



To: OSU Board of Trustees
Executive, Audit & Governance Committee

From: Kirk Schueler, chair

Subject: Board Chair's Report: FY2023 Presidential Assessment

Date: October 6, 2023

The Board of Trustees is charged with oversight of the president, including assessing her performance in order to inform and support her successful leadership. The process and criteria for assessing the President is set out in [board policy](#).

The board approved the president's Fiscal Year (FY) 2023 goals on October 28, 2022. On September 1, 2023, the president provided a self-assessment report describing progress toward her goals and proposing her agenda for FY2024. I forwarded the report to the board, requesting trustee input on the president's accomplishments during the year, opportunities for improvement, ways to strengthen her effectiveness, and her goals for the upcoming year.

Concurrently, I gathered input from a subset of the president's direct reports and a number of university partners, including the OSU Foundation, Faculty Senate leadership, and college leadership. Participants received a copy of the president's self-assessment report and were each asked similar questions about accomplishments, opportunities, and the president's agenda for the coming year. I summarized the input from trustees, direct reports, and partners and shared the summary with the President. The President reflected on the feedback and incorporated it in her final report and FY2024 goals (see report on pp 3 – 45).

I submit the following report to complete this year's assessment of President Murthy.

Results of the FY2023 Assessment

The president's goals for this past year were to:

- 1) Deepen connection to OSU Stakeholders, Oregon communities, the nation and beyond.
- 2) Evaluate current strategies and progress in key domains.
- 3) Drive FY 2023 legislative priorities.
- 4) Develop OSU's next strategic plan.
- 5) Deepen connections with OSUF and drive public phase of capital campaign.
- 6) Evaluate effectiveness of university-wide marketing and communications.
- 7) Continue to develop and implement plans for athletics re-alignment.

Trustees expressed strong support for the president's progress on those goals and overall performance during the past year. In thinking of the progress this past year, trustees and others noted:

- President Murthy exceeded expectations of what could be accomplished in the first year of service.
- President Murthy's level of engagement and interaction with many stakeholders was exemplary in terms of her extensive outreach and effort to connect across the institution and the state.

Further, there was unanimous acknowledgement amongst all those who provided feedback of President Murthy's success in building authentic relationships and trust with various stakeholders. As well, it was noted that President Murthy has a deep understanding of Oregon State's history which allows her to speak from an informed position to many partners across the state. Equally important, President Murthy's attention to keeping a "hand on the pulse" of the OSU community culture was noted based on her robust engagement across the campus communities.

With respect to opportunities for improvement, all trustees expressed appreciation for the president's leadership and for continued focus on:

- Demonstrating the value of higher education and restoring trust in higher education.
- Student retention and six-year graduation rate goals, noting the importance of financial assistance and wraparound services.

Establishment of FY2024 Goals

On September 18, 2023, I met with the president to share the feedback on her self-assessment report and her proposed agenda for the year. For FY2024, the president proposes to focus her attention in the following major areas:

- 1) Start implementation of the new strategic plan.
- 2) Work with OSU Foundation to advance capital campaign.
- 3) Modernize and solidify University Relations and Marketing (URM).
- 4) Continue to develop physical infrastructure to support OSU priorities.
- 5) Continue to deepen connections to OSU stakeholders, communities, the nation and beyond.
- 6) Develop and implement strategy to address athletics re-alignment.
- 7) Develop a long-term strategy to improve higher education funding in Oregon.
- 8) Develop long-term artificial intelligence and machine learning strategies.

Trustees who provided feedback supported the president's goals for FY2024, noting they represented the most pressing needs of the university and the delivery of its mission. Multiple participants underscored the importance of President Murthy's goal to develop a long-term strategy to improve higher education funding in Oregon. As well, it was noted that her goals build well on key elements of the next strategic plan, demonstrate near term priorities and also have appropriate focus on building for the future.

Conclusion

In closing, trustees, direct reports, and partners complimented President Murthy's ability to engage so fully and heartily with the university as well as the state of Oregon. Much optimism for the future under President Murthy's leadership was expressed by all respondents.

I support her agenda for the upcoming year and recommend that the board accept this report, thereby completing the FY2023 assessment and setting the president's goals for FY2024.



Oregon State
University

**President's Self-Assessment Report for FY 2023
and Goals for FY 2024**

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Submitted September 1, 2023

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President's Self-Assessment Report for FY 2023 and Goals for FY 2024

In fall 2023, as I embarked on the first year of my presidency of Oregon State university, I proposed seven goals I would seek to achieve during FY 2023. The OSU Board of Trustees approved this proposal in the board meeting held on October 28, 2023 ([Appendix 1](#)). In this self-assessment report, I describe, both quantitatively and qualitatively, progress in achieving these goals and what challenges and opportunities have become evident as a result. The latter provide a rationale for the work plan for FY 2024. Furthermore, the board's President's Self-Assessment Report policy mandates the inclusion of eight specific elements in the assessment. In this report, these elements are either presented explicitly in the sections that follow or are included in the discussion of FY 2023 achievements, as appropriate.

I note here that the achievements described below are the work of an extraordinary team of hard working, committed and talented faculty, staff and students at OSU and the dedicated professionals at the OSU Foundation. I especially want to acknowledge the immense help given to me by Provost Ed Feser, our senior leadership team, the President's Cabinet and the able and effective administrative staff supporting my activities. I am also deeply grateful for the support of the Board of Trustees during this inaugural year.

Section 1: Progress on FY 2023 Goals

In this section, I describe progress in achieving the goals laid out in my FY 2023 work plan.

1.1 Deepen connection to OSU Stakeholders, Oregon communities, the nation and beyond

A significant focus during the first year of my presidency has been to introduce myself to the university community and OSU's main stakeholders and to understand these communities as deeply as possible. This endeavor was supported by the Presidential Transition Committee, which thoughtfully laid out a series of strategic engagements and meetings throughout my first year to help me gain the knowledge I needed. I also added to these engagements as opportunities and needs presented themselves.

Students and Student Groups: During my first year, I engaged with students and student groups in over 30 events in a variety of settings, both formal and informal. We kicked the year off with the New Students Convocation and an ice cream social at the Memorial Union and followed up through a series of engagements with ASOSU leadership, students from a variety of identity groups, international students, student journalists, scholarship recipients, students in the Honors College and many others. I made several trips to OSU Cascades and established good working relationships with their student leadership. Another important goal was to ensure that I was visible and available to students from minoritized communities and to convey to them that their university's president was approachable, understood the value they brought to Oregon State University and was deeply interested in their success. Accordingly, I prioritized attendance at

events such as the Ettihad Festival, India Night, the OSU Powwow, the Black graduation celebration, Educational Opportunities Program Graduation and many other events that support students who have been historically marginalized. Discipline-specific engagements, such as at the Willamette Valley Engineers Week and judging the Senior Art Show, were central to conveying my support for the great breadth of disciplines at OSU. Engaging with students in the K-12 system was also important. Accordingly, I made sure to speak at the African American Youth Leadership Conference at OSU and at our Juntos Day event to connect to Latinx youth. Perhaps the most fun aspect was a new tradition we started this year – that of serving food at the SEC Plaza during finals week. Starting with Pie in the Plaza, we have now graduated to Pretzels in the Plaza and Popsicles in the Plaza and will be opening the fall 2023 quarter with Pancakes in the Plaza. We have served over 1000 individuals at each of these events on average.

Faculty and Staff: I participated in over 45 events addressing faculty and staff at OSU over the last year. An important goal during my first year has been to understand the work of each of OSU's 11 colleges, and its institutes and centers, as deeply as possible. Accordingly, each college was asked to submit a summary sheet of data and information about the college – data such as the number of undergraduate and graduate students, number and composition of faculty, graduation rates, research expenditures, information about programs and so on – prior to the visit. Each visit consisted of an hour with the college's administration discussing what they saw as opportunities and challenges, a half hour reception with faculty, staff and students to mingle socially, and a half hour town hall with faculty, staff and students with a free-flowing question and answer session. I also visited OSU-Cascades, engaging faculty and staff as well as community leaders and donors. Similar visits were made to our centers and institutes, including our Hatfield Marine Sciences Institute, the Portland Center and our major facilities such as the Radiation Center and the Hinsdale Wave facility. Another category of events helped me connect with staff, including University Day, the New Employees Breakfast and the Department of Finance and Administration (DFA) Staff Q&A event. I also hosted dinners and receptions at the presidential residence and on campus to honor our faculty and staff.

Faculty Senate and Collective Bargaining Units: I presented a report on the state of the university at our annual Faculty Senate meeting in October 2023. I meet quarterly with the Faculty Senate Executive Council to have a free-flowing and frank discussion about issues we face as a university, and these have been very important to me in building trust and partnership. Similarly, I have met with members of our faculty union UAOSU twice to discuss faculty and university issues.

Identity Groups: An important focus of my activities last year was to build trust with and connections to the university's identity groups, and to signal to them that they had an ally and partner in the president. We hosted receptions at the president's residence for the President's Commission on Indigenous Affairs (PCIA), the President's Commission on the Status of Black Faculty and Staff Affairs (PCSBFSA), the President's Commission on the Status of Women (PCSOW) and the President and Provost's Leadership Council on Diversity Equity and Inclusion (PPLC). These receptions included a social component to facilitate the building of relationships, as well as a discussion session where critical issues could be aired. Furthermore, I attended and spoke at the OSU Powwow and engaged with Tribal partners at the Tribal Forestry Symposium organized by

the College of Forestry. I made it a point to tour all the cultural centers on the Corvallis campus to better understand their challenges and opportunities.

OSU Extension Service and Experiment Stations: During my first month as president, I visited the Hermiston Agricultural Research Center (HAREC) and the Columbia Basin Agricultural Research Center (CBARC), and later in fall 2022, I visited our North Willamette Research and Extension Center (NWREC). Later in the academic year, I participated in activities at the Hyslop Farm facility. I engaged with Extension staff at these and other campus events. I have always appreciated the land grant mission of public universities. Nevertheless, the importance of the OSU Extension Service and our experiment stations in serving Oregon's geographically diverse communities has become even more clear to me this last year. This coming academic year, we are planning to visit several other experiment stations and engage with Extension staff in southern and eastern Oregon as well.

OSU Athletics: I address issues associated with athletics re-alignment in section 1.7. Here, I describe efforts to understand and build connections to our Athletics enterprise.

I engage on a regular basis with OSU Athletics, meeting frequently with Athletic Director Scott Barnes and members of his staff, as well as the Faculty Athletic Representative, and speaking at the Athletics All Staff meeting annually. I am an enthusiastic supporter of our athletics teams and have hosted tailgates for our alumni, as well as a gathering at the presidential residence for academic and athletic leaders to help build connections between them. I engage regularly with the OSU Athletics Board of Advisers. Not only does participation in sport afford student athletes a compelling pathway to higher education, but Athletics also has the power to inspire and galvanize a university community unlike anything else.

Local, State and Federal Government and Oregon Communities: I have made a concerted effort to reach out and meet with local, state and federal government representatives and Oregon communities and continue to connect to federal and state funding agencies as opportunities arise. A critical set of engagements has been with the governor and state legislators during the 2023-25 biennial legislative session. I have initiated a good working relationship with Governor Kotek and hope to deepen that relationship this year. Working with our state government relations staff, I have made several visits to Senate President Rob Wagner, Speaker Dan Rayfield, Treasurer Tobias Read, leaders connected to the Corvallis region or higher education and those representing regions in which OSU has significant presence. I estimate that I have made personal visits to approximately half of our elected representatives and will continue to do so this year. I have testified in front of the Joint Ways and Means committee in support of our legislative priorities.

At the local level, I make it a point to attend the monthly Benton County Legislative Breakfast on as many occasions as possible. I continue to build trust with our partners at the City of Corvallis through regular meetings to discuss capital programs, enrollment growth, parking and other issues of common interest. I am endeavoring to make connections in other Oregon communities as well. This has included initial conversations with Mayor Remy Drabkin of McMinnville regarding

economic development and building connections with members of the Bend community, Albany, Pendleton, Portland, Hillsboro and others. I rode in the Pendleton Round-up and met members of the community during September 2022, my first week at OSU.

At the federal level, interactions have centered on the CHIPS and Science Act and the potential to bring significant semiconductor funding to Oregon. Accordingly, I have initiated a good working relationship with Senator Ron Wyden and supported his efforts in this area, including visits to the Corvallis HP campus and speaking at a round table hosted by Secretary of Commerce Gina Raimondo in Portland. Congresswoman Val Hoyle and Senator Susan Bonamici have visited our Corvallis campus as a part of our effort to keep our federal representatives apprised of our progress and to advocate for OSU needs. I look forward to continuing these efforts in the coming year both with federal engagements in Washington D.C. and here in Oregon.

On the horizon, I look forward to introducing myself to the nine tribes in Oregon at an upcoming Legislative Commission on Indian Services meeting and welcoming the hire of OSU's inaugural director of tribal relations during the fall term.

Business Community: I have worked to build connections to Oregon's business community during the last year and consider these relationships critical to securing Oregon's future and to garner support for higher education in Oregon. Interactions have included speaking at the Oregon Business Plan summit and at the Portland Business Alliance meetings - including one we hosted at the Portland Center – as well as connecting individually with Oregon business leaders such as Pat Gelsinger and Ann Kelleher of Intel, Maria Pope of Portland General Electric, Joth Ricci of Dutch Brothers, Patrick Criteser of Tillamook Creamery, the leadership at HP Labs in Corvallis, the leadership of Oregon's wine industry, leaders of the food and beverage industry, and of the agriculture and lumber industry, among many others.

National and International Engagement: At the national level, I engage US universities through membership of national bodies such as the Association of Public Land Grant Institutions (APLU). I have sought to parlay my own membership of leading national bodies such as the National Academy of Engineering (NAE) to make OSU more visible. For example, in 2022-23, I served as vice chair of the National Academies of Science, Engineering and Medicine (NASEM) consensus study on Confucius institutes [9] at US higher education institutions, which helped the Department of Defense develop waiver criteria and guidance to US universities seeking to engage with China at a time of heightened geopolitical tensions. I have also sought to shine the light on OSU researchers by serving as General Chair of the American Society of Thermal Fluids Engineering (ASTFE)'s 9th Thermal and Fluids Engineering Conference and bringing the conference to Corvallis in April 2024 [1]; MIME professor Dr. David Blunck has taken on a leadership role in the conference.

At the international level, I serve on the jury of Infosys Foundation Prize for Computer Science and Engineering. This is an international prize awarded by the philanthropic arm of the IT giant Infosys. I also serve on other similar consultative bodies, for example, on the IIT Bombay International Award jury and as a member of Indian National Academy of Engineering. In January

2023, I undertook a week-long trip to India in conjunction with INTO OSU and met with over 75 presidents of Indian universities across the country, as well as high school and undergraduate students, in an effort to build awareness of OSU and the educational and research opportunities it offers. The trip was covered well by the Indian press [2]. I expect to do so again in spring 2024.

Alumni and Donors: Working with the OSU Foundation, I have met with a broad cross-section of OSU alumni and donors. A more detailed report on these activities may be found in section 1.5.

1.2 Evaluate current strategies and progress in key domains

During the last year, I spent a significant portion of my time reviewing OSU's current state in a number of areas of importance. I describe my assessment below and discuss the challenges and opportunities facing OSU.

Position of Higher Education in Oregon and the Nation: One of the main challenges facing Oregon State University, and indeed universities across the nation, is the erosion of trust in higher education and the value it delivers. There are at least two reasons for this loss of trust. The first is that college has become very expensive – the student loan crisis is real and painful for many families, especially for those at median family income and below. The second is the great red-blue and urban-rural divide which has created enormous tensions across the country. Universities are seen as liberal bastions unwilling to admit conservative viewpoints. This divide manifests itself most dramatically in public land grant universities like OSU which, because of their state-wide presence, must straddle these deep political and cultural divisions.

I am committed to taking the concerted action that is needed to change these perceptions of higher education and to deepen our legislature's commitment to Oregon higher education and OSU. This must include building allies in the K-12 and higher education community, business and industry, collective bargaining partners, the media, students, families and alumni, and those from Oregon's diverse demographic groups. I have listed this as one of the main tasks I will undertake during the next year.

Student Enrollment: I summarize the most important enrollment statistics here. Undergraduate student enrollment in fall 2022 stood at 35,239, an increase of 30.3% since 2012, and a 3.3% increase over fall 2021 (Figure 1). Most growth in enrollment is due to non-resident students and Ecampus (Figures 1 and 2, Table 1). The extraordinary growth in Ecampus calls for a concerted strategy to serve this growing sector, and this is a significant part of the new strategic plan. The OSU-Cascades campus has shown moderate growth as well.

As seen in Table 1, of those enrolled in fall 2022, 28,905 were undergraduates and 4,793 were graduate students, i.e., 14% of the total; 594 were enrolled in professional doctorate programs (1.7% of the total). A significant portion of OSU students are part-time, some 32.4%. Oregon residents comprise 51.4%, and non-resident students are 48.6%; this includes 6.8% who are international students. Women constitute 49.2% of the student population. Students of color are 29.2% of the enrollment and students from underrepresented communities (Black, Hispanic, American Indian/Alaska Native, Hawaiian/Pacific Islander) are 14.4% of the student population. Approximately 23.5% of the OSU undergraduate enrollment is first generation in college.

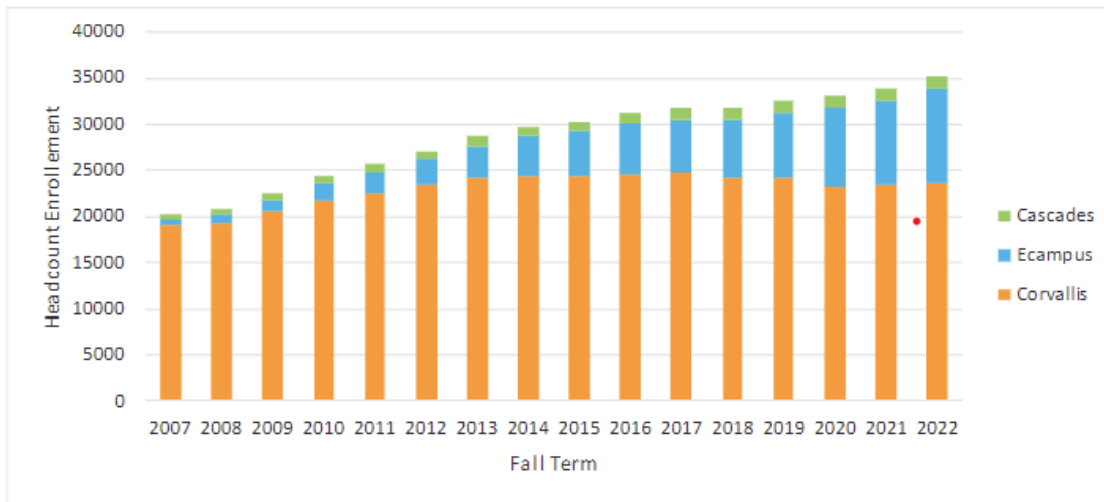
Nearly all categories of enrollment have grown with significant increases in the last year, including underrepresented students, students of color and first-generation students ([Table 1](#)). However, there were significant drops in the enrollment of graduate students ([Table 1](#)). Some of this drop is tied to the pandemic and to the loss of enrollment from China due to both pandemic-related reasons and geopolitical tensions. However, the downturn in international enrollments started in 2019 and predates the pandemic ([Figure 3](#)). The percentage of graduate students at OSU is only about half that of our aspirational peers, and further drops threaten our standing as an R1 institution.

International student enrollment is key to our international standing and is also a source of significant revenue; further drops in these enrollments are a significant concern. Accordingly, OSU and INTO University Partnerships have developed a three-year international enrollment plan and recruitment strategy for onsite enrollments. This plan is in effect from Fall 2023 through summer 2026. The goal is to increase new student enrollments by 15-26% per annum over three years; work to identify and exploit opportunities for undergraduate growth; and build international enrollments to about 10% of total student body. The INTO OSU Board will meet twice this academic year – in Corvallis this fall and in the UK this spring. We will discuss strategies to grow international graduate enrollments going forward, including a more intensive look at a strategy for India. Additionally, together with INTO, OSU has piloted an International Online strategy to grow online international enrollments. The return on investment to date has been slow to materialize, but we will continue to leverage the INTO OSU partnership to finetune our strategy and hopefully grow enrollments in key regions.

Over the last decade, nearly all colleges at OSU have seen undergraduate enrollment growth, but the greatest enrollment growth is in Engineering. The College of Public Health has seen significant erosion in its undergraduate enrollment ([Figure 4](#)) over the last decade

2012	2017	2021	2022	10 yr % chg	5 yr % chg	1 yr % chg
27049	31904	34108	35239	30.3%	10.5%	3.3%

Headcount Enrollment: Main (two largest components)* and Cascades



*Main enrollment headcounts shown are student primary campus of Corvallis or Ecampus. It does not include smaller locations such as Portland or Eastern Oregon University

Figure 1: Headcount enrollment at Corvallis, Ecampus and OSU Cascades

Headcount Demographics						
	2021		2022		Change	
	Headcount	Percent	Headcount	Percent	Net Change	Percent Change
Undergraduate	27564	83.0%	28905	84.3%	1341	4.9%
Degree Seeking	24209		25441		1232	5.1%
2nd Degree (post bac)	2829		2966		137	4.8%
Non Degree	526		498		-28	-5.3%
Graduate	5019	15.1%	4793	14.0%	-226	-4.5%
Masters only	2453		2405		-48	-2.0%
Doctoral	1580		1575		-5	-0.3%
Non Degree	986		813		-173	-17.5%
Professional Doctorate*	610	1.8%	594	1.7%	-16	-2.6%
*Doctoral are PhD/Edd; Professional doctorates are PharmD, DVM, and DPT						
Full-time	22273	67.1%	23189	67.6%	916	4.1%
Part-time	10920	32.9%	11103	32.4%	183	1.7%
Oregon Resident	17635	53.1%	17610	51.4%	-25	-0.1%
Non Resident	15558	46.9%	16682	48.6%	1124	7.2%
Women	16262	49.0%	16877	49.2%	615	3.8%
Men	16931	51.0%	17217	50.2%	286	1.7%
Unreported Sex	n/a	n/a	198	0.6%	198	n/a
Students of Color**	9381	28.3%	10030	29.2%	649	6.9%
Underrepresented Students	4631	14.0%	4947	14.4%	316	6.8%
**Students of Color includes Asian and Multiracial but excludes International. Underrepresented students are ethnic groups that attend college at lower rates than their proportion of the US population (Black, American Indian/Alaska Native, Hispanic, Native Hawaiian/Pacific Islander)						
International	2534	7.6%	2338	6.8%	-196	-7.7%
First Generation College	6094		6796		702	11.5%
% of Undergraduates	22.1%		23.5%			
VETERANS						
Total	1472	4.4%	1551	4.5%	79	5.4%
Undergraduate	1279		1364		85	6.6%
% of Undergraduates	4.6%		4.7%			
Graduate/Prof Doctorate	193		187		-6	-3.1%
% of Graduate/Prof Doctorate	3.4%		3.5%			

