

How do Hourly (Wage) and Salary-based Employee Compensation Differ?

Answer:

An Hourly (wage) arrangement is different, because an Employee gets paid for the actual number of hours worked, and is generally eligible for overtime compensation when working outside of his/her assigned schedule.

With a Salary arrangement, an Employee has a base salary and receives a set amount of payment when fulfilling his/her assigned work schedule. It doesn't matter how much work they perform outside of their assigned schedule, they will get the same amount of money. No eligibility for overtime compensation.

Our nonacademic represented Employees are hourly Employees (and eligible for overtime compensation) and our non-represented employees are generally considered salary-based Employees.

The law does not allow hourly Employees to waive overtime payment for work performed outside of their assigned schedule (before or after their shift; or on their off days). To protect the interest of WSU, managers must be diligent in assuring that their hourly Employees begin and end their workdays as scheduled, unless management has authorized overtime.