

TEN-YEAR BUSINESS FORECAST: FY2026-2035

Board of Trustees
July 8, 2025



Oregon State
University

Background

The 10-year business forecast is a long-term view of the aggregate impact of near-term operating and capital decisions

- Purpose: Evaluate long-range impacts of current actions and trends
- Institutional level all-funds projection of revenue and expenses
- Forecast is not a budget or set of specific commitments
- Assumptions are key to the projections; uncertainty grows as time horizon lengthens
- Substantial downside risks related to federal action, external factors
- Passive forecast does not reflect direct choices or actions the university might take to affect the outcomes in the future
- Includes projected cost of Ten-Year Capital Forecast for approved projects
- Forecast starts from the board-adopted budget for fiscal year 2026

Overall Revenue \$1.85 billion

Education & General (E&G)

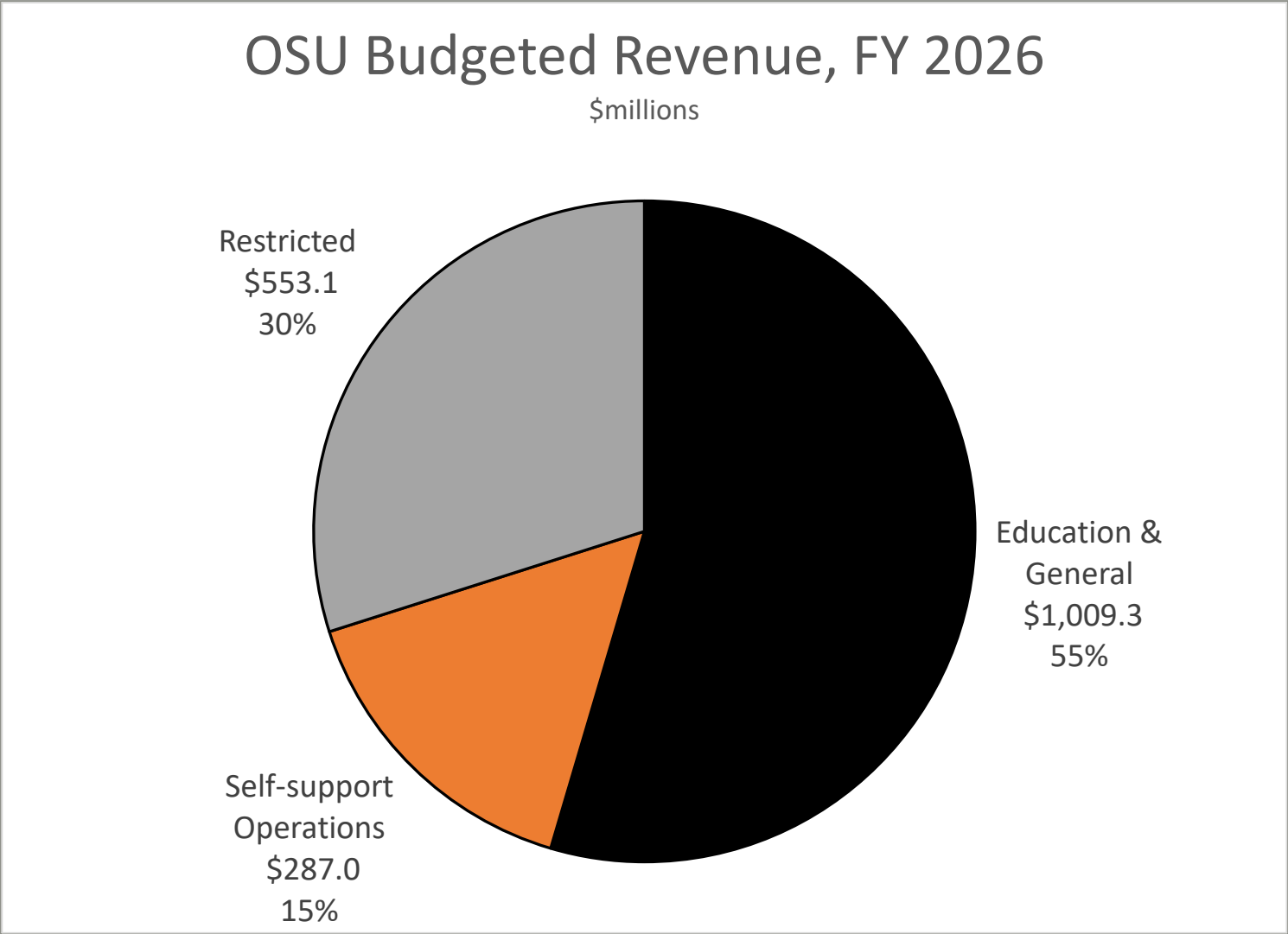
- Student tuition and fees
- State funding
- Research overhead revenue (F&A recovery)

