

School of Education: Costing Allocation Aid

**This job aid was created by the SoE Office of Budget & Finance and is customized for SoE Departments & Projects.*

Outline:

- Definition
 - **Worker Position Costing Allocation:** The funding assigned to a specific worker/employee. This is how payroll is funded for a filled position. There can be multiple funding strings totaling 100% if the funding is split. The Worker Position funding is assigned during the Hire transaction and is the main funding source for that worker.
 - **Position Restrictions Costing Allocation:** The funding assigned when creating a position. Represents the backup payroll funding method if the Worker Position Costing Allocation were to fail. When we assign Position Restriction funding, we are assigning funding to attach to that position specifically and that funding will remain on the position as it goes unfilled and re-filled with a new worker.
 - **Worker Position Earning:** The funding for a specific earnings type: Examples include Federal Work Study (FWS), Temporary Work Assignment Supplement, etc. See a complete list of Workday Earnings Code: [Workday Earnings Codes](#)
- Helpful Links:
 - Assign Costing Allocation [KB](#)
 - [SMPH](#)
 - [One Time Payment Vs Period Activity Pay](#)

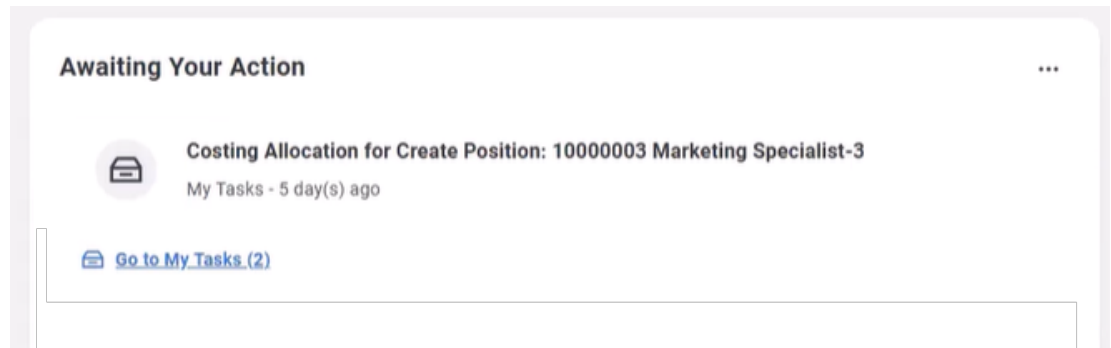
Recommended Practice

- Process of Hiring including costing allocation



-
- List of different scenarios
 - **New Position – Position Restrictions Costing Allocation**

- Definition: the funding assigned when creating a position. Represents the backup payroll funding if the Worker Position Costing Allocation were to fail.
- [KB](#) and [Training video](#)
- The task will appear in your WD homepage under “Awaiting Your Action” and will be titled “Costing Allocation for Create Position: Position Title”



- On the first screen (see below), the From date should be the beginning of the job. You don't need to put an end date here
- Make sure to click “Add”, this is where you will add funding

Assign Costing Allocation for Create Position

Event Details

Event Costing Allocation for Create Position: 10000003 Marketing Specialist-3

Effective Date 02/25/2025

Include Existing Allocations

From 02/25/2025 To MM/DD/YYYY Refresh Costing Allocation Data

Costing Allocation Details

Costing Allocation Level * Position Restriction

Add

- On the second screen (see below), the start date should be the beginning of the job. **End date should be 6/30/2099**
- Note: Position Restrictions do not apply to student workers (SH positions)
- Add the funding in the Costing Allocation Details (costing company is UW-Madison; driver worktag will be a program, grant, project or gift; you can split the funding % between more than one fund if needed)
- Distributions can be carried out to 4 decimal places. For example, 16.6777%

All Items 2 items

Search: All Items

[Advanced Search](#)

Costing Allocation for Hire: Margaret Marketing 02/25/2025

Costing Allocation for Create Position: 10000003 Marketing Specialist-3 02/25/2025

Costing Allocation Attachments

Copy Costing Allocation ☐

Start Date * 02/25/2025

End Date * 06/30/2099

Costing Allocation Details 1 item

Fund	Function	Additional Worktags	Distribution Percent	Sa
FD0101 GPO - Doctoral Cluster	FN0100 Institutional Support		100	

