



Date: August 4, 2020

TO: Dr. Cathy Nichols-Washer

FROM: Leonard Kahn, Chief Business Officer

SUBJECT: Cost of Utilizing Classified Staff in Fire-Overwatch Program

At the July 14, 2020 Regular Board Meeting, Member Mcfarlane requested an analysis of converting, in part or in entirety, the District's fire-overwatch program to in-house staff versus the current practice of utilizing the services of a private contractor.

Fire-overwatch is a program that requires the presence of an individual at a district site for 24 hours per day, seven (7) days per week while the site's fire alarm system is deactivated during installation of a new system. Currently, the District contracts with Windwalker Security to perform the function.

Windwalker charges the District \$20.69/hour for its service, whereas utilizing an employee at the "C" column of either Classified Schedule 34 or Classified Schedule 37 would cost \$18.23/hour or \$19.54/hour, respectively. Further, there is a budgetary add-on of 31% to the LUSD staff hourly rate for statutory benefits. For sake of calculation, one should note longevity is likely to add between 3.52% and 6.62% added cost to using only in-house staff.

Using a budgetary range of \$25.00/hr to \$27.00/hr for LUSD staff versus Windwalker's \$20.69/hr cost, in-house staff would cost approximately \$127/day more than using the private service. The Board should note that the full cost of using in-house staff would need to be expended out of District unrestricted funds, whereas the private service may be paid out of Measure accounts for Measure projects.

While a negotiable item, the ability to use in-house staff during regular working hours during the COVID19 Distance Learning periods would even out the cost differential identified above.

This analysis assumes that no overtime or double-overtime pay and no additional Health & Welfare benefit costs would accrue by employing in-house staff in the fire-overwatch program. The inclusion of such costs would create a larger cost imbalance between the two scenarios.