








# FY26 Budget Development Kickoff



# Agenda

-  Timeline
-  Budget Materials
-  Planning Allocation
-  Resource Requests
-  Budget Presentations
-  Resource Allocations
-  On the Horizon



# FY26 Budget Development Timeline

Activity	Start	End	Description
Workbook Development	1/3/2025	1/30/2025	Workbooks are created and updated with current year data and up-to-date personnel and rates.
Budget Kickoff Meeting	1/30/2025	1/30/2025	Formal presentation of the budget development timeline and process.
Departments Complete Workbooks Chairs/Directors Complete Narratives	1/24/2025	3/15/2025	Workbooks should be nearly complete 2 weeks prior to meeting with Dean. The two weeks prior to the meeting with Dean Haddix will be used to reconcile any open items.
Feedback and Edits	2/3/2025	3/20/2025	Two week period before presentation meeting. Reconciliation of open items and follow-ups.
Meetings with Dean and CFO	2/17/2025	4/4/2025	Workbooks and discussion questions should be absolutely complete 2 business days before meeting to allow for materials to be shared and printed.
Budget Materials Input into Campus Budget Systems	3/24/2025	4/4/2025	Finalized budgets are input into campus budget system.



# Budget Materials

## All Files Shared via Box

- Budget Workbooks
  - Planning Allocation Targets (Funds 101, 402)
  - Departmental Planning Spreadsheet
  - New – Hires tabs
  - Additional Adjustments tabs
  - Program Specific Planning tabs
  - Non-comp planning tab
- Discussion Questions – **No longer requesting a formal narrative**
- Budget Development Webpage: [SoE Budget Page](#)



# Composite Fringe Benefit Rates

- Beginning in FY26, the Universities of Wisconsin, including UW-Madison, will be transitioning to uniform fringe benefit treatment across all funds.

Category	FY24	FY25	Original	Adjusted*
			FY26	FY26
Regular Faculty and Academic Staff	36.5%	34.3%	31.5%	31.4%
Regular University Staff	37.8%	38.5%	39.5%	39.4%
Research Associates and Grad Interns	19.8%	18.9%	20.9%	20.9%
Research Assistants, Project Assistants, Teaching Assistants, Pre-Doc Fellows and/or Trainees	22.5%	20.5%	18.9%	18.9%
Post-Doc Fellows and/or Trainees	16.4%	16.2%	15.6%	15.6%
Limited Term Employees (LTEs)	4.8%	10.5%	11.0%	11.0%
Ad Hoc Program Specialists, Undergraduate Assistants and Undergraduate Interns	6.8%	5.0%	14.9%	14.9%
Student Hourly Employees	1.5%	3.2%	2.3%	2.3%

FY26 Budget will be built using calculated composite rates even though they are not yet approved by federal government for sponsored projects.



# Composite Fringe Benefit Rates

**GPR funds have not historically had a dedicated fringe budget**

## **Budget Build**

- Budget for salary expense as normal
- PlanUW will automatically calculate fringe budget (PlanUW is where we input budget workbook data)
- The School will supplement each department to cover the calculated fringe budget

## **Year-End Balances**

- Departments cannot carryover available fringe budget
- If department is within salary budget, it will not be penalized for a fringe deficit
  - **Caveat: No penalty provided there is no significantly material (aka massive) variances in actual salary expense by employee category compared to budget (employee class malfeasance)**



# Pay Plan Estimates

## Universities of Wisconsin Biennial Budget Request

### Pay Plan

- 5% increase – July 2025 (FY26)
- 3% increase – July 2026 (FY27)
- Requires Legislative Approval
- Unlikely to be approved in time for a July implementation

## Budget Planning

For non-GPR funds, include the 5% increase in budgets

- Budget workbooks have formulas to calculate pay plan
- Do not include pay plan on funds 101, 104, 402 (GPR based funds)
  - If approved, budgets will be increased mid-year



# Planning Allocation Review

## Planning Allocation Basics

- Tracking mechanism to record changes to budget allocations
- Funds provided by School of Education
- Incrementally adjusted

**Beginning Base Budget**  
**+/- base adjustments**  
**New Base Budget**

- Also allows for tracking of non-base commitments
  - **One-time, Multi-year, and Renewable allocations**

## Base Allocations – On-going funding changes

- Pay Plan, Faculty Block Grant, Dean approved requests, etc.

