Construction and the City Engineer. This neighborhood is not always safe. We need security services for the protection of the employees and the public who visit our buildings. We have had the security service contracts for the 1680 Mission Building for the last 19 years and they have proven to be cost effective.

2. The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the current contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor;

   There is no anticipated impact by the contractual services; this is a continuation of the same arrangement we've had over the last several years with potential financial savings to the City. The Department has had contractual services since acquiring the building, and we would like the contractual services to continue. The contractual rate is slightly increasing as compared to last year due to the initial bid price varying from last year.

3. The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract:

   The Operations Services Manager monitors, on a daily basis, the services and the reporting requirements set forth in the contract award by the City OCA and there have been no problems reported.

4. The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract:

There is no change in benefits. The contractor has no labor agreements. Per the agreement, the Department pays at the rate of $19.82 per hour, with no overtime. The Department may pay an off-hour rate of $24.37 per hour on an as-needed basis.

5. The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance):

   All applicable contracting requirements are stipulated in the contract and reviewed in detail at the pre-bid session. In addition, the City has the right to audit, at all times. The City validates on-going compliance and there have been no violations so far.

6. The department's plan for City employees displaced by the contract;

   No City employees are being displaced. The contractual service has been in place for several years.

7. A discussion, including timeliness and cost estimates, of under what conditions the service could be provided in the future using City employees. (Added by Ord. 105-04, File No.040594, App. 6/10/2004):

   The contractual services have been highly successful and cost effective. The services required have been provided at a lower cost. The City has the right to terminate the contract for service lapses. Future hiring of City employees to provide the services would take anywhere between 18 months to 24 months depending on the Budget and Civil Service processes.

Department Representative:

Dorothy Li
Finance and Administration
Phone: (415) 554-8217

Approved By:

Patrick Rivera
Division Manager
Phone: (415) 554-8221

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

May 31, 2012

Jon Walton
Acting Director
Department of Technology
1 South Van Ness Ave.
2nd Floor
San Francisco, CA 94103

Attention: Ken Bukowski
Chief Financial Officer

RE: Mainframe System Support – FYs 2012-13 and 2013-14

Dear Mr. Walton:

The cost information and supplemental data provided by your office on the proposed contract for mainframe system support have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

)EPARTMENT OF TECHNOLOGY, Data Center Monitoring
Mainframe Support
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Information Systems Manager	0941	0.5	$ 4,717	$ 6,019	$ 61,557	$ 78,548
IS Engineer-Principal	1044	1.5	4,101	5,157	160,554	201,897
IS Engineer-Senior	1043	1.0	3,812	4,794	99,493	125,123
Clerk Typist	1424	0.5	1,580	1,918	20,619	25,030
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
Holiday Pay (if applicable)					8,252	10,377
Night / Shift Differential (if applicable)					0	0
Overtime Pay (if applicable)					0	0
Other Pay (Premium Pay - Standby 1044s)					51,377	64,607
Total Salary Costs		3.5			401,852	505,581
FRINGE BENEFITS						
Variable Fringes (3)					204,644	252,822
Fixed Fringes (4)					110,869	110,869
Total Fringe Benefits					315,513	363,690
ADDITIONAL CITY COSTS (5) (if applicable)						
Specialized Training					158,400	158,400
Trident OSEM Software Purchase					49,200	49,200
Trident Annual Maintenance					7,380	7,380
					0	0
Total Capital & Operating					214,980	214,980
ESTIMATED TOTAL CITY COST					932,345	1,084,252
LESS: ESTIMATED TOTAL CONTRACT COST (6)					(833,015)	(849,190)
ESTIMATED SAVINGS					$ 99,330	$ 235,062
% of Savings to City Cost					11%	22%

Comments/Assumptions:

1. FY 2004-2005 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. In-house mainframe systems operations required contract services for specialized and as-needed services that could not be met by existing staffing and expertise levels. It is estimated staff will need 6 months training to be able to operate the system independently.
6. Trident Services, Inc. provides installation, configuration, maintenance and support of systems, collection of data for billing, and management of staff and projects.