○ Hire – Worker Position Costing Allocation

- Definition: The funding assigned to a specific worker. Represents how the payroll is actively funded for a filled position.
- **Regular Hire (setting up the new employee’s payroll funding)**
 - [KB](#) and [Training video](#)
 - The task will appear in your WD homepage under “Awaiting Your Action” and will be titled “Costing Allocation for Hire: Employee Name”
 - On the first screen (see below), the From date should be the beginning of the job. You don’t need to put an end date here
 - The Costing Allocation Level should be Worker and Position
 - Make sure to click Add, this is where you will add funding

Assign Costing Allocation for Hire Employee

Event Details

Event Costing Allocation for Hire: Margaret Marketing

Effective Date 03/10/2025

Include Existing Allocations

From 03/10/2025

To

MM/DD/YYYY

Refresh Costing Allocation Data

Costing Allocation Details

Costing Allocation Level

*

Worker and Position

Earning

(empty)

Copy Position Restriction Costing Allocation

☐

- On the second screen (see below), the Start Date should be the beginning of the job
- End Date should be 6/30/2099*

* For SH/GA/Fellow appointments, use the end date of the appointment (e.g. 5/17/2026). If the employee is funded on a grant or a funding source that has an end date, use that end date

- Add the funding in the Costing Allocation Details (costing company is UW-Madison; driver worktag will be a program, grant, project or gift; you can split the funding percent between more than one fund if needed)

Copy Costing Allocation ☐

Start Date * 03/10/2025

End Date 06/30/2099

> Costing Allocation Attachments

Costing Allocation Details 1 item

	Order	Default (As of Start Date)	Required with no Default (Must have Costing Override)	Costing Company	Program	Grant
		Company: UWMSN University of Wisconsin Madison Cost Center: CC005244 UWMSN VCSC Marketing				

Submit Save for Later Cancel

■ Updating/Changing an employee's existing payroll funding

- [KB](#) and [Training video](#)
- From the WD homepage, go to the search bar and type "assign costing allocation". Please note you can also go to the employee's profile (make sure you are looking at the correct position since some employees have more than one). Select Pay, then the Costing Allocations tab. Here you will also be able to see the original Worker Position costing allocation dates. To see the history of all previous allocations, select "View All Costing Allocations" at the bottom of the screen. When you are ready to begin the costing allocation change, click the "Maintain" button.

Payroll **Costing Allocations**

Assoc Dean FA Programs

Actions

Summary

Overview

Job

Academic

Compensation

Benefits

Absence

Pay

Contact

Personal

Career

Maintain

> Default Organizational Assignments

Current and Future Costing Allocations: 2 items

Start Date	End Date	Costing Allocation Level	Position Restrictions	Position	Costing Company	Costing (As of Start Date)	Distribution Percent
06/29/2025	06/30/2099	Worker Position		02415331 Assoc Dean	UWMSN University of Wisconsin Madison	Cost Center: CC002935 UWMSN SOE Deans Office Operations Function: FND400 Research Fund: FDD101 GPO - Doctoral Cluster @ Location: Education Building 0400 Program: P0000005343 UWMSN SOE Deans Office	100.00%
06/29/2025	06/30/2099	Position Restrictions	02415331 Assoc Dean		UWMSN University of Wisconsin Madison	Cost Center: CC002935 UWMSN SOE Deans Office Operations Function: FND600 Academic Support Fund: FDD101 GPO - Doctoral Cluster @ Location: Education Building 0400 Program: P0000005343 UWMSN SOE Deans Office	100.00%

View All Costing Allocations

- On the first screen (see below), don't worry about the dates. Make sure the name of the employee and the correct position number are selected. Leave the Earning blank. Then click OK.

Assign Costing Allocation

Use the [Include Existing Allocations](#) filter to determine how much of the costing history you will see. Once you select a [Worker](#), the primary job position will default to the [Position](#) field value.

- Ensure you have the correct position when entering an allocation for an employee with multiple jobs.
- For allocations that are not supposed to end at the Fiscal Year end, you can use the **12/31/2099** End Date
- Do not override the history. If you need to change an allocation, update the End Date first and then [Copy](#) or [Add](#) the next costing allocation.

Include Existing Allocations

From

To

Worker Costing

Worker *

Position *

Earning

Ensure the correct position number is selected.