Self-support Operations

- Auxiliary operating revenue
- Sales and services

Restricted

- Federal, state grants
- Federal and state financial aid
- Gifts and donations



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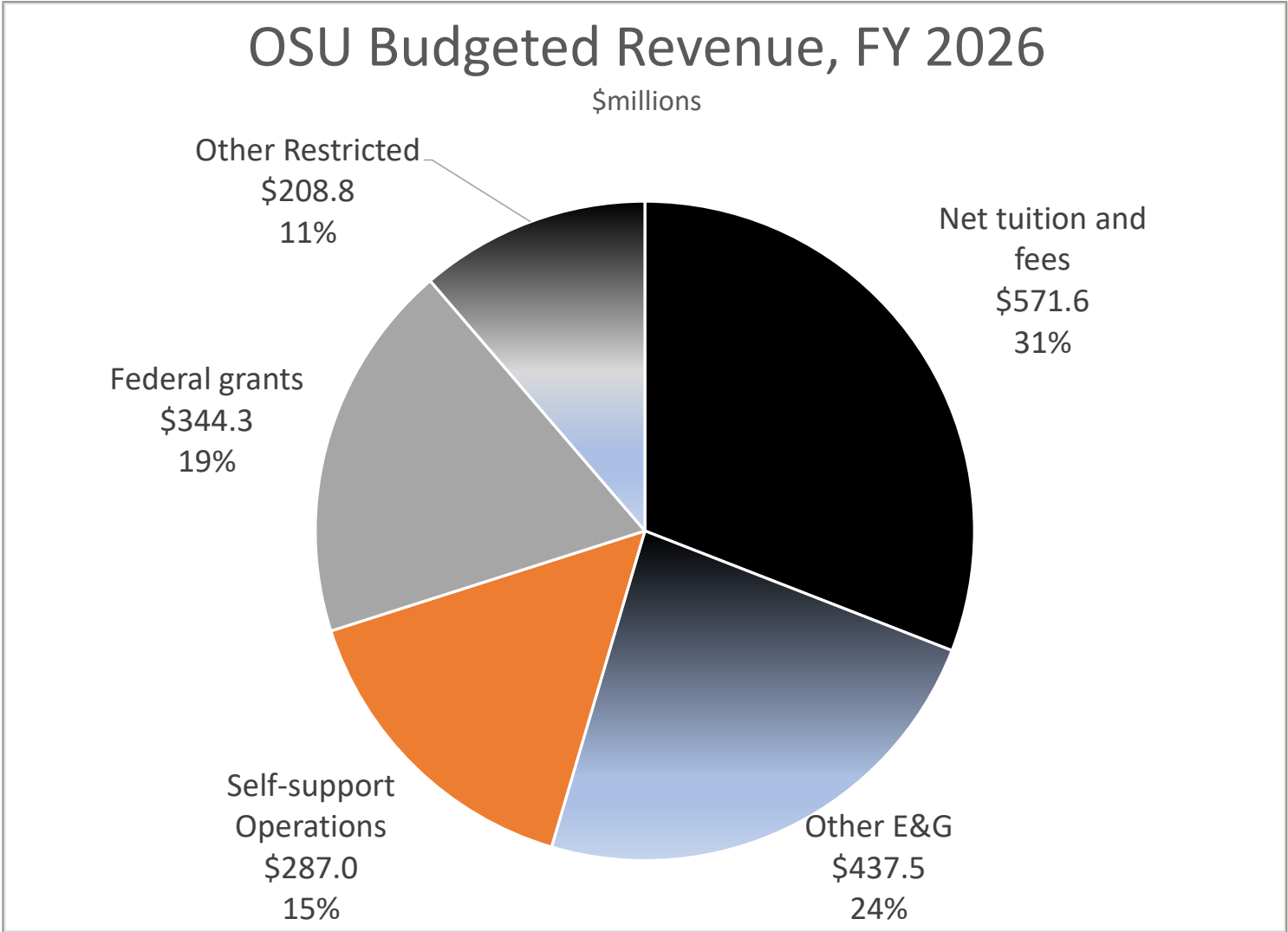
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E&G Revenue