Table 1: Student demographics

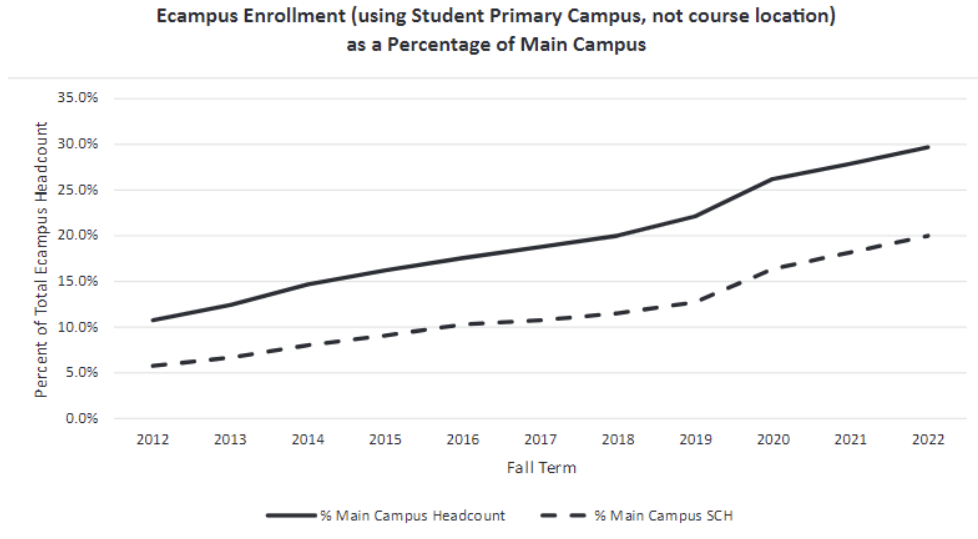
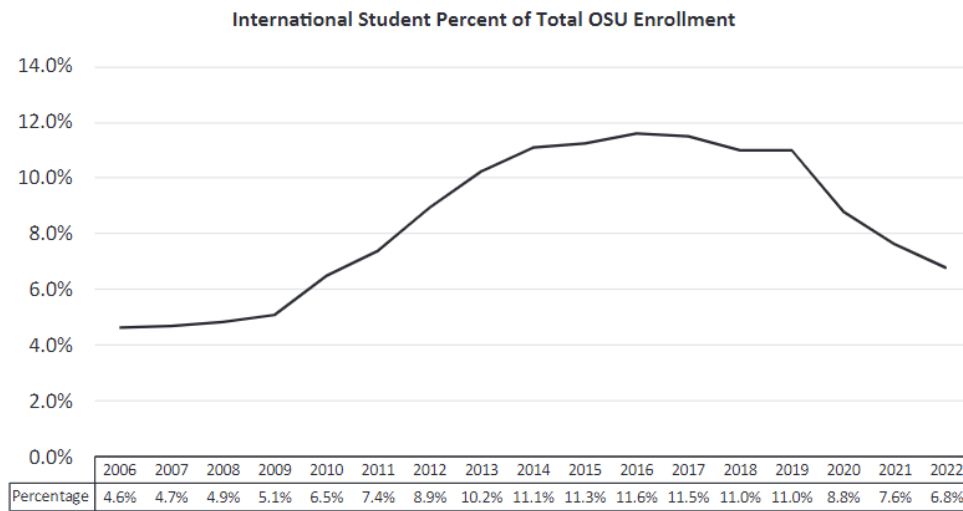


Figure 2: Ecampus enrollment trends



*Fall 2005-2006, International students are identified by residency code. Fall 2007-2009, international students were identified by Admit Type code. Since Fall 2010, international students were identified by citizenship code. Students with unknown visa type are not included in International counts for Fall 2015-2020.

** Includes Professional Doctorate Students.

Figure 3: International enrollment trends

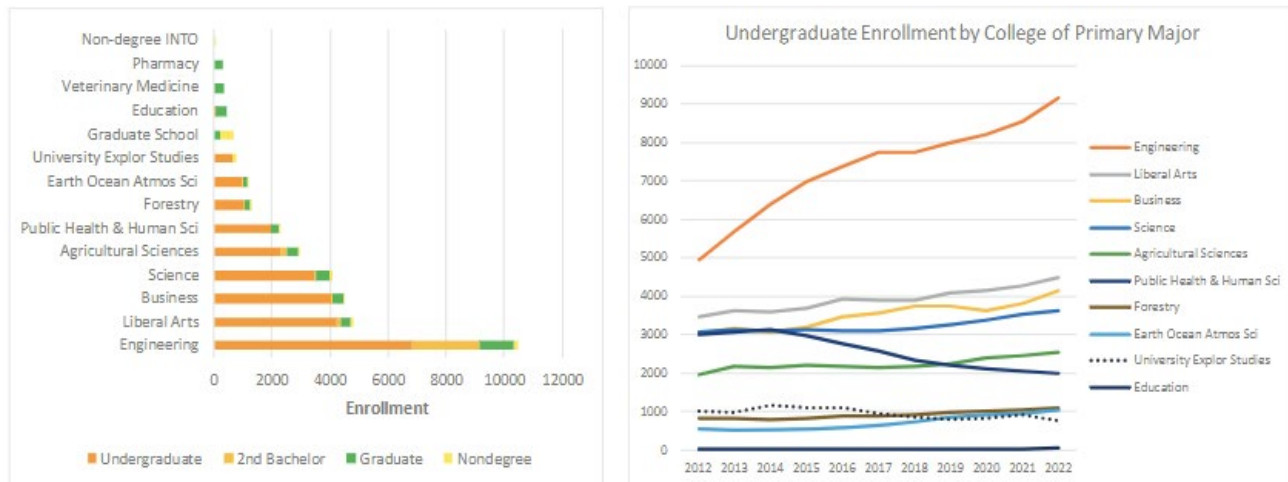


Figure 4: Enrollment trends by college

Ecampus Strategy: It is clear from [Figure 2](#) that demand for Ecampus courses is strong, and the quality of our programs is well-recognized, as evidenced by our top-10 ranking for many years. Furthermore, the time to expand Ecampus is now – in the post-COVID era, competition is heating up, and delay will erode market share. Consequently, in 2023, Provost Feser constituted an Ecampus strategy group to chart possible futures. A final report is in development and will be the basis of the Ecampus strategy for the new strategic plan. A preliminary target of growth to 30,000 Ecampus students is being considered as of this writing.

Student Success and Graduation Rates: Our most recent six-year graduation rate for undergraduate students (first-year full-time, entering in 2016) is 69.9%. For the class that entered in fall 2021, the first-year retention rate is 86.5%. [Table 2](#) below shows six-year graduation and first-year retention rates by student category.

Category	Six-Year Graduation Rate*	First-Year Retention Rate**
Females	72.9%	86.2%
Males	67%	86.8%
Residents	71.9%	88.2%
Non-residents	64.9%	83.5%
Pell recipients	62.3%	81%
Non-recipients of Pell	73.6%	88.1%
American Indian/Alaska Native	47.1%	53.8%
Asian	77.9%	91.8%
Black	46.4%	76.0%
Hispanic	62.8%	83.2%
Native Hawaiian/Pacific Islander	53.8%	75.0%
White	71.3%	87.1%
International	63.3%	85.0%

*First-year full-time freshmen entering in 2016

**Freshmen entering in 2021

Table 2: Six-year graduation rates and first-year retention rates

While our graduation rate has increased 10 points over the last decade and is now on par with national averages for public institutions, it is at least 10 points lower than that of our aspirational peers. More importantly, when the six-year graduation rate is 69.9%, the implication is that nearly 30% of the students we admit do not graduate at all or do not graduate from OSU. The six-year graduation rate for students from historically minoritized communities and Pell recipients is substantially lower, in some categories dramatically so. First year retention rates will need to improve to the mid-90% range to achieve graduation rates of 80% or higher. Improving graduation rates across the board will decrease student debt, help students obtain productive employment, provide a well-trained workforce for employers in Oregon and the nation and drive economic growth. From OSU's standpoint, it helps us deliver on our core mission by educating larger numbers of students every year and improving our standing as a leader in the higher education community. For these reasons, student success, graduation rates, and closing achievement gaps are a significant focus of the new strategic plan.

Cost of Attendance: [Table 3](#) shows the net cost of attendance at OSU. Net cost is the cost the student bears per year of attendance, and includes tuition and fees, room and board, books and supplies, net of financial aid, grants and scholarships. The table below shows the net cost by family income. OSU has reduced the net cost of attendance over the last few years, especially for lower income families, but net cost is still much higher than that of our peers. Greater advocacy to the legislature and building a coalition of business and community leaders to support Oregon higher education is necessary to improve these numbers.

	Group	2018-19	2019-20	2020-21
Oregon State University	Students with grant or scholarship	\$ 19,273	\$ 21,444	\$ 20,318
	Income under \$30K	\$ 14,157	\$ 15,242	\$ 13,158
	Income \$30K to \$48K	\$ 15,770	\$ 17,173	\$ 13,934
	Income \$48K to \$75K	\$ 20,346	\$ 21,716	\$ 16,708
	Income \$75K to \$110K	\$ 23,645	\$ 24,916	\$ 21,293
	Income over \$110K	\$ 24,405	\$ 25,384	\$ 24,559
Oregon State University-Cascades Campus	Students with grant or scholarship	\$ 17,837	\$ 19,735	\$ 18,737
	Income under \$30K	\$ 10,301	\$ 15,481	\$ 10,818
	Income \$30K to \$48K	\$ 15,101	\$ 15,676	\$ 14,670
	Income \$48K to \$75K	\$ 15,951	\$ 20,523	\$ 18,135
	Income \$75K to \$110K	\$ 18,518	\$ 23,356	\$ 19,120
	Income over \$110K	\$ 20,385	\$ 24,659	\$ 23,685

Table 3: OSU net cost of attendance

Financials: As discussed in section 3.0, though the financial outlook for Oregon State University is strong for the next 5-8 years, our operating margins are not as substantial as desired, and our debt capacity is more limited than desirable. We will need to take steps to grow our revenues faster than expenses and to advocate to the legislature that it must do its part in keeping higher education affordable for Oregonians by helping us limit tuition increases. The destabilization of the Pac-12 and the attendant loss of athletics funding challenges our financial outlook, and careful financial planning over the next year will be required.

Research and Innovation: OSU has seen steady growth in its research awards, research-related revenues and research expenditures over the last few years [3]. [Figure 5](#) shows the growth in research expenditures with time. In FY 2023, OSU's research expenditures were \$367M, an increase of 23% over FY 2022. Research awards were \$480M; this is an increase of over 31% compared to the corresponding FY 2022 figures. Furthermore, federal research awards grew from \$294M in FY 2022 to \$427M in FY 2023, an impressive increase of 45%. In addition, other research and innovation related contributions from research cooperatives and licensing and royalty revenue were \$12.9M, which is a 60% increase from last year, and gifts reported in support of research at nearly \$2.7M.¹ Furthermore, the last few years have seen growth in our innovation and entrepreneurship investments and there is growing interest in workforce development. There is much here to be proud of, and points to the extraordinary efforts of our faculty and staff and strengthened support and new strategic programming implemented by our Research Office.

Despite this exciting trajectory, there is significant scope for improvement. We will need to invest in tenured/tenure-track faculty of high quality, improve the physical infrastructure for research and our capacity for research administration, including support for the submission and

¹ OSU has changed the way it reports research *awards* this year to more clearly delineate external awards from other research-related revenues and contributions to research. Research *expenditure* reports are consistent with NSF HERD requirements [13].

management of large proposals. Funding to support startup packages, proposal matching funds, seed grants and endowed chairs are essential to attracting top-tier faculty.

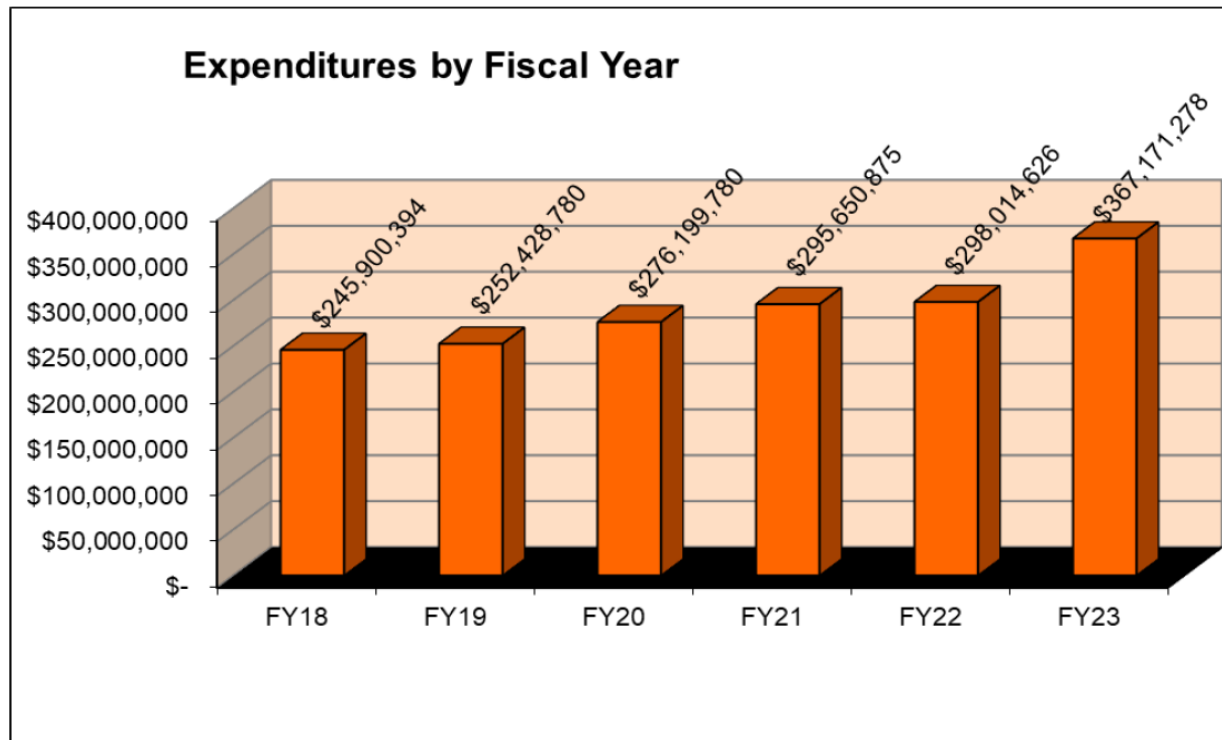


Figure 5: Growth in research expenditures

Inclusive Excellence: OSU has committed itself to inclusive excellence in all its endeavors, and this commitment is encapsulated in its Diversity Strategic Plan [11]. The plan is structured around five goals: (i) integrate and advance inclusive excellence within all aspects of the university, (ii) improve recruitment of students and employees from under-represented communities, (iii) create an inclusive university climate to support the retention and success of all students and employees, (iv) provide innovative and transformative learning experiences enabling all students and employees to advance inclusive excellence, and (v) communicate OSU’s accomplishments, initiatives and innovations as the university advances inclusive excellence. At present 48 of the 53 actions in the plan are now complete [12]. The remaining actions require adaptation and will be considered in the upcoming Diversity Action Plan. Development of this plan is currently underway, and launch is scheduled during winter 2024. Coordination with the university’s next strategic plan is being carried out by Vice President and Chief Diversity Officer Scott Vignos, who serves on the university’s strategic planning committee.