- On the second screen (see below), the **current** Worker Position Costing Allocation will auto-populate in the Proposed Costing Allocations tab. Think of this as your “record 1.” This is the same information you will see in the “Existing Costing Allocations” tab. In order to avoid overriding the Costing Allocation history, the only thing we will do to record 1 is put a new end date (DO NOT make any changes to the funding under the Costing Allocation Details, we want to keep the current/original funding as is).
- In our example below, Bucky Badger is **currently** on funding X with the dates of 6/29/25 to 6/30/2099. Starting on 9/7/25, he needs to move to funding Y which is a grant that ends on 9/20/25.
- End the **current** costing allocation X by changing the End Date to 9/6/25 (“record 1”). Do not update the funding itself.

- Click on the “Copy Costing Allocation” or use the “Add” button to create a new line for the grant funding Y (“record 2”). Change the Start and End Dates to 9/7/25 - 9/20/25 and down below in the Costing Allocation Details, add the grant driver worktag.
- Since grant Y is ending on 9/20/25 and Bucky is going to work at UW-Madison until the end of time, we will create a third line (“record 3”) for the dates of 9/21/25 to 6/30/2099. In the Costing Allocation Details, change the funding to whatever will be used to cover Bucky’s payroll once the grant is over.

WorkerAlisa Gradney

From08/17/2025To(empty)

Position02318856 Administrative Specialist - Alisa Gradney

Proposed Costing Allocations

Existing Costing Allocations

Click here to sort

09/21/202506/30/2099

Record 3 Future Funding

09/07/202509/20/2025

Record 2 Current Funding

06/29/202509/06/2025

Record 1. Initial Funding

Copy Costing Allocation☐

Check this box to copy this funding into a new line (optional)

Start Date *09/21/2025

End Date06/30/2099

End Date

For SH/GA/FELLOW appointments. Use the End Date of the appointment (e.g. 5/17/2026)

For all other appointments, if applicable, the most future dated End Date should be 6/30/2099

For SH/GA/FELLOW appointments. Use the End Date of the appointment (e.g. 5/17/2026)

For all other appointments, if applicable, the most future dated End Date should be 6/30/2099

For SH/GA/FELLOW appointments. Use the End Date of the appointment (e.g. 5/17/2026)

Default Organizational Assignments (As of Start Date)

Company: UWMSN University of Wisconsin Madison

Cost Center: CC006093 UWMSN | SOE | Business Office - Budget and Finance Oper

Function: FN0600 Academic Support

Fund: FD0136 General Operations Receipts

Location: Educational Sciences-0154

> Costing Allocation Attachments

> Salary Over the Cap Default Costing Allocations

Costing Allocations

Costing Allocation Details 2 items

Grant	Project	Gift	*Cost Center	*Fund	*Function	Additional
		GF000019877 UWMSN SOE Morgridge Chair Flex	CC006088 UWMSN SOE Rehabilitation Psychology & Special Education Faculty and Staff Support	FD0233 Gifts - General	FN0200 Instruction	
			CC006093 UWMSN SOE Business Office - Budget and	FD0136 General Operations Receipts	FN0600 Academic Support	

PAP and OTPs: Department Administrators (DAs) can enter these types of payments in WD for graduate students, NRA scholars and undergraduate students (SH). For faculty and staff payments, please use the HR Asana [form](#).

Relocation stipend: if it's been preapproved in an offer letter, DAs can enter the OTP in WD.

SoE awards: submit a list of awardees to be paid to the HR mailbox hr@education.wisc.edu to process.

Non-SoE awards: campus named professorships are TWAs and need to be processed through HR Asana [form](#).

- [Period Activity Pay \(PAP\)](#)

- Definition: Period Activity Pay (PAP) is a method of paying employees a lump sum for activities completed over a fixed-term period of time. This is a separate process from regular payroll so it will not default to position restriction funding if you forget to add the funding in the PAP.
- Example: service related work like Summer Session/Service
- [Training video](#) (please note that the video does not go over adding a funding for the PAP or how you can customize payment amounts for each pay period)
- Activity Dates = Dates of the activities/work performed
- Split funding cannot be done for a single PAP instance. You will need to split up the payment dates for the specific funding splits using the (+) on the top left. To enter funding, go to the "Compensation" section of the screen and click on the number (usually 0) under "Costing Override." The payment dates on the right dictate when the costing allocations will be effective. You may customize the pay periods in which payments will be made.

