



MICHIGAN STATE UNIVERSITY
BOARD OF TRUSTEES
Executive Action Summary

Budget & Finance Committee-Attachment 1

APPROVED

OCTOBER 31, 2025

**BOARD OF TRUSTEES
MICHIGAN STATE UNIVERSITY**

Date: October 31, 2025

Committee Name: Budget & Finance

Agenda Item: State of Michigan Fiscal Year (SFY) 2027 Capital Outlay Project Request and Five-Year Capital Plan



Information



Discussion



Action

Resolution:

BE IT RESOLVED, that the Board of Trustees of Michigan State University hereby adopts the State Fiscal Year 2027 Capital Outlay Project Request and Five-Year Capital Outlay Plan included as Attachment A hereto.

Recommendation:

The Trustee Committee on Budget & Finance recommends that the Board of Trustees adopt Michigan State University's State Fiscal Year (SFY) 2027 Capital Outlay Request for State of Michigan cost participation for the project titled "Engineering and Digital Innovation Center", and the Five-Year Capital Plan. Action on the request authorizes the Administration to respond to the State of Michigan Budget Office reporting requirements and submit a Capital Outlay request for state cost participation. The report and request are due to the State Budget Office no later than October 31, 2025.

Prior Action by BOT:

- October 28, 2022: The Board authorized the Engineering and Digital Innovation Center as the capital outlay request to be submitted to the state for cost participation for SFY2024.
- October 27, 2023: The Board authorized the Engineering and Digital Innovation Center as the capital outlay request to be resubmitted to the state for cost participation for SFY2025.
- October 31, 2024: The Board authorized the Engineering and Digital Innovation Center as the capital outlay request to be resubmitted to the state for cost participation for SFY2026.

Responsible Officers: Barbara J. Kranz, Assistant Provost and Executive Director, Institutional Space Planning and Management

Summary: It is recommended that the Board of Trustees adopt the Engineering and Digital Innovation Center as MSU's SFY2027 Capital Outlay Request for the State of Michigan cost participation project, and the Five-Year Capital Plan for submission to the State of Michigan Budget office by October 31, 2025.

Background Information:

Five-Year Capital Outlay Plan

The State of Michigan Capital Outlay process requires that public universities and community colleges submit a Five-Year Capital Outlay Plan that is intended to provide state policymakers with the most current information available on institutional priorities and needs. Institutions may request state funding for a capital outlay project. The requested project must be a logical extension of information contained in the Five-Year Capital Plan and address a specific academic or research need of the institution. The plan must be approved annually by the institution's governing body and is to include state-supported and institutional-funded projects regardless of fund source.

To optimize flexibility, the university provides a more significant potential list of priority projects, hence the list appears greater than the number of projects that would move forward in the five-year timeframe. The MSU capital outlay project request and capital priorities support programs with strong national reputations, expanding research bases, and high enrollment demand that will sustain the university and its contributions to Michigan. Funding of these requests will advance economic development in the state, now and in the long term.

Capital Outlay Project Request

The SFY2027 Capital Outlay request is for construction of a new Engineering and Digital Innovation Center (EDIC). The new center will support the emergence of a strong and transformative ecosystem focused on the convergence of digital and physical technologies. It will bring together a range of teaching, learning, and research activities across multiple colleges and disciplines to create an energized, innovative, and entrepreneurial community focused on digital futures. The academic partnership across six colleges (Engineering, Natural Science, Arts and Letters, Business, Communications Arts and Sciences, and Social Science) is intentional and will lead to interdisciplinarity in learning and research.

The center will:

- Provide new capacity, critical to support MSU's decade-long pattern of growth, both in student enrollment and in research. In Fall 2025, MSU celebrated its second-largest ever enrollment of 51,538 students. Total undergraduate enrollment is 41,415 students up from 41,234 last year.
- Continue to attract new faculty and increase research productivity that culminated in research expenditures of \$932 million in 2024, aligning with MSU's upward trend and putting the University on track to reach its \$1 billion goal by 2030.
- Align modern building infrastructure and space functionality with the research and instructional needs of today and well into the future, through state-of-the-art experimental and computational research labs, technology-rich instructional spaces, and a cutting-edge entrepreneurship and innovation hub.
- The EDIC will accommodate approximately 65 experimental and computational principal investigators and their research teams, becoming MSU's center for excellence in artificial intelligence, space electronics, quantum computing, materials science, and computational science.
- Equip MSU graduates with the skills in computational sciences and digital literacy necessary for postgraduate success in the growing job market. The U.S. Bureau of Labor Statistics forecasts employment in computer and information technology to grow much faster than average occupations through 2034, with about 317,000 job openings projected on average annually.

As a result, the center will enable new synergies and enhanced potential for discovery and increase the potential to attract significant federal funding in high-demand research areas. This center will be a physical and symbolic gateway to the digital future at MSU – a home for new ideas and transformational learning and research. This investment will provide the foundation to respond to industry needs and student demand, support economic development in Michigan, leverage the opportunities provided by FRIB for heavy-ion radiation testing of integrated chip-based systems, and provide research infrastructure for growth in materials research and emerging initiatives such as semiconductor research.