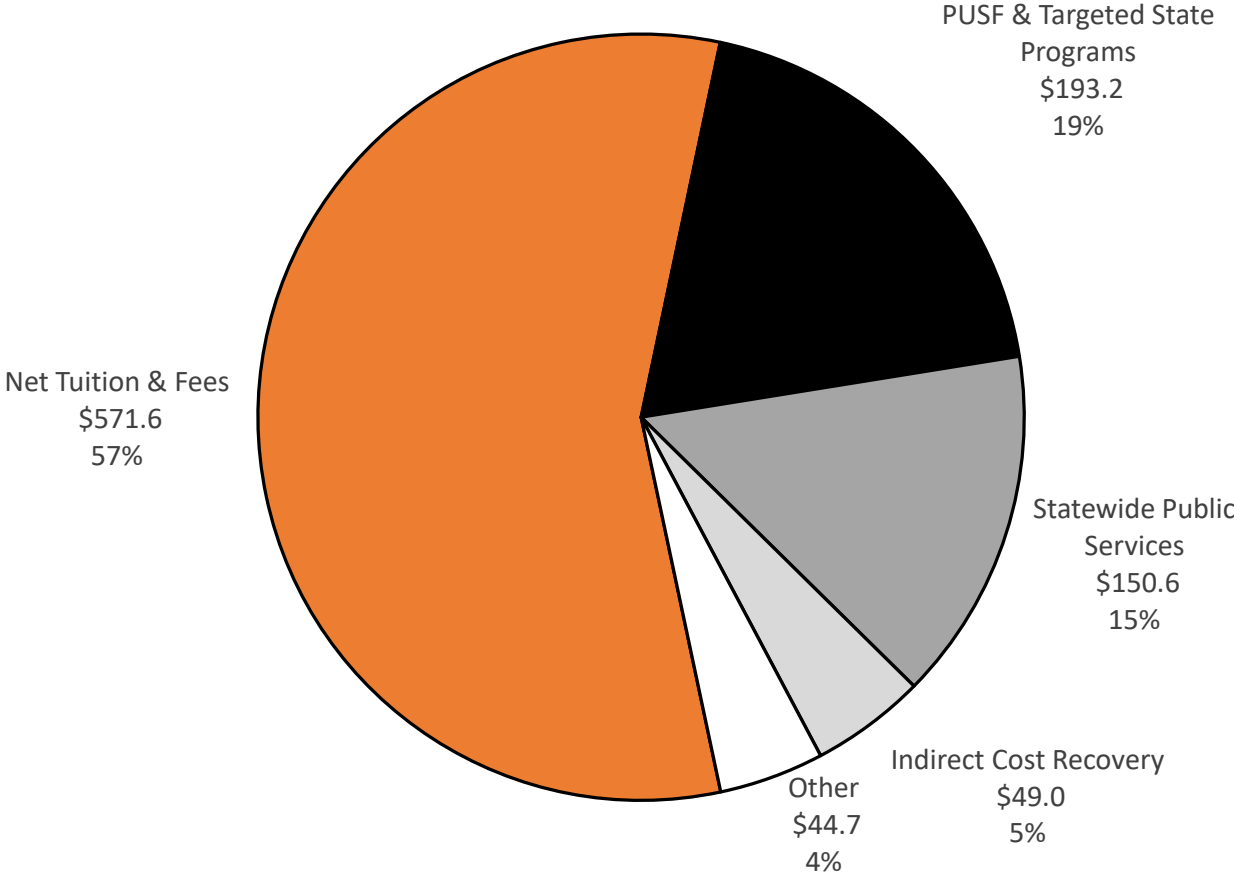
\$1.01 billion

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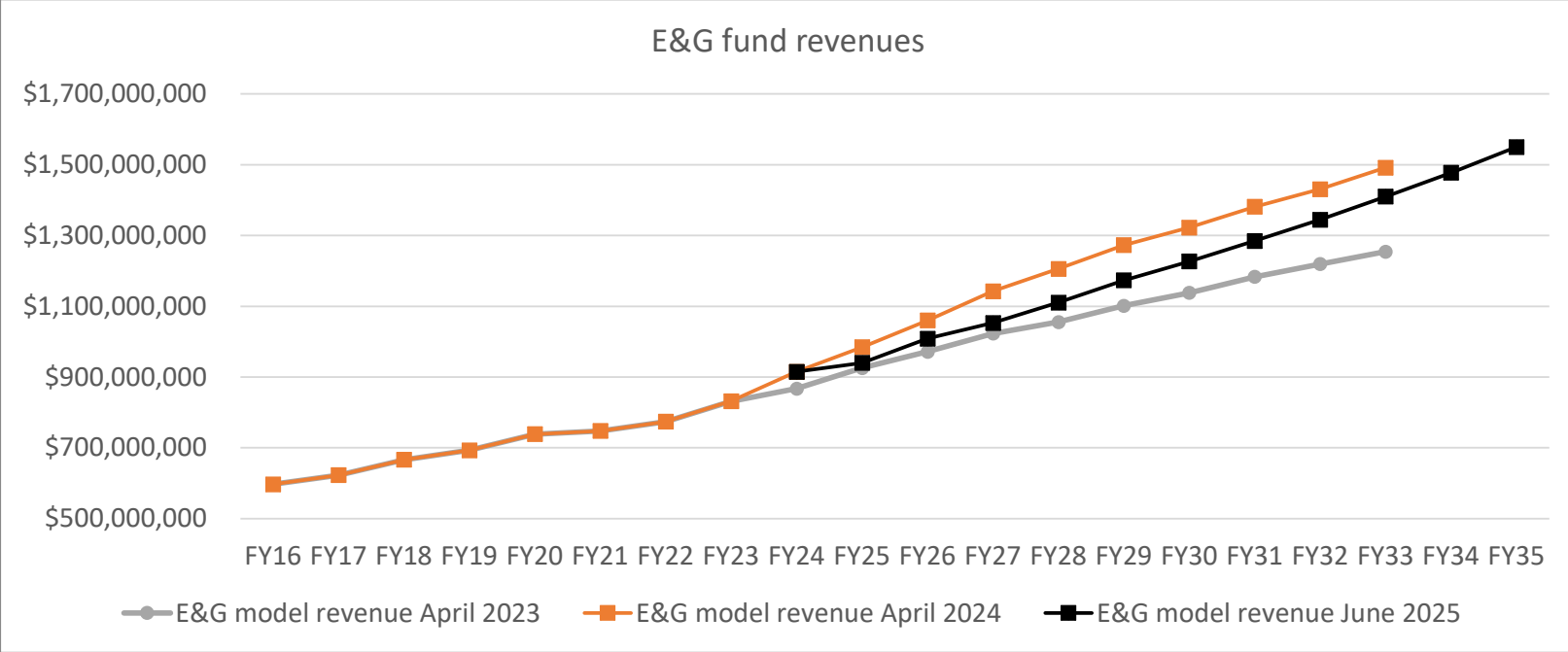
E&G Budgeted Revenue by Source, FY 2026

