PAYROLL PROCEDURES MANUAL

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(Revised 10/08)

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SUBJECT: OVERVIEW

TYPES OF DISABILITY **E 001**
(Revised 01/08

Following are the types of disability payments currently available for state employees.

See section numbers indicated for detailed instructions for each type of disability payment.

Type	Description	Section
Nonindustrial Disability Insurance (NDI)/Civil Service	Nonwork related	E 100
Labor Code 4800 (LC 4800)/Bargaining Unit 5 Employees	Work related for specific agency/safety classes	E 200
Temporary Disability (TD)/Civil Service	Work related for Civil Service employees	E 300
Industrial Disability Leave (IDL)/Civil Service	Work related for PERS/STRS members	E 400
IDL/CSU Sick Leave Supplement/CSU only	Work related for CSU employees	E 425
IDL with Supplementation/Civil Service	Work related for eligible Civil Service employees	E 450

Nonindustrial Disability Insurance (NDI)/CSU	Nonwork related	E 500
Temporary Disability (TD)/CSU	Work related for CSU employees	E 600
Industrial Disability Leave (IDL)/CSU	Work related for PERS/STRS members	E 700
State Disability Insurance (SDI)	Non-work related for eligible Civil Service employees.	E 800

PROGRAM RESPONSIBILITIES **E 002**
(Revised 01/08)

State Compensation Insurance Fund (SCIF) is responsible for administering all work-related disability claims for TD, IDL and LC 4800 for State Agencies as a Third Party Administrator (TPA).

WARD of North America is responsible for administering all work-related disability claims for TD and IDL for CSU Campuses as a TPA.

Agencies/Campuses are notified by their TPA via:

- A Copy of a check issued directly to the injured employee,

OR

- An Authorization form approving dates of disability - SCIF Form 290/3290.

that an injury/illness claim has been approved/disapproved as work related.

Employment Development Department (EDD) is responsible for administering all non-work related disability claims for NDI and SDI. Agencies/campuses are notified by EDD via Authorization To Pay Non-industrial Disability Insurance, Form DE8500A, that an injury/illness is approved. SDI claims are paid directly to the employee by EDD.

CHANGE IN BENEFITS FOR CSU **E 003**
(Revised 04/99)

Refer to the following chart for change in benefits for CSU employees.

CSU

CHANGE OF BENEFIT

	FROM TD	**FROM IDL**
TO IDL	**90th calendar day only (IDL 2/3)**	
TO TD		**90th calendar day only**

APPROVED INJURY OPTIONS **E 003.1**
(Revised 05/05)

CIVIL SERVICE

APPROVED INJURY OPTIONS
(BY BARGAINING UNIT)

CBID	BASIC IDL	IDL 2/3	IDL W/Supp	TD	TD W/Supp
R01	X	X	X[1]	*	*
R02	X	X	X[5]	X	X
R03	X	X	X[1]	*	*
R04	X	X	X[1]	*	*
R05	NO	NO	NO	X	X
R06	X	X	X[1]	*	*
R07	X	X	X[4]	*	*
R08	X	X	X[1]	*	*
R09	X	X	X[2]	*	*
R10	X	X	X[1]	*	*
R11	X	X	X[1]	*	*
R12	X	X	X[2]	*	*
R13	X	X	X[2]	*	*
R14	X	X	X[3]	*	*
R15	X	X	X[1]	*	*
R16	X	X	X[2]	*	*
R17	X	X	X[3]	*	*
R18	X	X	X[1]	*	*
R19	X	X	X[2]	*	*
R20	X	X	X[1]	*	*
R21	X	X	X[5]	X	X
Excluded C, M, S, E97, E98, E99	X	X	X[4]	*	*
Non-PERS Members	NO	NO	NO	X	X

* **AFTER** IDL benefits have been exhausted employee may be entitled to TD.
[1] Effective 01/01/93
[2] Effective 07/01/93
[3] Effective 01/01/94
[4] Effective 01/01/95
[5] Effective 10/01/97

PIP DOCUMENTATION **E 004**
(Revised 01/08)

Most disability payments can be documented on the Miscellaneous Payroll/Leave Actions form, STD. 671 (available on DGS web site or from DGS stores) and keyed via the Payroll Input Process (PIP) Miscellaneous Detail screen. These disability payments are current and prior month IDL, CSU IDL Sick Leave Supplementation, IDL with Supplementation, TD Full and Partial Supplementation, and NDI. Be sure to review the list of exceptions in Section E 006 before keying current and prior month disability requests. Prior month disability payments are defined as payments for pay periods that are up to twelve months prior to the current pay period. DO NOT SEND FORMS STD. 671 TO SCO DISABILITY UNIT.

NOTE: Regular pay must be issued before "full" IDL or Enhanced IDL can be keyed.

The "Full" IDL or Enhanced IDL payment is reduced by the amount that would have been withheld for Federal and State taxes, Social Security, Medicare and State Disability Insurance. Regular pay must be issued prior to keying the "Full" IDL or Enhanced IDL so it will aggregate and correctly reduce the gross.

TIMING **E 005**
(Revised 04/99)

Disability pay request should be keyed one payroll cycle after the PAR/PPT Transaction. If both the PAR/PPT transaction and the PIP pay request transaction are keyed in the same daily cycle the pay request will reject.

For *negative attendance* employees, current month disability payments should be keyed during green cycles. If disability payments are keyed prior to master payroll, payments will reject. If disability payments are keyed after the green cycles, the payments will be delayed until the first cycle of the following month.

For *positive attendance* employees, current month disability payments may only be keyed after the close of the pay period.

For prior month disability payments, requests may be keyed at any time during the month.

PIP EXCEPTIONS **E 006**
(Revised 05/05)

There are a number of requests for current and prior disability payments which cannot be processed via the PIP System. The keying of these exceptions to PIP may result in erroneous payments, including overpayments.

Requests for exception payments must be submitted to PPSD, Payroll Operations, on form STD. 674D for IDL and NDI on form STD. 674 for TD. Requests may be submitted via FAX. Do not follow up with a hard copy of the FAX copy document as this creates duplicate transactions and unnecessary workload.

DO NOT REQUEST DISABILITY PAYMENTS VIA PIP IN THE FOLLOWING CASES:

FOR:	DO NOT KEY:	SUBMIT:
NDI	• **Hourly employees, who are not Public Employees' Retirement System members, but are entitled to NDI (Retirement Code TM or TD for part-time, Seasonal, and Temporary employee's Retirement Plan.** • **Prior month requests where transfers of funds and/or adjustments are necessary for the pay period.** • **Requests for any employee who is on an Academic 9/12, 10/12, 11/12 pay plan.** • **CSU Catastrophic Leave (NDI Supp)** • **Requests for any employee who has a locked-in premium pay which is not included in NDI pay (i.e. VPL 1).** • **Requests for an employee with a premium pay not locked in the PAR but should be included in NDI pay.**	**STD. 674D**

FOR:	DO NOT KEY:	SUBMIT:
	• **Requests for Annual Leave Supplementation**	
TD	• **Requests for any employee who is on an Academic 9/12, 10/12, 11/12 Pay Plan.** • **Prior month requests where transfers of funds and/or adjustments are necessary for the pay period.** • **Request for shift differential that has been included in salary rate which is not lock-in.** • **Request for an employee who has locked-in premium pay which is not included in TDL pay (i.e. VPL 1).** • **Requests for an employee with a premium pay not locked in the PAR but should be included in TD pay.**	**STD. 674**
IDL	• **Requests for any employee who is on an Academic 9/12, 10/12, 11/12 Pay Plan.** • **Requests for IDL shift pay which is not locked-in.** • **Requests which must be reduced for any reason.** • **Requests for employees who have multiple salary rates or positions in the pay period.** • **Requests for any employee who has a locked-in premium pay which is not included in IDL pay (i.e. VPL 1).** • **Prior month requests where transfers of funds and/or adjustments are necessary for the pay period.** • **Requests for an employee with a premium pay not locked in the PAR but should be included in IDI pay.**	**STD. 674D**

FORM STD. 671 COMPLETION REQUIREMENTS **E 007**
(Revised 05/05)

After reviewing PIP Exceptions (E 006), complete the form STD. 671 as follows:

Item	Enter
	Pay Period
1	Type
2	Month (2 digits)
3	Year (2 digits)
4	Agency Name
8	Social Security Number
9	Initials
10	Name (surname)
	Position
11	Agency (Agency Code)
12	Unit (Reporting Unit)
13	Class
14	Serial
15	Earnings ID
	"NDI" for NDI
	"NDIW" for working while on NDI (if completed 957 code 22 on PAR)
	"NDGW" for working while on NDI (to reduce NDI gross/gross field completed)
	"NDIG" for NDI payments requiring gross field to be completed

FOR:	DO NOT KEY:	SUBMIT:

"FIDL" for IDL - Full or Enhanced IDL
"IDL" for IDL - 2/3
"IDLS" for IDL Full Supplementation
"IDLP" for IDL Partial Supplementation
"IDLC" for CSU IDL Sick Leave Supplementation
"TD" for TD Partial Supplementation
"TDF" for TD Full Supplementation

Time to Pay
16 Days
17 Hours/Hdths
19 Salary Rate - For NDI payments, use the salary rate that was in effect at the inception of the employee's NDI benefit period. (FT employee use FT salary; Fractional employee use fractional salary; Intermittent/hourly employee use hourly salary).
21 Gross - Review E 007.1 for when gross should be completed.
23 Total Time Complete for batch entry control
24 Total Salary Rate - Complete for batch entry control
25 Total Gross - Complete for batch entry control Authorized Signature/Phone/Date

NOTE: DO NOT SEND FORM STD. 671 TO SCO DISABILITY UNIT

DISABILITY PAY REQUEST VIA PIP (MISCELLANEOUS SCREEN) **E 007.1**
(Revised 05/05)

REGULAR IDL, NDI AND TDL PARTIAL PAYMENTS

If Requesting Payment For:	When to Key:
• **Current Month**	
Negative Attendance	**During applicable green cycles**
Positive Attendance	**After the close of the pay period**
• **Prior Month**	**Anytime during the month**

REGULAR NDI AND IDL PAYMENTS

If Requesting Payment For:	Key Salary Rate	Key Time	Key Gross	Key Earnings ID:
NDI	**YES**	**YES**	*****	**NDI, NDIG, NDIW, NDGW**
IDL Full	**YES**	**YES**	**NO**	**FIDL**
2/3 IDL	**YES**	**YES**	**NO**	**IDL**

* See the NDI Payments Chart on the following page for NDI payments requiring gross field to be completed.

SUPPLEMENTATION PAYMENTS

If Requesting Payment For:	Key Salary Rate	Key Time	Key Gross	Key Earnings ID:

IDL Full	**YES**	**YES**	**YES**	**IDLS**
IDL Partial	**YES**	**YES**	**NO**	**IDLP**
TD Full	**YES**	**YES**	**YES**	**TDF**
TD Partial	**YES**	**YES**	**NO**	**TD**
CSU IDL Sick Leave	**YES**	**YES**	**YES**	**IDLC**

WORKING WHILE ON NDI

If Requesting Payment For:	**Key Salary Rate**	**Key Time**	**Key Gross**	**Key Earnings ID:**
CSU employee whose EH reflects an A57 transaction with Code 22	**YES**	**YES**	**NO**	**NDIW**
Civil Service employee whose EH reflects an A03 or SPC with Code 22	**YES**	**YES**	**NO**	**NDIW**
Civil Service employee whose EH reflects an A03 or SPC with Code 22 (When NDI gross must be reduced)	**YES**	**YES**	**YES**	**NDGW**

NDI PAYMENTS

If Requesting Payment For:	**Key Salary Rate**	**Key Time**	**Key Gross**	**Key Earnings ID:**
Civil Service Annual Leave Employee	**YES**	**YES**	**YES**	**NDIG**
CSU or Civil Service fractional employee in two or more positions	**YES**	**YES**	**YES**	**NDIG**
CSU or Civil Service employee who has any transaction that affects salary rate posted after an S49 transaction during the NDI eligibility period (e.g., S49 effective 06/01; GEN effective 07/01)	**YES**	**YES**	**YES**	**NDIG**
CSU or Civil Service hourly employee who earns less than the maximum amount on the NDI salary conversion table	**YES**	**YES**	**YES**	**NDIG**
CSU or Civil Service employee who has a payment that must	**YES**	**YES**	**YES**	**NDIG**

be reduced for any reason (e.g., if the combination of regular pay and NDI pay will exceed employee's salary rate)

SPECIAL PROCESSING **E 008**
(Revised 04/99)

Payroll Operations is required to do special processing any time an employee received pay for one payment type and it is later determined that it should be for another disability payment type.

The most common occurrence is when an employee receives regular pay (payment type 0) and it should now be a disability payment.

Occasionally, the employee has received another type of disability. When an employee retroactively changes benefits from IDL to TD, TD to IDL, IDL to NDI, or NDI to IDL and disability pay has already been ISSUED and RELEASED, submit form STD. 674D for IDL/NDI changes. If the change is TD/IDL submit to Payroll Operations form STD. 674D and form STD. 674 stapled together. Form STD. 674 should request TD.

On the following page, a chart shows in brief form the transactions involved. REFER TO THE SPECIFIC DISABILITY SECTION FOR DETAILED INFORMATION AND PAM/PIMS FOR EMPLOYMENT HISTORY UPDATES.

CHANGE BENEFIT = PAYROLL DOCUMENT/PROCEDURE

	FROM REGULAR PAY PT O	FROM IDL PT 6/N	FROM NDI PT T	FROM TD (if supplementing) PT U
To Reg Pay O		**(a) . Submit 674D to T/F (p) . T/F from IDL to regular . Adjust regular pay . Establish SS/Medicare deduction if applicable**	**(a) . Submit 674D to T/F (p) . T/F from NDI to regular pay . Establish retirement deduction if subject . Issue regular pay if applicable**	**(a) . Submit 674 to T/F & request regular (p) . T/F from TD to regular . Issue add'l pay or reverse A/R, if applicable**

CHANGE BENEFIT = PAYROLL DOCUMENT/PROCEDURE

	FROM REGULAR PAY PT O	FROM IDL PT 6/N	FROM NDI PT T	FROM TD (if supplementing) PT U
To IDL PT 6/N	**(a)** **. Submit 674D for T/F** **(p)** **. T/F from regular to IDL** **. Process A/R for balance** **. Refund SS/Medicare if withheld from regular pay** **. Refund ded. codes 026, 027, 028, 029, 030, 095, 099 if taxable income is less than deduction**		**(a)** **. Submit 674D to T/F** **(p)** **. T/F from NDI to IDL** **. Process A/R for balance** **. Issue IDL adjustment** **. Refund SS/Medicare if held from NDI pay** **. Refund taxes for current year only**	**(a)** **. Submit 674 for TD cancellation** **. Submit 674D for IDL payment** **(p)** **. T/F from TD to IDL** **. Process A/R for balance** **. Issue IDL adjustment** **. Refund SS/Medicare if applicable** **. Refund taxes for current year only**
To NDI PT T	**(a)** **. Submit 674D to T/F** **(p)** **. T/F from IDL to NDI** **. Establish A/R if necessary** **. Credit retirement if deducted**	**(a)** **. Submit 674D to T/F** **(p)** **. T/F from IDL to NDI** **. Establish A/R if necessary** **. Credit retirement deduction** **. Establish SS/Medicare deduction if applicable**		**(a)** **. Submit 674 for TD cancellation** **. Submit 674D for NDI payment** **(p)** **. T/F from TD to NDI** **. Issue NDI adjustment if necessary** **. Credit retirement deduction**
To TD PT U	**(a)** **. Submit 674 for T/F** **(p)** **. T/F from Regular to TD** **. Establish A/R**	**(a)** **. Submit 674D for T/F A/R** **. Submit 674 for TD if supplementing** **(p)** **. T/F from IDL to TD** **. Adjust gross if necessary** **. Establish A/R for any difference** **. Establish SS/Medicare deduction if applicable**	**(a)** **. Submit 674D for NDI A/R** **. Submit 674 for TD, if supplementing** **(p)** **. T/F from NDI to TD** **. Adjust gross if necessary** **. Establish retirement deduction**	

KEY

(a) = Agency/Campus action required
(p) = Payroll Operations action required
PT = Payment Type
T/F = Transfer of Funds
A/R = Account receivable

Listed below are the types of disability payments and the deductions allowed. For additional information regarding deductions, see Deductions, Section H, or the specific disability section.

DISABILITY PAYMENTS/DEDUCTIONS

Type of Deduction	NDI	LC 4800	IDL	IDL/S	SUPPL. TD	SCIF PAYMENT
Federal/State Income Taxes	**YES[2]**	**NO**	**NO**	**YES**	**YES**	**NO**
Retirement	**NO**	**YES**	**YES**	**NO**	**YES[4]**	**NO**
Social Security/Medicare	**YES[3]**	**YES**	**NO**	**YES**	**YES**	**NO**
Medicare	**YES[3]**	**YES**	**NO**	**YES**	**YES**	**NO**
State Disability Insurance	**NO**	**NO**	**NO**	**NO**	**NO**	**NO**
Survivors	**NO**	**YES**	**YES[2]**	**NO**	**YES[2]**	**NO**
Garnishments (exceptions)	**NO**	**YES**	**NO**	**YES[2]**	**YES[2]**	**NO**
Order assigning salary or wages for support FC150, 5200 and PC3088 (Code 038)	**YES**	**YES**	**YES**	**YES**	**YES[2]**	**NO**
Voluntary Child Support	**YES**	**NO**	**YES**	**YES**	**NO**	**NO**
Earnings withholding order for support CC706.030 (Code 339-002)	**YES**	**YES**	**YES**	**YES**	**YES[2]**	**NO**
Dues	**YES[2]**	**YES**	**YES**	**YES**	**YES[1]**	**NO**
Deferred Comp.	**YES[2]**	**NO**	**NO**	**YES[2]**	**YES[2]**	**NO**
Tax Shelter	**YES[2]**	**NO**	**NO**	**YES[2]**	**YES[2]**	**NO**
Misc. Vol. Ded.	**YES[2]**	**YES**	**YES**	**YES[2]**	**YES[2]**	**NO**

1 Deducted automatically unless employee not covered by MOU or form STD. 674 specifically requests that the dues deduction(s) NOT be withheld.
2 If sufficient gross, deducted automatically.
3 Effective 1/1/82.
4 If sufficient gross, deducted automatically. Based only on TDS gross.

E 100

REFERENCES
(Revised 09/02)

Enhanced NDI Calculator - Civil Service – (http://www.sco.ca.gov/ppsd/endi/index.shtml)
GC 19878 – 19885
Unemployment Insurance Code 2781 - 2783

Civil Service References:

SAM	8539
DPA Rules	599.770 - .775
PTM	425 - 427.3

Exempt: Judicial Council Memorandum 88-81

INTRODUCTION
(Revised 04/99)

NDI is a benefit for employees who become disabled due to a nonwork related injury or illness.

DPA has overall program responsibility for the Nonindustrial Disability Insurance (NDI) program for civil service employees. The Judicial Council has program responsibility for employees of state courts and other judicial agencies exempt from civil service.

EDD has administrative responsibility for the Nonindustrial Disability Insurance Program.

NDI payments are identified as payment type "T".

GENERAL NDI ELIGIBILITY **E 101**
(Revised 05/05)

NDI applies only to employees in compensated employment:

- All permanent or probationary full-time state officers/employees who are members of PERS/STRS.

- All part-time and permanent intermittent state officers/employees must have six monthly compensated pay periods of service within the 18 months immediately preceding the pay period in which the disability begins whether or not the employee is a member of PERS/STRS. Intermittent employees must have a total of 960 hours. except Bargaining Unit 18 who need 1008 hours. Hours include all hours paid on an hour for hour basis, (i.e. overtime hours paid at straight time).

NOTE: "Full-time" employee includes one who is currently serving under a temporary or limited-term appointment, and has permanent or probationary status. Also included are employees in more than one position if the total of the employee's fractional appointments is full-time.

Refer to the Civil Service Chart in Section E 103 for specific eligibility requirements and/or benefits for employees. If the information you need is not contained in the Benefits Chart, consult the appropriate bargaining unit contract or the DPA Laws and Rules/Government Code.

ELIGIBILITY FOR BENEFITS **E 102**
(Revised 05/05)

To qualify for NDI pay, rank and file employees in BUs 5, 6, 8 and non-represented employees disabled on or after 10/1/84 must serve a seven day waiting period. All other employees must serve a ten consecutive calendar day waiting period.

The waiting period is waived if the employee is confined in a hospital or nursing home at least one day, or requires treatment in a hospital surgical unit or surgical clinic.

Rank and file employees in bargaining units 5, 6 and 8 are required to exhaust all sick leave credits before NDI commences. Rank and file employees in all other bargaining units and non-represented employees, disabled on or after 10/1/84, who elect to use sick leave, vacation, or other leave credits prior to receiving NDI Benefits, are NOT required to exhaust their accrued sick leave, vacation, or other leave credit balance(s). Once the NDI payment begins, an employee may at any time switch from NDI to sick leave, vacation leave, or other leave credits but may not return to NDI until that leave is exhausted.

Annual leave employees serve a 7-day waiting period and are NOT required to exhaust accrued annual leave or sick leave credit balances prior to receiving NDI benefits. Once the NDI payment begins, an employee may at any time switch from NDI to annual leave or other leave credits but may not return until that leave is exhausted.

Employees designated 'E88' or 'E89' (Judicial Council) are NOT required to exhaust sick leave or other leave credit balances prior to receiving NDI benefits. Once the NDI payment begins, an employee may at any time switch from NDI to available leave credits but may not return until that leave is exhausted.

An employee is eligible for NDI benefits for any period for which EDD has certified as an eligible period.

An employee is NOT eligible for NDI benefits with respect to any period for which an employee has received or is entitled to receive Unemployment Compensation benefits.

An employee is NOT eligible for NDI benefits for any day of unemployment and disability for which he has received, or is entitled to receive, other benefits (e.g., Temporary Disability or Industrial Disability) unless other such benefits are less than the amount the employee would otherwise receive as NDI benefits. The employee shall then be entitled to NDI for each full day, reduced by the amount of other such benefits.

Example: The TD benefit is $10 and the NDI benefit is $19; NDI is reduced so the employee receives $10 TD and $9 NDI.

An employee is NOT eligible for NDI benefits for any day on or after death, separation, or retirement from state service.

CIVIL SERVICES NDI BENEFITS CHART **E 103**
(Revised 01/08)

BARGAINING UNIT	EFF. DATE (DISABLED ON/AFTER)	WEEKLY MAX PAY	LIMITATION (% OF FULL SALARY)	WAITING PERIOD	MANDATORY SICK LEAVE USAGE
Check bargaining unit contract for benefit details.					
1**					
2					
3**					
4**					
5 Annual Lv.					
6					
7					
8					
9					
10 Annual Lv.					
11**					
12 Annual Lv.					
13 Annual Lv.					
14**					
15**					
16 Annual Lv.					
17**					
18					
19					
20**					
21**					

BARGAINING UNIT	EFF. DATE (DISABLED ON/AFTER)	WEEKLY MAX PAY	LIMITATION (% OF FULL SALARY)	WAITING PERIOD	MANDATORY SICK LEAVE USAGE
UNREPS NON-ANNUAL LEAVE	10/01/76-FT 01/01/79-PI	$125	50%	10 DAYS	NO
UNREPS NON-ANNUAL LEAVE	01/01/89	$135	60%	7 DAYS	NO
E88 E89	07/01/88	50% OF FULL SAL.	50% (NO CAP)	7 DAYS	NO
UNREPS* ANNUAL LEAVE ALL EXCL.	01/01/87 08/30/92	50% OF FULL SAL.	50% (NO CAP)	7 DAYS	NO

* EMPLOYEES WHO ARE DESIGNATED MANAGERIAL (CBID M), NONSTATUTORY (CBID E99), OR STATE TRAFFIC SERGEANTS (CBID S05) ARE ELIGIBLE FOR THE ANNUAL LEAVE OPTION

** Effective 04/2006 pay period employees are not eligible for NDI or ENDI Benefits. Employees are covered under SDI.

NDI is payable monthly for a period not exceeding 26 weeks for any one disability. The 26-week benefit period shall be equivalent to 182 calendar days. Calendar days on NDI will be based on the "State Pay Period Calendar."

EXAMPLE: An employee is on NDI for the entire month of February 1999. Inclusive dates on NDI would be February 1 through March 1, 1999 and the employee would be due 29 days of NDI for the February 1999 pay period.

NDI benefits are computed based on the employee's salary rate at the inception of the benefit and are NOT modified by any subsequent salary increases or decreases.

Annual Leave employees who have elected Supplementation will be paid the Supplementation at the salary rate that is effective in the pay period being paid.

NDI benefits for annual leave employees receive 50% of their gross salary for up to 26 weeks. Annual leave employees must elect to receive the 50% NDI benefit only or to supplement at a rate of 75% or 100% income replacement at the time they file a claim for NDI. Once the employee's claim is approved, the chosen benefit is maintained for the entire benefit period and cannot be changed.

EXCEPTION: Bargaining Unit 5 employees who are allowed to change their Supplementation level one time – Check Bargaining Unit Contract for more details. However, when an employee is unable to maintain the level of Supplementation he/she has elected, he/she should receive NDI only with NO Supplementation.

NDI benefits for employees designated 'E88' or 'E89' and are disabled on or after 7/1/88 receive 50% of their gross salary for 26 weeks. Employees who elect annual leave or are designated 'E88' or 'E89' may supplement their disability payments to provide for up to 100% income replacement. At the time of an NDI claim, an employee may elect either the 50% NDI benefit rate or a supplementation level of 75% or 100% gross pay.

DOCUMENTATION **E 104**
(Revised 05/05)

To file first claim for NDI, employees must obtain an EDD claim Form DE 8501, Nonindustrial Disability Insurance, and Information Collection and Access, Form DE 8545 NDI, from their agency personnel office. The personnel office will complete the “Employer Information” section of Form DE 8501. The employee must complete the “Claim Statement of Employee” section of the Form DE 8501 and the doctor completes the “Doctor’s Certificate” section of the form and mails it to EDD.

NOTE: Consult PAM Section 5.29 to determine if it is appropriate to process a PAR to document pending disability.

EDD will determine eligibility and notify the agency and the employee if the disability claim has been approved per Authorization to Pay Nonindustrial Disability Insurance, Form 8500A or disapproved per Notice of Determination, Form 8517c. The agency must maintain the DE8500A on file for audit.

Upon notification of eligibility, a PAR must be processed to update the Employment History Record. See PAM 5.30 for documentation procedures. Transaction Code S57, "pending disability", must be voided, if entered, when EDD makes a decision to approve/deny the disability claim. NDI pay for current and prior (no more than 12 months) month is documented on form STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions and E 007 for form STD. 671 completion instructions.

Form STD. 674D must be submitted for NDI PIP Exceptions. See Section E 114 for completion instructions.

WORKING WHILE ON NDI **E 105**
(Revised 04/99)

Employees may, at the discretion of the agency and upon medical verification, work while on NDI and receive benefits for the same dates, as long as their NDI benefits plus their regular pay does not exceed 100% of their gross pay for the pay period.

NDI pay for an employee who is working while on NDI may be requested via the PIP system, provided it is not listed as a PIP Exception in E 006. If listed as a PIP Exception, form STD. 674D must be submitted to request the pay. Enter in Item 6 the number of hours and Code "W" for worked, including holiday(s) if employee should be paid regular pay.

NOTE: If reinstated and the employee works less than 11 days in a pay period, it may be necessary to process a 715 transaction PAR. See PAM 2.90 to determine if documentation is necessary. THE TIME ENTERED ON THE 715 TRANSACTION MUST AGREE WITH THE TIME REQUESTED.

Current Month

When an employee is being reinstated, a form STD. 603 may be processed to reduce the time reflected in "Time to be Paid" on the PAR/PPT (e.g., transaction A03, S49, A57). Form STD. 603 must only reflect the additional dock time.

Employees on Item 957 Code 22 status will receive a full month payroll master warrant unless a form STD. 603 is processed before cutoff to reduce time to be paid or a PAR 715 transaction for a disqualifying pay period is processed.

HOLIDAY ON NDI **E 106**
(Revised 05/05)

Holidays will be paid as follows:

- Employee on NDI status only, will be paid NDI pay for holidays.
- Employees who are working while on NDI are entitled to regular pay for the holiday (based on time base appointment) in addition to NDI as long as he/she works some hours during the NDI benefit period.
- Annual Leave employees who elect NO Supplementation receive only NDI benefits payments for holidays. Employees who elect Supplementation at 75% or 100% shall receive (regular pay) full credit based on time base appointment and NDI compensation for the holiday.

