

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 are constant 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 are not constant, 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, 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 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 13 \_\_\_\_\_ = (B) Normal Weekly Wage

**Step Three:** Is the current normal gross weekly wage greater than \$2027 (the 2018 Maximum Benefit Amount)?

If yes, then use \$2027 for "B" in the calculation below.

If no, then use "B" from above

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

$B - A = C$  \_\_\_\_\_ 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.