IOWA STATE UNIVERSITY

Professional and Scientific Council

Council Motion: To send the Compensation and Benefits Recommendation for FY18 to

University Administration

Submitted by: Compensation and Benefits Committee

May 4, 2017

Whereas: The Compensation and Benefits Committee created a Compensation

and Benefits Recommendation for Fiscal Year 2018 (FY18) on behalf

of Professional and Scientific employees.

Whereas: Competitive compensation and benefits are necessary for recruiting and

retaining Professional and Scientific employees.

Whereas: Compensation tied to performance is a recurring request from our

constituents.

Whereas: More research is needed to understand family leave policies at Iowa

State University.

Whereas: Continued institutional support is needed.

It is moved: That the Compensation and Benefits Recommendation for FY18 created

on May 4, 2017 be sent to senior administration for consideration in

regards to FY18 salary increases.

Distribution: Steven Leath, President

Jonathan Wickert, Senior Vice President and Provost

Martino Harmon, Senior Vice President for Student Affairs Kate Gregory, Senior Vice President for University Services Miles Lackey, Chief Financial Officer & Chief of Staff

Kristi Darr, Interim Vice President of University Human Resources

IOWA STATE UNIVERSITY

Professional and Scientific Council

Compensation Recommendation for FY 2018

May 4, 2017

The Iowa State University (ISU) Professional and Scientific Council herein presents its Compensation and Benefits Recommendation for Fiscal Year 2018 (FY18). The intention of this recommendation is to encourage: 1) competitive compensation, 2) performance-based compensation, 3) research into family leave policies, and 4) continued institutional support. To recruit and retain exceptional Professional and Scientific employees, these recommendations must be developed and sustained.

1. Competitive Compensation

- To encourage supervisors to use the salary adjustment policy to align compensation with peer institutions and the private sector. Where misaligned, adjustments should be in addition to or outside of the standard annual performance increases.
- To alleviate compression issues, the minimum percent increase for satisfactory performance should never be lower than the percent increase associated with the Professional and Scientific Salary Matrix shift.
- Accurate salary comparisons to peers, peer institutions, and the private sector need to be completed.

2. <u>Performance-based Compensation</u>

- Recognize employees who demonstrate superior performance with differential salary increases.
- Require supervisors to complete meaningful annual performance appraisals with their employees; these annual appraisals are intended to be used as a key determining factor for performance increases.
- Develop a new evaluation form that includes subjective and objective measurements; this form should include a rating system that is more definitive than simply "satisfactory/unsatisfactory."
- UHR should collect the forms and follow up with supervisors who do not complete them.
- Require performance management training for supervisory personnel responsible for completing performance appraisals.

3. More research needed in family leave policies at Iowa State

More relevant and updated information related to Iowa State's family leave policies are needed as numerous P&S constituents have identified the following as areas of concern:

- Flexible Work Policy
- Maternal Leave Policy
- Paid family leave including adoption leave
- University childcare availability

4. Continued institutional support is needed

Beyond competitive compensation, other institutional support helps ensure competency and high standards at our institution. The following are areas where continued support is needed:

- Professional Development
- Employee Training
- Increased wellness access and communications
- University service opportunities

FY18 Compensation Recommendation

Iowa State University has had eight consecutive years of record enrollment and ten consecutive years of growth. Professional and Scientific employees have a strong impact on the overall mission of Iowa State University. With over 36,000 students on campus and Professional and Scientific employees providing services in every county of the state, more is being expected of our employees than ever before.

Over the preceding five years, Professional and Scientific employee salaries have increased an average of 1.4% per year. Compensating employees with meaningful and appropriate salary increases for high performance is part of the formula for making ISU a leader in higher education. The Society of Human Resources Management (SHRM) recommends an average increase of 3% and in light of the modest increases in recent years, the Professional and Scientific Council recommends the greatest salary increase feasible within the FY18 budget for all employees with a satisfactory or better performance evaluation.