



## **Annual Strategic Planning Financial Report: FY22**

### I. Strategic and Financial Outcomes for 2020-21

#### A. Overview of Investments and Outcomes

##### 1. Faculty and Administrative Hires

**Associate Dean for Science Outreach and Program Leader for FNR Extension** (*replacement due to retirement*) – Dr. Holly Ober

##### 2. Renovations and construction: N/A

##### 3. Major Curricular Changes: N/A *\*see FY22 below*

##### 4. Program or Laboratory Investments

By restructuring some administrative support functions, the College has been able to prioritize the teaching, research, and outreach programs.

With the assumption that positive changes will occur at the College level (e.g., at present, year-over-year admits are up, reflecting what we believe is a positive response to recruiting approach and our non-resident tuition program), but concerns at the university level (referencing the 10-year forecast), we are assuming that E&G and FRL revenue will effectively remain flat over the next three-year period. Other disruptions to revenue projections include a new funding structure related to the College Research Forests that will be based on a new forest management plan that is currently in process.

Additionally, the OFSC loan balance has been significantly reduced with pledges from donors fulfilled; the current balance of \$662,000 with an estimated \$23,000 of interest due annually is within our ability to repay without jeopardizing our other strategic goals.

The 5-year outlook is positive. Enrollment targets are achievable, and revenue and expense flows are better understood than ever before. Financial projections do not yet include potential returns from the comprehensive campaign beyond gifts that have already been received or committed.

- B. Summary of Revenue & Expenses, including Projections  
**Summarized in Appendix B**
- C. The Corvallis Education and General budget is distributed to the College through the university's Shared Responsibility Budget Model. That distribution is only to the college level and is just one portion of the College's revenue.

The College distributes the E&G budget it receives by funding a portion of each faculty and instructor's salary. Each year, departments provide the college budget team with the percentage of faculty time allocated to teaching, which is the portion of the salary funded by E&G. Other portions of faculty salary are supported by the Forest Research Laboratory, Statewide Public Service Programs, Harvest Tax or other revenue streams such as endowments. Salaries represent approximately 85% of the College budget.

A summary of the college budget distribution is available at <https://mycof.forestry.oregonstate.edu/budget>.

## II. Strategic and Financial Priorities for 2021-22

### 1. Faculty & Administrative Searches (planned and in progress)

**Assistant Professor and Starker Chair of Family Forestry:** Department of Forest Engineering, Resources and Management. Full-time (1.00 FTE), 9-month, tenure track position. The position, funded in part by an endowment from the Starker Family, will focus on generating knowledge and teaching university students and forest owners about the management and stewardship of private forests.

**Assistant Professor of Natural Resource Economics:** Department of Forest Engineering, Resources and Management. Full-time (1.0 FTE), 9-month, tenure track position. The incumbent will teach one to two undergraduate required courses in forest economics and at least one graduate-level course in the incumbent's area of expertise.

**Assistant Professor of Advanced Manufacturing:** Department of Wood Science and Engineering. Full time (1.0 FTE), 9-month, tenure track appointment. Position includes a balance of instruction/teaching, research/scholarship, and service responsibilities.

**Assistant Professor of Wood-Based Composites:** Department of Wood Science and Engineering. Full-time (1.0 FTE), 9-month, tenure-track position. The faculty member will be expected to develop a program of distinction in research and scholarship within the broad area of wood-based composites and adhesion science. They will also contribute to the interdisciplinary nature of the WSE Department's mission to discover the science, engage the technology, and design the renewable products, materials & structures for the next generation.

**Associate/Assistant Dean for Inclusive Excellence and Director of Tribal Initiatives:** A restructuring in the Dean's Office allows us to fill this position without adding to administrative salaries. The position is essential to achieving the College's vision for inclusive excellence among students, staff, and faculty.

The incumbent will build meaningful and lasting academic, economic, ethical, social, and cultural collaborations with underserved people across the globe, emphasizing the Pacific Northwest region.