Despite substantive progress on important dimensions, significant issues exist that must be addressed in the upcoming strategic plan. Disparities still exist in the graduation and retention rates for students from historically marginalized communities compared to university averages, as

seen in [Table 2](#). Similar disparities exist for Pell-eligible students, as seen in the same table. The new strategic plan has a strong focus on retention and graduation rates and on closing these gaps.

Another area in which disparities exist is in representation of our faculty. [Table 4](#) shows the demographic representation of our faculty. American Indian/Alaska Native, Black, Hispanic and Native Hawaiian/Pacific Islander faculty are under-represented with respect to their populations in Oregon. For reference, the Oregon population is 73.5% White, 2% Black or African American, 1.1% American Indian/Alaska Native, 0.4% Native Hawaiian/Pacific Islander and 14.4% Hispanic. Overall, approximately 6% of OSU's tenure/tenure-track faculty hires have been non-white/non-Asian in recent years. The new Diversity Action Plan has components that explicitly address these disparities. Gender representation in hiring has seen significant improvement in recent years. Approximately 52% of tenure/tenure-track faculty hires during FY 2017-20 were women.

Job Category	EthnicGroup									Gender			
	American Indian/Alaska Native			Native Hawaiian/Pacific Islander			Two or More Races		Non-Resident Alien		Female	Male	Unknown Gender
	Native	Asian	Black	Hispanic	Islander	Races	Race	White	Alien				
Tenured/ Tenure Track	0.3%	13.0%	1.2%	5.6%	0.1%	1.9%	11.6%	61.7%	4.5%	36.1%	63.9%	0.0%	
Fixed Term Professors(clin, ext, prac)	0.0%	2.7%	4.1%	4.1%	0.0%	0.0%	20.3%	67.6%	1.4%	60.1%	39.9%	0.0%	
Instructor- Full-time	0.5%	3.5%	0.7%	5.1%	0.2%	4.1%	8.5%	73.0%	4.4%	51.4%	48.6%	0.0%	
Instructor-Part-time	0.8%	2.5%	1.0%	4.0%	0.3%	2.5%	22.6%	65.6%	0.8%	61.3%	38.4%	0.3%	
Total Instructional Faculty	0.4%	7.7%	1.3%	5.0%	0.2%	2.4%	13.9%	65.6%	3.4%	46.9%	53.0%	0.1%	
FacultyResearchAssistant	0.3%	3.3%	0.0%	3.9%	0.3%	2.1%	10.7%	77.2%	2.4%	47.5%	52.5%	0.0%	
Post Doctoral Scholar/Clin Fel	0.0%	3.0%	0.5%	2.5%	0.5%	3.0%	24.6%	18.6%	47.2%	45.2%	53.3%	1.5%	
Prof Sr Research/Research Assc	0.5%	10.6%	0.0%	3.2%	0.0%	1.6%	8.0%	62.8%	13.3%	37.2%	62.8%	0.0%	
Total Research Faculty	0.3%	5.1%	0.1%	3.3%	0.3%	2.2%	13.8%	57.3%	17.5%	44.2%	55.4%	0.4%	
Classified	1.0%	2.7%	0.8%	7.3%	0.3%	2.8%	14.0%	70.2%	0.9%	59.4%	40.6%	0.0%	
Professional Faculty	0.8%	2.3%	1.7%	6.4%	0.4%	3.0%	15.1%	69.4%	1.0%	60.1%	39.8%	0.0%	
Professional Faculty-Administrators	0.0%	3.3%	2.4%	4.8%	0.5%	3.3%	7.7%	77.5%	0.5%	53.1%	46.9%	0.0%	
TTT-Administrators	0.0%	7.7%	1.5%	3.1%	0.0%	0.0%	9.2%	78.5%	0.0%	47.7%	52.3%	0.0%	
TTT-Extension	0.0%	4.5%	0.0%	9.1%	0.0%	2.3%	4.5%	77.3%	2.3%	52.3%	47.7%	0.0%	
TTT-Library	0.0%	11.1%	0.0%	11.1%	0.0%	0.0%	0.0%	77.8%	0.0%	77.8%	22.2%	0.0%	
OSU Total	0.6%	4.4%	1.2%	5.8%	0.3%	2.6%	13.9%	67.6%	3.5%	54.0%	45.9%	0.1%	

Table 4: Demographic composition of OSU faculty

Statewide Impact: The Division of Extension and Engagement is home to the OSU Extension Service as well as staffing and programming supporting OSU's public engagement efforts more broadly. The OSU Extension Service is a recognized and trusted source of information and support for the agriculture and forestry sectors, as well as many residents of Oregon. Through the public engagement arm of the division, there is opportunity to build on that reputation to foster community linkages with and trust in the university as a whole. The main strategic opportunities in the public engagement domain are the following:

- Becoming a trusted source to help decision-makers access, interpret and use data. Examples include climate-smart agriculture and community health assessments.
- Support OSU's efforts to improve college access by taking further advantage of the division's Open Campus program, which builds relationships with Oregon's community colleges to support transfer student success. The division also offers culturally responsive programming and research-based positive youth development programs.
- Establishing sustainable funding and a physical presence in Multnomah County to better engage with and serve county and city stakeholders.
- Significantly contributing to delivery and expansion of broadband infrastructure in rural Oregon by leveraging OSU's statewide reach and strengthening the university's partnership with the Oregon Broadband Office.
- Building on opportunities in OSU-Cascades, from the innovation hub and connecting the campus with community members in central Oregon to connecting students there with real, on-the-ground Extension work including work-based learning experience and internships.

OSU Extension faces a number of challenges in executing on these strategic priorities. These include navigating the political divisions in the state, offering competitive pay in rapidly growing areas such as Bend and Portland, increasing external grant funding, and equipping Extension offices with broadband infrastructure to help them operate in an increasingly digital workplace.

Major Administrative and Capital Projects: Significant investments have been made in both administrative and physical infrastructure to offset aging software and IT systems, aging buildings and the need for new research and teaching spaces and are described below. Only major projects (>\$50M) are addressed here.

- **Administrative Modernization Program (AMP):** The Administrative Modernization Program (AMP) will replace the university's 34-year-old core administrative IT systems for human resources and finance. AMP is comprised of multiple individual projects staged to run over a three-to-five-year period. The new systems will form the foundation for subsequent upgrades that significantly modernize and improve both the faculty, staff and student experience and the administration of research, enabling the university to deliver its mission with a greater impact and at a lower administrative cost. The modern digital ecosystem AMP implements will provide improved data quality and automation, and greater institutional agility and adaptability. The total estimated one-time cost to implement AMP is \$50 million. AMP will begin yielding cost savings on OSU's total IT spend in FY 2024, rising to approximately \$10 million per year by FY 2028.
- **Reser Stadium West Grandstands (Completing Reser):** The project replaces the aged and seismically vulnerable west grandstands of Reser Stadium. The project focuses on accessibility and fan experience and will also host several year-round programs such as the OSU Welcome Center, Student Health Services and space for health-care partners. We are on schedule for the opening football game on September 9, though some furniture

installation will not be complete. The project is still on budget for \$160.8M, with contingency being tracked very carefully down to the final closeout.

- Patricia Valian Reser Center for the Creative Arts, PRAx: This \$73.4M project will build a new performing arts venue featuring a 500-seat recital hall, a 200-seat black-box theater and a 5,000-square-foot visual arts gallery. The project also includes an outdoor performance venue and garden. The project is scheduled for completion in late 2023, with the first performance in April 2024. The cost is within the budget.
- Cordley Hall East Renewal: The \$82.6M Cordley Hall project finished the modernizing of the west half of the building and the North District Utility Plant in the spring of 2022. The east half of Cordley will be under renovation until summer of 2024. The Cordley project (both halves) was approved for Stage Gate II in 2019. This project is projected to be complete in the spring of 2024 and is within budget.
- Withycombe Hall Renovations: This \$71M renovation is focused on accommodating the Dairy Products Research Center and will create additional research and education space centered around food, animal, and rangeland sciences. The project will link cooling to the recently completed North District Utility Plant and addresses life safety and accessibility in the building. This project has been approved for Stage Gate II and started construction in the Spring of 2023, with completion expected in the winter of 2025.
- Upper Division and Graduate Student Housing: This \$56M project provides much-needed and currently under-developed studio and two-bedroom suite-style units targeted for upper-division and graduate students on campus. The project was approved by the board of trustees in 2018, delayed due to COVID and land-use issues, and is now back on track to be completed in 2024. This project has been approved for Stage Gate II and has started construction for the summer of 2024 completion.
- Jen-Hsun and Lori Huang Collaborative Innovation Complex (CIC): The \$213M project is in the final stage of design and was approved by the board for Stage Gate II. The 142,500 square feet of new space will host OSU's most advanced research infrastructure, including a supercomputer, clean rooms and signature research centers supporting team-based interdisciplinary research in some of OSU's most distinctive fields. The project will demolish and improve the 211,000-square-foot Weniger Hall site. Demolishing Weniger Hall, which has been determined not economical to renew, would remove \$70M in deferred maintenance from OSU's backlog. A series of related improvements, including the repurposing of Plageman Hall and the Heat Plant, will accompany the project to advance further the goal of supporting collaborative interdisciplinary research and to ensure the needs of units and activities in Weniger Hall are accommodated. The project will start later this summer with site work, and construction of the building will start in early 2024. Project completion is expected in the spring of 2026.

- **Issues Related to Capital Projects:** We estimate an E&G deferred maintenance backlog of about \$745M as of the end of FY 2023. The 10-year Capital Forecast estimates about \$610M in E&G deferred maintenance removal over the ten years. However, the headwinds of continued depreciation and cost escalation (~5% to 7% per year) add back about \$40M a year or \$400M over ten years. The predicted backlog in 2033 is about \$535M. With unprecedented construction cost escalation experienced over the past few years, the pace of projects has been slowed to accommodate these costs.

Another pressing issue is having enough residence hall capacity to accommodate growing enrollments. OSU is planning multiple viable scenarios to address how to increase the capacity of our living centers to meet expected short- and long-term demand and opportunity, as well as address the condition of our existing centers as they approach the end of their expected lives. Generally, the first part of the coming decade will feature projects that increase capacity, followed by replacements and renewals in the later part of the decade. Projects could include construction, expansion, acquisition or renewal and will be debt-financed from the revenue they generate. University Housing and Dining Services (UHDS) is nearing the completion of a vision plan exploring options and recommendations.

