



CITY AND COUNTY OF SAN FRANCISCO
OFFICE OF THE CONTROLLER

Ben Rosenfield
Controller
Todd Rydstrom
Deputy Controller

May 27, 2016

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 Janitorial Services at Various Locations – FY 2016-17

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.

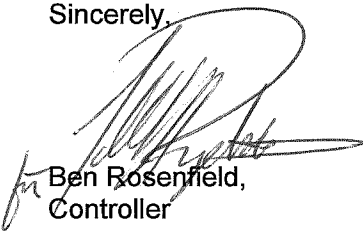
If these services are provided at the proposed contract price, it appears they can be performed at a lower cost than if the work were performed by City employees.

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 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,



for Ben Rosenfield,
Controller

Enclosures

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

General Services Agency - City Administrator, Real Estate
 Citywide Custodial Services
 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
Custodian	2708	31.0	\$ 60,095	\$ 29,525	\$ 2,778,223	\$ 2,361,489
Custodial Assistant Supervisor	2716	2.0	66,131	31,128	194,517	165,340
Holiday Pay (if applicable)					187,932	159,742
Night / Shift Differential (if applicable)					84,143	71,522
Overtime Pay (if applicable)					-	-
Other Pay (if applicable)					-	-
Total Personnel Costs		33			3,244,815	2,758,093

ADDITIONAL CITY COSTS (if applicable)

Materials and Supplies	479,360	479,360
Temp Salaries and est. MFB	352,601	299,711
Worker's Comp and SFGH Medical	66,537	66,537
Total Capital & Operating	898,498	845,608

ESTIMATED TOTAL CITY COST

4,143,313 3,603,701

LESS: ESTIMATED TOTAL CONTRACT COST

(2,510,889) (2,507,158)

ESTIMATED SAVINGS

\$ 1,632,424 \$ 1,096,543

% of Savings to City Cost

39% 30%

Comments/Assumptions:

- Salary levels reflect actual salary rates effective July 1, 2016.
- 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 employees will be needed primarily for coverage while fulltime staff are on leave.
- The estimated contract cost includes 0.15 FTE for contract monitoring.