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Mayor

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Human Resources Director

June 13, 2006

David Novogradsky  
IFPTE, Local 21  
1182 Market Street, Suite 425  
San Francisco, CA 94102

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I.F.P.T.E. Local 21

**Re: Supervisor Differential**

Dear Mr. Novogradsky:

As discussed pursuant to negotiations for a successor Memorandum of Understanding between IFPTE, Local 21 and the City and County of San Francisco, the purpose of this letter is to clarify the meaning and application of subparagraph (d) of the Supervisory Differential Adjustment provision of Section III.B. of the current 2003-2006 Memorandum of Understanding (MOU), which currently provides:

“The adjustment of the salary grade of the supervisor shall be 5% over the salary grade, exclusive of extra pay (except Project Management Assignment Pay effective July 1, 2005), of the employee supervised.”

This provision provides a mechanism to adjust a supervisor’s salary grade to be 5% above the subordinate’s salary grade. A salary grade is a range of pay consisting of pay steps with a minimum and a maximum rate of pay, usually consisting of five pay steps of approximately 5%. Each Local 21 job class has a corresponding salary grade that determines the range of the step pay rates for that class. Section I of the Compensation Manual identifies the salary grade assigned to each job class, and Section II specifies the step pay rates for each salary grade (the Compensation Manual can be accessed at [www.sfgov.org/DHR](http://www.sfgov.org/DHR)).


In instances in which a supervisor’s salary grade is not at least 5% greater than that of the subordinate’s, MOU Section III.B., Supervisory Differential Adjustment, provides a mechanism to adjust the supervisor’s salary grade to effectuate a 5% differential over the subordinate’s salary grade, irrespective of what step the supervisor and subordinate are at within the salary grade.

It is important to note that an employee may be eligible to receive a supervisory differential even if he or she is in the same job class as the person he or she is assigned to supervise, provided that all other conditions and requirements are met pursuant to MOU Section III.B., Supervisory Differential Adjustment. However, because this provision provides for an adjustment of salary grade irrespective of step placement in the salary grade, it is possible for a supervisor’s base rate of pay to be more or less than 5% above the subordinate’s base rate of pay. For example, if a 1053 Senior IS Business Analyst is supervising another 1053 Senior Business Analyst, the supervisor’s salary grade will be adjusted by approximately 5%. If the 1053 subordinate is at step 10 and the 1053 supervisor is at step 5, the supervisor will be entitled to receive a supervisory differential of 5% but will still earn less than his or her subordinate.

Conversely, a 1053 supervisor at step 10 with a 1053 subordinate at step 1 is still entitled to a supervisory differential adjustment of 5% even though the supervisor is already earning more than 5% above the subordinate's base rate of pay.

Please contact me if you have any questions or comments at (415) 557-4917.

Sincerely,



Steve Ponder  
Compensation Manager

Cc: Philip Ginsburg  
Jennifer Johnston  
Victoria Chin