

Instructions for Calculating Supplemental Compensation
For an employee with Multiple Employers with No Tips

As a Covered Employer with an employee that has more than one employer, you must only pay Supplemental Compensation corresponding to your percentage of the covered employee’s normal weekly wages. Your employee is required by law to notify you if there is more than one employer and provide information about wages from the other employer(s).

These instructions will help you calculate the Supplemental Compensation amount owed to the employee.

Terms:

A = EDD Weekly Benefit Amount

B = Total Normal Gross Weekly Wage

C = Remainder after EDD Weekly Benefit Amount

D = Employer 1 Normal Gross Weekly Wage

E1 % = Employer 1 percentage of remainder

E = Employer 1 portion of Weekly Supplemental Compensation

Calculation: (E1 %) X C = E

Documents Needed: The EDD Notice of Computation Form (DE 429D) or the employee’s weekly benefit amount provided by EDD, Employer Payroll Records covering the lookback period (as defined in the Ordinance and below), and the San Francisco Paid Parental Leave Form will provide the information need to complete the calculation.

Step One: Determine the employee’s weekly California Employment Development Department (EDD) benefit amount from the EDD Notice of Computation form provided by the employee.

EDD Weekly Benefit (A) = _____

Step Two: Determine the Total Normal Gross Weekly Wage from employer payroll records and the San Francisco Paid Parental Leave Form, which has wage information from other employers.

Total Normal Gross Weekly Wage (B) = _____

If weekly wages do not fluctuate then use the amount for the week immediately preceding the leave period. See chart in Option A on the San Francisco Paid Parental Leave Form for inputs.

Employer	Weekly Wage
1	
2	
3	

If weekly wages fluctuate, they must be calculated based on the Paid Parental Leave lookback period. The lookback period is defined as “immediately preceding the start of the employee’s California Paid

Family Leave Period (or immediately preceding pregnancy disability leave for women transitioning directly to Paid Family Leave).” The period contains six bi-weekly or semi-monthly, or 12 weekly pay periods and is codified at 3300H.4(b)1(B).

Since wages fluctuate, the grids below will help you calculate the employee’s average Normal Weekly Wage. If your employee was on unpaid or partially paid leave for any of these pay period do not include them in calculating the Normal 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 bonding.

Fill in your employee’s pre-tax wages in the E1 Wages grid row based on how the employee is paid: bi-weekly, semi-monthly, or weekly with the starting pay period date in the top cell of the column. For each additional employer reported on the San Francisco Paid Parental Leave Employee Form, enter the weekly wages in the other grids. If needed, include additional rows. Note that commissions and bonuses may be included when they qualify as “wages” under CA law.

Sum each row in the final column and determine the average weekly wage amount. For weekly and bi-weekly divide, divide by 12 and for semi-monthly sums by 13.

The sum of average wages is the employee’s gross weekly wage or (B).

Weekly pay:

Pay Period Start Date															Sum
E1 Wages															
E2 Wages															
E3 Wages															

Add the sum of employers wages and divide by 12 _____ = (B) Total Normal Gross Weekly Wage

Bi-weekly pay:

Pay Period Start Date										Sum
E1 Wages										
E2 Wages										
E3 Wages										

Add the sum of employers wages and divide by 12 _____ = (B) Total Normal Gross Weekly Wage

Semi-Monthly pay:

Pay Period Start Date										Sum
E1 Wages										
E2 Wages										
E3 Wages										

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Add the sum of employers wages and divide by 13 _____ = (B) Total Normal Gross Weekly Wage

Step Three: Is the Normal Gross Weekly Wage greater than \$2167 (2020 Maximum PPLO Benefit Amount)?

If yes, then use \$2167 for "B" in the calculation below.

If no, then use "B" from above

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

$B - A = C$ _____ Remainder after EDD Weekly Benefit Amount

Step Five: Determine the Employer 1 (E1) average weekly wage (D) by using the pay period chart and dividing by the appropriate number depending on the pay period type above.

$D =$ _____ Employer 1 Normal Weekly Wage

Step Six: Divide the Employer 1 average weekly wage (D) by the Total Normal Gross Weekly Wage (B) to determine the Employer 1 portion of remainder.

$=$ _____ (E1 %) or Employer 1 Percentage of Remainder after EDD Benefit Amount

Step Seven: Multiply the remainder by the Employer 1 percentage to get the Employer Weekly Supplemental Compensation amount. This is the amount the employer will pay weekly to a covered employee.

$(E1\%) \times C = E$ _____ Employer Weekly Supplemental Compensation amount

Step Eight: If you need to pay Supplemental Compensation daily, divide the weekly amount from Step Seven by 5 days. _____ $E/5 =$ Daily Supplemental Compensation amount.

Step Nine: If you need to pay Supplemental Compensation hourly, divide the daily amount from Step Eight by 8 hours. _____ $Daily/8 =$ Hourly Supplemental Compensation Amount.