



MICHIGAN STATE UNIVERSITY
BOARD OF TRUSTEES
Executive Action Summary

Budget and Finance Committee-Attachment BF-3

APPROVED
JUNE 28, 2024
BOARD OF TRUSTEES
MICHIGAN STATE UNIVERSITY

Committee Name: Budget and Finance

Date June 28, 2024

Agenda Item: Fiscal Year 2024-25 Operating Budget and Tuition & Fee Rates

Information

Review

Action

Resolution:

BE IT RESOLVED that the Board of Trustees adopts the attached Michigan State University Fiscal Year 2024-2025 Operating Budget, including tuition and fee rates for the 2024-2025 academic year as presented; and

BE IT FURTHER RESOLVED that the Administration is directed to implement the Michigan State University Fiscal Year 2024-2025 Operating Budget.

Recommendation:

The Trustee Committee on Budget and Finance recommends that the Board of Trustees adopt the Michigan State University Fiscal Year 2024-2025 Operating Budget which includes revenue and expenditure totals for the major fund groups and tuition and fee rates as presented.

Prior Action by BOT: The Board of Trustees approves the Operating Budget annually at the June meeting. Additionally, the Board of Trustees approves any proposed changes in tuition and fee rates.

Responsible Officers: Kevin M. Guskiewicz, President
Lisa A. Frace, Senior Vice President, Chief Financial Officer and Treasurer

Summary:

The proposed 2024-2025 budgets for the University General Fund, Designated Fund, Auxiliary Activities, and Expendable Restricted Fund (including MSU AgBio Research, MSU Extension, Intercollegiate Athletics and Student Life and Engagement) total \$3.653 billion, representing a 9.8 percent increase from 2023-2024. The increase is driven mainly by significant increases in contracts and grants activity.

The administration recommends the following Operating Budget be approved by the Board of Trustees for the fiscal year ending June 30, 2025:

Revenue Budget	
General Fund	1,681,553
Designated	521,251
Auxiliary	540,023
Expendable Restricted	910,429
TOTAL	3,653,256

Expense Budget	
General Fund	1,681,553
Designated Fund	521,251
Auxiliary	540,023
Expendable Restricted	910,429
TOTAL	3,653,256

The budget includes proposed increases in tuition for students, including a \$235 per semester or \$470 per year increase for all full-time undergraduate students and MBA students; part time rates assessed per credit hour will have a commensurate increase. Graduate student rates are assessed per credit hour; those rates will increase by \$26 per credit hour which is equivalent to the increase for undergraduate students for students taking a typical full-time load, and professional school rates will increase as presented.

Background Information:

The Board of Trustees considers the proposed budget developed by the administration along with recommended changes in tuition and fee rates. Approval of these recommendations becomes effective for the July 1, 2024-June 30, 2025, fiscal year.

The following table presents the budget by fund, including sources and uses for each. This budget proposal fully utilizes available resources to enable investments in support of our Strategic Plan. A summary of the budget, assumptions and investments are attached, including detailed proposed tuition rates.

MICHIGAN STATE UNIVERSITY								
SUMMARY OF BUDGETED SOURCES AND USES BY FUND								
FY 2024-25 Budget								
Description	General	Designated	Auxiliary Activities	Expendable Restricted	Total Operating Budget	FY 2024* Budget	\$ Change	% Change
TOTAL SOURCES (\$ thousands):								
Student tuition and fees	1,193,506	17,847	-	3,315	1,214,668	1,159,234	55,434	4.8%
Grants and contracts								
Sponsored grants and contracts	-	-	-	661,805	661,805	520,742	141,063	27.1%
Capital grants	-	-	-	25,000	25,000	8,541	16,459	192.7%
Pell and other federal programs	-	-	-	46,061	46,061	47,304	(1,243)	-2.6%
State appropriations:								
Operating appropriations	328,414	-	-	73,896	402,310	390,657	11,653	3.0%
One-time/special appropriations	-	-	-	-	-	-	-	NA
Departmental activities	4,000	342,702	-	-	346,702	338,574	8,128	2.4%
Auxiliary activities	-	-	540,023	14,449	554,472	515,939	38,533	7.5%
Endowment and investment income	34,289	139,521	-	98,732	272,542	252,547	19,995	7.9%
Private gifts	-	1,796	-	127,900	129,696	92,391	37,305	40.4%
Facilities and Administration recovery	121,344	19,385	-	-	140,729	123,000	17,729	14.4%
Facilities and Administration allocated	-	-	-	(140,729)	(140,729)	(123,000)	(17,729)	14.4%
Other revenues/sources	-	-	-	-	-	-	-	NA
TOTAL SOURCES	1,681,553	521,251	540,023	910,429	3,653,256	3,325,929	327,327	9.8%
TOTAL USES (\$ thousands):								
Salaries and wages	851,215	94,857	260,729	332,608	1,539,409	1,383,363	156,046	11.3%
Employee benefits	282,633	23,762	86,009	109,751	502,155	447,419	54,736	12.2%
Student financial aid	249,482	2,402	21,090	98,990	371,964	359,312	12,652	3.5%
Supplies, services, and other	266,168	339,238	132,057	337,072	1,074,535	1,006,509	68,026	6.8%
Operating and Facility reserves	-	-	-	26,385	26,385	7,693	18,692	243.0%
Debt service	32,055	60,992	40,138	5,623	138,808	121,633	17,175	14.1%
TOTAL USES	1,681,553	521,251	540,023	910,429	3,653,256	3,325,929	327,327	9.8%
BUDGET SURPLUS (DEFICIT)	-	-	-	-	-	-	-	NA

Note: The FY 2024 Budget has been restated to reflect the revised distribution methodology the State of Michigan will use for the Michigan Achievement Scholarship. The new methodology will reflect pass-through rather than an appropriation offset by the expenditure in Financial Aid.

Source of Funds:

Funds include all planned operating funds of the institution. If actual activity deviates significantly, administration will continue to ensure a fiscally responsible result.

Resource Impact:

