Instructions for Calculating Supplemental Compensation
For an Employee with a Single Employer With No Tips

If you are a Covered Employer, you must pay Supplemental Compensation to your Covered Employees receiving benefits for child bonding under the California Paid Family Leave Program. Your employee is required by law to notify you if s/he has more than one employer.

These instructions will help you calculate the Supplemental Compensation amount owed to the employee if the employee has only one employee.

Terms:

A = EDD Weekly Benefit Amount

B = Normal Gross Weekly Wage

C = Supplemental Compensation

Calculation: B – A = C

Documents Needed:

The EDD Notice of Computation Form (DE 429D) or the employee's weekly benefit amount provided by EDD; and employer payroll records).

Step One: Find the employee's California Employment Development Department (EDD) weekly benefit amount on the EDD Notice of Computation or Electronic Benefit Payment Notification provided by the employee, or use the weekly benefit amount provided to you by EDD.

EDD Weekly Benefit (A) = __________

Step Two: Determine the employee's current Normal Gross Weekly Wages based on payroll records.

i. If weekly wages are constant, use the amount for the week immediately preceding the bonding leave period. (For birth mothers, use the amount for the week immediately preceding pregnancy disability leave.)

Normal Gross Weekly Wage (B) = __________ from constant wages

ii. If weekly wages fluctuate, the Normal Gross Weekly Wages must be calculated based on the Paid Parental Leave Lookback Period. The Lookback Period is six bi-weekly or semi-monthly, or 12 weekly pay periods preceding the start of the employee's California Paid Family Leave Period" (or, for birth mothers, the period immediately preceding pregnancy disability leave).

The grids on the following page will help you calculate the employee's Normal Gross Weekly Wage from this period. If your employee was on unpaid or partially paid leave for any of these pay periods do not include those pay periods in calculating the average gross weekly wage. Rather add in earlier pay periods up to 26 weeks prior to the start date of your employee's California Paid Family Leave for child bonding.

Fill in your employee's pre-tax earnings, including commissions, in the grid below based on how the employee is paid: bi-weekly, semi-monthly, or weekly.

Sum each row in the final column. To determine the average weekly wage, divide weekly and bi-weekly payroll sums by 12, and divide semi-monthly payroll sum by 13.

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This average weekly wage is the employee's Normal Gross Weekly Wage.

Weekly pay:

Pay Period Start Date													Sum
Wages													

Add wages from each column and divide the sum by 12 ______ = (B) Normal Gross Weekly Wage

Bi-weekly pay:

Pay Period Start Date							Sum
Wages							

Add wages from each column and divide the sum by 12 ______ = (B) Normal Gross Weekly Wage

Semi-Monthly pay:

Pay Period Start Date							Sum
Wages							

Add wages from each column and divide the sum by 13 ______ = (B) Normal Gross Weekly Wage

Step Three: Is the current normal gross weekly wage greater than $2,133 (the 2017 Maximum Benefit Amount)?

If yes, then use $2,133 for "B" in the calculation below.

If no, then use "B" from above

Step Four: Determine the Supplemental Compensation by subtracting A from B.

B (Normal Gross Weekly Wages) – A (EDD Benefit) = C (Supplemental Compensation)

_________- __________________ = ____________________

This is the amount of Supplemental Compensation the employer must pay the employee for each week of Paid Parental Leave up to a maximum of six weeks.