



BOARD OF TRUSTEES

Executive Action Summary

Committee Name Budget and Finance

Date June 12, 2026

Agenda Item: Fiscal Year 2027 Operating Budget and Tuition & Fee Rates

☐

Information

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Review

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Action

Resolution:

BE IT RESOLVED that the Board of Trustees adopts the attached Michigan State University Fiscal Year 2027 Operating Budget, including tuition and fee rates for the 2026-2027 academic year as presented; and,

BE IT FURTHER RESOLVED that the Administration is directed to implement the Michigan State University Fiscal Year 2027 Operating Budget. If the rates approved herein exceed the legislative cap once established, the Administration is further directed to adjust resident undergraduate tuition rates to comply with the cap.

Recommendation:

The Trustee Committee on Budget and Finance recommends that the Board of Trustees adopt the Michigan State University Fiscal Year 2027 Operating Budget, including revenue and expenditure totals for the major fund groups and tuition and fee rates as presented. Tuition rates will be adjusted as necessary to comply with legislative tuition rate caps once those caps are established.

Prior Action by BOT:

The Board of Trustees approves the operating budget annually at its June meeting. Additionally, the Board of Trustees approves any proposed changes to tuition and fee rates.

Responsible Officers:

Kevin M. Guskiewicz, President

Laura Lee McIntyre, Provost and Executive Vice President for Academic Affairs

Lisa A. Frace, Senior Vice President, Chief Financial Officer and Treasurer

Summary:

The proposed FY 2027 revenue budgets for the University General Fund, Designated Fund, Auxiliary Activities, and Expendable Restricted Fund total \$3.82 billion, representing a modest increase from FY 2026.

The administration recommends the following Operating Budget be approved by the Board of Trustees for the fiscal year ending June 30, 2027:

Revenue Budget

General Fund	1,748,899
Designated	543,000
Auxiliary	581,705
Expendable Restricted	932,303
TOTAL	3,805,907

Expense Budget

General Fund	1,756,799
Designated Fund	543,000
Auxiliary	586,193
Expendable Restricted	932,303
TOTAL	3,818,295

Budget Surplus/(Deficit) \$ (12,388)

The budget includes proposed tuition increases for students, including a \$370 per-semester, or \$740 per-year, increase for all full-time students charged a block tuition rate, including undergraduate, MBA, and professional students. Part-time rates assessed per credit hour will increase commensurately. Graduate student rates assessed on a per-credit-hour basis will increase by \$41 per credit hour, which is equivalent to the increase for students taking a typical full-time load. All other rates will increase as presented.

Background Information:

The Board of Trustees considers the proposed budget developed by the administration, along with recommended changes to tuition and fee rates. Approval of these recommendations becomes effective for the July 1, 2026, through June 30, 2027, fiscal year. The State of Michigan establishes a cap on resident undergraduate tuition and fee rate increases annually as part of the appropriation process; if the approved tuition rates exceed the cap once established, they will be adjusted to ensure compliance.

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 the MSU 2030 Strategic Plan. A summary of the budget, assumptions and investments are attached, including detailed proposed tuition rates.

SUMMARY OF BUDGETED SOURCES AND USES BY FUND

FY 2026-27 Budget								
Description	General	Designated	Auxiliary Activities	Expendable Restricted	Total Operating Budget	FY 2026 Budget	\$ Change	% Change
TOTAL SOURCES (\$ thousands):								
Student tuition and fees	1,250,566	17,280	-	3,827	1,271,673	1,256,725	14,948	1.2%
Grants and contracts	-	-	-	-	-	-	-	-
Sponsored grants and contracts	-	-	-	611,545	611,545	606,805	4,740	0.8%
Capital grants	-	-	-	20,000	20,000	25,000	(5,000)	-20.0%
Pell and other federal programs	-	-	-	59,000	59,000	60,000	(1,000)	-1.7%
State appropriations:	-	-	-	-	-	-	-	-
Operating appropriations	324,026	-	-	72,820	396,846	408,792	(11,946)	-2.9%
One-time/special appropriations	9,645	-	-	2,206	11,851	-	11,851	NA
Departmental activities	4,000	379,610	-	-	383,610	384,426	(816)	-0.2%
Auxiliary activities	-	-	581,705	14,800	596,505	576,061	20,444	3.5%
Endowment and investment income	34,289	134,989	-	129,691	298,969	219,105	79,864	36.5%
Private gifts	-	1,378	-	144,414	145,792	138,817	6,975	5.0%
Facilities and Administration recovery	116,257	9,743	-	-	126,000	125,000	1,000	0.8%
Facilities and Administration allocated	-	-	-	(126,000)	(126,000)	(125,000)	(1,000)	0.8%
Planned use of one-time resources	10,116	-	-	-	10,116	10,116	-	0.0%
TOTAL SOURCES	1,748,899	543,000	581,705	932,303	3,805,907	3,685,847	120,060	3.3%
TOTAL USES (\$ thousands):								
Salaries and wages	902,242	101,460	286,858	326,205	1,616,765	1,591,126	25,639	1.6%
Compensation increases to be determined	TBD	TBD	TBD	TBD	TBD	-	TBD	TBD
Employee benefits	343,850	24,350	97,532	110,910	576,642	543,514	33,128	6.1%
Student financial aid	270,982	3,555	23,238	120,642	418,417	411,250	7,167	1.7%
Supplies, services, and other	264,767	413,635	178,565	374,546	1,231,513	1,190,040	41,473	3.5%
Fiscal 2025-27 budget reductions	(25,042)	-	-	-	(25,042)	(50,083)	25,041	-50.0%
TOTAL USES	1,756,799	543,000	586,193	932,303	3,818,295	3,685,847	132,448	3.6%
BUDGET SURPLUS (DEFICIT)	(7,900)	-	(4,488)	-	(12,388)	-	(12,388)	NA