DEPARTMENT OF TECHNOLOGY, Data Center Monitoring
Mainframe Support
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
nformation Systems Manager	0941	0.5	$ 4,811	$ 6,139	$ 62,788	$ 80,119
S Engineer-Principal	1044	1.5	4,101	5,157	160,554	201,897
S Engineer-Senior	1043	1.0	3,812	4,794	99,493	125,123
Clerk Typist	1424	0.5	1,667	2,023	21,753	26,407
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
					0	0
Holiday Pay (if applicable)					8,942	11,214
Night / Shift Differential (if applicable)					0	0
Overtime Pay (if applicable)					0	0
Other Pay (Premium Pay - Standby 1044s)					51,377	64,607
Total Salary Costs		3.5			404,907	509,367

FRINGE BENEFITS		
Variable Fringes (3)	237,898	288,472
Fixed Fringes (4)	116,404	116,404
Total Fringe Benefits	354,302	404,876
ADDITIONAL CITY COSTS (5) (if applicable)		
Specialized Training	158,400	158,400
Trident OSEM Software Purchase	49,200	49,200
Trident Annual Maintenance	7,380	7,380
	0	0
Total Capital & Operating	214,980	214,980
ESTIMATED TOTAL CITY COST	974,190	1,129,223
LESS: ESTIMATED TOTAL CONTRACT COST (6)	(874,666)	(891,650)
ESTIMATED SAVINGS	$ 99,524	$ 237,574
% of Savings to City Cost	10%	21%

Comments/Assumptions:

1. FY 2004-2005 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. In-house mainframe systems operations required contract services for specialized and as-needed services that could not be met by existing staffing and expertise levels. It is estimated staff will need 6 months training to be able to operate the system independently.
6. Trident Services, Inc. provides installation, configuration, maintenance and support of systems, collection of data for billing, and management of staff and projects.

Prop. J Supplemental Questionnaire

Department:	Department of Technology
Contract Services:	Mainframe Support
Contract Period:	July 1, 2012 – June 30, 2013

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1. The department's basis for proposing the Prop. J certification.

Mainframe support has been contracted out since FY 2004-2005 when, pursuant to the Mayor's declaration of a fiscal emergency, the Controller certified that such services could be performed by a private contractor at a lower cost than by City and County employees. The Department is currently seeking approval as required by Proposition J to continue contracting out these services because analysis continues to show that it is more cost-effective to do so.

2. The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor.

The mainframe services provided by the contractor include installation, configuration, maintenance and support of systems and management of staff and projects. There have been no service level changes.

3. The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract.

The City's Office of Contract Administration oversees the procurement and contracting process for these services. Further, the Department's Contracts and Procurement Manager facilitates the procurement process and ensures compliance with City requirements. Operational oversight of the contract services is conducted by the Mainframe / Data Center Manager.

4. The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract.

The contract with Trident Services, Inc. contains provisions for compliance with Administrative Code Chapter 12P (the Minimum Compensation Ordinance) and the vendor has been certified as compliant.

5. The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance), and Section 12B.1(b) (the Equal Benefits Ordinance).

The contract with Trident Services, Inc. contains provisions for compliance with the above noted contract requirements. The contractor has been certified as compliant and must maintain compliance with these provisions as stipulated in the contract.

6. The department's plan for City employees displaced by the contract.

N/A

7. A discussion, including timelines and cost estimates, of under what conditions the services could be provided in the future using City employees. (Added by Ord. 105-04, File No. 040594, App. 6/10/2004)

Due to the [illegible] cost-savings ranging from 40% to 49%, the Department does not co[illegible] providing these services, using City and County employees viable.

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

May 31, 2012

Trent Rhorer
Director
City and Country of San Francisco Human Services Agency
170 Otis Street
San Francisco, CA 94103

RE: DSS-HSA Security – FY 2012-13 and 2013-14

Dear Mr. Rhorer:

The cost information and supplemental data provided by your office on the proposed contract for security services has been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

415-554-7500 City Hall • 1 Dr. Carlton B. Goodlett Place • Room 316 • San Francisco CA 94102-4694 FAX 415-554-7466

