



HUMAN RESOURCES

CITY HALL
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Memorandum

January 16, 2020

To:

From: Karen Bernard, Human Resources Analyst II

Subject: Leaves Coordinated/Integrated with State Disability (SDI)/EDD) Paid Family Leave

City of Cupertino’s practice allows Operating Engineer employees to use their available leave hours, while out on personal illness or Paid Family Leave, and concurrently, file for State Disability Insurance (SDI) and/or Paid Family Leave with EDD. We coordinate, and integrate leave hours and SDI/EDD benefits so that employees may receive 100% of pay. Since the SDI/Paid Family Leave rate is not known, until the first check is received by the employee (approximately three weeks), 80 hours of leave may be used during that time period. The employee is then required to restore approximately 54% of their leave hours by endorsing their SDI/Paid Family Leave check to the city. The benefit of this option is that there are no interruptions of bi-weekly wages. The employee, however, may not exceed their weekly wage by receiving both leave pay at 100% and SDI/Family Paid Leave benefits.

The employee also has the option, if they **do not wish** to restore leave hours, to receive approximately 46% of wages by using their available leaves while awaiting their SDI/Family Paid Leave payment during their disability/Family Leave.

Employees must be aware that State Disability Insurance is non-taxable income and must give careful consideration to the tax implications if leave hours are restored. The Paid Family Leave benefits, however, are subject to federal income taxes and will be reported to IRS.

___ I wish to restore my leave hours with my State Disability/Family Paid Leave Benefit.

___ I **do not wish** to restore my leave hours with my State Disability/Family Paid Leave Benefit.

Name (Print)

Signature

Date