The State Forest system began with the establishment of Clark State Forest in 1903. Since then, the State Forest system has evolved into 13 State Forests containing more than 150,000 acres. State Forests have been managed for the many forest benefits that these lands are capable of providing. When the state acquired what is now State Forest property, almost every acre was comprised of eroding farm fields, pasture, or cutover timberland considered to have very little value to anyone. Most of the existing woodland had been high-graded, with the residual trees often exhibiting defects from forest fires and livestock grazing.

Many early management activities were aimed at stopping erosion and restoring the productive potential of the land. Tree planting to control erosion and reforest worn out fields was a primary management activity for many years. Early timber harvesting on state forests provided raw materials for projects of the Civilian Conservation Corps and utility poles for rural electrification projects. World War II saw the sustained use of timber sales from State Forests to provide needed wood materials for the war effort.

Techniques used to manage the forests evolved as the forests grew. Less emphasis was needed on tree planting and more emphasis was placed on managing new stands of trees. Management activities, such as timber stand improvement and selective harvesting, were used to upgrade the quality of the stands and increase tree growth. This emphasis on stand improvement techniques continues today, with the goal of improving not only timber production but also all of the various forest resource benefits. Increasing emphasis is being placed on creating early successional habitat, common in the early history of State Forests, but uncommon today.
Because the stands of trees on State Forests all began at about the same time, and because of the conservative nature of their management, most of the State Forests have matured at about the same rate, with little diversity among age classes and habitat types.

Based on current forest inventory data the State Forest system contains 1.379 billion board feet of standing sawtimber volume, and is growing 40.4 million board feet of volume per year. Because of the need to increase forest habitat diversity (increase young forest), reduce dependence on general fund allocations, and the desire to demonstrate a working forest concept, the annual harvest target for Indiana State Forests is set at removing 14 million board feet—less than half the annual growth. This rate ensures the sustainability of the forest resource while providing a steady, stable source of certified-sustainable wood for the forest products industry and workers here in Indiana.

State Forests are being managed by professional foresters and resource specialists to demonstrate a working forest concept. A working forest is actively managed under a stewardship plan that guides its activities to accomplish the desired goals. The working forest can provide a variety of goods and services such as watershed protection, recreation, wildlife habitat, scenic beauty and wood products.