



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

**Ben Rosenfield**  
**Controller**

**Todd Rydstrom**  
**Deputy Controller**

May 17, 2017

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

Attention: Jennifer Johnston, Deputy City Administrator

RE: Contracting for Security Services–FY 2017-18

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

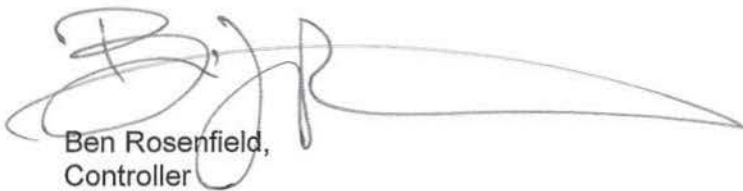
If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

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 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

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, & 196 OTIS STREET  
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)  
 FISCAL YEAR 2017-18

**ESTIMATED CITY COSTS:**

**PROJECTED PERSONNEL COSTS**

Job Class Title	Class	# of Full Time Equivalent Positions	Weekly Rate	Low	High
Security Guard	8202	37.3	\$ 1,792 \$ 2,178	\$ 1,744,760	\$ 2,120,786
Night Pay Premium (5PM-7AM) 8%				53,945	65,571
Holiday Pay				16,757	20,369
<b>Total Salary Costs</b>		<b>37.3</b>		<b>1,815,462</b>	<b>2,206,726</b>

**FRINGE BENEFITS (3)**

Fringe Benefits per FTE (8202)	\$ 31,477	
<b>Total Fringe Benefits</b>		<b>\$ 1,063,469 \$ 1,174,096</b>

**COST COMPARISON SUMMARY**

<b>ESTIMATED TOTAL CITY COST</b>	<b>\$ 2,878,931</b>	<b>\$ 3,380,822</b>
<b>LESS: ESTIMATED TOTAL CONTRACT COST (4) (5)</b>	<b>\$ (1,429,679)</b>	<b>\$ (1,432,033)</b>
<b>ESTIMATED SAVINGS</b>	<b>\$ 1,449,252</b>	<b>\$ 1,948,788</b>
	<b>% of Savings to City Cost</b>	<b>50% 58%</b>

Comments/Assumptions:

1. These services have been contracted out for various time periods, depending on location.
2. Salaries and fringe for City employees reflect salary and fringe rates effective July 1, 2017 to June 30, 2018.
3. Fringe benefits includes variable benefits (employer retirement, Social Security, Medicare, unemployment, and long-term disability, where applicable) and fixed benefits (health and dental).
4. The estimated contract cost includes 0.1 FTE for contract monitoring.
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.