## Budget Planning - Revenues

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>Budget Base Value</th>
<th>2018-19 BOT Approved</th>
<th>2019-20 BOT Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>State Appropriations</td>
<td>$281.0</td>
<td>1.8%</td>
<td>2.0% (assumption)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$286.1</td>
<td>$291.8</td>
</tr>
<tr>
<td>Tuition and Fees</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>No increase for resident freshmen, $360 per academic year for non-resident freshmen</td>
<td>No tuition increase for all undergraduate students</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Increases of $360 per academic year for resident and non-resident Core/Professional sophomores - seniors</td>
<td>A new rate structure that includes per credit rates for students taking 11 credits or less, block rates for students taking 12-18 credits, and a hybrid block/per credit structure for students taking 19+ credits</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$540 per semester for resident and non-resident junior &amp; senior Business and Engineering students</td>
<td>4.0% for most graduate students</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$982.9</td>
<td>$1,003.9</td>
<td>$1,052.4</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>$98.2</td>
<td>3%</td>
<td>3%</td>
</tr>
<tr>
<td></td>
<td>$101.5</td>
<td>$104.7</td>
<td></td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$1,362.1</td>
<td>$1,391.5</td>
<td>$1,449.1</td>
</tr>
</tbody>
</table>
## Budget Planning - Expenditures

<table>
<thead>
<tr>
<th>Budget Item</th>
<th>Budget Base Value</th>
<th>2018-19 BOT Approved</th>
<th>2019-20 BOT Approved</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial Aid</td>
<td>$147.4</td>
<td>4.5%</td>
<td>7.1%</td>
</tr>
<tr>
<td>Graduate Assistants</td>
<td>$42.0</td>
<td>2.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Faculty Salaries</td>
<td>$406.0</td>
<td>1.5%+0.5%*</td>
<td>2.5%+0.5%*</td>
</tr>
<tr>
<td>Other Salaries</td>
<td>$262.0</td>
<td>2%/0%</td>
<td>2%/2%</td>
</tr>
<tr>
<td>Health Care</td>
<td>$91.5</td>
<td>5.0%**</td>
<td>5.0%**</td>
</tr>
<tr>
<td>Other Benefits</td>
<td>$113.9</td>
<td>3.0%</td>
<td>3.0%</td>
</tr>
<tr>
<td>Utilities</td>
<td>$56.1</td>
<td>-6.1%</td>
<td>0.0%</td>
</tr>
<tr>
<td>University Operations</td>
<td>$101.9</td>
<td>2.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Supplies &amp; Services</td>
<td>$141.3</td>
<td>2.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Total Budget</td>
<td>$1,362.1</td>
<td>$1,391.5</td>
<td>$1,449.2</td>
</tr>
</tbody>
</table>

* Includes 2.5% general merit and 0.5% market pool administered centrally

** Health care budget augmented by amounts previously committed to collective bargaining groups due to claims experience

Note: Increments for revenue-based activities to be added to totals in subsequent once known
Illustrative Net Tuition Revenue Impact

Increasing the number of domestic out-of-state students will have a substantive impact on MSU's tuition revenue.

Illustrative Annual Increase in Net Tuition Revenue for Total UG Enrollment Compared to Current State

