

NAME: \_\_\_\_\_

DATE: \_\_\_\_\_

## INSTRUCTION

# Total Compensation

**What + Why:** Pay gets your attention, but benefits can change what a job really offers.

Total compensation is the full value of what an employer provides. It includes direct pay and employer-paid benefits. Some job benefits may not have a simple dollar amount, but they can still affect financial stability, convenience, comfort, flexibility, or future opportunity.

In this teacher-led example, you will look at Maya's case study materials to see how salary, bonuses, employer-paid benefits, and other supports can work together.

## Supporting Materials

- Maya's Pay Stub (Case Study)
- Maya's Benefits Summary (Case Study)

**Instructions:**

1. Follow along as your class reviews Maya's **Pay Stub** and **Benefits Summary**.
2. Use the chart to notice what Maya receives as direct pay, what her employer contributes, and what other benefits or supports may affect what her job offers.
3. You do not need to calculate the exact dollar value of every benefit. Focus on what each part adds and why it may matter.

| What to Look For                                      | What Maya Receives | Why Does It Matter? |
|-------------------------------------------------------|--------------------|---------------------|
| Direct pay                                            |                    |                     |
| Contributory benefits                                 |                    |                     |
| Non-contributory benefits<br>(employer-paid benefits) |                    |                     |

## Reflection:

Why could take-home pay alone leave out important information?

## Key Terms:

- **401(k):** a company-sponsored retirement plan that lets employees contribute money for retirement; some employers also contribute through a match
- **benefits:** non-wage compensation provided to employees in addition to their regular salary, designed to improve financial security, health, and work-life balance
- **contributory benefit:** a benefit that requires the employee to pay part of the cost to use the benefit.
- **non-contributory benefit:** a benefit fully paid for by the employer