Human Services Ageny (Administration-Contracts)
Security Guard Services- Guardsmark Contract
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Institutional Police Sergeant	8205	7.4	3,261	3,886	$ 625,824	$ 745,768
Building & Grounds Patrol Officer	8207	76.1	1,787	2,151	3,536,631	4,257,019
Uniform Cost per SEIU Contract					41,750	41,750
TOTAL SALARY COSTS		83.5			4,204,205	5,044,538
Holiday Pay (if applicable)					132,078	158,742
Night / Shift Differential (if applicable)					117,818	141,604
Overtime Pay (if applicable)					468,276	562,814
Other Pay (if applicable)					0	0
Total Salary Costs		83.5			4,922,377	5,907,697
FRINGE BENEFITS						
Variable Fringes (3)					1,093,023	1,313,719
Fixed Fringes (4) - included in line above					1,054,231	1,054,231
Total Fringe Benefits					2,147,255	2,367,951
ADDITIONAL CITY COSTS (if applicable)						
Upgraded metal detectors at Homeless					34,000	68,000
					0	0
					0	0
					0	0
Total Capital & Operating					34,000	68,000
ESTIMATED TOTAL CITY COST					7,103,632	8,343,648
LESS: ESTIMATED TOTAL CONTRACT COST					(4,966,993)	(5,532,237)
ESTIMATED SAVINGS					$ 2,136,639	$ 2,811,411
% of Savings to City Cost					30%	34%

Comments/Assumptions:

1. FY 84-85 was the first year these services are/were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.

Human Services Ageny (Administration-Contracts)
Security Guard Services - Guardsmark Contract
OMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Institutional Police Sergeant	8205	7.4	3,261	3,886	$ 629,830	$ 750,542
Building & Grounds Patrol Officer	8207	76.1	1,800	2,151	3,575,178	4,272,338
Uniform Cost per SEIU Contract					41,750	41,750
TOTAL SALARY COSTS		83.5			4,246,758	5,064,630
Holiday Pay (if applicable)					132,917	158,769
Night / Shift Differential (if applicable)					119,023	142,173
Overtime Pay (if applicable)					0	0
Other Pay (if applicable)					0	0
Total Salary Costs		83.5			4,498,697	5,365,572
FRINGE BENEFITS						
Variable Fringes (3)					1,241,458	1,482,921
Fixed Fringes (4) - included in line above					1,115,773	1,115,773
Total Fringe Benefits					2,357,231	2,598,694
ADDITIONAL CITY COSTS (if applicable)						
Upgraded metal dectectors at Homeless Shelters					34,000	68,000
					0	0
					0	0
					0	0
Total Capital & Operating					34,000	68,000
ESTIMATED TOTAL CITY COST					6,889,928	8,032,265
LESS: ESTIMATED TOTAL CONTRACT COST					(4,967,688)	(5,620,856)
ESTIMATED SAVINGS					$ 1,922,240	$ 2,411,409
% of Savings to City Cost					28%	30%

Comments/Assumptions:

1. FY 84-85 was the first year these services are/were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.

Human Services Agency
SEC. 2.15 SUPPLEMENTAL REPORTS REQUIRED

Any officer, department or agency seeking Board approval of a contract for personal services under Charter Section 10.104(15) shall submit a supplemental report to the Board of Supervisors in connection with the contract and the Controller's certification.

The report shall summarize the essential terms of the proposed contract and address the following subjects:

1. The department's basis for proposing the Prop J certification;

The Human Services Agency has been using private security services since the early 1980's. HSA operations have grown significantly since then and we now provide security guard services at seventeen locations including the major homeless shelters in the City. We procured these services and awarded a contract to Guardsmark LLC under Ordinance 0306-08 in November of 2008.

2. The impact, if any, the contract will have on the provision of services covered by the contract, including a comparison of specific levels of service, in measurable units where applicable, between the current level of service and those proposed under the contract. For contract renewals, a comparison shall be provided between the level of service in the most recent year the service was provided by City employees and the most recent year the service was provided by the contractor;

The new contract with Guardsmark LLC did provide a better pricing structure along with better compensation for the guards. During FY-11-12 we have made significant improvements in the HSA building security and at the same time reduced the hours of the security guard coverage by almost 10%. However increased acts of violence during FY-11-12 especially at the Homeless Shelters have offset the projected 10% savings.

3. The department's proposed or, for contract renewals, current oversight and reporting requirements for the services covered by the contract;

The current oversight and reporting requirements are contained in our contract and will remain the same under the new contract. HSA assigns a security liaison that provides oversight and day-to-day management and coordination of all security activities. These activities are documented through written post orders at each of the sites providing security services. Attached is the current scope of services that elaborate on the roles, responsibilities and reporting requirements of the security guard service provider and HSA. We meet with the security provider on a Bi-weekly basis to review the hours necessary and security improvements that can result in lower costs to the department. We are seeing a trend towards more potential acts of violence partially due to the State re-entry of inmates back into San Francisco County.

