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Mission-Ready Talent. Defense-Built Solutions.

COMPENSATION PLAYBOOK

Understanding Pay, Schedules, and Negotiation in GovCon

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Cleared compensation has its own logic — hourly roles marketed as salary, 84-hour biweekly schedules, shift differentials that stack, and **a clearance premium that meaningfully outpaces non-cleared base pay**. This guide is your baseline: how pay structures work, what current cleared salaries look like in 2026, and how to negotiate effectively without burning bridges in a small, connected industry.

2026 CLEARED COMPENSATION AT A GLANCE

- **All-Time High Average:** \$126,125 (2026 ClearanceJobs Security Clearance Compensation Report) — nearly 6% YoY growth. 70% of cleared professionals received salary increases in 2025; 12% received raises of more than 10%.
- **By Clearance Level:** DoD Top Secret averages \$126,839 · TS/SCI averages \$139,261 · Full-Scope Polygraph carries a further premium.
- **Market Context:** Compensation rose despite return-to-office mandates, agency restructuring, and federal workforce uncertainty — a clear signal that demand for cleared talent remains strong.
- **The Takeaway:** Your clearance remains one of the most valuable credentials in today's labor market — and the data backs negotiating accordingly.

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01 • PAY STRUCTURES — EXEMPT, NON-EXEMPT, AND THE "SALARY" TRAP

The most common pay-structure surprise in GovCon: roles marketed as "salary" that are actually salary non-exempt — you're paid hourly for every hour worked, but without overtime premium. Understanding the structure of your role is the foundation of compensation literacy.

Salary Exempt

A fixed annual salary paid regardless of hours worked. Most professional and management positions. No overtime pay even when you work more than 40 hours. Your salary is the salary.

Salary Non-Exempt

An hourly rate marketed and structured like a salaried role — you're paid for every hour worked, but there's typically no time-and-a-half overtime premium for hours beyond 40. Common on shift-based contracts. Pay can vary biweekly based on actual hours.

Hourly / W-2 Contractor

Straight hourly compensation, often with full benefits. Overtime rules depend on exempt status and contract terms.

1099 / Independent Contractor

Self-employed contractor structure. Higher hourly rate to account for self-paid taxes, benefits, and overhead. Common in specialized cleared consulting; less common in line cleared roles.

CONUS vs. OCONUS

- **CONUS (Continental U.S.)** Standard domestic rates aligned with cost of living and government labor standards. The baseline.
- **OCONUS (Outside Continental U.S.)** Higher hourly rates typically reflect overseas allowances, hazard pay in high-risk zones, hardship differentials, and tax advantages (Foreign Earned Income Exclusion may apply).

02 • SCHEDULES — 80, 84, PANAMA, AND ROTATING SHIFTS

Cleared work frequently runs on schedules other than standard 40-hour weeks. Mission coverage doesn't stop for weekends. Understanding the schedule before you accept is essential — it directly affects your biweekly pay.

Standard 80-Hour Biweekly

Traditional Monday–Friday, 40 hours per week, 80 hours per pay period. Most analyst, engineering, and management roles.

84-Hour Biweekly

Common on shift-based mission roles requiring continuous coverage. You work 84 hours over two weeks instead of 80 — paid at your hourly rate for all 84 hours.

Panama Schedule (2-2-3)

2 days on, 2 days off, 3 days on — totaling 84 hours over two weeks. Used for 24/7 mission coverage. Example: at \$50/hour, biweekly pay is $\$50 \times 84 = \$4,200$.

12-Hour Rotating

Twelve-hour shifts in rotation (often 4 days on / 4 days off). Two weeks adds up to roughly 84 hours. Common in SOC's, OPS centers, and mission watch floors.

24/7 Coverage

Continuous coverage with rotating morning, swing, and night shifts. Usually 84-hour biweekly cycles. Shift differentials almost always apply.

03 • SHIFT DIFFERENTIALS & PREMIUM PAY

Many contracts add premium pay on top of base hourly rate for shifts worked at non-standard times. These differentials are negotiable on some contracts and fixed on others — always ask before you accept.

Common Differentials

- **Night Shift Differential** Typically 5–10% above base for evening or overnight shifts. Example: \$50 base + 10% = \$55/hour at night.
- **Weekend Pay** Saturday and Sunday premium, often \$2–\$5/hour or a fixed percentage. Example: \$50 base + \$3 weekend = \$53/hour.
- **Holiday Pay** Federal holidays worked typically pay 15–20% above base. Example: \$50 base + \$10 holiday = \$60/hour.
- **Hazardous Duty / Combat Zone** OCONUS in designated combat zones can carry significant additional pay, plus potential tax exclusions on portions of income.

