

Salary and Benefits Explained

Before you accept a job, make sure you completely understand the salary and benefits information. Consider the amount as well as the frequency of pay, and opportunities for evaluations and salary increases. Understand that benefits increase the dollar value of your overall compensation package, although the money a company spends on your benefits cannot be used to pay your bills!

It is important to understand that your salary, after taxes and Social Security are deducted, is what you take home to pay your bills. You should determine your financial obligations (rent, student loans, car expenses, utilities, etc.) and be certain that your salary can meet and exceed those obligations. The benefits you receive are paid in part by your employer and in the past by you. You should consider benefits as part of your overall compensation package. Do not assume that a higher salary always means higher compensation. Sometimes when comparing two job offers, the job with the lower salary and a more extensive benefits package may provide greater total compensation than a job with a higher salary and fewer benefits.

Compensation	What is it?	Who pays?
Salary	The amount of money you get paid annually to do your job.	The company. After taxes, Social Security and expenses for benefits are deducted, the balance is what you will use to pay your financial obligations.
+ Bonus	The money paid to you either for signing an offer letter, sporadically once you get hired, or on a regular basis determined by the company.	The company, after taxes are deducted. This is not offered by all companies, and when it is, it may only happen once. Be aware company policies on bonuses may change.
+ Health Care	The health care provided by the company for yourself (and family, if applicable). Some companies offer dental and vision plans as well.	The company pays part of your health care expenses, and you pay a portion as well. It is important to determine/ask the percentages.
+ 401k (for profit) or 403b (non-profits)	The money the company may contribute to your retirement plan	The company makes a contribution, and you do as well. Some companies will match your contribution, and some companies will pay a portion.
+ Disability Insurance	The benefit of a company providing income to you if you are out of work long-term due to an illness or injury	The company pays for this. You pay any additional optional coverage at a lower cost and with fewer medical requirements than would be required if you procured the insurance on your own.
+ Life Insurance	The benefit of a company providing money to a designated beneficiary if you die.	The company pays for this. You pay any additional optional coverage at a lower cost and with fewer medical requirements than would be required if you procured the insurance on your own.
+ Vacation/ Personal/Sick Time	The amount of days off per year	The company offers this.
+ Misc.	The variety of additional "perks" may be offered such as: <ul style="list-style-type: none"> • Health Club Membership • Tuition Reimbursement • Parking/transportation • Discounts to local vendors • Relocation reimbursement 	The company pays for a portion or all of these, depending on the "perk."
= Total Compensation		