

**MICHIGAN STATE
UNIVERSITY**

April 21, 2023

MEMORANDUM

To: Committee on Budget and Finance
From: Vennie Gore, Senior Vice President for Student Life & Engagement
Subject: 2023-24 Housing and Dining Rate Recommendations

RECOMMENDATION

The Trustee Committee on Budget and Finance recommends that the Board of Trustees authorize the Administration to implement academic year 2023-24 room and board rates.

RESOLUTION

BE IT RESOLVED that the Board of Trustees of Michigan State University hereby adopts the basic residence hall double room and board rate of \$11,754 for first-year residents who select the silver unlimited meal plan for the 2023-24 academic year and adopts the basic residence hall double room and board rate of \$10,990 for second-year residents who select the silver unlimited meal plan for the 2023-24 academic year.

BE IT FURTHER RESOLVED that the Board of Trustees of Michigan State University hereby adopts a 5% rate increase for 1855 Place and University Village apartments, and a 3% increase for Spartan Village apartments for the 2023-24 academic year.

BACKGROUND

Attachment A reflects recommended 2023-24 academic year housing and dining rates.

The proposed residence hall rates for first-year residents represent a 6.95% increase over the 2022-23 rates. The rate increase results from increased inflation rates for housing and food service facilities on campus. The increase in housing and dining rates for the 2022-23 academic year was 2.94%.

The proposed residence hall rates for second-year residents are not increased from the rates for the 2022-23 academic year.



Division of
**Student Life
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If the new rates are adopted, the residence hall double room rate for undergraduate students' first year of residence will increase \$316 per year, and the silver unlimited meal plan will increase \$448 per year.

It is anticipated that even with these rate increases, Michigan State University will continue to be competitively positioned among universities in Michigan and the Big Ten.

cc: Board of Trustees, Interim President T. Woodruff, T. Jeitschko, M. Woo, L. Frace, N. Beauchamp, K. Wilbur, S. Fletcher, M. Zeig, A. Goll, B. Quinn, R. Gasser, R. Selesky, R. Patterson, L. Gremel

ATTACHMENT A
MSU SLE 2023-24 Housing and Dining
April 21, 2023

The housing and dining components of the Division of Student Life & Engagement (SLE) are self-supporting auxiliaries of Michigan State University. They receive no State of Michigan or student tuition funding for the operation and maintenance of the university's extensive award-winning housing and dining system.

Rate Increase Recommendation for Residence Halls and Dining:

The proposed residence hall housing and dining rate recommendation for a student's first year of residence in academic year 2023-24 is as follows:

- 6.95% increase to pay for residence hall and dining operating expense inflation. Food prices have increased 25%. Energy, gasoline, and landfill costs have increased more than 10% during this past year.

The current 2022-23 academic year basic residence hall double room and board rate of \$10,990 remains unchanged for students who will be second-year residents and select the silver unlimited meal plan for the 2023-24 academic year. We created this two-year room and board rate lock-in as part of the two-year live-on requirement reinstatement; this structure allows students to have certainty in their housing and dining costs when they enter the university.

The room and board rate increases have been below 3% for seven of the past eight years. We are conscious of the cost of education for students and their families. Thus, we are focusing on managing expenses to help mitigate the impact of inflation. Purchasing food stores in greater quantity, reducing dining hall use of disposables, and reducing variable labor and staff overtime hours are being utilized to offset the elevated levels of inflation. The rate increases are also consistent with the forecasted increase presented to the MSU Board of Trustees in January 2019 as part of the SLE 10-year strategic direction.

Rate Increase Recommendation for University Apartments:

The proposed rate recommendation for academic year 2023-24 is as follows:

- 1855 Place and University Village Apartments: 5% increase
- Spartan Village Apartments: 3% increase

The rate increase for university apartments was 2% for 2022-23.

Rate Analysis	2022-23 Rate and 2023-24 Rate for Second-year Residents	2023-24 Rate for First-year Residents	Change
Residence Hall/academic year - Double	\$4,538	\$4,854	\$316
Residence Hall Meal Plan/academic year - Silver Unlimited	\$6,452	\$6,900	\$448
University Village Apt./month: 4 Bed	\$755	\$793	\$38
1855 Place Family Apt./month: 1 Bed	\$824	\$865	\$41
1855 Place Family Apt./month: 2 Bed	\$953	\$1,000	\$47
1855 Place Single Student Apt./month: Studio	\$1,015	\$1,066	\$51
1855 Place Single Student Apt./month: 2 Bed	\$902-\$922	\$947-\$968	\$45
1855 Place Single Student Apt./month: 4 Bed	\$809-\$876	\$849-\$920	\$40

Our residential living experience provides exceptional value for our residents. In one all-inclusive cost, we provide holistic services to support students' success, including award-winning dining available 14 hours a day, seven days a week, highspeed internet, cable TV/streaming, heat, water, electricity, furnishings, linen and laundry services, fitness centers, reception desk service, campus security, convenient access to academic classrooms, neighborhood engagement centers, and a residential education model that focuses on building community and Spartans for life.

We understand the importance of keeping housing and dining rates affordable for our students, especially as the pressures of individual contribution to the cost of higher education continue to increase. This proposed rate increase attempts to strike a balance between affordability, enhanced services for our students and the continued renovation and required updates of our aging residence halls and apartment buildings.

Housing Option	Daily Cost
Residence Hall – Double (all-inclusive)	\$52.47 First-year Resident \$49.06 Second-year Resident
1855 Place Family Apt. 1 bedroom	\$28.44
University Village Single Std. Apartments	\$26.07
Williams Hall Apartment (room only)	\$24.19

MSU DIVISION OF STUDENT LIFE & ENGAGEMENT

In September 2020, former MSU President Dr. Samuel L. Stanley asked Vice President for Residential and Hospitality Services Vennie Gore to additionally assume Interim Vice President for Student Affairs and Services responsibilities after Dr. Denise Maybank assumed a leadership role with City University of New York. The Division of Student Affairs and Services conducted a two-phase review comprised of an internal self-study and an external review conducted by senior Student Affairs administrators from across the country. The result of both studies led to a recommendation to create a new structure designed to provide a comprehensive program to

support out of classroom experiences and student programs by aligning Student Affairs and Services and Residential and Hospitality Services.

It became evident that the synergies attained by more closely aligning our student-facing services have been beneficial to the student experience for both on-campus and off-campus students. We recognized the student experience does not start and stop at the borders of a residence hall, classroom, or city boundary. The university is committed to student success from matriculation through graduation, regardless of where a student may reside.

On October 8, 2021, former President Stanley made this temporary realignment permanent. The units formerly within the Division of Student Affairs and Services (SAS) and the units formerly within Residential and Hospitality Services (RHS) transitioned into a new consolidated division: Student Life & Engagement (SLE). Senior Vice President Vennie Gore serves as the leader of this new division, with Board of Trustees approval granted at its October 2021 public board meeting.

Both SAS and RHS divisions have been integral in supporting student success through the co-creation of the Neighborhoods concept, expansion of mental health services for students directly in their residence halls, and providing programming and support for students living on campus. These efforts, in strong partnership with the provost and academic deans, have resulted in shortening the time to graduation and making progress on closing achievement gaps. These divisions have also been champions for diversity, equity, inclusion and belonging, and led the planning efforts for MSU's Multicultural Center Project.

Throughout the past year, SLE has embarked on an intentional process to create one seamless division with a central mission and values that align support for students inside and outside the classroom. This effort is consistent with one of the goals outlined in MSU's new strategic plan.

MSU & SLE: Mission, Values, and Strategic Plans

The creation of the Division of Student Life & Engagement also presented the opportunity for the development of new mission and values statements and an updated Strategic Plan. Hanbury Consultants were selected to assist the process, building on previous divisional strategic plans from 2008, 2013, 2019 and the soon to be released 2023 plan.

SLE also supports and integrates the mission, values, and strategic themes from the recently completed MSU Strategic Plan:

MSU STRATEGIC PLAN 2030

Mission: Our mission is to advance knowledge and transform lives by providing outstanding undergraduate, graduate, and professional education; conducting research of the highest caliber; and advancing outreach, engagement, and economic activities. (Full statement, approved in April 2008 by the Board of Trustees, available at trustees.msu.edu/about/mission.html.)

