

**RESOLUTION OF THE EXECUTIVE COMMITTEE (THE “COMMITTEE”) OF THE BOARD OF TRUSTEES OF THE TRUSTEES OF PURDUE UNIVERSITY (THE “CORPORATION”)**

- 1. AUTHORIZING THE TRANSFER OF PURDUE UNIVERSITY’S OFFICE OF DEVELOPMENT AND OFFICE OF INVESTMENT FUNCTIONS TO THE PURDUE RESEARCH FOUNDATION (THE "FOUNDATION") PURSUANT TO A JOINT PLAN AND REORGANIZATION AGREEMENT; AND**
  
  - 2. EXPRESSING CONTINUED APPRECIATION TO THE FOUNDATION FOR ITS EFFORTS IN SUPPORT OF THE CORPORATION**
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**WHEREAS**, the Foundation, a tax-exempt organization under section 501(c)(3) of the Internal Revenue Code, was founded in 1930 as a separate nonprofit entity to promote the educational purposes of Purdue University (the “University”); to award scholarships, grants, or other financial assistance to students and faculty; to seek, acquire, and hold gifts and endowments for the needs of the University; to acquire property or facilities for the future use or benefit of the University; and to support and assist, in any other manner or by any other means whatsoever, the Trustees in the conduct of the affairs of the University and the accomplishment of its educational purposes; and

**WHEREAS**, the Foundation was first conceived by David E. Ross, a former president of the Corporation’s Board of Trustees (the “Board”) and a prolific Indiana inventor, whose vision was to establish a vehicle to support the University so that its knowledge and discoveries could be more effectively translated into solutions to real-world problems and drivers of economic growth and societal benefits; and

**WHEREAS**, today the Foundation manages and licenses intellectual property developed at the University, supports technology commercialization efforts, accepts gifts, administers trusts, acquires property, and performs other services helpful to the University; and

**WHEREAS**, in light of its core competencies and its role as a supporting organization to the University, the Foundation is well-positioned to serve as a focal point for two key functions—the direct development and investment functions—that are vital to the ongoing success of the University’s missions of advancing learning, discovery, engagement, and student affordability and accessibility; and

**WHEREAS**, the University's direct development and investment functions historically have been maintained within the University, such that internal personnel, resources, and information are spread among several of the University's schools, departments, and other units, with the effect that the University's development and investment efforts sometimes duplicate those of the Foundation, and vice versa; and

**WHEREAS**, the model followed by many of the University's peers in higher education is built upon a recognition that foundations are well-suited to raising and managing sources of funding for the benefit of their affiliated colleges and universities, and the Association of Governing Boards has recognized, for example, that such foundations can provide a "margin of institutional excellence" for the institutions they support; and

**WHEREAS**, in his capacity as Chair of the Foundation's Board of Directors, and in consultation with the Foundation's Board (including its three "Group Two" directors who are also members of the Board), the President of the University asked the Foundation to assess the feasibility and potential benefits of consolidating into the Foundation the development and investment functions of the two organizations, and the Executive Committee has now considered and discussed that assessment; and

**WHEREAS**, based on that assessment, the Committee expects that the consolidation of the development and investment functions within the Foundation should achieve a number of benefits over time, including:

- Refocusing and enhancing the role of PRF as a supporting organization of the University (consistent with other current Foundation initiatives and in alignment with the original vision of David E. Ross);
- Creating a singular focus on raising funds and maximizing returns for the benefit of the University;
- Establishing a platform for a scalable staffing structure that can grow without increasing the overall number of University employees, thus resulting in a more robust platform for increasing fundraising dollars;
- Maintaining the ability to operate the development functions of the University and the Foundation through current relationships, while affording the opportunity to grow those efforts to become self-sustaining over time;
- Bringing the University and the Foundation into alignment with the model adopted by peer public universities and their supporting foundations; and
- Achieving efficiencies and cost savings in the management and oversight of investments;
- Creating flexibility in the cultivation and management of donor relationships and donor records.

**WHEREAS**, more specifically, the Committee has determined that the consolidation of the organizations' development functions into the Foundation will have the anticipated effect of both increasing fundraising results for the benefit of the University and strengthening and streamlining the processes used in the overall development program; and

**WHEREAS**, the Committee has further determined that the consolidation of the organizations' investment functions into PRF will alleviate significant overlap and redundant effort in the management and oversight of investments, including an enhanced ability to invest the portfolios of the two organizations in a more efficient, effective, and coordinated manner; and

**WHEREAS**, the Committee is appreciative of the Foundation's efforts to explore the feasibility and potential benefits of consolidating the University's development and investment

functions within the Foundation, which may be accomplished through the process outlined in the Joint Plan and Reorganization Agreement; and

**WHEREAS**, pursuant to Article V, Section 1 of the Bylaws of the Corporation, the Committee has and may exercise all of the powers of the Board during intervals between meetings of the Board:

**NOW, THEREFORE, BE IT RESOLVED** by the Committee as follows:

1. The proposed transfer of the University's Office of Development and Office of Investment functions to the Foundation pursuant to the Joint Plan and Reorganization Agreement, as reviewed by the Committee and discussed at this meeting (the "Agreement"), is hereby authorized and approved.

2. The Chairman, Vice Chairman, Treasurer, Assistant Treasurer, Legal Counsel, Assistant Legal Counsel, Secretary and Assistant Secretary of the Corporation, and the Executive Vice President for Business and Finance, Treasurer and the Senior Vice President for Business Services and Assistant Treasurer of Purdue University, and each of said officers respectively, are hereby authorized and empowered, for, on behalf of, and in the name of the Corporation, or of Purdue University, to: (a) execute and deliver the Agreement, (b) cooperate with Foundation personnel to complete, execute and deliver each of the other agreements contemplated by the Agreement (the "Related Agreements"), and (c) execute and deliver all other necessary and proper documents and instruments and take all other necessary and proper actions to consummate the transactions contemplated by the Agreement and the Related Agreements and to carry out the purpose and intent of this resolution, whether therein or herein specifically authorized or not, except for such actions as are specifically required by law to be taken by the Board of Trustees as the governing board of the Corporation.

3. In recognition of the ongoing vital importance of the development function to the University's mission, and in order to maintain a clear line of sight and continued strong linkages between the University and the development function after it is consolidated within the Foundation, the head of the development function shall report directly to the Chair of the Foundation (who is also the President of the University under the Foundation's Bylaws), and the Foundation is hereby requested to give effect to and continue this reporting relationship once the transfer is complete.

4. Continued deep appreciation and gratitude is hereby expressed to the Foundation by the Board for its long-standing and ongoing support of the Corporation and Purdue University and their educational and economic development missions and services to the citizens of Indiana.

5. The Secretary of the Board is hereby authorized and instructed to record this resolution in the minutes of this meeting and to transmit a copy hereof to the Foundation.