A meeting of the Compensation Committee of the Board of Trustees convened in Room 326 of Stewart Center, Purdue University West Lafayette, Indiana, at 4:18 p.m. on December 19, 2014.

All members of the Committee were present: Michael Berghoff, chair; JoAnn Brouillette; and Don Thompson. Other trustees in attendance were Sonny Beck, Vanessa Castagna, John Hardin, Gary Lehman, Kelsey Quin, and Thomas Spurgeon. Bruce White was not in attendance.

Also present were: Mitch Daniels, President; Deba Dutta, Executive Vice President for Academic Affairs and Provost; