MEMORANDUM

TO: Deans, Directors, and Departmental Executive Officers

FROM: Kevin Kregel, Executive Vice President & Provost
      Cheryl Reardon, CHRO and Associate Vice President

RE: Salary Guidelines (July 2021)

DATE: June 7, 2021

The University of Iowa operates on two distinct salary increase cycles and each college/division has made a determination regarding the cycle in which they may provide adjustments. The first will occur on July 1, 2021. The second cycle will occur on January 1, 2022.

The following guidelines apply if annual salary increases or lump sum payments are implemented.

For the FY 2022 budget process, the effective dates for salary decisions are determined by position ownership and are as follows:

July 1, 2021
- Faculty Promotion related increases
- Health Care faculty, staff, and Post Docs
- VP Research faculty, staff, and Post Docs (including Hygienic Lab)
- Athletics staff
- College of Pharmacy faculty and staff
- Merit (All AFSCME and MSEC)
- SEIU (All)
- COGS (All)

January 1, 2022
- Faculty positions not owned by those on the first cycle
- Non-Bargaining P&S staff positions not owned by those on the first cycle
- Post Doc positions not owned by those on the first cycle
- The list of eligible colleges and divisions for the second cycle are found in Appendix B.
Guidelines associated with this announcement

- Colleges and divisions with employees funded by multiple orgs should coordinate with the appropriate business officers as early as possible so as not to delay an administrative area’s ability to finalize budget-related decisions.
- The FY 2022 P&S salary scales have been recalibrated based on market data and will increase an average of 2% (pending Board of Regents approval). The new rates are available on the Pay Plans Directory.
- Increases will take effect July 1st and be recognized on the August 1st paycheck.
- Fringe Benefit Pool Rates for FY 2022 are available on the Current/Projected Fringe Benefit Rates site.
- The effective dates of the University’s written agreements and contracts need not align with the salary increase cycle for that college/division.
- Discretionary Merit Pay (Faculty) and Lump Sum Salary Policy Payments (P&S) will follow the same process and effective dates as the budget process listed above. Payments for those on the January 1 increase cycle may be effective on or after January 1, 2022.
- Transactions for classification changes, career advancements and market adjustments are discouraged from having the same effective date as the salary increase process for that college/division.
- Postdoctoral Scholars & Fellows – current and new must meet minimum NIH/NRSA ($53,760) – Postdoctoral Scholars Salary Web Site.

Salaries on Sponsored Research

- Costs of compensation are allowable on grant funded research to the extent that they satisfy the specific federal requirements of OMB Uniform Guidance, and that the total compensation for individual employees:
  - (1) Is reasonable for the services rendered and conforms to the established written policy of the institution consistently applied to both Federal and non-Federal activities; and
  - (2) Follows an appointment made in accordance with the institution rules or written policies and meets the requirements of Federal statute, where applicable.
- Reasonableness. Compensation for employees engaged in work on Federal awards will be considered reasonable to the extent that it is consistent with that paid for similar work in other activities of the non-Federal entity.

HR Salary Setting Application
The HR Salary Setting Application was available in Self Service to administrative offices from May 19 through June 1, 2021. The application is now closed for the July 1 process.

Employee Communication – July 1 Increases
Individuals who are eligible for a July 1, 2021 adjustment should be informed of their salary prior to June 29, 2021, subject to individual pay increases being within the established guidelines or explicitly approved by the Office of the Provost or University Human Resources. Senior Human Resource leaders are available to suggest best practices for communication with individuals regarding salary decisions. Increases will take effect July 1st and be recognized on the August 1st paycheck.
Appendix A
Salary Information
FY 2022

Faculty

Collegiate units will have the opportunity to provide merit increases to faculty on the predetermined salary increase cycle. Provost Kregel encourages each of you to do your best to keep the University’s faculty salaries competitive with our peers.