DEDUCTIONS **E 107**
(Revised 04/99)

Federal and State Income Tax deductions will be withheld provided there is enough taxable gross. Gross amount will be reported on Form W-2 as "Wages, tips, and Other Compensation."

NDI payments are subject to Social Security and Medicare and will appear on Form W-2 as Social Security wages and Medicare wages. If the employee has reached the Social Security maximum for the year, then only Medicare will be withheld.

No retirement contributions or survivors benefits will be withheld nor will state contributions be made.

Orders assigning salary or wages filed under FC 150, 5200; PC 3088 and Earnings Withholding Order for Support CC 706.030 will be withheld from NDI payments (per CCP 704.110 and 688.030).

If there is sufficient NDI gross, all miscellaneous deductions (including flexible benefit deductions) will be withheld unless canceled by the employee.

NOTE: Flexible benefit deductions may only be canceled by the participant if there is a permitting event. If an employee's health benefit, dental, vision, or life insurance deductions are withheld, the state contribution will also be made.

Refer to PPM Section G 004 to determine if a special/premium pay should be included/excluded in the gross base salary when computing NDI pay.

Shift Differential
When night shift differential is not locked into the salary rate AND the gross salary is less than the maximum salary rate based on CBID (PPM Section E 103) and PPM Section Z, Attachment E-1, determine the employee's monthly shift rate (refer to PPM Section Z, Attachment G-1) and add to the gross salary.

Example: An employee's gross base salary is $900.00, CBID R01, and is entitled to night shift differential ($.35/hour). The NDI gross would be computed using $961.60 (900 + 61.60).

Full Time
Full pay is defined as the salary earnable and subject to retirement contributions on the date disability begins.

Part-Time
When employment is regularly scheduled and is a fixed proportion of the established work week, the payments shall be determined on the basis of that proportionate part of the monthly rate.

Example: An employee is scheduled to work half-time. The employee's full total salary rate is $444.00, based on a salary rate of $888.00. The NDI gross would be computed using $444.00, full total salary rate.

When shift pay is not locked into the salary rate, see example under SHIFT DIFFERENTIAL to determine the hourly rate.

10/12 Pay Plan
Full pay is defined as the monthly rate multiplied by 12 and divided by 10 to calculate monthly gross salary.

Intermittent
Payments shall be determined on the basis of the proportionate part of a monthly rate established by the TOTAL hours ACTUALLY paid in the 18 monthly pay periods immediately preceding the pay period in which the disability began. This Includes all hour paid and overtime hours worked at straight time only (hour for hour). If the employee worked less than 18 months, agencies always divide by 18.

Example: An employee is appointed 18 months or more prior to the pay period in which the disability began. The employee worked 1,950 hours in the previous 18 pay periods. Salary rate when benefits began was $8.65/hour.

1,950 hours ÷ 18 pay periods = 108.33333
(average hours worked per pay period)
108.33333 X 8.65 = $937.08330 + .005 = $937.08 monthly salary rate.

The NDI gross should be computed using $937.08 as the monthly salary rate.

Example: An employee is appointed less than 18 months prior to the pay period in which the disability began. The employee was appointed January 20, NDI benefits began November 9, salary rate when benefits began was $8.65/hour, and hours worked were as follows:

January	10	June	120
February	80	July	120
March	0	August	120
April	160	September	140
May	0	October	100
		TOTAL HOURS	850

The month in which the disability begins is not counted.

850 hours ÷ 18 pay period = 47.22222
(average hours worked per pay period)
47.22222 X 8.65 = 408.47220 = $408.47

The NDI gross should be computed using $408.47 as the monthly salary rate.

NDI GROSS COMPUTATION **E 109**
(Revised 05/05)

For employees, except those on annual leave and those with multiple fractional positions, NDI gross may be computed by using the salary conversion tables (See PPM Section Z, Attachment E-1). (For annual leave computation, see Section E 110.)

Use the gross base salary (see Section E 108) and the salary conversion table (See PPM Section Z. Attachment E-1) to find the corresponding NDI daily rate and proceed to Step 4.

For those employees whose salary rates are not included in the salary conversion tables because they are not "whole" numbers (e.g., 457.35; 583.75) round the actual salary to the nearest on the table and use the listed rates. For those salaries less than $350.00, follow steps 1 through 4 to compute NDI gross. For those salaries equal to or greater than the maximum listed, use the maximum rate.

Provided with each step is an example based on an employee whose gross base salary is $888.00 per month and is entitled to 26 days NDI benefits.

1. DETERMINE HOURLY RATE: (5 decimal places)

Divide monthly rate by 173.33, then add .005. Count two digits to the right of the decimal point and drop the remainder. Be sure not to round again; e.g., $888.00 ÷ 173.33 = 5.12317 + .005 = 5.12817 = $5.12

For academic employees, determine the hourly rate by dividing the annual salary rate by the number of academic days in the academic year, divide answer by 8 (5 decimal places), add .005 and drop the last three digits.

For daily rate employee, determine hourly rate by dividing the daily rate by 8.

2. DETERMINE WEEKLY RATE:

Multiply hourly rate by 40, then multiply by .50. Count two digits to the right of the decimal point and drop the remainder. Be sure not to round again.

Example:

$5.12 x 40 x .50 = 102.40000 = $102.40

3. DETERMINE NDI DAILY RATE:

Divide weekly benefit amount by 7 (days in a week) (5 decimal places).

Example:

$102.40 ÷ 7 = $14.62857

4. DETERMINE NDI GROSS:

Multiply NDI daily rate by the number of days the employee is entitled to NDI benefits. Count two places to the right of the decimal point and drop the remainder, be sure not to round again.

Example: NDI PAY

$14.62857 x 26 days = 380.34282 = $380.34 NDI gross

Example: REGULAR AND NDI PAY IN SAME PAY PEIROD

During the October 1999 pay period, an employee is due NDI 10/1 through 10/3 and regular pay 10/4 through 11/1. The salary rate is $1,100.00 and NDI is computed based on that rate.

Regular pay - 21 days =	$1,050.00
NDI pay - 3 days =	57.86
TOTAL	1,107.86
Monthly Salary Rate	1,100.00
Excess	7.86
Corrected NDI Gross	$ 50.00

Example: NOT ENTITLED TO NDI PAY = Entitled to Full Month Regular Pay

For the August 1999 pay period, an employee is eligible for NDI for 8/1 (a Sunday). The employee returns to work on 8/2 through 8/31 and works an entire month.
The salary rate is $1,100.00 and NDI is computed on that rate.

Regular pay - 22 days =	$1,100.00
NDI pay - 11 days =	19.29
TOTAL	1,119.29
Monthly Salary Rate	1,100.00
Excess	19.29

NOTE: Do NOT submit form STD. 674D to Payroll Operations when this situation occurs. The employee is not entitled to NDI pay.

5. FRACTIONAL EMPLOYEE:

If employee has only one active position, calculate NDI gross based on the actual (fractional) salary rate following steps above.

If the employee has two or more active positions, follow the steps outlined below.

a. Add the salary rates of the positions together. If the combined salary rate is greater than the maximum salary rate based on CBID (Section E 103), refer to salary conversion table (See PPM Section Z, Attachment E-1) to determine weekly rate.

b. Divide the based-on daily rate by the combined salary rates and multiply by the actual salary rate of the position in which NDI is due.

c. Multiply fractional daily rate by the number of days the employee is entitled to NDI benefits (5 decimal places). Count two digits to the right of the decimal point and drop the remainder. This is the NDI gross.

Example: NDI SPLIT FOR FRACTIONAL POSITIONS

Employee is 3/10 time base in one position, actual salary rate $307.50; 6/10 time base in another position, actual salary rate $615.00. Employee is entitled to 25 days NDI in the 3/10 position, and/or 25 days NDI in the 6/10 position.

Step 1: $307.50 + 615.00 = 922.50 ÷ 173.33 = 5.32221 + .005 = 5.32721 = $5.32 (hourly rate)

Step 2: $5.32 x 40 x .50* = 106.40000 = 106.40 (weekly rate)

$5.32 x 40 x .60* (CBID R01) = 127.680000 = $127.68 (weekly rate)

Step 3: $106.40 ÷ 7 = $15.20000 (based on daily rate)

Step 4: $15.20 ÷ 922.50 x 307.50 = $5.06667 (daily rate 3/10 position)

Step 5: $5.06667 x 25 = 126.66675 = $126.66 NDI Gross for 3/10 position.

Repeat Steps 4 and 5 for the 6/10 position as follows:

Step 4: $15.20 ÷ 922.50 x 615.00 = $10.13333 (daily rate 6/10 position)

Step 5: $10.13333 x 25 = 253.33325 = $253.33 NDI Gross for the 6/10 position
* Based on CBID Section E 103.

For Enhanced NDI Calculator (CS) - see Web Site
http://www.sco.ca.gov/ppsd/endi/index.shtml

If an employee is supplementing NDI benefits with leave credits, calculate the supplementation amount and leave credits to charge as follows:

Example: 100% SUPPLEMENTATION (Fulltime Employee)

December 1998 pay period (22 work days). Employee is eligible for NDI from 12/11 through 12/31 (21 calendar days). Salary is $3,500.00.

Regular Payment Gross:

Regular pay 12/2 through 12/10 (7 work days = 56 hours)
$3,500 ÷ by 176 work hours x 56 hours worked = $1,113.64

NDI Payment Gross:

NDI pay 12/11 through 12/31 (21 calendar days)
$3,500 ÷ 173.33 (average hours/pay period) = $20.19269 + .005 = $20.19769 = $20.19 (hourly rate)
$20.19 multiplied by 40 (hours/week) x .5 (50% rate) = $403.80 (weekly rate)
$403.80 ÷ 7 (days/week) = $57.68571 (NDI daily rate)
$57.68571 x 21 (NDI days) = $1,211.3991 = $1,211.39 (NDI gross)

Supplementation Payment Gross:

$3,500 ÷ 176 x 120 = $2,386.36 (regular pay possible during NDI)

$2,386.36 (regular pay possible during NDI)
- $1,211.39 (NDI payment gross)
$1,174.97 (supplementation gross)

Supplementation Leave Credits to Charge:

$3,500 ÷ 176 (hours in 22 day pay period) = $19.886 (hourly Supplementation rate)
Round to $19.89 NOTE: Use 168 in 21 day pay period.
$1,174.97 ÷ $19.89 = 59.07 340 hours
Round to 59 hours
59 hours = 7 days 3 hours

Example: 75% SUPPLEMENTATION

Supplementation Payment Gross:

$3,500 ÷ 176 x 120 x .75 (75% rate) = $1,789.77 (regular pay possible during NDI)
$1,789.77 (regular pay possible during NDI)
- $1,211.39 (NDI payment gross)
$ 578.38 (supplementation gross)

Supplementation Leave Credits to Charge:

$3,500 ÷ 176 (hours in 22 day pay period) = $19.89 (hourly Supplementation rate)
$578.83 (Supplementation gross) ÷ $19.89 = 29.07893.
Round to 29 hours.
29 hours = 3 days 5 hours

Effective July 1, 1994, employees who supplement their NDI benefit at 100% income replacement will receive full State service credits for seniority purposes and annual leave credit. Employees who supplement their NDI benefit at 75% income replacement shall receive one-half credit for seniority and one-half the amount of annual leave granted to employees who supplement at 100%.

SPECIAL PROCESSING **E 112**
(Revised 04/99)

Overpayment of Regular Pay

When a form STD. 674D requests an A/R for regular pay and the employee is due NDI pay in lieu of what was received, Payroll Operations will transfer funds to NDI and, if necessary, establish an A/R for the gross regular pay overpayment. Since NDI is not subject to Retirement, this will also generate a Retirement adjustment.

NOTE: For the three examples which follow, the assumption is made that the employee has account code 08 retirement.

Example:

Employee paid 22 days regular pay at	$1,000.00
Due: 21 days regular pay	954.55
1 day NDI	19.29
Overpaid	$ 26.16

Payroll Operations will transfer one day regular pay into one day NDI and will transfer $19.29 gross. An A/R will be established for $26.16 gross regular pay overpayment. The NDI gross of $19.29 plus the $26.16 overpayment of regular pay is not subject to retirement; therefore, 5% of $45.45, or $2.27, will be credited against the A/R.

NOTE: Be sure to complete item 11 on form STD. 674D describing desired method of collection. If employee is on leave status (PAR), the A/R will be established as agency collection.

Example:

Employee paid 16 days 7 hours regular pay at		$1,000.00
	=	$ 767.04
Due 14 days regular pay		636.36
10 days NDI pay		192.86
Underpaid		$ 62.18

Payroll Operations will NOT establish an A/R in this situation, even though the employee is overpaid regular pay. Instead, a transfer of funds for 2 days 7 hours regular pay to 7 days NDI will occur for a gross of $130.68. This corrects the regular pay in the pay period. However, the employee is still due 3 more days of NDI for a gross of $62.18 which will be issued to the employee. Also, a "credit" adjustment of $6.53 (5% of $130.68) will be attached to the payment since the $130.68 gross transferred to NDI is not subject to retirement.

Overpayment of NDI pay

When a form STD. 674D requesting an A/R for NDI pay and the employee is due regular pay in lieu of what was received, Payroll Operations will transfer NDI to regular pay. Also, a "debit" adjustment for retirement will be made since regular pay is subject to retirement. The adjustment will be attached to any additional regular pay due after the transfer of funds.

Example:

Employee paid 31 days NDI pay at		$1,000.00
	=	$ 597.86
Due 27 days NDI pay		520.71
3 days regular pay		136.36
Underpaid		$ 59.21

Payroll Operations will transfer 4 days NDI pay to 2 days regular pay and will transfer $77.15 gross. An adjustment will be issued for 1 day regular pay and $59.21 gross. Attached to the adjustment will be a retirement deduction for $.00 amount in this case, because $136.36 regular pay is less than the $513.00 exclusion amount. However, $136.36 will be reported to PERS for service credit and state share purposes.

When a form STD. 674D requesting an A/R for NDI pay and the employee is due IDL or TD in lieu of what was received, Payroll Operations will follow a similar process described in E 300 and E 400.

NOTE: Do NOT document the TD request on form STD. 674D. Complete form STD. 674 as outlined in E 300 and submit as a package with form STD. 674D.

SUBMISSION OF FORM STD. 674D **E 113**
(Revised 04/99)

Most NDI pay requests can be documented on the Miscellaneous Payroll/Leave Action form STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions that must be documented on the Industrial/Nonindustrial Disability Pay/Adjustment Request, Form STD. 674D.

Employment History must be updated via PAR when placing an employee on NDI Leave. (Refer to PAM Section 5.29) It is imperative the information on Employment History is accurate as this is the foundation for auditing and verification purposes.

After Employment History has been updated, if NDI pay is a PIP Exception and therefore cannot be keyed, a form STD. 674D must be submitted for each pay period and position number.

When a summarized warrant is returned for redeposit, NDI pay can be reissued as follows:

- After the redeposit appears on Payment History (HIST) or after the Warrant Register for the redeposit is received, document the NDI pay requests on form STD. 671 (see Section E 007 for completion instructions) and key the request via the PIP Miscellaneous Detail screen.

- If the NDI pay is a PIP Exception (see Section E 006 and therefore, cannot be keyed, a form STD. 674D must be submitted. NDI pay will only be rescheduled according to the information provided in Item 8 for the pay period.

  To reschedule NDI pay for other pay periods redeposited on the summarized warrant, which cannot be keyed via PIP, submit form STD. 674D for each pay period.

Refer to PPM Section I 316, for completion instructions on returning summarized warrants. These instructions are specific to the Payroll Adjustment Notice, form STD. 674, but can also apply to form STD. 674D.

COMPLETION OF FORM STD. 674D **E 114**
(Revised 05/05)

Form STD. 674D to request NDI pay is to be completed as follows: (See PPM Section Z, Attachment E-2 Samples)

ITEM	ENTER:
1	CBID
2	Social security number
3	First and middle initials and last name (delete hyphens and enter as one name).
4	Regular position number on Line 1. If there is a mid-month Position Number change, enter new Position Number on Line 1 and old Position Number on Line 2.
5	Pay Period Type (refer to PPM Section B 007), Month and Year.
6	Intervening Activity/Working While on Disability Complete ONLY when employee is working while on disability. DO NOT SHOW TIME PRIOR TO OR AFTER A RETURN FROM A DISABILITY. ONLY enter the regular time worked or leave credits charged in lieu of regular time **scheduled to work.** DO NOT show time on NDI. Enter number of hours and code "W" (worked): Enter all Dock time in the pay period that is prior to or after the disability period.

Example:

6. INTERVENING ACTIVITY/WORKING WHILE ON DISABILITY – ENTER NUMBER OF HOURS & CODE (W-WORKED, L-DOCK, C-IDL)																															
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
								W 4	W 4	W 4			W 2	W 4	W 2	W 4	W 4		5W	8W	3W	6W									

7 Industrial Disability (IDL)

Complete ONLY when an employee is due IDL in the same pay period (refer to PPM Section E 413 for completion instructions).

8 Nonindustrial Disability (NDI)

a. Enter all inclusive dates employee is entitled to NDI benefits. If there is a break between dates, please make this clear.

Example:

"Employee on NDI from 3/9 - 3/17 and 3/26 through 3/30".

b. Complete this item ONLY if employee's salary rate is below the NDI maximum rate for the CBID.

Enter shift differential code and shift rate that is to be included in the NDI benefit calculation (refer to PPM Section Z, Attachment "G-1").

c. Enter the average number of hours worked in the previous 18 months for an intermittent employee (refer to PPM Section E 108 for computation procedures).

d. Check this item if employee is participating in the Annual Leave Program. If the employee elects supplementation indicate level of supplementation either 75 or 100%.

9 Payment Per Controller

Enter Issue Date, PAYMENT TYPE, Time Worked (either 21 or 22 days for a standard month), and Warrant/Direct Deposit Payment Number and/or Account Receivable Number for all payments, transfer of funds, and accounts receivable. DO NOT INCLUDE payments which have been previously returned. If a warrant is attached for redeposit, check the "RET" box, otherwise leave blank.

Reminder: If a warrant is attached to form STD. 674D for redeposit, the warrant and form must be sent to the Division of Disbursements.

10 Payment Should Be
(Total time for the pay period must be completed.)

Enter number of days and/or hours for each type of pay being requested. Enter time base fraction ONLY when regular pay is less than full-time.

NDI pay must be requested in "calendar days" - DO NOT convert to hours.

Supplementation payment must be requested in the SUPPL line.

Complete ONLY for regular non-locked in shift differential pay. Enter the shift code, number of hours and shift rate (refer to PPM Section Z, Attachment G-1).

Verify that the amount of time requested in each type of pay corresponds with the dates and/or hours reflected in items 6, 7a, 8a and/or 11.

11 Additional Information

The following must be reflected in this item, when applicable:

A. If account receivable is to be established as payroll deduction, enter one of the following:

   "Establish payroll deduction A/R for 1 deduction from next applicable pay period."

   "Establish payroll deduction A/R for _____ (enter number) deductions to start with next applicable pay period (not to exceed 12 pay periods)."

   "Establish payroll deduction A/R for 2% of salary rate or 1/12 of account receivable net."

B. If NDI gross must be split between two or more fractional positions, enter:

   "Adjust NDI per gross fractional positions."

   NOTE: Separate forms STD. 674D for each fractional position must be submitted as a package, unless fractional positions are in different departments. However, above statement must always be referenced on form STD. 674D.

C. If the combination of regular pay and NDI will exceed the employee's salary rate, enter:

   "Reduce NDI gross, to not exceed salary."

D. If employee has dock and time certified in item 10 (Payment Should Be) differs from time shown on Employment History, enter:

   "Employee on dock (enter date[s] and number of hours)."

E. If employee is entitled to Temporary Disability in the same period, enter:

   "Employee on TD (enter all inclusive dates)."

   NOTE: Attach completed form STD. 674 for Temporary Disability along with form STD. 674D and submit as a package (refer to PPM Section E 312 for completion instructions).

F. If a mid-month salary rate change occurs, enter:

"Employee due (enter days/hrs. at 1st salary rate) and (enter days/hrs. at 2nd salary rate)."

G. For semi-monthly employees on NDI and due regular pay, enter:

"Employee due (enter regular pay time) for 1st half and (enter regular pay time) for 2nd half.

H. If a civil service/exempt employee is supplementing NDI, enter:

"Employee supplementing % (enter percentage; e.g., 75% or 100%)."

I. If A/R(s) shown in item 9 needs to be adjusted, enter one of the following:

"A/R # _____ has been satisfied."

"A/R # _____ has not been satisfied."

J. Other - when applicable, enter:

"Employee is academic or 10/12."

"Employee has separated."

12 Authorized Signature (must be original) and date.
13 Complete ONLY if different than Authorized Signature. Enter name.

14 Telephone Number of person to be contacted.

SUBJECT: LC 4800

E 200

REFERENCE
(Revised 12/97)

Labor Code 4800

INTRODUCTION
(Revised 12/97)

Whenever an employee of the California Highway Patrol or the Department of Justice, within the PERS "State Safety" classification, is disabled in the course of duty, the employee is entitled to a leave of absence for a period not exceeding one year, regardless of service with the agency. While disabled the employee shall not lose any salary.

Eligibility for LC 4800 payments is not usually determined until after the close of a pay period. Since the employee should be paid on regular state pay days, income taxes are withheld from pay. However, these disability payments are in lieu of Worker's Compensation and are not subject to federal and state income tax withholding.

DOCUMENTATION **E 201**
(Revised 12/97)

Forms STD. 674 will be sent to Payroll Operations for each pay period to certify LC 4800 time, to report the related gross wages for the previous pay period, and to request a refund of federal and state taxes.

If an employee is docked and is later deemed eligible for LC 4800 time for the docked period, the department will submit the usual documentation to issue the regular pay. After the regular payment is received, a form STD. 674 must be submitted for the LC 4800 tax refund.

Forms STD. 674 related to tax refunds for payments with issue dates in one calendar year must be received by Payroll Operations as soon as possible, but no later than December 15 of that calendar year. This is necessary because tax refunds cannot be issued after the tax year is closed.

DENIAL OF LC 4800 **E 202**
(Revised 12/97)

If LC 4800 time is denied after taxes have been refunded, the department must submit a form STD. 674 to Payroll Operations, Attn: W-2 Unit, to request one-time deduction of tax previously refunded for the current tax year (see Section E 204).

One-time tax deductions cannot be withheld if received after the November cutoff date or if the employee has separated. However, a form STD. 674 must be submitted so that the additional gross wages will be reflected properly on the Form W-2. A Form W-2C for prior tax years WILL BE issued to reflect an increase in gross wages for this condition.

FORMS W-2C **E 203**
(Revised 12/97)

LC 4800 tax refunds reported to Payroll Operations by December 15 of the current tax year will be excluded entirely from Forms W-2, Wage and Tax Statement; i.e., they will not be included in the "Wages, tips, other compensation" box. Since such wages are not excludable sick pay, they will not appear in that box either.

A Form W-2C for a prior tax year will NOT be issued to reflect a DECREASE in gross wages. If a department has not sent all form STD. 674 refund requests to Payroll Operations by December 15, the department will issue a letter to the employee for filing with the employee's income tax return.

EPMC TREATMENT **E 204**
(Revised 12/97)

Employees eligible for EPMC with LC 4800 will reflect a zero balance debit/credit retirement adjustment (deduction code 003) on the warrant register. The adjustments will place EPMC funds in the appropriate account within the retirement system.

COMPLETION OF FORM STD. 674 ORIGINAL REQUEST **E 205**
(Revised 03/02)

The department will submit forms STD. 674 for each employee for each pay period for which taxes are to be refunded. The following items must be completed on form STD. 674.

Social security number Employee name Position number Explanation:	Enter "LC 4800 Time Tax Refund", show inclusive dates of LC 4800 and dates of dock, if any. Show deferred compensation deduction and organization (code 029-___) and any additional taxes (codes 095, 099) if deducted. NOTE: If more than one deferred compensation deduction is withheld, show in Remarks each amount as listed on the warrant register. Do not combine amounts.
Payment per Controller's Warrant Register:	List ALL activity/payments for the pay period. This includes A/R, T/F, and payments other than master payroll. DO NOT include payments which have been previously returned. Enter date of issue, pay period, salary, rate, time worked, appointment fraction, gross, and warrant number for each line item.
Payment should be:	Enter pay period month and year, salary rate, LC 4800 time, appointment fraction, and gross for the portion of the pay period (or entire pay period, if applicable), during which the employee was on LC 4800 time.

Form completed by/telephone number
Agency name
Authorized signature/date

COMPLETION OF FORM STD. 674 ADDITIONAL REQUEST **E 206**
(Revised 12/97)

The following items must be completed on form STD. 674:

Social security number Employee name Position number Explanation:	Indicate the request is for additional LC 4800 time.
Payment per Controller's Warrant Register:	List original LC 4800 time refund in addition to other activity and indicate the number of days and hours on which the original LC 4800 time was based.
Payment should be:	Enter TOTAL days and hours of LC 4800 time due employee and the corresponding gross refund.
Under-payment:	Enter the days, hours and gross of underpayment due employee.

Form completed by/telephone number
Agency name
Authorized signature/date

LC 4800 DENIED **E 207**
(Revised 12/97)

To request one-time deduction of taxes previously refunded, the form STD. 674 must be completed as follows:

Social security number	
Employee name	
Position number	
Explanation:	Enter "LC 4800 time denied. Take taxes previously refunded." Code 095 - $____(California State Tax) Code 099 - $____(Federal Income Tax)
Payment per Controller's Warrant Register:	Show the LC 4800 time tax refund warrant (payment type I).

Form completed by/telephone number
Agency name
Authorized signature/date

SUBJECT: TEMPORARY DISABILITY/CIVIL SERVICE

E 300

REFERENCES
(Revised 05/05)

GC 19863, 19863.1, 19865.1, 19872
SAM 0480-0484, 8538-8538.61, 8582-8593.3
PTM 430
DPA 599.687, 599.737, 599.758-761
PML 2004 – 026

INTRODUCTION
(Revised 05/08)

A state employee who is unable to work because of a work related injury/illness may be entitled to Temporary Disability (TD).

The State Compensation Insurance Fund (SCIF) is responsible for administering all work related disability claims. Agencies will be notified by SCIF that an injury/illness claim has been approved/disapproved as work related.

Temporary Disability payments are issued by SCIF and sent directly to the employee. Either a copy of the check or a SCIF Form 290/3290 will be sent to the agency. These checks are issued every two weeks authorizing dates approved as disability. Most supplementation pay requests can be documented on form STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions and E 007 for form STD. 671 completion instructions.

Form STD. 674 must be submitted for TD PIP Exceptions. See Section E 311 for completion instructions.

Since SCIF payments frequently will not equal the employee's monthly salary, the employee may use leave and holiday credits to supplement SCIF payments. Options available are:

No Supplementation - Employee elects not to use holiday/leave credits and receives only the SCIF payment.

Partial Supplementation - Employee has insufficient holiday/leave credits to bring payment (supplementation plus SCIF) up to full salary or the employee elects Partial Supplementation.

Full Supplementation - Employee has sufficient holiday/leave credits for period of absence to bring payment up to full salary. (Supplementation Plus TD issued by SCIF).

Supplementation payments are identified as payment type "U", payment type suffix "T".

A detailed explanation of each option follows.

<u>No Supplementation</u>

Employees who elect NOT to supplement SCIF payments are placed on inactive pay status (PAR Item 565 Injury Code 2) and a master payroll warrant is not created. These employees receive only SCIF payments during their absence; however, they. do continue to accrue holiday/leave credits and State service.

<u>Partial Supplementation</u>

Employees who do not have sufficient holiday/leave credits to cover their absence in a pay period or elect not to use all credits available, are placed on inactive pay status (PAR Item 565 Injury Code 2) and a master payroll warrant is not created. The SCIF payment will be sent to the employee in lieu of the master payroll warrant.

If the employee elects to supplement the SCIF payment with holiday/leave credits, the TD Supplementation pay for current and prior (no more than 12 months) month is documented on form STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions and E 007 for form STD. 671 completion instructions.

Partial Supplementation for semi-monthly employees should be requested for the appropriate half of the pay period to ensure health benefit deductions are applied. (i.e. R18 employee – first half). However, if the holiday pay occurs in the first half, that pay must be requested in the first half.