\$millions



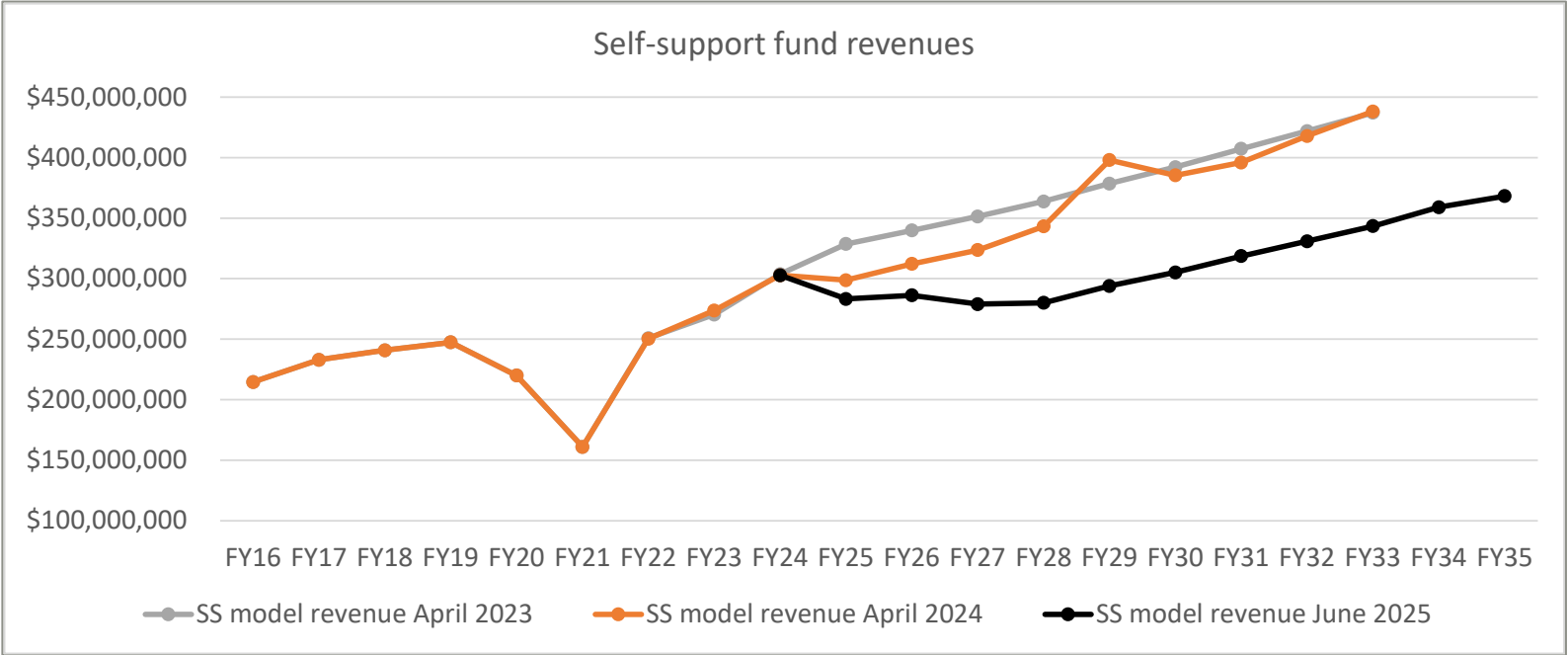
Differences from 2024 Forecast

- E&G revenue outlook lower than last year, primarily due to less rapid Ecampus enrollment growth
- Current forecast is closer to Huron outlook for Ecampus revenue growth, lower than *PWS pro forma*



