



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Todd Rydstrom
Deputy Controller

May 27, 2016

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

Attention: Nataliya Kuzina, Deputy Director

RE: Assembly of Vote By Mail Envelopes (VBM) – FY 2016-17

The cost information and supplemental data provided by your office on the proposed contract for Assembly of Vote By Mail Envelope (VBM) services have been reviewed by my staff.

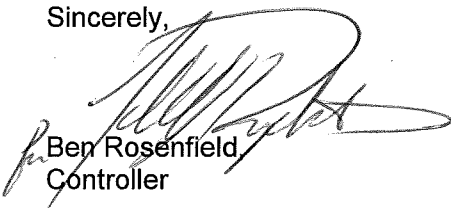
If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

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 2016-17 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 Theresa Kao at 415-554-5253 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 Packets
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1)
 FISCAL YEAR 2016-17

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Salary Cost (2)	Benefit Cost (3) (4)	Total Cost High	Total Cost Low
Junior Clerk	1402	16.0	\$ 52,819	\$ 28,868	\$ 1,306,985	\$ 1,110,937
Chief Clerk	1410	0.1	90,357	37,557	12,791	10,873
Junior Management Assistant	1840	0.1	75,455	33,602	10,906	9,270
Holiday Pay (if applicable)					84,124	71,505
Night / Shift Differential (if applicable)					37,665	32,015
Overtime Pay (if applicable)					-	-
Other Pay (if applicable)					-	-
Total Personnel Costs		16.2			1,452,471	1,234,600

ADDITIONAL CITY COSTS (if applicable)

-	-
-	-
-	-
-	-
-	-

Total Capital & Operating

ESTIMATED TOTAL CITY COST

1,452,471 1,234,600

LESS: ESTIMATED TOTAL CONTRACT COST

(206,500) (187,083)

ESTIMATED SAVINGS

\$ 1,245,971 \$ 1,047,518

% of Savings to City Cost

86% 85%

Comments/Assumptions:

1. FY2007-08 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1 2016. 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.