Stacking Differentials

Differentials usually stack. A Sunday-night holiday shift in a 24/7 mission environment can combine night + weekend + holiday for a sizeable hourly multiplier. Example: \$50 base + \$5 night + \$10 holiday = \$65/hour on a holiday night.

Contract Margins Affect Your Pay Ceiling

The contract type drives how much room there is for negotiation. Generally:

- **Cost-Plus Contracts (typical margins 8–15%)** Government reimburses costs plus a set fee. Tighter pay ceilings.
- **Fixed-Price Contracts (typical margins 15–25%)** Contractor takes cost-overflow risk; more negotiation flexibility.
- **Labor-Intensive Subcontracts (typical margins 20–30%)** Cleared cyber, AI, and specialized technical fields. Highest negotiation room.

04 • KNOWING YOUR MARKET VALUE

Negotiation without data is just hope. Before any compensation conversation, gather objective evidence of what your specific combination of clearance, certifications, and experience commands in the current market.

Data Sources Worth Using

- **ClearanceJobs Salary Calculator** Tailored salary trends by role, location, clearance level, and polygraph. Most useful single tool for cleared compensation benchmarking.
- **2026 Security Clearance Compensation Report** ClearanceJobs' annual industry-wide survey — breakdowns by state, occupation, clearance level, education.
- **Government Contractors Compensation Survey** Detailed data for 700+ specific roles across GovCon companies.
- **Listed Salary Ranges** Salary transparency laws now cover 50%+ of U.S. workers — most job postings include ranges. Compare across similar listings for triangulation.
- **Peer Conversations** Recruiters, mentors, and peers with similar profiles. Often the most accurate signal for what real offers look like.

05 • THE NEGOTIATION PLAYBOOK

Effective negotiation is preparation, communication, and follow-through. The goal isn't to extract every last dollar; it's to land on an offer that reflects your actual value and that you can commit to without resentment six months in.

Before the Negotiation

- **Know your floor and your target.** Floor = lowest you'll genuinely accept. Target = realistic market-aligned ask. Use the data sources above to ground both numbers.
- **Map the total compensation, not just base.** Health insurance, retirement match, PTO, bonus structure, relocation, training budget, clearance upgrade investment — all of it matters.
- **Understand the contract context.** Cost-plus contracts have tighter ceilings than fixed-price ones. The labor category your role maps to has a documented rate range.

During the Negotiation

- **Lead with enthusiasm, follow with data.** "I'm excited about this role and the team. Based on [data source], roles with my clearance and certification profile in this market typically range from X to Y — can we discuss?"
- **Anchor on the total, not the base alone.** If base is fixed by the labor category, negotiate signing bonus, relocation, PTO, certification reimbursement, or accelerated review.
- **Be honest about competing offers.** If you have one, say so professionally. If you don't, don't invent one — the cleared community is small.

After the Negotiation

- **Get it in writing.** Every term — base, bonus, PTO, sign-on, relocation, start date. If it's not in the offer letter, it doesn't count.
- **Read the fine print.** Non-compete clauses, clearance hold provisions, repayment clauses on sign-on bonuses, and contract-portability language.
- **Send a written acceptance.** Brief, professional, restates the key terms. Closes the loop and demonstrates you take the commitment seriously.

06 • THE CONTRACT-HOPPING TRAP

The GovCon community is small and tightly connected. Program managers, recruiters, and security officers talk — across companies, across contracts, across years. Actions that look like short-term wins can cost you long-term.

CAUTIONARY EXAMPLE *Dual Submission on the Same Contract*

You accept a Conditional Offer Letter with Company A; they submit your profile to the customer for a high-profile contract. A week later, Company B offers you the same contract at a slightly higher rate — you accept and they submit you too.

Result: The customer sees dual submissions, removes you from consideration entirely, and both companies are informed. The program manager remembers. Within weeks, the broader cleared community knows. Future opportunities on related programs quietly disappear.

The Bottom Line

- Shop around before you commit — that's smart, not shady.
- Once you accept a Conditional Offer Letter (COL), don't shop the same contract with another company.
- If you change your mind after signing, notify the employer professionally and immediately — don't ghost.
- Honor the commitments you make; reputation compounds across decades in GovCon.

ABOUT THIS GUIDE

Informational baseline only. Compensation figures based on 2026 ClearanceJobs data; specific offers vary by contract, customer, location, and individual qualifications.

Sources: ClearanceJobs 2026 Comp Report, BLS, Deltek Clarity Study.

QUESTIONS? REACH OUT.

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