MINUTES

BOARD OF TRUSTEES OF
THE TRUSTEES OF PURDUE UNIVERSITY

APRIL 4, 2014
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A meeting of the Board of Trustees convened in Room 002 of the Library-Student-Faculty Building, Purdue University North Central (“PNC”), 1401 S. U.S. 421, Westville, Indiana, at 9:01 a.m. on Friday, April 4, 2014. Trustees present were Thomas Spurgeon, chairman; Sonny Beck; JoAnn Brouillette; Vanessa Castagna; John Hardin; Gary Lehman; Kelsey Quin; and Bruce White. Trustees Michael Berghoff and Don Thompson were absent.

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, Executive Assistant to the Board and Corporate Secretary.

I. ROLL CALL

Chairman Spurgeon welcomed everyone, and he thanked Chancellor Dworkin and the PNC faculty, staff, and students for their hospitality. He also noted the absences of Trustees Berghoff and Thompson as being excused.

II. FUTURE MEETING SCHEDULE

Chairman Spurgeon drew the Board’s attention to the schedule of future meetings and commencements through 2015 and pointed out that the meeting in Fall 2015 will be scheduled once the date for Homecoming 2015 is announced.

III. REPORTS FROM BOARD COMMITTEES

JoAnn Brouillette, chair of the Academic Affairs Committee, reported that the Committee met on April 3, 2014, and voted to recommend full Board approval of three items which she reviewed.

Gary Lehman, chair of the Physical Facilities Committee, reported that the Committee met on April 3, 2014, and voted to recommend full Board approval of two items which he reviewed.

Bruce White reported that the Finance Committee met on April 3, 2014, and heard the annual report of the university’s Investment Committee, which was well received.
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 stated meetings held on December 14, 2013 and February 21, 2014; minutes of the Executive Committee meeting held January 28, 2014; and minutes of executive sessions held February 20, 2014 and February 21, 2014;

b. Faculty promotions for 2014-15 (West Lafayette, Calumet, Fort Wayne, North Central, IUPUI, and Statewide Technology), as recommended by the Academic Affairs Committee;

c. Moving the Interior Design Program at IPFW from the Department of Manufacturing and Construction Engineering Technology and Interior Design in the College of Engineering, Technology, and Computer Science to the Department of Visual Communication and Design in the College of Visual and Performing Arts, as recommended by the Academic Affairs Committee;

d. Planning the Forney Hall East Wing Renovation, as recommended by the Physical Facilities Committee;

e. Naming the Third Street Suites, previously referred to as the Vawter Field Housing Project, as recommended by the Physical Facilities Committee;

f. Ratification of the Gallup-Purdue Index Contract;

g. 2014 Official Degree Dates;

h. Exceptions under the Retirement Policy for Faculty and Staff (VI.F.9), for James B. Dworkin and Leah H. Jamieson, as recommended by the Academic Affairs Committee;

i. Conflict of Interest disclosures; and

j. Exceptions to nepotism policy.

All supporting documents, including operative resolutions, will be filed with the minutes.

V. REPORT OF THE PRESIDENT

President Daniels thanked PNC for hosting the Board meetings and said he was proud of PNC and its closer collaboration with Purdue University Calumet. President Daniels reported that the Purdue Moves are progressing ahead of schedule, and he provided an
update on student applications and admissions for Fall 2014. He noted that Hispanic American admissions have increased by 40% and said the university is continuing efforts to diversify the international student population. President Daniels also highlighted rankings released since the Board last met and stated the administration is keeping an eye on tuition at peer institutions. A copy of President Daniels’ presentation will be filed with the minutes.

VI. RATIFICATION OF CHIEF FINANCIAL OFFICER AND TREASURER

Chairman Spurgeon exercised the chairman’s prerogative to add an item to the agenda. President Daniels then recommended the Board’s approval to appoint Mr. William E. Sullivan as the new Chief Financial Officer and Treasurer, to replace Mr. Al Diaz, who resigned his position as Executive Vice President for Business and Finance and Treasurer to accept a position at Marymount University. President Daniels reviewed Mr. Sullivan’s credentials and expressed his belief that the university was very fortunate to secure him.