Source of Funds:

The request to the state of Michigan for cost participation in the EDIC through this capital outlay request is for \$70 million of the estimated project cost of \$340 million.

The State of Michigan appropriated \$30 million via the higher education bill in July 2023. This request is for an additional \$70 million for state of Michigan cost participation through the capital outlay process, for a total state contribution of \$100 million.

Resource Impact:

Not applicable.

Attachment A

Michigan State University

Fiscal Year 2027 Capital Outlay Project Request and Five-Year Capital Plan

Section I: MSU Capital Outlay SFY27 5-Year Planning	
FY26 Est. (mil.)	
Capital Outlay Priority – New Construction	
Engineering and Digital Innovation Center (EDIC) - New Construction - Research Support and Expansion	\$340.0M
MSU 5-Year Capital Planning (Alphabetical Order)	
Renovations and Additions	
4000 Collins Rd./Office Complex Bldg Refrigeration System Replacement	\$3.6M - \$4.2M
Akers Hall - Student room furniture/case goods replacement (312 rooms)	\$1.0M - \$1.5M
Auditorium Building - Renovation of the main auditorium to support teaching, learning, outreach	\$33.6M - \$59.2M
Bio-Engineering Facility (IQ) - Build-out 3rd and 4th Floor - Bio Design	TBD
Biomedical Animal Resources - Provision for Large Animal - Housing and Surgery	\$15.8M - \$23.8M
Breslin Center-Arena special event lighting control panel replacement (lifecycle)	\$1.0M - \$1.3M
BSL-3 Research Expansion - Additional Labs	\$18.8M - \$22.6M
BSL-3 Research Expansion - Multi-Species Flexible - Housing/Procedure Space (Ph 2/2)	\$13.5M - \$15.0M
Center for Integrative Plant Systems (CIPS) Demolition	\$7.3M - \$8.3M
Clinical Center A-Wing - Renovate for Research Expansion	\$172.0M - 193.5M
Clinical Center B-Wing - Renovate for Research Expansion & Learning	\$21.2M - \$28.4M
Clinical Center/Radiology Renovations and Cyclotron Instruments	\$4.8M
College of Social Science - Office and Teaching Lab Renovations in Berkey Hall	\$2.0M
Engineering - Renovations - Research and Learning (New Construction Related Backfill)	\$12.8M - \$16.2M
FRIB Electrical Substation Replacement	\$4.8M
Grand Rapids Research Center (GRRC) 5th Floor Lab Fit-out	\$9.7M - \$10.1M
Greenhouses - Phase 2 - Renovations and Replacements	TBD
HCI Ambulatory Surgery Center - renovations to 4700 Hagadorn Rd.	\$9.0M - \$10.0M
HCI Hagadorn Renovations for Future Clinical Consolidation and Expansion	\$2.4M - \$3.2M
High Energy Ion Single Event Effects Testing Facility	\$416.0M
Holmes Hall-Student room furniture/case goods replacement (664 rooms)	\$1.5M - \$1.6M
Hubbard Hall- Student room bed replacement (1250 beds)	\$1.0M - \$1.3M
IM West Planning Study	\$5.2M
Incinerator Building Replacement	TBD
Kinesiology Space Improvements and Expansion - Renovation and/or New Construction	TBD
Kresge Art Center - Comprehensive Renovations - Teaching and Learning, Research	\$56.0M - \$60.3M
Learning Space Improvements - Annual Investment for Upgrades & Improvements (\$6M annually)	\$6.0M
Library North Plaza	\$10.0M - \$11.0M
Life Science Building (A&B) HVAC replacement and related (phased approach)	\$126.0M - \$144.0M
Life Science Building Replace PCB transformers and related equipment	\$2.1M
McDonel Hall-Student room furniture/case goods replacement (580 rooms)	\$1.3M - \$1.5M
MSU Museum Collections Facility	TBD
Old Botany - Comprehensive Renovation	\$13.9M - \$14.9M
Pavilion - Building Addition	\$9.0M - \$17.0M
Plant Biology Building - Renovate for Plant and Environmental Science Research, Teaching and Learning - including Core Aquatic Facility	\$130.0M - \$150.0M
Starbucks Renovation at 1855 Place (required by contract)	\$1.3M - \$1.5M
Strategic Workplace Improvements - Hannah Administration and Olds Hall	\$8.0M - \$10.0M
Veterinary Teaching Hospital - Renovation and/or New Construction	TBD