Form STD. 674 must be submitted for TD PIP Exceptions. See Section E 311 for completion instructions.

<u>Full Supplementation (payment)</u>

Employees who have sufficient holiday/leave credits to cover their absence in a pay period cannot receive a master payroll warrant and must be placed on inactive pay status (PAR Item 565 Injury Code 2), because SCIF issues Temporary Disability Payments directly to the injured worker every two weeks. The employee may receive the difference between the full month's gross and the SCIF payment. TD Supplementation pay for current and prior month (no more than 12 months) is documented on form STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions and E 007 for form STD.671 completion instructions. Instructions for calculating Full Supplementation pay are provided in Section E 310 and E 311.

Form STD. 674 must be submitted for TD PIP Exceptions. See Section E 311 for completion instructions.

WAITING PERIOD **E 302**
(Revised 04/99)

TD is a benefit that is payable when an employee is unable to work due to a work related injury/illness for more than three calendar days. This period is referred to as the "Waiting Period." The waiting period begins the day following the injury date and need not be consecutive days. The employee receives full pay for the date of injury and no charge is made for absence. However, the employee should be seen by a doctor on the date of injury. Supervisors should be directing employees to seek appropriate medical treatment -- taking them to the doctor, if necessary. Employees should not be released from work to go directly home without seeing a doctor. Absences for parts of a day due to the injury or illness may be accumulated to full days and count toward the waiting period.

Absences on regular work days during the waiting period must be charged to leave credits, or any holiday credits, if one occurs, during the three-calendar-day waiting period. However, the employee must be docked if he/she does not have time to cover the absences.

In most cases, SCIF will accept and count Saturday, Sunday, or holiday toward the three-calendar-day waiting period, provided this time is substantiated by the physician and meets certain criteria set by SCIF. All time approved for a disability period should be substantiated in writing by SCIF.

When a full-time employee's work schedule is other than an eight hour day, the employee should be moved to an eight hour five day schedule for determining the leave credits to be charged during the waiting period.

The waiting period is waived if the employee is a) hospitalized, b) unable to work for more than 14 days, or c) injured on the job as the result of a criminal act of violence against the employee.

DOCUMENTATION **E 303**
(Revised 05/05)

Upon notification of TD approval, process the following:

- PAR to update Employment History.

- Form STD. 671 to request current and prior (no more than 12 months) month pay.

If the pay period is prior to three years, a copy of either SCIF Form 290/3290 or a Workers Compensation Appeal Board decision must be attached to form STD. 674.

Payroll Operations has three years from the SCIF approval date to issue supplementation pay.

When the waiting period is waived after initially being served, process the following:

- PAR to update Employment History.
- Form STD. 674 to request the waiting period (TD pay).

Employees who exhaust their IDL benefits and do not return to work shall be placed on TD on the date following the termination date of IDL. Process the following:

- PAR to update Employment History.
- Form STD. 674 and form STD. 674D to request correct amount of pay and/or adjustment for each benefit.
- Form STD. 671 to request Partial and Full Supplementation.

CHANGE OF BENEFITS **E 304**
(Revised 04/99)

Refer to E 003.1 for approved injury options for employees.

ATTENDANCE REPORTING FOR EMPLOYEE ON TD **E 305**
(Revised 04/99)

For employees on inactive payroll status (PAR Item 565 Injury Code 2), the attendance should show the following:

- Report ONLY the time actually worked in the pay period on form STD. 672.
- Leave credits requested for Full or Partial Supplementation, must NOT be included on form STD. 672.
- If an employee returns to work part-time with a doctor's consent DURING the TD period, the time actually worked must be included in the Total Time Worked column of form STD. 672.

  For employees reported on negative attendance, an entry on the Exception Notice, form STD. 666, will be required in order to reconcile attendance. A form STD. 674 MUST be submitted to request payment for this time. Submit form STD. 674 for each pay period an employee works while on TD indicating all dates and time worked in remarks section.
- Employees who return to work part-time can qualify for partial SCIF payments computed on weekly wage loss basis. However, partial days off CANNOT be accumulated and reported as full days on TD. Contact the local SCIF office for further information. On form STD. 674, enter "wage loss" when applicable.

MANDATORY WITHHOLDING AMOUNTS E 306

(Revised 05/05)

Federal and State Income Tax deductions WILL BE withheld from TD Supplementation payments provided there is enough taxable gross. Gross amount and taxes withheld will be reported on Form W-2. Tax deductions are based on the employee's current filing status (EAR).

Social Security and Medicare WILL BE withheld from payments unless the employee is not a Social Security or Medicare member or has reached the yearly maximum payment for Social Security. The gross amount, Social Security and Medicare will be reported on Form W-2.

Note: Employees who are off work for a period of more than six consecutive calendar months and continue to receive TD Supplementation payments are entitled to a refund of their Social Security and Medicare taxes. The refund is based on the employee's sick leave, vacation, extra, holiday, and annual leave hours used to supplement the disability payments. For further information regarding this program, see Section H 257 on Social Security and H 280 on Medicare.

Retirement contributions and State share amounts are calculated based only on the supplementation payment amount.

MANDATORY/VOLUNTARY DEDUCTIONS E 307

(Revised 04/99)

All established mandatory and voluntary deductions will be withheld from supplementation pay if not already taken from another payment in the pay period and there is sufficient gross pay. The priority deduction table listed in Section H 008 will be applied.

Employees must cancel those deductions they do not wish to have withheld from supplementation pay. Employees must request deduction cancellations by contacting the respective deduction company(s) or personnel/payroll office. Cancellations must be received in Payroll Operations by the cutoff dates specified in Sections H 007 and H 014 - 016.

Employees who choose NOT to supplement with leave credits are responsible for paying any deductions directly if they wish them to continue. However, for the continuation of employees health, dental and vision benefits submit a Payroll Adjustment Notice form STD. 674, for each pay period involved. Under remarks, the form should state:

"Requesting continuation of medical benefits for employee on Temporary Disability as required by LC 132a and Gov. Code 19863".

The form STD 674 should be sent to:

State Controller's Office
Personnel/Payroll Services Division
Attn: Benefits Unit

If the employee chooses not to supplement the while enrolled in the FlexElect Cash Option, the cash option will remain in effect.

In order to continue the FlexElect Cash Option, the department is required to submit a Payroll Adjustment Notice form STD 674 for each pay period in which the employee elects not to supplement. In the “Remarks”, the STD 674 should state:

> “Requesting, continuation of FlexElect Cash Option for employee on Temporary Disability.

The STD 674 should be sent to the Benefits Unit within the Personnel Payroll Services Division of the State Controller’s Office.

ABATEMENTS **E 308**
(Revised 05/05)

When an employee physically works the entire month or most of the month and SCIF approves based on the doctor's certification, a weekend combined with the regular pay would exceed the employee's salary. If this happens, an abatement occurs. The excess is abated per the State Administrative Manual (SAM) Section 8582 - 8593.3.

To report the excess amount, complete a Remittance Advice, Form CA21, and submit it to the Division of Accounting. The excess will be put in the agency support appropriation, personal services category.

To determine if a SCIF payment is in excess, compute the employee's regular pay due for the period of absence, combined with the SCIF payment.

- If the employee's pay combined with the SCIF payment is less than full salary there is no excess.
- If the SCIF payment plus regular pay is in excess of employee’s full salary, the amount of excess constitutes an over payment and must be recovered.

EXAMPLES:

A. An employee on a Monday through Friday work schedule (22 day pay period) is injured and hospitalized on Thursday. Employee is absent from work on Friday due to the disability and returns to work the following Monday. The employee received a SCIF daily rate of $48.00 a day for Friday, Saturday, and Sunday totaling $144.00. The employee's salary rate is $2,999.00 and he would have received $136.32 for working that Friday. The difference between the SCIF payment of $144.00 and the work payment of $136.32 is $7.68, which would be abated. The $136.32 payment would be reported on form STD. 674 to Payroll Operations as SCIF payment.

B. An employee on a Monday through Friday work schedule is injured and hospitalized on Friday. The employee returns to work the following Monday. The employee is not charged leave credits for Friday, Saturday, or Sunday, but receives a SCIF payment of $96.00 for Saturday and Sunday. The entire $96.00 would be abated since the employee was not charged leave credits for the absence. NO form STD. 674 is submitted to Payroll Operations.

C. An academic pay plan employee works 10 months but receives salary in 12 installments. When an academic employee remains on TD after the end of the academic work period, he/she would NOT be entitled to the SCIF payments issued during this period since the employee is not working and is not charged leave credits during this nonwork period. The entire SCIF payment would be abated. NO form STD. 674 is submitted to Payroll Operations.

D. A 10/12 or 11/12 Pay Plan employee works 10 months or 11 months respectively and receives salary in 12 installments. When a 10/12 or 11/12 employee remains on TD after the end of the 10 or 11 month work period, he/she would not be entitled to the SCIF payments issued during this period since the employee is not working and therefore is not charged leave credits during this nonwork period. The entire SCIF payment would be abated. NO form STD. 674 is submitted to Payroll Operations.

SCIF CALCULATIONS **E 309**
(Revised 04/99)

To determine leave credits to be restored or time covered by the SCIF payment, calculate as follows:

1) Divide employee's monthly salary by total hours in the pay period to determine hourly rate.

- For monthly employees, divide the salary rate by the total hours (168/176) in the pay period.
- For daily employees, divide the daily rate by 8.
- For fractional employees, use the BASED-ON-RATE and divide by the total hours (168/176) in the pay period.
- For academic pay plan employees, multiply the salary rate by 12, divide by the total academic days in the academic year, and then divide by 8.
- For 10/12 or 11/12 Pay Plan employees use the 12/12 salary rate and divide by the total hours (168/176) in the pay period.
- For hourly rate employees, proceed to step 2, unless they receive shift differential pay.
- Employees who receive shift differential pay (payment type 2) must have this pay included in the salary rate; e.g., employee receives $88.00 shift pay. Add this amount to the employee's monthly salary rate of $2,500 and use $2,588.00 to determine the hourly rate. For hourly employees, add the hourly shift rate to their hourly rate.

2) Divide SCIF payment by the hourly rate and round to the nearest whole number to determine the credit hours covered.

If the SCIF hours exceed the leave credit hours originally charged, the SCIF hours must be reduced accordingly.

EXAMPLE:

Employee is injured and hospitalized on Wednesday. Thursday is covered by eight hours leave credits, Friday is a holiday, and the employee returns to work the following Monday.

SCIF paid the employee $48.00 per day for Thursday, Friday, Saturday, and Sunday totaling $192.00. The employee's monthly salary is $3,350.00, and this is a 22 day pay period.

$3,350.00 ÷ 176 = $19.03 hourly rate
$ 192.00 ÷ $19.03 = 10.09 (round to 10 hours)

Hours reduced to 8 due to holiday. Note: Enter time in item 5BB on form STD. 674 (E 311).

3) Convert hours into days and hours (not required for hourly employees).

EXAMPLE:

Employee worked 64 hours and was absent on disability 112 hours. Had the employee not been absent on disability he/she would have earned a full month's pay. The employee's salary is $2,850.00, this is a 22 day (176 hours) pay period and the SCIF payment is $960.00.

$2,850.00 ÷ 176 = $16.19
$ 960.00 ÷ $16.19 = 59.30 (round to 59)
59 hours = 7 days 3 hours

(If fractional, convert to fractional time; i.e., half-time 59 hours = 14 days 3 hours.)

The results are the number of leave credit hours that should be restored or that was covered by the SCIF payment.

SUPPLEMENTATION **E 310**
(Revised 05/05)

Employees may request Full or Partial Supplementation.

Full supplementation is an option when an employees has sufficient leave credits to cover the difference between the SCIF payment and their regular gross wages.

Partial Supplementation is an option when and employee elects less than full supplementation or when they do not have sufficient leave credits for full supplementation.

<u>Full Supplementation calculation</u>

To calculate gross pay for Full Supplementation do NOT use the Fractional Pay Scale.

To determine if the employee can receive Full Supplementation do the following:

STEP 1 Determine hourly rate (see E 309 - 1)

STEP 2 Divide the SCIF payment by the hourly rate to determine hours covered by this payment.

STEP 3 Subtract the SCIF hours from the hours from the pay period to determine leave credit hours needed to receive Full Supplementation.

STEP 4 Subtract the SCIF payment from the employees monthly salary or the gross pay (if less than a full month) to determine the supplementation amount.

STEP 5 Convert the supplementation time to days and hours based upon time base; i.e., 8 hours = 1 day for full time, 8 hours = 2 days for half time, etc. (not required for hourly employees).

EXAMPLES:

FULL PAY PERIOD ON TD

Employee's monthly salary is $2,000.00. The SCIF payment is $1,140.00 (30 days @ $38.00). This is a 22 day (176 hours) pay period.

Step 1. $2,000.00 ÷ 176 = $11.36
Step 2. $1,140.00 ÷ $11.36 = 100.35 or 100 SCIF hours
Step 3. 176 - 100 = 76 SUPPL hours
Step 4. $2,000 – 1,140.00 = $860.00
Step 5. 76 hours = 9 days 4 hours

LESS THAN A FULL PAY PERIOD ON TD

Employee's monthly salary is $2,000.00. The SCIF payment is $798.00 (21 days at $38.00 per day). This is a 22 day (176 hours) pay period. SCIF covers 21 calendar and 15 work days (06/01/92 - 06/21/92).

Step 1. $2,000.00 ÷ 176 = $11.36
Step 2. 798.00 ÷ 11.36 = 70.25 or 70 SCIF hours
Step 3. 120 - 70 = 50 SUPPL hours
Step 4. $1,363.64 - 798.00 = $565.64
Step 5. 50 hours = 6 days 2 hours

<u>Partial Supplementation calculation</u>

EXAMPLE:

Employee's monthly salary is $2,000.00. This is a 22-day (176 hours) pay period and supplementing 34 hours leave credits.

$2,000 ÷ 176 x 34 = $386.36 Gross pay Partial Supplementation.

Supplementation Pay - for PIP Exceptions (See Section E 006) complete as follows when supplementing the SCIF payment (see PPM Section Z, Attachment E-3 Samples).

ITEM

1 Mark PPSD/Payroll Services box.
2 Social security number.
3 Employee name.
4 Position number for the pay period of the request.
5 Remarks

I. Enter "Per GC 19863, employee absent on Temporary Disability from _____ through _____." (inclusive dates in pay period)

A. Enter Monthly Salary rate ÷ Hours in Pay Period (including any holiday[s]) = Hourly Rate

B. Enter SCIF Payment ÷ Hourly Rate = SCIF Hours; Round to the nearest whole number and convert into days and hours based upon time base; i.e.,

8 hours = 1 day for full time, 8 hours = 2 days for half time, etc. (not required for hourly employees).

C. Enter "employee entitled to" and the number of days and/or hours the employee is supplementing. Enter "as" and either "Full" or "Partial" Supplementation

D. Enter dates and hours worked while on Temporary Disability during the pay period, if applicable; otherwise, N/A

Enter non-pay dates (e.g., dock, late start, suspension, etc.)

E. Enter the daily rate being paid by SCIF. If daily rate changes during the pay period, enter both rates and indicate dates

If SCIF amount is adjusted by wage loss, abatement, or attorney fees, adjust SCIF daily rate accordingly.

SCIF amount ÷ calendar days on TD = SCIF daily rate

- Enter amount of "Wage Loss" if SCIF payment was computed on a wage loss basis; otherwise, N/A.
- Enter amount of abatement; otherwise, N/A (E 308).
- If attorney fees are deducted from SCIF payment, delete wage loss or abatement item and enter "Atty. Fees" and amount.

6 Payment Should Be - Complete each line through gross columns.

Line 1 TIME WORKED LINE - enter pay period - type/month/year, "regular" for regular pay, time worked, appointment fraction (when applicable), payment type, and gross columns.

Line 2 SCIF LINE - enter "SCIF" in salary rate and SCIF information in time gross column.

Line 3 SUPPLEMENTATION LINE - enter "SUPPL" in salary rate and supplementation information in time, payment type "U", payment type suffix "T" and gross columns.

NOTE: Total time in lines 2 and 3 CANNOT exceed total work days on TD.

Line 4 Total lines 1, 2, and 3. Then enter the resulting time and gross columns.

NOTE: When TD and IDL are in the same pay period, do not include IDL time in "payment should be."

Underpayment - enter "SUPPL" or "regular" in salary rate and complete time, payment type, and gross information.

Form completed by/telephone number

Agency name

Authorized signature/date

SPECIAL PROCESSING **E 312**
(Revised 04/99)

When an employee changes benefits retroactively from IDL/NDI to TD, and IDL/NDI pay has already been issued and released, submit form STD. 674D to establish an A/R for the IDL/NDI pay. Form STD. 674 must be submitted to request TD Supplementation if the employee elected to supplement SCIF payments. These forms must be stapled together and sent to Payroll Operations, Disability Unit.

If the employee did not elect to supplement SCIF payments with leave credits, an A/R is established against the IDL/NDI pay. ONLY submit the form STD. 674D and indicate that employee chose "No Supplementation" in Remarks section.

If the employee elected to supplement SCIF payments with holiday/leave credits, an A/R will not automatically be established against the IDL/NDI pay. Instead, a transfer of funds from IDL (payment type 6 or N)/NDI (payment type T) to TD (payment type U, payment type suffix T) will be processed using information provided on the form STD. 674.

In these cases, an adjustment to the employee's gross (either an A/R or payment) may be necessary due to the different way in which IDL/NDI and TD benefits are computed. If an adjustment is necessary, it will be issued without further documentation from the agency.

If the transfer of funds is from IDL to TD, a one-time Social Security and Medicare deduction may be necessary since IDL payments are not subject to Social Security and Medicare.

If the transfer of funds is from NDI to TD, a one-time retirement deduction may be necessary since TD Supplementation is subject while NDI is not.

NOTE: A Form W-2C will be issued if the original IDL payment was issued in a prior year because the transfer is from nontaxable to taxable gross wages.

Regular pay to IDL and TD

EXAMPLE:

Employee received a standard warrant for $2,500.00 for the June 1999 pay period.

Due 10 days IDL full and 12 days TD with Full Supplementation.

Submit forms STD. 674D and 674.

SCIF paid $864.00, which covers 7 days, 5 hours.

Employee uses 4 days, 3 hours leave credits for Full Supplementation.

Married with 2 exemptions; employee is a Social Security and Medicare member.

Step 1 Transfer 10 days, $1,136.36 gross from payment type 0 (regular) to payment type 6 (IDL full).

Step 2 a. Establish A/R for $276.85 gross which is the difference between the $1,136.36 gross transferred to IDL and the $868.51* IDL benefit.

* $1,136.36 reduced by	$	161.93 federal tax
	$	18.99 state tax
	$	70.45 Social Security
	$	16.48 Medicare

b. Attach code 099 (federal tax), code 095 (state tax), code 097 (Social Security) and code 092 (Medicare) credits to A/R, reducing the A/R net to zero.

Step 3 Transfer 12 days, $1,363.64 gross from payment type 0 (regular) to payment type U, payment type suffix T (TD Supplementation).

Step 4 Establish A/R for $864.00 gross, restoring 7 days 5 hours leave credits to employee.

Retirement, Social Security and Medicare "credit" amounts of $43.20, $53.57 and $12.53, respectively, will be applied to the A/R since SCIF payments are not subject.

IDL to TD

EXAMPLE:

Employee received a warrant for 22 days 2/3 IDL (payment type N), $1,666.67 gross for the June 1999 pay period.

Employee later elects TD with Full Supplementation beginning on the 23rd date, effective June 1, 1999.

Submit form STD. 674.

Salary rate is $2,500.00.

SCIF paid $1,440.00 which covers 12 days, 5 hours.

Employee will use 9 days, 3 hours leave credits for Full Supplementation - $1,060.00 gross.

Employee is a Social Security and Medicare member.

Step 1 Transfer 22 days, $1,666.67 gross from payment type N (IDL 2/3) to payment type U, payment type suffix T (TD Supplementation).

Step 2 a. Establish an A/R for 12 days, 5 hours*, $606.67 gross which is the difference between 22 days, $1,666.67 gross, IDL 2/3 paid, and the 9 days, 3 hours $1,060.00 gross, transfer to TD.

* This time represents the leave credits to be restored to the employee.

b. A retirement "credit" adjustment of $72.00 will be applied to the A/R since the $1,440.00 paid by SCIF is not subject to retirement.

c. Social Security and Medicare "debit" adjustments of $65.72 and $15.37 based on the $1060.00 TD Supplementation will be applied to the A/R.

<u>NDI to TD</u>

EXAMPLE:

Employee received a warrant for 30 days NDI, $578.57 gross for the June 1999 pay period. Disability is later determined to be work related and employee elects TD with Full Supplementation.

Submit form STD. 674.

Salary rate is $2,500.00.

SCIF paid $1,440.00 which covers 12 days, 5 hours.

Employee will use 9 days, 3 hours leave credits for Full Supplementation $1,060.00 gross.

Step 1 Transfer 30 days, $578.57 gross from payment type T (NDI) to 5 days payment type U, payment type suffix T (TD Supplementation).

$2,500.00 ÷ 22 = $113.64
578.57 ÷ 113.64 = 5.09
Rounded 5.09 to 5 days

Step 2 a. Issue a payment for $481.43, which is the difference between the $578.57 (gross transferred) and the $1,060.00 TD Supplementation gross.

The time on the payment will be for the 4 days, 3 hours still due (9 days, 3 hours TD Supplementation less the 5 days transferred to TD Supplementation).

b. A retirement "debit" adjustment (code 003) for $27.35 will be attached to the payment since TD is subject while NDI is not.

SUBJECT: IDL/Civil Service

E 400

REFERENCES
(Revised 01/08)

GC	19869-19877.1, 19991.4
SAM	2580-2584
DPA	599.687, 599.755 - 599.768
PTM	428-434.20
SPB Blue Memo	#50, #57, #61
PML	2002- 060

INTRODUCTION
(Revised 04/99)

Industrial Disability Leave (IDL) applies only to active members of the STRS or PERS. However, PERS members who fall within the California Highway Patrol or Department of Justice "state safety" category are excluded from IDL (Refer to PPM Section E 200).

Covered employees who are temporarily disabled on the job are entitled, regardless of length of service, to receive IDL payments (in lieu of TD) for a period NOT exceeding 52 weeks (365 calendar days) within two years from the first day of disability. The first date of disability is the first date of lost time other than the date of injury. Since the day of injury is not part of the eligibility period for the purpose of receiving benefits, it would not be appropriate to include the date of injury as the beginning of the two year period. Employees will receive “full pay” for the first 22 working dates of disability and 2/3 pay thereafter.

For work related disabilities commencing on or after January 1, 1993, eligible civil service employees (per MOU) may elect to supplement IDL (IDL/S). This benefit requires the employee to use accrued leave credits to cover the gross supplementation amount.

An employee may choose to supplement at a level sufficient to yield an income which approximates his or her full net pay, or at a level that is less than that amount. Leave balances needed for supplementation are drawn from the employee's leave balance in the following order unless the employee requests a different order:

- Sick Leave
- Compensating time off (CTO)
- Vacation/Annual Leave
- Other leave credits (i.e., Personal Leave, Holiday Credit)

If an employee's leave credits fall below the supplementation amount selected, the supplementation should be reduced to the amount of leave credits available.

The supplementation combined with IDL benefits and other pay cannot exceed the employee's full net pay as defined by DPA. Refer to Section E 450 for IDL/S information and provisions.

Enhanced Industrial Disability Leave (EIDL) is an extended benefit of the IDL program and has most of the same requirements. However, permanent intermittent employees in Bargaining Unit 6 may be entitled to EIDL even if they are not a PERS or STRS member. There are specific requirements governing eligibility for this enhanced benefit if they suffer a qualifying event. Currently, employees in Bargaining Units 1, 3, 4, 6, 7, 8, 11, 12, 13, 15, 16, 17, 18, 19, 20, (limited to certain agencies) and excluded employees are eligible for EIDL if they suffer a qualifying illness or injury.

EIDL entitles employees to receive IDL "full pay" for a period not to exceed one to three years, depending on the Bargaining Unit, from the occurrence of the injury. If an employee becomes ineligible to continue receiving the enhanced benefit prior to the one to three year limit, but is still disabled (as certified via SCIF Form 3290) he/she may still be eligible for IDL at 2/3 pay.

DPA has overall program responsibility for the IDL program.

SCIF is responsible for administering all work related disability claims. Agencies will be notified by SCIF that an injury/illness claim has been approved/denied as work related.

IDL payments must be reduced by disability benefits received from other employer subsidized programs. An example of this would be an employee qualifies for both NDI and IDL on the same day. If the NDI benefit is greater than the IDL, then the employee gets IDL and the balance due for NDI (e.g.; the IDL benefit is $10 IDL and the NDI benefit is $19; the employee receives $10 IDL and $9 NDI.)

The disabled employee shall not receive sick leave with pay on TD for any day for which he receives IDL payments.

IDL payments shall be contingent upon a) appropriate medical determination and, b) the agreement of the employee to cooperate and participate in a reasonable vocational rehabilitation plan when furnished by the state.

The date of injury is picked up as administrative time off if the employee was seen by a doctor on the date of injury. Supervisors should be directing employees to seek appropriate medical treatment, taking them to the doctor if necessary. Employees should not be released from work to go directly home without seeing a doctor.

If a salary warrant is issued for time during which the employee was on IDL, the warrant must be returned to Administration and Disbursements Division. If such warrants are cashed, the employee's taxes, Social Security, Medicare and State Disability Insurance will be reported incorrectly.

The gross IDL payment and state share for retirement, health, dental, and life insurance will be transferred from agency appropriations (personal service category, staff benefits).

IDL payments for EIDL and for “full pay” IDL will all be identified as payment type "6" and for 2/3 IDL pay as payment type "N".

WAITING PERIOD **E 401**
(Revised 05/05)

IDL requires a full-time disabled employee to serve a 24-hour waiting period (three calendar days) when unable to work due to a disability. A half-time employee would serve a 12 hour waiting period. The waiting period may begin the day following the disability date and need not be consecutive days. Absences for parts of days due to the disability may be accumulated and count toward the 24-hour waiting period.

The waiting period is waived if: a) the employee is hospitalized; b) unable to work for more than 14 calendar days due to the disability (Partial days are to be counted as full days when determining the 14 day period. However, the aggregate hours over the 14 day period must, at a minimum, exceed the 24 hours needed to meet the three day waiting period. If in a 14 day period an employee losses one hour a day to go to therapy treatments, this would not result in the waiting period being waived.); c) employee is injured on the job as a result of a criminal act of violence against the employee.

When a waiting period is waived after initially being served, the following must be documented:

- PAR to update employment history.
- Form STD. 647D to request waiting period.

If employee has received the first 22 working dates of full IDL, the three days waiting period will be issued as 2/3 IDL pay.

IDL RESTRICTIONS **E 402**
(Revised 01/08)

	IDL FULL	IDL 2/3	EIDL	IDL w/Suppl (IDL/S)
Payment type/suffix	**6**	**N**	**6**	**U/N**

	IDL FULL	IDL 2/3	EIDL	IDL w/Suppl (IDL/S)				
Member of PERS/STRS	Yes	Yes	Yes*	Yes				
Restricted BU	No	No	Civil Service 01, 03, 04, 06, 07, 08, 11, 12, 13, 15, 16, 17, 18, 19, 20 & Excluded	Civil Serv.				
				01,03,04, 06,08,10, 11,15,18, 20	09,12, 13,16, 19	14,17	Non reps, 07	2.21
Effective Date	1/1/75	1/1/75	Various	1/1/93	7/1/93	1/1/94	1/1/95	10/1/97
Benefit	Full Pay Less Taxes, Social Security, Medicare and SDI	2/3 of Full Pay	=====Full Pay==== Less Taxes, Social Security, Medicare and SDI	Amount to approx. full net pay				
Waiting period	3 calendar days	Pay follows 22 work days IDL Full	None EIDL pay begins on the 23rd work day	Pay follows 22 work days IDL Full				
Waiting period waived	If: 1) Hosp., 2) Disabled more than 14 days, or 3) Injury due to criminal act of violence	No	No	No				
May receive sick leave with pay	No	No	No	See below				
Must exhaust sick leave credits	No	No	No	No				
Entitled to WCTD or other benefits	NO	No	No	No				
Must use accrued leave credits	No	No	No	Yes Section E450				

*BU 06 Permanent Intermittent is entitled to EIDL benefits regardless of his/her PERS or STRS membership if they suffer a qualifying injury or illness.

