



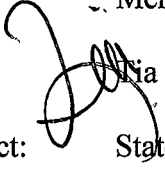
Berkeley Housing Authority

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Office of the Executive Director

Item 6F
NEW BUSINESS
July 12, 2012

To: Honorable Chairperson and
Members of the Berkeley Housing Authority Board

From:  Tia M. Ingram, Executive Director

Subject: State Disability Insurance

RECOMMENDATION

Approve a resolution, authorizing the Executive Director to register with the State of California Employment Development Department (EDD), for the purpose of State Disability and Unemployment Insurance for all employees of the Authority effective June 24, 2012.

BACKGROUND

State Disability Insurance (SDI) and Unemployment Insurance is an employee pre-paid insurance plan. For calendar year 2012, each pay period 1% of earnings (with a cap of \$95,585 in annual earnings) is deducted from payroll and deposited with EDD on behalf of the employee; there is no employer contribution. EDD sets the limits at the beginning of each year. When a claim for benefits is filed, EDD notifies the employer of record to confirm certain facts before benefits are paid.

Registering with EDD as employer will allow future employee contributions to reflect BHA as employer, and the entity to be notified in the event of a claim, rather than the City of Berkeley.

FISCAL IMPACTS OF RECOMMENDATIONS

None. This administrative task is one of many required to implement an independent payroll system for Berkeley Housing Authority employees.

CONTACT PERSON

Tia M. Ingram, Executive Director, (510) 981-5471
Jesy Yturralde, Finance Manager, (510) 981-5488

Attachment: Resolution

STATE DISABILITY INSURANCE
RESOLUTION NO. 12- _____

AUTHORIZING THE EXECUTIVE DIRECTOR TO REGISTER WITH THE STATE OF CALIFORNIA EMPLOYMENT DEVELOPMENT DEPARTMENT (EDD), FOR THE PURPOSE OF STATE DISABILITY AND UNEMPLOYMENT INSURANCE FOR ALL EMPLOYEES EFFECTIVE JUNE 24, 2012

WHEREAS, employees in the State of California are required to pre-fund insurance for non-work related illnesses; and

WHEREAS, employers are required to register with the State Employment Development Department to ensure proper recording of employee contributions, and notification in the event of a claim; and

WHEREAS, the City of Berkeley is reflected as the employer for Berkeley Housing Authority employees through June 23, 2012; and

WHEREAS, the Berkeley Housing Authority is implementing a new, independent payroll system effective June 24, 2012; and

WHEREAS, the Berkeley Housing Authority should be reflected as the employer of all individuals employed by the Authority for tax, benefit and other reporting purposes; and

WHEREAS, the Berkeley Housing Authority shall withhold from the wages of employees the contributions required for unemployment compensation disability benefits.

NOW THEREFORE, BE IT RESOLVED that the Executive Director is hereby authorized to register with the State of California, Employment Development Department as an employer.

FURTHER RESOLVED, that the Executive Director is authorized to apply for State Disability Insurance for all Berkeley Housing Authority employees.

FURTHER RESOLVED, that the Executive Director is authorized to submit form DE 1378M, providing required information for all current employees, and execute any other documents required by the State Employment Development Department.

The foregoing was adopted by the Board of the Berkeley Housing Authority on July 12, 2012 by the following vote:

Ayes:

Noes:

Abstain:

Absent:

Attest: _____
Tia M. Ingram, Secretary