Values: As an institution of higher learning, Michigan State University is committed to the highest ethical and academic standards. As a public institution we are committed to transparent decision making and accountable governance. As a community, we commit to live these values.

- **Collaboration:** We will pursue innovation through partnership within MSU and with the communities we serve.
- **Equity:** We will eliminate barriers to access and success, challenge discrimination and bias, and address past and present inequalities.
- **Excellence:** We will hold ourselves to the highest standards of teaching, research, and engagement, to serve the common good and improve the world we live in.
- **Integrity:** We will hold ourselves accountable to the highest levels of honesty, trustworthiness, and dependability.
- **Respect:** We will create and sustain a culture of safety where we can learn, work, teach, live, and visit in a community that values the dignity of all people.

STRATEGIC THEMES

- Student Success
- Staff and Faculty Success
- Discovery, Creativity & Innovation for Excellence & Global Impact
- Sustainable Health
- Stewardship and Sustainability
- Diversity, Equity, and Inclusion

MSU RHS: Updated 2019 Strategic Plan

In October 2008, under the direction of then Vice President for Auxiliary Enterprises (VP AE) Vennie Gore, the previously named Division of Housing and Food Services embarked on a journey to prepare for challenges of a new millennium, creating a diverse set of buildings and units. By renaming itself Residential and Hospitality Services, the division signaled a culture of change, breaking down silos and creating opportunities for the future.

This strategic plan identified six strategic goals:

1. **Success:** Promote diverse experiential learning that supports retention, persistence, and academic success.
2. **Team Culture:** Create a culture that fosters team member engagement and student and guest satisfaction.
3. **Globally Minded:** Provide diverse environments that celebrate and enhance MSU's 24/7 global community.
4. **Diversity, Equity, and Inclusion:** Collectively, and as individuals, we are committed to a mindset of inclusive and equitable practices. We will work toward creating an environment that is safe, supportive, and welcoming to all.
5. **Vibrant Facilities:** Establish a transformative, world-class model of residential and hospitality services that provides safe physical and emotional environments that are inclusive, accessible, and sustainable.
6. **Fiscal Responsibility:** Maintain fiscal responsibility through long-term, value-driven financial planning, viability, and stewardship.

These strategic goals inspired many updates, including reorganizing the division into cohesive functional areas; playing an integral role in establishing Neighborhoods at MSU; developing and opening five Neighborhood Engagement Centers, consolidating Campus Living Services and the Department of Residence Life to Residence Education and Housing Services; and creating neighborhood dining centers with a focus on culinary excellence.

A follow-up plan in 2013 expanded on these areas and addressed the aging Spartan Village Apartments, which resulted in the construction of 1855 Place Apartments and other building infrastructure projects. It also included an additional strategic goal: Maintain fiscal responsibility to provide long-term financial viability and sustainability.

Prior to joining with former Student Affairs and Services units, the 2008 and 2019 strategic plans allowed the former RHS to evolve as a world competitor in the industry of university housing and dining, showcasing MSU as a marvel of revitalization. Now, as the newly formed SLE division begins to plan for the 2026 class, it must realize this class represents a new generation and is expected to be quite different in terms of demographics, migration patterns and graduation rates. These differences could result in a significant change in student needs. Therein lies SLE's key challenge: What will the Spartan experience look like in 2026?

Housing and Dining and Supporting the Academic Mission.

Michigan State University has a long-term commitment to be a residential campus focusing on first- and second-year students. Our current house count is 15,800 and the first-year enrollment was 9,676 students. We serve 30,000 meals per day and 6,000,000 during the academic year in our nine residential dining areas.

Student Success is at the cornerstone of the division's work to support our goal for 86% graduation rate in 2030 with no opportunity gap. We strive to support retention (both first semester to second semester, and freshman year to sophomore year) and graduation (successful academic achievement). A sense of belonging is a key metric of academic success. If students feel a sense of belonging, we believe they will persist and graduate. In our fall 2022 Student Experience Survey using a survey with a 7-point Likert scale, on-campus students expressed scores of 5.8 for University Affiliation and 6.0 for Student Support and Acceptance. And more importantly, students reported a score of 6.8 with respect to likely persistence from first semester to second semester. It is important to create a sense of community and support, which is directly related to our Residence Education program and our Inclusive Campus Initiative program.

