



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

**Ben Rosenfield**  
**Controller**  
**Monique Zmuda**  
**Deputy Controller**

May 28, 2013

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

Attention: Kenneth Bukowski  
Linda Yeung  
Deputy Director

RE: Contracting for Janitorial Services at Various Locations – FY 2014-15

The cost information and supplemental data provided by your office on the proposed contract for janitorial services at various locations 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 2014-15 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 415-554-6626 if you have any questions regarding this determination.

Sincerely,

A handwritten signature in black ink, appearing to read "Ben Rosenfield".

Ben Rosenfield,  
Controller

Enclosures

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

**PROP J SUBMISSION**

**GENERAL SERVICES AGENCY - CITY ADMINISTRATOR, REAL ESTATE**

**CITYWIDE CUSTODIAL SERVICES, excluding City Hall**

COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1)

FISCAL YEAR 2014-15

PROJECTED PERSONNEL COSTS	Class	Positions	BW Rate		Low	High
Custodian	2708	31.64	1,729	2,100	1,427,429	1,733,671
Custodian Assistant Supervisor	2716	2.00	1,900	2,310	99,164	120,567
Holiday Pay					34,743	42,200
Premium Pay					127,089	154,365
Total Salary Costs		33.64			1,688,424	2,050,803
<b>FRINGE BENEFITS</b>						
Variable Fringes (2)					619,758	752,773
Fixed Fringes (3)					473,917	473,917
Total Fringe Benefits					1,093,675	1,226,690
<b>ADDITIONAL CITY COSTS</b>						
Temp Salaries and est. MFB (4)					432,031	432,031
Worker's Comp & SFGH Medical					377,236	377,236
Total Additional Costs					809,267	809,267
<b>ESTIMATED CAPITAL &amp; OPERATING COSTS</b>						
Materials and Supplies--Cleaning and Paper Products					293,037	293,037
Total Capital & Operating					293,037	293,037
<b>ESTIMATED TOTAL CITY COST</b>					<b>3,884,403</b>	<b>4,379,797</b>
<b>LESS: ESTIMATED TOTAL CONTRACT COST (5)</b>					<b>(1,910,458)</b>	<b>(1,913,614)</b>
<b>ESTIMATED ANNUAL SAVINGS</b>					<b>\$ 1,973,945</b>	<b>\$ 2,466,183</b>
<b>% of Savings to City Cost</b>					<b>51%</b>	<b>56%</b>

Comments/Assumptions:

- Salary levels reflect proposed salary rates effective July 1, 2012. Costs are represented as annual 12 month costs
- Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up and long-term disability, where applicable.
- Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
- Temp will be needed primarily for coverage during full time staff on leave. At some locations, where minimal service is needed (say a 4 hour shift only), temp staff supplants use of permanent staff, to minimize transportation requirement between sites if we used full time staff.
- The Estimated Contract Cost for annual service is based upon contract for services at 1 South Van Ness. Contract management and monitoring would be performed by existing staff.