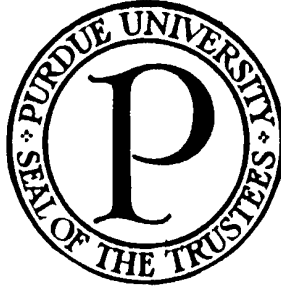


MINUTES

BOARD OF TRUSTEES OF
THE TRUSTEES OF PURDUE UNIVERSITY



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**STATED MEETING OF THE BOARD OF TRUSTEES OF THE
TRUSTEES OF PURDUE UNIVERSITY**

MINUTES

SEPTEMBER 27, 2013

A meeting of the Board of Trustees convened in Room 326 of Stewart Center, Purdue University, West Lafayette, Indiana at 1:02 p.m. on Friday, September 27, 2013, with all trustees present: Thomas Spurgeon, chairman; Sonny Beck; Michael Berghoff, vice chairman; JoAnn Brouillette; Vanessa Castagna; John Hardin; Gary Lehman; Kelsey Quin; Don Thompson; and Bruce White.

Also in attendance were: Mitch Daniels, President; Tim Sands, Executive Vice President for Academic Affairs and Provost; Al Diaz, Executive Vice President for Business and Finance, Treasurer; Jim Almond, Senior Vice President for Business Services and Assistant Treasurer; Steve Schultz, Legal Counsel; and Janice Indrutz, Corporate Secretary.

I. ROLL CALL

Chairman Spurgeon announced that all trustees were present for the meeting and welcomed newest trustee, Mr. Sonny Beck.

II. FUTURE MEETING SCHEDULE

Chairman Spurgeon drew the Board's attention to the schedule of future meetings and commencements through 2014.

III. REPORTS FROM BOARD COMMITTEES

JoAnn Brouillette, chair of the Academic Affairs Committee, reported that the committee met on September 27, 2013, and voted to recommend full Board approval of three named professorships, all within the College of Engineering, as well as the revocation of an undergraduate degree. The committee also received an update from Provost Sands on the Academic Program Assessment, for which Trustee Brouillette thanked Provost Sands and the administration on the strides being made, and the committee also received a report from the Student Growth Task Force.

Gary Lehman, chair of the Physical Facilities Committee, reported that the committee met on September 12, 2013, and voted to approve and request full Board approval of \$200 million worth of investments in the university, which he detailed. He explained that the comprehensive grant of authority to plan, finance, construct and award a contract for two of the projects, the new Active Learning Center and the College of Engineering Strategic Growth Renovations and Wang Hall Build-Out, is a comprehensive way to streamline the approval process to make it less cumbersome and more expedient.

Don Thompson, chair of the Finance Committee, reported that the committee met on September 27, 2013, and voted to recommend full Board approval of a contract in excess of \$2,000,000. The Committee also received and discussed the FY 2014 final operating budget, as presented by Treasurer Diaz.

Michael Berghoff, chair of the Compensation Committee, reported that the Committee met on September 27, 2013, and voted to recommend full Board approval of the presidential performance metrics for 2013-2014 and a supplemental retirement benefit program for Darrell Hazell, head football coach.

IV. ITEMS APPROVED BY UNANIMOUS CONSENT

As reported by the Board committees, the following Unanimous Consent items were fully explored and debated in committee meetings or are routine in nature. Chairman Spurgeon read the list of items and asked if any of the Board members wished to have an item removed from the list for further discussion or information. Hearing no such request, and upon proper motion duly seconded, the Board of Trustees voted unanimously to approve each of the following items:

- a. Minutes of the Executive Committee meeting held on May 22, 2013; minutes of the stated meeting held on July 19, 2013; and executive sessions held on July 18, 2013 and July 19, 2013;
- b. Ratification of Dr. Arvind Raman as the Robert V. Adams Professor in Mechanical Engineering, as recommended by the Academic Affairs Committee;
- c. Ratification of Dr. W. Jason Weiss as the Jack and Kay Hockema Professor in Civil Engineering, as recommended by the Academic Affairs Committee;
- d. Ratification of Dr. Fabio H. Ribeiro as the R. Norris and Eleanor Shreve Professor of Chemical Engineering, as recommended by the Academic Affairs Committee;
- e. Degree Revocation, as recommended by the Academic Affairs Committee;
- f. Planning, Financing and Constructing the Indiana University-Purdue University Fort Wayne South Campus Renovations, as recommended by the Physical Facilities Committee;
- g. Planning, Financing and Constructing the Wade Chiller No. 6 Replacement and Temporary Chilled Water Capacity Infrastructure, as recommended by the Physical Facilities Committee;
- h. Planning, Financing, Constructing and Awarding the Contract for the College of Engineering Strategic Growth Renovations and Wang Hall Build-out, as recommended by the Physical Facilities Committee;
- i. Planning, Financing, Constructing and Awarding the Contract for the Active Learning Center, as recommended by the Physical Facilities Committee;