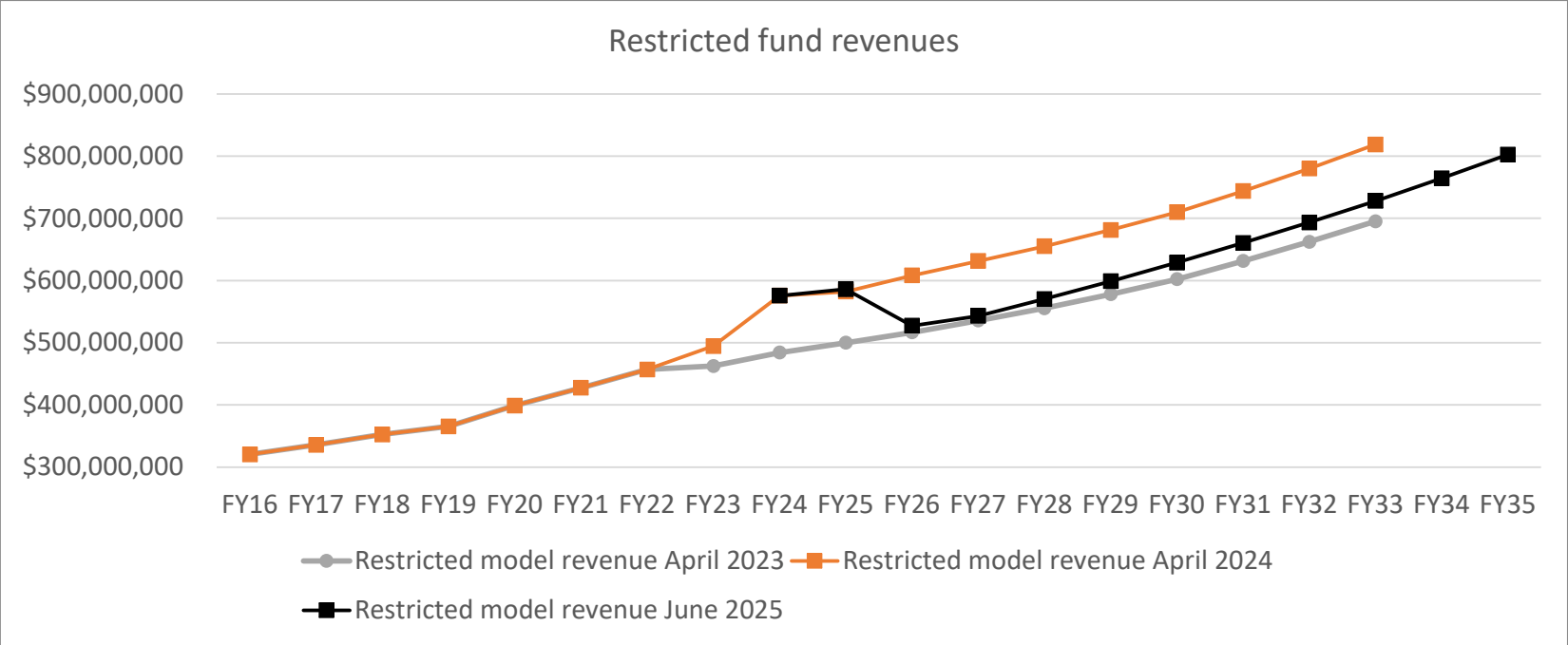
Differences from 2024 Forecast

- Self-support revenue outlook lower than last year, combined impact of Athletics and changes in timing of Housing Vision



Differences from 2024 Forecast

- Restricted revenue outlook lower than last year, primarily reflecting constrained federal research landscape
- High degree of uncertainty
- Forecast for restricted revenue closer to Huron analysis, slower path to *PWS* research goal

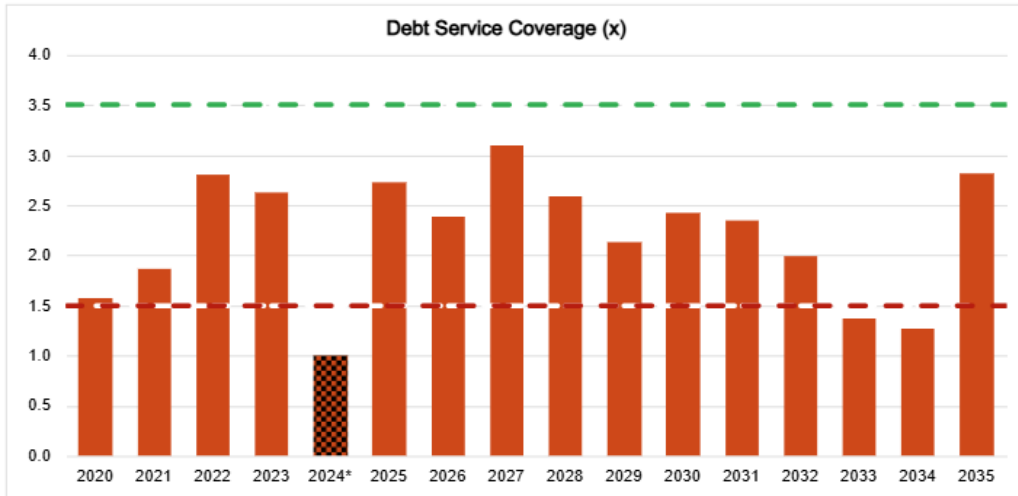
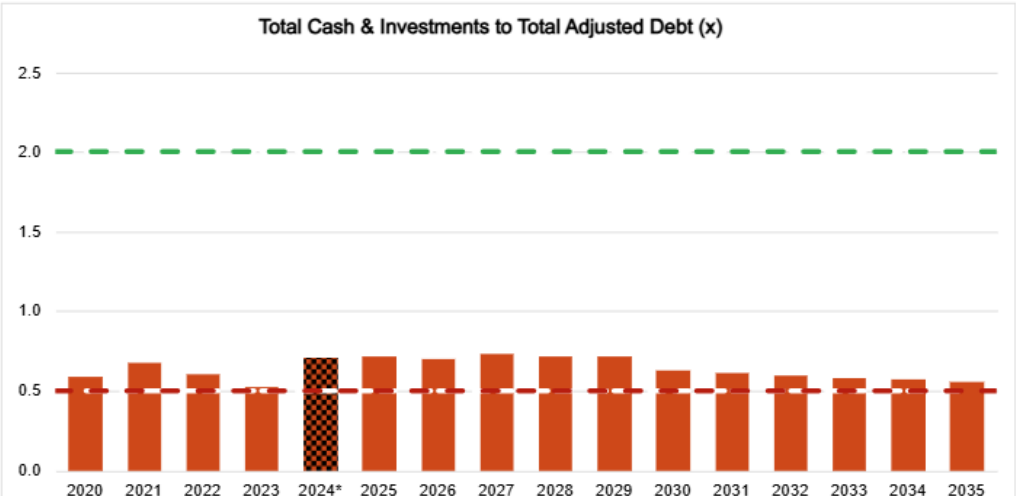
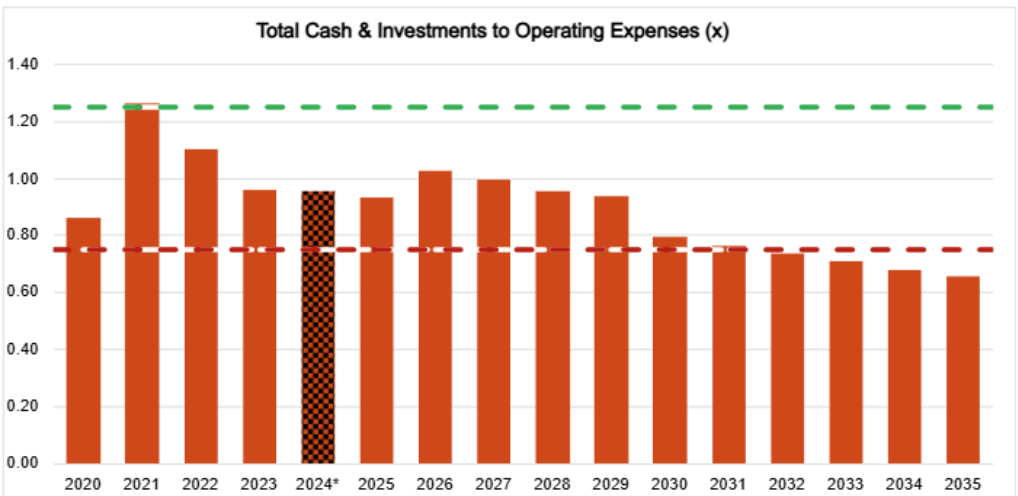
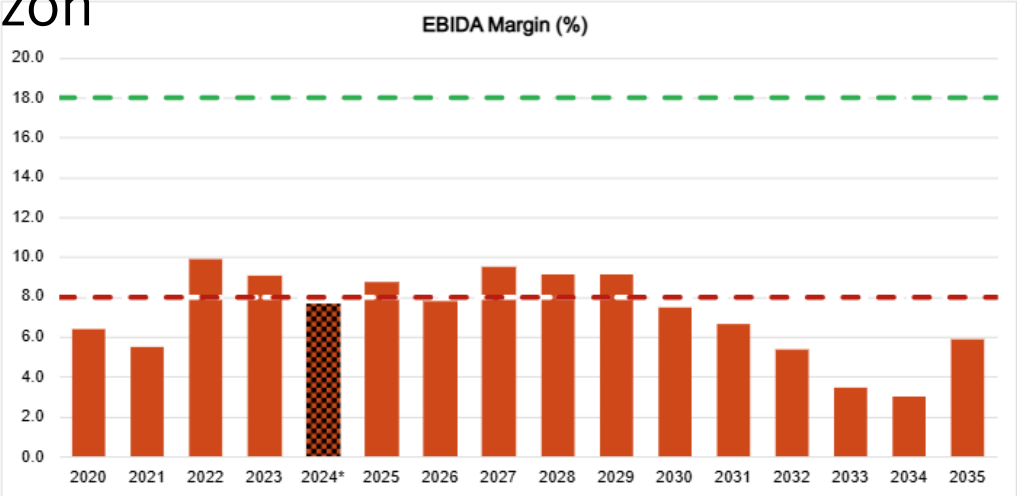


