



MICHIGAN STATE
UNIVERSITY

June 16, 2023

APPROVED
JUNE 16, 2023
BOARD OF TRUSTEES
MICHIGAN STATE UNIVERSITY

MEMORANDUM

To: Committee on Budget and Finance

From: Teresa K. Woodruff, Ph.D., Interim President 
Lisa Frace, Senior Vice President, Chief Financial Officer and Treasurer 

Subject: Fiscal Year 2023-24 Operating Budget and Tuition & Fee Rates

RECOMMENDATION

The Trustee Committee on Budget and Finance recommends that the Board of Trustees adopt the Michigan State University Fiscal Year 2023-24 Operating Budget which includes revenue and expenditure totals for the major fund groups and tuition and fee rates as presented.

RESOLUTION

BE IT RESOLVED, that the Board of Trustees adopts the Michigan State University Fiscal Year 2023-2024 Operating Budget, including tuition and fee rates for all undergraduate students for the 2023-24 academic years, and graduate tuition rates for the 2023-24 academic year.

BE IT FURTHER RESOLVED, that the Administration is directed to implement the Michigan State University Fiscal Year 2023-2024 Operating Budget as presented.

BACKGROUND & SUMMARY:

The proposed 2023-2024 budgets for the University General Fund, Designated Fund, Auxiliary Activities, and Expendable Restricted Fund (including MSU AgBioResearch, MSU Extension, Intercollegiate Athletics and Student Life and Engagement) total \$3.346 billion, representing a 5 percent increase from 2022-2023. The increase is driven mainly by increases in grant activity, including the anticipated pass-through of the Michigan Achievement Scholarship funding for Michigan residents entering MSU.



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Enrollment at MSU has remained strong, which is a testament to the value of an MSU degree. Last fall MSU welcomed 11,054 new undergraduates (entering class and transfers). Total enrollment includes international students from 138 countries, domestic students from all 50 states, and Michigan students from 82 of 83 counties. For this budget, the enrollment forecast is 11,356 new undergraduates and 2,931 new graduate students for a total population of 50,336 students. The budget, therefore, assumes relatively stable enrollment.

At the writing of this recommendation, the final appropriation from the State of Michigan is unknown. We have budgeted a 5% increase in appropriations, representing the average between the Executive, House, and Senate bills. The expendable restricted budget also assumes a 5% increase and corresponding expense increase. Finally, based on early estimates, we have budgeted \$20 million for students who qualify for the Michigan Advantage Scholarship. This line item is a pass-through, and any variance in the actual amounts awarded will similarly be reflected in the expenditure. Budgets for AgBio Research and Extension Expendable Restricted budgets can be found on page 5.

Tuition rates for undergraduate students in core professional programs were established for a three-year period during the tuition-setting process in June 2021. Setting tuition rates for multiple years provides predictability for our students, their families, and the institution. The budget, as presented, incorporates those previously approved rates, a corresponding 3 percent increase in most graduate tuition rates, as well as the fees for the Recreation and Wellness Center, including a new increase of \$40 per semester in addition to the previously approved increase to expand the design of the recreation facility to include an Olympic-sized recreational and instructional pool, for a total fee of \$170 per semester.

Proceeds from non-donor, administrative-based trust income support general fund expenditures, annual capital maintenance, debt service, and academic infrastructure requirements. Expenditures are reported annually as part of the financial statements.

Auxiliary activities have returned to normal, pre-pandemic levels, and revenues and expenditures in this budget reflect that activity. Budgets for the two largest auxiliaries, Intercollegiate Athletics and Student Life and Engagement (primarily housing and dining) are presented on page 6.

To mitigate cost increases for our most needy students, institutional financial aid will increase by \$16.4 million, an increase of 7.5%. Over the past decade, MSU has invested heavily in student financial aid, increasing funding to expand access by 134%, or six times the resident undergraduate tuition rate increase during that same time. Commitment to providing access to a Michigan State University education for Michiganders is a core value, and inextricably linked to our land grant mission.

For investments described below that occur on the General Fund, incremental revenues sources will be used to provide funding. Activities that occur within the Designated, Auxiliary and Expendable Restricted will follow the same guidelines, but as those activities are required to be self-sufficient, units will provide for those investments from within their respective funds. A summary of the centrally funded costs on the General Fund follows.