MSU has a long, rich history of living and learning communities to support the academic success of students. There are three degree-granting residential colleges: James Madison College, Lyman Briggs College and the Residential College for the Arts and Humanities. In addition, there are colleges with living-learning programs to support students: Honors College, Broad Residential Business Program, Charles Drew Scholars (Students of Color interested in the Sciences), College of Engineering Cornerstone and Residential Experience (CoRE), and Residential Initiative for the Study of the Environment (RISE). We also have special interest Groups – ROTC, College Assistance Migrant Programs, Recovery Housing (Substance Abuse) and Detroit MADE.

In collaboration with Associate Provost for Undergraduate Education, the Neighborhood Student Success Collaborative (NSSC) is an innovative and collaborative organization focused on a holistic approach to student learning and development in the residence halls. The unit is

committed to empowering undergraduate students to pursue knowledge, access to academic resources, and develop skills for success. The NSSC promotes academic proficiency, supports institutional navigation, and develops socio-emotional engagement to support our goals to increase graduation rates and decrease time to degree. More specifically, the NSSC works to close the opportunity gap.

SLE Culinary Services partners closely with the College of Agricultural and Natural Resources, specifically the Department of Animal Science. We work with the Beef Farm and Student Organic Farm to provide farm-to-table learning and research opportunities for faculty and students. Most notably, we worked collaboratively to develop a “farm to distribution” project to track food tracing. Our Culinary Services chefs order produce from the Student Organic Farm, which allows for students to experience farming to packaging to sales.

Room and Board fees directly financially support the broader institution in the following areas:

- The Office of Undergraduate Education student success initiatives (\$1.1 million annually) to cover:
 - Neighborhood Student Success Collaborative Centers
 - Two positions to support undergraduate education (learning analytic team and program manager in Residential Initiative for Sustainable Environment)
 - Student Health and Wellness to fund two mental health counselors
- Four MSU Police to provide neighborhood policing (\$516,170)
- Support CATA on-campus bus service free to students (\$1.56 million annually)
- Administrative Support (\$3.3 million)
- Support 56 Graduate Assistantship positions (\$1.26M)

Supporting Students' Personal Success

In addition to our robust support of academic success, our housing and dining teams have worked hard to support students outside of the classroom, centering our most marginalized students in those efforts. Keeping diversity, equity, inclusion and belonging in mind, we have listened to student feedback to take the following recent measures:

- Offered and expanded Gender-Inclusive Housing options in on-campus residence halls and apartments so students from all gender identities and expressions may choose to live together.
- Continued to invest each year in more all-gender restrooms in residential buildings. Holmes had an all-gender restroom added last year. Contingent upon funding, we plan to add all-gender restrooms in Hubbard, Shaw, and Wilson in 2023, and Holden, McDonel and Wonders in 2024.
- Offered on-campus residents the ability to dispose of needles or other sharps by checking out a personal sharps’ container from their primary service center.
- Expanded access to complimentary menstrual product dispensers in women’s and all-gender restrooms so students can manage menstrual hygiene safely and with dignity.

- Partnered with the Muslim Students' Association to provide halal meats and to honor religious observances like Ramadan.
- Offered special chef-crafted menus to authentically celebrate cultural celebrations, such as Black History Month, Filipino American History Month and Diwali.

Second Year On-Campus Living Requirement

Michigan State University wants to ensure every student has the opportunity to learn, thrive and graduate. Assessment studies indicate MSU students who live on campus for two or more years persist and graduate in higher percentages with higher grade point averages than students moving off campus after their first year.

The University has invested in student success initiatives to support undergraduates in their pursuit of a college education. A campus-wide campaign encouraging students to take 15 credits or more each semester, the nationally recognized Neighborhoods model, and increased access to academic resources, have contributed to a higher graduation rate among Spartans — rising from 77% to 81% over the last six years.

University administrators continue to examine the student success outcomes of on- and off-campus living for undergraduate students. Descriptive analysis conducted by MSU's Office of Institutional Research shows that undergraduates who live on campus for their first two years at MSU have graduation rates about 2.5 percentage points higher than their peers who live on campus only their first year. The difference in graduation rates between students who live on or off in their second year is larger for students from some underserved groups, almost 10 percentage points.