## One-time Allocations – Funding provided for one year

- [Anna Julia Cooper Postdoc](#)
- [Nellie McKay Fellowship](#)

## Multi-year Allocations – Funding provided for a fixed number of years (2-5 years)

- [Dual Career Hires](#)
- [TOP Program \(Authorized 2023-24 and beyond\)](#)

## Renewable Allocations – Ongoing funding as long as specific criteria still applicable

- [TOP Program \(Prior to -2023-24\)](#)



# Planning Allocation Illustration

Major Class	Duration	Alloc reference	Fiscal Year			
			FY24	FY25	FY26	FY27
Salary	Base / Permanent	Beginning Budget Base	\$ 4,130,316	\$ 4,340,316	\$ 4,947,124	\$ 5,067,124
Salary	Base / Permanent	Pay Plan Jan 1, 2023	\$ 75,000			
Salary	Base / Permanent	TA/PA minimum rate increase	\$ 50,000	\$ 100,000	\$ 50,000	
Salary	Base / Permanent	Faculty Block Grant Funding	\$ 50,000			
Salary	Base / Permanent	Discretionary Comp Fund Full Funding	\$ 35,000			
Salary	Base / Permanent	FY24 Budget Development Budget Request Funding		\$ 361,000		
Salary	Base / Permanent	Pay Plan July 2, 2023		\$ 135,313	\$ 70,000	
Salary	Base / Permanent	TA/PA minimum rate increase (FY24 Calc Adjustment)		\$ 10,495		
Salary	<b>Base / Permanent Total</b>		<b>\$ 4,340,316</b>	<b>\$ 4,947,124</b>	<b>\$ 5,067,124</b>	<b>\$ 5,067,124</b>
Salary	Renewable	Target of Opportunity Hire - Bucky Badger	\$ 69,300	\$ 69,300	\$ 69,300	\$ 69,300
Salary	Renewable	Prof/Chair Salary Savings Share with SoE - Professorship in Occupational Therapy		\$ (6,317)	\$ (6,317)	\$ (6,317)
Salary	Renewable	Prof/Chair Salary Savings Share with SoE - Professorship in Women's Physical Education		\$ (7,299)	\$ (7,299)	\$ (7,299)
Salary	Renewable	Prof/Chair Salary Savings Share with SoE - William H. and Virginia F. Marsh Chair		\$ (7,656)	\$ (7,656)	\$ (7,656)
Salary	<b>Renewable Total</b>		<b>\$ 69,300</b>	<b>\$ 48,028</b>	<b>\$ 48,028</b>	<b>\$ 48,028</b>
Salary	One-Time Only	Strategic Hire - Dexter Freebish	\$ 75,000			
Salary	One-Time Only	Strategic Hire - Giannis Antetokounmpo		\$ 100,000		
Salary	<b>One-Time Only Total</b>		<b>\$ 75,000</b>	<b>\$ 100,000</b>		
<b>Salary Total</b>			<b>\$ 4,484,616</b>	<b>\$ 5,095,152</b>	<b>\$ 5,115,152</b>	<b>\$ 5,115,152</b> <- Salary Allocation Target
S&E	Base / Permanent	Beginning Budget Base	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
S&E	<b>Base / Permanent Total</b>		<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>
<b>S&amp;E Total</b>			<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b>	<b>\$ 75,000</b> <- S&E Allocation Target





# Planning Allocation Cycle

## During the Budget Development Processes

- Adjustments can occur throughout the budget development process
- As items are approved, they get added to the planning allocation system
- Through March, adjustments will be added/subtracted in the planning allocation
- Most adjustments will be known and entered early in the cycle (upon distribution of workbooks)

## After “lock” Period (end of March)

- No more adjustments can be entered in budget system
- Items approved after lock will be transferred in WISER (Mid-year adjustments)
- Base/multi-year items will be added to the planning allocation system the following period



# Allocation Tie-out

- Departments must budget expenses equal to their allocation targets
- Expense budgets must “tie-out” to budget allocations
- Salary expenses must equal fund 101 salary allocations
- S&E expenses must equal fund 101 S&E allocations

## Utilization of Other Unrestricted Funds

- Base expenses exceeding allocations must be moved to other funding sources (departmental flex funds or other fungible sources)
- If total operating expense exceed allocations and fungible sources, a deficit exists.
- Departments must develop a budget repair strategy to bring expenses into alignment with available resources



# Resource Requests

- Please itemize resource requests in the budget workbooks
- Each request will be carefully evaluated by the Dean, and funding decisions will be made based on available resources and alignment with strategic student-centered priorities

## Demo

Short Description	Major Class	Duration	Amount	Allocation Detail



# School of Education Budget Discussion



- Approximately 30 minutes to 1 hour in-person discussion
  - Chairs, directors and financial leads
- Chair or Director shares strategic direction of the department
- Review budgets and discuss, opportunities/challenges
- Discuss resource needs in the short and long-term



# School of Education Resource Allocations

- The School compiles base and short-term funding requests from each department
- The Dean, CFO, Senior Associate Dean and Budget Director then:
  - Determines resource availability (campus budget request decisions)
  - Evaluates department requests
  - Allocates resources in an equitable manner
- The request are memorialized and sent out by the CFO



# On the Horizon

## **New Tools in FY26**

- FY27 budgets will be in Workday Adaptive Planning
  - Budgets will be entered directly into the tool
  - Utilizes Excel like "Sheets"
- Composite fringe benefit rates
- No longer required to budget at program code (function)
- Adaptive training will occur in FY26

## **New Campus Budget Approach in FY27**

- FY26 will be a "shadow year" for evaluating the new model
- The School will thoroughly review and determine how to adapt the approach to equitably support the goals of the School