Expense Outlook

- Trend line for E&G expenses exceeds revenue growth projection (higher rate of growth)
- Budget realignment for FY26 incorporated into forecast
- Nearer term outlook close to balanced in E&G; longer term imbalances demonstrate need for scrutiny and discipline
- Self-support and Restricted fund expenses more closely tied to revenues

BOT Financial Metrics

Most metrics remain in desired range, with pressures growing in later years of forecast horizon



* The lower debt service coverage ratio in 2024 reflects a large \$40 million bullet principal payment. In their rating analysis, Moody's adjusts for this higher one-time payment because it is not reflective of ongoing debt service levels.

July 8, 2025 Board of Trustees

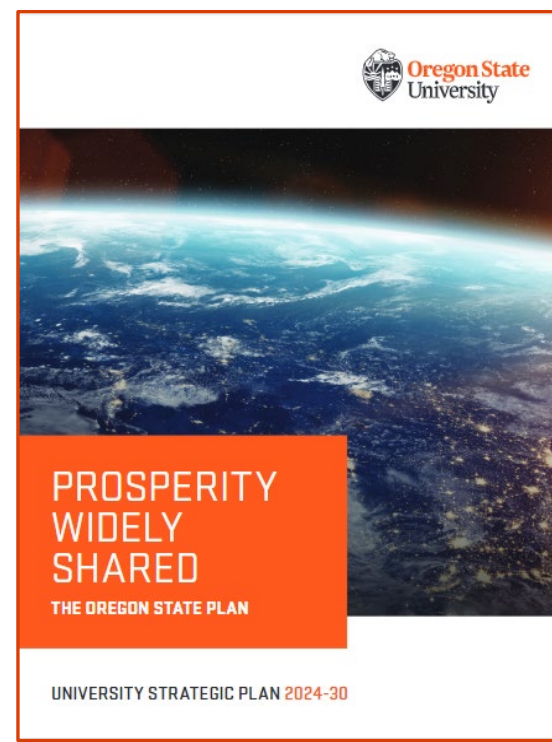
TEN-YEAR CAPITAL FORECAST: FY2026-2035



Oregon State
University

Ten-Year Capital Forecast – Annual Update Process

<p>Requirements Generation</p> <ul style="list-style-type: none"> • President, Provost, and VPFA guidance • Facility Condition Assessments • Interview Deans and Departments • Update Recommendations to IWG 	<p>Capital Planning and Development</p>
<p>Evaluation and Priority</p> <ul style="list-style-type: none"> • Recommends forecast to leadership 	<p>Infrastructure Working Group (IWG)</p>
<p>Review</p>	<p>Provost, VPFA</p>
<p>Approval</p>	<p>President</p>
<p>Acceptance</p>	<p>Board of Trustees</p>