This data led university administrators to believe the reinstatement of a required second year on campus was the best next step toward ensuring students persist and graduate. Historically, first-year students were required to live on campus during their first academic year. Beginning with students who started at MSU in fall 2021, the on-campus living requirement was extended to include a second year, reinstating the housing two-year live-on policy requirement that MSU had waived since the 1980s.

The first two years of college are critical for students' momentum and living on campus provides them with greater access to resources and activities that correlate with their academic success. This access supports students in graduating more quickly, keeping the cost of their degree lower (e.g., less student loan debt, fewer living expenses).

Programs such as Spartan Compass, which focuses on the first-year experience, and Spartan Navigator, which focuses on the second-year experience, were developed to provide a framework for students during their first two years of college.

The Second-Year Student Experience

Prior to reinstating the second-year on-campus requirement, MSU had seen a decrease in the number of students choosing to live on campus in their second year (51% in 2007 versus 42% of second-year students in 2019). Additionally, a study that looked at second-year students between 2013 and 2016 found 60 fewer students from each class persisted when they moved off campus their second year. The persistence rate for students living on campus who are Pell eligible is 50%

greater than for those students living off campus. Likewise, MSU has students experiencing similarly improved persistence rates of 3-9% for African Americans, 2-7% for first generation students, and 1-2% for white students continuing to live on campus.

Second-year students can also experience what is often referred to as a “sophomore slump,” which is associated with feelings of uncertainty and dissatisfaction. This can be attributed to fewer support services and programs tailored to second-year students compared to their first-year experience. Many second-year students also begin to question their choice of major and overall reason for being in college.

To address some of these issues, REHS began building Spartan Navigator, a program specifically for second-year students. Some intended outcomes of the program include students’ enhanced sense of purpose and academic engagement, and advanced knowledge related to diversity, equity, and inclusion.

Another program, the Residential Learning Model, was created to assist residential staff in strategically facilitating growth and learning for those living on campus, thus enhancing the living-learning relationship.

Dining on campus can also foster a sense of belonging among students. SLE Culinary Services strives to support students and their academic success by creating dining communities and offering a variety of dining options to help them stay on track throughout their college career.

Implementation

The second year live-on requirement began with the first year entering class of fall 2021, who would then live on campus for a second academic year beginning fall 2022. At the time of implementation, existing residence hall residents and the first-year incoming class of fall 2020 were exempt. MSU’s occupancy capacity is 18,200, which accounts for all residence hall room types and apartments. It is estimated the number of first- and second-year students living on campus will be 16,479 for fall semester 2023.

An exception policy and request process for second-year students is in place. Exception criteria includes married students, students with dependents, veterans with one or more years of active service, students who will be 20 years old by the first day of classes of fall semester of the current academic year, students living with parent or guardian within 40 miles of campus, students living in approved group and Greek housing off-campus, and students taking six or fewer semester credits and who live locally.

SLE Financial Position Update – Post-Pandemic Implications:

The SLE auxiliary operations budget model aims to provide net income to supplement our support of the division and university missions. SLE has three historical financial objectives to be achieved through our net income from operations:

1. Pay down debt service costs.
2. Provide just-in-time maintenance funds for repairs and improvement.
3. Maintain an adequate reserve balance to address unforeseen emergencies. The fiscal impact of the pandemic has depleted reserves. Restoring unit reserves is an important financial goal during the next several fiscal years.

FY21-22 Actual:

MSU returned to more normal, post-pandemic residential operations for academic year 2021-22. Residence hall and apartment occupancy returned to more historical levels. An average residence hall occupancy of 14,334 exceeded the budgeted level of 13,000. Kellogg Hotel, conference business and retail revenues remained depressed as the pandemic health precautions continued, however.

Significant staffing shortages stemming from prior year furloughs and student layoffs negatively impacted service levels in the residential dining halls, especially in fall semester 2021 with the closure of Landon and Shaw dining halls.

Budgeted plant cash expenditures for repair of buildings were reduced to zero due to reserves being depleted. Building repairs are funded only as needed from operations. Plant cash expenditures historically average \$10 million per year. Net income from operations totaled \$15.2 million due to the higher residence hall house counts, staffing shortages and reduced plant cash expenditures.