Not applicable

Fiscal Year 2024-2025 Budget Overview

EXECUTIVE SUMMARY

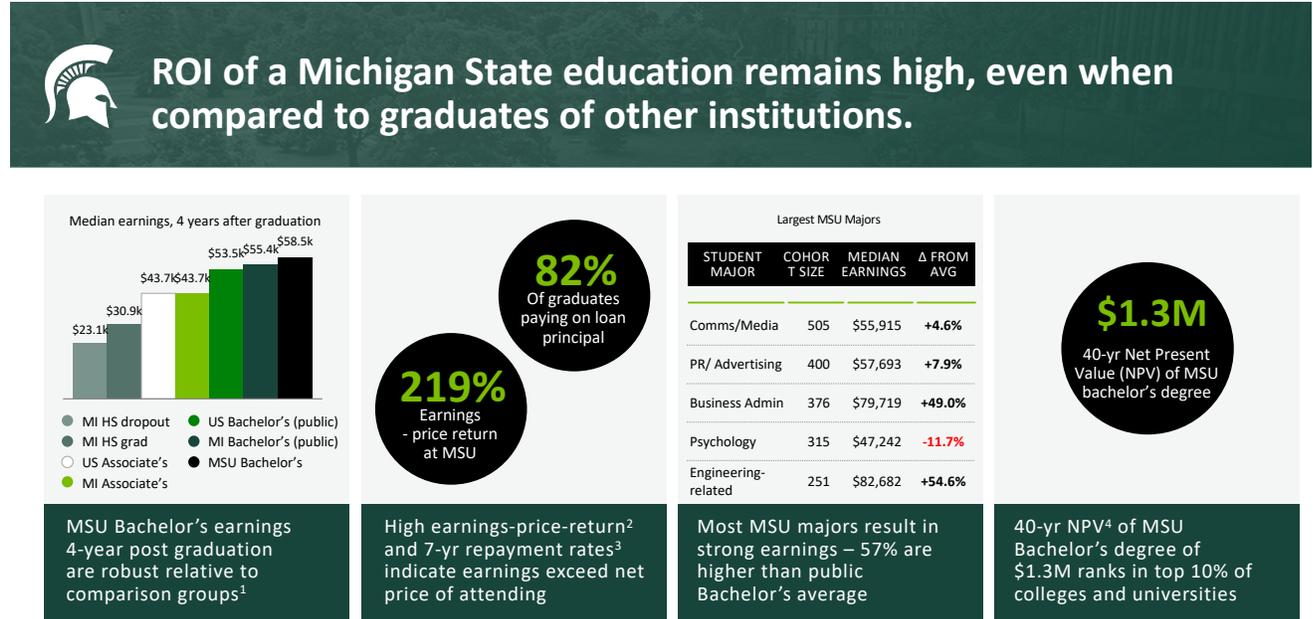
Michigan State University (the University, or MSU) is the nation's premier land-grant university and one of the top research universities in the world. The university's excellence, cultivated over almost 170 years, is rooted in the core values of its land-grant heritage in providing an inclusive learning environment and educating leaders who will transform the future, advancing knowledge by conducting research of the highest caliber, and advancing outreach, engagement, and economic activities. Our world-class faculty are at the forefront of discovery and developing solutions for some of the world's most challenging problems. MSU is a member of the American Association of Universities, a privilege that is embraced as MSU advances the common good with uncommon will.

The year ahead is exciting and filled with opportunity. Kevin M. Guskiewicz began his tenure as Michigan State University's 22nd President on March 4, 2024, and immediately began a broad reaching listening and learning tour. The knowledge gained from exploring our institution, outreach to alumni and stakeholders across the country, and working internally with consultants will shape a focus on operational excellence. MSU is devoted to fulfilling the mission of delivering new and innovative experiences through the integration of technology and teaching, closing graduation gaps where they exist, enhancing interdisciplinary study, and driving innovation in healthcare delivery and research. MSU will continue to communicate the incredible achievements of our faculty and staff, research trajectory, and most importantly, the success of the students who choose our institution.

The operating budget continues to reflect the direction set forth in the 2030 Strategic Plan, which is built upon support for our mission of teaching & learning, research, and outreach. These pillars are evidenced by the focus on academic and research excellence, faculty and staff success, student success, and investments in physical and financial sustainability. Dr. Guskiewicz's learnings from his tour will help shape and define his priorities as MSU's leader. That vision includes ensuring that resources continue to be deployed strategically and effectively with a focus on keeping the cost of education affordable for our students. Accordingly, this budget prioritizes the investments needed to support MSU's mission and strategic priorities within the anticipated available resources and outlines the sources and uses of the four major operating fund groups: General Funds, Designated Funds, Auxiliary Funds, and Expendable Restricted Funds. Total revenues are planned at \$ 3.653 billion, nearly half of which is General Fund.

Michigan State University continues to provide a world-class education, and return on investment for our students far outpaces national averages:

Figure 1: ROI of a Michigan State University Degree



Notes
 1. Michigan HS dropout and graduate earnings data from U.S. Career Institute. National data compiled and analyzed by The HEA Group from NCES & College Navigator. 2. A ratio that expresses the degree to which earnings 10 years after enrollment are above or below the net price (in percent) – from the Center on Education and Workforce (CEW) at Georgetown, which ranked 4,500 colleges by ROI in 2019 and 2022. Median for US Colleges and Universities is 108%. 3. The share of borrowers who have repaid at least \$1 of the principal on their student loans since entering into the repayment phase; Median for US Colleges and Universities is 54% – from CEW. 4. The 40-yr NPV is how much a sum of money in 40 years is valued today; Median for US Colleges and Universities is \$722k – from CEW

Michigan State University All Funds Budget Summary

An all-funds budget is designed to provide a comprehensive understanding of the institution's financial performance, recognizing that revenues are realized for a specific purpose and that expenditures must align with those intended purposes. The format uses a sources-and-uses approach and includes funding for items not typically found in an audited operating statement, such as debt service principal, internal charges between operating units, and capital investment costs. This budget builds upon the all-funds budgets developed over the past two years, with the launch of a new comprehensive budgeting and analysis system to support unit-level detailed budgeting across the institution. The redesigned budget process is an important element in supporting modernizing and transforming financial management. This will afford the university improved budget forecasting and ensure a more accurate evaluation of resource allocation.

Fiscal Discipline

Over the past three years, MSU Finance has focused on modernizing and transforming internal processes and systems to ensure that we are thinking toward the future. To that end, we have implemented a new budget system and will be implementing more holistic forecasting requirements as part of this continuing evolution. Further, we continue to increase analytic rigor, require the development of business plans for large, complex projects, and are planning training

to support those changes. Expectations for both central offices and unit fiscal officers will continue to increase, and additional training will be needed to help support the changes.

For the upcoming fiscal year, the all-funds budget includes anticipated revenue and expenditures of \$3.653 billion. All funds are balanced for the year.

Figure 2: Michigan State University's All Fund Budget

 MICHIGAN STATE UNIVERSITY								
SUMMARY OF BUDGETED SOURCES AND USES BY FUND								
FY 2024-25 Budget								
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TOTAL SOURCES	1,681,553	521,251	540,023	910,429	3,653,256	3,325,929	327,327	9.8%
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TOTAL USES	1,681,553	521,251	540,023	910,429	3,653,256	3,325,929	327,327	9.8%
BUDGET SURPLUS (DEFICIT)	-	-	-	-	-	-	-	NA

Note: The FY 2024 Budget has been adjusted to reflect the revised methodology for the distribution of the Michigan Achievement Scholarship by the State of Michigan. The State has determined that this will be a pass-through, rather than an appropriation with an offsetting expenditure.

Sources and uses of funds can be viewed through two different lenses: the fund generating the revenue or the type of activity that produced the revenue. Certain activities may occur in multiple fund sources; the assignment of that revenue to a fund relates to the original purpose of the revenue. For definitions of the types of sources and uses for each fund group, see Figure 10 at the end of this document.

Nearly half of the revenue to support the institution's operations comes from student tuition, fees, and state appropriations. Most of those revenues are included in the general fund and provide funding to support the institution's core mission. Appropriations for AgBio Research and

Extension activities are included in the restricted fund group, as those appropriations are directed to only those uses.