1.3 Drive FY 2023 legislative priorities

State Legislative Priorities: We had reasonable success obtaining support for our legislative priorities for the FY 2024-2025 biennium. [Table 5](#) below highlights OSU's legislative funding requests, and the funding that was received. In most cases, we received at least Department of Administrative Services (DAS) continuing service level (CSL) funding increases, and in some cases, more than expected. The greatest disappointment was our failure to obtain support for semiconductor research and associated faculty positions, a case for which has been made in the Semiconductor Task Force Report [\[4\]](#). However, Oregon's public universities were awarded \$10M in University Innovation Research Fund (UIRF) support, and this funding can be used toward matching funds for federal grants related to semiconductors and other areas as well.

HECC Budget	Requested	Received
Public University Support Fund	\$1.05B	\$1.006B
Oregon Opportunity Grant	\$400M	\$308.4M
OSU Statewide Public Service Programs	\$171.9M	\$180.6M
Oregon Tribal Grant Program	\$40M	\$24.2M*
Strong Start	\$10M	\$0
Capital Construction		
Huang Collaborative Innovation Complex	\$75M	\$72M
Cascades Health and Recreation Center	\$45M	\$0
Capital Improvement and Renewal	\$90M	\$100M
One-Time Funding		
State Climatologist	\$250,000	\$250,000
Statewide Water Efforts	-	\$3.0M
Mealybug Research	\$135,000	\$135,000
Forestry Biomass Renewable Fuels Research	\$3.0M	\$3.0M
Center for Outdoor Recreation and Economies	-	\$3.5M
Cybersecurity Center of Excellence	\$12M	\$5M

*Tribal Grant funding reflects current need. It is expected to be augmented if Tribal student enrollment exceeds current numbers. OSU has the most enrolled students receiving the Tribal Grant of any Oregon 4-year university.

Table 5: FY 2024-2025 biennium funding priorities

OSU's collaboration with the Department of State Lands on the State of Oregon's aspiration to establish the Elliott State Research Forest continues, with OSU potentially slated to serve in a management role. By way of background, the 2022 passage of SB 1546 established the Elliott State Research Forest and set up the framework for the Elliott State Research Forest Authority to oversee the forest, with an implementation date of June 30, 2023. The legislation directed the Authority to contract with OSU for research and management operations of the forest. This legislative session, OSU worked with State of Oregon partners to pass SB 161, which extended the implementation deadline to December 31, 2023. A team established by OSU is working actively with the State to find potential ways forward to transition the forest to new management, ensure financial stability, and evaluate the implications of a potential sale of the forest's carbon reserves. An important goal is to provide sufficient information to the OSU Board of Trustees to enable it to decide on OSU's participation by the end of the year.

The Oregon Senate also confirmed the appointment of new trustees to the OSU Board of Trustees, following a rigorous selection and vetting process by the current board. We are delighted to welcome new at-large trustees Stephanie Bulger, Karla Chambers, Grant Kitamura, Greg Macpherson, Elise McClure and student trustee Kasaundra Bonanno. We thank retiring trustees Rani Borkar, Darry Callahan, Lamar Hurd, Preston Pulliams and Jax Richards for their service. The contributions of trustee Michele Longo Eder, who passed away this year, are deeply appreciated as well.

Significant changes in university governance are implicit in SB273 [5], including changes to the composition of the board through the inclusion of a non-voting undergraduate student member and a graduate student representative, regulation of university responses to public meeting feedback, as well as an expanded role for HECC in convening and training board members. OSU board staff are working to fully understand the implications of this legislation and are working with the HECC to forge an implementable path forward.

HB3456 [6] requires significant actions to be taken by Oregon universities to address sexual misconduct on campus. Mandatory changes include more frequent climate surveys, using specific surveys, the use of certified advocates and community-based advocacy agencies, mandatory training for students and employees and other requirements. OSU's Equal Opportunity and Access (EOA) office is working to understand and implement these requirements; implementation will start in fall 2023.

Federal Legislative Priorities: OSU Federal advocacy for funding through annual appropriations includes three types of objectives, including: (1) congressionally directed spending ("CDS" or "earmarks"); (2) investment in federal programs with a specific funding interest to OSU (e.g., not earmarks); and (3) general research and education programs of broad interest to the OSU community (e.g., National Science Foundation, federal financial aid programs). In Fiscal Year 2023 Appropriations, enacted in December 2022, OSU had broad success in advancing funding objectives for the university community.

OSU requested support for five CDS projects, totaling \$6,838,000, and all of which were supported in the final enacted package. We were intentional in the development of these select objectives to consider actionable opportunities while also considering a diversity of projects that would have impacts for communities around the state. In total, funds for OSU's CDS projects will support the following: (1) development of an innovative blue-sector workforce training program in Newport; (2) funds to procure and install forest monitoring equipment in support of Elliott State Research Forest start-up activity; (3) funds to help complete construction of a child care facility at OSU-Cascades; and (4) deferred maintenance funds for USDA-owned agricultural research facilities in Burns and Pendleton that are shared with OSU faculty and labs.

Additionally, our federal advocacy engaged on dozens of investment objectives for research or infrastructure funding to federal agencies that would create targeted opportunities for collaborations with OSU. In FY 2023 final appropriations, our federal advocacy had a direct impact on at least \$108,850,000 in funds for federal collaborations important to the OSU community (not

including CDS). Our top priority was to secure additional funds from the Department of Energy to continue construction of the offshore, grid-connected wave energy test facility (PacWave). OSU requested and Congress provided \$22M in additional funds for this project.

We had no critical missed opportunities in FY 2023 Appropriations, but not all of our objectives were funded. For example, OSU is home to a leading geomatics group in the College of Engineering with expertise in ocean and coastal mapping. Our federal advocacy has been working on an objective to secure new direction and funds for NOAA to invest in an additional university collaboration for ocean and coastal mapping research and education. We have not been successful yet in securing sufficient direction and investment in this opportunity.

The fiscal year 2024 appropriations process is underway. Proposed spending bills are currently working their way through Congress. For FY 2024 (and FY 2025), Congress is subject to spending limits that will have real impacts on current and new investments. While we approached the FY 24 appropriations process similarly to previous years, this will be a challenging year to secure new funding. Our top priority again is to secure sufficient funds to complete construction of the offshore, grid connected wave energy test facility (PacWave).

In addition to our CDS and other targeted funding objectives, OSU is active in advocacy to support research and education programs of broad interest to the OSU community, like federal financial aid programs and funding for the National Science Foundation. We collaborate on advocacy for these program priorities with the Association of Public and Land Grant Universities. We continue to help shape NCAA lobbying efforts for a nationwide federal Name Image Likeness (NIL) bill.

1.4 Develop OSU's next strategic plan

During fall 2022, we kicked off a university-wide process to develop the next strategic plan. Our objective is to develop a strategic plan to cover the years 2024-2030. It is expected that the final version of the plan will be brought to the Board of Trustees for its acceptance during its October 2023 meeting, and a public rollout of the plan will occur in November 2023. Implementation of the plan will begin in January 2024.

The consulting group AKA Strategies, led by John Braunstein and Belinda Li, was hired to help develop the plan and to create the final written document. Within OSU, the strategic planning effort is the responsibility of Provost Ed Feser and his core team consisting of Senior Advisor on Strategic Initiatives Belinda Batten, Vice Provost for Academic Affairs and Senior Vice Provost Alix Gitelman and Vice Provost for Faculty Affairs Rick Settersten, in addition to Chief Assistant to the President Gigi Bruce. A strategic planning steering committee was constituted, led by Alix Gitelman and Professor Andy Dong in the College of Engineering, and consisting of representatives of the academic and administrative communities, students in Corvallis and Bend, Ecampus, enrollment management and the Office of Institutional Diversity (OID). Ideation and discussion sessions were held through fall, winter and spring 2023 with constituent groups and individuals across OSU, including at the board retreat held in October 2022. Town hall meetings were held in Corvallis and the Cascades campus as well as online, led by both Provost Feser and me. In addition to the work of a research subcommittee of the steering planning committee,

research strategy sessions were held by Vice President for Research Irem Tumer, Associate Vice President for Research Anthony Koppers and the associate deans for research in the colleges to identify potential research directions and infrastructure needs. From these discussions, a set of priorities and high-level actions have been identified, and a strategic planning document is in development as of this writing. Simultaneously, a detailed implementation plan and a budget are being developed to support the realization of the strategic plan. The Board of Trustees has been regularly updated about the evolution of the plan.

The current draft of the plan articulates three goals, five actions, and approximately 20 tactics associated with the actions.

Goal 1: A University Focused on Big Discoveries that Drive Big Solutions

The strategic plan places a significant focus on the development and strengthening of OSU's research enterprise. We will invest in foundational and community-engaged research and scholarship that promise both disciplinary excellence and actionable social, economic, and ecological solutions. An important objective is to create enduring university-community partnerships which inspire more effective stewardship of our world's resources. A key aspirational target is to increase annual research expenditures from about \$367M currently to \$600M by 2030.

Goal 2: A University Where Every Student Graduates

Our primary focus is on undergraduate degree seekers who encompass both the traditional age, residential student and the growing number of people of all ages pursuing their bachelor's degree through Ecampus. Furthermore, we will expand shorter-term credentialing programs to upskill and retool careers. We will strategically expand academic programs and credentials and provide them fluidly across OSU's campuses and education platforms. Key aspirational targets include:

- Increasing the six-year undergraduate graduation rate to 80 percent by 2030
- Closing all equity gaps in graduation rates
- Increasing online-only enrollment to 30,000
- Increasing OSU-Cascades enrollment to 2,200 by 2030

Goal 3: A University that Fuels a Thriving World in Every Dimension

By combining exceptional research and teaching with an unparalleled capacity to partner with civic and corporate stakeholders, OSU will serve as a powerful engine for widely shared, environmentally sustainable prosperity in our state, the nation, and the world. Working with partners in industry, government, and education, we will help strengthen economies by sharing OSU's discoveries and capacity for joint problem solving and by continuously adapting to the future of work in how we teach and prepare graduates for careers. We will be among the nation's leaders in translating research to applications that contribute solutions to the world's greatest challenges in areas like food, water, energy, and climate change. We will be proactive and collaborative in creating the vision for—and helping to realize—dynamic, innovative, entrepreneurial economies and communities.

These goals are translated into a set of actions which are described below.

Actions

1. Build international research distinction in areas of competitive advantage.
2. Build an enterprise approach to knowledge translation, innovation, and partnerships.
3. Build faculty excellence.
4. Significantly increase enrollment online and at OSU-Cascades.
5. Launch a campaign for timely undergraduate degree completion.

1.5 Deepen connections with OSUF and drive public phase of capital campaign

During the last year, I worked to build an effective relationship with the OSU Foundation (OSUF), its advisory board, the Beaver Caucus and the OSU Alumni Association. On October 14, 2023, OSUF launched the public phase of *Believe It: The Campaign for Oregon State University*. The campaign has an ambitious goal to raise \$1.75B, comprised of \$460M in student support, \$500M in faculty support, \$320M for new facilities, renovations and equipment, \$250M in new strategic initiatives and \$220M in outreach programs. The campaign was launched through a spectacular event on the Memorial Union quadrangle during OSU's Homecoming weekend with over 500 donors, volunteer leaders, alumni, faculty, staff and friends in attendance. I made an address during the event and expressed my deep belief in OSU and its future, and these were widely shared on social media. I serve as an ex-officio member of the campaign steering committee of 10 members, each of whom has made a \$2M commitment to the campaign and cumulative lifetime giving of \$5M. I am delighted to report that we are now at a total of \$1.139B, and the annual total is \$168M, the third largest in OSU history.

Over the year, I met 55 principal gift donors either in-person, virtually or by telephone, and have travelled to the Bay Area, Texas, Southern California, Seattle, Arizona, Greater Portland and Eastern and Central Oregon to meet them. I engaged with over 2,000 members of our community through OSUF-hosted or sponsored events. These included three virtual events for our closest volunteers and donors; President's Tailgates and Valley Endzone Skybox receptions, and dinners at home football games and receptions at away games in Portland, Stanford and Seattle; board meetings with OSU Foundation trustees, OSU Alumni Association Board of Directors and numerous working and social events associated with these entities; OSU events celebrating philanthropy such as the Dammys to celebrate Dam Proud Day; events to advance government and industry relations in Portland, Salem and Washington DC; events to meet giving society donors and volunteer leaders such as the Harris and 1868 Society receptions and many more. We are in the early stages of working with OSUF and its deep connections to alumni to build out our economic development and industry relations strategy and advance the state's economic outcomes in the years to come.