FISCAL 2023-24 INCREMENTAL GENERAL FUND SOURCES & USES
(\$ millions)

SOURCES		USES	
FY 2023 General Fund Gross Tuition and Fee Budget	\$ 1,104.8	Investments in Faculty and Staff	
Incremental Revenue from Approved Undergraduate Rates	25.3	Faculty and Academic Staff Merit Increases	\$ 18.4
Incremental Revenue from Approved Graduate Rates	3.3	Equity, excellence and market faculty merit pool	4.6
Incremental Revenue from Enrollment Growth/Change in Mix	4.5	Salary Increases - Faculty and Support Staff covered by CBAs	11.8
Incremental Gross Base General Fund Tuition	\$ 33.1	Graduate Assistant salary increases	2.3
% increase in Base General Fund Tuition	3.0%	Base Benefit Costs	8.7
		Subtotal Investments in Faculty and Staff	\$ 45.8
FY 2024 General Fund Gross Tuition and Fee Budget	\$ 1,137.9	Investments in Campus Wellness	
% increase in Base General Fund Tuition Due to Rate Increase	2.6%	Additional Title IX office resources	\$ 2.5
% increase in Base General Fund Tuition Due to Mix	0.4%	University Health and Wellness operations	3.0
FY 2023 General Fund Financial Aid Estimate	\$ 220.3	Security operations center funding	2.5
Increase in Base Financial Aid	10.5	Subtotal Investments in Campus Wellness	\$ 8.0
Financial Aid - Residency Mix and Student Need	5.9	Base Budget Adjustments	
FY 2024 Proposed Financial Aid Budget	\$ 236.7	Debt Service savings	\$ (9.3)
FY 2024 Net Incremental Tuition and Fee Revenue	\$ 16.7	Uncommitted FY 23 faculty retention funding - support Equity and Excellence	(2.3)
FY 2024 Incremental State Appropriations (proposed)		Uncommitted prior period funding to support inflationary costs	(1.9)
Base 4% increase plus change in one-time appropriations	\$ 15.1	Subtotal Investments in Base Budget and Inflationary Adjustments	\$ (13.5)
Change in State Appropriations	\$ 15.1		
FY 2024 Incremental Facilities and Administration cost recovery	\$ 8.5		
Total New Sources Available for FY 2024 Base and Strategic Invest	\$ 40.3	Uses of Incremental Revenue	\$ 40.3

The highest priority for funding in this budget is compensation, with 71% of the incremental revenues allocated to salaries, wages, and benefits increases. The budget allocates \$37.1 million to increased General Fund salaries and \$8.7 million to related benefits in the coming year.

Additional investments will be made in campus wellness, including support for additional Title IX office resources, support for University Health and Wellness operations, and security operations center funding totaling \$8 million.

Reductions in existing budgets were identified to expand the pool of resources for incremental investment. Debt service costs on the general fund are reduced, related to recent debt refinancing as well as debt retirement. Finally, funds allocated in prior years have been redirected to allow for a balanced budget. There will be no unit budget reductions or general increases.

Appendix A contains detailed tuition and fee rates for the 2023-24 academic year.



2023-24 MSU AgBioResearch Budget Summary

(\$ millions)

Description	ESTIMATED REVENUES/SOURCES			ESTIMATED EXPENSES/USES			
	FY 2024	FY 2023	\$ Change	FY 2024	FY 2023	\$ Change	
FEDERAL FUNDS							
Hatch	\$ 5.5	\$ 5.5	\$ -	Salaries and wages	\$ 29.5	\$ 27.9	\$ 2
Hatch Multistate Research	1.3	1.3	-	Employee benefits	9.7	9.1	1
Animal Health & Disease	0.1	0.1	-	Project expenses	20.4	13.2	7
McIntire-Stennis	0.4	0.4	-				
TOTAL ESTIMATED FEDERAL FUNDS	\$ 7.3	\$ 7.3	\$ -	TOTAL EXPENSES/USES	\$ 59.6	\$ 50.2	\$ 9.4
ESTIMATED STATE FUNDS	38.5	35.6	2.9				
TOTAL ESTIMATED APPROPRIATIONS	45.8	42.9	2.9				
RESTRICTED FUNDS	13.8	7.3	6.5				
TOTAL REVENUES/SOURCES	\$ 59.6	\$ 50.2	\$ 9.4	BUDGET SURPLUS (DEFICIT)	\$ -	\$ -	\$ -



2023-24 MSU Extension Budget Summary

(\$ millions)