Annual debt service cost remains constant at \$23 million until FY30. SLE long-term debt obligations totaled \$305 million. SLE reserves totaled \$21 million on June 30, 2022, significantly below pre-pandemic reserve levels which historically averaged \$70 million at fiscal year-end.

FY22-23 Projected:

Residence hall occupancy increased significantly for academic year 2022-23 as the SLE two-year live on requirement entered its second year. House counts increased more than 10% to 15,813.

The staffing and food stores costs have increased proportionally. Efforts continue to hire dining and housing workers to pre-pandemic levels. Inflation for hourly wages and food stores increased dramatically in 2022-23, resulting in expenses projected to exceed budget by \$8 million. All funds net income projections approximate a break-even position, well below the budgeted net income of \$6.5 million. Food stores expense inflation exceeding 25% is primarily responsible for this shortfall. A detailed food cost inflation schedule is included on the following page. Kellogg Hotel, conference business, and retail revenues are finally beginning to improve and stabilize in this post-pandemic environment.

Plant cash expenditures for repair of buildings increased to \$12 million after two years of pandemic related reductions due to SLE financial distress.

Annual debt service cost remains constant at \$23 million until FY30. SLE long-term debt obligations will total \$293 million June 30, 2023. SLE reserves are currently at \$18 million.

MSU SLE Food Stores Purchase Inflation: December 2021 - December 2022

Company	Category	Current FY	Prior FY	Change	% Change
Brakebush	Chicken (Retail)	\$345,228	\$116,940	\$228,288	195%
Canada Dry	Beverages/Retail	\$536,728	\$257,842	\$278,886	108%
Coke	Beverages/Retail	\$1,338,504	\$415,194	\$923,310	222%
Coastal	Produce	\$1,347,226	\$988,994	\$358,232	36%
Ecolab	Chemicals	\$181,657	\$123,519	\$58,138	47%
Lipari	Retail/Direct Delivery	\$1,695,861	\$959,988	\$735,873	77%
Hormel	Meat	\$587,594	\$433,233	\$154,361	36%
SAS	Retail/Direct Delivery	\$2,531,223	\$1,255,004	\$1,276,219	102%
Lamb Weston	Potato Products	\$340,030	\$217,395	\$122,635	56%
Country Fresh	Dairy	\$337,754	\$236,264	\$101,490	43%
Bakemark	Bakery	\$58,088	\$42,854	\$15,234	36%
McKee Baking	Bakery	\$12,483	\$20,585	-\$8,102	-39%
Metropolitan	Bread	\$108,742	\$64,919	\$43,823	68%
Dawn Foods	Bakery	\$116,331	\$80,600	\$35,731	44%
Paramount	Coffee	\$123,403	\$62,514	\$60,889	97%
Pepsi	Beverages/Retail	\$393,409	\$240,343	\$153,066	64%
Red Bull	Beverages/Retail	\$124,188	\$56,972	\$67,216	118%
Rich's	Breads/Pizza Crust	\$187,648	\$169,481	\$18,167	11%
Northern Lakes	Seafood	\$850,331	\$802,996	\$47,335	6%
Dr. Pepper	Beverages/Retail	\$209,045	\$134,523	\$74,522	55%
Stan Setas	Produce	\$206,657	\$135,765	\$70,892	52%
Starbucks	Retail/Coffee	\$331,483	\$279,047	\$52,436	19%
Tyson	Chicken	\$821,149	\$563,949	\$257,200	46%

Food Cost Increases (Current vs. Prior Year)

Item	Increase	Notes
Chicken Breast	22%	Chicken breasts are coming down and stabilizing
Chicken Thigh	35%	Chicken thighs are coming down and stabilizing
Beef Chuckeye Roll	7%	Potential of increasing in the next year
Ground Beef Patties	12%	Potential of increasing in the next year
Bacon	14%	
Liquid Eggs	20%	Continuing to have increased pricing due to the Avian flu
Dairy	30%	
Produce	35%	

Notes

New potato/French fry contract will see a 25% increase over the next 6 months.
Starbucks recently increased pricing on an average of 12%
Disposable costs are going down drastically - almost all dining halls out of disposables at this point.
New Dairy contract RFP is currently happening and we will have a new contract by July 1.
All purchases are up due to increased house count, opening more retail sites and increased usage of the meal plan and CX
Fuel surcharges are hard to determine as some are built into item pricing.

