



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Monique Zmuda
Deputy Controller

May 30, 2014

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

Attention: Kenneth Bukowski, Deputy City Administrator

RE: Contracting for Central Shops Security Services– FY 2015-16

The cost information and supplemental data provided by your office on the proposed contract for Central Shops 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 2015-16 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 COVER SHEET

[DEPARTMENT] GSA / City Administrator
 [DIVISION] Internal Services / Central Shops
 [CONTRACT DESCRIPTION] Security guard Services (Unarmed)
 COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2)
 FISCAL YEAR 2015-16

ESTIMATED CITY COSTS:

To Be Completed By Department:

PROJECTED PERSONNEL COSTS

Job Class Title	Class	# of Full Time Equivalent Positions	Bi-Weekly Rate	Low	High
Building & Grounds Patrol Officer	8207	3.0	1,927 2,342	150,884	183,379
Holiday Pay (If Applicable)				3,180	3,864
Premium Pay (If Applicable)				9,544	11,600
Total Salary Costs		3.0		163,608	198,843

FRINGE BENEFITS

Variable Fringes (3)				51,317	55,950
Fixed Fringes (4)				39,921	39,921
Total Fringe Benefits				91,238	95,871

ESTIMATED CAPITAL & OPERATING COSTS

Uniforms				1,500	1,500
Total Capital & Operating				1,500	1,500

ESTIMATED TOTAL CITY COST

256,346 296,214

LESS: ESTIMATED TOTAL CONTRACT COST (5) (6)

(123,769) (125,090)

ESTIMATED SAVINGS

\$ 132,577 \$ 171,124

% of Savings to City Cost

52% 58%

Comments/Assumptions:

1. These services have been contracted out since 1983.
2. Salaries and fringe for City employees reflect actual salary and fringe rates effective July 01, 2014. Costs are represented as annual 12 month costs. If a COLA estimate had been added to inflate anticipated City salary and fringe rates, the savings to the City would be higher.
3. Variable fringe benefits consist of employer retirement, Social Security, Medicare, unemployment, and long-term disability, where applicable.
4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
5. The estimated City cost does not include materials, supplies, and uniforms; if included these costs would increase the estimated savings to the City.
6. Contract cost estimates include 0.05 FTE for contract monitoring.