MEMORANDUM

Date: January 24, 2024

To: Diana Hess, Dean of the School of Education
Glenda Gillaspy, Dean of the College of Agricultural & Life Sciences
Vallabh Sambamurthy, Dean of the Wisconsin School of Business
Soyeon Shim, Dean of the School of Human Ecology
Mark Markel, Dean of the School of Veterinary Medicine
Linda Scott, Dean of the School of Nursing
Daniel Tokaji, Dean of the Law School
Jeffrey Russell, Dean of Continuing Studies
William Karpus, Dean of the Graduate School
Eric Wilcots, Dean of the College of Letters & Science
Robert Golden, Dean of the School of Medicine & Public Health
Ian Robertson, Dean of the College of Engineering
Steve Swanson, Dean of the School of Pharmacy
Paul Robbins, Dean of the Nelson Institute for Environmental Studies
Karl Martin, Dean of the Division of Extension
Frances Vavrus, Dean of the International Division
Erla Heyns, PhD, Dean and Vice Provost of Libraries

From: Charles Isbell, Provost and Vice Chancellor for Academic Affairs
Robert Cramer, Vice Chancellor for Finance and Administration

RE: FY 24-25 Budget Process

We are writing to outline the FY25 budget process. As previously discussed, we are moving away from the practice of just holding individual budget meetings in favor of each Dean making budget presentations to the full Deans Council during February and March. This will build a collective knowledge of each schools' strategic plans and provide a fuller awareness and understanding of each unit's priorities.

As background information, the MBO will update its annual slide deck for each unit and review it with your financial lead in early February. MBO slides will not be presented at the Dean's Council meetings.

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In preparation for the Deans Council presentation, Provost Isbell will discuss your plans during an upcoming one-on-one meeting. This is an opportunity to confer about presentation approach and budget priorities.

In late March, budget meetings will take place with Chancellor Mnookin. These will be focused, 20-minute discussions based on the presentation you made to the Deans Council and background materials from the Madison Budget Office (MBO).

The presentation to the Deans Council should be done with 8-10 PowerPoint slides. The presentation should be future oriented and capture your unit's top priorities for FY25 and FY26.

MBO will provide the financial leads with a template to complete if you have specific requests for additional base or one-time funds. We plan to make final decisions on these budget requests in April.

As we plan for the upcoming fiscal year:

- We anticipate continuing our faculty block grant and DCF allocations in FY25.
- We will complete the last year of our 3-year commitment to allocate a portion of incremental tuition revenue to units to cover their curriculum needs. The amount we allocate will be determined after fall 10th day figures are announced and it will be net of overfunding to schools in college in the current fiscal year.
- We will include base funding for 101 funded graduate students to cover the recently announced stipend increases.
- We will continue the Faculty Interdisciplinary Strategic Hiring Program.
- More information will be provided regarding the position cap that was negotiated with the legislature. We are working with Universities of Wisconsin to determine how the overall cap will be managed across all institutions and the steps to take at UW-Madison.

Institutional priorities that will inform budget decisions for FY25 include continued investment in our research and academic missions, sustainability initiatives, addressing deferred maintenance, student success, and competitive employee compensation.
The University did incur a $7 million base reduction to its state appropriation at the start of this fiscal year. We absorbed the cut in FY24 with one-time central balances but will allocate the reduction to non-academic units during the FY25 budget cycle. We are modeling modest undergraduate enrollment growth in FY25 and for several years following.

Thank you for your assistance in this process. Please reach out to David Murphy or Natalie Feggestad if you have any questions.