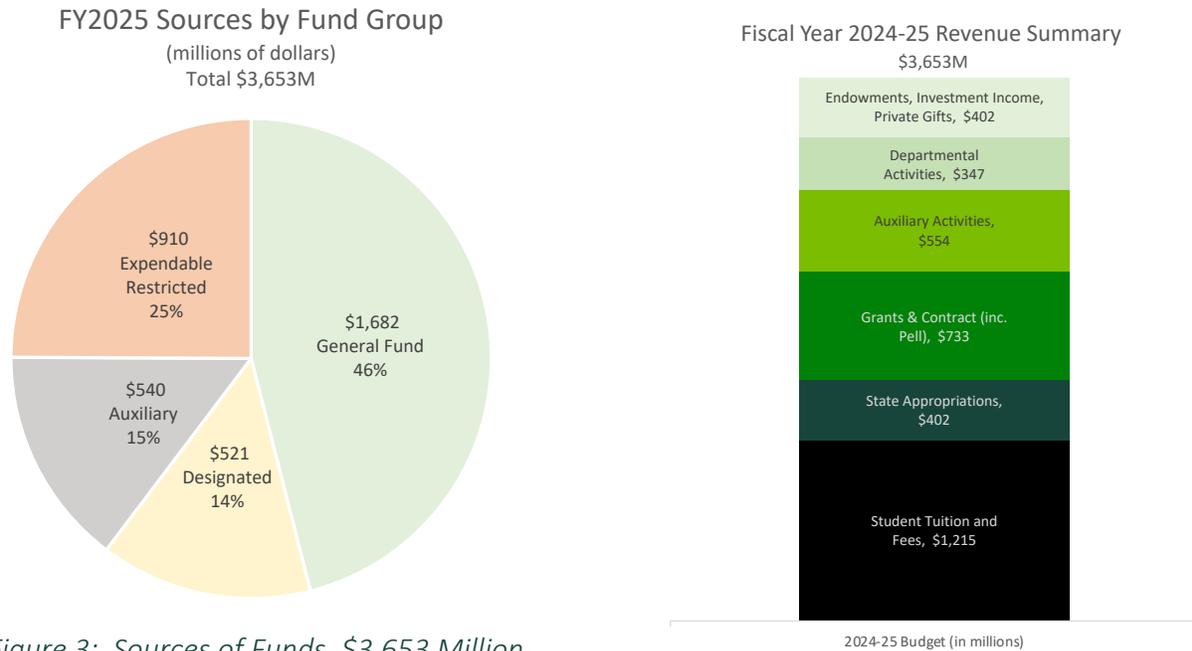
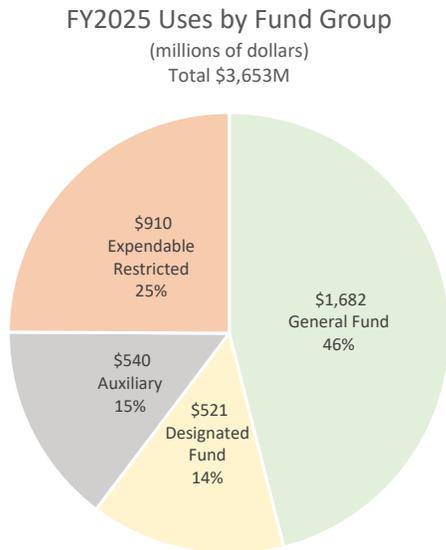


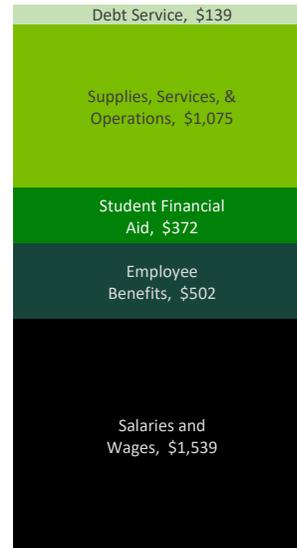
Figure 3: Sources of Funds, \$3,653 Million

Conversely, more than half of expenditures support salaries, wages, and benefits in support of compensation for faculty and staff and occur across all fund groups.

Figure 4: Uses of Funds, \$3,653 Million



Fiscal Year 2024-25 Expense Summary
\$3,653M

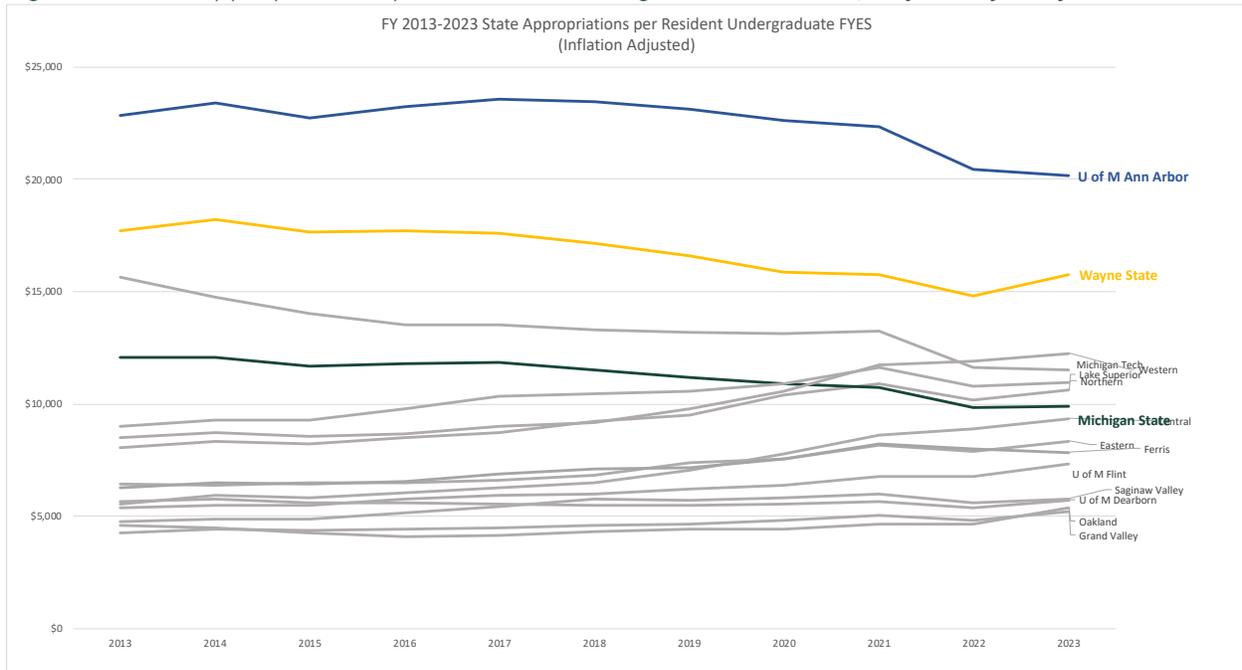


2024-25 Budget (in millions)

