Iowa State University

Frequently Asked Questions for supervisors and employees
FY2016 Annual Salary Adjustment 1
May 2015

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 as a total salary adjustment on July 1, 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 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).

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 performance-based salary adjustment will be based on the most recent evaluation on file.

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.

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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.
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.

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 salary adjustment is 
   not related to your performance.

9. What is the salary adjustment that is tied to satisfactory performance? 
   It is expected that an overall satisfactory performance based on the annual performance evaluation should 
   warrant some salary adjustment; a percentage will be established each year and communicated through 
   the annual budget development process. The salary adjustment for satisfactory performance for July 1, 
   2015 is 1%.

10. The parameters indicate that if an employee is not performing satisfactorily they do not receive a salary 
    adjustment on July 1, 2015. 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 2016. What is the mid-year salary adjustment in this case? 
    The January 2016 salary adjustment would be governed by the same expectations and rules as the July 1, 
    2015 annual performance adjustments.

11. Are new employees, hired after May 1, 2015 eligible for a July 1, 2015 salary increase? 
    No. The LOI should indicate that the offered salary will continue into FY16.

12. Are new employees hired after January 1, 2015 eligible for a July 1, 2015 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.

13. 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). FY16 
    performance-based salary adjustments should be based on published parameters.

14. Is the P&S Salary Matrix being adjusted for FY2016? 
    No. The P&S salary matrix for FY2016 (effective July 1, 2015) will not be adjusted.

15. If I am a P&S employee and am currently at or near the top of my salary range, will I still receive a salary 
    adjustment? 
    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 FY2016 salary 
    matrix.

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3 Contingent upon the final outcomes of the legislation session regarding 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.
16. Will there be an opportunity to provide additional performance-based salary increases in FY16?
   Units wanting to recognize employees who demonstrated above satisfactory performance with a
   performance-based salary increase above 1 percent will need to postpone the increase until the
   university’s FY16 funding situation is fully determined during fall 2015. Additional guidance with respect to
   this will be issued by November 2, 2015.

17. What if I have a salary increase on July 1 due to a faculty promotion?
   Faculty promotion salary increases are established outside the salary adjustment policy. A salary increase
   associated with a faculty promotion is therefore separate from the annual performance-based salary
   adjustment.

18. What if I have a pending P&S reclassification request?
   P&S reclassification typically results in a salary increase and are established outside the salary adjustment
   policy. Salary increases associated with a P&S reclassification is therefore separate from the annual
   performance-based salary adjustment.

19. Are market, equity or retention salary adjustments allowed on July 1?
   When necessary and appropriate, salary adjustments not related to performance, but intended to correct
   market or equity disparities, or address retention issues, may be proposed for individual employees.

20. What is the process for requesting and approving market, equity and/or retention salary adjustments?
   Salary adjustment for market, equity and/or retention effective July 1, 2015 for any individual requires
   further administrative approval by the respective senior vice president or president. The request/approval
   form for these types of salary adjustments is available at http://www.hrs.iastate.edu/hrs/classcomp.