Chairman Spurgeon then explained that, due to the nature of this appointment, two actions were now before the Board to fill the vacancy created by Mr. Diaz’ impending departure: (1) ratifying Mr. Sullivan’s appointment as Chief Financial Officer of the university and (2) electing him to the office of Treasurer of the Trustees of Purdue University, in both cases effective June 1, 2014. Mr. Spurgeon explained that these actions would both be covered by a resolution Trustee White was prepared to propose, but the first order of business was to call for the formal nomination of Mr. Sullivan to the office of Treasurer. After Mr. Sullivan’s nomination was offered and duly seconded, Chairman Spurgeon asked Trustee White to read the following resolution:

WHEREAS, effective May 31, 2014, Al V. Diaz will step down as Executive Vice President for Business and Finance of Purdue University and as Treasurer of the Trustees of Purdue University (the “Corporation”), having served Purdue in these capacities with great distinction since July 2009; and

WHEREAS, pursuant to Article VI, Section 3 of the Bylaws of the Corporation, the President has appointed William E. “Bill” Sullivan to serve as Purdue’s Chief Financial Officer; and

WHEREAS, the Board is required under Indiana Code 21-23-4-2 to elect a treasurer whenever a vacancy occurs in that position, and such a vacancy will occur with the departure of Al Diaz on June 1, 2014:

NOW, THEREFORE, BE IT RESOLVED, that pursuant to the Bylaws, the appointment of William E. “Bill” Sullivan as Chief Financial Officer of Purdue University is hereby ratified and approved, to take effect on June 1, 2014; and

RESOLVED, FURTHER, that Mr. Sullivan is hereby elected as Treasurer of the Corporation effective June 1, 2014, to hold such office from that date until the next biennial election of the officers of the Corporation or until his successor has been duly elected and qualified.
Upon proper motion duly seconded, the Board of Trustees voted unanimously to approve the foregoing resolution.

Trustee Hardin expressed his appreciation to the members of the Finance Committee for their extra work and the high-quality result of their search. Trustee White remarked that the Finance Committee enjoyed working with Treasurer Diaz because of his competency, leadership, and vision, and he said Treasurer Diaz and Assistant Treasurer Almond made a great team and built a solid foundation that positions the university for continued success.

VII. PERFORMANCE REPORT – FUNDRAISING

Ms. Amy Noah, Vice President for Development, was in attendance to provide a fundraising report to the Board. She began by reviewing national trends in giving and noted that while alumni participation has decreased nationally, Purdue is actually above the national average. She spoke about the importance of focused, succinct messaging, and she discussed in detail the key metrics of net production and philanthropic cash, number of individual donors, corporate giving, and student support. She shared that pledge commitments doubled in the last year and the Purdue Moves initiative has been well received by the university’s donor base, creating many opportunities to raise funds. Vice President Noah was also pleased with the number of planned gifts, and she spoke about the Purdue Day of Giving, an idea modeled after Columbia University that is social-media driven to excite a younger audience about the concept of giving.

In response to questions from the Board, Vice President Noah stated the tuition freeze has resonated with prospective donors because they feel the university is committed to being fiscally responsible, and although the success of sports programs can impact giving, that has not been the case. Vice President Noah also addressed questions about tax deductibility of gifts and growing the endowment. Following Vice President Noah’s presentation, President Daniels commented on the high morale within the development function, which he attributed to Vice President Noah’s effective leadership, as well as transitioning the function to the Purdue Research Foundation. A copy of Vice President Noah’s presentation will be filed with the minutes.

VIII. PURDUE MOVES STATUS UPDATES

PURDUE POLYTECHNIC INSTITUTE

Dr. Gary Bertoline, dean of the College of Technology, was in attendance to report on the Purdue Polytechnic Institute. He presented the Institute as a truly transformational, virtual organization operating in parallel with the College of Technology, responsive to the changing world and the changing needs of employers. He explained the new aspirational culture of the Institute for students, faculty, and classrooms and illustrated the “T-shaped” professional. Dean Bertoline then discussed the Institute’s four initiatives: 1) education research and development, 2) curriculum transformation, 3) research and innovation acceleration network, and 4) comprehensive workforce education strategy. He also illustrated the partnerships being formed across campus to accomplish these initiatives within a three-year timeline.
After expressing her excitement about the Purdue Polytechnic Institute, believing it to be pivotal, Trustee Castagna asked how it would transform the university beyond the College of Technology. Dean Bertoline addressed this question and also responded to Trustee Hardin’s question about how the quality of the product would be verified. It was agreed that the Institute would make students across disciplines more marketable. Dean Bertoline concluded his report by briefly mentioning the Institute’s challenges – space and faculty governance. Following Dean Bertoline’s report, President Daniels remarked on his excellent leadership in a challenging change environment. A copy of Dean Bertoline’s presentation will be filed with the minutes.