4. The contractor's proposed or, for contract renewals, current wages and benefits for employees covered under the contract, and the contractor's current labor agreements for employees providing the services covered by the contract;

The provider is paying wages and benefits in accordance with the minimum compensation Ordinance, the Health Care Accountability Ordinance and is compliant with Section 12B.1(b) of the Equal Benefits Ordinance. The contractor is also signatory to a SEIU collective bargaining agreement. It is important to note that this security guard contract is subject to Article 33c "the displaced worker Protection Ordinance."

5. The department's proposed or, for contract renewals, current procedures for ensuring the contractor's ongoing compliance with all applicable contracting requirements, including Administrative Code Chapter 12P (the Minimum Compensation Ordinance), Chapter 12Q (the Health Care Accountability Ordinance); and Section 12B.1(b) (the Equal Benefits Ordinance);

The provider will be paying wages and benefits in accordance with the minimum compensation Ordinance, the Health Care Accountability Ordinance and is compliant with Section 12B.1(b) of the Equal Benefits Ordinance. The contractor is also signatory to a SEIU collective bargaining agreement effective January 1, 2008. It is important to note that this security guard contract is subject to Article 33c "the displaced worker Protection Ordinance."

6. The department's plan for City employees displaced by the contract; and,

There will be no City employees displaced by this contract.

7. A discussion, including timelines and cost estimates, of under what conditions the service could be provided in the future using City employees.

The Human Services Agency's use of contract services to provide security is extremely cost effective and provides a considerable cost savings of up to $3.2 to $4.3 million in comparison to using City employees. If the Agency were to employ City employees to provide this service, the Agency would require up to $2.1 million in additional General Fund subsidy to support the increased costs of using City employees. The Agency would need between 9 to 15 months to budget over 80 new City Employees and recruit, fully hire, and train them.

CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

May 31, 2012

Vicki Hennessy, Interim Sheriff
City Hall, Room 456
1 Carlton B. Goodlett Place
San Francisco, CA 94102

Attention: Maureen Gannon
Chief Financial Officer

RE: Contracting for Food Service at County Jails - FY 2012-13 and FY 13-14

Dear Sheriff Hennessey:

The cost information and supplemental data provided by your office on the proposed contract for jail food services have been reviewed by my staff.

If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

The requirements of Charter Section 10.104.15 relative to the Controller's findings that "work or services can be practically performed under private contract at a lesser cost than similar work performed by employees of the City and County of San Francisco" have been satisfied. Attached is a statement of projected cost and estimated savings for Fiscal Year (FY) 2012-13 and FY 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2012-13 budget approval process. Following that legislative approval, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at (415) 554-6626 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield,
Controller

Enclosures

cc: Board of Supervisors' Budget Analyst
Human Resources, Employee Relations

PROP J SUBMISSION COVER SHEET
DEPARTMENT-Sheriff
CUSTODY DIVISION - FOOD SERVICES FOR JAIL INMATES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2012-13

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Food Service Manager Administrator	2620	1.5	2,449	2,977	$ 95,511	$ 116,103
Senior Food Service Supervisor	2619	2.0	1,960	2,383	101,920	123,916
Food Service Supervisor	2618	3.0	1,778	2,161	138,684	168,558
Chef	2656	5.0	2,079	2,527	270,270	328,510
Cook	2654	11.0	1,840	2,236	526,240	639,496
Holiday Pay					25,274	30,716
Premium Pay					23,261	28,269
Total Salary Costs		22.5			1,181,159	1,435,567
FRINGE BENEFITS						
Variable Fringes (3)					305,370	371,144
Fixed Fringes (4)					299,792	299,792
Total Fringe Benefits					605,162	670,936
ESTIMATED CAPITAL & OPERATING COSTS (5)						
					0	0
Total Capital & Operating					0	0
ESTIMATED TOTAL CITY COST					1,786,322	2,106,504
LESS: ESTIMATED TOTAL CONTRACT COST (6)					(1,251,000)	(1,253,000)
ESTIMATED SAVINGS					$ 535,322	$ 853,504
% of Savings to City Cost					30%	41%

Comments/Assumptions:
1. These services have been contracted out since 1980
2. Salary levels reflect proposed salary rates effective July 1, 2012; 12 month costs shown.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates, and dependent coverage.
5. Assumes that capital, operating and supply cost are the same for either the City or the Contractor
6. Labor portion of contract cost only, based on vendor's 2011/12 contracted labor cost estimates inflated to 2012/13 by the 1-year change in the Consumer Price Index (3%). RFP for contract renewal was issued in early 2012; a vendor has been selected and contract negotiations are being finalized. The Sheriff's Office anticipating no change in level of service or staffing requirements from 2011/12 levels.