Description	ESTIMATED REVENUES/SOURCES			ESTIMATED EXPENSES/USES			
	FY 2024	FY 2023	\$ Change	FY 2024	FY 2023	\$ Change	
FEDERAL FUNDS							
Smith-Lever	\$ 9.8	\$ 9.7	\$ 0.1	Salaries and wages	\$ 34.9	\$ 31.2	\$ 3.7
Expanded Nutrition	1.9	1.9	-	Employee benefits	14.4	12.6	1.8
Renewable Resources	0.1	0.1	-	Project expenses	19.4	14.4	5.0
TOTAL ESTIMATED FEDERAL FUNDS	\$ 11.8	\$ 11.7	\$ 0.1	TOTAL EXPENSES/USES	68.7	58.2	10.5
ESTIMATED STATE FUNDS	33.2	30.7	2.5				
ESTIMATED COUNTY FUNDS	8.9	8.9	-				
TOTAL ESTIMATED APPROPRIATIONS	53.9	51.3	2.6				
RESTRICTED FUNDS	14.8	6.9	7.9				
TOTAL REVENUES/SOURCES	\$ 68.7	\$ 58.2	\$ 10.5	BUDGET SURPLUS (DEFICIT)	\$ -	\$ -	\$ -

 **MICHIGAN STATE UNIVERSITY** **2023-24 Intercollegiate Athletics Budget Summary**

(\$ millions)

ESTIMATED AUXILIARY REVENUES/SOURCES				ESTIMATED AUXILIARY EXPENSES/USES			
Description	FY 2024	FY 2023	\$ Change		FY 2024	FY 2023	\$ Change
Broadcasting	\$ 51.3	\$ 46.7	\$ 4.6	Salaries and wages	\$ 56.1	\$ 47.8	\$ 8.3
Ticket sales	28.2	25.8	2.4	Employee benefits	13.8	12.0	1.8
Game Guarantees/Settlements	4.4	4.6	(0.2)	Financial aid	19.2	21.9	(2.7)
Post season income	10.8	10.7	0.1	Supplies, services, and other	72.3	64.9	7.4
Sponsorships/Multi-media rights	9.5	9.8	(0.3)				
Event and Miscellaneous income	2.5	2.5	-	TOTAL EXPENSES/USES	161.4	146.6	14.8
Sports camps	1.2	1.5	(0.3)				
Parking	1.4	1.4	-				
Investment income	-	-	-				
Licensing and royalties	3.0	3.0	-				
Ancillary programs	3.6	3.7	(0.1)				
Spartan Fund and other fundraising ^[1]	41.8	33.6	8.2				
Endowment income ^[1]	3.8	3.3	0.5				
TOTAL REVENUES/SOURCES	\$ 161.5	\$ 146.6	\$ 14.9	BUDGET SURPLUS (DEFICIT)	\$ 0	\$ -	\$ 0

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

 **MICHIGAN STATE UNIVERSITY** **2023-24 Student Life and Engagement Budget Summary**

(\$ millions)

ESTIMATED AUXILIARY REVENUES/SOURCES				ESTIMATED AUXILIARY EXPENSES/USES			
Description	FY 2024	FY 2023	\$ Change		FY 2024	FY 2023	\$ Change
Residence hall rooms	\$ 79.9	\$ 74.2	\$ 5.7	Salaries and wages	\$ 76.2	\$ 74.8	\$ 1.4
Residence hall dining	108.0	99.7	8.3	Employee benefits	27.4	23.6	3.7
Apartment/leased space	11.8	11.2	0.6	Financial aid	-	-	-
Cash/counter sales	7.0	3.9	3.1	Supplies, services, and other	186.2	165.6	20.6
Academic space rental	2.4	2.2	0.2	Facility/Furniture Refresh Res	2.1	6.3	(4.2)
Events and conferences	6.1	7.8	(1.7)	TOTAL EXPENSES/USES	291.9	270.3	21.6
Kellogg Center hotel and catering	11.7	10.7	1.0				
Other income	65.0	60.6	4.4				
TOTAL REVENUES/SOURCES	\$ 291.9	\$ 270.3	\$ 21.6	BUDGET SURPLUS (DEFICIT)	-	-	-


**MICHIGAN STATE UNIVERSITY
2023-24 TUITION & FEES RATE STRUCTURE**

Resident Undergraduate	Per Credit (1-11 SCH)	Per Semester	
		Flat Rate (12-18 SCH)	Flat Rate+ (≥19 SCH)
Undergraduates - Core Professional			
Freshman	\$521.75	\$7,824.00	Flat Rate + per credit
Sophomore	\$534.50	\$8,019.00	Flat Rate + per credit
Junior	\$600.50	\$9,008.00	Flat Rate + per credit
Senior	\$600.50	\$9,008.00	Flat Rate + per credit
Undergraduates - Eli Broad College of Business			
Freshman	\$521.75	\$7,824.00	Flat Rate + per credit
Sophomore	\$534.50	\$8,019.00	Flat Rate + per credit
Junior	\$620.00	\$9,301.00	Flat Rate + per credit
Senior	\$620.00	\$9,301.00	Flat Rate + per credit
Undergraduates - College of Engineering			
Freshman	\$521.75	\$7,824.00	Flat Rate + per credit
Sophomore	\$534.50	\$8,019.00	Flat Rate + per credit
Junior	\$620.00	\$9,301.00	Flat Rate + per credit
Senior	\$620.00	\$9,301.00	Flat Rate + per credit

Fees**1) Special programmatic fees will be assessed to undergraduates as follows:**

	Per Semester		Student Level
	Full-Time	Part-Time*	
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.

