



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

Ben Rosenfield  
Controller

Todd Rydstrom  
Deputy Controller

May 31, 2018

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

Attention: John Tsutakawa, Director of Contracts and Facilities

RE: HSA 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 2017-18 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 "Ben Rosenfield", written over a horizontal line.

Ben Rosenfield  
Controller

Enclosures

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

Human Services Agency-Administration Division  
 Security Services for HSA Buildings, city-owned shelters, and various other sites.  
 HSA Unarmed Security Contract  
**COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES**  
**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	70.0	\$ 1,846	\$ 2,243	\$ 3,359,720	\$ 4,082,260
Holiday Pay (if applicable)					\$ 71,071	\$ 86,356
Night / Shift Differential (if applicable)					\$ 78,281	\$ 95,117
Total FTE		70.0				
Total Salary Costs-->					\$ 3,509,072	\$ 4,168,616
Total of Other Compensation-->					\$ 149,352	\$ 181,472

**FRINGE BENEFITS**

Class	Amount	Low	High
Benefits per FTE	8202	\$32,293	
Total Fringe Benefits			\$ 2,260,510

**ADDITIONAL CITY COSTS**

supplies estimates at \$800 per officer	\$ 56,000	\$ 56,000
radios/communication equipment	\$ 70,000	\$ 70,000
Total Capital & Operating	\$ 126,000	\$ 126,000

**COST COMPARISON SUMMARY**

<b>ESTIMATED TOTAL CITY COST</b>	\$ 6,044,934.95	\$ 6,736,598
<b>LESS: ESTIMATED TOTAL CONTRACT COST</b>	\$ 4,383,585.42	\$ 4,826,208
<b>ESTIMATED SAVINGS</b>	\$ 1,661,350	\$ 1,910,390
<b>% of Savings to City Cost</b>	27%	28%

Comments/Assumptions:

1. FY 84/85 would be/was the first year these services are/were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2019. 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.