Some general guidelines are listed below for your use in preparation for your mid-year adjustments. The goal for faculty merit increases within and across colleges is to have consistency, fairness, and an equitable process for the allocation of raises.

GUIDELINES

• Consistent with practices employed over the past few years, colleges will have autonomy in determining target merit increases for faculty in their unit.
• As a general guide, it is recommended that these merit raises should fall in the range of 1 to 4%. However, units will have latitude with individual faculty pay adjustments, both above and below this range, based upon individual circumstances and performance.
• In addition to merit increases, evaluations should be made regarding the need for potential equity adjustments for individual faculty.
• If a merit/equity increase for an individual faculty member is intended to be 7% or greater, please provide a justification for this increase (e.g., very high performer, equity adjustment) as has been the general practice in past years. Those justifications can be sent directly to lois-geist@uiowa.edu.

Promotional increases:

• For tenure- and clinical-track faculty: promotion to Associate Professor $4,000; promotion to Full Professor $6,000. The Provost Office will process a recurring transfer to the colleges in FY22 to support the Provost Office’s portion of the increase (for tenure-track only). This will be the last year for Provost Office support although previous recurring transfers will continue.
• For research- and instructional-track faculty: promotion to Associate Professor $2,500; promotion to Full Professor $3,500. Please note that colleges have the option to apply the same promotion increases listed above ($4,000 and $6,000) for research- and instructional-track promotions.

Non-Bargaining Professional & Scientific (P&S) Staff

The University will continue to utilize the Board approved non-recurring exceptional performance pay policy for P&S staff. These payments should be both selective and reflective of the University’s economic circumstances. Achievements recognized by these awards include activities such as completion of a major project, sustained exceptional performance, outstanding productivity, and revenue generation.
AFSCME & Merit Supervisory Exempt and Confidential Staff

The annual standard hours will decrease from 2088 to 2080 on January 1, 2022. This will not change the hourly rate of the employees, but it will show an approximate 0.38% decrease in the listed salary.

The Board of Regents will issue a decision regarding Merit increases which will include a percentage, an effective date, and a methodology. This information will be distributed after it has been received and reviewed by University HR.
Appendix B
Salary Increase Eligibility for Salary Cycles
FY 2022

Faculty

Salary increases for individual faculty should reward performance and address any competitive market conditions. Colleges/Divisions will have the option to award a lump sum payment to faculty in lieu of or in addition to an adjustment to their base salary.

Major units will be allowed, within their budgetary limitations, to provide promotion increases, counter offers to retain highly valued faculty and similar critical adjustments on a case-by-case basis.

The special compensation “Faculty Discretionary Merit Pay” workflow form type is available in the HR Transaction system. Departments and colleges can use this workflow form to give faculty a lump sum payment in lieu of or in addition to a base salary increase. Funds 500/510 cannot be used to fund lump sum payments. Please see the complete “Faculty Discretionary Merit Pay” guidelines listed below.

- Eligibility: All regular faculty and institutional officers
- Purpose: Lump sum payment that is in lieu of or in addition to a base salary increase
- Justification: Brief description required in the Remarks section on the workflow form
- Frequency: January 1st or an alternative date (once per fiscal year)

Non-Bargaining Professional & Scientific (P&S) Staff

Salary increases for individual non-bargaining P&S staff should reward performance and address any competitive market conditions.

Requests to provide a performance-based increase for employees whose salary is above the market range maximum must also receive prior approval from University Human Resources and be driven by credible market information.

The practices described below are in accordance with the University Compensation and Classification System.

Pay Policies:

If current salary is within median zone:

- Eligible for base salary adjustment and/or lump sum payment on July 1 that is consistent with performance and fiscal year salary policy.

If current salary is above the median zone, but within market range:

- Eligible for base salary adjustment and/or lump sum payment on July 1 that is
consistent with performance and fiscal year salary policy.