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
2023-24 TUITION & FEES RATE STRUCTURE

Non-Resident & International Undergraduate	Per Credit (1-11 SCH)	Per Semester	
		Flat Rate (12-18 SCH)	Flat Rate/Credit (≥19 SCH)
Undergraduates - Core Professional			
Freshman	\$1,434.25	\$21,516.00	Flat Rate + per credit
Sophomore	\$1,434.25	\$21,516.00	Flat Rate + per credit
Junior	\$1,478.75	\$22,184.00	Flat Rate + per credit
Senior	\$1,478.75	\$22,184.00	Flat Rate + per credit
Undergraduates - Eli Broad College of Business			
Freshman	\$1,434.25	\$21,516.00	Flat Rate + per credit
Sophomore	\$1,434.25	\$21,516.00	Flat Rate + per credit
Junior	\$1,499.75	\$22,493.00	Flat Rate + per credit
Senior	\$1,499.75	\$22,493.00	Flat Rate + per credit
Undergraduates - College of Engineering			
Freshman	\$1,434.25	\$21,516.00	Flat Rate + per credit
Sophomore	\$1,434.25	\$21,516.00	Flat Rate + per credit
Junior	\$1,499.75	\$22,493.00	Flat Rate + per credit
Senior	\$1,499.75	\$22,493.00	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		Student Level
	Full-Time	Part-Time*	
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
2023-24 TUITION & FEES RATE STRUCTURE**

Resident Graduate	Per Credit
Masters - Core/Professional ⁽¹⁾	\$867.00
Masters - College of Engineering	\$966.25
Doctoral - Core/Professional ⁽¹⁾	\$867.00
Doctoral - College of Engineering	\$966.25
Lifelong Education	\$867.00
Resident Graduate Professional	Block Rates
Broad MBA	\$17,210
Human Medicine	\$15,656
Extended Medical Curriculum	\$10,443
Medical Scientist Training Program	\$11,028
Osteopathic Medicine (entering 2020)	\$15,656
Osteopathic Medicine (existing cohort)	\$15,656
Extended Medical Curriculum	\$10,443
Medical Scientist Training Program	\$11,028
College of Veterinary Medicine (CVM-8, entering 2020)	\$15,814
College of Veterinary Medicine (CVM-8, existing cohort)	\$15,814
CVM Clinical Year - Fall & Spring	\$13,984
CVM Clinical Year - Summer	\$9,907
Medical Scientist Training Program	\$10,405
College of Law (Juris Doctorate) ⁽²⁾	\$20,520

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 graduate students as follows:**

	Per Semester		Student Level
	Full-Time	Part-Time*	
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.

Appendix A

MICHIGAN STATE UNIVERSITY 2023-24 TUITION & FEES RATE STRUCTURE

Non-Resident & International Graduate	Per Credit
Masters - Core/Professional ⁽¹⁾	\$1,703.50
Masters - College of Engineering	\$1,810.75
Doctoral - Core/Professional ⁽¹⁾	\$1,703.50
Doctoral - College of Engineering	\$1,810.75
Lifelong Education	\$1,111.00
Non-Resident & International Graduate	Block Rates
Broad MBA	\$27,278
Human Medicine	\$29,033
Extended Medical Curriculum	\$19,365
Medical Scientist Training Program	\$20,696
Osteopathic Medicine (entering 2020 or later)	\$21,775
Osteopathic Medicine (entering prior to 2020)	\$29,033
Extended Medical Curriculum	\$14,524
Medical Scientist Training Program	\$16,614
College of Veterinary Medicine (CVM-8, entering 2020 or later)	\$23,718
CVM Clinical Year - Fall & Spring	\$21,116
CVM Clinical Year - Summer	\$14,090
Medical Scientist Training Program	\$16,617
College of Veterinary Medicine (CVM-8, entering prior to 2020)	\$28,235
CVM Clinical Year - Fall & Spring	\$25,138
CVM Clinical Year - Summer	\$16,773
Medical Scientist Training Program	\$16,617
College of Law (Juris Doctorate) ⁽²⁾	\$22,800

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 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
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.

**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.