1.6 Evaluate effectiveness of university-wide marketing and communications

The world of marketing and communications is changing rapidly, and it is important that we understand the current state of our operations and modernize them as necessary. An effective marketing and communications operation is essential to building internal coherence and excitement for the work ahead and is also a chance to reposition OSU in the eyes of our external constituencies. With the retirement of Steve Clark, Vice President for University Relations and

Marketing (URM), there was need not only to replace an experienced long-time leader, but to re-imagine and re-configure our URM operation, both at the campus level and in the units.

A search for Steve Clark's successor was started immediately upon announcement of his retirement in fall 2022. We engaged the executive search firm Isaacson, Miller to conduct the search. A search advisory committee led by Lisa Templeton, vice provost for educational ventures and consisting of representatives of the campus community and the OSU Foundation, was formed. The position drew strong interest from 78 applicants. Four finalists were invited to campus from a list of 19 candidates of interest identified by the search advisory committee. An offer was made to Rob Odom, then serving as chief marketing and communications officer and vice president for Duke University Health System. He accepted our offer and started July 1, 2023.

Simultaneously, in spring 2023, we hired the consulting firm Peterson Rudgers Group (PRG) to review all aspects of URM – operations, organization, activities, budget, effectiveness – in relation to OSU's needs, goals and opportunities, as well as to benchmark OSU's performance in the marketing and communications arena against peer and aspirational peer institutions. PRG's review identifies a number of areas for modernization, reconfiguration, improvement and investment, and provides benchmarking data on peer institutions in terms of the size and structure of their marketing and communications groups as well as budgets for the function. Rob Odom has been charged with creating a plan for URM which will be put into action during the next year.

1.7 Continue to develop and implement plans for athletics re-alignment

Athletics Re-alignment: As of this writing, the departure of five Pac-12 schools to the Big10 and Big12 conferences has destabilized the Pac-12. As a university with a small media market, OSU is in a difficult position. Efforts are underway to find a suitable home for OSU and to secure as favorable a media deal as possible. In addition to obtaining a suitable media deal, there are several challenges that collegiate athletics is currently facing as a result of Name, Image, Likeness (NIL), the Alston decision and a rapidly evolving landscape. Groups outside higher education are perpetuating a pay-to-play model which will benefit student athletes in revenue-generating sports like football and men's basketball, but would raise many questions about impacts on all the other important sports and how to maintain gender equity. The reclassification of our student-athletes as employees would have enormous ramifications, both financial and academic. As it relates to NIL, recruitment and retention are concerns as there is lack of federal regulation and insufficient oversight of existing rules by NCAA. Another major challenge is the financial burden that Alston and NIL are putting on institutions across the country. For example, the Alston benefit alone has cost OSU approximately \$2M annually. With a significant decrease in media revenues, it will be increasingly difficult to navigate these challenges.

Athletics Progress: OSU Athletics has had numerous successes, both athletic and academic during FY 2023. These are described below.

Academic Successes:

- The Women's Basketball, Women's Soccer, Women's Golf and Men's Golf programs earned a perfect Academic Progress Rate (APR) score.
- 69 Oregon State student-athletes over five sports were named to the Pac-12 Fall Academic Honor Roll.
- 59 Oregon State student-athletes over five sports were named to the Pac-12 Winter Academic Honor Roll.
- 85 Oregon State student-athletes over seven sports were named to the Pac-12 Spring Academic Honor Roll.
- Baseball student-athletes Ben Ferrer (2nd) and Travis Bazzana (3rd) were named Academic All-Americans; it's the second time in school history OSU has had two Academic All-Americans in the same season, joining 1987.
- Chayse Gomez, Kyra Ly, Danique Stokmans, Madde Sund and Kelsey Webster were named All-American Scholars by the Women's Golf Coaches Association (WGCA).
- Student-athletes who were named Academic All-District: Nicklas Lund (men's soccer); Ellis Spikner (men's soccer); Carson Barry (men's golf); Jackson Lake (men's golf); Nolan Thoroughgood (men's golf); Mateo Olmos (wrestling); Eliana Gottlieb (softball); Ryan White (volleyball).

Athletics Successes:

- Football finished the season with a 10-3 record (the third 10-win season in program history), and ended the season ranked No. 17 in the final Associated Press poll, the team's highest finish since the 2000 team finished fourth. Jonathan Smith was named Pac-12 Co-Coach of the Year. Furthermore, we won the Las Vegas Bowl in December.
- 11 teams advanced to post-season play.
- Men's Soccer made the NCAA Tournament as the No. 8 overall seed and Joran Gerbet was named Pac-12 Player of the Year.
- Cross Country made its third-ever national championships and Kaylee Mitchell was the West Regional Champion & Runner of the Year.
- Gymnastics earned its second-straight Pac-12 Regular Season Title and advanced to the NCAA Regional Finals for first time since 2019.
- Gymnastics standout Jade Carey finished runner-up on beam at the NCAA Championships.
- Wrestling won the Pac-12 Championship and Matthew Olguin was named the Pac-12 Most Outstanding Wrestler.
- Women's basketball student-athlete Raegan Beers was named the Pac-12 Freshman of the Year.
- Men's Basketball player Jordan Pope was named to the Pac-12 All-Freshman Team, after finishing tied for the Oregon State freshman scoring record.
- Softball standout Frankie Hammoude set the Oregon State career home run record with 53.
- Baseball advanced to its 22nd NCAA Regional and made the post-season for the sixth consecutive season. The Beavers advanced to the NCAA Regional title game for the fifth time in the last six seasons.

- Women’s Golf finished in second place at the NCAA Westfield Regional, the best-ever finish at NCAA Regionals in program history, and advanced to the NCAA National Championships for the second time in program history (1998 was the other).
- Men’s Golf advanced to an NCAA Regional for the 20th time in program history, and seventh under Jon Reehoorn. The Beavers advanced to the postseason for the fourth consecutive year.
- Women’s rower Muryn Greene was named All-Pac-12.
- Men’s Rowing finished third at the Pac-12 Championships and advanced to the IRA Championships.
- Track and Field had its best-ever finish at the Pac-12 Championships, and Kaylee Mitchell, Grace Fetherstonhaugh and Jade Whitfield were all named All-Americans.

OSU Actions to Address NIL and Alston: Significant progress has been made in positioning the university to address NIL and the opportunities presented by the Supreme Court’s *Alston* decision [14]. The Oregon State NIL Marketplace “The Woodshop” has been up and running for over a year and is the main point of contact between the general public and the student-athletes. We are engaged in the expOSUre program to enhance the education and understanding of NIL for student-athletes. A donor collective, Dam Nation, is actively working with current student-athletes for deal generation. Many OSU efforts are geared to retaining our student-athletes while giving them a holistic experience that is second to none.

OSU offers the Alston Educational Benefit at the end of fall, winter and spring quarters. The amount is based upon a student-athletes scholarship. For example, a student-athlete receiving a 50% scholarship is eligible to receive a 50% of Alston benefit.; the full benefit is \$5980 per year. To be eligible, student-athletes must meet the NCAA academic requirements and attend Alston approved programs.

Section 2: Progress on Strategic Plan 4.0

This calendar year is the last under the university’s current Strategic Plan 4.0 (SP4.0) – “Transformation, Excellence and Impact” [7] – which has guided OSU since 2019 in pursuit of four institutional goals: (1) preeminence in research, scholarship, and innovation; (2) delivery of transformative education accessible to all learners; (3) significant and visible impact on Oregon and beyond; and (4) an institutional culture of belonging, collaboration, and innovation. To advance the goals, the plan identified 20 actions, each of which is made up of multiple projects. A set of strategic metrics are compiled annually in a comprehensive dashboard [7] and track resources and other basic information. We estimate that these actions are about 90% complete as of this writing, and most will be complete by December 2023, when the plan ends. Some actions, such as those related to student retention and graduation, will continue into the next strategic plan.

Here, we provide a high-level summary of major accomplishments under each action. Many other accomplishments have been described in domain briefings and the provost's regular updates to the Academic Strategies Committee of the Board of Trustees.

Action 1: Continue building and supporting a diverse, world class faculty

By the end of 2023, OSU will have completed a comprehensive revision of promotion and tenure guidelines, with a focus on providing greater clarity on processes and promotional criteria and providing more user-friendly access to guidelines formally organized under a published faculty handbook. The university has developed and launched programs to promote the professional growth of academic faculty, professional faculty, public safety professionals, classified employees, and academic leaders. A Managerial Competencies Framework [8] was launched in 2022 to cultivate the management and supervisory skills of OSU leaders, who are central to the success, satisfaction, and retention of faculty.

Action 2: Provide distinctive curricula and support innovative pedagogy suited to our mission and vision

The Faculty Senate recently approved a new General Education curriculum, a product of four years of dialogue and consensus-building. Implementation has begun and will continue over the next two years. The new curriculum will be available to students starting in academic year 2025. It updates a 30-year-old curriculum, supports students' transition to OSU and career-readiness, and fosters understanding of diversity, equity, and inclusion.

Action 3: Diversify our research portfolio and strategically build our graduate programs

The university has established a unique program – the Research Impact and Advancement Academy launched fall 2022 – to support faculty in building collaborations and leading large transdisciplinary projects, including a cohort of fellows focused on biohealth science. The university developed a strategy to increase the success of faculty in attracting funding from prominent federal agencies. We are also building transdisciplinary teams and signing memoranda of understanding with national laboratories, particularly partnerships with the PacWave test facility and Hatfield Marine Science Center (HMSC).

Action 4: Retool the OSU experience for the 21st century learner

The university has made major investments in technology, including improving the digital experience for students and classroom technology enhancements. Every classroom is now Zoom-ready. Significant progress has been made on common course numbering and transfer articulation, as well as on understanding career attainment across majors. The university has established commissions to support Black and Indigenous students, faculty, and staff (alongside the 50-year-old commission on women), as well as the Tribal Nations tuition policy and a new childcare center and expanded childcare programming across campus.

Action 5: Implement an integrated approach to recruiting and enrolling learners at all levels

OSU has established a dedicated CRM tool (Slate) to manage hundreds of thousands of records of prospective students; shifted to managing institutional financial aid within a net revenue framework, aided by new financial aid analysis consultants; joined the Western Undergraduate

Exchange (WUE), helping to boost non-resident enrollment; improved scholarship management; implemented trial recruitment strategies outside traditional draw areas; and dramatically increased analytics and reporting to guide enrollment decision making. The university's modified responsibility center management (RCM) budget model—implemented in 2019—has helped to balance resources to enrollment across colleges and to prioritize retention and completion. Diversity has increased and is reinforced by the adoption of test-optional admissions practices. The university is now using an integrated approach to recruiting students to the Corvallis and OSU-Cascades campuses.

Action 6: Substantially improve our physical and administrative research infrastructure

There have been dramatic physical improvements to research infrastructure, including renovations to a number of campus buildings and the construction of new facilities. The new Gladys Valley Marine Studies Building substantially expands research and teaching infrastructure at HMSC while providing the complex and surrounding area with a tsunami evacuation point. Ed Ray Hall at OSU-Cascades similarly expands research and teaching space at the Cascades campus. The Jen-Hsun and Lori Huang Collaborative Innovation Complex and the Patricia Valian Reser Center for the Creative Arts will be powerful new spaces for interdisciplinary and transdisciplinary research.

There have been major administrative improvements in pre- and post-award support and resources, although there is more work to do to keep pace with the university's expanding research portfolio. The university has modernized its electronic research administration platform, improved the management of research conflicts of interest and requirements related to human subjects, built new compliance modules, and created efficiencies in streamlining and processing submissions. These help to support compliance with complex regulatory requirements and increase the productivity of researchers and staff.

Action 7: Increase experiential learning opportunities and ensure access

Experiential learning can now be made visible on transcripts. The new General Education curriculum enables the embedding of experiential learning. The OSU Foundation has included a \$500M target to support student success and support high-impact opportunities for students, including internships, study abroad, service learning, and experiential learning.

Action 8: Expand pathways to an OSU credential

Support to transfer students now includes coordinators in community colleges. We have launched Access OSU to provide better support to communities of color in the Portland metro. Ecampus has launched new strategic collaborations with corporations, including Guild Education, Bright Horizons, and Amazon. The Guild relationship has been extremely successful, enrolling more than 525 employees who are funded partially or fully by their employer and have little to no debt upon graduation. Ecampus also created 16 microcredentials, giving learners an opportunity to upskill or reskill faster and at less cost than a traditional degree. These pilots will continue to be evaluated and modified as needed, while building awareness and enrollment.

