

OFFICE OF THE CONTROLLER

CITY AND COUNTY OF SAN FRANCISCO

Ben Rosenfield Controller Todd Rydstrom Deputy Controller

May 31, 2021

Linda Gerull, CIO
Department of Technology
One South Van Ness Ave, 2nd Floor
San Francisco, CA 94102

Attention: ChiaYu Ma, Deputy Director, Finance & Administration, CFO/CAO

RE: Mainframe System Support – FY 2021-22

The cost information and supplemental data provided by your office on the proposed contract referenced above 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 2021-22 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 415-554-5254 if you have any questions regarding this determination.

Sincerely,

Ben Rosenfield, Controller

Enclosures

cc: Board of Supervisors' Budget Analyst Human Resources, Employee Relations Elaine Benvenuti, Budget Manager Department of Technology 232339 - DT SD Service Delivery Mainframe System Support COMPARATIVE COSTS OF CONTRACTING VS. IN-HOUSE SERVICES (1) (2) FISCAL YEAR 2021-22

ESTIMATED CITY COSTS:

PROJECTED PERSONNEL COSTS

			Bi-	Bi-Weekly Rate per FTE			Annual Cost			ost
		# of Full								
		Time								
		Equivalent								
Job Class Title	Class	Positions		Low		High		Low		High
Information Systems Manager	0941	0.50	\$	6,814	\$	8,180	\$	88,926	\$	106,754
IS Engineer - Senior	1043	2.00	\$	5,329	\$	6,397	\$2	278,156.88	\$	333,921.83
IS Engineer - Principal	1044	3.00	\$	6,174	\$	7,412	\$ 4	183,413.74	\$	580,328.62
Clerk Typist	1424	0.50	\$	2,723	\$	3,269	\$	35,536.50	\$	42,660.87
-	-						\$	-	\$	-
Holiday Pay (if applicable)	n/a	n/a								
Night / Shift Differential (if applicable)	n/a	n/a								
Overtime Pay (if applicable)	n/a	n/a							_	
Other Pay (Standby)	n/a	n/a						183,858		220,718
	Total FTE	6.0								
			Tot	al Salary	Cos	sts>	\$	886,033	\$	1,063,665
Total of Other Compensation>				\$	183,858	\$	220,718			

FRINGE BENEFITS

	Job Class	\$ Amount					
Benefits per FTEJob Class #:	0941	76,945	•				
Benefits per FTEJob Class #:	1043	61,504					
Benefits per FTEJob Class #:	1044	67,220					
Benefits per FTEJob Class #:	1424	40,099					
Benefits per FTEJob Class #:	-	-					
				Low		High	
Total Fringe Benefits				\$	334,228	\$	383,191

ADDITIONAL CITY COSTS		
IBM Z Workschedulder Training	\$ 24,558	\$ 24,558
	\$ -	\$ -
Total Capital & Operating	\$ 24,558	\$ 24,558

COST COMPARISON SUMMARY

ESTIMATED TOTAL CITY COST	\$ 1,428,677	\$	1,692,131	
LESS: ESTIMATED TOTAL CONTRACT COST	\$ 999,964	\$	1,150,766	
ESTIMATED SAVINGS	\$ 428,713	\$	541,365	
% of Savings to City Cost	30%		32%	

Comments/Assumptions:

- 1. FY 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, 2018. Costs are represented as annual 12 month
- 3. Variable fringe benefits consist of Social Security, Medicare, employer retirement, employee retirement pick-up
- 4. Fixed fringe benefits consist of health and dental rates plus an estimate of dependent coverage.
- 5. In-house mainframe systems operations require contract services for specialized and as-needed services that cannot be met by existing staffing and expertise levels. It is estimated, City staff would 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 management of staff and projects for the City's mainframe equipment.
- 7. The services are 24 hours/day, 7 days/week that requires Trident Services, Inc. employees to standby during the non regular business hours for emergency incidents.