



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

Ben Rosenfield  
Controller

Todd Rydstrom  
Deputy Controller

May 30, 2019

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

Attn: Jennifer Johnston, Deputy City Administrator

RE: Contracting for Real Estate Security Services – FY 2019-20

The cost information and supplemental data provided by your office on the proposed contract referenced above has 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 Years 2019-20 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 be "BR", written over a large, light-colored oval scribble.

Ben Rosenfield,  
Controller

Enclosures

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

ADM - General Services Agency - City Administrator  
 296644 ADM Internal Services - Real Estate Division  
 Security Services  
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)  
 FISCAL YEAR 2019-20

**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	37.7	\$ 1,900	\$ 2,310	\$ 1,878,100	\$ 2,282,842	
Senior Real Property Officer	4142	0.1	\$ 4,458	\$ 5,419	\$ 11,681	\$ 14,199	
Holiday Pay (if applicable)	n/a	n/a			53,691	65,261	
Night / Shift Differential (if applicable)	n/a	n/a			62,812	76,348	
Uniform Pay (\$500 per FTE)	n/a	n/a					
Total FTE			37.8				
					Total Salary Costs-->		\$ 1,889,781 \$ 2,297,041
					Total of Other Compensation-->		\$ 116,502 \$ 141,609

**FRINGE BENEFITS**

Job Class	\$ Amount
Benefits per FTE--Job Class #:	8202 \$34,240
Benefits per FTE--Job Class #:	4142 \$55,928
Total Fringe Benefits	
	Low High
	\$ 1,175,414 \$ 1,297,312

**ADDITIONAL CITY COSTS**

Uniform Pay (\$500 per FTE)	\$ 18,863	\$ 18,863
Cellular Phones (\$2800 per year + \$509.50 one-time cost) to (\$4500 a year + \$700 one-time cost)	\$ 124,852	\$ 196,172
	\$ -	\$ -
	\$ -	\$ -
Total	\$ 143,715	\$ 215,035

**COST COMPARISON SUMMARY**

ESTIMATED TOTAL CITY COST	\$ 3,325,412	\$ 3,950,997
LESS: ESTIMATED TOTAL CONTRACT COST	\$ 2,126,654	\$ 2,129,855
ESTIMATED SAVINGS	\$ 1,198,758	\$ 1,821,142
% of Savings to City Cost	36%	46%

Comments/Assumptions:

1. FTE level assumes 1792 hours (2096 hours - 80 hours vacation pay - 32 hours floating holiday pay - 104 hours sick pay - 88 hours holidays and is divided by total hours in contracts)
2. For 24/7 items (5 in cost detail list) - assume 7 hours of pay eligible for 10% differential per shift , 7 hours of pay eligible for 8% differential per shift; 11 paid holidays (Local 1021 MOU items 293 & 294)
3. For 1SVN shift between 2-7pm on M-F, assume two hours of 8% differential pay per shift
4. For 30VN shift between 6:30 am - 6:30 pm on M-F, assume 2 hours of 8% differential pay per shift
5. For 196 Otis shift between 6am - 11pm each day, assume seven hours of 8% differential pay per shift and 17 hours of holiday pay
6. For Alemany Market 16 hour weekend shifts, assume six hours of 8% differential pay per shift
7. Per Local 1021 MOU item 218, \$500 uniform allowance paid to 8202 Security Guards.