2 Items

*Activity	*Activity Dates	Reportable Hours	*Units	*Compensation	Payments
Activity # LEC - Lecture Instructional Activity ☒ Task Give lecture to class Comment Give lecture to class	Start Date # 09/21/2025 End Date # 10/04/2025	Work Hours Per Week 0 Work Hours Per Activity Period 0 Weekly Service Hours 0 Suggested Weekly Service Hours 0.00 Total Service Hours for Activity Period 0.00	Unit Type Units Quantity # 1 Default Quantity 0 Assigned Unit Rate # 1,500.00 Default Unit Rate 0.00	Total Amount # 1,500.00 Currency USD Costing Overrides 0	Start Date 09/21/2025 End Date 10/04/2025 Do Not Pay ☐ Customize 1 Payment Customized ☐ Remaining Balance 1,500.00 Paid to Date
Activity # LEC - Lecture Instructional Activity ☒ Task Give lecture to class Comment Give lecture to class	Start Date # 08/23/2025 End Date # 09/20/2025	Work Hours Per Week 0 Work Hours Per Activity Period 0 Weekly Service Hours 0 Suggested Weekly Service Hours 0.00 Total Service Hours for Activity Period 0.00	Unit Type Units Quantity # 1 Default Quantity 0 Assigned Unit Rate # 2,000.00 Default Unit Rate 0.00	Total Amount # 2,000.00 Currency USD Costing Overrides 0	Start Date 08/23/2025 End Date 09/20/2025 Do Not Pay ☐ Customize 3 Payments Customized ☐ Remaining Balance 2,000.00 Paid to Date

Submit Save for Later Cancel

Customize 3 Payments

\$2,000.00 USD \$0.00 USD 0 0 0 0

Total Amount Amount to Distribute Total Work Hours Work Hours to Distribute Total Service Hours Service Hours to Distribute

3 items

Scheduled Payment Date	Payment Amount	Work Hours	Service Hours
08/23/2025	666.67	0	0
09/06/2025	666.67	0	0
09/20/2025	666.66	0	0

Default Schedule ☒

Done Cancel

Start Date
08/23/2025

End Date
09/20/2025

Do Not Pay
☐

Customize 3 Payments

Customized
☐

Remaining Balance
2,000.00

Paid to Date

1 Item

Order	Default (As of Start Date)	Required with no Default (Must have Costing Override)	Costing Company	Program	Grant	Project	Gift	*Cost Center	*Fund
1	Company: UW-MASH University of Wisconsin-Madison Cost Center: 00006099 UW-MASH SOE Business Office - Budget and Finance Operations Function: FN0600 Academic Support Fund: F00134 General Operations Receipts Location: Educational Sciences-0154								

- One Time Payment (OTP)**
 - Definition/list: A non-recurring payment request for Performance Bonus, Retention Bonus, Department Faculty/Staff Award, or Relocation.

Organizational Assignments

Company: UW/MEN University of Wisconsin-Madison
 Cost Center: C0002000 UW/MEN | SOE | Art Operations
 Function: F00200 Instruction
 Fund: F00101 QPO - Doctoral Cluster
 Location: Humanities Building, Moses, Georgia U-0489

One-Time Payment Plan *
 Moving Expenses/Post-Hire

Amount *
 15,000.00

Currency *
 USD

Send to Payroll
☒

Additional Information
 [Text Area]

Supporting Information

Costing Company
 [Dropdown]

Program
 [Dropdown]

Grant
 [Dropdown]

Project
 [Dropdown]

QRT
 [Dropdown]

*Cost Center
 [Dropdown]

*Fund
 [Dropdown]

*Function
 [Dropdown]

Additional Worktags
 [Dropdown]

Payment Details
 15,000.00 USD

- Sabbatical

- Definition

- Faculty sabbatical is a professional development leave granted to eligible instructional faculty for the purpose of engaging in intensive study, research, or curriculum development. The goal is to help faculty become more effective teachers and scholars while enhancing their contributions to the university.
 - If a faculty takes a full year sabbatical, only 65% of their salary will be covered. If they take sabbatical for a semester, 100% of their salary will be covered.

- Example

Assign Costing Allocation



Use the **Include Existing Allocations** filter to determine how much of the costing history you will see. Once you select a **Worker**, the primary job position will default to the **Position** field value.

- Ensure you have the correct position when entering an allocation for an employee with multiple jobs.
- For allocations that are not supposed to end at the Fiscal Year end, you can use the **12/31/2099** End Date
- Do not override the history. If you need to change an allocation, update the End Date first and then **Copy** or **Add** the next costing allocation.

