



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller

Monique Zmuda
Deputy Controller

April 30, 2013

John L. Martin
Airport Director
San Francisco International Airport
International Terminal, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

Attention: Julia Dawson, Budget Director
San Francisco International Airport
Terminal 2, 5th Floor
P.O. Box 8097
San Francisco, CA 94128

RE: General Security Services – FY 2013-14

The cost information and supplemental data provided by your office on the proposed contract for general 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 (FY) 2013-14 and the informational items provided by the department pursuant to San Francisco Administrative Code Section 2.15.

Your department does not need to take further action for Board of Supervisors' approval because this determination will become part of the FY 2013-14 budget amendment process. Following that legislative approval, 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,

Ben Rosenfield,
Controller

Enclosures

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

General Security Services**Airport Commission****COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)**

FISCAL YEAR 2013-14

ESTIMATED CITY COSTS:**PROJECTED PERSONNEL COSTS**

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate		Low	High
Security Guard	8202	22.0	\$ 1,543	\$1,871	\$ 885,991	\$ 1,074,328
Building and Grounds Patrol Officer	8207	4.0	1,871	2,274	195,332	237,406
Holiday Pay (if applicable)					34,311	41,622
Night / Shift Differential (if applicable)					30,607	37,129
Overtime Pay (if applicable)					0	0
Other Pay (if applicable)					0	0
Total Salary Costs		26.0			1,146,241	1,390,485

FRINGE BENEFITS

Variable Fringes (3)	366,136	444,153
Fixed Fringes (4)	347,152	347,152
Total Fringe Benefits	713,288	791,305

ESTIMATED TOTAL CITY COST

1,859,529 2,181,790

LESS: ESTIMATED TOTAL CONTRACT COST

(1,646,058) (1,649,719)

ESTIMATED SAVINGS

\$ 213,471 \$ 532,071

% of Savings to City Cost

11% 24%

Comments/Assumptions:

1. FY 2007 was the first year these services are/were contracted out.
2. Salary levels reflect proposed salary rates effective July 1, 2013. 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.