PROP J SUBMISSION COVER SHEET
DEPARTMENT-Sheriff
CUSTODY DIVISION - FOOD SERVICES FOR JAIL INMATES
COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Food Service Manager Administrator	2620	1.5	2,498	3,037	$ 97,796	$ 118,881
Senior Food Service Supervisor	2619	2.0	2,068	2,514	107,939	131,234
Food Service Supervisor	2618	3.0	1,876	2,280	146,874	178,513
Chef	2656	5.0	2,193	2,666	286,232	347,911
Cook	2654	11.0	1,941	2,359	557,319	677,263
Holiday Pay					31,307	38,048
Premium Pay					28,920	35,147
Total Salary Costs		22.5			1,256,386	1,526,996
FRINGE BENEFITS						
Variable Fringes (3)					361,383	439,222
Fixed Fringes (4)					317,020	317,020
Total Fringe Benefits					678,403	756,242
ESTIMATED CAPITAL & OPERATING COSTS (5)					0	0
Total Capital & Operating					0	0
ESTIMATED TOTAL CITY COST					1,934,790	2,283,238
LESS: ESTIMATED TOTAL CONTRACT COST (6)					(1,292,000)	(1,294,000)
ESTIMATED SAVINGS					$ 642,790	$ 989,238
% of Savings to City Cost					33%	43%

Comments/Assumptions:
1. These services have been contracted out since 1980
2. Salary levels reflect proposed salary rates effective July 1, 2012; 12 month costs shown.
3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates, and dependent coverage.
5. Assumes that capital, operating and supply cost are the same for either the City or the Contractor
6. Labor portion of contract cost only, based on vendor's 2011/12 contracted labor cost estimates inflated to 2013/14 by 6%, the estimated 2-year change in the Consumer Price Index. RFP for contract renewal was issued in early 2012; a vendor has been selected and contract negotiations are being finalized. The Sheriff's Office anticipating no change in level of service or staffing requirements from 2011/12 levels.

DEPARTMENT: SHERIFF

CONTRACT SERVICES: Food Services for Jail Inmates

Supplemental Report for Charter Section 10.104.15 (Proposition J) FY 2012-2013

1. The Sheriff's Department seeks Board approval to contract for correctional food services under Charter Section 10.104.15. This service has been contracted out since 1980. The use of a contractor to provided these services results in substantially lower costs to the City and County than if the same services were performed by City employees.

2. This contract will be awarded through an RFP process. The provision of services will remain the same. These services were first certified through Proposition J in 1980-81 and have been certified in subsequent fiscal years.

3. The oversight and reporting requirements for the services covered by the contract include the stipulations set forth in the RFP that the contractor comply with the CA Code of Regulations Title 15, Minimum Jail Standards, as revised in 2001 regarding food preparation. Each site has a food service manager who works under the oversight of the facilities and watch commanders. Any issues are reported and addressed through the chain of command. The contractor is required to provide monthly invoices to be reviewed by facility commanders before forwarding to the fiscal division of SFSD for payment.

4. The contractor's current wages and benefits for employees covered under this contract are outlined in detail in the attached budget comparison. The contractor does not have labor agreement for the employees providing the services under this contract.

5. An proposed contractor will be required to meet the provisions of the Minimum Compensation Ordinance and the Health Care Accountability Ordinance. The Department and Aramark will resume the required contract-by-contract renewal request to the Human Rights Commission to confirm Aramark's continued *local* compliance with the Equal Benefits Ordinance.

6. Prior to 1980, these services were provided by city employees; include a Food Service Administrator, Chefs and Cook. No City employees were laid off as a result of contracting out. The Food Service Administrator's position was vacant. Departments with similar classifications hired 5 Chefs and 1 Cook.

7. Due to the substantial cost differential for using City employees to provide these services, the Sheriff's Department will continue to contract out for these services, either vendor selected through competitive bidding.

Department Representative: Maureen Gannon, Chief Financial Officer
Telephone Number: (415) 554-4316