Note: Compensation increases effective October 1, 2026 must be bargained for several represented organizations. All remaining increases are to be determined.

Source of Funds:

Funds include all planned operating funds of the institution. The administration regularly monitors actual activity and adjusts as needed. Operating general fund deficits will be addressed through one-time revenue and/or use of reserves. Auxiliary deficits will be managed through internal loans which will be repaid through future revenue streams.

Resource Impact:

Not applicable.

Fiscal Year 2027 Budget Overview

EXECUTIVE SUMMARY

Michigan State University (MSU) is ranked among the world's leading institutions, including 36th among U.S. institutions, 14th among U.S. public universities, and 85th globally.^[1] As the nation's premier land-grant university and one of the world's top research universities, MSU advances knowledge, conducts research of the highest caliber, and promotes outreach, engagement, and economic development. Our faculty are at the forefront of discovery, developing solutions to some of the world's most pressing challenges. MSU is a member of the American Association of Universities (AAU) and advances the common good with an uncommon will.

The operating budget aligns investments with the 2030 Strategic Plan, emphasizing faculty, staff, and student success, as well as facilities and research. Through disciplined financial stewardship, MSU is addressing near-term budget pressures while investing in long-term sustainability, operational excellence, and continued growth. Although the general fund required rebalancing, this has been achieved through a two-year series of unit budget reductions totaling 9%, beginning in FY 2026. At the same time, the university continues to invest in strategic initiatives. Total revenues are planned at \$3.806 billion, with nearly half allocated to the General Fund budget.

The university strengthened its executive leadership team over the past year with the additions of Provost and Executive Vice President for Academic Affairs Laura Lee McIntyre, Vice President for Student Affairs James Hintz, and Vice President for Research and Innovation Shashank Priya. Together, they bring deep experience in academic leadership, student success, and research innovation to advance the university's strategic priorities.

Despite the recently announced presidential leadership change, MSU's strategic initiatives remain underway. Executive leadership continues to ensure that the momentum of these efforts does not slow. Key initiatives include One Team One Health; the Green and White Council; the Uncommon Will, Far Better World campaign; Budget Model Redesign; and a procurement savings initiative — among many others.

As part of the One Team One Health initiative, the development of a new organizational structure for MSU Medicine is currently in comprehensive planning and implementation. Approved by the Board of Trustees in April 2026, the unification of the College of Human Medicine and the College of Osteopathic Medicine into MSU Medicine will create a unified college led by an Executive Dean, while preserving separate admissions, curricular, accreditation, and student support functions for the School of Human Medicine and the School of Osteopathic Medicine. This model

¹ See Chetty, R., & Friedman, J. (2026, January 28). *The world's top universities of 2026*. Time. <https://time.com/7358185/top-universities-globally-2026/>

maintains accreditation integrity and program identity while enabling more coordinated planning and administrative functions.

The Green and White Council was established to amplify MSU's role as Michigan's state university and address the state's most pressing challenges. Its three initiatives—AI-Ready Spartans, Career-Connected Spartans, and Spartan Catalyst—focus on workforce preparation, career readiness, and stronger industry partnerships. A \$5 million gift from an Eli Broad College of Business alumnus will help launch this work and advance the integration of artificial intelligence, experiential learning, and applied research across the undergraduate experience.

MSU's \$4 billion *Uncommon Will, Far Better World* campaign launched in March 2025 and had secured \$1.8 billion in pledge commitments as of early June 2026 to support scholarships, programs, and facilities across the university.

Major capital investments continue to support MSU's evolving educational and research landscape. The Leinweber Center for Engineering and Digital Innovation, approved in October 2025, is backed by a \$50 million naming commitment and more than \$100 million in philanthropic support, along with \$30 million from the State of Michigan. The Plant and Environmental Science Building and adjacent greenhouses further strengthen MSU's research and teaching capacity in areas critical to Michigan's future.

Financial stewardship remains central to MSU's success. In addition to the reductions implemented to rebalance the general fund, the university continues to optimize the use of resources through a Budget Model Redesign and procurement savings initiatives that support reinvestment in institutional priorities.

MICHIGAN STATE UNIVERSITY ALL FUNDS BUDGET SUMMARY

The all-funds budget provides a comprehensive view of financial performance, aligning revenues and expenditures with intended purpose. The format employs a sources-and-uses approach, including funding for items not typically included in an audited operating statement, such as debt service principal, internal charges between operating units, and capital investment costs. Including these components ensures that university leadership has a truly comprehensive understanding of the institution's financial picture. The foundational improvements to the budget process over the last few years and the current budget model redesign are crucial elements in supporting the ongoing modernization and transformation of financial management.

For the upcoming fiscal year, significant uncertainty remains. Changes to federal student loan policies are creating headwinds across higher education, although the full impact has yet to be realized. Professional and other graduate degree programs may be most at risk. Despite these pressures, incoming and continuing student enrollment for Fall 2026 appears strong, and we anticipate meeting our new student enrollment targets.

Compensation increases for faculty, academic staff and executive management are yet-to-be determined, as both tenure-stream faculty and fixed-term teaching faculty remain subject to the outcome of collective bargaining. Collective bargaining for compensation increases for tenure-stream faculty is expected to begin later in June. Increases for fixed-term teaching faculty are currently in bargaining.

The general fund budget includes a modest central deficit driven by slightly lower-than-planned enrollment for AY 2025–26 and a large graduating class. This deficit will be addressed through a combination of one-time revenues and/or use of reserves.

The all-funds budget includes anticipated sources of \$3.806 billion and anticipated expenditures of \$3.818 billion, which will be updated upon completion of collective bargaining. Compensation increases for represented faculty remain to be determined (TBD) pending the outcome of those negotiations. Similarly, compensation increases for non-represented faculty and staff will be finalized over the summer. Administration is committed to ensuring a smooth and equitable merit process for October increases.

Figure 1: Michigan State University's All Funds Budget

 MICHIGAN STATE UNIVERSITY SUMMARY OF BUDGETED SOURCES AND USES BY FUND									
FY 2026-27 Budget									
Description	General	Designated	Auxiliary Activities	Expendable Restricted	Total Operating Budget	FY 2026 Budget	\$ Change	% Change	
TOTAL SOURCES (\$ thousands):									
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TOTAL USES	1,756,799	543,000	586,193	932,303	3,818,295	3,685,847	132,448	3.6%	
BUDGET SURPLUS (DEFICIT)	(7,900)	-	(4,488)	-	(12,388)	-	(12,388)	NA	

Note: Compensation increases effective October 1, 2026 must be bargained for several represented organizations. All remaining increases are to be determined.

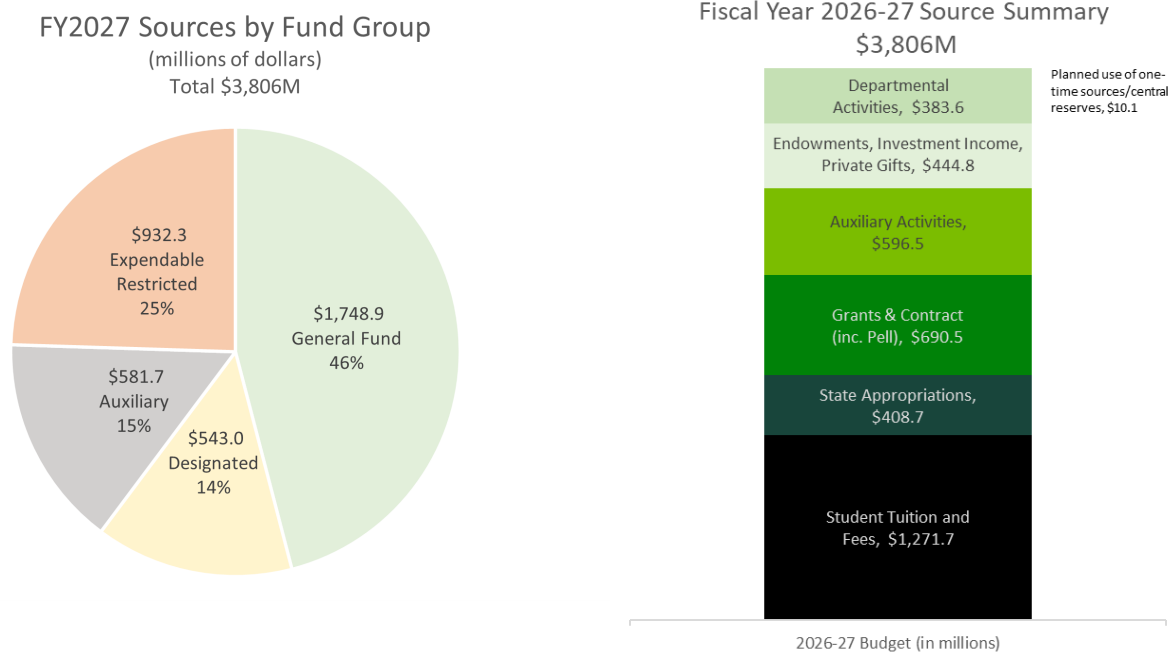
Additionally, the auxiliary fund budget includes a projected Athletic budget deficit, to be addressed through internal loan financing with repayment from future revenue streams. The creation of Spartan Ventures, which is expected to become operational on July 1, was formed to develop alternate media and sponsorship revenue streams to support Athletics and eliminate the operating deficit. The full Athletics deficit is partially offset within the broader auxiliary fund budget, by a

surplus in Residential Housing and Dining (RHS). The RHS surplus, however, is intentional as it is envisioned to be set aside in a capital reserve to support future housing renovations and will not be utilized to address deficits within other units.

Both sources and uses of funds can be viewed through two lenses: the fund generating the revenue, or the type of activity that produced the revenue. Certain types of activities may occur across multiple fund sources; the assignment of 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 7 at the end of this document.

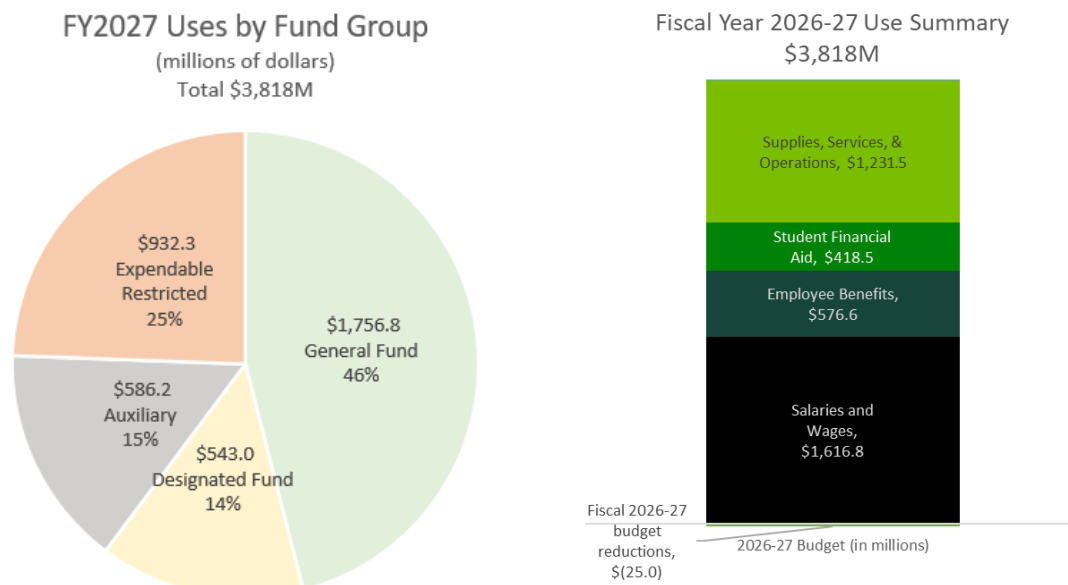
Nearly half of the revenue to support the institution's operations comes from student tuition, fees, and state appropriations. Most of those revenues are included in the general fund and provide funding to support the institution's core mission. State appropriations for AgBioResearch and Extension activities are included in the restricted fund group, as these appropriations are directed solely to those uses.

Figure 2: Sources of Funds, \$3,806 Million



Similarly, expenditures can be viewed through those same structures as nearly sixty percent of all-funds expenditures support salaries, wages, and benefits for faculty and staff.

Figure 3: Uses of Funds, \$3,818 Million



Cost Pressures

The institution continues to expect an increase in medical and pharmacy benefit costs. This trend is not unique to MSU, but reflects a broader national pattern affecting organizations across sectors. These costs began to significantly accelerate in late fall 2024. While we expect that plan design changes will moderately slow the growth of the cost of benefits, to date we have not seen that moderation. In addition, the cost of retiree healthcare has increased significantly.

KEY BUDGET DEVELOPMENT ASSUMPTIONS

Enrollment

Interest in an MSU degree remains strong, reflecting the value of the educational opportunity offered. Applications continue to increase annually, and enrollment is strong. A healthy 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. The declines were anticipated given international health and geopolitical concerns, and revenues have been in line with estimates. Nonetheless, MSU has maintained ongoing growth in its net tuition revenue.

Enrollment for Fall 2026 is projected at 51,200 students, reflecting a slight decrease from prior year enrollment. This change is due to smaller projected graduate student enrollment and a larger-than-average undergraduate class graduating from MSU in May 2026. Because tuition and fee

revenue constitutes a third of our overall operating revenues, these factors present budgetary pressure. The Office of Admissions has identified strategies to help ensure that the Fall 2026 incoming class yields as planned. MSU's annual Admitted Students Day remains an important component of that effort; this year, the event drew the largest attendance in its history, and many students submitted deposits following their visit. With these measures in place, we are on track to meet our target of 11,000 new undergraduate students, including 9,550 first-time students and 1,450 transfers. In addition, the Office of Enrollment Management has begun developing a strategic enrollment plan to support and advance the university's broader institutional strategic plan.

State Appropriations

As a public institution, MSU relies on funding from the State of Michigan to support its operations. State appropriations are an important component of the university's revenue, supporting essential expenses such as salaries, academic programs, financial aid, and facility maintenance. This funding represents the importance of the relationship between the university and the state. The annual appropriations are a significant investment from the people of Michigan, allowing us to continue serving our land-grant mission—a mission that is integral to the ethos of the Michigan State University community—by supporting the residents of the state who are enrolled at the institution, and allows the university to act as an economic and research engine for the state.