- j. Contract in Excess of \$2,000,000 with Factory Mutual Insurance Company (FM Global), as recommended by the Finance Committee;
- k. Presidential Performance Metrics for 2013-2014, as recommended by the Compensation Committee;
- l. Retirement Plan for Head Football Coach, as recommended by the Compensation Committee;
- m. Exceptions to Nepotism Policy; and
- n. Conflict of Interest Disclosures.

All supporting documents will be filed with the minutes.

V. REPORT OF THE PRESIDENT

President Daniels reported that since the Board last met, a new set of initiatives to make Purdue an even greater university was finalized and publicly unveiled; these initiatives will be addressed at the upcoming President's Forums. He illustrated the projected rate of course redesign, as well as online course enrollments, and shared that he has been invited to a variety of meetings throughout the country, opportunities of which he has taken advantage to promote Purdue. He has been asked to give the upcoming distinguished lecture at the National Academy of Engineering, and he also highlighted additional scheduled speaking engagements. President Daniels also spoke about speakers visiting Purdue, including Madeleine Albright and Jeff Immelt, CEO of General Electric, with which the university has a very large and potentially growing relationship. He believes that universities must become more imaginative about building such partnerships, and he noted that Purdue is the number one source of GE employees among universities. A copy of President Daniels' presentation will be filed with the minutes.

VI. INTRODUCTION OF DEAN, HONORS COLLEGE

Provost Sands introduced Dr. Rhonda Phillips, dean of the Honors College, whose appointment was ratified by the Board on July 19, 2013. He remarked that Dr. Phillips has demonstrated strong and innovative leadership since arriving at Purdue. Dr. Phillips thanked the Board for the incredible opportunity to push Purdue forward with high-ability students, stating that Honors College welcomed 555 freshmen in the fall. She also invited the Board to visit the Honors College in Windsor Hall.

VII. INTRODUCTION OF IPFW VICE CHANCELLOR FOR ACADEMIC AFFAIRS

Dr. Vicky Carwein, chancellor of Indiana University-Purdue University Fort Wayne, introduced Dr. Jeffrey Anderson, who became Vice Chancellor for Academic Affairs at IPFW on July 1, 2013. She shared that Dr. Anderson was previously at University of Wisconsin-Stout and has already taken data analysis to a new level. Dr. Anderson remarked that he is privileged and honored to join the IPFW leadership team, and he looks forward to advancing the goal of impacting the next generation of leaders and innovators.

VIII. UPDATE CONCERNING WORK-FOR-HIRE RESEARCH AGREEMENT

Dr. Richard Buckius, Vice President for Research, discussed the written explanation provided to the Board regarding work-for-hire research agreements. He reminded the Board of the resolution approved on May 17, 2011, which authorized the University administration to consider and permit certain exceptions to the Intellectual Property Policy in circumstances where “the University’s mission may be advanced through research relationships in which a sponsor or other partner has a legitimate claim to title to research output from Purdue.” Dr. Buckius indicated that the work-for-hire arrangement will help promote new partnerships with industry. He pointed out that sponsors will fully fund projects, with no university funds underwriting any work-for-hire agreement. This update was for informational purposes only; no Board action was required.

IX. REGIONAL CAMPUS REPORTS

Prior to the reports, Chairman Spurgeon expressed his appreciation to the chancellors and their teams from the regional campuses for traveling to the West Lafayette campus to attend the meeting.

