



City of Clovis State Disability Insurance/Paid Family Leave Integration of Wages Policy

Full-time employees who pay into SDI may opt to integrate wages with SDI or PFL during a leave of absence. Integration of SDI or PFL benefits is a process in which an SDI or PFL weekly benefit amount is paid to the employee and the employee is also paid wages using their available accrued leave (sick, comp time, personal) to cover the difference between gross weekly wages and what is received from SDI/PFL. City of Clovis employees who are absent from duty due to a qualifying State Disability Insurance (SDI) or Paid Family Leave (PFL) reason, elect to integrate wages, and have been authorized to use the City paid leave benefit, shall be eligible to integrate wages and could receive up to 100% of their gross weekly wages.

If an employee qualifies for SDI/PFL benefits, SDI/PFL benefit levels are based on a formula determined by the state Employment Development Department (EDD). SDI benefits are payable starting on the 8th calendar day of absence from work, or the first day of hospitalization, whichever comes first. In most circumstances, PFL benefits are payable starting the 1st calendar day of an absence from work.

1. **PAY OPTIONS:** You may select one of the options below for integration of benefits by completing the City of Clovis Integration of Benefits form (attached) and returning it to Personnel. An employee desiring to integrate benefits must complete the City of Clovis Integration of Benefits form at least two (2) weeks prior to a known absence or as soon as possible following an unexpected absence.

Option 1: Integrate paid leave with SDI/PFL benefits (steps to follow).

- Complete and submit a City of Clovis Integration of Benefits form to Personnel.
- When applying for SDI/PFL through the EDD check the Integration of Benefits box.
- E-mail or bring a copy of the SDI/PFL benefit award letter from EDD indicating payment amounts to Personnel within five (5) working days of receipt.

Until the benefit award letter is provided to Personnel, employees may use their own accrued, unused leave balances during the seven (7) calendar day waiting period. Starting the 8th day of the employee's leave, the employee may use their accrued/earned, unused leave hours for 30% of their gross weekly wages, which will be calculated at the employee's hourly rate.

Once the employee's benefit award letter is submitted to Personnel, the amount of integration will be adjusted according to the benefit amount provided by SDI/PFL. NOTE: The number of working days in each pay period (e.g. 1-15 and 16-31 of each month) varies. Therefore, the number of hours used for the integration will vary per pay period, but the employee may receive up to 100% of their gross weekly wages when leave use is combined with SDI/PFL payments.

- Once all accrued/earned leave hours have been exhausted, integration of benefits shall cease.

- There is no retroactive integration of benefits. If you receive more paid leave hours than you are eligible for due to a late request for integration or a delay in your claim, you must work with the State Employment Development Department (EDD) to return those overpayments. By law, you may not receive more than 100% of your gross salary while integrating benefits.

Option 2: Collect only SDI/PFL benefits, decline to integrate and freeze all leave balances resulting in a leave without pay status. The City of Clovis Integration of Benefits form must indicate this choice. If there is a delay in returning your form and you receive paid leave hours in addition to SDI/PFL that exceeds 100% of your gross weekly wages, you must work with the State Employment Development Department (EDD) to return those overpayments.

Option 3: Use leave balances until exhausted and do not receive SDI/PFL benefits. This is the default option.

Option 4: Take an unpaid leave of absence. Do not collect SDI/PFL benefits and do not use leave balances.

Benefits example:

Time period	SDI Benefit	City Benefit (paid leave)	Total Benefit	Timesheet Coding
7-calendar day waiting period.	None.	Utilize any paid leaves.	100% of gross salary using leave.	Code desired leave type for first 7 calendar days.
Applied for SDI/PFL awaiting EDD benefit award letter.	Initially estimated at 70% of gross weekly wages.	Utilize paid leaves for remaining 30% of gross weekly wages.	Up to 100% of gross weekly wages. Delays in EDD processing will result in City benefits of only 30% of gross weekly wages.	Up to 30% gross weekly wages using leave.
EDD benefit award letter received and processed through Personnel.	Benefit will be adjusted per EDD payment percentage.	Utilize paid leaves for remaining portion of gross weekly wages not paid by EDD.	Up to 100% of gross weekly wages.	Use leave balances up to the percentage provided by Personnel per the EDD calculation.