Cost Pressures

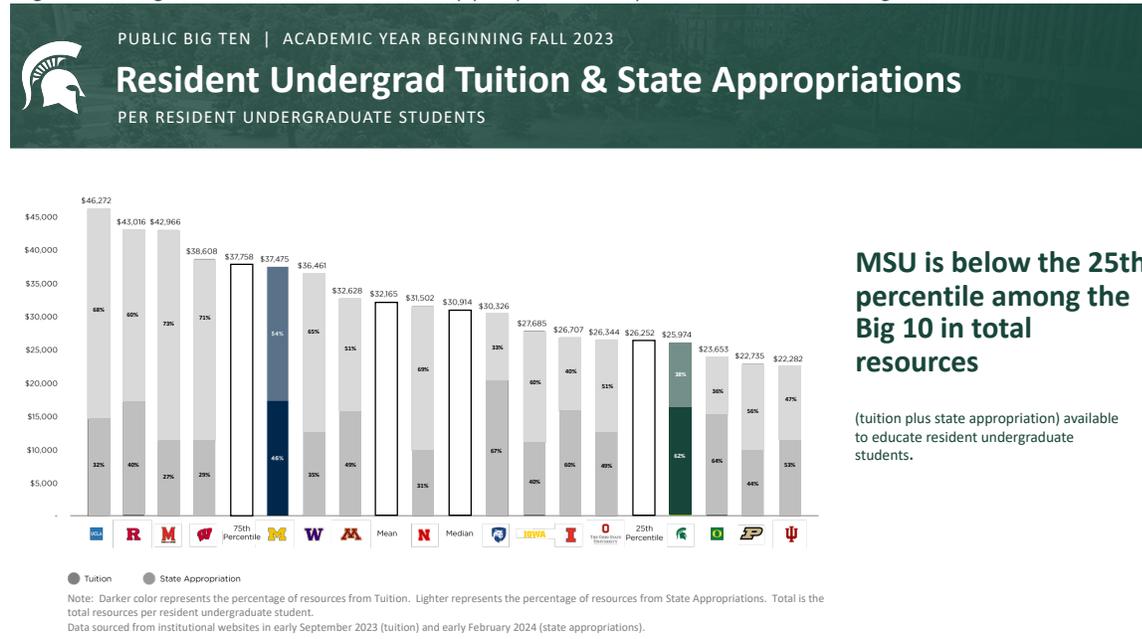
Although inflation has recently begun to moderate, the ongoing impact of addressing cost increases continues in this budget and related funding tradeoffs. The relative level of resources available to MSU resident undergraduate students as compared to Michigan institutions and our Big 10 peers further exacerbates the tradeoffs needed. As first described in the FY 2024 budget narrative, inflation-adjusted state appropriations per resident undergraduate student declined over the previous decade. An update of that analysis shows that trend continuing, with a nearly 10% decline in inflation-adjusted appropriations, while the other two research-intensive institutions declined by 3% or less.

Figure 5: State Appropriations per Resident Undergraduate Student, Adjusted for Inflation



MSU educates the highest percentage of resident students in Michigan among all public institutions. In 2023, MSU enrolled nearly 21% of all resident students, almost double the second largest at 11%. We also educate a higher percentage of resident students than all but two of our Big 10 sister institutions, which is a testament to the value we place on the land grant mission entrusted to us. However, when compared to Big 10 institutions, MSU continues to lag our peers in resources per resident undergraduate student. When looking at the combination of tuition price and state appropriation per resident undergraduate student, MSU falls below the 25th percentile among the public Big 10 institutions (see Figure 6 below). The relative lack of resources means that we must continue to identify new and innovative ways to deliver on our mission and ensure that resources are available to all students who come to us to provide competitive programs, support, and services.

Figure 6: Big 10 Tuition and State Appropriations per Resident Undergraduate Student



KEY BUDGET DEVELOPMENT ASSUMPTIONS

Enrollment

Interest in an MSU degree remains high, which is evidenced by the continued increase in applications annually, and enrollment is strong. A healthy and growing student population allows MSU to allocate resources toward enhancing academic programs, expanding campus facilities, and investing in student support services. Like most institutions, MSU has recently experienced a decline in international student enrollment, impacting the revenue and campus cultural diversity. Last fall MSU welcomed 10,917 new undergraduates (entering class and transfers). Total enrollment includes international students from 138 countries, domestic students from all 50 states, Puerto Rico and Guam, and Michigan students from 82 of 83 counties. For this budget, the enrollment forecast is 11,000 new undergraduates and 2,613 new graduate students for a total population of 52,475 students. Persistence among continuing students contributes to the increased enrollment and is a solid indicator for improvement in retention and graduation rates. We expect this trend to continue.

State Appropriation and Tuition and Fees

As a public institution, MSU relies on funding from the state of Michigan to support its operations and initiatives. State appropriations provide a significant portion of the university's revenue, helping to cover essential expenses such as faculty salaries, academic programs, and facility maintenance. However, fluctuations in state appropriations can have a profound impact on MSU's

budgetary stability and planning. MSU routinely operates with just under one-half of the resident undergraduate per-student appropriations compared to other Michigan research institutions.

State appropriators are working to develop a final budget for the Fiscal Year 2025 budget and potential FY2024 supplemental spending decisions. Unlike the prior years, the budget does not include significant unspent federal resources made largely available as investments from COVID-19 pandemic spending. However, current revenue estimates for the state continue to project increased revenue available for appropriation, which suggests that the recommended operations increases proposed for higher educational institutions range from 2.5% as proposed by the Governor and Senate to 3.3% proposed by the House of Representatives are within reason. As we wait for final decisions, we have modeled a 3% increase.

Tuition rates for undergraduate students include the requested \$470 per year increase for all students. Graduate students will see a similar increase based on a per-credit-hour rate for a typical full-time course load. The rates for professional school tuition will increase by 4%, with 25% of the incremental revenue set aside to increase aid for the neediest students in those cohorts.

NEW INVESTMENTS IN SUPPORT OF OUR STRATEGIC PLAN

MSU's 2030 strategic plan prioritizes the long-term sustainability of the institution. It articulates a vision that remains true to MSU's land-grant mission, enables Spartans to advance the common good with an uncommon will and preserves the academic opportunities our land-grant heritage has afforded not only to the MSU community but to the state of Michigan and the world. Aligning resources with strategic outcomes remains a key pillar articulated within MSU's 2030 strategic plan.

President Guskiewicz plans to advance MSU's role as the university for Michigan through expanded economic development engagement. His vision will include the establishment of an advisory council working with key business, university, philanthropic and government leaders. Future budget cycles will include investments to support this activity.

Student Success

At MSU, we are focused on providing the opportunity for every student we admit to succeed and graduate. In recent years, we have increased our overall graduation rates over the past eight years to 82 percent. Student success is the measure of an institution's ability to provide an inclusive, equitable curriculum and environment with the academic, social, wellness, and financial support that enables all students to learn, thrive, persist, graduate, and succeed after graduation. It is a fundamental pillar in our strategic plan.

This fall, the Spartan One-Stop Center will be introduced, which will provide students with a single place to go for questions regarding student accounts, financial aid, and the registrar. This is based on research that indicates that such services increase student satisfaction and decrease the stress of

resolving complex issues that cross organizational lines. MSU is providing funding to support the advising initiative that has been launched to allow that initiative to continue permanently. Finally, with the planned opening of the Multicultural Center this fall, funds have been allocated for operations and programming in the facility.