FY23-24 Budget:

Residence hall occupancy will remain stable for academic year 2023-24. Occupancy budget totals 16,479. The staffing and food stores expense budgets have been adjusted accordingly. Efforts continue to hire dining and housing workers to pre-pandemic levels. Inflation for hourly wages and food stores continue to increase, adding to the expense budget. Kellogg Hotel, conference business and retail revenue budgets are also expected to continue to stabilize in this post pandemic environment.

Plant cash expenditures for repair of buildings have decreased from \$12,000,000 in FY22-23 to \$9,859,115 in FY23-24 to budget a break-even financial position. Net income from operations is projected to be \$220,000.

Annual debt service cost will remain constant at \$23 million until FY30. SLE long-term debt obligations will total \$283 million on June 30, 2024. SLE reserves on June 30, 2024 are projected to be \$18 million.

A \$30 million major renovation of Campbell Hall is scheduled for FY24-25. It is anticipated that 30-year bonded debt will be utilized for this financing.

Please see the attached SLE Financial Preview for additional budget details.

MSU SLE OPERATIONAL FUNDS: PRELIMINARY FINANCIAL PREVIEW

REVENUES:	Projected 2022-23	Proposed Budget 2023-24	\$ Increase / (\$ decrease)
Room & Board	\$190,072,775	\$199,834,654	\$9,761,879
Cash Dining/Retail/Auxiliary/Other	86,419,293	85,690,182	(729,111)
Academic Space Rental	2,241,287	2,440,273	198,986
Conferences & Events (1)	8,898,719	6,367,719	(2,531,000)
Total Revenues =	287,632,074	294,332,828	6,700,754
EXPENSES:			
Personnel Services	75,404,902	77,714,981	2,310,079
Benefits	26,706,242	27,557,102	850,860
Food Purchases	38,357,640	39,235,672	878,032
Utilities	10,669,617	11,447,442	777,825
General Expense/ CATA / Res Life	11,084,885	11,144,984	60,099
Supplies	50,994,577	51,989,965	995,388
Repairs & Maintenance	20,373,543	20,849,138	475,595
Communications/Bandwidth	1,965,624	2,071,521	105,897
Auxiliary Overhead Fee	2,700,000	2,700,000	0
Uniforms / Linen	1,328,908	1,376,159	47,251
Insurance	1,413,362	1,441,890	28,528
Equipment	856,523	1,607,282	750,759
Scholarships, Intangible/Other, Misc.	7,476,281	8,445,738	969,457
Travel	1,088,108	1,474,406	386,298
Administration Fee 1%	2,186,862	2,288,028	101,166
Building Repair/Renov (Plant Cash)	12,000,000	9,859,115	(2,140,885)
Debt Service Cost	22,908,751	22,908,751	0
Total Expenses =	287,515,825	294,112,174	6,596,349
Contribution to J-I-T Repairs and Reserves =	\$116,249	\$ 220,654	\$ 104,405

(1) ODYSSEY OF THE MIND CONFERENCE AT MSU IN FY23 BUT NOT IN FY24.

MSU SLE RESIDENCE HALL RATE COMPARISON
Standard Double Room & Board Plan for 2023-24*

