



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Todd Rydstrom
Deputy Controller

May 17, 2017

Trent Rhorer, Director
City and County of San Francisco Human Services Agency
170 Otis Street
San Francisco, CA 94103

Attention: John Tsutakawa, Director of Contracts and Facilities

RE: HSA Security – FY 2017-18

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

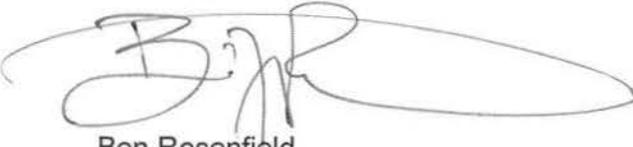
If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

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

Human Services Agency - Administrative Division
 Security Services for HSA Buildings, city owned shelters, and various other sites.
 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
Security Guard	8202	90.0	\$ 1,792 \$ 2,178	\$ 4,209,878	\$ 5,117,179
Holiday Pay				89,055	108,248
Night / Shift Differential				221,271	268,959
Total Salary Costs		90.0		4,520,204	5,494,386

FRINGE BENEFITS

Fringe Benefits per FTE	31,477	
Total Fringe Benefits		2,566,010 2,832,939

ADDITIONAL CITY COSTS

supplies (estimated at \$2000 per officer)	180,000	180,000
radios/communication equipment	92,000	92,000
Total Capital & Operating	272,000	272,000

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	7,358,214	8,599,325
LESS: ESTIMATED TOTAL CONTRACT COST	5,377,485	5,916,670
ESTIMATED SAVINGS	\$ 1,980,729	\$ 2,682,655
	% of Savings to City Cost	27% 31%

Comments/Assumptions:

1. FY 84/85 was the first year these services were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2017 for 8202 job class. Costs are annual 12 month costs.
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. This includes both the HSA and DSHS security costs, due to a recent decision not to re-procure until end of current contract.