Ongoing Financial Aid Initiatives

This fall MSU will welcome its first class under the new Spartan Tuition Advantage aid program, which covers tuition for first-year Pell eligible Michigan residents whose household income is \$65,000 or less. This focuses significant aid resources on those in our state with the highest levels of need. To ensure sufficient funding for new students, the budget for central undergraduate financial aid is being increased by \$6M.

At the core of MSU's land-grant values is a commitment that students receive the best educational value for their tuition dollars. In the 2023-2024 fiscal year, MSU invested more than \$236 million in student financial aid - an increase of nearly \$16 million over the previous year. These additional grants highlight MSU's commitment to investing in student success and providing an accessible world-class education. In fact, investments in financial aid have increased at an average 8% annual growth rate, outpacing the increases in the cost of tuition over the same period. MSU continues to focus on accessibility to a high-quality, world-class education for Michiganders.

Additionally, for FY25 MSU is allocating a quarter of the incremental new revenues from the tuition increase in the professional schools to financial aid. This will provide an additional \$1.4M in aid to professional school students with high levels of need.

Staff and Faculty Success

For the past two budget cycles, most incremental resources have been directed toward compensation, recognizing the exceptionally talented faculty and staff who are the core of the Spartan community. Two-thirds of the University's operating budget goes to salaries, wages, contract labor, and employee benefits each year. This budget continues to support salaries and benefits, as well as providing funding for faculty hiring through the 1855 Professorships initiative.

Investment in Research, Initiatives, and Partnerships

As President Guskiewicz evaluates opportunities to advance MSU and our reputation, he will determine signature initiatives to drive success. Such initiatives will require funding, and in anticipation of this \$2M is being set aside for that seed funding in this year's budget.

A new round of hiring through the Global Impact Initiative (GII) will be authorized at \$2M. Through the prior investments in GII, MSU has recruited more than 100 new faculty investigators to the research team to accelerate research. This comprehensive investment focuses on new and enhanced research endeavors around strategic research areas including energy, health, education, the environment, national security, and global development. The investment

in FY 2025 is included in the designated fund budget but will be included as a general fund commitment in succeeding years.

A second allocation of \$2M is included to continue the 1855 Professorship program, focused on broad diversity in faculty recruitment, including individual diversity as well as in discipline and research interest. Thus far the program has resulted in 12 new faculty, with 4 more positions that are approved under the initial allocation. This second allocation (of three planned) will allow the program to continue to expand MSU's impact on the diversity of the MSU community and areas of research interest. To date, 7 of the 12 candidates have already joined MSU's community, bringing in new scholars in areas such as algorithmic bias and the Great Lakes Anishinaabe tribes, with 3 more joining in August 2024. The remaining candidates will join in future academic years. The new allocation will allow for further recruitment of faculty.

Additionally, the budget sets aside \$4.8M toward debt service and operations related to the Plant Science Building and commitments toward the Henry Ford + Michigan State University Health Sciences Partnership in Detroit. The funding for the Plant Sciences debt service represents an initial allocation, which will require additional funding allocations in future years. The building is expected to be brought forward for authorization to proceed with construction this coming fall. The funding for the Henry Ford + MSU is expected to be the final recurring allocation needed for the successful launch of research.

Over the past several years, cost increases combined with the enrollment mix have led to a modest stress on the ability to fund centrally budgeted resources. Those activities have been supported by using one-time savings or revenues to accomplish those allocations. This budget proposal includes funding to mitigate those pressures and allows for continued improvement in the institution's margins. This will be critical to ensuring ongoing fiscal health and continued strength of credit market ratings.

A summary of the incremental sources and uses of central general fund resources follows:

Figure 7: General Fund Incremental Sources and Uses:

 MICHIGAN STATE UNIVERSITY			
FISCAL 2024-25 INCREMENTAL GENERAL FUND SOURCES & USES			
(\$ millions)			
SOURCES		USES	
FY 2024 General Fund Gross Tuition and Fee Revenue Budget	\$ 1,137.9	Investments in Faculty and Staff	
FY 2024 forecast higher/(lower) than budget	11.1	Investments in faculty and staff compensation, benefit costs and faculty hiring	\$ 46.9
incremental revenue from proposed undergraduate rates	19.8	Subtotal Investments in Faculty and Staff	46.9
incremental revenue from proposed graduate rates	8.9	Investments in Student Success	
incremental revenue from enrollment growth/change in mix	15.8	Advising support	\$ 2.0
FY 2025 Incremental Gross Base General Fund Tuition	\$ 55.6	Multicultural Center operations	1.0
% increase in General Fund Tuition and Fees	4.9%	Incremental General Fund Financial Aid	6.0
FY 2025 General Fund Gross Tuition and Fee Budget	\$ 1,193.5	Prior year financial aid commitments	5.0
% increase due to rates	2.5%	Increase in professional school financial aid	1.4
% increase due to enrollment growth	2.4%	Subtotal Investments in Student Success	\$ 15.4
<i>Note: Incremental Tuition Revenue Reserved for Financial Aid</i>	22.3%	Investments in Research, Initiatives, and Partnerships	
FY 2025 Incremental State Appropriations (estimated)		Henry Ford + MSU Research Building	\$ 0.8
Base 3% increase	\$ 9.5	Research Facilitation Allocation from F&A to Departments	3.4
Other Incremental Fund Sources		Plant Sciences Building debt service (Year 1 of 3)	4.0
Facilities and Administration Recovery	\$ 14.4	Presidential key initiative seed funds	2.0
Investment Income Support	5.0	Subtotal Investments in Research, Discovery, Health and Faculty Diversity	\$ 10.2
Subtotal Other Sources	\$ 19.4	Budget stabilization	\$ 12.0
Total New Sources Available for FY 2025 Strategic Investments	\$ 84.5	Strategic Investment Uses	\$ 84.5

Note: The \$2M GII investment detailed above is not included in this table as it is in the designated fund.

SUMMARY

MSU has maintained a strong financial foundation supporting our long-term financial health and sustainability. Our institution's priorities center around the people who contribute to its success - the students, faculty, and staff. MSU is dedicated to providing quality education, conducting impactful research, and engaging in outreach efforts. By continuously striving to improve and leaving a positive legacy, MSU ensures that Michigan State University grows stronger each day.

The narratives throughout this financial plan utilize an enterprise-focused framework. Finally, MSU notes that the budget process for an institution as complex as MSU requires considerable work on the part of budget administrators and officers at every level of the university working together as one team.

Figure 8 includes schedules for the AgBio Research and Extension budgets. Figure 9 includes budgets for Student Life and Engagement auxiliary budgets and Intercollegiate Athletics. Appendix A includes proposed tuition and fee structures for FY 2025.

