WORK AND EARN

FAQS

What is base pay and why is it so important?

Base pay is your salary, not including bonuses or overtime pay. It's important because additional or extra pay, like bonuses and benefits, is often calculated as a percentage of your base pay.

What is an advantage of being a non-exempt employee?

Non-exempt employees will be paid overtime if they are required or asked to work more than 40 hours in one week. On the other hand, exempt employees are usually expected to put in as many hours as it takes to get the job done without extra pay.

How do I get unemployment insurance?

Workers who become unemployed may be eligible for unemployment benefits, which are provided through the state government. Your company's human resources department or your state government can help you find the appropriate agency to apply for benefits.

What happens to my retirement plan money if I leave my employer?

It depends. An employee who has a defined contribution plan may:

1. Leave the funds with an old employer's plan (under certain conditions)
2. Move the account balance to a new employer's plan
3. Roll over the funds to an Individual Retirement Account (IRA)
4. Withdraw the funds

It may be wise to talk to a financial advisor about the tax effects of each of these options.

Does an employer have to pay higher wages to those who work weekends or night shifts?

This is called a pay differential, and it's optional for employers. They may choose to pay a higher wage to employees working weekends, holidays, or nights.

Can an employer fire me if I don't do anything wrong?

Most workers are employed "at will." This means that, except for discrimination, an employer may terminate (fire, lay off, or let go) any worker at any time.

How much monthly retirement income will I get from a defined contribution plan?

When you retire, the amount of money in your account, and how much you get each month, will depend on the contributions made during your working years, plus any investment earnings and minus any investment losses. Check with your human resources department for options regarding monthly retirement income.

GLOSSARY

Exempt employee: an employee who is exempt from the overtime provisions under the Fair Labor Standards Act; these employees will not earn overtime pay.

Non-exempt employee: an employee who is not exempt from the overtime provisions under the Fair Labor Standards Act; these employees are eligible for overtime pay.

Cafeteria plan: an employee benefit plan that allows the worker to choose from a variety of benefits to fit his or her own needs

Deductible: the amount a worker pays out of pocket before an insurer begins to cover costs

Overtime pay: a minimum pay rate (generally, 1.5 times the normal wage), paid to hourly wage employees when they work over 40 hours per week

Co-pay or co-insurance: the worker's share of each health care cost

Defined benefit plan: a retirement plan that pays a monthly income to a retiree for life based on a pre-determined formula

Defined contribution plan: a savings plan that provides an employee with a lump sum at retirement, the dollar value of which is based on contributions plus investment earnings or minus investment losses

LEARN MORE

Find career information including education requirements, pay, and more from the Occupational Outlook Handbook: http://www.bls.gov/ooh/

Plan and manage your career, write your resume, and ace your interview: http://www.aie.org/life-after-college/starting-your-career/

Compare the cost of living in different cities at http://www.bankrate.com/calculators/savings/moving-cost-of-living-calculator.aspx

Find employment resources from the U.S. Department of Labor at https://www.careeronestop.org/

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WHAT I NEED TO DO NEXT

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