If current salary is **below the median zone, but within market range:**

- Eligible for base salary adjustment and/or lump sum payment on July 1 that is consistent with performance and fiscal year salary policy. A long-term goal is to give additional consideration and resources to individuals who are fully proficient in the full range of their responsibilities to the extent that funding resources allow.

If current salary is **above the market range maximum:**

- Generally are not eligible for a base increase.
- Are eligible for a lump sum payment for extra-meritorious performance (percentage based upon current year salary).
- Funds 500/510 (Current Restricted Non-Federal/Current Restricted Federal) cannot be used to fund increments over the range maximum.
- May be granted an increase in base salary if there is credible market data to justify an increase.
- To request a base salary increase, please submit information documenting performance and market data through your Senior Human Resources leader to University Human Resources. Market data is not required if previously submitted and verified during FY 21.

If there is a record of discipline and/or a Performance Improvement Plan (PIP) in place within the prior twelve (12) month period:

- May be eligible for lesser base salary adjustment consistent with fiscal year salary policy if the individual has demonstrated sustained improvement, however the increase would be less than the increase for employees with fully competent performance.
- Not eligible for base salary adjustment per P&S new fiscal year salary policy if the individual has not demonstrated sustained improvement.

If a classification has been placed in **Pay Level 9 or 10**, regardless of an individual’s current salary level:

- Eligible for base salary adjustment and/or lump sum payment per P&S fiscal year salary policy, consistent with performance and job specific market data.

Fiscal year salary policy guidelines for employees who were recently hired or transferred into a new position:

- Employees hired less than 2 months prior to a college/division budget increase date are **not** eligible for a fiscal year salary increase or lump sum payment.
- Employees hired 2-6 months prior to a college/division budget increase date will be eligible for a fiscal year salary increase and/or lump sum payment, **unless stated otherwise in their offer letter**.
• Employees hired more than 6 months prior to a college/division budget increase date are eligible for a fiscal year salary increase and/or lump sum payment.
• Colleges and divisions will determine an appropriate salary increase based upon individual circumstances.

Lump Sum Salary Policy Payment Option

• All non-bargaining P&S employees hired at least 2 months prior to a college/division budget increase date are eligible to receive the P&S lump sum option.
• Employees can receive no more than two payments per fiscal year.
• Employees are eligible to receive both a base salary adjustment and a lump sum payment in the same fiscal year.
• Funds 500/510 (Current Restricted Non-Federal/Current Restricted Federal) cannot be used to fund lump sum payments.

January 1, 2022 Salary Cycle

The following units/orgs have selected January 1 for salary increase cycle:

• College of Business
• College of Dentistry
• College of Education
• College of Engineering
• College of Law
• College of Liberal Arts & Sciences
• College of Nursing
• College of Public Health
• Graduate College
• University Human Resources
• Information Technology Services (ITS)
• Office of the President
• Office of the Provost (including University College)
• University Libraries
• VP Finance & Operations
• VP General Counsel
• VP Strategic Communications
• VP Student Life (including Student Health & Wellness)
### Appendix C
Salary Increase and Lump Sum Payment Options Table

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<th>Lump Sum Payment Options</th>
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<td>Performance increase on designated salary cycle</td>
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<td>P&amp;S</td>
<td>Performance increase on designated salary cycle</td>
<td>P&amp;S Lump Sum Salary Policy Payment; Exceptional Performance Award; Spot Award</td>
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<tr>
<td>SEIU</td>
<td>Contractual increase on 7/1</td>
<td>Exceptional Performance Award; Spot Award</td>
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<tr>
<td>Merit</td>
<td>Contractual increase on 7/1</td>
<td>Merit Extra-meritorious Pay Award; Spot Award</td>
</tr>
<tr>
<td>Post Docs</td>
<td>Performance increase on designated salary cycle</td>
<td>N/A</td>
</tr>
<tr>
<td>COGS</td>
<td>Contractual increase on 7/1</td>
<td>N/A</td>
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