<table>
<thead>
<tr>
<th>Year</th>
<th>Freshman</th>
<th>Sophomore</th>
<th>Junior</th>
<th>Senior</th>
<th>Total</th>
<th>Cumulative NTR Impact</th>
</tr>
</thead>
<tbody>
<tr>
<td>AY2018-19</td>
<td>0</td>
<td>255</td>
<td>237</td>
<td>231</td>
<td>755</td>
<td>$2M</td>
</tr>
<tr>
<td>AY2019-20</td>
<td>300</td>
<td>425</td>
<td>395</td>
<td>385</td>
<td>1,312</td>
<td>$8M</td>
</tr>
<tr>
<td>AY2020-21</td>
<td>500</td>
<td>553</td>
<td>395</td>
<td>385</td>
<td>1,979</td>
<td>$15M</td>
</tr>
<tr>
<td>AY2021-22</td>
<td>650</td>
<td>680</td>
<td>514</td>
<td>501</td>
<td>2,509</td>
<td>$25M</td>
</tr>
<tr>
<td>AY2022-23</td>
<td>800</td>
<td>791</td>
<td>632</td>
<td>616</td>
<td>2,853</td>
<td>$34M</td>
</tr>
<tr>
<td>AY2023-24</td>
<td>930</td>
<td>791</td>
<td>735</td>
<td>716</td>
<td>3,071</td>
<td>$40M</td>
</tr>
<tr>
<td>AY2024-25</td>
<td>930</td>
<td>791</td>
<td>735</td>
<td>716</td>
<td>3,171</td>
<td>$44M</td>
</tr>
<tr>
<td>AY2025-26</td>
<td>930</td>
<td>791</td>
<td>735</td>
<td>716</td>
<td>3,171</td>
<td>$46M</td>
</tr>
<tr>
<td>AY2026-27</td>
<td>930</td>
<td>791</td>
<td>735</td>
<td>716</td>
<td>3,171</td>
<td>$46M</td>
</tr>
<tr>
<td>AY2027-28</td>
<td>930</td>
<td>791</td>
<td>735</td>
<td>716</td>
<td>3,171</td>
<td>$248M</td>
</tr>
</tbody>
</table>

Cumulative NTR Impact:
- AY2018-19: $2M
- AY2019-20: $10M
- AY2020-21: $25M
- AY2021-22: $40M
- AY2022-23: $74M
- AY2023-24: $114M
- AY2024-25: $156M
- AY2025-26: $202M
- AY2026-27: $248M
- AY2027-28: $248M
### Five Year Operating Model – Cap Ex Summary

<table>
<thead>
<tr>
<th></th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22</th>
<th>FY23</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Sources of Funding (FY18-FY23)</strong></td>
<td>$60.7</td>
<td>$166.1</td>
<td>$90.1</td>
<td>$100.1</td>
<td>$141.1</td>
<td>$78.7</td>
</tr>
<tr>
<td><strong>Uses of Funding</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Projects Total (Annual debt service)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Settlement pro-forma (Annual debt service)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash Financed Projects</td>
<td>$60.7</td>
<td>$111.2</td>
<td>$41.3</td>
<td>$38.5</td>
<td>$31.0</td>
<td>$31.0</td>
</tr>
<tr>
<td><strong>Total Pending</strong></td>
<td>$60.7</td>
<td>$153.1</td>
<td>$83.2</td>
<td>$80.4</td>
<td>$72.9</td>
<td>$72.9</td>
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</tbody>
</table>

#### Surplus/(Deficit) Earnings

<table>
<thead>
<tr>
<th></th>
<th>$0.00</th>
<th>$13.06</th>
<th>$6.95</th>
<th>$19.70</th>
<th>$68.19</th>
<th>$5.84</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Surplus/(Deficit) 6.25% Earnings</strong></td>
<td>$0.00</td>
<td>-$14.35</td>
<td>-$21.90</td>
<td>-$12.73</td>
<td>$31.80</td>
<td>-$18.90</td>
</tr>
<tr>
<td><strong>Surplus/(Deficit) 4.25% Earnings</strong></td>
<td>$0.00</td>
<td>$34.38</td>
<td>$29.38</td>
<td>$44.92</td>
<td>$96.49</td>
<td>$25.08</td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>$0.00</th>
<th>$13.06</th>
<th>$6.95</th>
<th>$19.70</th>
<th>$68.19</th>
<th>$5.84</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Surplus/(Deficit) 8.25% Earnings</strong></td>
<td>$0.00</td>
<td>-$14.35</td>
<td>-$21.90</td>
<td>-$12.73</td>
<td>$31.80</td>
<td>-$18.90</td>
</tr>
</tbody>
</table>