While both the Governor and the State Senate have proposed one-time increases in funding for universities, as of the writing of this document, the State House of Representatives has put forward a proposal that would reduce our ongoing state support by \$199 million. Though a state statute requires a balanced budget to be presented to the Governor by July 1 of each year, the state's fiscal year does not end until September 30. It is possible that the state budget for the upcoming fiscal year may not be known for several months. The outcome of federal budget bills may also have a direct impact on the state budget. The assumptions pertaining to state appropriations included in MSU's budget align with the Governor's initially proposed budget, which continues the \$9.7 million one-time operations appropriation for another year; however, this results in an assumption that the year-over-year total appropriation is flat and if the one-time appropriations are not again maintained in subsequent years, operating appropriations may be reduced.

Tuition and Fees

For the third year in a row, MSU has adopted a unique approach to tuition as compared to Michigan public institution peers. MSU has set a dollar amount for the increase, rather than an across-the-board percentage increase. For the coming academic year tuition rates will increase by \$740 for all students. For resident undergraduate students this increase equates to an average across all tuition levels of 3.99%. Based on enrollment and tuition rates, we estimate FY 2027 gross general fund tuition and fees at \$1.251 billion, a \$15.3 million or 1.2% increase over the FY 2026 budget.

State appropriations legislation has made receipt of incremental state appropriations conditional upon keeping average resident undergraduate tuition and fee increases below a cap defined

annually in statute. During FY 2026, that cap was the greater of 4.5% or \$735. For FY 2027, the Governor, House, and Senate have all proposed that requirement at the greater of 4.0% or \$651. The proposed tuition rate change is subject to adjustment to comply with the final legislated cap, to the extent a modification is required. Over the past decade, MSU cumulative resident undergraduate tuition increases have been the lowest of any public institution in Michigan and the cumulative increases have been below the rate of inflation.

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, enabling Spartans to advance the common good with an uncommon will and preserve the academic opportunities our land-grant heritage has afforded not only to the MSU community but also to the state of Michigan and the world. The university continues aligning resources with its 2030 Strategic Plan while maintaining necessary investments to continue moving the institution forward.

Staff and Faculty Success

For the past four 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 is dedicated to salaries, wages, contract labor, and employee benefits each year.

Compensation remains a priority, with certain increases subject to collective bargaining agreements and amounts to be determined. With a newly-recognized Union for Tenure Stream Faculty, a collective bargaining agreement has not yet been bargained. The October 1 merit increases that would have been set through the budget process in prior years now must be determined at the bargaining table between UTSF and the university administration. We anticipate bargaining to begin in late June. Further, the Union for Non-Tenured Faculty is currently negotiating a new contract, including economic terms. Therefore, the amounts shown throughout this document include an amount to be determined (TBD) based on the outcome of those talks. Similarly, non-represented faculty and staff merit increases will be determined over the summer to ensure that the regular October 1 raise cycle is met.

Operating Cost Increases

General operating costs are rising due to commercial insurance, utility expenses, and other institutional expenses. In addition, the operating costs for the Plant and Environmental Sciences Building are included as the building nears completion at the end of FY 2027.

Campus-wide debt service is also expected to increase, supporting the final tranche for Plant and Environmental Sciences, renovations to Wilson Hall to support the Engineering Tech program,

and the first tranche of debt service to support the Leinweber Center for Engineering and Digital Innovation.

Strategic Investments

Resources will continue to support key investments. While specific amounts for each initiative continue to evolve, these resources will be directed toward priorities that advance the university's mission. The university has already laid the foundation and built momentum for many of these efforts, including those discussed above. Continued investment will be essential to support successful implementation across the institution. The One Team, One Health initiative, of which the establishment of MSU Medicine is a part, will require additional focus. The initiative also establishes an integrated, cross-cutting One Health Research Network and the creation of the College of Health Sciences. Development of the One Health Research Network is well underway. The College of Health Sciences requires additional financial and resource analysis, as well as approval by the Board of Trustees when ready.

Reduction Goal

A two-year reduction goal of 9% across unit general fund budgets remains in progress. In FY 2026, units achieved a 6% reduction, generating \$50 million in general fund savings. Building on this progress, the university will implement an additional 3% reduction in FY 2027, generating another \$25 million in general fund savings. A university-wide hiring review for all positions to be filled was also established in FY 2026 and will remain in place through FY 2027.

