

Pay-for-Performance (P4P) Frequently Asked Questions

Q: If a quasi-agency (“separate bodies corporate and politic”) or separately elected official has chosen to opt in to the State’s performance management process, must they adhere to P4P parameters announced by the Governor?

A: Yes.

Q: Are temporary employees or intermittent employees eligible?

A: No.

Q: Are regular, part-time employees eligible?

A: Yes. The file share process with the Auditor of State will perform the calculation for part time employees. For example, for a part time employee who receives an overall rating of meets expectations, the hourly rate will be increased by the percentage amount for the meets expectation rating.

Q: Employees must meet the six (6) month eligibility requirement. Does this mean that a New Hire offer must be made prior to July 1 or that the employee must actually start work prior to July 1?

A: The employee must actually start work prior to July 1.

Q: If an employee returns to work on the partial disability (PDJ) program, is s/he eligible?

A: No. Employees working partial disability jobs are not eligible.

Q: What about employees who will reach the maximum of the pay range for the classification?

A: Employees at or over the maximum of the pay range will receive a one-time lump sum non-base building bonus equal to the appropriate percent increase. Employees whose salaries are below the maximum will receive a base building increase up to the max and the remaining amount will be paid as a lump sum bonus. Examples are listed below.

Example 1: An employee whose salary is \$75,000 (assume this is the pay range maximum) per year who earns a 2% P4P increase will receive a one-time lump sum non-base building bonus of \$1,500.

Example 2: An employee classified as a Secretary 3 whose salary is \$32,000 and meets expectations will receive a 1.32% base building increase up to the pay range maximum of \$32,422 and a lump sum bonus of \$218 (2% of \$32,000 is \$640 - \$422 as base building and \$218 as the bonus).

Q: Are teachers eligible for pay for performance increases?

A: Employees in teaching classifications for the Department of Correction, Indiana School for the Deaf and Indiana School for the Blind and Visually Impaired (Institutional Teachers, Teachers of the Deaf, Supervising Teachers of the Deaf and Teachers of the Blind and Visually Impaired) are eligible and are evaluated on a school year (fall through spring). The pay for performance increases will not be paid in the pay periods mentioned above for other state employees, but will be paid in the paychecks for the first pay period in the next fiscal year (DOC) or academic (ISD and ISBVI) year.

Q: How will salaries be adjusted for the two nursing job classifications (Nurse 4 / 1QC4 and Charge Nurse 3 / 1QB3) that receive step increases annually within their respective salary range?

A: Nurses in these two classifications who are eligible for a step increase will receive that next step increase on their anniversary date. Employees in those two job classifications who are no longer eligible for another step increase will be eligible for the announced pay-for-performance increase in the same manner as other employees.

Q: What about nurses who hold job classifications other than the two mentioned above which receive step increases?

A: Other nursing classifications will be eligible for the announced performance-based pay increases in the same manner as other employees.

Q: What about an employee who changed jobs and just came to work for us at the end of the year? How do we determine the appropriate pay increase?

A: The best practice is for the former supervisor to complete an Interim Appraisal and provides the new (end-of-year) supervisor the overall rating which will be listed as the first Performance Expectation. In the event the former supervisor does not submit that appraisal, it is the responsibility of the new supervisor to make contact by phone or email and obtain the overall rating for that time period, and a brief description of those results. The new supervisor will use Performance Expectation #1 to provide a brief description of job, the beginning and ending dates of that job, a brief description of the results achieved and the former supervisors overall rating of the employees work during that time period. This rating should be given due consideration (the appropriate weight) by the new supervisor in determining the overall rating for the entire year.

Q: We have an employee who will receive an overall rating of Needs Improvement. Is it necessary for the employee to be either (1) placed on a WIP, (2) receive a reassignment / demotion or (3) be dismissed from employment?

A: Yes. In consultation with the HR Director you should take the most appropriate course of action that is in the best interest of the agency. One exception: if the Needs Improvement rating is the result of disciplinary action a WIP is not appropriate, and the other two actions may not be necessary.

Q: If an employee received discipline during the year, should s/he receive a pay increase for work that was otherwise meeting or exceeding expectations?

A: Typically, discipline during the calendar year will result in an overall rating of less than meets expectations. However, that decision ought to take all relevant factors into consideration. The assignment of an overall rating is ultimately at the discretion of the agency's management team.