



COLLEGE OF
Letters & Science
UNIVERSITY OF WISCONSIN-MADISON

Date: July 3, 2020
To: L&S Chairs, Directors, and Administrators
From: James Montgomery, L&S Associate Dean for Fiscal Initiatives

Re: Changes to BSR accounting rules for staff

Effective immediately (FY21), the College is modifying our Budget Status Report (BSR) accounting rules for university and academic staff paid partially or completely on fund 101. These changes are conceptually similar to the [changes to BSR accounting rules for STS and TAs](#) that were implemented in FY19. The new modifications to staff budgeting in the BSR were successfully implemented in several L&S administrative units on a pilot basis in FY20.

As with previous changes to the BSR system, these modifications are intended to make BSR accounting more intuitive, more closely coordinate BSR budget entries with budget entries found in WISER, increase the transparency of College finances, and facilitate decision-making about the best use of departmental resources. Below is a brief summary of the old accounting rules, followed by the new rules along with some explanatory comments. Modified FY21 BSRs with the new staff budget pages will be uploaded soon to the L&S Box folders. Questions can be directed to marybeth.roberts@wisc.edu.

Old BSR accounting rules for staff positions using fund 101 through June 30, 2020:

- Departments incur an ongoing tally sheet charge if a new staff position is created.
- Departments receive an ongoing tally sheet credit if a staff position is permanently eliminated after obtaining divisional associate dean approval.
- No tally sheet entry is made if a staff member departs and the department refills the position using the same title series.
 - The department does not receive credit for the vacancy during recruitment.
 - The College sometimes pays for temporary employees.
 - The College absorbs any difference between the outgoing and incoming salary.
- Departments receive tally sheet credits for fall salary exercise allocations:
 - an ongoing credit for the DCF allocation.
 - one-time credit for the Performance Bonus allocation.
- Departments incur ongoing tally sheet charges for:
 - raises awarded through the fall DCF exercise.
 - raises (promotions, change in duties, performance) outside of the fall exercise.
- No tally sheet entry for state-funded salary increases.

**Office of the Associate Deans
College of Letters & Science**

301 South Hall 1055 Bascom Mall Madison, Wisconsin 53706-1394
608-263-7221 FAX: 608-265-3565 www.ls.wisc.edu

New BSR accounting rules for staff positions effective FY21:

- New staff budget sheets have been added to each BSR for each employee type in the unit.
 - Separate budget sheets have been created for University Staff and for Academic Staff.
 - The budget sheets will track ongoing and one-time balances based on a total budget for the fiscal year.
 - Same format as the TA and STS budget sheets (academic units are familiar with these budget sheets and how they work).
- The initial entry will be an ongoing credit for the total amount of the staff budget.
 - Consistent with the rest of the BSR, this budget is stated in 101 dollars (ignoring fringes and FTE).
 - To compute this initial budget, the L&S Budget Office has added current salary costs for permanent staff paid with 101 funding to the final outgoing salary for any vacant positions as of July 1, 2020.
- At the end of each fiscal year, departments will incur a one-time charge for actual expenditures.
 - The actual final expenditures will be taken from the appropriate funding department ID in WISER at the close of the fiscal year.
 - The difference between the department's staff budget and actual spending for staff will result in either a one-time charge or one-time credit to the department's tally sheet.
- Under these new rules:
 - The department will automatically capture the savings from vacancies.
 - The department will be responsible for the costs of any temporary employees.
 - The department will automatically capture the savings or incur the costs resulting from any difference between outgoing and incoming salaries.
- Salary increases:
 - **Note:** *Campus fall salary exercises (DCF, Performance Bonuses) have been suspended for FY21. The rules below will apply at such time as those exercises are restored.*
 - The L&S Budget office will post the following entries to the staff budget sheets:
 - ongoing credits for the DCF allocations.
 - No longer posted to tally sheet.
 - The DCF allocation increases the on-going staff budget.
 - one-time credits for the Performance Bonus allocation.
 - Once the department determines who will receive bonuses, the allocations to staff will be posted to the appropriate staff budget sheet.
 - Any remainder of the bonus allocation (received by faculty or unspent) will be posted to the tally sheet.
 - ongoing credits for state-funded increases.
 - Previously, no tally sheet entries were made for these increases.
 - Under the new rules, there will be an on-going increase to the staff budget posted at the end of the fiscal year that will offset the increase in actual expenditures due to the state-funded increase.

- The L&S Budget Office will no longer post itemized charges for staff raises in the BSR. The faculty/staff detail page has been archived and replaced by a staff notes page. Appointment specific notes about special funding arrangements or appointment changes will be maintained on the staff notes page in the BSR.
 - The department remains responsible for all raises (fall salary exercise, promotions, changes in duties, performance, retentions).
 - Because the cost of these raises will automatically be included in WISER in the actual expenditures posted at the end of the fiscal year, there is no need for the Budget Office to post individual entries for each raise.
- Staff restructuring:
 - The department must still obtain pre-approval from the divisional associate dean to create new staff positions, restructure vacated positions to new title series, or permanently eliminate staff positions.
 - When new staff positions are created or staff restructuring occurs, the L&S Budget Office will discuss with the department whether any immediate change in the staff budget is warranted. If an immediate budget update is not made, the change will be addressed at the end of the fiscal year (as discussed next).
- Annual adjustment of staff budget:
 - The staff budget will need to be modified periodically so that it remains roughly equal to expected expenditures.
 - We anticipate that annual adjustments will be sufficient in most cases.
 - The one-time charge or credit posted to the tally sheet at the end of the fiscal year (reflecting overspending or underspending of the staff budgets) may help signal whether an increase or decrease in the ongoing staff budget is warranted.
 - It is acknowledged that this signal may be misleading, depending on the precise timing of hires, vacancies, and raises over the course of the year.
 - At the end of each fiscal year, the L&S Budget Office will review the department's roster of permanent staff and recommend any needed ongoing change to the staff budgets.
 - The department will have the opportunity to discuss this recommendation with the L&S Budget Office to review any anticipated changes in staffing.
 - An increase in the staff budget will be implemented by an ongoing charge to the tally sheet, accompanied by an offsetting ongoing credit to the staff budget sheet.
 - Conversely, a decrease in the ongoing staff budget would be implemented through an ongoing credit to the tally sheet, accompanied by an offsetting ongoing charge to the staff budget sheet.
 - Changes to the ongoing staff budget may be made at any point in the fiscal year using tally sheet resources with prior approval from the divisional associate dean and the L&S Budget Office. This type of mid-year change may be advisable when adding new positions.

Important tips to remember:

- The faculty/staff detail page has been archived as the last page in the BSR workbook.
 - A faculty detail page has been created in the BSR (if the unit has faculty).
 - A staff notes page has been created in the BSR if there were existing staff notes.
- TEs (temporary employees), if approved by L&S HR, will be funded on the same funding string as the vacant position.
 - Funds for TE positions will not be added to the staff budget by the College. It is expected that departments will fund these positions upon receiving HR approval by using staff salary savings.
- Transfers of 101 funds for staff salaries from other divisions must be sent to/received by the L&S Budget Office to facilitate updating the staff budget page.
 - Departments must notify the budget office of any one-time 101 funding received for staff salaries from another division or department so this resource can be added to the proper staff budget page.