Figure 8: Detailed Budgets for Michigan State University State Restricted Appropriations

 MICHIGAN STATE UNIVERSITY							
2024-25 MSU AgBioResearch Budget Summary							
ESTIMATED REVENUES/SOURCES				ESTIMATED EXPENSES/USES			
Description	FY 2025	FY 2024	\$ Change		FY 2025	FY 2024	\$ Change
FEDERAL FUNDS							
Hatch	\$ 5,555,132	\$ 5,501,654	\$ 53,478	Salaries and wages	\$ 29,536,902	\$ 29,494,696	\$ 42,206
Hatch Multistate Research	1,331,296	1,320,339	10,957	Employee benefits	9,768,396	9,747,445	20,951
Animal Health & Disease	70,834	75,655	(4,821)	Project expenses	23,195,284	20,351,050	2,844,234
McIntire-Stennis	347,825	345,716	2,109				
TOTAL ESTIMATED FEDERAL FUNDS	7,305,087	7,243,364	61,723	TOTAL EXPENSES/USES	62,500,582	59,593,191	2,907,391
ESTIMATED STATE FUNDS	39,481,360	38,518,368	962,992				
TOTAL ESTIMATED APPROPRIATIONS	46,786,447	45,761,732	1,024,715				
RESTRICTED FUNDS	15,714,135	13,831,459	1,882,676				
TOTAL REVENUES/SOURCES	\$ 62,500,582	\$ 59,593,191	\$ 2,907,391	BUDGET SURPLUS (DEFICIT)	\$ -	\$ -	\$ -

 MICHIGAN STATE UNIVERSITY							
2024-25 MSU Extension Budget Summary							
ESTIMATED REVENUES/SOURCES				ESTIMATED EXPENSES/USES			
Description	FY 2025	FY 2024	\$ Change		FY 2025	FY 2024	\$ Change
FEDERAL FUNDS							
Smith-Lever	\$ 9,949,962	\$ 9,811,925	\$ 138,037	Salaries and wages	\$ 37,455,786	\$ 34,882,051	\$ 2,573,735
Expanded Nutrition	1,912,811	1,926,674	(13,863)	Employee benefits	15,331,977	14,425,310	906,667
Renewable Resources	79,763	79,763	-	Project expenses	22,484,126	19,426,501	3,057,625
TOTAL ESTIMATED FEDERAL FUNDS	11,942,536	11,818,362	124,174	TOTAL EXPENSES/USES	75,271,889	68,733,862	6,538,027
ESTIMATED STATE FUNDS	34,055,625	33,225,016	830,609				
ESTIMATED COUNTY FUNDS	9,500,000	8,900,000	600,000				
TOTAL ESTIMATED APPROPRIATIONS	55,498,161	53,943,378	1,554,783				
RESTRICTED FUNDS	19,773,728	14,790,484	4,983,244				
TOTAL REVENUES/SOURCES	\$ 75,271,889	\$ 68,733,862	\$ 6,538,027	BUDGET SURPLUS (DEFICIT)	\$ -	\$ -	\$ -

Figure 9: Detailed Budgets for Michigan State University Intercollegiate Athletics and Student Life and Engagement Auxiliary Activities

 MICHIGAN STATE UNIVERSITY							
2024-25 Student Life and Engagement Budget Summary							
ESTIMATED AUXILIARY REVENUES/SOURCES				ESTIMATED AUXILIARY EXPENSES/USES			
Description	FY 2025	FY 2024	\$ Change		FY 2025	FY 2024	\$ Change
Residence hall rooms	\$ 82,396,910	\$ 79,863,640	\$ 2,533,270	Salaries and wages	\$ 77,353,624	\$ 76,224,496	\$ 1,129,128
Residence hall dining	109,608,108	108,038,570	1,569,538	Employee benefits	28,277,243	27,314,648	962,595
Apartment/leased space	11,621,089	11,769,695	(148,606)	Financial aid	-	-	-
Cash/counter sales	7,401,470	6,982,519	418,951	Supplies, services, and other	193,744,385	186,229,607	7,514,778
Academic space rental	2,908,832	2,440,273	468,559	Facility/furniture reserve	5,068,780	2,098,242	2,970,538
Events and conferences	9,431,973	6,076,719	3,355,254	TOTAL EXPENSES/USES	304,444,032	291,866,993	12,577,039
Kellogg Center hotel and catering	14,392,138	11,688,280	2,703,858				
Other income	66,683,512	65,007,297	1,676,215				
TOTAL REVENUES/SOURCES	\$ 304,444,032	\$ 291,866,993	\$ 12,577,039	BUDGET SURPLUS (DEFICIT)	\$ -	\$ -	\$ -

 MICHIGAN STATE UNIVERSITY							
2024-25 Intercollegiate Athletics Budget Summary							
ESTIMATED AUXILIARY REVENUES/SOURCES				ESTIMATED AUXILIARY EXPENSES/USES			
Description	FY 2025	FY 2024	\$ Change		FY 2025	FY 2024	\$ Change
Broadcasting	\$ 63,585,000	\$ 51,282,000	\$ 12,303,000	Salaries and wages	\$ 53,487,417	\$ 56,134,100	\$ (2,646,683)
Ticket sales	30,656,000	28,186,000	2,470,000	Employee benefits	11,956,386	13,785,200	(1,828,814)
Game Guarantees/Settlements	505,000	4,420,000	(3,915,000)	Financial aid	23,691,170	19,154,000	4,537,170
Post season income	9,136,000	10,769,000	(1,633,000)	Supplies, services, and other	83,110,344	72,339,900	10,770,444
Sponsorships/Multi-media rights	9,823,333	9,462,400	360,933	TOTAL EXPENSES/USES	172,245,317	161,413,200	10,832,117
Event and Miscellaneous income	2,932,900	2,501,600	431,300				
Sports camps	1,520,000	1,200,000	320,000				
Parking	1,300,000	1,400,000	(100,000)				
Investment income	-	-	-				
Licensing and royalties	3,000,000	3,000,000	-				
Ancillary programs	3,650,920	3,606,700	44,220				
Spartan Fund and other fundraising ^[1]	42,980,083	41,809,300	1,170,783				
Endowment income ^[1]	4,179,344	3,776,200	403,144				
TOTAL REVENUES/SOURCES	\$ 173,268,580	\$ 161,413,200	\$ 11,855,380	BUDGET SURPLUS (DEFICIT)	\$ 1,023,263	\$ -	\$ 1,023,263

^[1] - Revenues generated in expedable restricted funds; transferred to support Athletics activities as per the gift agreements