Figure 4: General Fund Incremental Sources and Uses

 MICHIGAN STATE UNIVERSITY			
FISCAL 2026-27 INCREMENTAL GENERAL FUND SOURCES & USES (\$ millions)			
SOURCES		USES	
FY 2026 General Fund Gross Tuition and Fee Revenue Budget	\$ 1,235.3	Investments in Faculty and Staff	
FY 2026 forecast higher/(lower) than budget	(11.2)	Contractual increases (staff bargaining units)	\$ 6.5
Incremental revenue from enrollment change and mix	(11.6)	Other compensation increases (to be bargained)	TBD
Incremental revenue from rate	38.1	Investment in Benefit Costs	19.0
FY 2027 Incremental Gross Base General Fund Tuition	\$ 15.3	Subtotal Investments in Faculty and Staff	\$ 25.5
% increase in General Fund Tuition and Fees	1.2%		
FY 2027 General Fund Gross Tuition and Fee Budget	\$ 1,250.6	Operating Cost Increases	
% increase due to rates	3.1%	FY 27 Mandatory Operating Cost Increases (Commercial insurance, utilities, etc.)	\$ 5.0
% increase due to enrollment growth	-1.8%	New building operating costs	4.0
		Debt Service	8.7
		Subtotal Operating Cost Increases	\$ 17.7
		Strategic Investments	
		Strategic investment fund	\$ 5.0
		Strategic Investments	\$ 5.0
Use of One-Time Sources	TBD	Budget reductions	\$ (25.0)
Total New Sources Available for FY 2027 Strategic Investments	\$ 15.3	Strategic Investment Uses	\$ 23.2
Imbalance before compensation unknowns			\$ 7.9

CONCLUSION

MSU maintains a strong financial foundation supporting long-term financial sustainability. The university remains committed to student success, research excellence and community impact while upholding disciplined financial stewardship. By continuously striving to improve and leave a positive legacy, MSU ensures that Michigan's state university grows stronger each day. We recognize our responsibility as stewards of the resources entrusted to us.

The narratives throughout this financial plan utilize an enterprise-focused framework. MSU notes that the budget process for an institution as complex as MSU requires considerable effort at every level of the university, working together as one team. We appreciate the work of those tasked with developing budget plans at all levels.

OTHER KEY BUDGET INFORMATION

Figure 5 includes schedules for the AgBioResearch and Extension budgets. Figure 6 contains budgets for Residential and Hospitality Services and Intercollegiate Athletics auxiliary budgets. Figure 7 provides an overview of MSU's operating budget structure. Appendix A contains the proposed tuition and fee structures for FY 2027.

Figure 5: Detailed Budgets for Michigan State University State Restricted Appropriations

ESTIMATED REVENUES/SOURCES				ESTIMATED EXPENSES/USES			
Description	FY 2027	FY 2026	\$ Change		FY 2027	FY 2026	\$ Change
FEDERAL FUNDS							
Hatch	\$ 5,501,351	\$ 5,520,174	\$ (18,823)	Salaries and wages	\$ 29,147,083	\$ 33,827,014	\$ (4,679,931)
Hatch Multistate Research	1,351,448	1,344,681	6,767	Employee benefits	10,421,917	11,733,657	(1,311,740)
Animal Health & Disease	66,502	68,024	(1,522)	Project expenses	16,688,849	14,195,835	2,493,014
McIntire-Stennis	376,561	363,360	13,201				
TOTAL ESTIMATED FEDERAL FUNDS	7,295,862	7,296,239	(377)	TOTAL EXPENSES/USES	56,257,849	59,756,506	(3,498,657)
ESTIMATED STATE FUNDS	39,096,200	40,280,600	(1,184,400)				
TOTAL ESTIMATED APPROPRIATIONS	46,392,062	47,576,839	(1,184,777)				
RESTRICTED FUNDS	9,865,787	12,179,667	(2,313,880)				
TOTAL REVENUES/SOURCES	\$ 56,257,849	\$ 59,756,506	\$ (3,498,657)	BUDGET SURPLUS (DEFICIT)	\$ -	\$ -	\$ -

ESTIMATED REVENUES/SOURCES				ESTIMATED EXPENSES/USES			
Description	FY 2027	FY 2026	\$ Change		FY 2027	FY 2026	\$ Change
FEDERAL FUNDS							
Smith-Lever	\$ 9,889,921	\$ 9,929,949	\$ (40,028)	Salaries and wages	\$ 37,893,815	\$ 40,771,032	\$ (2,877,217)
Expanded Nutrition	1,912,910	1,912,811	99	Employee benefits	17,112,034	17,516,168	(404,134)
Renewable Resources	76,464	76,464	-	Project expenses	25,654,514	20,679,323	4,975,191
TOTAL ESTIMATED FEDERAL FUNDS	11,879,295	11,919,224	(39,929)	TOTAL EXPENSES/USES	80,660,363	78,966,523	1,693,840
ESTIMATED STATE FUNDS	33,723,400	34,745,100	(1,021,700)				
ESTIMATED COUNTY FUNDS	10,500,000	9,700,000	800,000				
TOTAL ESTIMATED APPROPRIATIONS	56,102,695	56,364,324	(261,629)				
RESTRICTED FUNDS	24,557,668	22,602,199	1,955,469				
TOTAL REVENUES/SOURCES	\$ 80,660,363	\$ 78,966,523	\$ 1,693,840	BUDGET SURPLUS (DEFICIT)	\$ -	\$ -	\$ -

Figure 6: Detailed Budgets for Michigan State University Residential and Hospitality Services and Intercollegiate Athletics Auxiliary Activities

