WISCONSIN
UNIVERSITY OF WISCONSIN–MADISON

MEMORANDUM
Via e-mail only

Date: August 24, 2022

To: Deans and Directors

From: John Karl Scholz, Provost and Vice Chancellor for Academic Affairs
Robert Cramer, Vice Chancellor for Finance and Administration

Subj: 2022-23 Fund 150 Overhead Allocations

This memorandum documents the amount of federal indirect cost reimbursement carryforward balance that will be released to your unit in FY23. The project number, the amount, and the percentage increase over the previous year allocation are listed in Appendix A.

The source of funding for this allocation is overhead generated by federal research grants and contracts. The revenue represents reimbursements by the federal government for prior GPR-funded administrative (both central campus and divisional/departmental) and facilities (e.g., debt service, operations, and maintenance) expenditures in support of the organized research program.

The purpose of this allocation is to provide funding for investment in critical research staff and the capital needs of organized research programs. Federal overheard is the primary source of support for the underlying infrastructure of UW-Madison's research enterprise. UW-Madison's state-funded budget has never been sufficient to meet the infrastructure requirements of the overall research program.

Allocations to schools and colleges are distributed according to a formula based on a two-year average of direct expenditures and overhead generated. Overhead generated and direct expenditures as categories are given equal weight in the formula, and the most recent year is given twice the weight of the previous year.

I am pleased to report that federal indirect cost revenue rose by $18 million (10%) in FY22. As we indicated last year, we intend to adjust the amount of the allocation each year by the growth (or decline) in IDC generated, using the same methodology as described above to distribute the expanded pool to individual schools and colleges.

Accordingly, the amount to be allocated for this coming year will **increase by $3.5 million (10%) to $39.0 million.** This represents a nearly $10 million increase over what was allocated back to units just two years ago. We trust these additional funds will be helpful in achieving your research objectives.

We will continue to use the remainder of the 150 revenues to support units by directing a significant portion of it to the GPR pool and by using it to fund capital improvements and other research-based initiatives.

Vice Chancellor for Finance and Administration
100 Bascom Hall University of Wisconsin-Madison 500 Lincoln Drive Madison, Wisconsin 53706-1380
608/262-9943 FAX: 608/263-7449

Please note that amounts listed in Appendix A relate only to your formula allocations. The Budget Office will follow up with units individually regarding specific purpose allocations.

The Budget Office will contact your financial staff regarding allocations for specific initiatives. If you have any questions, please contact Jessica Hawkey (Jessica.Hawkey@wisc.edu) in the Budget Office.

cc: Chancellor Jennifer Mnookin
Vice Chancellor for Research and Graduate Education Steve Ackerman
Associate Vice Chancellor David Murphy
Interim Budget Director Andrew Johnson
Jessica Hawkey

FY23 Fund 150 Overhead Allocation (Formula only)

Budget Unit	Addressee	Project Number	Amount	Change from Prior Year
College of Agricultural and Life Sciences	Glenda Gillaspy, Dean	1502931	$ 3,790,900	39.2%
Division of International Studies	Guido Podestá, Vice Provost and Dean	1502921	$ 246,300	22.6%
School of Business	Vallabh Sambamurthy, Dean	1502934	$ 13,700	5.4%
School of Education	Diana Hess, Dean	1502935	$ 655,900	22.3%
College of Engineering	Ian Robertson, Dean	1502936	$ 4,509,500	10.9%
School of Human Ecology	Soyeon Shim, Dean	PRJ25XM	$ 278,400	15.6%
Office of the Vice Chancellor for Research and Graduate Education	Steve Ackerman, Vice Chancellor for Research and Graduate Education	1502938	$ 5,822,300	(5.9)%
WISCIENCE	John Zumbrunnen, Vice Provost for Teaching and Learning	PRJ32DG	$ 10,700	(31.8)%
Nelson Institute for Environmental Studies	Paul Robbins, Dean	1502939	$ 102,000	4.5%
Law School	Dan Tokaji, Dean	AAI3411	$ 14,900	(3.2)%
College of Letters & Science	Eric Wilcots, Dean	1502941	$ 6,252,900	6.8%
Wisconsin Public Media	Heather Reese, Director	AAG5932	$ 6,400	146.2%
Division of Extension	Karl Martin, Dean	AAG9814	$ 565,900	3.8%
General Library System	Lisa R. Carter, Director	1502942	$ 3,200	3.2%
School of Medicine and Public Health	Robert Golden, Dean	AAD1389	$ 14,103,500	12.1%
School of Nursing	Linda Scott, Dean	1502945	$ 86,300	37.2%
School of Pharmacy	Steven Swanson, Dean	1502946	$ 593,500	13.0%
School of Veterinary Medicine	Mark D. Markel, Dean	1502950	$ 1,069,600	10.1%
Division of Continuing Studies	Jeffrey Russell, Vice Provost and Dean	1502951	$ 19,100	40.4%
Wisconsin State Laboratory of Hygiene	James Schauer, Director	1502947	$ 855,000	1.0%