

Employment of Out-of-State and Out-of-Country (International) Residents

Effective: July 1, 2023

Contact: [Senior Vice President and Provost](#); [University Human Resources](#)

Introduction

Purpose

Iowa State University recognizes the occasional need to hire or permit an employee who will, due to the nature of a particular position or business needs of the University, reside and perform their University work outside of the State of Iowa (whether in another state or another country). Due to the varied business and legal considerations for residing and conducting University work in a location other than the State of Iowa, the University shall determine in advance whether the University will permit an employee's principal work location to be outside of the State of Iowa. Accordingly, the purpose of this policy is to require that departments wanting to hire or permit an employee to work out-of-state or out-of-country due to the nature of the duties of the position or the significant and compelling business needs of the department and the University, must seek and obtain the advance review and approval of the respective Senior Vice President or President (or their designee).

Policy Statement

Employment of individuals who will regularly reside and perform University work outside of the State of Iowa, whether in another state or another country, must be expressly reviewed and approved in advance by the respective Senior Vice President or the President (or their designee). Where the position is identified as requiring a work location outside of Iowa due to the nature of the duties of the position or the significant and compelling business needs of the department and the University, it must be approved prior to recruitment for the position. Absent exceptional circumstances as determined by the respective Senior Vice President or the President (or their designee), employment of individuals to regularly work in a location other than Iowa will be limited to situations where the University already has an established presence or program, or to situations where the University decides to establish a business presence or program.

There are many business and legal considerations that must be evaluated to facilitate out-of-state and out-of-country employment (e.g., varying state taxes, employment taxes, employment laws, and workers' compensation provisions). These arrangements are time-, labor- and cost-intensive, and therefore may only be considered when they clearly serve the significant and compelling business needs of the requesting department specifically and the University overall. Out-of-state and out-of-country employment shall not be permitted solely based on the personal preference of the employee or the department.

There may be significant administrative costs to facilitate out-of-state or out-of-country employees with respect to varying insurance, tax, benefits, and legal considerations. Where out-of-state employment is approved, departments may be financially responsible for the administrative costs incurred by the University (including fees and costs for associated business and legal compliance consulting). Failure to seek and obtain the advance review and approval of the respective Senior Vice President or President (or their designee) for out-of-state and out-of-country employment may result in compliance penalties which will be assessed to the home department of the employee.

42 Departments shall contact their HR service delivery team to initiate the review and approval process
43 prior to permitting any employee to perform University work outside of the State of Iowa.

44 **Definitions**

45 • **Covered Employee:** Current Faculty (Tenured, Tenure-Track, or Term), Professional and
46 Scientific (P&S), Merit, Contract, Temporary, and Hourly Student Employees. This will also include
47 any newly created position and/or new hire in these job family groups where the work may be
48 performed outside of the State of Iowa. This policy excludes Postdoctoral Scholars and Graduate
49 Assistants.

50 **Applicability of Policy**

51 This policy applies to all Iowa State University covered employees and to any newly created position
52 and/or new hire where the work may be performed outside of the State of Iowa. Allowing an existing
53 employee to reside and perform University work outside of the State of Iowa requires advance
54 review and approval by the respective Senior Vice President or the President (or their designee).
55 Approval for one location outside of the State of Iowa does not constitute universal approval for all
56 locations outside of the State of Iowa. A new review and approval must occur with each location
57 change to a differing state outside of the State of Iowa or to a differing country. To ensure the
58 University's compliance with applicable state (non-Iowa) employment and tax laws, lead time of at
59 least 12 weeks is required to review any request to allow a covered employee to work out-of-state.
60 This policy does not apply to applicants for ISU positions who reside out-of-state currently and intend
61 to move to Iowa if offered employment where such employment will be performed exclusively within
62 the State of Iowa.

63 Recruitment for any position that is covered under this policy must also follow the University's
64 established process for out-of-state/out-of-country recruitment.

65 As of the effective date of the policy (July 1, 2023), covered employees who work outside the State
66 of Iowa where the department desires to continue the arrangement to work in another state or
67 country, shall seek the approval of the respective Senior Vice President or President (or their
68 designee). Departments are obligated to notify their HR service delivery team immediately of any
69 existing employees performing work outside the State of Iowa if they have not already done so.
70 Departments may be assessed legal compliance and administrative costs for ongoing support of the
71 arrangement to facilitate employment outside the State of Iowa.

72 **Tax Withholding Within the U.S.**

73 Both the covered employee's work location and the location of the employee's residence may trigger
74 state withholding, depending on applicable state law. If the department's request is approved, and
75 the employee meets the requirements for state taxation and has accurately updated their work
76 location in Workday, the ISU Payroll Office withholds the applicable taxes for that state. Employees
77 are required to update their work location and home location timely to support the University's
78 compliance with applicable tax withholding requirements.

79 **Employment/Work in Foreign Countries**

80 Departments shall be aware of and comply with the additional requirements for employment in a
81 foreign country, and departments will be financially responsible for the cost of additional legal
82 compliance and administrative costs incurred by the University for each employee employed by their
83 respective department. When a significant and compelling business need exists and the request to
84 employ a covered employee abroad is approved by the respective Senior Vice President or the

85 President (or their designee), the department must contact the University's Global Workforce Team
86 to obtain advice and counsel before any action is taken for work in foreign countries. To ensure the
87 University's compliance with applicable foreign employment and tax laws, significant lead time of at
88 least 16 weeks is required to review any request to allow a covered employee to work in a foreign
89 country and obtain appropriate advice and counsel.

90 **Roles and Responsibilities**

91 **Department Chairs, Directors, and Managers**

92 Department chairs, directors, and managers are responsible for adhering to all applicable
93 employment laws and regulations, policies, practices, and guidelines in all employment actions.
94 Department chairs, directors, and managers are responsible for contacting their HR service delivery
95 team to initiate the out-of-state/out-of-country review and approval process prior to permitting any
96 employee to perform University work outside of the State of Iowa.

97 **Covered Employees**

98 Covered employees are responsible to discuss with their department chair, director or manager and
99 their HR service delivery team any changes in the employee's principal work location prior to the
100 start of such change in location if the location is outside of the State of Iowa.

101 **Resources**

102 **Links**

- 103 • [Work in Foreign Countries \(Global Workforce Team\)](#)
- 104 • [Faculty On-Campus and Remote Work Guidelines](#)
- 105 • [Faculty On-Campus and Remote Work Frequently Asked Questions](#)