ESTIMATED AUXILIARY REVENUES/SOURCES				ESTIMATED AUXILIARY EXPENSES/USES			
Description	FY 2027	FY 2026	\$ Change		FY 2027	FY 2026	\$ Change
Residence hall rooms	\$ 90,416,308	\$ 86,289,288	\$ 4,127,020	Salaries and wages	\$ 90,770,764	\$ 85,368,710	\$ 5,402,054
Residence hall dining	120,530,310	115,060,286	5,470,024	Employee benefits	36,148,796	31,590,909	4,557,887
Apartment/leased space	11,752,413	11,225,750	526,663	Financial aid	365,308	-	365,308
Cash/counter sales	11,623,288	7,628,616	3,994,672	Supplies, services, and other	194,297,004	197,945,268	(3,648,264)
Academic space rental	4,112,465	3,188,632	923,833	TOTAL EXPENSES/USES	321,581,872	314,904,887	6,676,985
Events and conferences	2,727,890	9,570,285	(6,842,395)				
Kellogg Center hotel and catering	12,065,640	15,976,678	(3,911,038)				
Other income	74,420,505	67,323,392	7,097,113	BUDGET SURPLUS (DEFICIT)	\$ 6,066,947	\$ 1,358,040	\$ 4,708,907
				Planned addition to facility/furniture reserve	6,066,947	1,358,040	4,708,907
TOTAL REVENUES/SOURCES	\$ 327,648,819	\$ 316,262,927	\$ 11,385,892	NET BUDGET RESULT	\$ -	\$ -	\$ -

ESTIMATED AUXILIARY REVENUES/SOURCES				ESTIMATED AUXILIARY EXPENSES/USES			
Description	FY 2027	FY 2026	\$ Change		FY 2027	FY 2026	\$ Change
Broadcasting	\$ 65,801,000	\$ 69,493,000	\$ (3,692,000)	Salaries and wages	\$ 63,725,597	\$ 58,396,243	\$ 5,329,354
Broadcasting revenue passthrough to affiliate [1]	(65,801,000)	-	(65,801,000)	Employee benefits	11,807,230	11,400,943	406,287
Ticket sales	18,797,932	30,840,000	(12,042,068)	Financial aid	23,056,832	16,883,842	6,172,990
Game Guarantees/Settlements	375,000	600,000	(225,000)	Student-Athlete Revenue Share	21,320,000	20,000,000	1,320,000
Post season income	21,045,000	12,476,113	8,568,887	Supplies, services, and other	86,447,386	85,524,925	922,461
Sponsorships/Multi-media rights	635,556	10,237,556	(9,602,000)	TOTAL EXPENSES/USES	\$206,357,045	\$ 192,205,953	\$ 14,151,092
Event and Miscellaneous income	5,616,869	3,753,000	1,863,869				
Sports camps	2,000,000	1,855,000	145,000				
Parking	-	1,400,000	(1,400,000)				
Institutional support	6,000,000	-	6,000,000				
Licensing and royalties	3,200,000	3,300,000	(100,000)				
Ancillary programs	4,266,000	3,699,876	566,124				
Spartan Fund and other fundraising	13,446,615	37,430,000	(23,983,385)				
Endowment income	5,718,853	5,057,486	661,367				
Affiliate disbursement [2]	114,700,000	-	114,700,000				
Internal Loan		12,063,922	(12,063,922)				
TOTAL REVENUES/SOURCES	\$ 195,801,825	\$192,205,953	\$ 3,595,872	BUDGET SURPLUS (DEFICIT)	\$ (10,555,220)	\$ -	\$ (10,555,220)

[1] - Broadcasting revenue now flows through Spartan Ventures for media services.

[2] - Affiliate disbursement flows through Spartan Ventures to MSU.

[3] - Deficit to be addressed through internal loan. Accumulated deficits will be eliminated through future year repayment.

Figure 7: MSU Operating Fund Structure Overview

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. 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			
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			
+ 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	+ 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	+ 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	+ 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:
– 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	– 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	– Salaries and benefits – Materials to support delivery of programs – Debt service, including survivor-settlement debt – Faculty research start-up funds (F&A) – Capital expenditures	– 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: 2026-2027 Tuition and Fees

MICHIGAN STATE UNIVERSITY 2026-27 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	\$588.50	\$8,828.00	Flat Rate + per credit
Sophomore	\$601.50	\$9,023.00	Flat Rate + per credit
Junior	\$667.50	\$10,012.00	Flat Rate + per credit
Senior	\$667.50	\$10,012.00	Flat Rate + per credit
Undergraduates - Eli Broad College of Business			
Freshman	\$588.50	\$8,828.00	Flat Rate + per credit
Sophomore	\$601.50	\$9,023.00	Flat Rate + per credit
Junior	\$687.00	\$10,305.00	Flat Rate + per credit
Senior	\$687.00	\$10,305.00	Flat Rate + per credit
Undergraduates - College of Engineering			
Freshman	\$588.50	\$8,828.00	Flat Rate + per credit
Sophomore	\$601.50	\$9,023.00	Flat Rate + per credit
Junior	\$687.00	\$10,305.00	Flat Rate + per credit
Senior	\$687.00	\$10,305.00	Flat Rate + per credit
Undergraduate Certificate Programs (per credit)			
Agricultural Technology	\$588.50		
Other Undergraduate Certificates	\$588.50		

