



**OFFICE OF THE CONTROLLER**  
CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield  
Controller

Todd Rydstrom  
Deputy Controller

May 31, 2018

Jeff Kositsky  
Department of Homelessness and Supportive Housing  
1360 Mission Street, Suite 200  
San Francisco, CA 94103

Attention: Gigi Whitley, Deputy Director of Finance and Administration

RE: HSH Security – FY 2018-19

The cost information and supplemental data provided by your office on the proposed contract for security 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 2018-19 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Following the approval of the Board of Supervisors, we will notify your department and the Purchaser that this Charter requirement has been met.

Please contact Risa Sandler at 415-554-5254 if you have any questions regarding this determination.

Sincerely,

A handwritten signature in black ink, appearing to read "BR", enclosed within a large, loopy oval shape.

Ben Rosenfield,  
Controller

Enclosures

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

HSH  
 203645 HOM Administration  
 Unarmed Security Contract  
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)  
 FISCAL YEAR 2018-19

**ESTIMATED CITY COSTS:**

**PROJECTED PERSONNEL COSTS**

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate per FTE		Annual Cost	
			Low	High	Low	High
Security Guard	8202	47.0	\$ 1,846	\$ 2,243	\$ 2,255,519	\$ 2,741,361
Holiday Pay (if applicable)					47,713	57,990
Night / Shift Differential (if applicable)					52,328	63,600
Total FTE		47.0				
Total Salary Costs-->					2,255,519	2,741,361
Total of Other Compensation-->					\$ 100,041	\$ 121,590

**FRINGE BENEFITS**

	Amount	Low	High
Benefits per FTE (Job Class 8202)	32,293		
Total Fringe Benefits		1,382,026	1,517,757

**ADDITIONAL CITY COSTS**

supplies estimates at \$800 per officer	37,600	37,600
radios/communication equipment	47,000	47,000
Total Capital & Operating	84,600	84,600

**COST COMPARISON SUMMARY**

<b>ESTIMATED TOTAL CITY COST</b>	\$ 3,822,186	\$ 4,465,307
<b>LESS: ESTIMATED TOTAL CONTRACT COST</b>	\$ 2,913,843	\$ 3,315,447
<b>ESTIMATED SAVINGS</b>	\$ 908,343	\$ 1,149,860
<b>% of Savings to City Cost</b>	24%	26%

Comments/Assumptions:

1. FY 1984-85 would be/was the first year these services are/were contracted out for this services under H.S.A.  
FY 2019 will be the first year these services are/were contracted out under HSH.
2. Salary levels reflect proposed salary rates effective July 1, 2018. 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.