**Director for Student Success:** This position takes on some of the duties formerly assigned to the Associate Dean for Student Success and fills a vacant position held open for the past two years enables the College to ensure that procedures and policies are in place that support student success. The position will focus on retaining and supporting students through to graduation and oversee advising and student services.

**Government Relations Manager:** A shared position (half-time) with the Center for Outdoor Recreation and Economy enables the College to identify and secure state and federal funding opportunities that support our research, educational, and outreach mission.

**Student Logging Training Program Manager:** Department of Forest Engineering, Resources and Management. Full-time (1.0 FTE), 12-month, fixed-term Instructor position.

**OSU Extension Forester for Columbia, Washington, and Yamhill Counties:** FNR Extension. Full-time (1.0 FTE), 12-month, fixed term Assistant Professor of Practice position. Academic home either in the Department of Forest Engineering, Resources, and Management or the Department of Forest Ecosystems and Society.

## 2. Curricular Initiatives and Changes

### **Forest Engineering, Resources and Management (FERM)**

FERM is performing some curricular maintenance to reduce the strain on students that involves moving FOR 330 (Forest Econ 2) from the fall to the spring and reduce its credit load to 2 credits (from 4). FERM is currently undergoing the Society of American Foresters re-accreditation process and will be hosting a team on campus during the early part of March. Additionally, FERM is exploring the creation of a continuing education and academic program (new certificate, minor, and/or degree) in managing wildland fire (current name – Fire Education Training and Experience Program).

### **Wood Science and Engineering (WSE)**

WSE completed a full curriculum re-design for its “Renewable Materials” degree program. The change includes renaming the major from Renewable Materials to Wood Innovations for Sustainability. Multiple high-cost courses were eliminated, allowing us to forgo rehiring an instructor that recently resigned. Submissions to the CIM system are ongoing.

WSE also re-envisioned its graduate curriculum. The new design will move from three core courses in wood science, to a suite of nine, two-credit courses from which students will select six. The new design allows increased interaction between WSE faculty and all graduate students, increased student flexibility based on incoming expertise, and increased ability for WSE to offer advanced, specialized coursework. Submissions to the CIM system are

expected to begin in Spring quarter 2022.

3. Major Renovations or Construction

**New Greenhouse at Oak Creek and Forest Biotechnology Upgrades:** Due to be completed in summer 2022 and sponsored by Capital Planning, the project replaces the East Greenhouse. Enhancements to the adjacent head house and growth chambers will also occur on the same timeline. The project is sponsored by the College from Building Use Credits/McIntire-Stennis/Returned Overhead.

**Restoration of Historic Peavy Lodge:** A Civilian Conservation Corps (CCC) building at the Peavy Arboretum had fallen into disrepair. The College of Forestry gained ownership of the building and after a year of renovation, the Lodge will again be available for meetings and events in summer 2022. Fees generated from rental agreements are expected to cover the ongoing maintenance of the Lodge. Renovation costs were funded by the College fund balances (carryforward) and generous donations from Stella-Jones and Lakeside Lumber.

**Richardson Air Handler/Chiller Failures Need Addressed:** Due to Peavy coming on line with its own air handler, the existing Richardson air handler is no longer servicing Peavy and is oversized. This has resulted in almost daily failures of the system resulting in overheating in labs and offices and shutdowns to the fume hoods which is severely impacting our research. In the summer of 2021, labs had to shut down midday to employee health concerns about working in excessive heat. Capital Planning has the project on their list of repairs, but did not have sufficient project management staff to address the project this year. Facilities staff are working as hard as possible to provide interim solutions, but research and morale has suffered under the conditions. It appears that capital planning activities for Peavy did not account for this potential issue even when it was brought up in the construction planning process. We are hopeful that the handler will be replaced by summer 2023, but we have another year and a half to get through until then.

**\$400,000 Equipment RFP:** The College received a one-time increase in our federal capacity funds from the McIntire-Stennis program due to our success in deploying these funds over the past decades. We had a short timeline for spending these funds and felt that the best way to spend them is to increase our research capacity through the purchase of \$400,000 in research equipment. An RFP was released to faculty for equipment purchases that will benefit research in the College by providing needed infrastructure to the faculty. Awards will be made in March 2022.

