

Employee Benefits Time & Money



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When offered a full time job, you should be given an employee benefits package (if you're not, you need to ask for it!). You need to evaluate this benefits package thoroughly. It can account for up to 30% of your total compensation! There are a ton of types of benefits to consider, and this handout will focus on those in the Money & Time category (because time IS money!)

Retirement Benefits

Most employers will offer some sort of retirement savings plan, whether it be a 401K, 403B, pension, or something else! Three important numbers to look for are:

- the "Employer Contribution" which is usually the percentage of your salary or wages that the employer will contribute to that account for you, even if you don't contribute anything. i.e. 9.4% of your salary will be contributed annually.
- "Employer Matching" which is the percentage of your contributions that the employers will match, up to a certain amount - it might be something like 100% match up to \$5,000, or matching up to 6% of your salary.
- The "Vested" date: this is the date when the money is officially yours, or partially yours. When employers are contributing to the fund, they may wish to wait for you to be employed with their company a certain number of years before you can officially keep the money they've put into the account.

Stock Options/ESOP

If you work for a company that is publicly traded, they may offer you the opportunity to invest a portion of your salary to buy their stock at a reduced price (usually more than 10%, but less than 20% - which means you automatically make a 10% profit!) If given the opportunity, this can be a great investment if you expect the company to do well!

Profit Sharing

Some organizations may elect to share portions of their yearly profit with their employees. This will depend on how profitable they are from year to year, and is usually at the discretion of executive management. Again, if you work for a company that's doing well, this can be a fabulous benefit, but not necessarily one you should count on from year to year.



Vacation

Probably one of the first things we look for in the benefits package: vacation time! There are such a variety of ways for organizations to dole out vacation time that it might be hard for you to tell if it's a "good" amount of time off or not (two weeks is a general minimum to look for). How you receive or accrue time may also vary on whether or not you're a salaried or hourly employee.

- Some will give you a set number of days a year, with days being distributed once a year (may be Jan. 1, the beginning of the fiscal year, or your hire date). You'll usually start out receiving fewer vacation days and build up more as your tenure with the organization increases.
- In some cases you may accumulate your vacation days over the course of your employment, perhaps starting at the rate of .5 days for every 40 hours worked. Again, the rate of accrual will increase as you stay with the company.

Pay attention to how long you need to wait until you use your vacation days, and how many you get those first few years.

Paid Holidays

There are generally six holidays that everyone (except the folks we've now come to know as "frontline workers") will get off. They are: Memorial Day, Independence Day, Christmas Day, New Year's Day, Thanksgiving Day, and Labor Day. Many organizations will throw in Christmas and New Year's Eve, and the day after Thanksgiving. Whether or not an organization gives its employees Martin Luther King Jr. Day or Juneteenth off can be telling of their inclusivity and equity practices. Pay attention to that, and start asking questions if they don't.

Sick/Personal Days

While there is a movement to stop offering a limited number of sick or personal days to employees (particularly those who are salaried), you may still find offers that offer a certain number of sick days or an accrual rate, similar to vacation days. **MAKE SURE YOU PAY ATTENTION TO THIS!** We all deserve adequate days off while we're sick (Hello, Pandemic - stay away from work if you're sick!), and we also deserve to take days off for our mental health. Employees who are offered "unlimited" sick or mental health time are often happier and more productive workers, and do not abuse the privilege.

Comp Time & Overtime

A normal work week should be 40 hours long, but salaried employees may be expected to go "above and beyond" on occasion to meet business needs (if it's happening constantly, then there's a bigger problem). In the case where you may work an extra 10 hours a week, some employers will offer what's called "comp time" to compensate (get it?) for those extra hours you worked - that usually means that you can take 10 hours of time off for the 10 extra hours you worked. Pay attention to whether or not there is official policy on comp time.

Hourly employees may be paid overtime wages for that extra time they worked, usually at an increased wage rate from their normal rate. Sometimes salaried employees may be given bonuses or financial compensation for the extra time they work, but it's less common, and wouldn't be traditional "overtime."

Flex Time

Becoming ever more important, you should pay attention to an organization's flexible working policies. "Flex Time" means that you are able to create a schedule that works for you, rather than being expected to work a schedule set by your employer. For folks with children, medical needs, those that may have longer commutes, or any number of other reasons, being able to have a flexible schedule is important. If the employer policy isn't clear, you should ask about it.