

IOWA STATE UNIVERSITY

OF SCIENCE AND TECHNOLOGY

Professional & Scientific Council

Date: May 7, 2015

To: Dr. Steven Leath, President
Dr. Jonathan Wickert, Senior Vice President and Provost
Dr. Thomas Hill, Senior Vice President for Student Affairs
Mr. Warren Madden, Senior Vice President for Business & Finance
Dr. Julie Nuter, Associate Vice President for Human Resources

From: Ms. Amy Tehan, President Professional & Scientific Council
Professional and Scientific Compensation and Benefits Committee

Subject: **Recommendations for the FY16 P&S Salary Parameters**

Below you will find the Iowa State University Professional and Scientific Council's (P&S Council) recommended Salary Parameters for fiscal year 2016 (FY16). The intention of this salary recommendation is threefold: 1) to compensate Professional and Scientific employees for their continued high performance 2) to see a meaningful change in how P&S Employees advance within their respective pay matrix and 3) to achieve salary increase equity between Faculty, P&S staff, and Merit employees.

1. Compensate P&S employees for their continued high performance

- Staff with superior performance shall be recognized with meaningful salary increases.
- Staff shall be evaluated using a University Human Resources approved form that has a system that includes both subjective and objective measurements. This form should conclude with a rating that is more definitive than "satisfactory/unsatisfactory".
- Supervisors shall be required to complete an annual performance appraisal with their employee, the evaluation is documented on the P&S Performance Appraisal Confirmation Form, and the form is centrally filed with Iowa State University Human Resources.
- Colleges, departments, and units of the University shall place greater emphasis on the importance of the performance appraisal system, not only as a criterion for salary increases, but as an important tool for P&S Employees to revisit the expectations of their position.
- Manager/supervisory personnel who are responsible for completing performance appraisals shall be required to attend the University Human Resources P&S Performance Management Training.

2. Meaningful Change in how P&S Employees advance within their classification

- Employment offers to new hires should not be restricted to the first third of the classification's pay range; rather, the offer should be based on the skills and expertise of the candidate.
- Employees should be encouraged to review their position description and utilize reclassification to ensure that their current responsibilities are in alignment with their position description.
- P&S salaries that are lagging in competitiveness, as determined by the most recent Human Capital Annual Report, should be brought up to a competitive level using funds that are separate from those used for annual salary increases.

3. Achieve equity of salary percentage increases between P&S staff, Faculty, and Merit employees

- P&S staff salary percent increases have not kept pace with Faculty and Merit over the past ten years
- Salary percentage increases over the past ten years for Faculty have added up to 4.3% more than P&S with a compounded effect of 5.5% based on information in the Iowa State University Fact Book.
- Salary percentage increases over the past ten years for Merit have added up to 6.0% more than P&S with a compounded effect of 7.8% based on information in the Iowa State University Fact Book.
- A resolution of any inequities should be separate from annual salary increases.

FY16 Compensation Recommendation

This is the sixth consecutive year of record enrollment and the eighth consecutive year of growth. P&S staff have a strong impact on the overall mission of Iowa State University; with nearly 35,000 students on campus and P&S staff providing services in every county of the state, more is being expected than ever before.

ISU should not be just competitive but should be a leader in higher education. Compensating employees with meaningful and appropriate salary increases for high performance is part of the formula to achieve this goal.

P&S Council recommends a minimum 4.0% salary increase for individuals who have a satisfactory evaluation and an additional 2.0% average increase for those who demonstrate continued high performance. P&S employees who do not meet job expectations should not be eligible for a salary increase until such time as there has been a documented improvement in performance.

Based on data from national salary surveys by Hay Group, The Society for Human Resource Management, Compensation Force, and Jouta, P&S Council recommends that the P&S Salary Matrix for FY16 be adjusted to reflect market trends, thereby ensuring that the salary matrix provides for competitive salaries. It is recommended that the matrix be increased by 3.0% across all pay grades to maintain alignment.