BIG TEN UNIVERSITIES	Actual 2022-23 Rate	Proposed 2023-24 Rate	\$ Increase	Status
Northwestern University: 20 meals/week	\$18,717	\$19,746	\$1,029	estimated
University of Maryland: unlimited meals	\$14,216	\$15,057	\$841	proposed
Ohio State University: 10 meals + \$350 DD	\$13,686	\$14,439	\$753	estimated
Rutgers University: 19 meals/week	\$13,664	\$14,416	\$752	estimated
University of Michigan: unlimited meals	\$13,170	\$13,828	\$658	estimated
Penn State University: 12 meals/week	\$12,582	\$13,030	\$448	approved
Univ of Nebraska: 14 meals/wk + \$300 DD	\$12,428	\$12,802	\$374	approved
University of Minnesota: unlimited meals	\$11,894	\$12,548	\$654	estimated
University of Illinois: 12 meals + 15 café cr	\$11,596	\$12,178	\$582	approved
Univ. of Wisconsin: unlimited meals	\$11,467	\$12,098	\$631	estimated
Indiana University: unlimited + \$50 DD	\$11,712	\$11,869	\$157	approved
Michigan State Univ.: unlimited meals	\$10,990	\$11,754	\$764	proposed
Univ of Iowa: 220 meals/sem + \$200 debit	\$11,279	\$11,752	\$473	estimated
Purdue University: 13 AYCE meals/week	\$9,414	\$9,414	\$0	approved
MICHIGAN UNIVERSITIES	Actual 2022-23 Rate	Proposed 2023-24 Rate	\$ Increase	Status
University of Michigan: unlimited meals	\$13,170	\$13,828	\$658	estimated
Michigan Tech Univ.: unlimited meals	\$11,780	\$12,428	\$648	estimated
Wayne State University: unlimited meals	\$11,752	\$12,398	\$646	estimated
Eastern Michigan Univ.: unlimited meals	\$11,660	\$12,301	\$641	estimated
Northern Michigan Univ.: unlimited meals	\$11,630	\$12,270	\$640	estimated
Central Michigan Univ.: unlimited meals	\$11,248	\$11,867	\$619	estimated
Michigan State Univ.: unlimited meals	\$10,990	\$11,754	\$764	proposed
Western Michigan Univ.: unlimited meals	\$10,989	\$11,593	\$604	estimated
Saginaw Valley State Univ.: unlimited meals	\$10,902	\$11,502	\$600	estimated
Oakland University: 18 meals/week	\$10,852	\$11,449	\$597	estimated
Lake Superior State Univ.: 19 meals/week	\$10,776	\$11,369	\$593	estimated
Ferris State University: unlimited meals	\$10,268	\$10,833	\$565	estimated
Grand Valley State Univ.: 19 meals/week	\$10,140	\$10,698	\$558	estimated

*MSU BASIC “SILVER” PLAN PROVIDES UNLIMITED ACCESS/MEALS AT ANY OF THE 9 RESIDENCE HALL DINING FACILITIES FROM 7 AM TO 9 PM SEVEN DAYS A WEEK. THIS PLAN ALSO INCLUDES 12 ACCESSES TO A COMBO-X-CHANGE MEAL AT ANY OF THE SPARTY’S, UNION, INTERNATIONAL CENTER, OR RIVERWALK MARKET RETAIL DINING LOCATIONS ON CAMPUS. MSU’S MEAL PLAN ACCESS AND FLEXIBILITY IS UNMATCHED BY ANY OTHER BIG TEN OR STATE OF MICHIGAN PUBLIC UNIVERSITY.

MSU SLE AVERAGE RESIDENCE HALL HOUSE COUNTS

<u>1975-76</u>	<u>1976-77</u>	<u>1977-78</u>	<u>1978-79</u>	<u>1979-80</u>	<u>1980-81</u>
17,800	17,200	17,700	17,570	17,900	17,680
<u>1981-82</u>	<u>1982-83</u>	<u>1983-84</u>	<u>1984-85</u>	<u>1985-86</u>	<u>1986-87</u>
16,100	15,354	15,551	16,100	16,437	16,800
<u>1987-88</u>	<u>1988-89</u>	<u>1989-90</u>	<u>1990-91</u>	<u>1991-92</u>	<u>1992-93</u>
16,950	17,300	16,500	15,800	15,100	13,900
<u>1993-94</u>	<u>1994-95</u>	<u>1995-96</u>	<u>1996-97</u>	<u>1997-98</u>	<u>1998-99</u>
14,126	13,972	13,964	13,965	14,234	14,181
<u>1999-00</u>	<u>2000-01</u>	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>	<u>2004-05</u>
14,190	14,564	14,494	14,624	14,342	14,485
<u>2005-06</u>	<u>2006-07</u>	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>
14,844	14,733	14,611	14,506	14,385	14,010
<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
14,820	14,725	14,710	14,709	14,716	14,762
<u>2017-18</u>	<u>2018-19</u>	<u>2019-20</u>	<u>2020-21</u>	<u>2021-22</u>	<u>2022-23 (proj.)</u>
14,357	14,523	11,265	2,372	14,334	15,813
<u>2023-24 budget</u>					
16,479					