IDL BENEFITS E 403

(Revised 03/09)

An employee temporarily disabled due to a work related disability is entitled to IDL payments for a period NOT to exceed 52 weeks (365 calendar days) within two years from the first day of disability.

Example: Benefits began on 12/22/99 and will end on 12/21/00.

The first day of disability is the first day of lost time other than the date of injury.

When counting IDL dates for both the first 22 working dates and the 365 calendar dates, any part of a day on IDL equals one full date on disability. Although an employee is only paid 21/22 days each month, all approved calendar days are applied toward the 365 calendar days. This is the equivalent of 260 paid dates.

Example: Employee approved for 3 hours of IDL for 11/30/99, which is counted as 1 date of the first 22 working dates and 365 calendar days.

NOTE: A full-time employee on an irregular work schedule (other than an eight-hour day, Monday through Friday), should be removed from the schedule at the beginning of the earliest possible week.

Any day on which the employee is scheduled to work, regardless of the length of time, is counted as one day -- up to a maximum of 176 hours or 22 days, whichever comes first.

DOCUMENTATION E 404

(Revised 05/05)

Once an employee advises the employer of a possible work related injury or illness and the employee has either lost time from work or has been seen by a doctor, an employee's claim for Workers' Compensation Benefits, SCIF Form 3301, must be provided within 24 hours to the employee. The agency must submit Employer's First Report of Injury or illness, SCIF Form 3067, to SCIF within five calendar days.

NOTE: Consult PAM Section 5.29 to determine if it is appropriate to process a PAR to document pending disability.

SCIF will send a Notification of Approval indicating periods of disability accepted as work related. This can be done via a Form 3290 or a department may request the SCIF adjustor to notify them via email.

Once the agency receives approval they must complete the form STD. 618, Benefit Option Comparison, and mail it promptly to the employee. The employee has 15 days to respond with his/her benefit choice of IDL with or without supplementation. The form STD. 618 is a key piece of documentation and it provides a basic explanation of the benefits and the calculation of compensation.

Employment History must be updated when placing an employee on Industrial Disability Leave (IDL) via PAR Transaction Code 565 (refer to PAM Section 5.33).

Most IDL pay can be documented on form STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions and E 007 for form STD. 671 completion instructions.

Form STD. 674D must be submitted for IDL PIP Exceptions. See Section 413 for completion instructions.

NOTE: Transaction Code S57 (pending disability) PAR must be voided, if entered, when SCIF makes a decision on the disability claim.

A PAR must be processed when an employee on IDL returns to work for 15 full consecutive working days, without missing work due to the disability and is effective on the date of return (refer to PAM Section 5.33.1). IDL pay for current and prior (no more than 12 months) month is documented on form STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions and E 007 for form STD. 671 completion instructions.

Form STD. 674D must be submitted for IDL PIP Exceptions. See Section E 413 for completion instructions.

ATTENDANCE REPORTING FOR EMPLOYEES ON IDL **E 405**
(Revised 04/99)

For employees who are reported "To IDL" by PAR, only the time the employee was in normal pay status during the pay period will be entered in the Time Worked box of the Time and Attendance Report, form STD. 672; i.e., applicable time before and/or after the IDL period plus any time actually worked during the IDL period.

Time for which IDL pay is requested on form STD. 671 or form STD. 674D must not be included in the Time Worked box.

For monthly rate employees paid monthly, the Time Worked box must not have a check mark entered for standard scheduled time.

If an employee is released by the physician to work full- or part-time during the IDL period PAR Item 565 will be entered on the Employment History to return the employee FROM IDL, the time actually worked will be included in the Time Worked box. Employees reported on a negative attendance basis will require an entry on a Report of Exception, form STD. 666, because such time will not be included in the master payroll payments, and form STD. 671 must be documented and keyed via the PIP Miscellaneous screen. See Section E 006 for PIP Exceptions and E 007 for form STD. 671 completion instructions.

Form STD. 674D must be submitted for IDL PIP Exceptions. See Section 413 for completion instructions.

NOTE: Employees that REMAIN on IDL even though they have partially returned to work, should NOT be entered on either Form 672 or form STD. 666 because they are not an exception to payroll due to "off payroll status."

WORKING WHILE ON IDL **E 406**
(Revised 04/99)

If an employee returns to work and IDL continues, use form STD. 674D and enter in Item 6 the number of hours and the corresponding Code ("W" for Worked, "L" for Dock and "C" for IDL) for each applicable date. Complete item 10 (Payment Should Be) certifying time for "REGULAR", "IDL FULL" and/or "IDL 2/3".

NOTE: This method should be used when a physician permits an employee to return to work partial days (4 hours a day) or a few days a week (e.g., Monday/Wednesday/Friday or Tuesday/Thursday). Employees released to work in this manner are entitled to receive regular pay for the time worked and IDL for the balance of time if approved by SCIF.

HOLIDAYS WHILE ON IDL **E 407**
(Revised 04/99)

Employees on IDL are entitled to IDL for holidays as they occur. If an employee is completely off on IDL AND is paid IDL for the holiday, the employee does not earn holiday credit. The specific provisions of each MOU should be consulted regarding the treatment of floating holidays.

Employees who return to work part-time may ONLY receive holidays as regular pay instead of IDL, if they are SCHEDULED to work during a period in which a holiday occurs. If the employee was not scheduled to work, holiday should be reported as IDL even though the employee did return to work part-time.

EXAMPLE: An employee is scheduled to work part-time four hours a day beginning on Tuesday and there is a holiday on Monday. The employee would be entitled to receive regular pay on the holiday if SCHEDULED to work during the week.

DEDUCTIONS **E 408**
(Revised 01/08)

Federal/State Income Tax, Social Security, Medicare and State Disability Insurance

Deductions for Federal/State Income Tax, Social Security, Medicare and State Disability Insurance will NOT be made from IDL payments because they are staff benefits rather than salary and wages. IDL payments are not reported as Taxable Wages or Other Compensation on Form W-2.
However, an employee's full gross will be reduced by the amount of Federal and State Income Tax, Social Security, Medicare and State Disability Insurance to establish the reduced gross for EIDL and IDL Full Benefits.

Retirement

Retirement contributions WILL BE deducted from all IDL payments. The deduction amount will be computed at the employee's current rate based on the "full gross" amount reported to PERS/STRS for full service credit. The state share will be computed in the same manner.

Voluntary Deductions/Salary Reductions

Deductions for PERS survivor benefits, retirement arrears contributions/adjustments, miscellaneous voluntary deductions and accounts receivable will be made automatically from IDL payments if gross is sufficient.

Per CCP 688.030, IDL payments are exempt from salary garnishments except for support order filed under FC 150, 5200; CCP 706.030 and PC 3088.

The following deductions will NOT be withheld from IDL payments:

Additional withholding for taxes (codes 094, 095, 096, 099)
Deferred compensation/administrative charge (codes 028, 029)
Tax sheltered annuity (code 027, 030, 040)
State Disability Insurance Arrear's (Code 600)
Flexible Benefits (various).

When an employee with flexible Health/Dental benefits is placed on IDL, the employee's flex deductions are canceled and the employee is placed into traditional health and/or dental plans. Once the employee returns to active status, the employee's flex deductions are re-established, if a valid Flex enrollment exists.

For employees with the cash option, a separate warrant will be issued after IDL pay has issued. Once the employee returns to active status, the cash option will be applied to regular pay, if a valid FlexElect enrollment exists.

COMPUTATION OF BENEFIT AMOUNT **E 409**
(Revised 01/08)

IDL benefit amounts are determined based on the employee's salary rate, number of days in a pay period and the time authorized as IDL in that pay period. This results in the amount of gross pay used to calculate both IDL "full and 2/3 pay".

Example: Employee is due 15 days of IDL for the 08/99 pay period. Salary rate is $2865.00.

$2865.00 ÷ 22 days in pay period x 15 days IDL = $1953.41 gross pay

Example: Employee is due 12 days, 5 hours for the 06/99 pay period. Salary rate is $2618.00.

$2618.00 ÷ 176 hours in pay period x 101 hours IDL = $1502.38 gross pay

NOTE: When time to be paid is days AND hours, convert time into hours; 12 days, 5 hours = 101 hours and convert number of days in the pay period to the equivalent number of hours; 22 days = 176 hrs./21 days = 168 hrs.

<u>Special Pay Provisions</u>

An employee is entitled to special pay when he/she is on IDL. If the pay is ongoing, the employee's IDL calculation includes the special pay. However, if the special pay is task-related (e.g., diving pay) and the task must be performed to receive the pay, then IDL pay will include the special pay only if the employee was scheduled to perform the task. (Refer to Section 16 of the Pay Scales.)

An employee on IDL is entitled to shift differential, if the employee was receiving a shift differential at the time of the injury. However, if there is a regular shift rotation and the employee remains on IDL when his/her shift would normally change to a shift without a differential, the IDL should be recalculated to exclude shift pay.

Refer to PPM Section G 004 to determine if a special/premium pay should be included/excluded in the salary rate when computing gross pay.

IDL benefit payments are based on the employee's full salary for the first 22 working dates of disability. Thereafter, the payments are based on two-thirds (2/3) of the employee's normal gross salary. Even though IDL is not taxable, the gross amount for IDL during the first 22 working dates is reduced by the amounts which would have been taken for taxes (Federal, Social Security/Medicare, State and State Disability Insurance. This is called the "reduced gross" and it is the amount reflected on the warrant register as well as the earnings statement. This reduced gross is calculated, because the statutory intent of the IDL benefit is continuation of the employee's net compensation for a period while he/she is disabled and unable to work. It is not designed to provide the employee with more money on disability than he/she would otherwise make working. On the 23rd working date, the IDL pay is based on two-thirds of the employee's gross salary without any reduction for taxes.

NOTE: For EPMC eligible employees (refer to PPM Section H 209), Federal and State Income Tax withholding amounts are computed based on the employee's gross pay LESS any retirement contribution amount deducted.

Retirement is computed based on the full gross pay. Employees continue to earn vacation, sick leave and state service credits while on IDL as well as any salary adjustments. If the employee received an increase in pay while on IDL, the benefit increases; if the employee received a demotion, the IDL payment should be reduced.

IDL payments are considered non-taxable staff benefits and are not reported as taxable wages on the employee's W-2.

The gross amount of "full pay" IDL payments are determined by:

a) Totaling the days and hours of disability,
b) Dividing the employees salary rate by the total number of hours in the pay period, and
c) Multiplying by the number of hours on IDL.

Example: Employee is due 12 days, 4 hours (100 hours) of IDL for the 01/06 pay period. Salary rate is $3000.00. Retirement rate is 5% and exclusion amount is $513.00

$3000.00 ÷ 176 hours in pay period = $17.045454 X 100 = $1704.55 gross pay

Gross	Federal	State	Social Security	Medicare	SDI
$3000.00 salary	$ 269.26	$ 43.72	$ 186.00	$ 43.50	$24.00
-1295.45 regular pay	- 58.97	- 9.85	- 80.32	- 18.78	- 10.36
$1704.55 IDL	(-)210.29	(-)33.87	(-)105.68	(-)24.72	13.64

= $1316.35 IDL "full pay"

NOTE: When reporting IDL pay during the first 22 working dates of disability, the hours of absence due to the disability on EACH date would be paid as full IDL.

Intermittent

If the employee is on a set work schedule, the agency should compensate the employee for what he/she was scheduled to work. If the employee was not on a set work schedule the agency should use the average number of hours worked each month for the last 12 months. If there is less than 12 pay periods, use the number of pay periods available to find an average as follows:

1) Total the hours of all intermittent time paid for the previous 12 pay periods or pay periods available. Divide the total hours by the applicable number of pay periods to determine the average hours of pay each month.

Example: 1500 hrs. ÷ 12 pay periods = 125 average hrs.
or
960 hrs. ÷ 6 pay periods = 160 average hrs.

2) During the previous 12 pay periods, the employee worked a total of 1025 hours; however, there were no hours worked during May, June and July of this period. If the employee is on a set schedule, do not go back 12 pay periods. Pay the employee based on what he/she was scheduled to work.

Example: 1025 hrs ÷ 9 = 114 average hrs.

3) If the employee's current time base is intermittent but the previous pay periods worked were on a full-time or part-time basis, convert the full/part-time pay periods to hours on the basis of 173.33 hours for full-time or the part-time fraction of 173.33 hours for each pay period. Add these numbers to determine hours worked and divide by the applicable number of pay periods to arrive at the average hours of pay each month.

If an employees' IDL compensation is calculated by going back 12 months and has some time worked in a current month, the combined regular pay and IDL can exceed the average hours.

Example:

The employee normally works an average of 125 hours a month. The first five days of the month, the employee worked 40 hours. The employee goes on workers' compensation the last 17 work days of the month.

Average hours per day are 6 hours; 6 hours times 17 days = 102 hours. The 102 hours plus the 40 hours worked exceeds the 125 hour average.

The total hours can only exceed the average if an employee is working and on IDL/TD during the same pay period.

If the employee's time base is indeterminate, the payment is based on the appointment agreement or as an intermittent time base.

EXAMPLES: Use tax chart effective 1/1/06. Employee is married, 0 exemptions, 5% retirement rate and the exclusion amount is $513.00.

1. Employee would receive $1,850.68 ($1,681.68 if Social Security and Medicare and State Disability Insurance member or $1,821.68 if Medicare only member) as full IDL pay if entitled to 22 days with the $2,000.00 gross reduced by $126.76 and $22.56 (and $124.00, $29.00, and $16.00 Social Security and Medicare and State Disability Insurance member or $29.00 if Medicare only member).

	Days	Gross	Federal	State	Social Security	Medicare	SDI	Reduced Gross
Regular Pay	**22**	**$2,000.00**	**$126.76**	**$22.56**	**$124.00**	**$29.00**	**$16.00**	**$1,681.68**
Full IDL Pay (non-Social Security , Non-Medicare and Non-SDI)	**22**	**$2,000.00**	**$126.76**	**$22.56**				**$1,850.68**
Full IDL Pay (Social Security, Medicare and SDI	**22**	**$2,000.00**	**$126.76**	**$22.56**	**$124.00**	**$29.00**	**$16.00**	**$1,681.68**
Full IDL Pay (Medicare member)	**22**	**$2,000.00**	**$126.76**	**$22.56**		**$29.00**		**$1,821.68**

2. The full IDL gross for 11 days is reduced by the difference between withholding for Federal and State Income Tax, Social Security, Medicare, and State Disability Insurance, for the 2,000.00 gross and for 11 days regular pay.

Social Security and Medicare Member	**Gross**	**Federal**	**State**	**Social Security**	**Medicare**	**SDI**	**Reduced Gross**
22 days total pay	**$2,000.00**	**$126.76**	**$22.56**	**$124.00**	**$29.00**	**$16.00**	**$1,681.68**
11 days regular pay	**$1,000.00**	**$ 30.90**	**$ 7.04**	**$ 62.00**	**$14.50**	**$8.00**	**$ 877.56**
11 days full IDL pay	**$1,000.00**	**$95.86**	**$15.52**	**$ 62.00**	**$14.50**	**$8.00**	**$ 804.12**
Medicare Member							
22 days total pay	**$2,000.00**	**$126.76**	**$22.56**	**--**	**$29.00**	**$16.00**	**$1,821.68**
11 days regular pay	**1,000.00**	**30.90**	**7.04**	**--**	**14.50**	**$8.00**	**947.56**
11 days full IDL pay	**1,000.00**	**95.86**	**15.52**	**--**	**14.50**	**$8.00**	**874.12**
Non-Social Security and Non-Medicare Member							
22 days total pay	**$2,000.00**	**$126.76**	**$22.56**	**--**	**--**		**$1,850.68**
11 days regular pay	**1,000.00**	**30.90**	**7.04**	**--**	**--**		**962.06**
11 days full IDL pay	**1,000.00**	**95.86**	**15.52**	**--**	**--**		**888.62**

CHANGE IN BENEFITS **E 410**
(Revised 04/99)

Refer to E 003.1 for approved injury options for Civil Service employees.

SPECIAL PROCESSING **E 411**
(Revised 01/08)

Payroll Operations is required to do special processing any time an employee received pay for another payment type and it is later determined that it should be for an IDL payment type.

A common occurrence is when an employee receives regular pay (payment type 0) and it should now be an IDL (payment type 6 or N).

Examples:

Regular pay to IDL

Originally, the regular pay was issued with taxes and Social Security, Medicare and State Disability Insurance (for members) withheld from this pay. Following are the steps that must be taken to correct the pay:

1. Transfer funds from regular pay to IDL full pay. This corrects the taxable income for the year and will generate a W-2C if regular pay was issued in a prior tax year.

2. Account receivable will be established against the IDL pay:

   a) This corrects the gross because the IDL gross is reduced by federal, state, Social Security, Medicare and SDI amounts (payment type 6) or if 2/3 pay (payment type N).

   b) Taxes are credited to correct the withholding for the pay period based on the reduced taxable income (deduction codes 099 Federal and 095 California Income Tax).

   c) Social Security (deduction code 097), Medicare (deduction code 092), and SDI (deduction code 600) is credited if withheld from regular pay because IDL is not subject.

NOTE: B and C correct W-2 withholding totals for the year and will generate a W-2C if issue date of regular pay was in a prior tax year. The employee should be advised of this when possible.

3. Refund deduction codes 028, 029, 095, and 099 when the taxable income remaining after the transfer is less than these deductions and they were originally withheld from regular pay.

Regular pay to IDL

Employee received 22 days regular pay and is entitled to 22 days full IDL pay.

Salary rate $2,000.00, pay period 01/06 married with 0 exemptions; retirement 5%; exclusion amount $513.00 Social Security, Medicare and State Disability Insurance member.

Step 1 Transfer $2,000.00 out of regular pay into full IDL which reduces taxable income on W-2.

Step 2 Establish an A/R against IDL pay for $318.32 which corrects IDL gross pay ($2,000 less federal tax of $126.76, state tax of $22.56, Social Security of $124.00, Medicare of $29.00 and SDI of $16.00 = $1,618.68 IDL reduced gross).

Step 3 Credit ALL Federal and State Income Taxes ($126.76 and $22.56) because there is no taxable income left in the pay period.

Step 4 Credit Social Security, Medicare and SDI ($124.00, $29.00 and $16.00) because IDL is not subject.

Transfer	$2,000.00	Reduced W-2 taxable income
A/R amount	318.32	Corrects IDL gross
Credits:		
Federal tax	126.76	Reduced W-2 tax
State tax	22.56	withholding amounts
Social Security	124.00	Social Security gross subject
Medicare	29.00	Medicare gross subject
SDI	16.00	SDI gross Subject
	$ .00	A/R net

NOTE: The net amount of the A/R against payment type 6 will normally be 0.

NDI to IDL

Employee received 30 days NDI for a gross of $578.57.
Employee is entitled to 22 days full IDL.

Salary rate $2,000, pay period 3/06
Married with 0 exemptions, retirement 5% exclusion amount of $513.00, Social Security, Medicare and SDI member.

Calculations based on taxable gross - $2,000 - $74.35 (Retirement) = $1,925.65.

Step 1 Calculate the reduced gross for 22 days of full IDL ($2,000 less $126.76, $22.56, $124.00, $29.00 and $16.00) = $1,681.68 reduced gross)

Step 2 Transfer 30 days and $578.57 of NDI to full IDL for 8 days, which will reduce taxable income on W-2.

Step 3 Establish an A/R against IDL pay for $44.26 which corrects IDL gross pay ($578.57 less Federal Income Tax of $0 State Income Tax of $0, Social Security of $35.87 and Medicare of $8.39 = $534.31 IDL reduced gross).

Step 4 Issue adjustment of 14 days IDL with a reduced gross of $1,085.07. Retirement is adjusted in the retirement field on this payment and includes the $578.57 which was not originally reported to PERS because NDI was not subject.

Submit form STD. 674D:

Transfer	$578.57	Reduced W-2 taxable income
A/R amount	50.42	Corrects IDL gross

Credits:		
Federal tax	6.16	Reduced W-2 tax
State tax	00.00	withholding amounts
Social Security	35.87	Social Security gross subject
Medicare	8.39	Medicare gross subject
	$ .00	A/R net

SUBMISSION OF FORM STD. 674D **E 412**
(Revised 04/99)

Most IDL pay requests can be documented on the Miscellaneous Payroll/Leave Actions form, STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions that must be documented on the Industrial/Nonindustrial Disability Pay/Adjustment Request, form STD. 674D.

Employment History must be updated via PAR when placing an employee on IDL (refer to PAM Section 5.33). In order for Payroll Operations to process the form STD. 674D, it is imperative the information on Employment History is accurate as this is the foundation for auditing and verification purposes.

After Employment History has been updated, a form STD. 674D, must be submitted for each pay period and position number.

IDL pay requests can be documented on the Miscellaneous Payroll Leave Action form STD. 671 and keyed via the PIP System Miscellaneous Detail Screen. See PPM E 006 for exceptions and E 007 for form STD. 671 completion instructions. DO NOT send forms STD. 671 to SCO Disability Unit.

When a summarized warrant is returned for redeposit, IDL pay can be reissued as follows:

- After the redeposit appears on Payment History (HIST) or after the Warrant Register for the redeposit is received, document the IDL pay request on form STD. 671 (see Section E 007 for completion instructions) and key the request via the PIP Miscellaneous Detail screen.

- If the IDL pay is a PIP Exception (see Section E 006) and therefore, cannot be keyed, a form STD. 674D must be submitted. IDL pay will only be rescheduled according to the information provided in Item(s) 6, 7, and/or 10 for the pay period.

  To reschedule IDL pay for other pay periods redeposited on the summarized warrant, which cannot be keyed via PIP, submit form STD. 674D for each pay period.

Refer to PPM Section I 316, for completion instructions on returning summarized warrants. These instructions are specific to the Payroll Adjustment Notice, form STD. 674, but can also apply to form STD. 674D.

If SCIF has indicated the last day of eligibility is in a subsequent pay period, form STD. 674D should be submitted at the BEGINNING of EACH MONTH to ensure issuance of pay with a payroll master issue date.

Form STD. 674D to request IDL pay is to be completed as follows:
(see Section Z, Attachment E-4 Samples)

ITEM ENTER:

1 CBID

2 Social security number

3 First and middle initials and last name (delete hyphens and enter as one name).

4 Regular position number on Line 1. If there is a mid-month Position Number change, enter new Position Number on Line 1 and old Position Number on Line 2.

5 Pay Period Type (refer to PPM Section B 007), Month and Year.

6 Intervening Activity/Working While on Disability

Complete ONLY when employee is working while on disability or leave credits charged in lieu of regular time **scheduled to work.** ONLY show regular time worked prior to or after the disability period IF the employee is on an alternate work schedule.
MUST SHOW ANY DOCK TIME DURING THE PAY PERIOD THAT IS NOT COVERED BY DISABILITY.

Enter the number of hours with corresponding code ("W" for worked, "L" for dock and "C" for IDL):

Example:

6. INTERVENIING ACTIVITY/WORKING WHILE ON DISABILITY – ENTER NUMBER OF HOURS & CODE (W-WORKED, L-DOCK, C-IDL)																																	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
	4C 4W	6C 2W	8W	1L 4C 3W	8C																											

7 Industrial Disability (IDL)

a. Enter all inclusive dates employee is entitled to IDL benefits. If there is a break between dates, please make this clear.

Example:

"Employee on IDL from 1/3 – 1/15 and 1/23 through 1/30".

NOTE: DO NOT COMPLETE this item if the employee is working while on disability. IDL time should already be shown in item 6.

b. If the employee has locked-in special pay(s) that is/are excluded from the IDL benefit calculation (refer to PPM Section G 004), enter the Earnings ID(s) and rate(s).

c. Check this item if employee is entitled to enhanced IDL.

8 Nonindustrial Disability (NDI)

Complete only when employee is due NDI in the same pay period (refer to PPM Section E 113 for completion instructions).

9 Payment Per Controller

Enter Issue Date, PAYMENT TYPE, Time Worked (either 21 or 22 days for a standard month), and Warrant/Direct Deposit Payment Number and/or Account Receivable Number for all payments, transfer of funds, and accounts receivable. DO NOT INCLUDE payments which have been previously returned. If a warrant is attached for redeposit, check the "RET" box, otherwise leave blank.

Reminder: If a warrant is attached to form STD. 674D for redeposit, the warrant and form must be sent to the Division of Disbursements.

10 Payment Should Be (Total time for the pay period must be completed.)

Enter number of days and/or hours for each type of pay being requested. Enter timebase fraction ONLY when regular pay is less than full-time.

NOTE: To request additional type(s) of pay not listed (i.e., supplementation), use the second line.

For shift differential, enter the shift code, number of hours and shift rate (refer to PPM Section Z, Attachment G-1).

Verify that the amount of time requested in each type of pay corresponds with the dates and/or hours reflected in items 6, 7a, 8a and/or 11.

If there are two different injuries being reported, color code to define what is being requested for each injury.

11 Additional Information

The following must be reflected in this item, when applicable:

A. If employee is receiving payments from other benefit programs, enter:

"Reduce IDL pay by $_____received from other benefit programs."

B. If account receivable is to be established as payroll deduction, enter one of the following:

"Establish payroll deduction A/R for 1 deduction from next applicable pay period."

"Establish payroll deduction A/R for_____(enter number) deductions to

start with next applicable pay period (not to exceed 12 pay periods)."

"Establish payroll deduction A/R for 2% of salary rate or 1/12 of account receivable net."

C. If employee has dock and time certified in item 10 (Payment Should Be) differs from time shown on Employment History, enter:

"Employee on dock (enter date(s) and number of hours)."

D. If employee is entitled to Temporary Disability in the same pay period, enter:

"Employee on TD (enter all inclusive dates)."

NOTE: Attach completed form STD. 674 for Temporary Disability along with form STD. 674D and submit as a package (refer to PPM Section E 312 for completion instructions).

E. If a mid-month salary rate change occurs, enter:

"Employee due (enter days/hrs. at 1st salary rate) and (enter days/hrs. at 2nd salary rate)."

F. If employee has more than one disability/injury, enter:

"Employee has___(enter number) injuries, SCIF dates are _____ and_____."

G. If A/R(s) shown in item 9 needs to be adjusted, enter one of the following:

"A/R # ____ has been satisfied."

"A/R # ____ has not been satisfied."

H. Other – when applicable, enter:

"Employee is academic, 10/12 or 11/12."

"Employee has separated."

I. IDL Keyed or "Not Keyed".

12 Authorized Signature (must be original) and date.

13 Complete ONLY if different than Authorized Signature. Enter name.

14 Telephone Number of person to be contacted.

REFERENCE
(Revised 04/99)

CSU IDL Administrative Guide

INTRODUCTION
(Revised 04/99)

CSU IDL Sick Leave Supplement Program

All CSU employees may elect to supplement 2/3 IDL pay with payments of accrued sick leave credits to bring their disability pay to the equivalent of their full pay.

"Full pay" is defined as the amount to which the employee's retirement contribution is applied. The employee's salary rate and number of days and hours for which he/she would
have been paid had the disability not occurred will be used to determine "full pay."

ELIGIBILITY **E 426**
(Revised 05/05)

Employees whose disabilities are determined by the CSU to be work related shall have a one-time election to participate in the supplement program. This election must be made no later than 15 calendar days from the mailing of the Notice of Eligibility for IDL.

Employees may discontinue participation in the supplement program by providing a written notification at least 15 calendar days in advance of the supplemental termination date.

Sick Leave Supplementation is not allowed for the first 22 work days of IDL, at which time, IDL payments are equivalent to "full pay." Supplementation is allowed beginning on the 23rd work day of IDL and may continue until 1) the employee is no longer on IDL, 2) exhausts accrued sick leave credits or 3) elects to discontinue supplementation.

Supplementation is limited to the use of sick leave accrued up to the date of the work-related injury or the first day of disability (which may be different than the date of injury) for which IDL with supplementation is sought, except as indicated under the Catastrophic Leave program. If an employee is released to return to work but goes out on IDL at a later time for the same work-related injury, sick leave accrued during the time in work status may be used for supplementation purposes.

CATASTROPHIC LEAVE SUPPLEMENTATION **E 427**
(Revised 04/99)

Catastrophic leave donations may be used to supplement IDL benefits. An employee cannot waive IDL benefits at his/her option and still apply for catastrophic leave donations. An employee may only request participation in the Catastrophic Leave Program if all leave credits have been exhausted.