Thomas Keon, Chancellor, Purdue University Calumet, prefaced his report by saying that the regional campuses are changing and he expects them to look significantly different in five years. He discussed enrollment data in depth and noted that more students are becoming full time. He expressed disappointment in student retention and said that an in-depth study will be conducted to determine why students are leaving. He also pointed out, however, that the number of degrees conferred has increased, with the graduation rate increasing by 6% over the last two years. Chancellor Keon shared PUC’s priorities for 2013-2014 and also highlighted the partnership with the City of Hammond to use Dowling Park as a joint facility for soccer, baseball, softball, and tennis. At the conclusion of Chancellor Keon’s report, President Daniels remarked that Chancellor Keon has done a spectacular job with the challenges he has faced. A copy of Chancellor Keon’s presentation will be filed with the minutes.

Peter Dragnev, Purdue speaker for the IPFW Faculty Senate, illustrated IPFW enrollment data and trends. He then focused on the volatility of enrollment and the steps IPFW is taking to respond accordingly. Professor Dragnev believes the response should include the under-utilized opportunity presented by international students on the regional campuses. Discussion with the Board included the profile of a non-degree seeking student and the sufficiency of the rigor taught in high schools. A copy of Professor Dragnev’s presentation will be filed with the minutes.

Greg Mohlke, president of the Student Government Association at Purdue University North Central, shared that there is much anticipation for the new Student Services and Activities Complex. He also described PNC enrollment and discussed dual-credit students, having been one, himself. In addition, Greg spoke about the makeup of the Student Government Association, his goals as president, and what the association has accomplished in the first few weeks of the semester. Trustee Berghoff asked Greg how well he thought his dual-credit courses positioned him, and Trustee Lehman commended Greg for his student leadership and choice of major (elementary education). A copy of Greg’s report will be filed with the minutes.

X. REPORTS OF FACULTY AND STUDENT REPRESENTATIVES

Professor David Williams, chair of the University Senate, highlighted university achievements since July 1 and reviewed the concerns he expressed to the Board at its meeting on July 19, 2013. Professor Williams formally requested that the Board and President Daniels work together to positively influence the governor and state legislature to establish a permanent seat for a faculty member on the Board. Trustee Thompson asked Professor Williams to elaborate on his thoughts about what is needed to help advance the objectives of the Purdue Creed, to which Professor Williams referred during his report. A copy of Professor Williams' report will be filed with the minutes.

Kyle Pendergast, president of Purdue Student Government, shared that Vice President Meg Highley and he are honored to represent the students. He discussed PSG's OnePurdue Foundation, syllabi transparency, and updating the Student Bill of Rights. Another of PSG's initiatives is evaluating medical services; Kyle stated that PSG would like to see a central hotline that any student can call for any problem he or she may have on campus. Kyle also shared that it was the goal to introduce the Purdue Creed at Homecoming. However, that has been delayed in order to allow for its review by the President's Roundtable. Trustee White asked if students have given feedback regarding the quality of concerts brought to campus, and Trustee Thompson applauded PSG for creating the Purdue Creed. A copy of Kyle's report outline will be filed with the minutes.

XI. RESOLUTION OF APPRECIATION FOR FRIENDS OF PURDUE UNIVERSITY

Upon proper motion duly seconded, the Board of Trustees voted unanimously to approve the following resolution of appreciation to friends of Purdue who have made a gift of \$1,000,000 or more to the University, as read by President Daniels:

WHEREAS, the following friends of Purdue University have generously contributed \$1,000,000 or more to move Purdue to greater excellence and preeminence; and

WHEREAS, the University wishes to acknowledge the significance of these gifts to new directions, advancements, and momentum in Purdue's history, progress, and future;

BE IT THEREFORE RESOLVED BY THE TRUSTEES OF PURDUE UNIVERSITY:

1. That the University and the Trustees are grateful to these individuals for their leadership and support of Purdue University; and
2. That this resolution be spread upon the minutes of the Board of Trustees as part of the permanent record of the University.

