

# Iowa State University

## Frequently Asked Questions for supervisors and employees FY2018 Annual Salary Adjustment <sup>1</sup> May 2017

**1. Is the use of market, equity, and performance adjustments new to the university?**

No. These practices have been in place for many years; however, historically, these adjustments may have all been issued at the beginning of a fiscal year and not separately identified. Employees were often not aware of which portion of their annual increase related to their annual performance. University Human Resources Classification and Compensation unit monitors market salary trends on an ongoing basis.

**2. My salary is funded by a grant. Does this policy apply to me?**

Yes. The Salary Adjustment Policy<sup>2</sup> is applicable for all fund sources. It is important to note that employees funded entirely by external grants are still employees of ISU, with institutional policies applicable (i.e. the granting agency is not the employer). Further, federal regulations prohibit institutions from having a separate policy for setting (or adjusting) salaries for those employees paid from federal sponsored funds (separate from employees paid on state funds).

**3. I am unclear of what expectations I have to meet to receive a satisfactory evaluation. What should I do?**

Effective and ongoing performance management is an expectation for every ISU department chair/supervisor. As an employee, if this is unclear, you are encouraged to initiate the discussion with your department chair/supervisor about his or her expectations of you. This should be done prior to the annual evaluation in order to allow you time to have an opportunity to demonstrate your performance. Of course, the Position Responsibility Statement (PRS) for faculty or Position Description (PD) for P&S staff should be current and reflect these expectations.

**4. Is there a standard format for my performance evaluation?**

For P&S staff, supervisors may create their own format. It should address all facets of an employee's job responsibilities. University Human Resources has templates available for supervisors to use. These templates are available at <http://www.hrs.iastate.edu/hrs/node/86>. For faculty, a written annual evaluation is also required (no template provided).

**5. Is there a specific time period in which performance evaluations should be conducted?**

All evaluations shall be conducted at least annually. The evaluation period may be different for each unit. However, the July 1 performance-based salary adjustment will be based on the most recent evaluation on file.

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<sup>1</sup> Applies to all faculty and P&S staff, as well as K-Base employees, except those with performance-based compensation adjustments prescribed by existing contracts.

<sup>2</sup> The University's Salary Adjustment Policy can be found at <http://policy.iastate.edu/policy/salaryadjustments>.

**6. I have appointments in multiple departments or have multiple department chairs/supervisors. Who should conduct my annual evaluation?**

Your primary department is responsible for completing your annual evaluation for the record. For those having multiple department chairs/supervisors, it is suggested that the department chairs/supervisors participate in a single evaluation. The evaluation should contain input from other areas as necessary.

**7. If there are no salary adjustments due to limited or no funding, will I still receive an annual evaluation?**

Yes. Performance evaluations are an important tool to communicate an employee's performance. Supervisors are required to complete them annually. If the employee is not performing satisfactorily, the employee must be placed on a performance improvement plan (PIP) or action plan.

**8. How will I know what portion of my annual adjustment relates to my performance?**

Your department chair/supervisor should communicate what, if any, portion of your July 1 salary adjustment is not related to your performance.

**9. What is considered a total salary adjustment?**

A total salary adjustment is defined as increases in base pay effective July 1, 2017 attributed to the sum of performance, market and/or equity. The total salary adjustment should be entered into the budget system by its respective component parts (i.e. performance, market and/or equity).

**10. In FY2018 the annual salary adjustment parameters have been determined to be 0%. Is there any opportunity for a salary adjustment?**

The FY2018 annual salary adjustment policy is 0% due to the limited resources caused by the shortfall in state appropriations. However, a salary increase may be permitted only in special circumstances, subject to funding availability and approval by the relevant senior administrator. The FY2018 Annual Salary Adjustment Form must be completed and approved.

**11. Is the P&S Salary Matrix being adjusted for FY2018?**

No. The P&S salary matrix for FY2018 (effective July 1, 2017) will not be adjusted.

**12. If I am a P&S employee and am currently at or near the top of my salary range, will I still receive a minimum salary adjustment for satisfactory performance?**

Salaries for P&S staff cannot exceed the maximum of the salary range. If you are at the maximum of your salary range, you will not receive a salary adjustment. If you are near the maximum of your salary range, any adjustment will be limited so as to not exceed the maximum of the range based on the FY2018 salary matrix.

**13. Are new employees hired after May 1, 2017 eligible for a July 1, 2017 salary increase?**

No. The LOI should indicate that the offered salary will continue into FY2018.

**14. Are new employees hired after January 1, 2017 eligible for a July 1, 2017 salary increase?**

Units making new hire offers after January 1 shall determine if a July 1 adjustment will be allowed prior to extending an offer. The LOI or offer letter must specify whether the starting salary will be in effect until the beginning of the next fiscal year, or whether a salary adjustment will be allowed. It

is expected that a satisfactory review based on a 90-day written performance evaluation be conducted before a performance-based salary adjustment is allowed.

**15. We are renewing the Letter of Intent (LOI) for a current term employee. What language should be on the document if we do not have approval for the increase at the time of signing the renewal?**

The annual base salary line should read, *salary is not less than (and write in their current salary)*. FY2018 performance-based salary adjustments should be based on published parameters.

**16. What if I have a pending P&S reclassification request?**

A typical reclassification results in a 5% salary increase. This increase is separate from the annual performance-based salary adjustment.

**17. What is the market relative to faculty or P&S staff positions?**

Market is the rate of pay with which ISU competes in fields or disciplines in local, regional, or national markets. The market in which we compete for most P&S positions is local or regional, whereas the market in which we compete for tenured or tenure-eligible faculty positions is national. Market data is available for benchmark P&S staff positions through University Human Resources and through Institutional Research for faculty positions. ISU uses a number of survey sources to obtain and maintain this data.