DEDUCTIONS **E 428**
(Revised 04/99)

Mandatory

Deductions for Federal and State Income Tax WILL BE made from the Sick Leave Supplementation payments. The supplementation payment gross and amount of tax withholding will be included on the Form W-2.

Social Security and Medicare WILL BE deducted from sick leave payments for Social Security and Medicare members unless the employee has reached the Social Security maximum for the year in which case, no Social Security will be withheld. The sick leave payment gross will be reported as Social Security and Medicare wages on the Form W-2.

Medicare WILL BE deducted from sick leave payments for Medicare members. The sick leave payment gross will be reported as Medicare wages on the Form W-2.

Retirement contributions will NOT be deducted from sick leave payments since retirement
contributions deducted from the IDL payments are computed on the employee's "full pay"
and reported to PERS/STRS for full service credit.

Voluntary Deductions and Salary Reductions

Voluntary miscellaneous payroll deductions and salary reductions (including flexible benefits) will be withheld automatically if not already taken and there is sufficient wages unless canceled by the employee.

COMPUTATION OF SUPPLEMENTATION AMOUNT **E 429**
(Revised 04/99)

The total gross payments for IDL, Sick Leave Supplementation, and regular pay may not exceed the employee's "full pay."

For Full Supplementation, the amount of sick leave charged against accrued credits for the supplementation pay is 1/3 of the time on 2/3 IDL within that pay period. The amount of sick leave to be charged is rounded to the nearest whole number.

EXAMPLE: Employee on 2/3 IDL for 10 days in the pay period.

- 10 days x 8 = 80 hours
- 1/3 of 80 hours = 26.6 hours, rounded to 27 hours
- 27 hours ÷ 8 = 3 days, 3 hours – which is the amount to be charged against accrued sick leave credits.

There is no correlation between the gross amount of the Sick Leave Supplementation payment and the number of Sick Leave hours an employee is to be charged. The supplemental payment is based on 1/3 of the employee's gross pay.

Number of Days in PPE On 2/3 IDL Pay:	Chargeable Sick Leave Hours 1/3 Salary Supplementation
1	3

2	5
3	8
4	11
5	13
6	16
7	19
8	21
9	24
10	27
11	29
12	32
13	35
14	37
15	40
16	43
17	45
18	48
19	51
20	53
21	56
22	59

Except in the pay period in which accrued sick leave credits are exhausted, employees may not supplement on a partial basis. That is, they may not supplement with an amount of sick leave that is less than the amount required for Full Supplementation.

For Full Supplementation, the gross amount of the Sick Leave Supplementation pay is the difference between the 2/3 IDL gross pay and the “full pay” gross for the time on 2/3 IDL (1/3 of full pay gross).

SUBMISSION OF FORM STD. 674D **E 430**
(Revised 04/99)

Reporting employees to or from the supplement program are documented on the PPT following the instructions in PIMS.

Sick Leave Supplementation payments may be keyed on form STD. 671.

Adjustments to IDL payments (correcting time on IDL or salary on which IDL payments were based) will require adjustments to Sick Leave Supplementation payments.

ATTENDANCE REPORTING **E 431**
(Revised 04/99)

For CSU employees on IDL, time for which sick leave pay is requested on form STD. 674D must NOT be included in the “Total Time Worked” column on Form 672.

SUBJECT: IDL/S/Civil Service

E 450

REFERENCES
(Revised 01/08)

GC 19875

INTRODUCTION
(Revised 04/99)

For periods of work related disability, eligible Civil Service employees (per MOU) may elect to supplement their basic IDL benefit with accrued leave credits (See E 003.1). IDL with Supplementation (IDL/S) allows the employee to supplement up to his/her full net pay.

Full net pay is defined as the employee's gross salary minus Federal and State Income Taxes, Social Security, Medicare, Rtirement and State Disability insurance if applicable. Miscellaneous deductions are not factored into the calculation of the employee's full net pay. Gross salary includes any premium or shift pays that are currently included in IDL calculations.

Supplementation may begin after the first 22 working days of IDL Full (23rd working day).

IDL/S is subject to all of the existing policies and procedures that pertain to regular IDL. Employees that are eligible for this benefit no longer have the option of electing Temporary
Disability (TD) at any time during the 52 weeks that the IDL benefit is available. TD is only
available to 1) employees who remain disabled after the IDL benefit is exhausted or 2) employees who are not members of PERS or STRS.

LEAVE CREDITS **E 451**
(Revised 04/99)

Employees may supplement IDL with any accrued leave credits. Leave balances needed for supplementation are drawn from the employee's leave balances in the following order unless the employee requests a different order.

- Sick Leave
- Compensating Time Off
- Vacation/Annual Leave
- Other Leave (e.g., Personal Leave, Holiday Credit, etc.)

Employees may choose to supplement with less time, but once the level of supplementation is selected it may not be increased. Supplementation levels can not include fractions of an hour. An employee may decrease the supplementation amount or terminate supplementation at any point, but changes will be made on a prospective basis only.

The effective date of any change will be the first of the pay period following the pay period in which the employee's election for change is made.

If an employee's leave credits fall below the supplementation amount that was selected and he/she is still on IDL, the supplementation amount should be reduced to the amount of leave credits available each month (except that no fractions of an hour may be used), unless the employee wishes to stop supplementation completely.

If an employee is on IDL for a portion of the month and the amount of supplementation selected exceeds the amount necessary to obtain full net pay, then the supplementation amount must be adjusted to ensure that the employee's combined pay for the pay period does not exceed full net pay.

DOCUMENTATION **E 452**
(Revised 04/99)

Employment History must be updated to reflect the employee's election to supplement IDL via PAR Transaction 565, Line 9 Item 957 or Transaction 215 (refer to PAM sections 2.37 and 5.33 for conditions and documentation instructions). In order for Payroll Operations to process the supplementation payment, it is imperative the information on Employment History is accurate as this is the foundation for auditing and verification purposes. No Employment History update is required when the employee does not elect to supplement or when the employee elects to stop supplementation.

IDL Supplementation pay for current and prior (no more than 12 months) month is documented on form STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions and E 007 for form STD. 671 completion instructions.

Form STD. 674D must be submitted for IDL PIP Exceptions. See Section E 456 for completion instructions.

DEDUCTIONS **E 453**
(Revised 01/08)

Federal and State Income Tax
Federal and State Income Tax deductions WILL BE withheld from IDL Supplementation payments. Taxes will be based on the flat tax rates of 25% federal, 6% CA, 7.35% NY, 3% IL. Supplementation gross amount and taxes withheld will be reported on Form W-2

Social Security and Medicare
Social Security and Medicare WILL BE withheld from IDL Supplementation payments unless the employee is not a Social Security or Medicare member or has reached the Social Security maximum for the year, then no Social Security will be withheld. The gross amount and Social Security and Medicare withheld will be reported on Form W-2.

Retirement
Retirement contributions WILL NOT be deducted from IDL Supplementation payments since the full retirement amount is deducted from IDL 2/3 and reported to PERS/STRS for full service credit.

State Disability Insurance
SDI will not be deducted from IDL Supplementation.

Mandatory/Voluntary Deductions

All established mandatory and voluntary deductions will be withheld from supplementation pay if not already taken from another payment in the pay period and there is sufficient gross pay. For example, an employee who has a deferred compensation deduction would not have the deduction taken from the IDL 2/3 payment because deferred compensation is tax reducing deduction and IDL 2/3 is not considered taxable income. However, if the supplementation gross is sufficient, the deferred compensation would be deducted from the supplementation payment.

Employees must cancel those deductions they do not wish to have withheld from supplementation pay. Employees must request deduction cancellations by contacting the respective deduction company(s) or personnel/payroll office.

When an employee with flexible Health/Dental or POP (Premium Only Plan) benefits is placed on IDL with or without Supplementation, the employee's flex deductions are canceled and the employee is placed into a traditional health and/or dental plans. Once the employee returns to active status, the employee's flex deductions are re-established, if a valid Flex enrollment exists.

For employees with the cash option, a separate warrant will be issued after IDL pay has issued. Once the employee returns to active status, the cash option will be applied to regular pay, if a valid FlexElect enrollment exists.

IDL/S CALCULATION SPECIAL INSTRUCTIONS **E 454**
(Revised 05/05)

When processing calculations allow a minimum of 5 places to the right of decimal on calculator.

Personal/Voluntary Leave Program (PLP)
Refer to Payroll Letter 04-013 for calculation instructions:
http://www.sco.ca.gov/ppsd/scoltrs/payr/2004/p04-013.pdf

Shift and Premium Pay – NOT LOCKED IN
Shift and prorated premium pay that are NOT locked in on Employment History but are included in IDL calculations may be supplemented. The calculation of IDL Shift Supplementation or IDL Premium Supplementation must be done separately. See Section E 457 for calculation instructions.

Salary Rate
IDL/S is computed using the employee's hourly rate plus any locked-in premiums or shift pay included in IDL calculations. For a negative employee, the hourly rate is determined by dividing the salary rate by either 168 or 176 (21 or 22 day month) hours.

Leave Credit Hours
The number of leave credit hours the employee must use is determined by dividing the gross supplementation amount by the employee's hourly salary rate and rounding to the whole hour. After determining the number of leave credit hours needed, convert the hours to days and hours for monthly salary employees when requesting supplementation on the form STD. 671 or form STD. 674D.

If an employee has more than one salary rate in the pay period, use an hourly rate based on the total gross for both salary rates to compute the leave credits.

EXAMPLE 1:

Employee on 2/3 IDL the entire pay period.

14 days are at $3,892.00 and 7 days are at $3,546.00

Gross net for each time span:
14 days = $2,594.67 IDL 2/3 gross net
7 days = $1,182.00 IDL 2/3 gross net.

Total gross net = $3,776.67

$3,776.67 ÷ 168 (hours in pay period) = $22.48 hourly rate

EXAMPLE 2:

Employee is on 2/3 IDL for part of the pay period at one salary rate and the remainder of the pay period (for other pay) is another salary rate. The salary rate used to compute leave credits will be based on the salary rate for the 2/3 IDL.

10 days 2/3 IDL at $2,300.00
12 days regular pay at $2,500.00

Hourly rate is based on $2,300.00 (IDL 2/3) ÷ 176 (days in pay period) = $13.07 hourly rate.

SUBMISSION OF FORM STD. 674D **E 455**
(Revised 05/05)

Form STD. 674D must be submitted for each pay period and position to request IDL Supplementation for IDL PIP Exceptions See section E 456. IDL/S may be requested with other pay allowed on the Form STD. 674D (such as IDL 2/3, IDL full, regular pay, Shift differential); however, IDL Supplementation. pay will not issue until IDL 2/3 pay has been issued.

COMPLETION OF FORM STD. 674D **E 456**
(Revised 03/02)

For PIP Exceptions (see Section E 006), form STD. 674D is completed as follows to request IDL Supplementation pay (see PPM Section Z, Attachment E-5 Samples). Refer to Section E 400 for IDL completion instructions.

ITEM	ENTER:
1	CBID
2	Social Security Number
3	First and middle initials and last name (delete hyphens and enter as one name).
4	Position Number Enter regular position number on Line 1. If there is a mid-month Position Number change, enter new Position Number on Line 1 and old Position Number on Line 2.
5	Pay Period Enter Pay Period Type (refer to PPM Section B 007), Month and Year.
6	Intervening Activity Complete per Section E 413 for IDL.
7	Industrial Disability Complete per Section E 413 for IDL.
8	Nonindustrial Disability Complete per Section E 113 for NDI due in the same pay period.
9	Payment Per Controller When requesting an adjustment to supplementation, enter Issue Date, Payment Type **U;** Pay Suffix **N** (U/N), Time for supplementation pay, and Warrant or Accounts Receivable Number. If a warrant is attached for redeposit check the "RET" box, otherwise leave blank.
10	Payment Should Be To request IDL supplementation pay: TYPE: Enter **IDL/S** PT: Enter **U** TIME WORKED: Enter leave credit days and hours required to supplement **IDL.** <u>NOTE: Leave credit hours must be converted to days and hours for monthly salary employees.</u> TIMEBASE FRACTION: Enter only when timebase is less than full-time. For supplementing Shift IDL that is **NOT** locked in, enter the following information in the margin below Item 10: SHIFT: Enter **IDL/S** when requesting supplementation for Shift IDL pay that is not locked in on Employment History. SHIFT CODE: Enter the appropriate shift code. HOURS: Enter the number of leave credit hours required to supplement Shift IDL. SHIFT RATE: Enter the shift rate and shift **GROSS** amount.
11	Additional Information

When supplementing premiums that are **NOT** locked in **AND** are included in IDL pay, indicate IDL/S and enter the Premium Earnings ID, premium rate, time and gross amount.

When requesting Partial Supplementation, please indicate **"Partial Supplementation Requested".**

When requesting IDL/S, enter: "IDL keyed" or "IDL NOT keyed". Supplementation pay will suspend until the IDL payment is processed.

SPECIALCONDITIONS **E 457**
(Revised 08/03)

Some conditions require special calculations to compute the IDL Supplementation amount. These conditions can not be calculated using the on-line calculator and must be done manually. Most conditions are calculated by following the manual computation formula steps outlined in Section E 458. Below are instructions for computing special conditions.

Conditions:

1 Employees who have premiums locked-in on Employment History that are NOT subject to retirement but are included in the IDL calculations.

2 Employees supplementing premium or shift pay that is not locked-in on Employment History.

- Compute full net pay for the premium/shift in the pay period.
- Compute gross net for the premium/shift for any time worked, **IDL** Full and/or IDL 2/3.
- Subtract the total premium/shift gross nets from the full net pay premium/shift to equal any supplementation shift or premium due.

NOTE: In most cases, premiums or shift cannot be supplemented due to 1) the IDL 2/3 shift/premium is normally more than full net pay for shift/premium or 2) the supplementation amount is equivalent to less than 1 hour of leave credits.

3 Second half pay period for semimonthly paid employee when the gross subject to retirement for the first half pay period was insufficient to satisfy the full monthly retirement exclusion amount:

Compute the 2nd half pay period following the formula steps but combine the 1st and 2nd half gross subject to retirement to determine the correct retirement and tax amounts:

EXAMPLE

Employee due 40 hours IDL 2/3 in a 11 day pay period. Salary rate $12.50; Married
with 0 exemptions; retirement ID 06/5%. First half pay period gross = $500; retirement exclusion amount of $513 not satisfied. Full net pay for 1st half $421.71.

A Compute full net pay for 2nd half pay period:

$12.50 x 40 hours = $500.00 gross

Retirement:
$ 500.00 1st half gross
+ 500.00 2nd half gross
$1,000.00 gross subject to retirement
- 513.00 exclusion amount
$ 487.00 X 5% = $24.35 retirement amount.

B $ 500.00 gross 2nd half
24.35 retirement
25.10 federal tax
3.28 state tax
31.00 social security
- 7.25 medicare
$ 409.02 **FULL NET PAY**

C Compute IDL 2/3 Gross net:

40 hours X $12.50 = $500.00 IDL 2/3.
$500.00 ÷ 3 x 2 = $333.33 IDL 2/3

$333.33
- 24.35 retirement
$308.98 IDL 2/3 gross net

D Compute gross net for IDL/S:

$409.02 Full net pay
308.98 IDL 2/3 gross net
$100.04 IDL/S gross net

E Compute IDL/S gross:

$100.04 ÷ .6635 (withholding factor) = $150.78 supplementation gross.

4 Employees subject to Illinois or New York state tax:

Follow the calculation formula rules except use the appropriate tax rates to compute the gross net amounts. Refer to Section H 118 for tax rate information. Use the mandatory withholding factor (E 458) for computing the supplementation gross amount.

5 Daily salary rate employees:

Follow the calculation formula rules except use the employees daily salary rate and number of days to compute by.

6 Retirement Account Code LO and the employee's retirement rate is 4%.

Follow the calculation formula rules using the PPM Section H for computing retirement deductions.

7 Employees having more than one salary rate or retirement plan during the pay period:

Follow the calculation formula rules and compute each time span individually using the appropriate salary rate or retirement plan in effect.

8 Employees who will exceed the Social Security maximum earnings limit in the pay period:

Follow the calculation formula rules. For Social Security, apply the amount up to the maximum.

9 Pay with issue dates of August 1 through August 6, 2001 must be calculated manually.

10 In order to have accurate calculations for pay which issued on June 1, 2003, the tax period 05/03 MUST be entered in the ”TAX MONTH AND YEAR” field on the IDL/S Calculator.

IDL/S COMPUTATION FORMULA **E 458**
(Revised 01/08)

For manual calculations, follow the steps outlined on the next page. Manual calculations are required for conditions that the on-line calculator cannot accurately compute. See PPM Section Z, Attachment E-5 for computation formula examples. See Section L 001 for IDL/S on-line calculator instructions.

IDL/S - COMPUTATION FORMULA

FULL SUPPLEMENTATION

1. Compute FULL NET PAY for total hours worked and on IDL in the pay period:
   a. Hours worked[1] + IDL Full hours + IDL 2/3 hours = total hours
   b. Total hours x hourly rate[2] = gross
   c. Gross - mandatory withholding[3] = FULL NET PAY

2. Compute GROSS NET for regular pay due for the pay period:
   a. Hours worked[1] x hourly rate[2] = gross
   b. Gross - mandatory withholding[3] = regular pay GROSS NET

3. Compute GROSS NET for IDL Full pay due for the pay period:
   a. IDL Full hours x hourly rate[2] = IDL Full gross
   b. Gross - mandatory withholding[3] = IDL Full GROSS NET

4. Compute GROSS NET for IDL 2/3 pay due for the pay period:
   a. IDL 2/3 hours x hourly rate[2] = IDL Full gross
   b. IDL Full gross ÷ 3 x 2 = IDL 2/3 gross
   c. IDL 2/3 gross - retirement = IDL 2/3 GROSS NET

5. Add GROSS NET amounts from steps 2, 3 and 4.

6. Compute GROSS NET for IDL Supplementation pay:
   a. Step 1 FULL NET PAY - step 5 GROSS NET = IDL Supplementation GROSS NET

7. Compute IDL Supplementation pay gross:
   a. IDL Supplementation GROSS NET ÷ appropriate mandatory withholding factor (See Next Page) = IDL Supplementation gross

8. Compute leave credit hours for IDL Supplementation:
   a. IDL Supplementation gross ÷ hourly rate[2] = leave credit hours (rounded to the nearest whole hour).

PARTIAL SUPPLEMENTATION

1. Hourly rate[2] x leave credit hours being used = IDL Supplementation gross

[1] **Hours worked should reflect Personal Leave Program (PLP) reduction.**

[2] **Hourly rate plus any locked in premiums or shift pay included in IDL calculations. Set your calculator to 5 decimal places or floating decimal and determine hourly rate by dividing SALARY RATE by either 168 or 176 (21 or 22 day month) hours. If using a floating decimal, round the hourly rate to five decimal places. Round to the nearest cent when computing the number of leave credits.**

[3] **Federal/State withholding based on current marital status, exemptions, and tax rates using the aggregate method. Social Security, Medicare and State Disability Insurance based on current tax rates. Retirement based n status in effect for the pay period of the pay using the aggregate method. The gross subject to retirement should NOT include locked in premiums not subject to retirement.**

MANDATORY TAX WITHHOLDING FACTOR

(Revision 08/03)

1. MANDATORY WITHHOLDING AMOUNT is the amount by which the IDL Supplementation net is adjusted in order to derive the IDL Supplementation gross.

   IDL Supplementation gross = IDL Supplementation net ÷ mandatory withholding factor

2. IDL Supplementation pay is subject to the following mandatory withholding:

Mandatory Withholding for IDLS issued in tax year:	Federal Withholding Tax	State Withholding Tax	Social Security and Medicare	Medicare Only
1993	**20%**	**6%**	**7.65%**	**1.45%**
1994 to 6/1/95	**28%**	**6%**	**7.65%**	**1.45%**

Mandatory Withholding for IDLS issued in tax year:	Federal Withholding Tax	State Withholding Tax	Social Security	Medicare	SDI
6/2/95 to 8/6/01	**28.0%**	**6%**	**6.20%**	**1.45%**	
8/7/01 to 12/31/01	**27.5%**	**6%**	**6.20%**	**1.45%**	
1/1/02 to 06/02/03	**27.0%**	**6%**	**6.20%**	**1.45%**	
				—	
06/03/03 and thereafter	**25.0%**	**6%**	**6.20%**	**—**	
Effective 10/01/05	**25.0%**	**6%**	**6.20%**	**1.45%**	**1.08%**
Effective 01/01/06	**25.0%**	**6%**	**6.20%**	**1.45%**	**.80%**
Effective 01/01/07	**25.0%**	**6%**	**6.20%**	**1.45%**	**.60%**
Effective 01/01/08	**25.0%**	**6%**	**6.20%**	**1.45%**	**.80%**

3. MANDATORY WITHHOLDING FACTOR is the difference of 100% and the total mandatory withholding amount to which an employee is subject.

4. MANDATORY WITHHOLDING FACTOR to be used:

1993	EMPLOYEE SUBJECT TO FEDERAL AND STATE TAX	EMPLOYEE EXEMPT FROM FEDERAL AND STATE TAX	EMPLOYEE SUBJECT TO FEDERAL TAX AND EXEMPT FROM STATE TAX	EMPLOYEE SUBJECT TO STATE TAX AND EXEMPT FROM FEDERAL TAX
EMPLOYEE SUBJECT TO SOCIAL SECURITY AND MEDICARE	.6635	.9235	.7235	.8635
EMPLOYEE SUBJECT TO MEDICARE	.7255	.9855	.7855	.9255
EMPLOYEE NOT SUBJECT TO SOCIAL SECURITY OR MEDICARE	.7400	NONE	.8000	.9400

1994 to 08/06/01	EMPLOYEE SUBJECT TO FEDERAL AND STATE TAX	EMPLOYEE EXEMPT FROM FEDERAL AND STATE TAX	EMPLOYEE SUBJECT TO FEDERAL TAX AND EXEMPT FROM STATE TAX	EMPLOYEE SUBJECT TO STATE TAX AND EXEMPT FROM FEDERAL TAX
EMPLOYEE SUBJECT TO SOCIAL SECURITY AND MEDICARE	.5835	.9235	.6435	.8635
EMPLOYEE SUBJECT TO MEDICARE	.6455	.9855	.7055	.9255
EMPLOYEE NOT SUBJECT TO SOCIAL SECURITY OR MEDICARE	.6600	NONE	.7200	.9400

08/07/01 to 12/31/01	EMPLOYEE SUBJECT TO FEDERAL AND STATE TAX	EMPLOYEE EXEMPT FROM FEDERAL AND STATE TAX	EMPLOYEE SUBJECT TO FEDERAL TAX AND EXEMPT FROM STATE TAX	EMPLOYEE SUBJECT TO STATE TAX AND EXEMPT FROM FEDERAL TAX
EMPLOYEE SUBJECT TO SOCIAL SECURITY AND MEDICARE	.5885	.9235	.6485	.8635
EMPLOYEE SUBJECT TO MEDICARE	.6505	.9855	.7105	.9255
EMPLOYEE NOT SUBJECT TO SOCIAL SECURITY OR MEDICARE	.6650	NONE	.7250	.9400

01/01/02 to 06/02/03	EMPLOYEE SUBJECT TO FEDERAL AND STATE TAX	EMPLOYEE EXEMPT FROM FEDERAL AND STATE TAX	EMPLOYEE SUBJECT TO FEDERAL TAX AND EXEMPT FROM STATE TAX	EMPLOYEE SUBJECT TO STATE TAX AND EXEMPT FROM FEDERAL TAX
EMPLOYEE SUBJECT TO SOCIAL SECURITY AND MEDICARE	.5935	.9235	.6535	.8635
EMPLOYEE SUBJECT TO MEDICARE	.6555	.9855	.7155	.9255
EMPLOYEE NOT SUBJECT TO SOCIAL SECURITY OR MEDICARE	.6700	NONE	.7300	.9400

06/03/03 To	EMPLOYEE SUBJECT TO FEDERAL AND STATE TAX	EMPLOYEE EXEMPT FROM FEDERAL AND STATE TAX	EMPLOYEE SUBJECT TO FEDERAL TAX AND EXEMPT FROM STATE TAX	EMPLOYEE SUBJECT TO STATE TAX AND EXEMPT FROM FEDERAL TAX
EMPLOYEE SUBJECT TO SOCIAL SECURITY AND MEDICARE	.6135	.9235	.6735	.8635
EMPLOYEE SUBJECT TO MEDICARE	.6755	.9855	.7355	.9255
EMPLOYEE NOT SUBJECT TO SOCIAL SECURITY OR MEDICARE	.6900	NONE	.7500	.9400

SUBJECT: NDI/CSU

E 500

REFERENCES
(Revised 04/99)

Unemployment Insurance Code 2781 - 2783

<u>CSU</u>

NDI Administrative Guide - Chancellor's Office
Education Code 89529.15

INTRODUCTION
(Revised 04/99)

NDI is a benefit for employees who become disabled due to a nonwork related injury or illness.

The Chancellor's Office has program responsibility for CSU employees.

EDD has administrative responsibility for the Nonindustrial Disability Insurance Program for CSU employees.

NDI payments are identified as payment type "T".

GENERAL NDI ELIGIBILITY **E 501**
(Revised 04/99)

NDI applies only to employees in compensated employment:

- All permanent or probationary full-time state officers/employees who are members of PERS/STRS.

- All part-time and permanent intermittent state officers/employees must have six monthly compensated pay periods of service within the 18 months immediately preceding the pay period in which the disability begins whether or not the employee is a member of PERS/STRS. The amount paid can be as little as one hour each month for six months. But, there must have been some compensation.

NOTE: "Full-time" employee includes one who is currently serving under a temporary or limited-term appointment, and has permanent or probationary status. Also included are employees in more than one position if the total of the employee's fractional appointments is full-time.

Refer to the CSU Benefits Chart in Section E 503 for specific eligibility requirements and/or benefits for CSU bargaining units.

ELIGIBILITY FOR BENEFITS **E 502**
(Revised 04/99)

To qualify for NDI pay all employees must serve a seven day waiting period.

The waiting period is waived if the employee is confined in a hospital or nursing home at least one day, or requires treatment in a hospital surgical unit or surgical clinic.

An employee must use all accrued sick leave credits before any NDI benefits may be paid. On the final day of sick leave, if the number of hours charged is four or less, the employee is eligible for NDI benefits for that date. If the number of hours charged is five or more hours, NDI benefits commence on the following date. The requirement to use sick leave credits before being eligible to receive NDI payments is conditional upon the employee's eligibility to use sick leave credits. For example, if an eligible employee is in multiple positions and is partially disabled and unable to work in one of the positions, normally the employee will not be required to exhaust sick leave credits in all positions prior to commencing NDI benefits.

Use of accrued vacation credits during a disability is optional with the employee. However, if the employee elects to use accrued vacation credits, all of the accrued vacation credits must be used before NDI benefits will be paid. If an employee elects not to use accrued vacation credits, then the accrued time may not be used until the employee returns to active employment (i.e., back on the job physically performing his/her regular or customary duties at the time base the employee held prior to the disabling injury or illness) for a minimum of one full work day. However, the campus has the discretion to approve an employee's request to use vacation after the end of the NDI period without requiring the employee to return to work.

Use of accrued CTO during a disability is optional with the employee. However, if the employee elects to use accrued CTO, all of the accrued CTO must be used before NDI benefits will be paid. If an employee elects not to use accrued CTO, the accrued time may not be used until the employee returns active employment (i.e., back on the job physically performing his/her regular or customary duties at the time base the employee held prior to the disabling injury or illness) for a minimum of one full work day. However, the campus has the discretion to approve an employee's request to use CTO after the end of the NDI period without requiring the employee to return to work.

An employee is eligible for NDI benefits for any period for which EDD has certified as an eligible period.

An employee is NOT eligible for NDI benefits with respect to any period for which an employee has received or is entitled to receive Unemployment Compensation benefits.

An employee is NOT eligible for NDI benefits for any day of unemployment and disability for which he has received, or is entitled to receive, other benefits (e.g., Temporary Disability) unless other such benefits are less than the amount the employee would otherwise receive as NDI benefits. The employee shall then be entitled to NDI for each full day, reduced by the amount of other such benefits.

An employee is NOT eligible for NDI benefits for any day on or after death; retirement; or, separation due to:

A. Resignation
B. Dismissal
C. Rejection during probation
D. Layoff
E. Expiration of a temporary appointment

NOTE: The expiration date of a temporary employee's appointment may not be extended, nor may the employee be reappointed during the period of NDI.