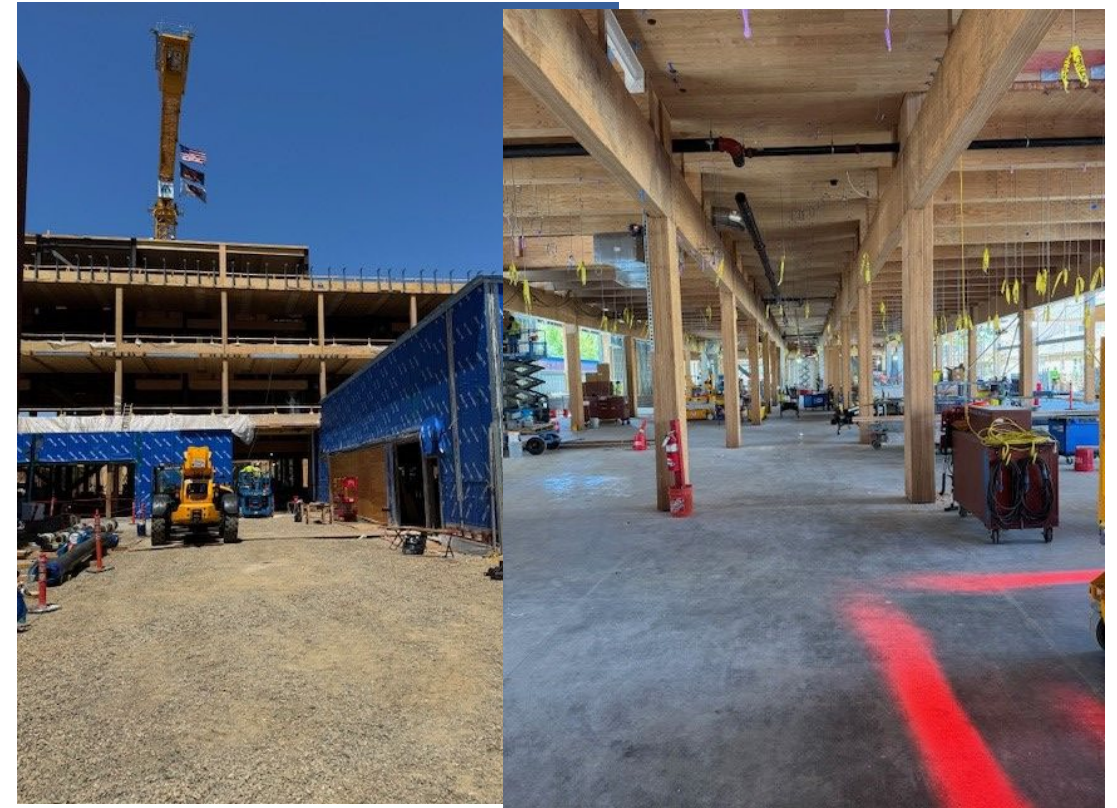
- Prioritization Principles**
- Advance OSU’s Strategic Plan
 - Minimize Impact on Environmental and Financial Resources
 - Cultivate a Safer, More Equitable, Accessible and Welcoming Environment
 - Leverage Funding

Major Projects Underway

- Newport Housing
- Jen-Hsun Huang and Lori Mills Huang Collaborative Innovation Complex
- Kelley Engineering District Utility Plant
- Richardson Hall Mid-Life Renewal
- Sinnhuber Aquatic Research Laboratory Modernization
- Gilkey Hall Renovation*



Newport Housing



Huang Collaborative Innovation Complex

* Major scope and budget change will be requested in October 2025.

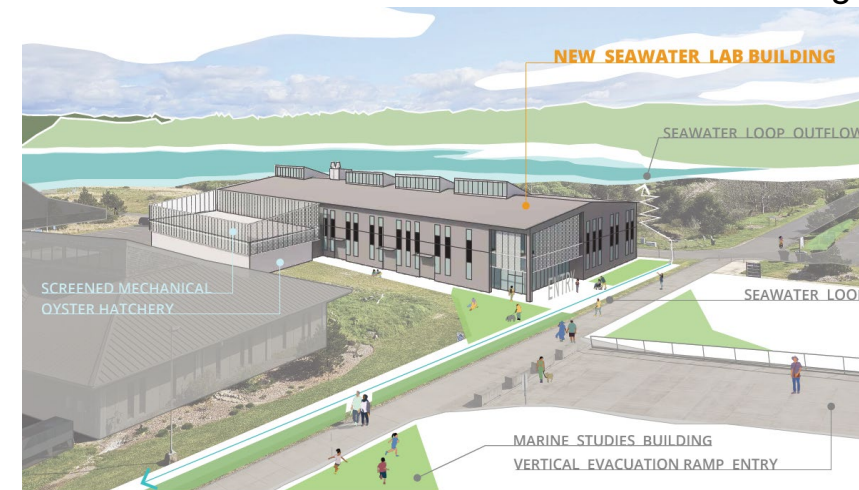
Project Examples

Corvallis & Newport E&G

- Plageman Renovation
- Gleeson Hall Renovation
- Oregon Veterinary Diagnostics Laboratory
- Dearborn and Rogers Halls Renovation
- Plant Science Innovation Center
- HMSC Building 900 Research Center Replacement
- Pharmacy Building Renovation
- Gilbert Hall Renovation