4. Key Strategic Goals and Activities

**Strategic Planning Exercise:** Led by a Strategic Planning Advisory Board of internal and external stakeholders, our consultant firm will take us through a series of exercises to generate feedback on the current and future goals for the College. Incorporating our DEI plans and a host of opportunities and challenges, our Strategic Plan should be a unifying vision for the College and

demonstrate our leadership in sustainability sciences. We hope to have the final plan presented by the end of FY22 and an implementation plan in place by Fall 2022.

**Elliott State Research Forest:** In partnership with the Department of State Lands, the College continues to explore the development of a state owned, university run research forest. By the end of 2022, we anticipate that the habitat conservation plan and forest management plan will be well-developed and presented to the State Land Board, and that the legislative to create the authority will have been passed in the Short Session or in progress for the 2023 Session.

**Restoring the Harvest Tax:** Representing more than \$3-million annually of the College budget, the Harvest Tax paid voluntarily by the forestry industry in Oregon supports our educational and outreach mission, including the funding for Field School and other experiential educational activities. After the tax failed to pass in the Oregon legislature in 2021, OSU the College and the industry have worked together to restore and expand the funding in the short session in 2022. We are hopeful that the bill will pass and our funding secured.

**Capital Campaign:** Although still in the silent phase, the College has laid out a robust set of priorities for the OSU Capital Campaign. We are working toward a campaign Goal of \$125 million and plan to be at the halfway point by June 2022. We are seeking support for numerous endowed faculty positions, an endowed graduate scholarship fund, endowed support for the Institute for Working Forest Landscapes and the HJ Andrews Research Forest and funding for our Native American Natural Resource Program.

**McDonald-Dunn Forest Plan:** The College has started the process that will lead to new McDonald and Dunn Research Forest Management Plans. The new McDonald-Dunn Research Forest Plan will be a complementary and essential component of the College's mission, reflect the College's diverse values, and position the McDonald-Dunn Research Forest to be a model of multiple value forest management. Developing the plan will reflect ecological, recreational, cultural, financial, operational, and other attributes that emerge through a robust process.

This process is built on the principle that informed stakeholders lead to meaningful partnerships. The College has partnered with Oregon Consensus to coordinate a Stakeholder Advisory Committee to assist with planning efforts and engage stakeholders throughout the process.

**TallWood Design Institute (TDI):** TDI has continued to evolve and grow following the opening of the A.A. Red Emmerson Advanced Wood Products Lab in 2019. It has recently expanded its technical team to add a new Wood Products Technician to address growing numbers of research and testing projects, and a Technical Education Specialist will shortly be hired to expand the range of non-credit education programs offered by the Institute. TDI's web presence was recently overhauled in order to provide improved dissemination of research project results and enhanced engagement with our growing stakeholder community. Membership of our professional development-oriented meetup group is now approaching 900, and TDI

person continue to be in demand as speakers on the fast-growing mass timber sector.

Priorities for the coming year include: refreshing and updating research priorities and project selection rubrics for the ARS Wood Buildings Research Program; completing and offering new certificate program courses to industry; supporting the University of Oregon's rollout of a mass timber focus area within its Master of Science program, and; expanding funding for the newly-formed REACTS Consortium for Research on Architecture, Engineering and Construction of Timber Structures. TDI is a founding member of the Oregon Mass Timber Coalition, which is submitting a \$100M funding proposal to EDA's Build Back Better Regional Challenge, and is aiming to secure funding for a new fire testing lab at OSU and an acoustic testing lab at University of Oregon.

**Center for Outdoor Recreation Economy:** The College is one of four Founding Partners (with Division of Extension and Engagement, OSU Cascades, and OSU Central Administration), who are directly investing in and receiving revenue distributions from the Center. In partnership with other units on campus and collaborators across the country, the College will assist, and in some areas lead, the development of new educational programs (non-credit and for-credit), conduct applied research, and develop and enhance networks and partnerships across the country. The College has already assisted in curriculum design, network development and stewardship, and applied research projects. The College is serving as the lead for the 2024-2028 Oregon Statewide Comprehensive Outdoor Recreation Planning process with funding from the Oregon Parks and Recreation Department and National Park Service.