NDI BENEFITS CHART **E 503**
(Revised 05/05)

CSU - NDI BENEFITS CHART

BARGAINING UNIT	DISABLED DATE	WEEKLY MAX PAY	LIMITATION (% OF FULL SALARY)	WAITING PERIOD	MANDATORY SICK LEAVE USAGE
R01, R010	07/01/89	$135	50%	7 DAYS	YES
R02, R05, R07, R09, M80, M98, C99	07/01/00	$250	50%	7 DAYS	YES
R03, R04, R06, R08, E99	11/01/76	$125	50%	7 DAYS	YES
UNREPS	11/01/76	$125	50%	7 DAYS	YES

NDI is payable monthly for a period not exceeding 26 weeks for any one disability. The 26-week benefit period shall be equivalent to 182 calendar days. Calendar days on NDI will be based on the "State Pay Period Calendar."

EXAMPLE: An employee is on NDI for the entire month of February 1999. Inclusive dates on NDI would be February 1 through March 1, 1999 and the employee would be due 29 days of NDI for the February 1999 pay period.

Academic employee days on NDI will also be based on the "State Pay Period Calendar" commencing with the first academic work day of the academic year and ending with the last academic work day of the academic year.

NDI benefits are computed based on the employee's salary rate at the inception of the benefit and are NOT modified by any subsequent salary increases or decreases.

DOCUMENTATION **E 504**
(Revised 05/05)

To file first claim for NDI, employees must obtain an EDD claim Form DE 8501, Nonindustrial Disability Insurance, and Information Collection and Access, Form DE 8545 NDI, from their campus Payroll/Human Resources office. The Payroll/Human Resources office will complete the front portion of Form DE 8501. The employee must complete their portion of the Form DE 8501 and have the doctor complete their portion of the form and mail it to EDD.

NOTE: Consult PIMS Section 7.33 to determine if it is appropriate to process a PPT to document pending disability.

EDD will determine eligibility and notify the campus and the employee if the disability claim has been approved per Authorization to Pay Nonindustrial Disability Insurance, Form 8500A or disapproved per Notice of Determination, Form 8517c.

Upon notification of eligibility, a PPT must be processed to update the Employment History Record. See PIMS 2.30 and 9.15 for documentation procedures. NDI pay for current and prior (no more than 12 months) month is documented on form STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions and E 007 for form STD. 671 completion instructions.

Form STD. 674D must be submitted for NDI PIP Exceptions. See Section E 114 for completion instructions.

WORKING WHILE ON NDI **E 505**
(Revised 04/99)

Employees may, at the discretion of the campus and upon medical verification, work while on NDI and receive benefits for the same dates, as long as their NDI benefits plus their regular pay does not exceed 100% of their gross pay for the pay period.

NDI pay for an employee who is working while on NDI may be requested via the PIP system, provided it is not listed as a PIP Exception in E 006. If listed as a PIP Exception, form STD. 674D must be submitted to request the pay. Enter in Item 6 the number of hours and Code "W" for worked, including holiday(s) if employee should be paid regular pay.

NOTE: If reinstated and the employee works less than 11 days in a pay period, it may be necessary to process a 715 transaction PPT. See PIMS 3.75 to determine if documentation is necessary.

<u>Current Month</u>

When an employee is being reinstated, a form STD. 603 may be processed to reduce the time reflected in "Time to be Paid" on the PPT (e.g., transaction A03, S49, A57). Form STD. 603 must only reflect the additional dock time.

HOLIDAY ON NDI **E 506**
(Revised 04/99)

Holidays will be paid as follows:

- Employee on S49 PPT status will be paid NDI pay for holidays.

- CSU employees with Item 957 Code 22 and Item 719 Code 96 completed on the PPT will be paid regular pay for holidays based on the time base at which they are REINSTATED and will receive NDI pay for the balance of the holiday.

EXAMPLE: An employee's time base before going on NDI was full-time. The employee is reinstated to half-time on PPT with Item 957 Code 22 and Item 719 Code 96 completed. The employee would be due one day regular pay and one day NDI for the holiday.

DEDUCTIONS **E 507**
(Revised 04/99)

Federal and State Income Tax deductions will be withheld provided there is enough taxable gross. Gross amount will be reported on Form W-2 as "Wages, tips, and Other Compensation."

NDI payments are subject to Social Security and Medicare and will appear on Form W-2 as Social Security wages and Medicare wages. If the employee has reached the Social Security maximum for the year, then only Medicare will be withheld.

No retirement contributions or survivors benefits will be withheld nor will state contributions be made.

Orders assigning salary or wages filed under FC 150, 5200; PC 3088 and Earnings Withholding Order for Support CC 706.030 will be withheld from NDI payments (per CCP 704.110 and 688.030).

If there is sufficient NDI gross, all miscellaneous deductions (including flexible benefit deductions) will be withheld unless canceled by the employee.

NOTE: Flexible benefit deductions may only be canceled by the participant if there is a permitting event. If an employee's health benefit, dental, vision, or life insurance deductions are withheld, the state contribution will also be made.

NDI GROSS SALARY COMPUTATION **E 508**
(Revised 03/02)

Refer to PPM Section G 004 to determine if a special/premium pay should be included/excluded in the gross base salary when computing NDI pay.

<u>Shift Differential</u>

When night shift differential is not locked into the salary rate AND the gross salary is less than the maximum salary rate based on CBID (PPM Section E 103) and PPM Section Z, Attachment E-1, determine the employee's monthly shift rate (refer to PPM Section Z, Attachment G-1) and add to the gross salary.

Example: An employee's gross base salary is $900.00, CBID R01, and is entitled to night shift differential ($.35/hour). The NDI gross would be computed using $960.67 (900 + 60.67).

Full-Time

Full pay is defined as the salary earnable and subject to retirement contributions on the date disability begins.

Part-Time

When employment is regularly scheduled and is a fixed proportion of the established work week, the payments shall be determined on the basis of that proportionate part of the monthly rate.

Example: An employee is scheduled to work half-time. The employee's full total salary rate is $444.00, based on a salary rate of $888.00. The NDI gross would be computed using $444.00, full total salary rate.

When shift pay is not locked into the salary rate, see example under SHIFT DIFFERENTIAL to determine the hourly rate.

10/12 Pay Plan

Full pay is defined as the monthly rate multiplied by 12 and divided by 10 to calculate monthly gross salary.

Intermittent

Payments shall be determined on the basis of the proportionate part of a monthly rate established by the TOTAL hours ACTUALLY worked in the 18 monthly pay periods immediately preceding the pay period in which the disability began. This includes overtime hours worked at straight time only.

Example: An employee is appointed 18 months or more prior to the pay period in which the disability began. The employee worked 1,950 hours in the previous 18 pay periods. Salary rate when benefits began was $8.65/hour.

1,950 hours ÷ 18 pay periods = 108.33333
(average hours worked per pay period)
108.33333 X 8.65 = $937.08330 + .005 = $937.08 monthly salary rate.

The NDI gross should be computed using $937.08 as the monthly salary rate.

Example: An employee is appointed less than 18 months prior to the pay period in which the disability began. The employee was appointed January 20, NDI benefits began November 9, salary rate when benefits began was $8.65/hour, and hours worked were as follows:

January	10	June	120
February	80	July	120
March	0	August	120
April	160	September	140
May	0	October	100
		TOTAL	850 Hours

The month in which the disability begins is not counted.

850 hours ÷ 18 pay period = 47.22222
(average hours worked per pay period)
47.22222 X 8.65 = 408.47220 = $408.47

The NDI gross should be computed using $408.47 as the monthly salary rate.

NDI GROSS COMPUTATION **E 509**
(Revised 03/02)

The NDI gross may be computed by using the salary conversion tables
(See PPM Section Z, Attachment E-1).

Use the gross base salary (see Section E 508) and the salary conversion table
(See PPM Section Z, Attachment E-1) to find the corresponding NDI daily rate and proceed to Step 4.

For those employees whose salary rates are not included in the salary conversion tables because they are not "whole" numbers (e.g., 457.35; 583.75) round the actual salary to the nearest on the table and use the listed rates. For those salaries less than $350.00, follow steps 1 through 4 to compute NDI gross. For those salaries equal to or greater than the maximum listed, use the maximum rate.

Provided with each step is an example based on an employee whose gross base salary is $888.00 per month and is entitled to 26 days NDI benefits.

1. DETERMINE HOURLY RATE:

Divide monthly rate by 173.33, then add .005. Count two digits to the right of the decimal point and drop the remainder. Be sure not to round again; e.g., $888.00 ÷ 173.33 = 5.12317 + .005 = 5.12817 = $5.12

For academic employees, determine the hourly rate by dividing the annual salary rate by the number of academic days in the academic year, divide answer by 8 (5 decimal places), add .005 and drop the last three digits.

For daily rate employee, determine hourly rate by dividing the daily rate by 8.

2. DETERMINE WEEKLY RATE:

Multiply hourly rate by 40, then multiply by .50, then add .005. Count two digits to the right of the decimal point and drop the remainder. Be sure not to round again.

Example:
$5.12 x 40 x .50 = 102.40000 + .005 = 102.40500 = $102.40

3. DETERMINE NDI DAILY RATE:

Divide weekly benefit amount by 7 (5 decimal places).

Example:
$102.40 ÷ 7 = $14.62857

4. DETERMINE NDI GROSS:

Multiply NDI daily rate by the number of days the employee is entitled to NDI benefits (5 decimal places), then add .005.

Example: NDI PAY
$14.62857 x 26 days = 380.34282 + .005 = 380.34782 = $380.34 NDI gross

Example: REGULAR AND NDI PAY

During the October 1999 pay period, an employee is due NDI 10/1 through 10/3 and regular pay 10/4 through 11/1. The salary rate is $1,100.00 and NDI is computed based on that rate.

Regular pay - 20 days	=	$1,047.62
NDI pay - 3 days	=	57.86
TOTAL		$1,105.48
Monthly Salary Rate		1,100.00
Excess		5.48
Corrected NDI Gross		$ 52.38

Example: NOT ENTITLED TO NDI PAY

For the August 1999 pay period, an employee is eligible for NDI on 08/1. The employee returns to work on 08/2 through 08/31. The salary rate is $1,100.00 and NDI is computed on that rate.

Regular pay - 22 days	=	$1,100.00
NDI pay - 1 day	=	19.29
TOTAL		$1,119.29
Monthly Salary Rate		$1,100.00
Excess		$ 19.29

NOTE: Do NOT submit form STD. 674D to Payroll Operations when this situation occurs.

5. FRACTIONAL EMPLOYEE:

If employee has only one active position, calculate NDI gross based on the actual (fractional) salary rate following steps above.

If the employee has two or more active positions, follow the steps outlined below.

a. Add the salary rates of the positions together. If the combined salary rate is greater than the maximum salary rate based on CBID (Section E 503), refer to salary conversion table (See PPM Section Z, Attachment E-1) to determine weekly rate.

b. Divide the based-on daily rate by the combined salary rates and multiply by the actual salary rate of the position in which NDI is due.

c. Multiply fractional daily rate by the number of days the employee is entitled to NDI benefits (5 decimal places), then add .005 and count two digits to the right of the decimal point and drop the remainder. This is the NDI gross.

Example: <u>NDI SPLIT FOR FRACTIONAL POSITIONS</u>

Employee is 3/10 time base in one position, actual salary rate $307.50; 6/10 time base in another position, actual salary rate $615.00. Employee is entitled to 25 days NDI in the 3/10 position, and/or 25 days NDI in the 6/10 position.

Step 1: $307.50 + 615.00 = 922.50 ÷ 173.33 = 5.32221 + .005 = 5.32721 = $5.32 (hourly rate)

Step 2: $5.32 x 40 x .50* = 106.40000 + .005 = 106.40500 = 106.40 (weekly rate)

$5.32 x 40 x .60* (CBID R01) = 127.680000 + .005 = 127.68500 = $127.68 (weekly rate)

Step 3: $106.40 ÷ 7 = $15.20000 (based on daily rate)

Step 4: $15.20 ÷ 922.50 x 307.50 = $5.06667 (daily rate 3/10 position)

Step 5: $5.06667 x 25 = 126.66675 = $126.66 NDI Gross for 3/10 position.

Repeat Steps 4 and 5 for the 6/10 position as follows:

Step 4: $15.20 ÷ 922.50 x 615.00 = $10.13333 (daily rate 6/10 position)

Step 5: $10.13333 x 25 = 253.33325 = $253.33 NDI Gross for the 6/10 position

* Based on CBID Section E 503.

CATASTROPHIC LEAVE SUBSIDY **E 510**
(Revised 04/99)

If an employee is eligible for NDI Catastrophic Leave, it may be used to supplement the NDI. Refer to PIMS Manual Section 2.32 and the NDI Administration Guide for rules and regulations.

Example of NDI Catastrophic Leave Subsidy

Full Month Calculation

Employee's Salary: $2,500 NDI Daily Rate: $19.28571
Calendar Days in the Month: 30 Pay Period Work Days: 22

A. Subtract the NDI Gross from the Salary Rate to arrive at the NDI Catastrophic Leave Subsidy amount. Round to two decimal places.

$2,500.00/**Salary Rate** - $578.57/**NDI Gross**
= $1,921.43/**Catastrophic Leave Subsidy**

B. Divide the employee's Salary by the number of Hours in the Pay Period (168 or 176) to arrive at Hourly Rate. Round to two decimal places.

$2,500.00/**Salary** ÷ 176/**Hours** = $14.20545 = $14.20/**Hourly Rate**

C. Divide the Catastrophic Leave Subsidy by the Hourly Rate to arrive at the NDI Supplemental Catastrophic Leave Hours. Round to the nearest whole number and convert to days and hours.

$1,921.43/**Catastrophic Leave Subsidy** ÷ $14.20/**Hourly Rate**
= 135.21 or 135 hours/**Hours to Subsidize**

135 hours = 16 days 7 hours

Partial Month Calculation

Employee's Salary: $2,500 NDI Daily Rate: $19.28571
Calendar Days in the Month: 25 Pay Period Work Days: 17

A. Divide the Salary Rate by the number of Work Days in the Pay Period Days then multiply by the number of Work Days during the NDI Disability Period.

$ 2,500.00/**Salary Rate** ÷ 22/**Work Days in Pay Period** X 17/**Work Days during Disability Period** = $ 1,931.82/**Gross Salary**

B. Subtract the NDI gross from the Gross Salary to arrive at the NDI Catastrophic Leave Subsidy amount. Round to two decimal places.

$1,931.82/**Gross Salary** - $482.14/**NDI Gross**
= $1,449.68/**Catastrophic Leave Subsidy**

C. Divide the employee's Salary Rate by the number of Hours in the Pay Period (168 or 176) to arrive at Hourly Rate. Round to two decimal places.

$2,500.00/**Salary Rate** ÷ 176/**Hours in the Pay Period** = $14.20454
or 14.20/**Hourly Rate**

D. Divide the Catastrophic Leave Subsidy by employee's Hourly Rate to arrive at the NDI Supplemental Catastrophic Leave Hours. Round to the nearest whole number and convert to days and hours.

$1,449.69/**Catastrophic Leave Subsidy** ÷ $14.20/**Hourly Rate** = 102.09 = 102 hours = 16 Days, 7 Hours/**Convert to Days and Hours**

Overpayment of Regular Pay

When a form STD. 674D requests an A/R for regular pay and the employee is due NDI pay in lieu of what was received, Payroll Operations will transfer funds to NDI and, if necessary, establish an A/R for the gross regular pay overpayment. Also, a "credit" adjustment for retirement will be made since NDI is not subject to retirement.

NOTE: For the three examples which follow, the assumption is made that the employee has account code 08 retirement.

Example:

Employee paid 22 days regular pay at	$1000.00
Due: 21 days regular pay	$ 954.55
1 day NDI	19.29
Overpaid	$ 26.16

Payroll Operations will transfer one day regular pay into one day NDI and will transfer $19.29 gross. An A/R will be established for $26.16 gross regular pay overpayment. The NDI gross of $19.29 plus the $26.16 overpayment of regular pay is not subject to retirement; therefore, 5% of $45.45, or $2.27, will be credited against the A/R.

NOTE: Be sure to complete item 11 on form STD. 674D describing desired method of collection. If employee is on leave status (PPT S49), the A/R will be established as agency collection.

Example:

Employee paid 16 days 7 hours regular pay at		$1000.00
	=	$ 767.04
Due 14 days regular pay		636.36
10 days NDI pay		192.86
Underpaid		$ 62.18

Payroll Operations will NOT establish an A/R in this situation, even though the employee is
overpaid regular pay. Instead, a transfer of funds for 2 days 7 hours regular pay to 7 days NDI will occur for a gross of $130.68. This corrects the regular pay in the pay period. However, the employee is still due 3 more days of NDI for a gross of $62.18 which will be issued to the employee. Also, a "credit" adjustment of $6.53 (5% of $130.68) will be attached to the payment since the $130.68 gross transferred to NDI is not subject to retirement.

Overpayment of NDI pay

When a form STD. 674D requesting an A/R for NDI pay and the employee is due regular pay in lieu of what was received, Payroll Operations will transfer NDI to regular pay. Also, a "debit" adjustment for retirement will be made since regular pay is subject to retirement. The adjustment will be attached to any additional regular pay due after the transfer of funds.
Example:

Employee paid 31 days NDI pay at $1000.00

	=	$ 597.86
Due 27 days NDI pay		520.71
3 days regular pay		136.36
Underpaid		$ 59.21

Payroll Operations will transfer 4 days NDI pay to 2 days regular pay and will transfer $77.15 gross. An adjustment will be issued for 1 day regular pay and $59.21 gross. Attached to the adjustment will be a retirement deduction for $.00 amount in this case, because $136.36 regular pay is less than the $513.00 exclusion amount. However, $136.36 will be reported to PERS for service credit and state share purposes.

When a form STD. 674D requesting an A/R for NDI pay and the employee is due IDL or TD in lieu of what was received, Payroll Operations will follow a similar process described in E 600 and E 700.

NOTE: Do NOT document the TD request on form STD. 674D. Complete form STD. 674 as outlined in E 600 and submit as a package with form STD. 674D.

SUBMISSION OF FORM STD. 674D **E 512**
(Revised 04/99)

Most NDI pay requests can be documented on the Miscellaneous Payroll/Leave Action form STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions that must be documented on the Industrial/Nonindustrial Disability Pay/Adjustment Request, Form STD. 674D.

Employment History must be updated via PPT when placing an employee on NDI Leave. (Refer to PIMS Manual Sections 2.30 and 9.15.) It is imperative the information on Employment History is accurate as this is the foundation for auditing and verification purposes.

After Employment History has been updated, if NDI pay is a PIP Exception and therefore cannot be keyed, a form STD. 674D must be submitted for each pay period and position number.

When a summarized warrant is returned for redeposit, NDI pay can be reissued as follows:

- After the redeposit appears on Payment History (HIST) or after the Warrant Register for the redeposit is received, document the NDI pay requests on form STD. 671 (see Section E 007 for completion instructions) and key the request via the PIP Miscellaneous Detail screen.

- If the NDI pay is a PIP Exception (see Section E 006 and therefore, cannot be keyed, a form STD. 674D must be submitted. NDI pay will only be rescheduled according to the information provided in Item 8 for the pay period.

  To reschedule NDI pay for other pay periods redeposited on the summarized warrant, which cannot be keyed via PIP, submit form STD. 674D for each pay period.

Refer to PPM Section I 316, for completion instructions on returning summarized warrants. These instructions are specific to the Payroll Adjustment Notice, form STD. 674, but can also apply to form STD. 674D.

COMPLETION OF FORM STD. 674D **E 513**
(Revised 05/05)

Form STD. 674D to request NDI pay is to be completed as follows:
(See PPM Section Z, Attachment E-2 Samples)

ITEM ENTER:

1 CBID
2 Social security number
3 First and middle initials and last name (delete hyphens and enter as one name).
4 Regular position number on Line 1. If there is a mid-month position Number change, enter new Position Number on Line 1 and old Position Number on Line 2.
5 Pay Period Type (refer to PPM Section B 007), Month and Year.
6 Intervening Activity/Working While on Disability

Complete ONLY when employee is working while on disability. DO NOT SHOW TIME PRIOR TO OR AFTER A RETURN FROM A DISABILITY.

ONLY enter the regular time worked or leave credits charged in lieu of regular time **scheduled to work and any dock time in the pay period.** DO NOT show time on NDI. Enter number of hours and code "W" (worked):

Example:

(Revised 05/05)

6. INTERVENING ACTIVITY/WORKING WHILE ON DISABILITY – ENTER NUMBER OF HOURS & CODE (W-WORKED, L-DOCK, C-IDL)																																	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
			W 4	W 4	W 4	W 4	W 4			W 4	W 4	W 4							5W	8W	3W	6W										

7 Industrial Disability (IDL)

Complete ONLY when an employee is due IDL in the same pay period (refer to PPM Section E 713 for completion instructions).

8 Nonindustrial Disability (NDI)

a. Enter all inclusive dates employee is entitled to NDI benefits. If there is a break between dates, please make this clear.

Example:

"Employee on NDI from 3/9 - 3/17 and 3/26 through 3/30".

b. Complete this item ONLY if employee's salary rate is below the NDI maximum rate for the CBID.

Enter shift differential code and shift rate that is to be included in the NDI benefit calculation (refer to PPM Section Z, Attachment G-1).

c. Enter the average number of hours worked in the previous 18 months for an intermittent employee (refer to PPM Section E 508 for computation procedures).

9 Payment Per Controller

Enter Issue Date, PAYMENT TYPE, Time Worked (either 21 or 22 days for a standard month), and Warrant/Direct Deposit Payment Number and/or Account Receivable Number for all payments, transfer of funds, and accounts receivable. DO NOT INCLUDE payments which have been previously returned. If a warrant is attached for redeposit, check the "RET" box, otherwise leave blank.

Reminder: If a warrant is attached to form STD. 674D for redeposit, the warrant and form must be sent to the Division of Disbursements.

10 Payment Should Be (Total time for the pay period must be completed.)

Enter number of days and/or hours for each type of pay being requested. Enter timebase fraction ONLY when regular pay is less than full-time.

NDI pay must be requested in "calendar days" - DO NOT convert to hours.

NOTE: To request additional type(s) of pay not listed (i.e., supplementation), use the second line.

Complete ONLY for regular non-locked in shift differential pay. Enter the shift code, number of hours and shift rate (refer to PPM Section Z, Attachment G-1).

Verify that the amount of time requested in each type of pay corresponds with the dates and/or hours reflected in items 6, 7a, 8a and/or 11.

11 Additional Information

The following must be reflected in this item, when applicable:

A. If account receivable is to be established as payroll deduction, enter one of the following:

"Establish payroll deduction A/R for 1 deduction from next applicable pay period."

"Establish payroll deduction A/R for _____ (enter number) deductions to start with next applicable pay period (not to exceed 12 pay periods)."

"Establish payroll deduction A/R for 2% of salary rate or 1/12 of account receivable net."

B. If NDI gross must be split between two or more fractional positions, enter:

"Adjust NDI per gross fractional positions."

NOTE: Separate forms STD. 674D for each fractional position must be submitted as a package, unless fractional positions are in different departments. However, above statement must always be referenced on form STD. 674D.

C. If the combination of regular pay and NDI will exceed the employee's salary rate, enter:

"Reduce NDI gross, to not exceed salary."

D. If employee has dock and time and certified in item 10 (Payment Should Be) differs from time shown on Employment History, enter:

"Employee on dock (enter date[s] and number of hours)."

E. If employee is entitled to Temporary Disability in the same period, enter:

"Employee on TD (enter all inclusive dates)."

NOTE: Attach completed form STD. 674 for Temporary Disability along with form STD. 674D and submit as a package (refer to PPM Section E 612 for completion instructions).

F. If a mid-month salary rate change occurs, enter:

"Employee due (enter days/hrs. at 1st salary rate) and (enter days/hrs. at 2nd salary rate)."

G. For CSU employees supplementing NDI, enter one of the following:

"Catastrophic Leave Supplementation."

H. If A/R(s) shown in item 9 needs to be adjusted, enter one of the following:

"A/R #____ has been satisfied."

"A/R # _____ has not been satisfied."

I. Other - When applicable, enter:

"CSU employee position has been reorganized."

"Employee is academic or 10/12."

"Employee has separated."

12 Authorized Signature (must be original) and date.

13 Complete ONLY if different than Authorized Signature. Enter name.

14 Telephone Number of person to be contacted.

SUBJECT: TEMPORARY DISABILITY/CSU

E 600

REFERENCES
(Revised 05/05)

GC 19863, 19863.1, 19865.1, 19872
SAM 0480-0484, 8538-8538.61, 8582-8593.3

INTRODUCTION
(Revised 04/99)

A state employee who is unable to work because of a work related injury/illness may be entitled to Temporary Disability (TD).

Department of General Services, Office of Insurance and Risk Management, has overall program responsibility for Workers Compensation Temporary Disability (WCTD).

Ward of North America is responsible for administering all work related disability claims. Campuses will be notified by Ward that an injury/illness claim has been approved/ disapproved as work related.

Temporary Disability payments are issued by Ward and, based upon the direction provided by the campus, are sent directly to the employee or the campus. Most supplementation pay requests can be documented on form STD. 671 and keyed in via PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions and E 007 for form STD. 671 completion instructions.

Form STD. 674 must be submitted for TD PIP Exceptions. See Section E 611 for completion instructions.

SUPPLEMENTATION OPTIONS **E 601**
(Revised 05/05)

Since Ward TD payments frequently will not equal the employee's monthly salary, the employee may use leave and holiday credits to supplement TD payments. Options available are:

No Supplementation - Employee elects not to use holiday/leave credits and receives only the TD payment.

Partial Supplementation - Employee has insufficient holiday/leave credits to bring payment (supplementation plus TD) up to full salary or elects not to supplement at full.

Full Supplementation - Employee has sufficient holiday/leave credits to bring Payment (Supplementation plus TD) up to full salary.

Supplementation payments and/or accounts receivable (A/R) are identified as payment type "U", payment type suffix "T".

A detailed explanation of each option follows.

No Supplementation

Employees who elect NOT to supplement TD payments are placed on inactive pay status (PPT Item 565 Injury Code 2) and a master payroll warrant is not created. These employees receive only TD payments during their absence; however, they do continue to accrue holiday/leave credits.

Partial Supplementation

Employees who do not have sufficient holiday/leave credits to cover their absence in a pay period or elect not to use all credits available, are placed on inactive pay status (PPT Item 565 Injury Code 2) and a master payroll warrant is not created. The TD payment will be released to the employee in lieu of the master payroll warrant.

If the employee elects to supplement the TD payment with holiday/leave credits, the TD Supplementation pay for current and prior (no more than 12 months) month is documented on form STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions and E 007 for form STD. 671 completion instructions.

Partial Supplementation for semi-monthly employees should be requested for the second half to ensure deductions are applied. However, if the holiday pay occurs in the first half, that pay must be requested in the first half.

Form STD. 674 must be submitted for TD PIP Exceptions. See Section E 611 for completion instructions.

Full Supplementation (payment)

Employees who have sufficient holiday/leave credits to cover their absence in a pay period cannot receive a master payroll and must be placed on inactive pay status (PPT Item 565 Injury Code 2), because Ward issues Temporary Disability payments directly to the injured worker every two weeks. The employee may receive the difference between a full months gross and the TD payment. TD Supplementation pay for current and prior (no more than 12 months) is documented on Form STD 671 and keyed via PIP Miscellaneous detail screen. SEE Section E 006 for PIP exceptions and E 007 for STD 671 completions instructions. Instructions for calculating Full Supplementation are provided in E 610.

Form STD 674 must be submitted for TD PIP exceptions. See Section E 611 for computation instructions.

NOTE: Since holiday/leave credits used while on TD should not be reported to the Employment Development Department, Unemployment Insurance, it is necessary for Payroll Operations to do a transfer of funds from regular pay (payment type O) to TD Supplementation (payment type U, payment type suffix T). The leave credits charged, but not restored, must be shown on the form STD. 674, "Payment Should Be" on "SUPPL" line (see E 611 for completion requirements).

WAITING PERIOD **E 602**
(Revised 05/05)

TD is a benefit that is payable when an employee is unable to work due to a work related injury/illness for more than three calendar days. This period is referred to as the "Waiting Period." The waiting period begins the day following the injury date and need not be consecutive days. The employee receives full pay for the date of injury and no charge is made for absence. Absences for parts of a day due to the injury or illness may be accumulated to full days and count toward the waiting period.