GROWING COMPUTER SCIENCE

Dr. Jeff Roberts, dean of the College of Science, was in attendance to report on growing computer science, but he also took the opportunity to announce that Purdue’s analytical chemistry group has once again been recognized as the number one group of analytical chemists in the country. He then spoke about why computer science is important to society and illustrated an “Internet minute.” He discussed the data revolution and noted that the Internet and big data are the two biggest drivers in computer science. He said the demand for graduates is robust and growing, with job placement near 100%, and the computer science program enjoys expansive corporate partnerships. Dean Roberts highlighted the wide range of computer science research areas and recognized the risk of mission overlap between the Department of Computer Science, the School of Electrical and Computer Engineering, and the College of Technology. He assured the Board the three disciplines were collaborating to ensure the best use of investments to align hiring plans and meet students’ needs. Dean Roberts then referred to the “black and golden” age of computer science and outlined the plan to strengthen Purdue’s program. He emphasized that students in every college/school across campus take foundational courses in computer science. Dean Roberts also discussed how the Department of Computer Science and the College of Agriculture will collaborate to bring information and computer science to bear on the world’s grand challenge of sustainability. Through this initiative, Purdue will seek to become the preeminent leader in cyber-sustainability in the field of agriculture, with faculty to be hired for this focus. In response to a question from Trustee Hardin, Dean Roberts shared that building gender diversity is a piece of the growth plan, given that computer science is a male-dominated field.

Often referred to as the Board’s historian, Trustee Hardin reminded the Board that Provost Felix Haas hired Dean Leah Jamieson as the first female assistant professor of electrical engineering. President Daniels added to the history lesson by sharing that Purdue had the first department of computer science on any campus anywhere in the country and believed this Big Move to be a huge opportunity. A copy of Dean Roberts’ presentation will be filed with the minutes.

IX. REPORT ON THE CONSOLIDATION OF PNC AND PUC ADMINISTRATIVE FUNCTIONS

Chancellor Jim Dworkin and Chancellor Tom Keon, of Purdue University North Central and Purdue University Calumet, respectively, partnered to discuss the progress made toward consolidation of their campuses’ administrative functions. They reviewed early
accomplishments, including the formation of a Unification Committee which conceived the goals for the unification. The chancellors illustrated a timeline for the consolidation, with a tentative completion date of July 1, 2016, and they outlined a process for identifying a name for the consolidated campuses. A website independent of both campuses was created as a platform to communicate all information related to the unification effort. The chancellors concluded by saying that great progress had been made in a very short time.

Trustee White expressed his excitement about the consolidation as an employer in northwest Indiana and believed it will make both campuses stronger and add value for students and faculty. Trustee Lehman acknowledged the idea for the consolidation as having come from the bottom up, and he believed it will increase the significance of both campuses and help meet challenges of funding academic programs. In response to a question from Trustee Castagna, Chancellors Dworkin and Keon explained how they are eliciting community involvement.

Trustee Hardin stated the Board understands how important the faculty is in making the unification successful. He also recognized that the unification will offer even broader opportunities for the students of both campuses and stressed that the faculty must think about the students first. Chancellor Dworkin pointed out that the faculty is well represented on the Unification Committee, and Chancellor Keon added that the faculty senates of both campuses have begun to work together regarding a unified faculty senate. President Daniels remarked that the university is fortunate to have two great leaders in Chancellor Dworkin and Chancellor Keon. A copy of the chancellors’ presentation will be filed with the minutes.

X. REPORTS OF FACULTY AND STUDENT REPRESENTATIVES

Professor Jason Curtis, chair of the Faculty Senate at Purdue University North Central, recalled addressing the Board at its last visit to the North Central campus in April 2010. He reported that the faculty of both the North Central and Calumet campuses have reacted responsibly to the unification of the campuses and have a plan to coordinate their functions. He hopes the unification of the two campuses will allow the two campuses to build on their respective strengths to contribute to a stronger Purdue system. A copy of Professor Curtis’ remarks will be filed with the minutes.

Greg Mohlke, president of the Student Government Association at Purdue University North Central, reported that PNC’s largest-ever gift will result in naming its new gymnasium, and he proudly announced that BestColleges.com ranked PNC as the best college in the nation for students with children. Greg was pleased that students will have a voice in the unification of the PNC and PUC campuses through representation on the Unification Committee. A copy of Greg’s remarks will be filed with the minutes.

Professor David Williams, chair of the University Senate, reported that he is a member of the Provost Search Committee and said the names of the finalists would be announced very soon. He provided an update on the activities of the Year-Round Task Force and announced a budget has been established to assist the international student population with English language skills. Professor Williams also said the University Senate had
endorsed the student-written “We Are Purdue” statement of values and he spoke about the likely formation of an Equity and Diversity Committee in the University Senate. A copy of Professor Williams’ remarks 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:

- Rita Randolph, posthumously, to support the College of Veterinary Medicine
- Anonymous, to support the Student Services and Activities Complex at Purdue University North Central

**XII. ADJOURNMENT**

By consent, the meeting adjourned at 11:25 a.m.