**Diversity, Equity and Inclusion Workgroup:** Consisting of faculty, staff, and students from across the College, our workgroup focuses on the following three priorities – Curriculum & Pedagogy; Community Building and Inclusion; and Programming (activities & events). The Workgroup has put forward several policy initiatives currently in discussion related to hiring principles and inclusive recruitment practices.

### III. All Funds Financial Forecast for FY23-FY24

#### A. Enrollment Trends

Building on a 22% increase in overall undergraduate enrollment since 2015, we have increased capacity in many of our programs, but others still have plenty of room to grow. With OSU re-entering the WUE program, our focus will be on recruiting students to those programs with capacity. Our online programs continue to be well enrolled and have seen significant growth throughout the COVID pandemic. We have initiated some changes in the Renewable Materials degree program that we believe will yield a significant increase in visibility and desirability of the degree program. Our hope is to see a 10% annual increase in enrollment in the degree over the next several years.

Regarding Forestry's 6-year graduation rate, we need to understand the data relative to the size of each college. The latest retention and graduation report that shows Forestry's graduation rate as 63.4% as compared to OSU overall at 8.2%. If we

assume that this rate holds regardless of cohort status (i.e., first-time, full-time freshmen applies to all), then we can back out the relative impact of these graduation rates on OSU. First, take these graduation rates, divide them into total UG graduates for AY15 to estimate total potential graduates. Then identify the proportion of total potential graduates who did not graduate based on the applied graduation rate. Bottom-line, Forestry accounts for 5% of the total lost students for the university (assumptions withstanding). Here is the data:

AY15					
UNIT	Grad Rate	UG graduated	Total potential students	Students not graduated	% Not graduated
OSU	68.20%	4803	7043	2240	na
CAS	64.00%	473	739	266	12%
COB	71.40%	741	1038	297	13%
CEOAS	82.60%	111	134	23	1%
COE	67.10%	921	1373	452	20%
COF	63.40%	183	289	106	5%
CLA	62.10%	966	1556	590	26%
CPHHS	73.40%	812	1106	294	13%
COS	68.60%	548	799	251	11%

## B. Strategic Priorities

When the current strategic planning exercise concludes in the summer of 2022, the College will enact a new Strategic Plan. While we cannot speculate on the entirety of the plan, we know some of the critical projects we will continue to prioritize.

Re-visioning of the Institute for Working Forest Landscapes: The IWFL represents a unique opportunity to advance the College as the 21st Century leader in sustainable resource management. However, the IWFL needs to secure funding to advance this agenda and break down the silos in which research has been conducted to create an integrated program. The Dean will be focusing on rejuvenating the IWFL in the coming years.

Establishment of an Office for Tribal Initiatives: The Indigenous Natural Resources Center will facilitate Indigenous students' successes by focusing on recruitment, retention, graduation and employment of Tribal students from Oregon and the PNW. The Center will serve as a resource for Tribes and other institutions of government or enterprise seeking to develop Indigenous initiatives on forest lands located in Oregon. The center would also promote holistic and reciprocal relationships that embody the Land Grant mission and honor Indigenous sovereignty. It is envisioned that the Center would collaborate with University offices and programs on the Virtual Tribal Campus, Native/Indigenous Research Institute, and other university initiatives. The Center would also facilitate trans-cultural fora to explore and develop collaborative initiatives that would advance higher education in the College of Forestry and strengthen relations with the nine Tribes of Oregon. And finally, the Center would provide professional development opportunities and advise college faculty on collaborating with Indigenous Nations and peoples in curricula, research and outreach activities.

New Endowments: A generous gift from Allyn C. Ford and Cheryl Ramberg-Ford will be used to support two new faculty chair positions, one within the Department of Wood Science and Engineering and one in the Department of Forest Engineering, Resources and Management. Their \$6-million gift will create the Allyn and Cheryl Ford Chair in Advanced Wood Manufacturing and the Allyn and Cheryl Ford Chair in Integrative Forestry and Manufacturing. We live in an era where companies must demonstrate and deliver sustainable wood products, increase process efficiency, improve biomass utilization and create a tactile connection for consumers between the forest and end product. To help address these needs, the positions will allow Oregon State University to lead the integration of data and technology along the wood products supply chain to support the competitiveness of Oregon's forest sector companies and improve customer sentiment.

