

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

As the only 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.

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 covering the lookback period (as defined in the Ordinance).

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

EDD Weekly Benefit (A) = _____

Step Two: Determine the current normal gross weekly wages from employer payroll records.

- i. If weekly wages do not fluctuate then 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, 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, for birth mothers, the period immediately preceding pregnancy disability leave.) The period contains six bi-weekly or semi-monthly, or 12 weekly pay periods and is codified at 3300H.4(b)1(B).

The grids below 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, in the grid below based on how the employee is paid: bi-weekly, semi-monthly, or weekly. Note that commissions and bonuses may be included when they qualify as "wages" under CA law.

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

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This average weekly wage is the employee's normal weekly wage.

Weekly pay:

Pay Period Start Date														Sum
Wages														

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

Bi-weekly pay:

Pay Period Start Date							Sum
Wages							

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

Semi-Monthly pay:

Pay Period Start Date							Sum
Wages							

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

Step Three: Is the current normal gross weekly wage greater than \$2567 (the 2022 Maximum PPLO Benefit Amount)?

If yes, then use \$2567 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 – A = C _____ Weekly Supplemental Compensation

Step Five: If you need to pay Supplemental Compensation daily, divide the weekly amount from Step Four by 5 days. _____ C/5= Daily Supplemental Compensation amount.

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