Friends:

- Ronald L. Kerber and Kathleen M. Kerber, to support the Ronald L. and Kathleen M. Kerber Engineering Scholarship
- Frederick R. and Barbara L. Meyer, to support the College of Engineering
- Virginia C. Scheffer, to support undergraduate scholarships in the School of Mechanical Engineering

- Janice F. and Ted Strauss III, to support scholarships in the College of Health and Human Sciences and the College of Agriculture
- Anonymous, to support Purdue University
- Anonymous, to support the Department of History in the College of Liberal Arts
- Anonymous, to support endowed scholarships in the Krannert School of Management

XII. RESOLUTION OF APPRECIATION FOR KEITH J. KRACH

Upon proper motion duly seconded, the Board of Trustees voted unanimously to approve the following resolution for Keith J. Krach, as read by Trustee Berghoff:

WHEREAS, Keith J. Krach has served Purdue University with excellence, dedication, and generosity as a member of the Board of Trustees since July 1, 2007, and as chair since July 1, 2009; and

WHEREAS, his close association with Purdue dates to his undergraduate years, having earned a bachelor's degree in industrial engineering in 1979, and being a General Motors Scholar while on campus; and

WHEREAS, he earned an MBA from Harvard University as a General Motors Scholar; and,

WHEREAS, he distinguished himself and our University by becoming, at age 26, the youngest-ever vice president of General Motors; and

WHEREAS, he has established himself as a leader in entrepreneurial ventures in the world of Silicon Valley start-up companies, first as founding member and COO of Rasna Corporation, next as co-founder, chairman and CEO of Ariba, next as founder and CEO of 3Points LLC, and then as chairman and CEO of DocuSign, the global standard for electronic signature; and

WHEREAS, he has received numerous honors including the National Entrepreneur of the Year award from Ernst & Young and the Technology Pioneer Award at the World Economic Forum, and was named one of the Top 10 Entrepreneurs by Red Herring Magazine; and,

WHEREAS, he served from 2005 to 2007 as the international president for the Sigma Chi Fraternity; and,

WHEREAS, he has served on the boards of numerous companies, including CollabNet, Microposite, Tropos and Ooma, and as chairman of the Angie's List Board of Directors; and,

WHEREAS, he has demonstrated his generosity and philanthropic spirit by co-founding the Children's Autistic Network, sitting on the Board of Governors for Opportunity International, and serving as a member of the Joint Civilian Orientation Conference in the Middle East, sponsored by the U.S. Department of Defense; and,

WHEREAS, he has shared his knowledge and expertise as a celebrated lecturer who has spoken at Harvard, Stanford, Berkeley and IMD Business School in Switzerland; and,

WHEREAS, he has created, through the Krach Family Foundation, the Keith Krach Endowed Leadership Scholarship and the Keith Krach Leadership Lecture Series at Purdue University; and,

WHEREAS, his loyalty and service to Purdue University have earned him the Distinguished Engineer Award and the Mortar Board Alumni Achievement Award; and,

WHEREAS, his leadership and vision for Purdue University have led the institution through a period of tremendous growth and success; and,

WHEREAS, Keith J. Krach has stepped down from the Purdue Board of Trustees and his position as chair;

BE IT THEREFORE RESOLVED BY THE TRUSTEES OF PURDUE UNIVERSITY:

1. That enormous gratitude and appreciation are expressed to Keith J. Krach for his loyalty and service to his alma mater; and
2. That through the generosity of Keith J. Krach and Metta Krach, Purdue's look, feel, spirit and excellence have been forever enhanced, as their contributions have improved the lives of thousands of students, faculty, friends and alumni; and
3. That his many achievements are part of the great, permanent history of Purdue, and will never be forgotten; and
4. That this resolution be spread upon the minutes of the Board of Trustees as part of the permanent record of Purdue University for all to witness.

XIII. APPOINTMENT OF DIRECTOR, PURDUE RESEARCH FOUNDATION

As recommended by Chairman Spurgeon, and upon proper motion duly seconded, the Board of Trustees voted unanimously to reappoint Gary Lehman to the Purdue Research Foundation for a three-year term.

XIV. APPOINTMENT OF DIRECTORS, PURDUE FOUNDATION

As recommended by Chairman Spurgeon, and upon proper motion duly seconded, the Board of Trustees voted unanimously to appoint Sonny Beck, JoAnn Brouillette, Vanessa Castagna, John Hardin, and Gary Lehman to the Purdue Foundation board for a one-year term.

XV. APPOINTMENT OF DIRECTORS, ROSS-ADE FOUNDATION

As recommended by Chairman Spurgeon, and upon proper motion duly seconded, the Board of Trustees voted unanimously to appoint Sonny Beck and Thomas Spurgeon to the Ross-Ade Foundation board for a one-year term.

XVI. ADJOURNMENT

By consent, the meeting adjourned at 2:53 p.m.