Iowa State University

Frequently Asked Questions for supervisors and employees
FY2019 Annual Salary Adjustment ¹

1. **Why is the salary adjustment for satisfactory performance an across-the-board increase?**
The overall institutional financial circumstances for FY2019 influenced the choice of an across-the-board approach to individual salary adjustments. Given the challenges of differentiating performance with a 1% pool, an across-the-board approach was the best way to show employees that the University appreciates their efforts while managing costs and administrative efforts.

2. **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, most of these adjustments have been issued at the beginning of a fiscal year. Salary adjustments to recognize performance occur on July 1. Adjustments to address market and equity issues are permitted throughout the year and should be proposed when they are identified. For the FY2019 budget, market and equity adjustments that are critical will be permitted. Adjustments that recognize extraordinary performance will also be permitted. University Human Resources Classification and Compensation unit monitors market salary trends for P&S staff on an ongoing basis. Institutional Research provides annual data regarding peer faculty salaries.

3. **Must the components of the total salary increase for performance, market and equity be separately identified in the budget system?**
A salary adjustment greater than the across-the-board increase is permitted for special circumstances such as extraordinary performance, market or equity. To provide historical perspective of salary increase adjustments for future analysis, the adjustment entered in the appropriate field in the budget system should reflect the rationale for the increase. The approval form for salary adjustments greater than 10% requires a written rationale including documentation for market and equity data that shows the disparity between an individual salary and relevant peer groups.

4. **My salary is funded by a grant. Does this policy apply to me?**
Yes. The salary adjustment policy ² 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).

¹ Applies to all K-Base employees, except those with performance-based compensation adjustments prescribed by existing contracts.

² The University’s Salary Adjustment Policy can be found at [http://policy.iastate.edu/policy/salaryadjustments](http://policy.iastate.edu/policy/salaryadjustments).
5. 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.

6. 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. Although a specific template is not provided, a checklist is available at https://www.provost.iastate.edu/administrator-resources/model-documents.

7. 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.

8. 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.

9. 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.

10. What is the minimum performance-based salary adjustment for July 1, 2018?
    An across-the-board salary adjustment of 1.0% is provided for satisfactory performance.

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3 Parameters are contingent upon the final outcomes of the Board of Regent’s state appropriation allocations to the university, and contingent upon Board of Regent’s approval. The parameters may be adjusted for employees of the Ames Laboratory to coincide with applicable federal salary adjustment guidelines.

4 Total Salary Adjustment is defined as an increase in base pay effective July 1, 2018 attributed to a performance-based, market/equity, or retention salary adjustment. Consult with UHR Classification/Compensation unit for information on market, equity or retention questions for P&S and with the Provost Office for faculty.
11. Is there a maximum salary adjustment?
A total salary adjustment that exceeds 10% for any individual requires further administrative approval by the respective senior vice president or president. A form detailing such an adjustment must be completed and approved.

12. The parameters indicate that if an employee is not performing satisfactorily they do not receive a salary adjustment on July 1, 2018. If the employee is not performing satisfactorily, the employee must be placed on a performance improvement plan (PIP) or action plan. If the employee succeeds in meeting the defined outcomes of the PIP or action plan, the employee may be considered for a performance-based salary adjustment in January 2019. What is the mid-year salary adjustment in this case?
The January 2019 salary adjustment would be governed by the same expectations and rules as the July 1, 2018, annual performance adjustments.

13. Is the P&S Salary Matrix being adjusted for FY2019?
No. The P&S salary matrix for FY2019 (effective July 1, 2018) will not be adjusted. The Classification and Compensation review will be completed soon and its recommendations and results will influence future pay matrix modifications.

14. If I am a P&S employee and am currently at the top of my salary range, will I still receive a minimum salary adjustment for satisfactory performance?
Base salaries for P&S staff cannot exceed the maximum of the salary range. However, new this year, P&S staff who are at the top of their pay grade are eligible to receive their 1% as a one-time payment. To be eligible for this one-time payment, an employee must have a satisfactory performance evaluation.

15. If I am a P&S employee and am currently near the top of my salary range, will I still receive a minimum salary adjustment for satisfactory performance?
Base salaries for P&S staff cannot exceed the maximum of the salary range. However, new this year, P&S staff who are near the top of their pay grade are eligible to receive their 1%. The 1% total will be processed in 2 parts. The first will be the amount of the increase to get to the maximum of the pay grade (included in the budget load). The second will be the remainder of the 1% processed as a one-time payment.

16. If I am a P&S employee that is near or at the top of the pay grade, will I be eligible for additional performance, market or equity pay?
No. You are eligible for the across-the-board amount for satisfactory performance. Units are encouraged to utilize the EMPP program to recognize extraordinary contribution or for major projects at any time throughout the year.

17. How is a one-time payment processed?
Contact your divisional HR Liaison for specifics on how to process these payments.
18. Are new employees, hired after May 1, 2018 eligible for a July 1, 2018 salary increase?
   No. The LOI should indicate that the offered salary will continue into FY19.

19. Are new employees hired after January 1, 2018 eligible for a July 1, 2018 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.

20. 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).* FY19 performance-based salary adjustments should be based on published parameters.

21. What if I have a pending P&S reclassification request?
   This increase is separate from the annual performance-based salary adjustment.

22. Is there a range, or average salary adjustment target for employee groups or administrative units?
   For the FY19 budget, it is the intention that an across-the-board salary adjustment of 1.0% be given for faculty, P&S staff, contract staff and post docs. Exceptions are permitted to recognize extraordinary performance and to address critical market and equity situations. The pay range for post docs was raised for FY2019 and can be found at [https://www.grad-college.iastate.edu/postdoc/policies/#stipend](https://www.grad-college.iastate.edu/postdoc/policies/#stipend). Current post docs must receive the new minimum when their appointments are renewed.