Include Existing Allocations

From 09/26/2025

To MM/DD/YYYY

Worker Costing

Worker x Alisa Gradney

Position * x 02318856 Administrative Specialist - Alisa Gradney

Earning x Sabbatical 100 Percent

Position Restrictions Costing

Cancel

OK

Sabbatical type and earnings code

Type of Employee/Sabbatical Leave	Earnings Code Used
9-month faculty/Faculty Sabbatical – Full Academic Year	Sabbatical 65 Percent
9-month faculty/Faculty Sabbatical – One Academic Term	Sabbatical 100 Percent
12-month faculty/Faculty Sabbatical – Full Academic Year	Sabbatical 65 Percent - Annual
12-month faculty/Faculty Sabbatical – One Academic Term	Sabbatical 100 Percent - Annual

Costing Allocations may be overwritten on these sabbatical earnings codes and any pay input amounts.

[To the top](#)

- TWA - Temporary Work Assignment (used to be called a TBA or a temporary base adjustment). A TWA is a rate increase when an employee assumes a temporary change in responsibilities and can be a Chairship, a named professorships (e.g. Vilas Distinguished Achievement Professorship) or when serving in an interim appointment.
- Please consult with HR on this process before entering any funding. Funding will be entered the same way as the Worker Position Costing Allocation (see above example) with the addition of an earnings code

Assign Costing Allocation

- Do not override the history. If you need to change an allocation, update the End Date first and then [Copy](#) or [Add](#) the next costing allocation.

Include Existing Allocations

From09/29/2025

ToMM/DD/YYYY

Worker Costing

WorkerX Xueli Wang

Position *X 01477964 Professor - Xueli Wang

EarningX Temporary Work Assignment Supplement

Position Restrictions Costing

Effective Date09/29/2025

Position Restrictions

Cancel

OK

Costing Allocations FAQs

Basics

What is a costing allocation?

A costing allocation in Workday defines how payroll expenses are funded. It specifies which driver worktags apply to payroll-related transactions, including employee earnings, employer-paid expenses, deductions, fringe benefits, and payroll obligations.

What is the difference between Create Position and Job Requisition?

Both are HR business processes, but they serve different purposes: **Job Requisition**: Used when starting a recruitment process for a position. Creating a job requisition also creates the position as part of the process. **Create Position**: Used as a stand-alone process when recruitment isn't needed such as for student assistant roles or summer appointments for faculty. The costing allocation process for both of these HR business processes is the same.

What is the difference between Position Restrictions and Worker Position funding?

Position Restrictions: These are attributes tied to the position itself, regardless of whether it is vacant or filled. They include details like FTE, contract type, and default costing allocation. Position Restriction funding acts as the fallback funding source if the worker's position funding fails or ends. **Worker Position**: the costing allocation is assigned during the hire process and represents the primary funding source for the individual (worker) occupying the position.

Is the costing allocation process different for student hires?

No, the process is essentially the same. The key difference is that student hourly workers do not have a position in Workday, so the costing allocation is assigned directly to the worker rather than to a position.

How does Federal Work Study (FWS) affect the costing allocation process for students?

If a FWS tag is added under "Additional Classifications" for a student job, an extra step is triggered in the student hire business process. This step requires entering a worker position earning costing allocation that includes the FWS program.

What is the standard end date for ongoing funding?

6/30/2099 is the suggested end date that all campuses should use as the end date for ongoing funding. If you know your funding has an end date prior to 6/30/2099, that date should be entered.

Are the start and end dates on costing allocations for the appointment itself or for the funding dates?

The start and end dates on a costing allocation are the funding dates.

What security roles do I need to initiate or approve costing allocations?

To initiate, you need to have either the Cost Center Account Specialist or the Cost Center Accounting Manager security role. To approve a costing allocation, you need to have either the Cost Center Accounting Manager or the Position Budget Manager security role.

What happens if someone holds multiple roles (e.g., Position Budget Manager and Driver Worktag Manager)?

Workday assumes approval for both steps and skips duplicate approvals.

Can you delegate a costing allocation task to another person, if they have the appropriate security roles?

A costing allocation initiation cannot be delegated. A costing allocation approval can be delegated.

Are you automatically notified when a costing allocation is fully approved?

No, Workday does not send automatic notifications. However, the remaining process can be viewed at any time by navigating to My Tasks → Archive. From there you will be able to see who has approved and which approvals are awaiting action. For tasks awaiting approval, they remain in the approver's My Tasks inbox until completed. Another option is to run the Business Process Transactions of Type Awaiting Action report and search for Assign Costing Allocation.

Do we have to update funding/costing allocations every few fiscal year?

No, by setting an end date far in the future (6/30/2099), the costing allocation will remain active until it is manually updated.