Figure 10: MSU Operating Fund Structure Overview

<p>All organizations in the US are expected to use commonly held accounting tenets in preparing financial statements, known as generally accepted accounting principles. Public institutions (including MSU) most commonly use Governmental Accounting Standards Board (GASB) rules.</p> <p>In addition, higher education is required to use fund accounting to track revenue and expenditures. This allows institutions to ensure that revenues and related expenditures are in alignment with the intent of the funding</p>			
General Fund	Auxiliary Funds	Designated Funds	Expendable Restricted Funds
Funds generated and used to support the general academic mission of the institution, including instruction, academic and student support, departmental research, public service, maintenance and operation of facilities, debt service, and administrative costs	Funds generated and used for activities that are ancillary to the core mission of the institution, such as Housing, Dining, and Athletics. Auxiliary operations are expected to be self-supporting (revenues cover expenses as well as facility costs and debt service)	Funds generated by departmental activities. These include instructional activities that do not generate student credit hours. Designated activities are expected to be self-supporting	Revenues provided to MSU for a specific legal or philanthropic purpose, with expenditures required to carry-out those stated purposes
Sources of Funds			
<ul style="list-style-type: none"> + Tuition and fees + State appropriations + Investment income + Administrative overhead recovery from federal grants (F&A) (shared with the Designated Fund) + Administrative overhead recovery - cost allocation charged to certain Auxiliary and Designated Funds 	<ul style="list-style-type: none"> + Room and board fees + Food and beverage sales + Trademark licensing revenue + Ticket sales (including theater and athletics) + Media rights revenue + Parking fees + Veterinary and human medical clinical revenue 	<ul style="list-style-type: none"> + Non-credit certificate programs + Symposia and conferences + Investment income + Administrative overhead recovery from Federal Grants (F&A) (shared with the General Fund) + Health and wellness fee charged to students 	<ul style="list-style-type: none"> + Research grants (federal, state and foundations) + AgBioResearch and Extension state appropriations + Pell grants + Expendable (non-endowed) gifts + Student-voted mandatory fees (student "taxes" for government groups) + Endowment payout + Unrealized gain/(loss) on investments
Uses of Funds			
Expenditures for activities supporting the academic and public service mission of the institution (instruction, academic support, etc), including:	Expenditures required to deliver the services paid for through revenues, including:	Expenditures required to deliver services paid for from revenue, including:	Expenditures required to deliver services paid for from revenue, including:
<ul style="list-style-type: none"> - Faculty and academic staff salaries and benefits - Support staff salaries and benefits - Institutional financial aid - Utilities - Materials for facility repair and maintenance - Supplies and other expenses - Debt service - Capital expenditures 	<ul style="list-style-type: none"> - Salaries and benefits - Food and beverage costs - Athletics team operational costs - Facility costs, including set aside for future capital needs (furniture replacement, facility upgrades, etc) - Performing arts performance contracts - Clinical medical services, including vet hospital, operating costs - Utilities - Administrative overhead charges - Debt Service 	<ul style="list-style-type: none"> - Salaries and benefits - Materials to support delivery of programs - Debt service, including survivor-settlement debt - Faculty research start-up funds (F&A) - Capital expenditures 	<ul style="list-style-type: none"> - Federal research expenditures, including salaries and benefits - AgBioResearch and Extension expenditures, including salaries and benefits - Expenditures aligned with intended purpose of gifts and payout from endowments - Pell grant awards to eligible recipients - Student government group expenses from "taxes"

APPENDIX A: 2024-2025 Tuition and Fees

 MICHIGAN STATE UNIVERSITY 2024-25 TUITION & FEES RATE STRUCTURE				
Resident Undergraduate		Per Credit	Per Semester	
			Flat Rate	Flat Rate+
		(1-11 SCH)	(12-18 SCH)	(>=19 SCH)
Undergraduates - Core Professional				
	Freshman	\$537.50	\$8,059.00	Flat Rate + per credit
	Sophomore	\$550.25	\$8,254.00	Flat Rate + per credit
	Junior	\$616.25	\$9,243.00	Flat Rate + per credit
	Senior	\$616.25	\$9,243.00	Flat Rate + per credit
Undergraduates - Eli Broad College of Business				
	Freshman	\$537.50	\$8,059.00	Flat Rate + per credit
	Sophomore	\$550.25	\$8,254.00	Flat Rate + per credit
	Junior	\$635.50	\$9,536.00	Flat Rate + per credit
	Senior	\$635.50	\$9,536.00	Flat Rate + per credit
Undergraduates - College of Engineering				
	Freshman	\$537.50	\$8,059.00	Flat Rate + per credit
	Sophomore	\$550.25	\$8,254.00	Flat Rate + per credit
	Junior	\$635.50	\$9,536.00	Flat Rate + per credit
	Senior	\$635.50	\$9,536.00	Flat Rate + per credit
Fees				
1) Special programmatic fees will be assessed to undergraduates as follows:				
			Per Semester	
			Full-Time	Part-Time*
				Student Level
	Recreational and Wellness Center Fee**	\$170	\$85	All Students
	College of Engineering Fee***	\$725	\$435	All Students Admitted to Major
	Eli Broad College of Business	\$452	\$226	All Students Admitted to Broad/Business
	College of Music Fee	\$300	\$150	All Students
	Science and Technology majors	\$100	\$50	Junior/Senior
	Health Sciences Majors	\$100	\$50	Junior/Senior
	<u>Student Voted Fees</u>			
	Student Government (ASMSU)	\$21	\$21	All Undergraduates
	State News ****	\$7.50	n.a.	All Students
	FM Radio (Impact 88.9)	\$3	\$3	All Students
	James Madison College Student Senate	\$3	\$3	All JMC students
	*Part-time students for fee assessment are defined as those enrolling for four credits or less per semester.			
	**No fee assessment for Recreational and Wellness Center Fee during the Summer semester.			
	***No fee assessment for part-time Engineering during the Summer semester.			
	****Assessed on students taking six or more credits.			
2) Other Notes				
Block fee for Teacher Certification Internship year is \$8,550 for resident students and \$18,540 for nonresident students.				
College of Education Masters, Doctoral, and Educational Specialist students will be assessed a special fee of \$33 per credit hour in addition to general tuition and fees applicable to all graduate students.				

MICHIGAN STATE UNIVERSITY 2024-25 TUITION & FEES RATE STRUCTURE				
Non-Resident & International Undergraduate	Per Credit	Per Semester		
		Flat Rate	Flat Rate/Credit	
	(1-11 SCH)	(12-18 SCH)	(>=19 SCH)	
Undergraduates - Core Professional				
Freshman	\$1,449.75	\$21,751.00	Flat Rate + per credit	
Sophomore	\$1,449.75	\$21,751.00	Flat Rate + per credit	
Junior	\$1,494.25	\$22,419.00	Flat Rate + per credit	
Senior	\$1,494.25	\$22,419.00	Flat Rate + per credit	
Undergraduates - Eli Broad College of Business				
Freshman	\$1,449.75	\$21,751.00	Flat Rate + per credit	
Sophomore	\$1,449.75	\$21,751.00	Flat Rate + per credit	
Junior	\$1,515.25	\$22,728.00	Flat Rate + per credit	
Senior	\$1,515.25	\$22,728.00	Flat Rate + per credit	
Undergraduates - College of Engineering				
Freshman	\$1,449.75	\$21,751.00	Flat Rate + per credit	
Sophomore	\$1,449.75	\$21,751.00	Flat Rate + per credit	
Junior	\$1,515.25	\$22,728.00	Flat Rate + per credit	
Senior	\$1,515.25	\$22,728.00	Flat Rate + per credit	
Footnotes				
¹ Core/Professional units: Arts and Letters, Natural Science, Social Science, University Undergraduate Division, Lyman Briggs, James Madison, Residential College in Arts & Humanities, Communication Arts & Sciences, Nursing, Education, Veterinary Medicine, Agriculture & Natural Resources, Music, Osteopathic Medicine, and Human Medicine.				
Fees				
1) Special programmatic fees will be assessed to undergraduates as follows:				
		Per Semester		
		Full-Time	Part-Time*	
			Student Level	
	International Student Fee	\$750	\$375	All international UG
	Recreational and Wellness Center Fee**	\$170	\$85	All Students
	College of Engineering Fee***	\$725	\$435	All Students Admitted to Major
	Eli Broad College of Business	\$452	\$226	All Students Admitted to Broad/Business
	College of Music Fee	\$300	\$150	All Students
	Science and Technology majors	\$100	\$50	Junior/Senior
	Health Sciences Majors	\$100	\$50	Junior/Senior
	Student Voted Fees			
	Student Government (ASMSU)	\$21	\$21	All Undergraduates
	State News ****	\$7.50	n.a.	All Students
	FM Radio (Impact 88.9)	\$3	\$3	All Students
	James Madison College Student Senate	\$3	\$3	All JMC students
*Part-time students for fee assessment are defined as those enrolling for four credits or less per semester.				
**No fee assessment for Recreational and Wellness Center Fee during the Summer semester.				
***No fee assessment for part-time Engineering during the Summer semester				
****Assessed on students taking six or more credits.				
2) Other Notes				
Block fee for Teacher Certification Internship year is \$8,550 for resident students and \$18,540 for nonresident students.				
Tuition and fees for special programs and courses will be determined administratively, based on programmatic considerations; this includes BISK online programs and graduate certificate programs.				