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***	\$785	\$470	All Students Admitted to Major
Eli Broad College of Business	\$750	\$375	All Students Admitted to Broad/Business
College of Music Fee	\$350	\$200	All Students
Science and Technology majors	\$100	\$50	Junior/Senior
Health Sciences Majors	\$100	\$50	Junior/Senior
Student Voted Fees			
Student Government (ASMSU)	\$25	\$25	All Undergraduates
State News ****	\$7.50	n.a.	All Students
FM Radio (Impact 88.9)	\$5	\$5	All Students
James Madison College Student Senate	\$5	\$5	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 \$9,876 for resident 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
2026-27 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	\$1,501.00	\$22,520.00	Flat Rate + per credit
Sophomore	\$1,501.00	\$22,520.00	Flat Rate + per credit
Junior	\$1,545.50	\$23,188.00	Flat Rate + per credit
Senior	\$1,545.50	\$23,188.00	Flat Rate + per credit
Undergraduates - Eli Broad College of Business			
Freshman	\$1,501.00	\$22,520.00	Flat Rate + per credit
Sophomore	\$1,501.00	\$22,520.00	Flat Rate + per credit
Junior	\$1,566.50	\$23,497.00	Flat Rate + per credit
Senior	\$1,566.50	\$23,497.00	Flat Rate + per credit
Undergraduates - College of Engineering			
Freshman	\$1,501.00	\$22,520.00	Flat Rate + per credit
Sophomore	\$1,501.00	\$22,520.00	Flat Rate + per credit
Junior	\$1,566.50	\$23,497.00	Flat Rate + per credit
Senior	\$1,566.50	\$23,497.00	Flat Rate + per credit
Undergraduate Certificate Programs (per credit)			
Agricultural Technology	\$588.50		
Other Undergraduate Certificates	\$1,501.00		

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***	\$785	\$470	All Students Admitted to Major
Eli Broad College of Business	\$750	\$375	All Students Admitted to Broad/Business
College of Music Fee	\$350	\$200	All Students
Science and Technology majors	\$100	\$50	Junior/Senior
Health Sciences Majors	\$100	\$50	Junior/Senior
Student Voted Fees			
Student Government (ASMSU)	\$25	\$25	All Undergraduates
State News ****	\$7.50	n.a.	All Students
FM Radio (Impact 88.9)	\$5	\$5	All Students
James Madison College Student Senate	\$5	\$5	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 \$20,163 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
2026-27 TUITION & FEES RATE STRUCTURE**

Resident Graduate	Per Credit
Masters - Core/Professional ⁽¹⁾	\$978.25
Masters - College of Engineering	\$1,077.50
Doctoral - Core/Professional ⁽¹⁾	\$978.25
Doctoral - College of Engineering	\$1,077.50
Lifelong Education	\$978.25
Resident Graduate Professional	Block Rates
Broad MBA	\$18,667.00
Human Medicine	\$17,051.00
Medical Scientist Training Program	\$12,098.00
Osteopathic Medicine	\$17,051.00
Extended Medical Curriculum	\$11,373.00
Medical Scientist Training Program	\$12,098.00
College of Veterinary Medicine	\$17,216.00
CVM Clinical Year - Fall & Spring	\$15,224.00
CVM Clinical Year - Summer	\$10,785.75
Medical Scientist Training Program	\$11,415.50
College of Law (Juris Doctorate) ⁽²⁾	\$22,110.00

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		Student Level
	Full-Time	Part-Time*	
Recreational and Wellness Center Fee**	\$170	\$85	All Students
College of Music Fee	\$350	\$200	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)	\$5	\$5	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 MA, EdS, and PhD 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
2026-27 TUITION & FEES RATE STRUCTURE**

Non-Resident & International Graduate	Per Credit
Masters - Core/Professional ⁽¹⁾	\$1,814.75
Masters - College of Engineering	\$1,922.00
Doctoral - Core/Professional ⁽¹⁾	\$1,814.75
Doctoral - College of Engineering	\$1,922.00
Lifelong Education	\$1,222.25
Non-Resident & International Graduate	Block Rates
Broad MBA	\$29,138.00
Human Medicine	\$30,963.00
Medical Scientist Training Program	\$22,067.00
Osteopathic Medicine	\$23,415.00
Extended Medical Curriculum	\$15,617.75
Medical Scientist Training Program	\$17,821.25
College of Veterinary Medicine	\$25,436.00
CVM Clinical Year - Fall & Spring	\$22,645.75
CVM Clinical Year - Summer	\$15,110.75
Medical Scientist Training Program	\$17,789.50
College of Law (Juris Doctorate) ⁽²⁾	\$24,481.00

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	\$350	\$200	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)	\$5	\$5	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 MA, EdS, and PhD 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.