Action 9: Make strategic investments in interdisciplinary and transdisciplinary scholarship, teaching and engagement

The university has developed a comprehensive interdisciplinary health science strategy, which included ignite sessions on COVID-19 and health sciences and the charging of a work group to develop a strategy to increase funding from the National Institutes of Health, now underway. The development of two new interdisciplinary programs in Translational Data Science and Sustainability is also underway. A strategy to integrate the arts, humanities, and STEM in research and education is emerging from efforts in curriculum (e.g., the Design for Social Impact program), research, and space development (e.g., the Patricia Valian Reser Center for the Creative Arts). The Huang Collaborative Innovation Complex will be pivotal in directing a new vision for collaborative scholarship and engagement at OSU.

Action 10: Integrate inclusive excellence principles and practices into all aspects of the university

The university has expanded the Office of Institutional Diversity and its programming. OID developed and launched the Inclusive Excellence Inventory to assess unit-level progress in advancing OSU's inclusive excellence goals; a model unit-level diversity strategic planning framework, which has now been used to launch multiple college-level diversity strategic plans; and a comprehensive seminar ("Leading Change for Diversity, Equity, and Inclusion") to expand the capacity of OSU leaders to advance equitable organizational change.

Action 11: Increase retention and graduation of students

The university and several colleges created small retention and completion grants to help students over the final hurdle to graduation. There is now a coordinated system to identify students with balance holds who might benefit from these grants. The procurement process for a student experience CRM – a tool which will help advisors and other support staff have timely, coordinated outreach to students – is complete and begin its launch summer 2023. The university initiated a review of OSU's approach to academic advising, which will include a visit from an external review team this winter and result in recommendations for improvement later in the year. The colleges of Business and Engineering eliminated their "pro school" admissions models, substantially improving the first year experience and providing stronger first year support.

Action 12: Further internationalize OSU

The university has diversified international student enrollment through more intentional support to international students and the establishment of degree or certificate programs such as International Direct (ID) and Master's International Direct (MID), the International Studies (Double) Degree, and Global Learning Certificate, which has just been launched on Ecampus. International Online was also piloted to extend the global reach of OSU Ecampus programs through the partnership with INTO and its global network. The university is revising its international enrollment targets to fit OSU's overall enrollment strategy.

Action 13: Support interdisciplinary education, research and engagement on healthy ocean and coasts through the Marine Studies Initiative

The Marine Studies Initiative (MSI) partnered with the College of Liberal Arts to develop and

launch the social sciences-focused Marine Studies undergraduate degree (MAST). Now in its second year, over 75 students are pursuing a Marine Studies major. Work continues on new marine-related minors and certificates. The new internationally recognized Gladys Valley Marine Studies Building was completed, and 11 new marine faculty were hired across the university. The building of new housing at HMSC is underway and will be completed after SP4.0 has ended.

Action 14: Reduce our carbon footprint

OSU developed and implemented an energy policy which, coupled with the 10-year capital forecast and the Path to Carbon Neutrality, provides a roadmap to significantly reduce the university's carbon footprint. These tools have led to major investments and plans for new and sustainable construction and the retro-commissioning of many existing buildings and power purchase agreements for rooftop solar and lighting upgrades. This work has reduced OSU's carbon footprint by over 30 percent per square foot of building space relative to the 2007 baseline.

Action 15: Strengthen support system for innovation and entrepreneurship

OSU continues to lead the nation in innovation on promotion and tenure standards. This year, additional promotion and tenure criteria incentivizing and recognizing faculty engaged with industry and in support of new startups passed at the OSU Faculty Senate. Furthermore, OSU now has a fully revised, modernized, and understandable Intellectual Property Policy in place and being implemented. To further bolster and activate innovation and entrepreneurship, OSU has developed a concept for a 1:1 matching fundraising effort. As envisioned, a \$40M endowment will create the Fund for Invention and Innovation Impact and will provide significant resources and programming that are leveraged across OSU's distributed innovation footprint through innovation places aligned with industry sectors. Discussions are also underway to develop a university-industry partnerships framework focused on economic development that will serve as a strategic and coordinated "front door" to OSU, providing talent access, workforce development, research, and innovation opportunities.

Action 16: Retool approach to university-stakeholder engagement

The university was awarded its second Carnegie Community Engagement classification as a "high engagement university," a select designation that acknowledges the strength of our commitment to community engagement and engaged scholarship among Oregonians statewide, along with OSU's longstanding classification as a "very high research activity" doctoral university (or "R1") institution. The university has created a structure to align engagement efforts for industry partners, parents, families, alumni and friends, the Alumni Association, and the Foundation. This will enable effective advocacy for OSU by stakeholders in support of student success and staff and faculty excellence.

Action 17: Clarify vision, communications and governance guiding OSU's physical and digital footprint

The Corvallis and OSU-Cascades campuses have created detailed plans for development, with a campus master plan approved by Bend City Council as required by the city of Bend's land development code. A Corvallis campus vision plan was presented for input to the Corvallis City

Council. These plans support the university's strategic plan priorities and sustainable 21st century financial and environmental priorities. The OSU Portland Center is central to the university's Access OSU plan, a university strategy that fosters access to college and student success for members of underserved and under-represented communities. A new partnership between University Information Technology (UIT) and Extension and Engagement has significantly improved the university's digital footprint through county programming. IT Governance has been established and is anchored in processes that create transparency, clarity, accountability, and equity. In the year ahead, the university will mature its adaptive IT governance structure, introduce Educational and Operational IT Governance, and develop an overarching roadmap for a comprehensive governance structure ahead.

Action 18: Strengthen alignment within the university among our branding, marketing, communications, and public affairs efforts

Two reviews of university-wide marketing and communications were completed: one resulting in a toolkit for university communicators to conduct more culturally competent marketing and communications, particularly with respect to racial and social differences; and the other involving an external review of university-wide marketing and communications. A detailed discussion on re-tooling our University Relations and Marketing (URM) operation is given in Section 1.6.

Action 19: Implement a comprehensive talent management system

The university has developed a suite of resources to improve the experiences of employees and supervisors. On the employee side, these include stronger orientations for new employees; more tailored and intentional onboarding and offboarding processes; enhanced resources for leaves, work-family balance, mental health, and housing; climate surveys for current employees; and exit interviews and surveys for departing employees. The year ahead will bring continued improvements to compete for top talent through targeted outreach, broader promotion of employment opportunities, more nimble search processes, an improved UHR website, resources for prospective candidates and more. It will also bring stronger evaluative tools and guidance on employee goal setting and professional development.

On the supervisor side, these resources include updated core curriculum trainings for supervisors and the new Managerial Competency Framework, which is now being implemented and is poised to significantly elevate the practice of management and supervision of leaders – from supervisors across administrative and academic units as well as senior administrators.

Action 20: Integrate and simplify technology systems, data practices and policies to increase our organizational agility

Critical practices and standards have been established for information technology, including contemporary cybersecurity tools designed to detect risks and attacks and protect systems. The university has worked diligently to reduce similar and duplicative tools across campus, replacing individual ones with enterprise licenses and retiring many aging tools to reduce technical debt. The university's experience and platform for distance learning helped support the success of employees and students during the pandemic – and left operations agile as online enrollment continues to grow and as hybrid or remote work remain part of many university positions.

The Division of University Information and Technology automated or digitized over 26,000 hours of manual administrative work, allowing staff to reallocate their time to more valuable functions. The university re-established the architecture of the systems through which university data is delivered, established new data governance processes and policies, and began to deliver an easier-to-use environment with highly valued strategic data products for enrollment management and academic affairs.

Priorities this year include a new identity management environment (IGA) to give students, faculty, staff, and other university partners and stakeholders the correct level of access to the data they need – and anchored in “zero trust” architecture, which minimizes cyber vulnerabilities; implementation of a system for integrating and managing data that flows through the university’s many administrative systems; and adoption and use of a common student CRM to improve the student experience of university processes and services. Complete modernization of core OSU administrative processes will be completed in about five years. The Administrative Modernization Program (AMP) to replace Banner and transform core processes is the next big step.

Section 3: Financial Status of the University

Oregon State University is financially strong as indicated by the trendlines in our key financial metrics as presented in the latest Ten-Year Business Forecast, and by our latest credit rating by Moody’s Investor Services. Looking first at the board’s financial metrics as presented in the latest Forecast [10] (page 18), we are projected to operate within the metric ranges established by the board for at least the next 8 years. As was noted during the discussion of the latest Forecast, the out years reflect lower enrollment growth expectations which, coupled with the inflation of our cost base, points to the need to implement new strategies to generate new net revenues.

We have been challenged in our net earnings (EBIDA) metric in prior years, which reflects our commitment to muting tuition rate increases and our decision to maintain somewhat lower reserves than might be considered standard. Future years reflect a somewhat stronger net tuition revenue growth from growth in non-resident students and Ecampus, which is expected to outpace our anticipated cost increases. As requested by the board, we will be evaluating our reserve expectations and may revise our targeted level of reserves for the future. As we shared with you in July 2023, Moody’s Investor Services reaffirmed our Aa3 Stable rating, stating:

“The affirmation of Oregon State University’s Aa3 issuer rating reflects the university’s important role in the State of Oregon (Aa1 stable), educating a large share of resident undergraduate students, with solid enrollment and growing net tuition revenue underpinning its excellent brand and strategic positioning. Enrollment trends are positioned to show positive trajectory underpinned by increases in non-resident students and Ecampus online programs. The university’s role in the state higher education system translates into growing state funding, which comprises just over 20% of the university’s revenue, as well as ongoing capital funding to support renewal of its facilities. OSU’s strong research profile adds to its academic reputation and enhances revenue growth prospects.”

Philanthropy helps build wealth with three-year average gift revenue outpacing many of the university's peers. Offsetting challenges include the elevated financial leverage and low debt affordability which constrains future borrowing. Furthermore, the long-dated nature of the debt will require careful long term management of reserves related to debt repayment. The university's historically thin operating performance will continue to face challenges in light of expense pressures offset in part by gains in projected enrollment and other student related charges."

Unpacking the Moody's analysis a bit, we benefit from our size and reputation within the state, our growing net tuition revenue from non-resident and Ecampus students, and from an increase in state funding. We also have benefited from increases in deferred maintenance funding from the state. It would be a mistake to gloss over the terrific work of the OSU Foundation in generating the philanthropy that has been instrumental in our growth and our success in building our brand. That said, Moody's also points out that we have issued significant new debt over the past few years, which was done intentionally to take advantage of historic low rates and to generate liquidity in the midst of the pandemic, while providing the debt financing for our 10-year capital plan in advance. It is unsurprising that this was noted as a challenge but should mitigate over time as our revenue growth catches up. They also point to the long-dated nature of our debt as a challenge. We have been strategic in our revenue bond debt issuances, which have all occurred since we became an independent university. The interest rates during this period were low and issuing long-dated debt made sense when thinking about debt in a portfolio approach. What is important to note is that all of our long-dated debt is issued with a 10-year par call, so that we are free to refinance these debt issuances after 10 years should our financial position and the interest rate environment dictate. Our goal is to keep our blended cost of capital as low as possible, and it is quite possible that future debt issuances will be structured very differently given the changes in interest rates we have seen in recent months and years.

While we are currently financially strong, and our projections for the next 5-8 years are also strong, if we do not take some strategic actions to grow net revenues at a faster pace, our financial position will begin to erode in the out years. The new strategic plan is proposing concerted action to grow net revenues principally through expansion of online enrollment. A late-breaking but challenging development has been Pac-12 conference realignment. Though it remains to be seen what path OSU will take during the next year, it is clear that there will be significant financial challenges due to reduced media rights revenues. These aspects will be included in our financial planning for FY 2025.

Section 4: President's Goals for FY 2024

Based on the above assessment of OSU's opportunities and challenges, I propose the following goals for FY 2024.