MICHIGAN STATE UNIVERSITY 2024-25 TUITION & FEES RATE STRUCTURE			
Resident Graduate		Per Credit	
Masters - Core/Professional ⁽¹⁾		\$893.00	
Masters - College of Engineering		\$992.25	
Doctoral - Core/Professional ⁽¹⁾		\$893.00	
Doctoral - College of Engineering		\$992.25	
Lifelong Education		\$893.00	
Resident Graduate Professional		Block Rates	
Broad MBA		\$17,898	
Human Medicine		\$16,282	
Extended Medical Curriculum		\$10,860	
Medical Scientist Training Program		\$11,447	
Osteopathic Medicine (entering 2020)		\$16,282	
Osteopathic Medicine (existing cohort)		\$16,282	
Extended Medical Curriculum		\$10,860	
Medical Scientist Training Program		\$11,447	
College of Veterinary Medicine (CVM-8, entering 2020)		\$16,447	
College of Veterinary Medicine (CVM-8, existing cohort)		\$16,447	
CVM Clinical Year - Fall & Spring		\$14,544	
CVM Clinical Year - Summer		\$10,304	
Medical Scientist Training Program		\$10,799	
College of Law (Juris Doctorate) ⁽²⁾		\$21,341	
Footnotes			
¹ Core/Professional units: Arts and Letters, Natural Science, Social Science, University Undergraduate Division, Lyman Briggs, James Madison, Residential College in Arts & Humanities, Communication Arts & Sciences, Nursing, Education, Veterinary Medicine, Agriculture & Natural Resources, Music, Osteopathic Medicine, and Human Medicine.			
² College of Law (Juris Doctorate) per semester block rate for students attempting 10-17 student credit hours; \$1,400 per credit for those attempting 9 or less student credit hours; block rate plus the necessary per credit assessment for students attempting 18 or more credits; other College of Law program rates as published.			
Fees			
1) Special programmatic fees will be assessed to graduate students as follows:			
	Per Semester		
	Full-Time	Part-Time*	Student Level
Recreational and Wellness Center Fee**	\$170	\$85	All Students
College of Music Fee	\$300	\$150	All Students
Student Voted Fees			
Student Government (COGS)***	\$11	\$11	All graduate students
Student Government (COMS)	\$1.50	\$1.50	All graduate professional medical
State News****	\$7.50	n.a.	All Students
FM Radio (Impact 88.9)	\$3	\$3	All Students
*Part-time students for fee assessment are defined as those enrolling for four credits or less per semester.			
**No fee assessment for Recreational and Wellness Center Fee during the Summer semester.			
***The COGS rate is \$5.00 during the Summer semester.			
****Assessed on students taking six or more credits.			
2) Other Notes			
College of Education Masters, Doctoral, and Educational Specialist students will be assessed a special fee of \$33 per credit hour in addition to general tuition and fees applicable to all graduate students.			
Tuition and fees for special programs and courses will be determined administratively, based on programmatic considerations; this includes BISK online programs and graduate certificate programs.			

 MICHIGAN STATE UNIVERSITY 2024-25 TUITION & FEES RATE STRUCTURE
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Non-Resident & International Graduate	Per Credit
Masters - Core/Professional ⁽¹⁾	\$1,729.50
Masters - College of Engineering	\$1,836.75
Doctoral - Core/Professional ⁽¹⁾	\$1,729.50
Doctoral - College of Engineering	\$1,836.75
Lifelong Education	\$1,137.00
Non-Resident & International Graduate	Block Rates
Broad MBA	\$28,369
Human Medicine	\$30,194
Extended Medical Curriculum	\$20,139
Medical Scientist Training Program	\$21,416
Osteopathic Medicine (entering 2020 or later)	\$22,646
Osteopathic Medicine (entering prior to 2020)	\$30,194
Extended Medical Curriculum	\$15,105
Medical Scientist Training Program	\$17,170
College of Veterinary Medicine (CVM-8, entering 2020 or later)	\$24,667
CVM Clinical Year - Fall & Spring	\$21,961
CVM Clinical Year - Summer	\$14,654
Medical Scientist Training Program	\$17,174
College of Veterinary Medicine (CVM-8, entering prior to 2020)	\$29,364
CVM Clinical Year - Fall & Spring	\$26,144
CVM Clinical Year - Summer	\$17,444
Medical Scientist Training Program	\$17,174
College of Law (Juris Doctorate) ⁽²⁾	\$23,712

Footnotes

¹ Core/Professional units: Arts and Letters, Natural Science, Social Science, University Undergraduate Division, Lyman Briggs, James Madison, Residential College in Arts & Humanities, Communication Arts & Sciences, Nursing, Education, Veterinary Medicine, Agriculture & Natural Resources, Music, Osteopathic Medicine, and Human Medicine.

² College of Law (Juris Doctorate) per semester block rate for students attempting 10-17 student credit hours; \$1,555 per credit for those attempting 9 or less student credit hours; block rate plus the necessary per credit assessment for students attempting 18 or more credits; other College of Law program rates as published

Fees

1) Special programmatic fees will be assessed to graduate students as follows:

	Per Semester		Student Level
	Full-Time	Part-Time*	
International Student Fee**	\$75	\$37.50	All international Grad
Recreational and Wellness Center Fee***	\$170	\$85	All Students
College of Music Fee	\$300	\$150	All Students
<u>Student Voted Fees</u>			
Student Government (COGS)****	\$11	\$11	All graduate students
Student Government (COMS)	\$1.50	\$1.50	All graduate professional medical
State News*****	\$7.50	n.a.	All Students
FM Radio (Impact 88.9)	\$3	\$3	All Students

*Part-time students for fee assessment are defined as those enrolling for four credits or less per semester.

**Does not include Graduate Studies in Education Overseas.

***No fee assessment for Recreational and Wellness Center Fee during the Summer semester.

****The COGS rate is \$5.00 during the Summer semester.

*****Assessed on students taking six or more credits.

2) Other Notes

College of Education Masters, Doctoral, and Educational Specialist students will be assessed a special fee of \$33 per credit hour in addition to general tuition and fees applicable to all graduate students.

Tuition and fees for special programs and courses will be determined administratively, based on programmatic considerations; this includes BISK online programs and graduate certificate programs.