Auxiliary Budget Instruction Comparison

	FY25 Budget	FY26 Budget	Notes
Investment Revenue	5%	4%	**128 only** (provided by UWSA)
Wages		5% effective 7/1/25 3% effective 7/1/26	Per UWSA, FY26 should be built "assuming 5% pay plan effective July 1, 2025. If the pay plan is approved at a different rate, adjustments will be made in either a phase 2 budget adjustment for FY26 or in the second year of the biennium in FY27."
Composite Fringe Benefits (NEW)		TBD (Oct. 1)	Per UWSA "Effective July 1, 2025, the UWs will be using composite fringe benefit rates to budget and record actuals fringe benefit costs on all funds. The FY26 composite fringe rates for each university are calculated based on their actual fringe costs in FY24, with a built-in factor for pay plan and health insurance increases. We anticipate the composite fringe benefit rates for each university will be available by October 1 and will be communicated at that time."
Permanent Staff Minimum	$17 per hour	$17 per hour	
Madison Living Wage	$15.87	TBD	
Terminal Leave	0.48% faculty & academic staff 0.32% university staff	TBD (use prior year as estimate)	https://www.wisconsin.edu/financial-administration/accounting-and-budget-control/terminal-leave-rates/
Tuition Remission	$6,000 per semester	$6,000 per semester	
Workers' Comp	Use prior year.	Use prior year.	
Property & Liability Insurance	Use prior year.	Use prior year.	
Supplies & Services	Include inflation estimate.	Include inflation estimate based on individual operations.	*2% - 3% per Federal Reserve*
Centralized Services Assessment	7% of external revenue	7% of external revenue	**128 and 136 only** UW-3000

IT Assessment	Use 5% increase over FY24 bill.	Estimated 7% increase over FY24 in total chargebacks (EDC, campus software library, network, VOIP)	
Municipal Services	no change	no change	**128 only**
Freshman Class Enrollment	Est.8,100 actual 8,516	8,200 – 8,450	
Total Undergrad Enrollment	36,915 actual	37,000 estimate	
Estimated Segregated Fee Revenue		Will be provided by MBO after tenth day enrollment is finalized.	

Auxiliary units should use this information to develop their FY26 budgets. Questions should be directed to your MBO budget analyst.

Please also refer to UWSA "*FY25-26 Cost Factors Memo and Timeline*" and "*FY25-26 Rate Change Reasons*" for more information.