



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

**Ben Rosenfield**  
**Controller**

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

May 17, 2017

Ken Bukowski, Acting CIO  
Department of Technology  
1 South Van Ness Ave. 2<sup>nd</sup> Floor  
San Francisco, CA 94103

Attention: Leo Levenson, Deputy Director, Finance & Administration, CFO/CAO

RE: Mainframe System Support – FY 2017-18

The cost information and supplemental data provided by your office on the proposed contract for Mainframe System Support have been reviewed by my staff.

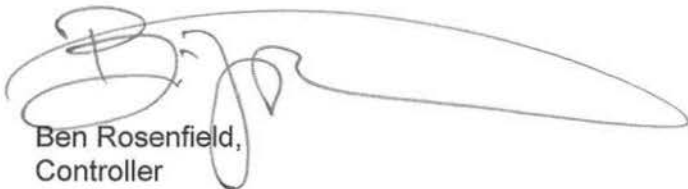
If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

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 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

DEPARTMENT OF TECHNOLOGY, Data Center Monitoring  
Mainframe System Support  
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	Bi-Weekly Rate		Low	High
Information Systems Manager	0941	0.25	\$ 5,598	\$ 7,144	\$ 36,527	\$ 46,615
IS Engineer-Senior	1043	1.75	\$ 4,442	\$ 5,586	\$ 202,906	\$ 255,126
IS Engineer-Principal	1044	2.75	\$ 4,778	\$ 6,473	\$ 342,953	\$ 464,565
Clerk Typist	1424	0.25	\$ 1,943	\$ 2,361	\$ 12,675	\$ 15,404
Standby Pay					\$ 79,795	\$ 108,091
Other Pay (callback and work performed during standby hours)					\$ 55,666	\$ 75,405
<b>Total Salary Costs</b>		<b>5.0</b>			<b>\$ 730,523</b>	<b>\$ 965,207</b>

**FRINGE BENEFITS**

Fringe Benefits per FTE (0941)	\$ 65,642	
Fringe Benefits per FTE (1043)	\$ 52,644	
Fringe Benefits per FTE (1044)	\$ 54,943	
Fringe Benefits per FTE (1424)	\$ 30,872	
<b>Total Fringe Benefits</b>		<b>\$ 238,496 \$ 267,349</b>

**ADDITIONAL CITY COSTS**

Specialized Training	\$ 158,400	\$ 158,400
Trident OSEM Software Purchase	\$ 49,200	\$ 49,200
Trident Annual Maintenance	\$ 7,380	\$ 7,380
<b>Total Capital &amp; Operating</b>	<b>\$ 214,980</b>	<b>\$ 214,980</b>

**COST COMPARISON SUMMARY**

<b>ESTIMATED TOTAL CITY COST</b>	<b>\$ 1,183,999</b>	<b>\$ 1,447,535</b>
<b>LESS: ESTIMATED TOTAL CONTRACT COST</b>	<b>\$ 952,051</b>	<b>\$ 1,001,783</b>
<b>ESTIMATED SAVINGS</b>	<b>\$ 231,948</b>	<b>\$ 445,752</b>
	<b>% of Savings to City Cost</b>	<b>20% 31%</b>

Comments/Assumptions:

1. FY 2004-2005 would be/was the first year these services are/were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2018. Costs are represented as annual 12 month costs.
3. Fringe benefits includes variable benefits (employer retirement, Social Security, Medicare, unemployment and long-term
5. In-house mainframe systems operations required contract services for specialized and as-needed services that could not
6. Trident Services, Inc. provides installation, configuration, maintenance and support of systems, collection of data for billing, and management of staff and projects.
7. The services are 24 hours/day, 7 days/week that requires employees to standby during the non regular business hours for emergency incidents.