Pay-for-Performance (P4P)
Frequently Asked Questions
January 2022

Q: The Governor’s letter announced non-base building P4P bonuses of $500 for an overall rating of “successful,” $1,000 for “exceeds,” and $1,500 for “exemplary.” Do agencies have the flexibility to deviate at all from these amounts?
A: No.

Q: What are the relevant pay dates?
A: Pay for Performance files for each employee are due to the Auditor’s Office on: 2/17/2022 - (Please note that this very quick turnaround similar to last year)
The P4P bonus is received on the 3/2/2022 paycheck.

Q: If a quasi-agency (“separate bodies corporate and politic”) or separately elected official has chosen to opt into 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.

Q: Employees must meet the six (6) month eligibility requirement to receive the pay for performance bonus. Does this mean that the employee must actually start work prior to July 1?
A: No. Employees who worked at least six (6) months during the review period are eligible for pay for the performance bonuses based upon their overall rating. For the purposes of this calculation, 6 months’ work means consecutive or non-consecutive calendar period(s) for rehired employees.

Q: If an employee returns to work on the partial disability (PDJ) program, are these hours counted toward eligibility?
A: No. Time spent working partial disability jobs are not eligible.

Q: If an employee is on medical leave, can they still receive the bonus?
A: Yes. An employee on Family Medical Leave or Short-term Disability is still eligible to receive the pay for performance bonus; however, individuals on Long Term Disability will not receive the bonus.

Q: Are teachers eligible for pay for performance bonus?
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, and
Teachers of the Blind and Visually Impaired) are eligible and are evaluated on a school year (fall through spring). The pay for performance bonuses 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: Will employees in the three nursing job classifications (Nurse 4 / 1QC4, Charge Nurse 3 / 1QB3 and LPN/3CH2) that receive step increases annually within their respective salary range be eligible for the bonus?
A: Nurses in these three classifications who are eligible for a step increase will receive that next step increase on their anniversary date. Employees in those three job classifications who are no longer eligible for another step increase will be eligible for the announced pay-for-performance bonus in the same manner as other employees.

Q: What about nurses who hold job classifications other than the two mentioned above whom receive step increases?
A: Other nursing classifications will be eligible for the announced performance-based pay bonus in the same manner as other employees.

Q: What about an employee who transferred to another job at a different state agency and just came to work for us at the end of the year? How do we determine the appropriate rating?
A: The best practice is for the former supervisor to complete an Interim Review and provide the new (end-of-year) supervisor the overall rating. 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. It is the responsibility of the new supervisor to give due consideration (the appropriate weight) to previous performance 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 Performance Improvement Plan (PIP), (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 Performance Improvement Plan (PIP) 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 the pay for performance bonus 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 successful. 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.