4.1 Start implementation of the new strategic plan

As described above, the next strategic plan will be completed this fall and we will seek acceptance by the Board of Trustees in October 2023. The plan will identify actions and tasks which must be implemented. Detailed timelines, budgets, metrics and administrative infrastructures, as well as assessment and reporting frameworks, are being created and will continue into the coming year, building on the infrastructure developed to support Strategic Plan 4.0. Implementation of the plan will begin this year as well. Among the most complicated and ambitious tasks to carry out will be pushing our 6-year graduation rates to 80% while closing gaps between demographic groups by 2030. Another critical task is to develop an ambitious enrollment strategy for both on-campus and Ecampus enrollment, and to counter the decline in international enrollments. Sharpening our research focus and expanding our research investments is another significant imperative.

4.2 Work with OSUF to advance capital campaign

I will continue to work with the OSU Foundation to achieve the fund-raising goal of \$1.75B over the campaign; we are currently at approximately \$1.1B. I will continue to get to know our alumni and our donor base more deeply and will leverage their expertise and connections to further OSU's goals. In collaboration with OSUF, I will drive principal gift conversations and obtain philanthropic support for initiatives in the new strategic plan. Furthermore, I will work with OSUF to expand foundation and industry gifts. It will be important to stay connected to our alumni who are passionate about athletics and communicate to them the need to continue supporting OSU Athletics during this time of conference re-alignment.

4.3 Modernize and solidify University Relations and Marketing (URM)

The world of marketing and communications is changing rapidly, and it is important that we understand the current state of our operations and modernize them as necessary. In July 2023, Rob Odom was hired as Vice President for University Relations and Marketing. Simultaneously, we commissioned Peterson Rudgers Group to conduct a review of our URM operations, and they have issued a report on their findings. I will work with Rob to begin the process of transforming URM, considering the varied communications needs of our colleges and administrative units, centralized versus more distributed structures, the use of social media, the diversity of our audience – old, young, urban, rural – and the interface with enrollment management, Ecampus, Athletics and OSUF, among others.

4.4 Continue to develop physical infrastructure to support OSU priorities

We will continue to pursue the capital projects described in section 1.1. The two biggest priorities for the coming year will be the Huang Collaborative Innovation Complex (CIC) and the Patricia Valian Reser Center for the Creative Arts, PRAX. We will develop detailed plans for the utilization of space in the CIC, the hiring of the CIC executive director and supporting staff, the purchase of major equipment and the operating budget. Fundraising to support these functions will also be a priority. Our expectation is that we will break ground in early 2024 and that the building will be completed in 2026. PRAX is scheduled to be launched in April 2024, and a plan for programming for the first year of operations has been completed. Execution of the PRAX plan for its first year and planning of continuing operations will continue throughout the next year. Furthermore, with

the passing of the plan for the Cascades Innovation District through Stage Gate II in August 2023, we will embark on detailed planning for the development of the District.

4.5 Continue to deepen connections to OSU stakeholders, communities, the nation and beyond

I will continue to engage broadly and deeply with OSU stakeholders, communities and businesses within and outside Oregon. I will continue to engage our students, faculty and staff on our campuses on a regular schedule and visit OSU's experiment stations and Extension operations near and far. A central focus will be connecting with the business community in Oregon, especially in the semiconductors and food and beverage industries. This will be important in supporting our workforce and economic development goals in the new strategic plan. Beyond engagement within the state of Oregon, I will work to raise OSU's profile at the national level and will forge and deepen international relationships in countries such as India to help project OSU's excellence abroad.

4.6 Develop and implement strategy to address athletics re-alignment

As of this writing, there is extreme uncertainty about the fate of the Pac-12 conference, and OSU has yet to find a conference home for its athletics program. During the next year, I will work with AD Scott Barnes and the remaining members of the Pac-12 conference to either find a path to preserving the Pac-12, make an alliance with one of the G5 conferences or merge with them. Furthermore, I will work with the remaining Pac-12 presidents to chart out the financial and legal issues surrounding Pac-12 and its potential expansion or closure. Locally, I will work with our Government Affairs team and with our advocacy and alumni groups to advocate for student-athlete scholarships from the Oregon legislature to offset potential losses due to conference re-alignment. There will be significant financial losses, and I will work with our Chief Financial Officer to develop a financial plan to address them. Throughout the process, I will keep the OSU community and its supporters informed of developments.

4.7 Develop a long-term strategy to improve higher education funding in Oregon

As I discussed above, it is imperative to communicate to our legislators and to the general public the critical role of higher education in building a prosperous future for Oregonians, and to increase funding for our state's two- and four-year universities. I believe this is necessarily a long-term strategy and will require the support of our business community, the Oregon media, members of our K-12 and higher education community, Oregon's civic and legislative leaders and the public. During the next year, I will work with these constituencies and the other university presidents to develop a focused plan, with a view to launching the plan during the year after.

4.8 Develop long-term AI/ML strategy

Artificial intelligence (AI) and machine learning (ML) have made extraordinary advances during the last decade and have the potential to significantly disrupt higher education. It has become clear that OSU must seize the initiative to understand, regulate and exploit this new technology. Provost Feser has convened a group of senior leaders to address the evolving AI landscape, including infrastructure, practices, academic program impacts and guidelines, administration, opportunities and risks. This group will seek to educate the campus community on AI, address

academic impacts, develop policies for ethical use, explore opportunities within the context of AMP and other administrative projects as well as enrollment management and student success. We also plan to seek the help of external consultants and exploit training opportunities provided by higher education entities such as the Association of Public and Land Grant Universities (APLU).

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Appendices

Appendix I: Proposed Presidential Agenda for FY 2023

1. Deepen connection to OSU stakeholders, Oregon communities, the nation, and beyond

Over the next year, my objective is to engage broadly and deeply with OSU stakeholders and communities within and outside Oregon. These will include alumni and donors, key industry partners, state and federal legislative and executive branch leadership, as well as local community leaders in Corvallis, Benton County and Philomath, among others.

Higher education in Oregon is undergoing an extraordinary period of transition and this represents an opportunity for OSU to exercise leadership. I will engage leaders in the Oregon K-12 and higher education communities, including the Oregon Council of Presidents (OCOP), the Higher Education Coordinating Commission (HECC) and community colleges to identify common concerns and to find avenues for concerted action. I will also visit our Bend campus, Hatfield Marine Science Center, our Portland Center and our extension offices and experiment stations to understand their strengths and potential. Beyond engagement within the state of Oregon, I will work to raise OSU's profile at the national level and will forge and deepen international relationships in countries such as India to help project OSU's excellence abroad.

Three critical internal constituencies to engage are faculty, staff and students. I will seek to strengthen shared governance and to build trust with these groups through frequent engagement. An important aspect will be seeking their participation in developing and deploying Strategic Plan 5.0. I will be especially cognizant of the challenges of return-to-campus after COVID, the mental health challenges facing our community and the need for reconnection amongst our constituents. I will be sure to pay particular attention to connecting with those from minoritized communities.

Throughout, I will update the board on my progress through regular meetings with Chair Schueler, Vice Chair Bedient and Board Secretary Jackie Bangs.

2. Evaluate current strategies and progress in key domains

An important component of my work for the next year will be to understand all elements of Strategic Plan 4.0, review current strategies and progress towards goals, and to support SP4.0 execution until the launch of the next strategic plan. I will also evaluate the current state of elements that are likely to be an important part of the next strategic plan, including:

- a. Student success, including admission, retention and graduation rates, including achievement gaps across different demographics;
- b. Enrollment management and E-campus strategy, including online versus on-campus instruction, in-state versus out-of-state composition, international enrollment and pricing strategies;
- c. Research, including awards and expenditures, key areas of academic excellence and intersection with emerging opportunities (the Collaborative Innovation Complex, the CHIPS and Science Act and current investments, among others);

- d. DEI and inclusive excellence, including progress on diversity strategic plan;
- e. Statewide footprint, including strategy and plans for our Corvallis and Bend campuses, the Hatfield Marine Sciences Center, our Portland Center and our extension and experiment stations;
- f. Major administrative and capital projects.

3. Drive FY2023 legislative priorities

The coming 2023-2025 biennium will be one of significant transition for OSU. It is of course the beginning of my tenure as president but will also include the appointment of a new governor and a new legislature with a turnover of almost 40% at the state level. At the federal level, the Oregon delegation will have three new representatives in Congress in January 2023. Furthermore, Corvallis, Bend and Newport will also have new representation. These transitions represent the potential for positive change and an opportunity for early relationship development, but may also represent lost seniority, new committee assignments and potentially, new commitments. I will work to quickly establish strong relationships with our local, state and federal representatives.

I will work with our Government Relations team to advocate for OSU's FY 2023 state-level legislative priorities. These will include, among others:

- Support for our Public University Support Fund request
- Increase in Oregon Opportunity Grant funding
- Higher Education Cybersecurity investments
- Support for the three statewide public service programs, OSU Extension Service, Oregon Agricultural Experiment Station, and the Oregon Forest Research Laboratory, collectively referred to as the Statewides, including both base funding as well as support for a proposed resilience initiative
- Capital project investments, including deferred maintenance, support for the Collaborative Innovation Complex, and for the OSU-Cascades Health Center.

We will continue to push for investments recommended by the Semiconductor Task Force. We will also monitor and productively engage in other discussions and initiatives involving, for example, the Elliott State Forest, governance and trustee appointments.

At the federal level, we will focus on both broad advocacy for a variety of goals shared by US higher education institutions as well as OSU-specific priorities. Broad advocacy will include federal science agency re-authorization, DACA, Title IX, semiconductor R&D funding and the like. Specific to OSU, we will continue to pursue funding for PacWave, as well as defense, semi-conductor, and energy and sustainability-related funding.

4. Develop OSU's next strategic plan

Working with OSU leadership and the OSU community, I will launch the development of OSU's next strategic plan, focusing on those elements of SP 4.0 which need continuation and further investment of time and resources, as well as new directions for our university. Engagement of OSU's stakeholders will be an essential part of the process. My goal is to deliver to the board of trustees a draft of the plan by June 2023, a final plan by October 2023 and a formal launch of the plan by January 2024. A plan for broad and continuous dissemination of vision, goals, strategies, metric and progress will be developed and rolled out. Though the specific elements of the plan

remain to be developed, it is likely that there will be a significant focus on student success, including graduation rates and time to completion, deepening our R1 mission, expanding and deepening our statewide imprint, and continuing our focus on inclusive excellence.

5. Deepen connections with OSUF and drive public phase of capital campaign

I will work with OSUF to get to know our alumni and our donor base more deeply over the next year. The OSUF Board of Trustees and the Beaver Caucus consist of individuals with strong networks and a wealth of experience. I will leverage their expertise and connections to further OSU's goals and positioning.

The public phase of the next capital campaign will launch this October and will continue into 2027. I will work with OSUF to determine the fund-raising goal of this phase of the campaign and to set a timeline for achieving it. We will review unit goals, including those for all our colleges, Athletics and for OSU-Cascades. I will work with OSUF to drive principal gift conversations and to steer them towards a successful conclusion. Furthermore, I will work with OSUF to craft our strategy regarding foundation and industry gifts. In forging deeper connections with OSUF, I hope to exploit the organization's energy and agility to further OSU's ambitions.

6. Evaluate effectiveness of university-wide marketing and communications

As we launch our new strategic plan, it is important that we pay attention to marketing and communications. The world of marketing and communications is changing rapidly, and it is important that we understand the current state of our operations and to modernize them as necessary. An effective marketing and communications operation is essential to building internal coherence and excitement for the work ahead and is also a chance to reposition OSU in the eyes of our external constituencies. We will assess our operations, potentially with the assistance of an outside consultant, considering the varied communications needs of our colleges and administrative units, centralized versus more distributed structures, the use of social media, the diversity of our audience – old, young, urban, rural – and the interface with enrollment management, E-Campus, Athletics and OSUF, among others. Based on our findings, we will implement a revised structure, setting OSU on a path to amplify its impact on the state of Oregon and beyond.

7. Continue to develop and implement plans for Athletics re-alignment

College athletics is undergoing a revolutionary transformation and OSU Athletics is no exception. Working with AD Scott Barnes, I will drive the continuing development and implementation of strategies and programs to address issues such as the NCAA vs. Alston decision; pay-to-play and athlete unionization; name-image-likeness (NIL) infrastructure to support student athletes; issues surrounding the transfer portal; and the NCAA transformation project. PAC-12 media rights negotiations are currently underway and a grant-of-rights agreement will need to be signed during the next few months. I will also continue to work with the other PAC-12 presidents to re-think the future of the PAC-12 conference. This is critically important not only for OSU Athletics but also for our academic mission.