The new endowed fellowship within the college is thanks to a generous gift of \$500,000. The Fisher Endowed Fellowship will support ongoing efforts of individual researchers at the H.J. Andrews Experimental Forest. The HJ Andrews Forest has a long history of supporting forest education and research and advancing essential collaborations aimed at better understanding forest ecosystems and their function. The fellowship will help ensure the Andrews tradition as a leading center for forest and stream ecosystem research in the Pacific Northwest continues.

Additional State Funding: During the 2022 short legislative session, the forest harvest tax was renewed and expanded financially to support two positions in carbon system science in the College of Forestry:

(1) Carbon systems dynamics and process decision support: Monumental advancements are needed in our ability to assess and model the systems-level environmental impact of industrial activities spanning material choices and processes across value-chains. Design/eco-design of hybrid products, use of by-products/co-products, and substitution by alternative feedstock sources must be analyzed from a systems perspective, requiring sophisticated models and intensive data collection and utilization. While life cycle analysis (LCA) is a regularly used tool, it is often employed narrowly. The use of system dynamics with data intensive LCA allows sophisticated cradle-to-cradle analysis of the impacts of material and process choices, thereby identifying critical sustainable development pathways.

(2) Policy and economics of forest-based climate solutions. As communities, organizations and governments embrace nature-based solutions to mitigation and adaptation planning, there is a need to produce robust policy and economic analyses of potential strategies. This incorporates carbon accounting and life-cycle analyses (as above), but also includes financing options for environmental services more broadly, and policy options and economic analysis for resilient ecosystems in the face of global change (mitigation and adaptation). This position would complement a research focus on carbon, and a renewed focus on ecosystem services, policy, and economics.

Other Initiatives:

We are currently pursuing additional state and federal legislative investments that will bring in additional funding to support research and outreach activities within the College. One example is our work with leadership in forestry at University of Washington and University of Idaho to create Northwest Ecological Restoration Institute centers at each university. We are working with USFS leadership and our legislative delegation to develop this opportunity (existing Southwest Ecological



Restoration Institutes current receive \$20 million annually in federal funding). We have hired legislative support specialist to work with CORE and CoF on federal and state funding opportunities. Over the past five years we have experienced decline in annual giving, which we believe is partly due to our focus on large initiatives (e.g. Peavy Forest Science Center). To counter this decline, we are launching an alumni relations plan to supplement OSU Foundation efforts to rebuild connections with alumni and attract small gifts and annual giving, otherwise not addressed by the Foundation.

### **C. Expense Trends**

- We are experiencing salary compression and inflation issues for faculty and staff that are hindering our ability to attract and retain quality candidates. Starting professorial salaries have been stagnant for a decade and we need to restructure our salary program accordingly. Compression amongst current employees must be addressed simultaneously, as well consideration of disciplinary impact.
- With the addition of new faculty, we must also consider investments in staff support, especially in the grant and research development unit. Pre- and post-award support is lacking if we are to continue to expect sizable and interdisciplinary applications and awards.

### **D. Key Challenges and Opportunities**

- Bringing people back together and connect as a community again
- Providing opportunities for staff and faculty to work together on initiatives (such as during the strategic planning implementation process) to develop deeper mutual respect
- Serving as the bridge across differing forest and natural resource interest groups
- Our DEI review of curricula is a strong initiative and the first of its type at OSU
- Student enrollment growth and diversification, we have room to grow
- Developing strength in the disciplines of carbon and climate change
- Our new strategic plan will be launched in the summer/fall 2022 and we will need to develop our implementation plan in accordance with our budget projections

**Appendix A: Confidential comments for the Provost**

**Appendix B: Financial Summary and Projection**

**Appendix C: Dashboard**