

May 5, 2026

UW–Madison finalizes 2025–2027 compensation strategy

University of Wisconsin–Madison leadership has approved an investment in employee compensation totaling \$27.6 million across fiscal years 2025–2027. These investments will be accompanied by a salary structure update. The current approach is intended to support the university’s total compensation philosophy, which is to be a market-competitive employer that supports UW staff and faculty.

Select University Staff will receive one-time, lump-sum performance bonuses for work that went above and beyond expectations. The compensation programs also include one-time performance bonuses for select Academic Staff, Limited appointees, and Faculty, as well as base salary adjustments for some faculty.

Pay plan increase effective June 28, 2026

The central compensation funds will supplement general pay increases provided through the 2025–27 state biennial budget, which includes a 3 percent pay increase for Universities of Wisconsin employees that became effective June 29, 2025, as well as a 2 percent increase planned for July 2026. The 2026 pay increase will become effective June 28, 2026, for eligible employees with 12-month (annual) appointments, and Aug. 17, 2026, for eligible employees with nine-month (academic year) appointments. Additional details about implementation of this upcoming pay increase will be provided to employees at a later date.

Salary structure update

UW–Madison will implement a 3 percent salary structure update effective June 28, 2026. This update increases the minimums, midpoints, and maximums of established salary ranges across employee categories.

The salary structure update does not automatically result in individual pay increases. Instead, it ensures that salary ranges remain competitive and support current and future compensation actions.

Implementation of central compensation funds

Each school, college, or division is being asked to outline its processes related to employee eligibility and distribution of the central compensation funds, and to share that information with employees in their unit. Employees must meet certain eligibility criteria to receive the base salary adjustments or one-time performance bonuses. Additional information will be provided to employees as it becomes available. Please speak with your supervisor or the human resources department in your unit if you have any questions.