

Contact: Marcia Brunson

**REVISIONS TO THE IOWA STATE UNIVERSITY PROFESSIONAL AND
SCIENTIFIC COMPENSATION PLAN**

Action Requested: Consider approval of the implementation of the proposed Professional and Scientific compensation plan effective July 1, 2010.

Executive Summary: The current Iowa State University professional and scientific compensation plan was developed in 1980's. In the intervening years, the number of P&S positions has more than doubled. In 2007 ISU secured the services of a consultant to assist in a review the compensation structure. The intent of the study was to examine the current salary structure and determine whether or not there was a need to make changes to the structure to better balance comparable worth, internal equity, and external competitiveness.

The study completed by Towers Perrin (now Towers Watson) in 2007. The project incorporated four major steps: Data Collection, Competitive Cash Compensation Assessment, Pay Structure Review and Recommendations.

The results of the study and the recommendations were reviewed by P&S employees over the past year. The proposed revisions include a change from a compensation structure with 10 pay grades to a structure with 12 pay grades with expanded range widths. The top two grades do not have maximum pay limits in order to provide maximum flexibility for senior-level content experts, including scientists and engineers. The expanded pay structure will more effectively accommodate the growth in the number of P&S positions including significantly more technical and scientific positions associated with increased sponsored funding. The new structure will allow for differentiation of pay for performance and contribution consistent with university priorities. Each P&S classification is assigned a pay grade in the new structure, following a review of identified benchmark positions used for market salary comparisons and point-count analysis to ensure appropriate placement in the pay structure. P&S employee representatives were involved in developing and evaluating the new structure, reviewing of appropriate benchmark positions, and examining market salary comparisons.

The cost to implement the new pay structure will be minimal – approximately \$66,000 which will be funded as part of the FY 2011 budget. Approximately 50 employees have current salaries falling below the new minimums of the pay grades for their classifications.

The existing pay structure and the proposed structure are shown on the following page.

Existing P&S Compensation Structure

Grade	Minimum	1st Third	Midpoint	Maximum	Spread
20	\$85,946	-	N/A	N/A	-
19	\$71,995	\$93,548	\$104,324	\$136,653	90%
18	\$61,439	\$79,180	\$88,050	\$114,661	87%
17	\$52,950	\$67,676	\$75,040	\$97,129	83%
16	\$46,516	\$58,960	\$65,183	\$83,849	80%
15	\$40,906	\$51,411	\$56,664	\$72,422	77%
14	\$36,686	\$45,720	\$50,237	\$63,787	74%
13	\$33,255	\$41,088	\$45,005	\$56,755	71%
12	\$30,448	\$37,300	\$40,726	\$51,004	68%
11	\$28,468	\$34,571	\$37,622	\$46,776	64%

Proposed new FY 2011 P&S salary structure

Grade	Minimum	1st Third	Midpoint	Maximum	Spread
41	\$93,500	\$118,418	\$131,000	N/A	
40	\$81,800	\$103,600	\$114,500	N/A	
39	\$71,800	\$94,537	\$105,905	\$140,010	95%
38	\$64,154	\$82,331	\$91,420	\$118,686	85%
37	\$56,196	\$72,119	\$80,080	\$103,964	85%
36	\$51,088	\$65,563	\$72,800	\$94,512	85%
35	\$44,800	\$57,493	\$63,840	\$82,880	85%
34	\$39,474	\$50,658	\$56,250	\$73,026	85%
33	\$37,113	\$46,391	\$51,030	\$64,947	75%
32	\$33,676	\$42,095	\$46,305	\$58,934	75%
31	\$30,622	\$37,767	\$41,340	\$52,058	70%
30	\$28,257	\$34,379	\$37,440	\$46,623	65%