Is an end date always required?

Even though there is not a red asterisks next to end date, an end date is required. If the end date is not entered, you will receive an error and will not be able to submit the costing allocation.

Split Funding and End Dates

If there are multiple driver worktags on a worker position costing allocation and one funding ends but the other fundings do not, would all future payroll post to the position restricted funding after the one funding end date is passed? On a costing allocation, the same end date is assigned to all driver worktags. If the worker position costing allocation ends and is not updated, the funding would revert to the position restriction funding. A new worker position costing allocation should be assigned with new end dates to continue spending on the grants that have not ended.

If a grant, gift, or project has an end date that has passed, but the worker position costing allocation has a later end date, will the costing allocation fail?

If a worker's costing allocation ends and isn't updated, payroll reverts to the position restriction funding (default).

What if the original costing allocation ends in 2099 but you need to change it to a new costing allocation that starts in 2025?

Change end date from 2099 to 2025 and enter new costing allocation with new start/end dates.

Sometimes with grant funding, hires need to be made prior to the funding being finalized with research and sponsored programs. Currently we use a default funding designation until the grant funding is finalized. How will that work in Workday?

The position will have the costing allocation assigned, and that's the fallback funding in the event that the worker's funding isn't updated.

When there is split funding with funds/driver worktags having different end dates, what should be entered for the end date of the costing allocation?

When allocating split funding across multiple driver worktags with different end dates, it's recommended to assign costing allocations based on the fund that ends first. Once that fund expires, you can update the costing allocation to reflect the remaining funding source.

Can you accidentally skip a date when you're entering the start or end date?

For example if you accidentally enter 4/27 and the start date of the next line is 5/1 so there are a few days missing, will you get an error? Workday will throw a critical error (hard stop for overlapping dates. There is a warning (not a hard stop) if there is a date gap in your costing allocation.

Can costing allocations be split by dollar amount vs percentages?

Split costing allocations are entered by percentage and must add up to 100%.

Can the distribution percentages be decimals?

Yes, distributions can be carried out to 4 decimal places. For example, 16.6777%

Costing Allocation Changes

Should we still follow the bi-weekly payroll schedule (2025, 2026) to figure out the deadlines for making funding/costing allocation changes?

The payroll schedule and cut off deadlines will remain the same for entering costing allocations. Funding changes should be entered and approved by 10am on the Final Calc and Complete date (Thursday after pay period end date barring exceptions for holidays) for that pay period.

How far back will we be able to update costing allocations (e.g. to the beginning of the current pay period)?

Costing allocations effective dates are largely forward-looking meaning they will only be used for pay periods that have not been processed for payroll yet. If you updated a costing allocation with a starting date that has already passed, you will want to confirm if that payroll has already been paid/posted. If the payroll has already posted for the period you will need to process a Payroll Accounting Adjustment to move the already posted payroll. If the payroll has not been posted, and your costing allocation was approved before the payroll ran, it will post appropriately to the updated allocation.

If the costing allocation needs to be adjusted for a pay period that has past, do you do a change in costing allocation plus a journal entry fix?

Yes, you will need to update the costing allocation. To update a payroll from the past, you will need to do a Payroll Accounting Adjustment.

Will the Payroll Accounting Adjustment process replace the salary cost transfer process?

Yes, please reference this [KB](#).

Reports and Monitoring

Will we get a notification if an employee's Worker Position Costing Allocation end date is approaching?

There will NOT be a notification and you will need to pro-actively run a Workers with Expired or Invalid Costing Allocations (UW) report. Please note that if the employee's funding (aka the worker position costing allocation) ends BEFORE the end of their employment, payroll will default to the Position Restriction Costing Allocation. As an example, Bucky Badger is employed until 9/26/2025 but their Worker Position costing allocation ends on 9/1/2025. Any pay that bucky gets after 9/1/2025 will default to whatever funding is listed in the Position Restriction Costing Allocation.

What report can I run to check current employee funding?

All Workers Costing Allocations by Company, Sup Org or Worker (UW). Filter by Sup Org (normally the Chair of the dept). Make sure to check the "Include Subordinate Organizations" box

The costing allocation view in an employee record is only for that specific position and not all positions held by an employee correct? So if someone has 2 appointments, you'd have to look at each individually?

Correct, you need to ensure you are viewing the correct position.

How do I see the costing allocation for an employee whose job has terminated?

In the employee's profile, go to Pay, then Costing Allocations. At the bottom, click on View All Costing Allocations.