OSU-Cascades

- Student Health and Recreation Center
- Innovation District Projects
- Student Residential Building 2
- Academic Building 3



Newport HMSC Building 900 Replacement Concept



OSU Cascades Student Health and Recreation Center Concept

Project Examples

Student Affairs

- UHDS Vision Phase I
- Memorial Union Renewals
- Recreation Sports Renewals
- Family Resources Centers



Memorial Union



UHDS Vision Phase I

Ten-Year Capital Forecast Impact

Funding by Category	
State Paid Bonds	\$362M
State Paid CIR	\$171M
OSU Paid Bonds	\$848M
E&G CIR	\$60M
Gifts, Partnerships & Other Funds	\$1055M
Total*	\$2.49B

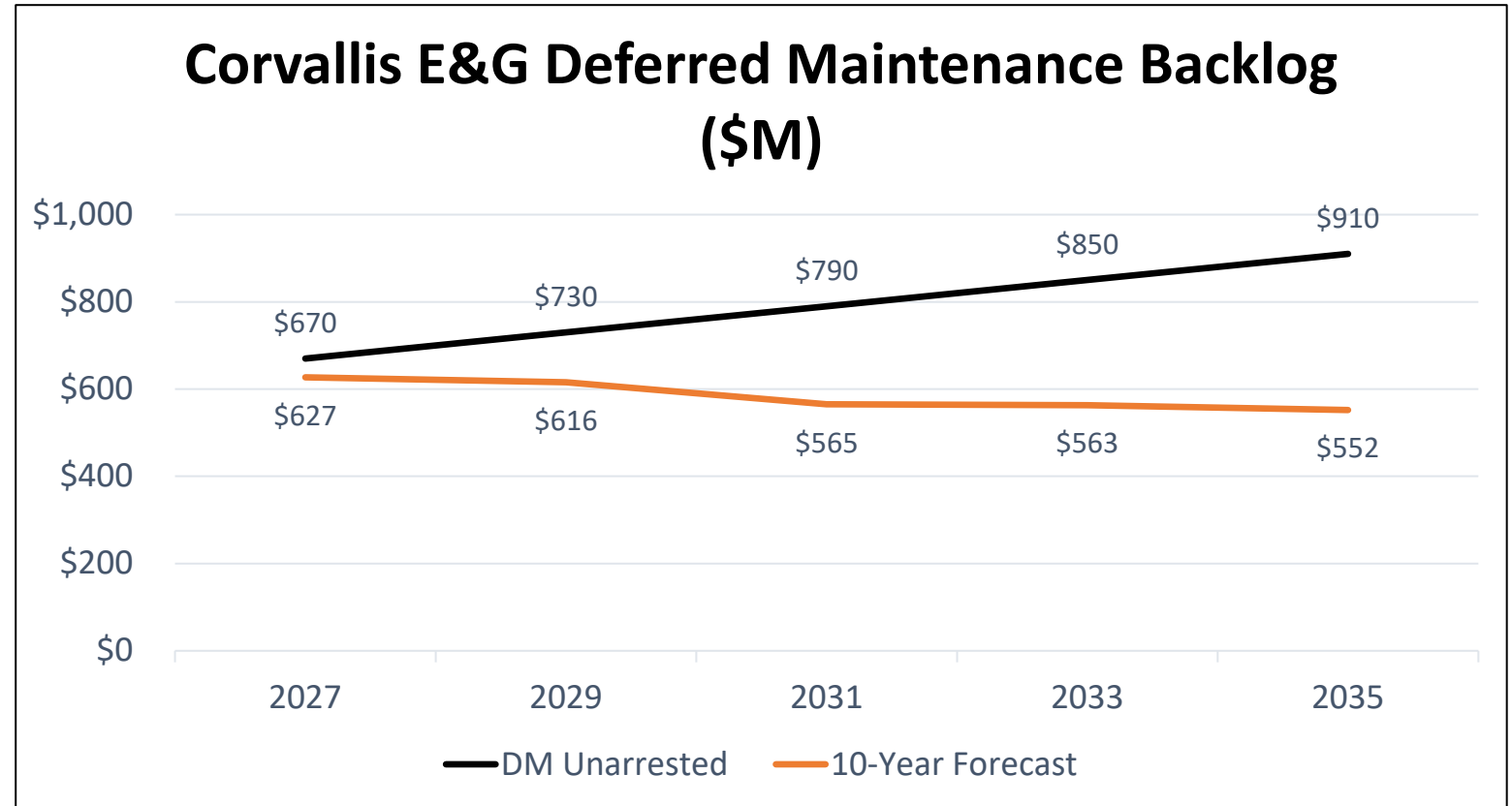
* 2024 report (\$3.37B)

E&G Building Space Dynamics	
Total E&G - Corvallis	5,300,000 SF
New – Corvallis	209,000 SF
Demolition – Corvallis	132,000 SF
Renovated – Corvallis	394,000 SF
New – OSU Cascades	546,000 SF
Deferred Maintenance Removed	\$346M

SF = (Gross) Square Feet

Ten-Year Capital Forecast—Deferred Maintenance Reduction

- Deferred Maintenance (DM) is the sum of building components overdue for replacement or renewal
- Headwinds from continued aging and cost escalation is approximately \$60M per biennium (\$45M previously)
- 2033 DM projection at \$552M versus \$339M in 2024 report



Recommendation

Staff recommend that the board accept the FY2026-2035 Ten-Year Business Forecast, including the Ten-Year Capital Forecast as detailed in Attachment 1.