2. It is the responsibility of the employee to file an SDI or PFL claim. The City is not involved in the application/benefit payment process and is not responsible for the benefit amount an employee receives from EDD. Employees integrating benefits with the City must check the box indicating integration of benefits when they complete their SDI application. The role of the City is limited to verifying employment, pay rate, date of absence, and integrating your leaves.

3. Depending upon leaves accrued under the applicable MOU, leave balances that can be used for integration with SDI/PFL are:
 - 1) Sick leave (unlimited use for self; up to 48 hours to care for a sick family member; can't be used for baby bonding)
 - 2) Comp time off
 - 3) Personal Day
 - 4) Compassion leave (caring for a sick family member only)
 - 5) Vacation may be used when all above leaves are exhausted.
4. Integration of benefits will continue unless stopped by the employee or when all leave balances are exhausted. When an employee exhausts all available City paid leave balances or opts out of integration, and has exhausted all FMLA/CFRA leave rights, the employee must request an unpaid leave of absence in accordance with applicable MOU rules or the City's Personnel Rules. Employees who have exhausted all their own leaves and are using donated leaves are considered in unpaid leave status.
5. The City shall continue its contributions toward the employee's health, dental, life, vision and retirement plans during the period the employee receives the integrated leave and SDI/PFL benefits or during an approved unpaid leave of absence. The employee's portion of health, dental, life, vision and voluntary deductions (e.g. additional life insurance, Legal Shield) will be deducted from the employee's paycheck if there are sufficient gross wages available. Employees in an unpaid leave status, or with insufficient gross wages to cover their portion of insurance premiums or voluntary deductions, will be required to work with Personnel to set and adhere to a payment schedule to prevent their benefits from lapsing.
6. Sick leave and vacation shall accrue at the employee's usual rate during the period the employee receives the integrated leave and SDI/PFL benefits. Accruals will end when the employee exhausts all their own leave balances even if they are still receiving SDI/PFL benefits. Hours donated by other employees are not considered the employee's own leaves for purposes of sick leave and vacation accrual.
7. To the maximum extent permitted by law, the City designates paid and/or unpaid leave due to reasons that are eligible under Family and Medical Leave (FMLA) and/or California Family Right Act (CFRA) to run concurrently with, and be counted against, an employee's FMLA and/or CFRA leave entitlements.



STATE DISABILITY INSURANCE

DISABILITY INSURANCE (SDI) & PAID FAMILY LEAVE (PFL) LEAVE OF ABSENCE (LOA)

INTEGRATION ELECTION FORM

Name (Print): _____ Employee ID: _____

Last Day of Work: _____ Expected Duration of LOA: _____

Please elect one of the options below (required):

1. INTEGRATE: I elect to integrate my paid leave with SDI/PFL benefits during my LOA.	
2. SDI/PFL ONLY: I elect to not use my paid leave with SDI/PFL benefits during my LOA.	
3. PAID LEAVE ONLY: I do not intend to file a claim for SDI/PFL benefits and will use my unused leave balances.	
4. UNPAID LEAVE: I do not intend to file a claim for SDI/PFL benefits and will not use any of my unused leave balances.	

In addition to your election above, by signing this form you agree to the following conditions:

- Once you elect integration (Option #1 above), you may not alter this election until your paid leave is exhausted or until you return to work.
- If you choose Option #2 above, you may only change your election upon extension of your current LOA.
- If you submit this Integration Election Form late, there is no retroactive integration – the City will not process a payroll adjustment to restore your leave balances.
- The City default will pay 30% of your gross weekly wages when integrating with your allowed leave balances. The percentage will be adjusted when you submit your EDD benefit statement to Personnel (within 30 days of receipt), not to exceed 100% of your gross weekly wages.
- During your LOA, you may choose the order in which your leave balances are exhausted by completing the table below. Sick leave will be the default.

Order	Type of Leave
	Sick (unlimited use for self; up to 48 hours for a sick family member; can't be used for baby bonding)
	Personal
	Comp Time (CTO)
	Compassion (to care for a sick family member only)

Vacation time may be used when all above leaves are exhausted.

I have read, understand, and will comply with the terms and conditions described in the SDI Benefits & Integration packet and Integration Election Form.

Signature

Date