Absences on regular work days during the waiting period must be charged to leave credits, or any holiday credits, if one occurs, during the three-calendar-day waiting period. However, the employee must be docked if he/she does not have time to cover the absences.

In most cases, Ward will accept and count Saturday, Sunday, or holiday toward the three-calendar-day waiting period, provided this time is substantiated by the physician and meets certain criteria set by Ward. All time approved for a disability period should be substantiated in writing by Ward.

When a full-time employee's work schedule is other than an eight hour day, the employee should be moved to an eight hour five day schedule for determining the leave credits to be charged during the waiting period.

The waiting period is waived if the employee is a) hospitalized, b) unable to work for more than 14 days, or c) injured on the job as the result of a criminal act of violence against the employee.

DOCUMENTATION **E 603**
(Revised 05/05)

Upon notification of TD approval, process the following:

- PPT to update Employment History.
- Form STD. 671 to request current and prior (no more than 12 months) month pay.
- Form STD. 674 to request TD pay for PIP Exceptions, transfer of funds, and/or A/R.

If the pay period is prior to three years, a copy of either Ward Authorization Form or a Workers Compensation Appeal Board decision must be attached to form STD. 674.

Payroll Operations has three years from the Ward approval date to issue supplementation pay.

When the waiting period is waived after initially being served, process the following:

- PPT to update Employment History.
- Form STD. 674 to request the waiting period (TD pay), or transfer of funds and/or A/R.

Employees who exhaust their IDL benefits and do not return to work shall be placed on TD on the date following the termination date of IDL. Process the following:

- PPT to update Employment History.
- Form STD. 674 and form STD. 674D to request correct amount of pay for each benefit.
- Form STD. 671 to request Partial and Full Supplementation.

CHANGE OF BENEFITS **E 604**
(Revised 04/99
Refer to E 003 for change in benefit information for CSU employees.

ATTENDANCE REPORTING FOR EMPLOYEE ON TD **E 605**
(Revised 05/05)

For employees on active payroll status (PPT Item 565 Injury Code 1) supplementing and receiving full pay for the pay period, the attendance should show the following:

- For monthly employees paid negatively, enter standard on Form 672.
- For hourly/daily employees paid positively, enter total time to be paid on Form 672.

For employees on inactive payroll status (PPT Item 565 Injury Code 2), the attendance should show the following:

- Report ONLY the time actually worked in the pay period on Form 672.
- Leave credits requested for Full or Partial Supplementation, must NOT be included on Form 672.
- If an employee returns to work part-time with a doctor's consent DURING the TD period, the time actually worked must be included in the Total Time Worked column of Form 672.

  For employees reported on negative attendance, an entry on the Exception Notice, form STD. 666, will be required in order to reconcile attendance. A form STD. 674 MUST be submitted to request payment for this time. Submit form STD. 674 for each pay period an employee works while on TD indicating all dates and time worked in Item 5D - E 611.

- Employees who return to work part-time can qualify for partial TD payments computed on weekly wage loss basis. However, partial days off CANNOT be accumulated and reported as full days on TD. Contact the local TD office for further information. On form STD. 674, enter "wage loss" when applicable.

MANDATORY WITHHOLDING AMOUNTS **E 606**
(Revised 04/99)

Federal and State Income Tax deductions WILL BE withheld from TD Supplementation payments provided there is enough taxable gross. Gross amount and taxes withheld will be reported on Form W-2.

Social Security and Medicare WILL BE withheld from payments unless the employee is not a Social Security or Medicare member or has reached the yearly maximum payment for Social Security. The gross amount, Social Security and Medicare will be reported on Form W-2.

Note: Employees who are off work for a period of more than six consecutive calendar months and continue to receive TD Supplementation payments are entitled to a refund of their Social Security and Medicare taxes. The refund is based on the employee's sick leave, vacation, extra, holiday, and annual leave hours used to supplement the disability payments. For further information regarding this program, see Section H 257 on Social Security and H 280 on Medicare.

Retirement contributions WILL BE deducted from TD Supplementation payments provided there is sufficient gross pay. State share will be based on the gross amount of the payment.

MANDATORY/VOLUNTARY DEDUCTIONS **E 607**
(Revised 04/99)

All established mandatory and voluntary deductions will be withheld from supplementation pay if not already taken from another payment in the pay period and there is sufficient gross pay. The priority deduction table listed in Section H 008 will be applied.

Employees must cancel those deductions they do not wish to have withheld from supplementation pay. Employees must request deduction cancellations by contacting the respective deduction company(s) or personnel/payroll office. Cancellations must be received in Payroll Operations by the cutoff dates specified in Sections H 007 and H 014 - 016.

Employees who choose NOT to supplement leave credits are responsible for paying deductions and state share amounts directly. However, Deferred Compensation and Tax Sheltered Annuity deductions cannot be paid directly.

ABATEMENTS **E 608**
(Revised 05/05)

When an employee physically works the entire month or most of the month and Ward approves, based on the Doctor's Certification, a weekend combined with the regular pay, would exceed the employee's salary. If this happens, an abatement occurs. The excess is abated per the State Administrative Manual (SAM) Section 8582 - 8593.3.

To report the excess amount, complete a Remittance Advice, Form CA21, and submit it to the Division of Accounting. The excess will be put in the agency support appropriation, personal services category.

To determine if a TD payment is in excess, compute the employee's pay for the period of absence due to the disability and compare to the TD payment.

- If the employee's pay for the absence is equal to or greater than the TD payment, there is no excess.

- If the TD payment is greater than employee's regular pay for the absence, then subtract the regular pay to arrive at the amount of excess or abatement amount.

EXAMPLES:

A. An employee on a Monday through Friday work schedule (22 day pay period) is injured and hospitalized on Thursday. Employee is absent from work on Friday due to the disability and returns to work the following Monday. The employee received a TD daily rate of $48.00 a day for Friday, Saturday, and Sunday totaling $144.00. The employee's salary rate is $2,999.00 and he would have received $136.32 for working that Friday. The difference between the TD payment of $144.00 and the work payment of $136.32 is $7.68, which would be abated. The $136.32 payment would be reported on form STD. 674 to Payroll Operations as TD payment.

B. An employee on a Monday through Friday work schedule is injured and hospitalized on Friday. The employee returns to work the following Monday. The employee is not charged leave credits for Friday, Saturday, or Sunday, but receives a TD payment of $96.00 for Saturday and Sunday. The entire $96.00 would be abated since the employee was not charged leave credits for the absence. NO form STD. 674 is submitted to Payroll Operations.

C. An academic pay plan employee works 10 months but receives salary in 12 installments. When an academic employee remains on TD after the end of the academic work period, he/she would NOT be entitled to the TD payments issued during this period since the employee is not working and is not charged leave credits during this non-work period. The entire TD payment would be abated. NO form STD. 674 is submitted to Payroll Operations.

D. A 10/12 or 11/12 Pay Plan employee works 10 months or 11 months respectively and receives salary in 12 installments. When a 10/12 or 11/12 employee remains on TD after the end of the 10 or 11 month work period, he/she would not be entitled to the TD payments issued during this period since the employee is not working and therefore is not charged leave credits during this non-work period. The entire TD payment would be abated. NO form STD .674 is submitted to Payroll Operations.

SCIF CALCULATIONS **E 609**
(Revised 05/05)

To determine leave credits to be restored or time covered by the TD payment, calculate as follows:

1) Divide employee's monthly salary by total hours in the pay period to determine hourly rate.

- For monthly employees, divide the salary rate by the total hours (168/176) in the pay period.
- For daily employees, divide the daily rate by 8.
- For fractional employees, use the BASED-ON-RATE and divide by the total hours (168/176) in the pay period.

- For academic pay plan employees, multiply the salary rate by 12, divide by the total academic days in the academic year, and then divide by 8.
- For 10/12 or 11/12 Pay Plan employees use the 12/12 salary rate and divide by the total hours (168/176) in the pay period.
- For hourly rate employees, proceed to step 2, unless they receive shift differential pay.
- Employees who receive shift differential pay (payment type 2) must have this pay included in the salary rate; e.g., employee receives $88.00 shift pay. Add this amount to the employee's monthly salary rate of $2,500 and use $2,588.00 to determine the hourly rate. For hourly employees, add the hourly shift rate to their hourly rate.

2) Divide TD payment by the hourly rate and round to the nearest whole number to determine the credit hours covered.

If the TD hours exceed the leave credit hours originally charged, the TD hours must be reduced accordingly.

EXAMPLE:

Employee is injured and hospitalized on Wednesday. Thursday is covered by eight hours leave credits, Friday is a holiday, and the employee returns to work the following Monday.

Ward paid the employee $48.00 per day for Thursday, Friday, Saturday, and Sunday totaling $192.00. The employee's monthly salary is $3,350.00, and this is a 22 day pay period.

$3,350.00 ÷ 176 = $19.03 hourly rate
$ 192.00 ÷ $19.03 = 10.09 (round to 10 hours)

Hours reduced to 8 due to holiday. Note: Enter time in item 5BB on form STD. 674 (E 611).

3) Convert hours into days and hours (not required for hourly employees).

EXAMPLE:

Employee worked 64 hours and was absent on disability 112 hours. Had the employee not been absent on disability he/she would have earned a full month's pay. The employee's salary is $2,850.00, this is a 22 day (176 hours) pay period and the TD payment is $960.00.

$2,850.00 ÷ 176 = $16.19
$ 960.00 ÷ $16.19 = 59.30 (round to 59)
59 hours = 7 days 3 hours

(If fractional, convert to fractional time; i.e., half-time 59 hours = 14 days 3 hours.)

The results are the number of leave credit hours that should be restored or that was covered by the TD payment.

Employees may either receive Full or Partial Supplementation if they have sufficient leave credit to cover the difference between the TD payment and their monthly gross wages.

Full Supplementation means employees do have sufficient leave credits while for Partial Supplementation they do not or have elected to not use all of their available credits.

Full Supplementation calculation

To calculate gross pay for Full Supplementation do NOT use the Fractional Pay Scale.

To determine if the employee can receive Full Supplementation do the following:

STEP 1 Determine hourly rate (see E 309 -1)
STEP 2 Divide the TD payment by the hourly rate to determine hours covered by this payment.
STEP 3 Subtract the TD hours from the hours for the pay period to determine leave credit hours needed to receive Full Supplementation.
STEP 4 Subtract the TD payment from the employees monthly salary or the gross pay (if less than a full month) to determine the supplementation amount.
STEP 5 Convert the supplementation time to days and hours based upon time base; i.e., 8 hours = 1 days for full time, 8 hours = 2 days for half time, etc. (not required for hourly employees).

EXAMPLES:

FULL PAY PERIOD ON TD

Employee's monthly salary is $2,000.00. The TD payment is $1,140.00 (30 days @ $38.00). This is a 22 day (176 hours) pay period.

Step 1. $2,000.00 ÷ 176 = $11.36
Step 2. $1,140.00 ÷ $11.36 = 100.35 or 100 Ward hours
Step 3. 176 - 100 = 76 SUPPL hours
Step 4. $2,000 - 1140.00 = $860.00
Step 5. 76 hours = 9 days 4 hours

LESS THAN A FULL PAY PERIOD ON TD

Employee's monthly salary is $2,000.00. The TD payment is $798.00 (21 days at $38.00 per day). This is a 22 day (176 hours) pay period. TD covers 21 calendar and 15 work days (06/01/99 - 06/21/99).

Step 1. $2,000.00 ÷ 176 = $11.36
Step 2. $ 798.00 ÷ 11.36 = 70.25 or 70 TD hours
Step 3. 120 - 70 = 50 SUPPL hours
Step 4. $1,363.64 - 798.00 = $565.64
Step 5. 50 hours = 6 days 2 hours

Partial Supplementation calculation

EXAMPLE:

Employee's monthly salary is $2,000.00. This is a 22 day (176 hours) pay period and supplementing 34 hours leave credits.

$2,000 ÷ 176 x 34 = $386.36 Gross pay Partial Supplementation.

COMPLETION OF FORM STD. 674 **E 611**
(Revised 05/05)

Accounts Receivable - complete as follows when restoring leave credits:

ITEM	ENTER
1	Mark PPSD/Payroll Services box
2	Social security number
3	Employee name
4	Position number for the pay period of the request.
5	Remarks

I. Enter "Per GC 19863, employee absent on Temporary Disability from_____ through _____." (inclusive dates in pay period)

A. Enter monthly salary rate ÷ hours in pay period including any holiday(s) = hourly rate.
B. Enter Ward (TD)payment ÷ hourly rate = TD hours. Round to the nearest whole number.
BB. Enter hours, if applicable. (E 609 - 2)
C. Enter hours to be restored from B or BB.
D. Enter hours from Line C and convert into days and hours based upon time base; i.e., 8 hours = 1 day for full time, 8 hours = 2 days for half time, etc. (not required for hourly employees).

II. Daily rate paid by Ward. If daily rate changes during the pay period, enter both rates and indicate dates.

If TD amount is adjusted by wage loss, abatement or attorney fees, adjust TD daily rate accordingly.

NOTE: TD amount ÷ calendar days on TD = TD daily rate

- Enter amount of "Wage Loss" if TD payment was computed on a wage loss basis; otherwise, N/A
- Enter amount of abatement; otherwise, N/A. (E 608)
- If attorney fees are deducted from TD payment, delete wage loss or abatement item and enter "Atty. Fees" and amount.

6 Payment per Controller Warrant Register - must always be completed.

Lines 1 and 3 — Enter payment(s) and adjustment(s) for the pay period including shift differential (payment type 2) and appointment fraction when applicable.

Line 2 — Enter "Ward" in salary rate and Ward information in time and gross column.

Line 4 — Total lines 1, 2, and 3. Then enter the results in time and gross column.

Payment Should Be - complete each line through gross column.

Line 1 — TIME WORKED LINE - enter pay period type/month/year, "regular" for regular pay, time worked appointment fraction when applicable, payment type and gross columns.

Line 2 — Ward LINE - Enter "Ward" in salary rate and Ward information in time and gross columns.

Line 3 — SUPPLEMENTATION LINE - Enter "SUPPL" in salary rate and supplementation information in time, payment type "U", payment type suffix "T" and gross columns.

Line 4 — Total lines 1, 2 and 3. Then enter the results in time and gross columns.

Overpayment - Enter "Ward", time worked, and gross in appropriate columns.

7 Overpayment to be recovered by: check appropriate box indicating method of collection. Most TD accounts receivable will be agency collection. If payroll deduction, enter pay period of collection.

Form completed by/telephone number
Agency name
Authorized signature/date

<u>Supplementation Pay</u> - for PIP Exceptions (See Section E 006) complete as follows when supplementing the Ward (TD Payment) payment (see PPM Section Z, Attachment E-3 Samples).

1 Mark PPSD/Payroll Services box.
2 Social security number.
3 Employee name.
4 Position number for the pay period of the request.
5 Remarks

I. Enter "Per GC 19863, employee absent on Temporary Disability from _____ through _____." (inclusive dates in pay period)

A. Enter Monthly Salary rate ÷ Hours in Pay Period (including any holiday[s]) = Hourly Rate
B. Enter Ward (TD Payment) ÷ Hourly Rate = TD Hours; Round to the nearest whole number and convert into days and hours based upon time base; i.e., 8 hours = 1 day for full time, 8 hours = 2 days for half time, etc. (not required for hourly employees)
C. Enter "employee entitled to" and the number of days and/or hours the employee is supplementing. Enter "as" and either "<u>Full</u>" or "<u>Partial</u>"

Supplementation

D. Enter dates and hours worked while on Temporary Disability during the pay period, if applicable; otherwise, N/A

Enter non-pay dates (e.g., dock, late start, suspension, etc.)

E. Enter the daily rate being paid by Ward. If daily rate changes during the pay period, enter both rates and indicate dates.
If TD amount is adjusted by wage loss abatement or attorney fees adjust TD daily rate accordingly.

TD amount ÷ calendar days on TD = TD daily rate

- Enter amount of "Wage Loss" if Ward (TD Payment) payment was computed on a wage loss basis; otherwise, N/A.
- Enter amount of abatement; otherwise, N/A (E 608).
- If attorney fees are deducted from Ward (TD Payment) payment, delete wage loss or abatement item and enter "Atty. Fees" and amount.

6 Payment Should Be - Complete each line through gross columns.

Line 1 TIME WORKED LINE - enter pay period - type/month/year, "regular" for regular pay, time worked, appointment fraction (when applicable), payment type, and gross columns.

Line 2 Ward LINE - enter "Ward" in salary rate and Ward information in time gross column.

Line 3 SUPPLEMENTATION LINE - enter "SUPPL" in salary rate and supplementation information in time, payment type "U", payment type suffix "T" and gross columns.

NOTE: Total time in lines 2 and 3 CANNOT exceed total work days on TD.

Line 4 Total lines 1, 2, and 3. Then enter the resulting time and gross columns.

NOTE: When TD and IDL are in the same pay period, <u>do not include IDL time in "payment should be</u>."

Underpayment – enter "SUPPL" or "regular" in salary rate and complete time, payment type, and gross information.

Form completed by/telephone number

Agency name

Authorized signature/date

When an employee changes benefits retroactively from IDL/NDI to TD, and IDL/NDI pay has already been issued and released, submit form STD. 674D to establish an A/R for the IDL/NDI pay. Form STD. 674 must be submitted to request TD Supplementation if the employee elected to supplement TD payments. These forms must be stapled together and sent to Payroll Operations, Disability Unit.

If the employee did not elect to supplement Ward (TD Payment) payments with leave credits, an A/R is established against the IDL/NDI pay. ONLY submit the form STD. 674D and indicate that employee chose "No Supplementation" in Remarks section.

If the employee elected to supplement TD payments with holiday/leave credits, an A/R will not automatically be established against the IDL/NDI pay. Instead, a transfer of funds from IDL (payment type 6 or N)/NDI (payment type T) to TD (payment type U, payment type suffix T) will be processed using information provided on the form STD. 674.

In these cases, an adjustment to the employee's gross (either an A/R or payment) may be necessary due to the different way in which IDL/NDI and TD benefits are computed. If an adjustment is necessary, it will be issued without further documentation from the campus.

If the transfer of funds is from IDL to TD, a one-time Social Security and Medicare deduction may be necessary since IDL payments are not subject to Social Security and Medicare.

If the transfer of funds is from NDI to TD, a one-time retirement deduction may be necessary since TD Supplementation is subject while NDI is not.

NOTE: A Form W-2C will be issued if the original IDL payment was issued in a prior year because the transfer is from nontaxable to taxable gross wages.

<u>Regular pay to IDL and TD</u>

EXAMPLE:

Employee received a standard warrant for $2,500.00 for the June 1992 pay period.

Due 10 days IDL full and 12 days TD with Full Supplementation.

Submit forms STD. 674D and 674.

Ward paid $864.00, which covers 7 days, 5 hours.

Employee uses 4 days, 3 hours leave credits for Full Supplementation.

Married with 2 exemptions; employee is a Social Security and Medicare member.

Step 1 Transfer 10 days, $1,136.36 gross from payment type 0 (regular) to payment type 6 (IDL full).

Step 2 a. Establish A/R for $276.21 gross which is the difference between the $1,136.36 gross transferred to IDL and the $860.15* IDL benefit.

* $1,136.36 reduced by $ 161.93 federal tax

$ 27.35 state tax
$ 70.45 Social Security
$ 16.48 Medicare

b. Attach code 099 (federal tax), code 095 (state tax), code 097 (Social Security) and code 092 (Medicare) credits to A/R, reducing the A/R net to zero.

Step 3 Transfer 12 days, $1,363.64 gross from payment type 0 (regular) to payment type U, payment type suffix T (TD Supplementation).

Step 4 Establish A/R for $864.00 gross, restoring 7 days 5 hours leave credits to employee.

Retirement, Social Security and Medicare "credit" amounts of $43.20, $53.57 and $12.53, respectively, will be applied to the A/R since Ward (TD Payment) payments are not subject.

IDL to TD

EXAMPLE:

Employee received a warrant for 22 days 2/3 IDL (payment type N), $1,666.67 gross for the June 1992 pay period.

Employee later elects TD with Full Supplementation beginning on the 23rd date, effective June 1, 1992.

Submit form STD. 674.

Salary rate is $2,500.00.

Ward paid $1,440.00, which covers 12 days, 5 hours.

Employee will use 9 days, 3 hours leave credits for Full Supplementation - $1,060.00 gross.

Employee is a Social Security and Medicare member.

Step 1 Transfer 22 days, $1,666.67 gross from payment type N (IDL 2/3) to payment type U, payment type suffix T (TD Supplementation).

Step 2 a. Establish an A/R for 12 days, 5 hours*, $606.67 gross which is the difference between 22 days, $1,666.67 gross, IDL 2/3 paid, and the 9 days, 3 hours $1,060.00 gross, transfer to TD.

* This time represents the leave credits to be restored to the employee.

b. A retirement "credit" adjustment of $72.00 will be applied to the A/R since the $1,440.00 paid by Ward is not subject to retirement.

c. Social Security and Medicare "debit" adjustments of $65.72 and $15.37 based on the $1060.00 TD Supplementation will be applied to the A/R.

NDI to TD

EXAMPLE:

Employee received a warrant for 30 days NDI, $578.57 gross for the June 1992 pay period. Disability is later determined to be work related and employee elects TD with Full Supplementation.

Submit form STD. 674.

Salary rate is $2,500.00.

SCIF paid $1,440.00 which covers 12 days, 5 hours.

Employee will use 9 days, 3 hours leave credits for Full Supplementation $1,060.00 gross.

Step 1 Transfer 30 days, $578.57 gross from payment type T (NDI) to 5 days payment type U, payment type suffix T (TD Supplementation).

$2,500.00 ÷ 22 = $113.64
578.57 ÷ 113.64 = 5.09
Rounded 5.09 to 5 days

Step 2 a. Issue a payment for $481.43, which is the difference between the $578.57 (gross transferred) and the $1,060.00 TD Supplementation gross.

The time on the payment will be for the 4 days, 3 hours still due (9 days, 3 hours TD Supplementation less the 5 days transferred to TD Supplementation).

b. A retirement "debit" adjustment (code 003) for $27.35 will be attached to the payment since TD is subject while NDI is not.

SUBJECT: IDL/CSU

E 700

REFERENCES
(Revised 05/05)

Education Codes	89529 - 89529.11
SAM	2580-2584
CSU	IDL Administrative Guide

INTRODUCTION
(Revised 04/99)

Industrial Disability Leave (IDL) applies only to members of the STRS or PERS.

Covered employees who are temporarily disabled on the job are entitled, regardless of length of service, to receive IDL payments (in lieu of TD) for a period NOT exceeding 52 weeks (365 calendar days) within two years from the first day of disability. The first date of disability is the first date of lost time other than the date of injury. Since the day of injury is not part of the eligibility period for the purpose of receiving benefits, it would not be appropriate to include the date of injury as the beginning of the two year period. Employees will receive full pay for the first 22 working dates of disability and 2/3 pay thereafter.

Employees will be given a one-time opportunity to change benefits. At any time during the first 90 calendar days of absence, the disabled employee may notify his/her campus to change benefits from IDL to Workers' Compensation Temporary Disability benefits or vice versa. Such change shall be a one-time opportunity and shall be effective on the 90th calendar day of absence.

Enhanced Industrial Disability Leave (EIDL) is an extended benefit of the IDL program. For employees in Bargaining Unit 8, University Police Officers, the EIDL benefit is no longer limited to injuries received as a result of a criminal act of violence.

EIDL entitles employees to receive IDL "full pay" for a period not to exceed one to three years, depending on the Bargaining Unit, from the occurrence of that injury. If an employee becomes ineligible to continue receiving the enhanced benefit prior to the one to three year limit, but is still disabled (as certified via SCIF Form 3290) he/she may still be eligible for IDL at 2/3 pay.

The EIDL benefit does not apply to presumptive, stress-related disabilities, any psychiatric disability or any disability arising from a psychiatric injury.

The Chancellor's Office has program responsibility for CSU employees.

Ward of North America is responsible for administering all work related disability claims. Campuses will be notified by Ward that an injury/illness claim has been approved/ disapproved as work related.

IDL payments must be reduced by disability benefits received from other employer subsidized programs.

The disabled employee shall not receive sick leave with pay on TD for any day for which he receives IDL payments except for employees on Sick Leave Supplement Program.

IDL payments shall be contingent upon a) appropriate medical determination and, b) the agreement of the employee to cooperate and participate in a reasonable vocational rehabilitation plan when furnished by the state.

If a salary warrant is issued for time during which the employee was on IDL, the warrant must be returned to Administration and Disbursements Division. If such warrants are cashed, the employee's taxes, Social Security and Medicare will be reported incorrectly.

The gross IDL payment and state share for retirement, health, dental, and life insurance will be transferred from campus appropriations (personal service category, staff benefits).

IDL payments for EIDL and for full pay IDL will all be identified as payment type "6" and for 2/3 IDL pay as payment type "N".

WAITING PERIOD **E 701**
(Revised 04/99)

The disabled employee must serve a three calendar-day waiting period after the date of injury before becoming eligible for Industrial Disability Leave benefit payments unless:

1) The employee is disabled as a result of an injury growing out of a criminal act of violence against the employee, in which case the employee is eligible for IDL benefit payments from the first day of disability.

2) The employee is hospitalized on the date of injury, in which case the employee is eligible for IDL benefit payments from the first calendar day following the date of injury.

3) The employee is hospitalized later because of the disability, in which chase the employee is eligible for IDL benefit payments from the first day of the three calendar-day waiting period.
4) The employee is disabled for more than 14 calendar days, in which case the employee is eligible for IDL benefit payments from the first day of the three calendar-day waiting period.

The three calendar-day waiting period need not be consecutive. Partial days of absence relating to the disability shall be accumulated to full days toward the waiting period. On the date of injury, the disabled employee shall be compensated for the full amount of time he/she would have worked has the injury not occurred. The waiting period may begin on the day following the injury, or at a later date. The disabled employee shall be eligible for IDL benefit payments when the accumulation of time off completed the three calendar-waiting period. The waiting period may include weekend days. This can occur at any time during the day. The three calendar-day waiting period is equivalent to 24 hours of scheduled work for an employee on an eight-hour work day schedule, 30 hours of scheduled work for an employee on a ten-hour work day schedule and 36 hours of scheduled work for an employee on a twelve-hour work day schedule.

When a waiting period is waived after initially being served, the following must be documented:
- PPT to update employment history.
- Form STD. 647D to pay the waiting period.

If employee has received the first 22 working dates of full IDL, the three days waiting period will be issued as 2/3 IDL pay.

IDL RESTRICTIONS **E 702**
(Revised 04/99)

	IDL FULL	IDL 2/3	EIDL	CSU SUPPL.
Payment type/suffix	**6**	**N**	**6**	**U/C**

Member of PERS/STRS	**Yes**	**Yes**	**Yes**	**Yes**
Restricted BU	**No**	**No**	**CSU** **08**	**No**
Effective Date	**1/1/75**	**1/1/75**	**Various**	**Various**
Benefit	**Full Pay Less Taxes, Social Security and Medicare**	**2/3 of Full Pay**	**----------Full Pay----------** **----------Less Taxes, Social Security----------** **----------and Medicare----------**	
Waiting period	**3 calendar days**	**Pay follows 22 days IDL Full**	**None** **EIDL pay begin on the 23rd day**	**Starts after IDL 22 days full pay**
Waiting period waived	**If:** **1) Hosp.,** **2) Disabled more than 14 days, or** **3) Injury due to criminal act of violence**	**No**	**No**	**No**
May receive sick leave with pay	**No**	**No**	**No**	**No**
Must exhaust sick leave credits	**No**	**No**	**No**	**Yes** **Section E425**
Entitled to WCTD or other benefits	**No**	**No**	**No**	**No**
Must use accrued leave credits	**No**	**No**	**No**	***No**

* Supplementation is limited to the use of sick leave accrued up to the date of the work-related disability.

IDL BENEFITS **E 703**

(Revised 04/99)

An employee temporarily disabled due to a work related disability is entitled to IDL payments for a period NOT to exceed 52 weeks (365 calendar days) within two years from
the first day of disability. The first date of disability is the first date of lost time other than the date of injury.

Example: Benefits began on 12/22/90 and will end on 12/21/92.

When counting IDL dates for both the first 22 working and the 365 calendar, any part of a day on IDL equals one full date on disability. Although an employee is only paid 21/22 days each month, all calendar days go toward the 365. This is the equivalent of 260 paid dates.

