

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

Effective: TBD

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). 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, 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 will 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 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 may result in compliance penalties which will be assessed to the home department of the employee. Departments shall contact their HR service delivery team to initiate the review and approval process prior to permitting any employee to perform University work outside of the State of Iowa.

Definitions

- **Covered Employee:** Current Faculty (Tenured, Tenure-Track, or Term), Professional and Scientific (P&S), Merit, Contract, Temporary, and Hourly Student Employees. This policy excludes Postdoctoral Scholars and Graduate Assistants.

Applicability of Policy

This policy applies to all Iowa State University covered employees and to any newly created position and/or new hire where the work would be performed outside of the State of Iowa. Allowing an existing employee to reside and perform University work outside of the State of Iowa requires advance review and approval. To ensure the University's compliance with applicable state (non-Iowa) employment and tax laws, lead time of at least 12 weeks is required to review any request to allow a covered employee to work out-of-state. This policy does not apply to applicants for ISU positions who reside out-of-state currently and intend to move to Iowa if offered employment where such employment will be performed exclusively within the State of Iowa.

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

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

Tax Withholding Within the U.S.

Both the covered employee's work location and the location of the employee's residence may trigger state withholding, depending on applicable state law. If the

department's request is approved, and the employee meets the requirements for state taxation and has accurately updated their work location in Workday, the ISU Payroll Office withholds the applicable taxes for that state. Employees are required to update their work location and home location timely to support the University's compliance with applicable tax withholding requirements.

Employment/Work in Foreign Countries

Departments shall be aware of and comply with the additional requirements for employment in a foreign country, and departments will be financially responsible for the cost of additional legal compliance and administrative costs incurred by the University for each employee employed by their respective department. When a significant and compelling business need exists and the request to employ a covered employee abroad is approved, the department must contact the University's Global Workforce Team to obtain advice and counsel before any action is taken for work in foreign countries. To ensure the University's compliance with applicable foreign employment and tax laws, significant lead time of at least 16 weeks is required to review any request to allow a covered employee to work in a foreign country and obtain appropriate advice and counsel.

Roles and Responsibilities

Department Chairs, Directors, and Managers

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

Covered Employees

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

Resources

[Work in Foreign Countries](#) (Global Workforce Team)

[Faculty On-Campus and Remote Work Guidelines](#)

[Faculty On-Campus and Remote Work Frequently Asked Questions](#)