New Construction - New Building	
Chemical Waste Facility - New Construction	\$42.1M - \$42.5M
Transportation Services Center Relocation	\$26.1M - \$28.7M
Major Systems Maintenance & Utilities (Alphabetical Order)	
#2 Steam Turbine Generator Stator Rewind	\$3.2M - \$3.6M
Breslin Center Masonry Restoration	\$3.1M - \$4.2M
Case Hall - 2 Passenger Elevators I of II Lifecycle Replacement	\$1.0M - \$1.6M
Case Hall - 2 Passenger Elevators II of II Lifecycle Replacement	\$1.0M - \$1.6M
Communication Arts Replace controls on HVAC units 1-15	\$1.1M
Computer Center Replace PCB transformers and related equipment	\$3.1M
Demolition - Unit 4 Boiler and Replacement w/ New High Pressure Boiler	\$30.0M - \$40.0M
East Cooling Tower Replacement	\$9.7M - \$10.2M
Food Science Replace PCB Transformers and Related Equip.	TBD
Replace Water Main Distribution - (\$1.0M annually FY26 - FY29)	\$1.0M
Hannah Administration Floor Drain Repairs/Relining	\$1.3M- \$1.4M
Holden Hall Replace PCB transformers and related equipment	\$1.6M
Holmes Hall - New - Life Safety System (installaton located in all areas of building)	\$16.4M - \$16.6M
Holmes Hall - Living wings-vertical riser-domestic water supply piping lifecycle replacement	\$7.3M - \$7.8M
Human Ecology Replace sub-basement sanitary mains	\$1.0M - \$3.0M
Install 4th RICE Engine	\$22.4M - \$23.7M
Kellogg Center - 4 Elevator Replacements Lifecycle Replacement	\$2.6M - \$3.1M
Kellogg Center-tower roof replacement and chilled water loop replacement; masonry repairs on tower	\$1.6M - \$1.9M
Library Replace fire alarm system	\$2.6M - \$4.2M
Linen Services Replace Electrical Substation and Medium Voltage Switchgear	\$3.1M - \$4.1M
McDonel Hall - 2 Passenger Elevators I of II Lifecycle Replacement	\$1.0M - \$1.6M
McDonel Hall - 4 Passenger Elevators II of II Lifecycle Replacement	\$1.0M - \$1.6M
McDonel Hall - New - Life Safety (installation located in east and west living wings)	\$11.1M - \$11.4M
McDonel Hall-Living wings-vertical riser-domestic water supply piping lifecycle replacement I of V	\$1.3M - \$1.6M
McDonel Hall-Living wings-vertical riser-domestic water supply piping lifecycle replacement II of V	\$1.3M - \$1.6M
Modifications to Consumers Gas Supply - Gas Compressor Bldg. Replacement	\$1.5M
Munn Ice Arena LED replacement	\$1.0M - \$1.1M
Natural Science HVAC System Replacement/Renewal	TBD
Olin Health Center Infrastructure Renewal	\$30M - \$32M
Outdoor Track Relocation	\$5.2M - \$6.0M
Owen Hall-Living wings-vertical riser-domestic water supply piping lifecycle replacement II of IV	\$1.3M - \$1.6M
Owen Hall-Living wings-vertical riser-domestic water supply piping lifecycle replacement III of IV	\$1.3M - \$1.6M
Owen Hall-Living wings-vertical riser-domestic water supply piping lifecycle replacement IV of IV	\$1.3M - \$1.6M
Power Plant Substations (4160V) Renewal and Expansion	\$12.0M - \$15.0M
Public Safety Replace fire alarm system	\$1.6M - \$3.1M
Regional Chilled Water Plant Replace Chillers 9 & 10	TBD
Replace combustion turbine rotating assembly	\$3.6M - \$4.7M
Replace Power Plant Motor Control Centers	\$3.2M - \$3.5M
Replace Wells/Wellhouses (Phase 3)	\$2.1M - \$3.1M
Restore Storm Sewer Outfalls at Red Cedar River	TBD
Spartan Child Development Center Replace Fire Suppression Systems	\$1.0M - \$1.3M
Spartan Stadium LED Replacement	\$10.0M
Spartan Village Apartment Buildings Decommissioning 1 of 2	\$3.1M - \$3.6M
Spartan Village Apartment Buildings Decommissioning 2 of 2	\$3.1M - \$3.6M
Steam distribution renewal -- (\$1.0M annually through FY29)	\$1.0M

TB Simon automated load shedding system	\$1.0M
TB Simon Install Second Reverse Osmosis System	\$1.0M - \$2.1M
Transition to off-site generation for demineralizer	\$1.0M - \$1.6M
VanHoosen Hall - Apartment renovations; new life safety system installation; mechanical renewals	\$1.9M - \$2.1M
Vet Diagnostic Lab - Replace Chillers	\$5.0M - \$8.0M
Vet Med Center - Elevator Replacement	\$1.5M - \$1.7M
Wharton Center Elevator Replacements	\$2.1M - \$2.3M
Wilson Hall-Living wings-vertical riser-domestic water supply piping lifecycle replacement II of V	\$1.3M - \$1.6M
Wilson Hall-Living wings-vertical riser-domestic water supply piping lifecycle replacement III of V	\$1.3M - \$1.6M
Wilson Hall-Living wings-vertical riser-domestic water supply piping lifecycle replacement IV of V	\$1.3M - \$1.6M
Wilson Hall - Living wings-domestic water supply vertical riser piping lifecycle replacement V of V	\$1.3M - \$1.6M
Wilson Hall-Student room furniture/case goods replacement (579 rooms)	\$1.3M - \$1.5M