Example: Employee approved for 3 hours of IDL for 11/30/90, which is counted as 1 date of the first 22 working dates and 365 calendar days.

NOTE: A full-time employee on an irregular work schedule (other than an eight-hour day, Monday through Friday), should be removed from the schedule at the beginning of the earliest possible week.

DOCUMENTATION **E 704**
(Revised 05/05)

Once an employee advises the employer of a possible work-related injury or illness and the employee has either lost time from work or been seen by a doctor, an employee's claim for Workers' Compensation Benefits, must be provided within 24 hours to the employee. The campus must submit the employer's first Report of Injury or Illness, to Ward within five working days.

NOTE: Consult PIMS Section 7.27 to determine if it is appropriate to process a PPT to document pending disability.

Ward will send a Notification of Approval, Form 3290, indicating periods of disability accepted as work related.

Employment History must be updated when placing an employee on Industrial Disability Leave (IDL) via PPT Transaction Code 565 (refer to PIMS Sections 2.16 and 7.29).

Most IDL pay can be documented on form STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions and E 007 for form STD. 671 completion instructions.

Form STD. 674D must be submitted for IDL PIP Exceptions. See Section E 713 for completion instructions.

A PPT must be processed when a CSU employee on IDL returns to work, without missing work due to the disability and is effective on the date of return (refer to PIMS Section 2.16). IDL pay for current and prior (no more than 12 months) month is documented on form STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions and E 007 for form STD. 671 completion instructions.

Form STD. 674D must be submitted for IDL PIP Exceptions. See Section E 713 for completion instructions.

ATTENDANCE REPORTING FOR EMPLOYEES ON IDL **E 705**
(Revised 04/99)

For employees who are reported "To IDL" by PPT, only the time the employee was in normal pay status during the pay period will be entered in the Time Worked box of the Time and Attendance Report, Form 672; i.e., applicable time before and/or after the IDL period plus any time actually worked during the IDL period.

Time for which IDL pay is requested on form STD. 671 or STD. 674D must not be included in the Time Worked box. For employees on IDL Sick Leave Supplement Program, time for which sick leave pay is requested on form STD. 671 or STD. 674D must not be included in the "Time Worked" box.

For monthly rate employees paid monthly, the Time Worked box must not have a check mark entered for standard scheduled time.

If an employee is released by the physician to work full- or part-time during the IDL period PPT Item 565 will be entered on the Employment History to return the employee FROM IDL, the time actually worked will be included in the Time Worked box. Employees reported on a negative attendance basis will require an entry on a Report of Exception, form STD. 666, because such time will not be included in the master payroll payments, and form STD. 671 must be documented and keyed via the PIP Miscellaneous screen. See Section E 006 for PIP Exceptions and E 007 for form STD. 671 completion instructions.

Form STD. 674D must be submitted for IDL PIP Exceptions. See Section E 713 for completion instructions.

NOTE: Employees that REMAIN on IDL even though they have partially returned to work, should NOT be entered on either Form 672 or form STD. 666 because they are not an exception to payroll due to "off payroll status."

WORKING WHILE ON IDL **E 706**
(Revised 05/05)

If an employee returns to work and IDL continues, use form STD. 674D and enter in Item 6 the number of hours and the corresponding Code ("W" for Worked, "L" for Dock and "C" for IDL) for each applicable date. Complete item 10 (Payment Should Be) certifying time for "REGULAR", "IDL FULL" and/or "IDL 2/3".

NOTE: This method should be used when a physician permits an employee to return to work partial days (4 hours a day) or a few days a week (e.g., Monday/Wednesday/Friday or Tuesday/Thursday). Employees released to work in this manner are entitled to receive regular pay for the time worked and IDL for the balance of time if approved by Ward.

HOLIDAYS WHILE ON IDL **E 707**
(Revised 04/99)

Employees on IDL are entitled to IDL for holidays as they occur.

DEDUCTIONS **E 708**
(Revised 04/99)

<u>Federal/State Income Tax, Social Security and Medicare</u>

Deductions for Federal/State Income Tax, Social Security and Medicare will NOT be made from IDL payments because they are staff benefits rather than salary and wages. IDL payments are not reported as Taxable Wages or Other Compensation on Form W-2. However, an employee's full gross will be reduced by the amount of Federal and State Income Tax, Social Security and Medicare to establish IDL reduced gross.

Retirement

Retirement contributions WILL BE deducted from all IDL payments. The deduction amount will be computed at the employee's current rate on the "full pay" amount and the "full pay" amount will be reported to PERS/STRS for full service credit. The state share will be computed in the same manner.

Voluntary Deductions/Salary Reductions

Deductions for PERS survivor benefits, retirement arrears contributions/adjustments, miscellaneous voluntary deductions and accounts receivable will be made automatically from IDL payments if gross is sufficient.

Per CCP 688.030, IDL payments are exempt from salary garnishments except for support order filed under FC 150, 5200; CCP 706.030 and PC 3088.

The following deductions will NOT be withheld from IDL payments:

Additional withholding for taxes (codes 094, 095, 096, 099)

Deferred compensation/administrative charge (codes 028, 029)

Tax sheltered annuity (code 027, 030, 040) Flexible Benefits (various).

When an employee with flexible Health/Dental benefits is placed on IDL, the employee's flex deductions are canceled and the employee is placed into traditional health and/or dental plans. Once the employee returns to active status, the employee's flex deductions are re-established, if a valid FlexElect enrollment exists.

For employees with the cash option, a separate warrant will be issued after IDL pay has issued. Once the employee returns to active status, the cash option will be applied to regular pay, if a valid FlexElect enrollment exists.

COMPUTATION OF BENEFIT AMOUNT **E 709**
(Revised 05/05)

IDL benefit amounts are determined based on the employee's salary rate, number of days in a pay period and the time authorized as IDL in that pay period. This results in the amount of gross pay is used to calculate both IDL "full and 2/3 pay".

Example: Employee is due 15 days of IDL for the 08/99 pay period. Salary rate is $2865.00.

$2865.00 ÷ 22 days in pay period x 15 days IDL = $1953.41 gross pay

Example: Employee is due 12 days, 5 hours for the 06/99 pay period. Salary rate is $2618.00.

$2618.00 ÷ 176 hours in pay period x 101 hours IDL = $1502.38 gross pay

NOTE: When time to be paid is days AND hours, convert time into hours; 12 days, 5 hours = 101 hours and convert number of days in the pay period to the equivalent number of hours; 22 days = 176 hrs./21 days = 168 hrs.

Refer to PPM Section G 004 to determine if a special/ premium pay should be included/excluded in the salary rate when computing gross pay.

The IDL payment for the first 22 working dates of disability will be at "full pay". IDL "full pay" is calculated on the amount of the employee's gross pay LESS federal and state withholdings, based on their marital and exemption status in effect on the date of disability, and/or LESS Social Security and Medicare withholding.

NOTE: For EPMC eligible employees (refer to PPM Section H 209), Federal and State Income Tax withholding amounts are computed based on the employee's gross pay LESS any retirement contribution amount deducted.

Retirement is computed based on the full gross pay. Employees continue to earn vacation, sick leave and state service credits while on IDL.

IDL payments are considered non-taxable staff benefits.

The gross amount of "full pay" IDL payments are determined by:

a) Totaling the days and hours of disability,
b) Dividing the employees salary rate by the total number of hours in the pay period, and
c) Multiplying by the number of hours on IDL.

Example: Employee is due 12 days, 4 hours (100 hours) of IDL for the 3/99 pay period. Salary rate is $3000.00.

$3000.00 ÷ 176 hours in pay period = $17.045454 X 100 = $1704.55 gross pay

Gross	Federal	State	Social Security	Medicare
$3000.00 salary	$ 350.72	$ 36.66	$ 186.00	$ 43.50
-1295.45 regular pay	- 107.82	- 0.00	- 80.32	- 18.78
$1704.55 IDL	$(-)242.90	$(-)36.66	$(-)105.68	$(-) 24.72

= $1294.59 IDL "full pay"

NOTE: When reporting IDL pay during the first 22 working dates of disability, the hours of absence due to the disability on EACH date would be paid as full IDL.

The gross amount of an IDL payment for dates after the first 22 working dates of disability will be at 2/3 of the employee's gross pay.

Employees on EIDL will receive "full pay IDL" for a period not to exceed one year from the occurrence of that injury. If an employee is still disabled (as certified via Ward approval) they may still be eligible for IDL at 2/3 pay.

Intermittent

In computing time to be paid for intermittent employees eligible for IDL, use an average of the previous 12 pay periods of time worked. If there is less than 12 pay periods, use the number of pay periods available to find an average as follows:

1) Total the hours of all intermittent time paid for the previous 12 pay periods or pay periods available. Divide the total hours by the applicable number of pay periods to determine the average hours of pay each month.

Example: 1500 hrs. ÷ 12 pay periods = 125 average hrs.
or
960 hrs. ÷ 6 pay periods = 160 average hrs.

2) During the pervious 12 pay periods, the employee worked a total of 1025 hours; however, there were no hours worked during May, June and July of this period. If the employee is on a set schedule, do not go back 12 pay periods. Pay the employee based on what he/she was scheduled to work.

Example: 1025 hrs ÷ 9 = 114 average hrs.

3) If the employee's current time base is intermittent but the previous pay periods worked were on a full-time or part-time basis, convert the full/part-time pay periods to hours on the basis of 173.33 hours for full-time or the part-time fraction of 173.33 hours for each pay period. Add these numbers to determine hours worked and divide by the applicable number of pay periods to arrive at the average hours of pay each month.

If the employee's time base is indeterminate, the payment is based on the appointment agreement or as an intermittent time base.

EXAMPLES: Use tax chart effective 3/1/99. Employee is married, 0 exemptions, 5% retirement

1. Employee would receive $1,766.22 ($1,613.22 if Social Security and Medicare member or $1,740.61 if Medicare only member) as full IDL pay if entitled to 22 days with the $2,000.00 gross reduced by $208.22 and $25.56 (and $124.00 and $29.00 Social Security and Medicare member or $29.00 if Medicare only member).

	Days	Gross	Federal	State	Social Security	Medicare	Reduced Gross
Regular Pay	**22**	**$2,000.00**	**$208.22**	**$25.56**	**$124.00**	**$29.00**	**$1,613.22**
Full IDL Pay (non-Social Security and Non-Medicare member)	**22**	**$2,000.00**	**$208.22**	**$25.56**			**$1,766.22**
Full IDL Pay (Social Security and Medicare)	**22**	**$2,000.00**	**$208.22**	**$25.56**	**$124.00**	**$29.00**	**$1,613.22**
Full IDL Pay (Medicare	**22**	**$2,000.00**	**$208.22**	**$25.56**		**$29.00**	**$1,737.22**

member)

2. The full IDL gross for 11 days is reduced by the difference between withholding for Federal and State Income Tax, Social Security and Medicare for the $2,000.00 gross and $1,000.00 gross for 11 days regular pay.

Social Security and Medicare Member	**Gross**	**Federal**	**State**	**Social Security**	**Medicare**	**Reduced Gross**
22 days total pay	**$2,000.00**	**$208.22**	**$25.56**	**$124.00**	**$29.00**	**$1,613.22**
11 days total pay	**$1,000.00**	**$ 65.72**	**$ 7.55**	**$ 62.00**	**$14.50**	**$ 850.23**
11 days full IDL pay	**$1,000.00**	**$142.50**	**$18.01**	**$ 62.00**	**$14.50**	**$ 762.99**
Medicare Member						
22 days total pay	**$2,000.00**	**$208.22**	**$25.56**	**-**	**$29.00**	**$1,737.22**
11 days regular pay	**1,000.00**	**65.72**	**7.55**	**-**	**14.50**	**912.23**
11 days full IDL pay	**1,000.00**	**142.50**	**18.01**	**-**	**14.50**	**824.99**
Non-Social Security and Non-Medicare Member						
22 days total pay	**$2,000.00**	**$208.22**	**$25.56**	**-**	**-**	**$1,766.22**
11 days regular pay	**1,000.00**	**65.72**	**7.55**	**-**	**-**	**926.73**
11 days full IDL pay	**1,000.002**	**142.50**	**18.01**	**-**	**-**	**839.49**

CHANGE IN BENEFITS E 710

(Revised 04/99)

Refer to E 003 for changes in benefit information.

SPECIAL PROCESSING E 711

(Revised 04/99)

Payroll Operations is required to do special processing any time an employee received pay for another payment type and it is later determined that it should be for an IDL payment type.

A common occurrence is when an employee receives regular pay (payment type 0) and it should now be an IDL (payment type 6 or N). If a civil service employee elects to change benefits retroactively, this also requires special processing.

Examples:

<u>Regular pay to IDL</u>

Originally, the regular pay was issued with taxes and Social Security and Medicare (for members) withheld from this pay. Following are the steps that must be taken to correct the pay:

1. Transfer funds from regular pay to IDL full pay. This corrects the taxable income for the year and will generate a W-2C if regular pay was issued in a prior tax year.
2. Account receivable will be established against the IDL pay:

a) This corrects the gross because the IDL gross is reduced by federal, state, Social Security and Medicare amounts (payment type 6) or if 2/3 pay (payment type N).

b) Taxes are credited to correct the withholding for the pay period based on the reduced taxable income (deduction codes 099 Federal and 095 California Income Tax).

c) Social Security (deduction code 097) and Medicare (deduction code 092) is credited if withheld from regular pay because IDL is not subject.

NOTE: B and C correct W-2 withholding totals for the year and will generate a W-2C if issue date of regular pay was in a prior tax year. The employee should be advised of this when possible.

3. Refund deduction codes 028, 029, 095, and 099 when the taxable income remaining after the transfer is less than these deductions and they were originally withheld from regular pay.

4. Do not refund 026.

5. Special processing

Regular pay to IDL

Employee received 22 days regular pay and is entitled to 22 days full IDL pay.

Salary rate $2,000.00, pay period 1/99, married with 0 exemptions; retirement 5%; Social Security and Medicare member.

Step 1 Transfer $2,000.00 out of regular pay into full IDL, which reduces taxable income on W-2.
Step 2 Establish an A/R against IDL pay for $386.78 which corrects IDL gross pay ($2,000 less federal tax of $208.22, state tax of $25.56, Social Security of $124.00 and Medicare of $29.00 = $1,613.22 IDL reduced gross).
Step 3 Credit ALL Federal and State Income Taxes ($208.22 and $25.56) because there is no taxable income left in the pay period.
Step 4 Credit Social Security and Medicare ($124.00 and $29.00) because IDL is not subject.

Transfer	$2,000.00	Reduced W-2 taxable income
A/R amount	386.78	Corrects IDL gross
Credits:		
Federal tax	208.22	Reduced W-2 tax
State tax	25.56	withholding amounts
Social Security	124.00	Social Security gross subject
Medicare	29.00	Medicare gross subject
	$ .00	A/R net

NOTE: The net amount of the A/R against payment type 6 will normally be 0.

NDI to IDL

Employee received 30 days NDI for a gross of $578.57.
Employee is entitled to 22 days full IDL.

Salary rate $2,000, pay period 3/99
Married with 0 exemptions, retirement 5%, Social Security and Medicare member.

Calculations based on taxable gross - $2,000 - $74.35 (Retirement) = $1,925.65.

Step 1 Calculate the reduced gross for 22 days of full IDL ($2,000 less $208.22, $25.56, $124.00 and $29.00) = $1,613.22 reduced gross).

Step 2 Transfer 30 days and $578.57 of NDI to full IDL for 8 days, which will reduce taxable income on W-2.

Step 3 Establish an A/R against IDL pay for $50.42 which corrects IDL gross pay ($578.57 less Federal Income Tax of $6.16, State Income Tax of $0, Social Security of $35.87 and Medicare of $8.39 = $528.15 IDL reduced gross).

Step 4 Issue adjustment of 14 days IDL with a reduced gross of $1,085.07. Retirement is adjusted in the retirement field on this payment and includes the $578.57, which was not originally reported to PERS because NDI was not subject.

Submit form STD. 674D:

Transfer	$578.57	Reduced W-2 taxable income
A/R amount	50.42	Corrects IDL gross
Credits:		
Federal tax	6.16	Reduced W-2 tax
State tax	0	withholding amounts
Social Security	35.87	Social Security gross subject
Medicare	8.39	Medicare gross subject
	$ .00	A/R net

SUBMISSION OF FORM STD. 674D **E 712**
(Revised 04/99)

Most IDL pay requests can be documented on the Miscellaneous Payroll/Leave Actions form, STD. 671 and keyed via the PIP Miscellaneous Detail screen. See Section E 006 for PIP Exceptions that must be documented on the Industrial/Nonindustrial Disability Pay/Adjustment Request, form STD. 674D.

Employment History must be updated via PPT when placing an employee on IDL (refer to PIMS Sections 2.16 and 7.29). In order for Payroll Operations to process the form STD. 674D, it is imperative the information on Employment History is accurate as this is the foundation for auditing and verification purposes.

After Employment History has been updated, a form STD. 674D, must be submitted for each pay period and position number.

IDL pay requests can be documented on the Miscellaneous Payroll Leave Action form STD. 671 and keyed via the PIP System Miscellaneous Detail Screen. See PPM E 006 for exceptions and E 007 for form STD. 671 completion instructions. DO NOT send forms STD. 671 to SCO Disability Unit.

When a summarized warrant is returned for redeposit, IDL pay can be reissued as follows:

- After the redeposit appears on Payment History (HIST) or after the Warrant Register for the redeposit is received, document the IDL pay requests on form STD. 671 (see Section E 007 for completion instructions) and key the request via the PIP Miscellaneous Detail screen.
- If the IDL pay is a PIP Exception (see Section E 006) and therefore, cannot be keyed, a form STD. 674D must be submitted. IDL pay will only be rescheduled according to the information provided in Item(s) 6, 7, and/or 10 for the pay period.

  To reschedule IDL pay for other pay periods redeposited on the summarized warrant, which cannot be keyed via PIP, submit form STD. 674D for each pay period.

Refer to PPM Section I 316, for completion instructions on returning summarized warrants. These instructions are specific to the Payroll Adjustment Notice, form STD. 674, but can also apply to form STD. 674D.

If SCIF has indicated the last day of eligibility is in a subsequent pay period, form STD. 674D should be submitted at the BEGINNING of EACH MONTH to ensure issuance of pay with a payroll master issue date.

COMPLETION OF FORM STD. 674D **E 713**
(Revised 03/02)

Form STD. 674D to request IDL pay is to be completed as follows: (see PPM Section Z, Attachment E-4 Samples)

ITEM	ENTER:
1	CBID
2	Social security number
3	First and middle initials and last name (delete hyphens and enter as one name).
4	Regular position number on Line 1. If there is a mid-month Position Number change, enter new Position Number on Line 1 and old Position Number on Line 2.
5	Pay Period Type (refer to PPM Section B 007), Month and Year.
6	Intervening Activity/Working While on Disability

Complete ONLY when employee is working while on disability or leave credits charged in lieu of regular time scheduled to work. DO NOT SHOW TIME PRIOR TO OR AFTER A RETURN FROM A DISABILITY.

Enter the number of hours with corresponding code ("W" for worked, "L" for dock and "C" for IDL):

Example:

6. INTERVENING ACTIVITY/WORKING WHILE ON DISABILITY – ENTER NUMBER OF HOURS & CODE (W-WORKED, L-DOCK, C-IDL)																																
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	
	4C 4W	6C 2W	8W	3W 4C 1L	8C																											

7 Industrial Disability (IDL)

a. Enter all-inclusive dates employee is entitled to IDL benefits. If there is a break between dates, please make this clear.

Example:

"Employee on IDL from 1/3 - 1/15 and 1/23 through 1/30".

NOTE: DO NOT COMPLETE this item if the employee is working while on disability. IDL time should already be shown in item 6.

b. Leave blank.

c. Check this item if employee is entitled to enhanced IDL.

8 Nonindustrial Disability (NDI)

Complete only when employee is due NDI in the same pay period (refer to PPM Section E 513 for completion instructions).

9 Payment Per Controller

Enter Issue Date, PAYMENT TYPE, Time Worked (either 21 or 22 days for a standard month), and Warrant/Direct Deposit Payment Number and/or Account Receivable Number for all payments, transfer of funds, and accounts receivable. DO NOT INCLUDE payments which have been previously returned. If a warrant is attached for redeposit, check the "RET" box, otherwise leave blank.

Reminder: If a warrant is attached to form STD. 674D for redeposit, the warrant and form must be sent to the Division of Disbursements.

10 Payment Should Be (Total time for the pay period must be completed.)

Enter number of days and/or hours for each type of pay being requested. Enter timebase fraction ONLY when regular pay is less than full-time.

NOTE: To request additional type(s) of pay not listed (i.e., supplementation), use the second line.

For shift differential, enter the shift code, number of hours and shift rate (refer to PPM Section Z, Attachment G-1).

Verify that the amount of time requested in each type of pay corresponds with the dates and/or hours reflected in items 6, 7a, 8a and/or 11.

11 Additional Information

The following must be reflected in this item, when applicable:

A. If employee is receiving payments from other benefit programs, enter."

"Reduce IDL pay by $ ____ received from other benefit programs."

B. If account receivable is to be established as payroll deduction, enter one of

the following:

"Establish payroll deduction A/R for 1 deduction from next applicable pay period."

"Establish payroll deduction A/R for___(enter number) deductions to start with next applicable pay period (not to exceed 12 pay periods)."

“Establish payroll deduction A/R for 2% of salary rate or 1/12 of account receivable net.”

C. If employee has dock and time certified in item 10 (Payment Should Be) differs from time shown on Employment History, enter:

"Employee on dock (enter date(s) and number of hours)."

D. If employee is entitled to Temporary Disability in the same pay period, enter:

"Employee on TD (enter all inclusive dates)."

NOTE: Attach completed form STD. 674 for Temporary Disability along with form STD. 674D and submit as a package (refer to PPM Section E 612 for completion instructions).

E. If a mid-month salary rate change occurs, enter:

"Employee due (enter days/hrs. at 1st salary rate) and (enter days/hrs. at 2nd salary rate)."

F. CSU employees supplementing IDL, enter:

"Sick Leave Supplementation"

G. If employee has more than one disability/injury, enter:

"Employee has ___(enter number) injuries, SCIF dates are_____ and _____."

H. If A/R(s) shown in item 9 needs to be adjusted, enter one of the following:

"A/R #_____ has been satisfied."

"A/R # _____ has not been satisfied."

I. Other - when applicable, enter:

"Employee position has been reorganized."

"Employee is academic, 10/12 or 11/12."

"Employee has separated."

J. IDL Keyed or "Not Keyed".

12 Authorized Signature (must be original) and date.

13 Complete ONLY if different than Authorized Signature.
Enter name.

14 Telephone Number of person to be contacted.

SUBJECT: STATE DISABILITY INSURANCE

(NEW 01/08)

REFERENCES

Unemployment Insurance Code 710.7, 710.8
PML 2005-015, 2005-020, 2005-045, 2006-012, 2006-042

INTRODUCTION

State Disability Insurance (SDI) is a wage replacement program that pays part of an employee's wages if they have to stop working because of a non-working illness or injury. There are two components to the program, Disability Insurance (DI) and Paid Family Leave (PFL). DI is a wage continuation program for employees who incur a non-work-related injury or illness for up to 52 weeks. PFL is for employees covered under SDI who take time off from work to care for a seriously ill child, spouse, parent, domestic partner, or to bond with a new minor child or adopted child. PFL is limited to a six-week paid benefit within a 12-month period.

The SDI program is funded through mandatory employee payroll deductions ---- there is no employer contribution ---- and replaces NDI for all covered employees. Withholding began with the September 2005 pay period for all eligible earnings that issued on or after October 1, 2005 for rank and file employees in bargaining units 1, 3, 4, 11, 14, 15, 17, 20, and 21.

Once an employee has contributed to the SDI program for six months they are eligible to request SDI benefits from EDD. Employees are required to contact their human resource office to request a leave of absence at the time they apply for SDI benefits and must serve a 7-calendar day waiting period. An exception to the 7-calendar day waiting period is when the employee serves a waiting period due to pregnancy related disability under DI, and then files a PFL claim for bonding: a new waiting period is not required. During the waiting period, employees may use leave credits or unpaid leave. If the employee elects to use leave credits, the leave of absence will begin on the day leave credits end.

The Employment Development Department (EDD) administers the SDI program, processes claims, and issues benefit payments. The SCO calculates and withholds the deduction and remits the moneys to the EDD. The Department of Personnel Administration provides policy interpretation on the negotiated SDI program. Employees are eligible for SDI benefits beginning April 1, 2006, provided there are sufficient wages in the employee's base period. (See the EDD Web site at www.edd.ca.gov/direp/difaq2.htm#benefits for base period information.)

SDI claims are filed by the employee directly to EDD. SDI benefit checks are mailed directly to the employee generally within two weeks following EDD approval.

Employees Subject to SDI **E 801**

Civil service rank and file employees in Bargaining Units R01, R03, R04, R11, R14, R15, R17, R20, R21, E01, E03, E04, E11, E14, E15, E17, E20, and E21 are subject to mandatory SDI withholding. Retired annuitants are excluded from SDI withholding.

Payment Types Subject to SDI Withholding **E 802**

Payment types 0, 1, 2, 8, 9, A, C, D, F, G, H, J, Q, S, X, and Y are subject to SDI withholding. Leave credit payments are subject to SDI withholding. Deduction codes 354-001 and 354-020 are always subject to SDI regardless of the payment type.

Calculating SDI/Rates **E 803**

SDI is calculated by adding the gross and flex cash or coben cash and multiplying by the SDI percentage rate. The SDI percentage rate for payments is determined by the issue date of the payment. The SDI percentage rate for redeposits, account receivables, and reverse account receivables is determined by the original issue date. SDI is applied on a post-tax basis. SDI amounts will be reported on Form W-2 and W-2C in box 14 as “CASDI”.

Year	Percentage Rate	Annual Earnings Cap	Annual Maximum Contribution
2005	1.08%	$79,418	$857.71
2006	0.80%	$79,418	$635.34
2007	0.60%	$83,389	$500.33
2008	0.80%	$86,698	$693.58

Working and Using Leave Credits While on SDI **E 804**

Employees are permitted to work while receiving SDI benefits if authorized by a physician. The time worked with the SDI benefit amount cannot exceed the total monthly regular gross pay of the employee. Payment requests must be submitted to PPSD on a STD. 674D. Payments for working while receiving SDI benefits are issued as regular pay and are subject to mandatory deductions. Voluntary deductions will be withheld if there is sufficient net pay.

Effective July 1, 2006, employees may elect to use a maximum of 40 hours of leave credits per month to supplement their SDI benefits. This is separate from using leave credits to cover the waiting period. The decision to supplement and the number of leave credits to use must be made during the first seven days of the SDI waiting period for the entire time the employee anticipates receiving SDI benefits. The leave credit supplementation combined with the time worked while on SDI and the SDI benefit amount cannot exceed the employee’s monthly gross salary. Requests for supplementing with leave credits must be submitted on Form STD. 674D. Current month requests must be submitted by master payroll cutoff and can be faxed to PPSD.

Holidays While Working on SDI — E 804.1

An Employee working while on SDI would receive regular pay for the holidays that fall during the SDI disability period based on their time base appointment. If the employee is participating in the VPLP program, the holiday is subject to the VPLP reduction.

Completion of Form STD. 674D — E 805

Form STD. 674D to request pay when an employee **is working** or using leave credits while on SDI is to be completed as follows:

ITEM	ENTER
1	CBID
2	Social security number
3	Employee name (first, middle initial, last name
4	Position number for pay period of the request
5	Pay period
6	Must be completed when employee is working while on SDI
7	Blank
8	Blank
9	Blank
10	Time worked and time base fraction on the regular pay line
11	“Using Leave Credits While on SDI ” or “Working on SDI” or “Using Leave Credits and Working While on SDI”
12	Complete
13	Complete
14	Complete

Health Benefits — E 806

Effective July 1, 2006, the State will provide up to 26 weeks of health, dental, and vision coverage while the employee is receiving SDI benefits. If the employee is receiving benefits and off payroll, the employer will pay both the employer and employee portion of the health insurance premium. The employer is responsible for paying the employer portion of the health insurance premiums and the employee is responsible for paying their portion of the health insurance premiums upon return to employment. If the employee is working or supplementing with leave credits while receiving SDI benefits, the health insurance premium is paid through payroll deduction if there is sufficient net pay. See PPM sections H 826 and 827 for documentation instructions for requesting continuation of medical benefits.