



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Todd Rydstrom
Deputy Controller

May 27, 2016

Miguel Gamino, Executive Director
Department of Technology
1 South Van Ness Ave. 2nd Floor
San Francisco, CA 94103

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

RE: Mainframe System Support – FY 2016-17

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

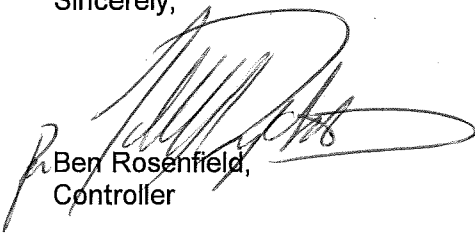
If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

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 2016-17 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)
 FISCAL YEAR 2016-17

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Salary Cost (2)	Benefit Cost (3) (4)	Total Cost High	Total Cost Low
Information Systems Manager	0941	0.5	\$ 181,227	\$ 62,811	\$ 122,019	\$ 103,716
IS Engineer-Senior	1043	2.0	141,532	50,343	383,751	326,188
IS Engineer-Principal	1044	3.0	152,285	52,557	614,525	522,346
Clerk Typist	1424	0.5	59,852	29,923	44,887	38,154
Standby Pay (10% of regular hour pay for standby, 2 people at any given time)					97,814	83,142
Night / Shift Differential (if applicable)					32,980	28,033
Overtime Pay (if applicable)					-	-
Other Pay (if applicable) (callback + works performed during standby hours)					58,571	49,785
Total Personnel Costs		6.0			1,354,548	1,151,365

ADDITIONAL CITY COSTS (if applicable)

Specialized Training	158,400	158,400
Trident OSEM Software Purchase	49,200	49,200
Trident Annual Maintenance	7,380	7,380
	0	0
Total Capital & Operating	214,980	214,980

ESTIMATED TOTAL CITY COST

1,569,528 1,366,345

LESS: ESTIMATED TOTAL CONTRACT COST

(909,628) (864,347)

ESTIMATED SAVINGS

\$ 659,900 \$ 501,998

% of Savings to City Cost

42% 37%

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, 2016. 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.
5. In-house mainframe systems operations required contract services for specialized and as-needed services that could not be met by existing staffing and expertise levels. It is estimated staff will need 6 months training to be able to operate the system independently.
6. Trident Services, Inc. provides installation, configuration, maintenance and support of systems, collection of data for billing, and man
7. The services are 24 hours/day, 7 days/week that requires employees to standby during the non regular business hours for emergency incidents.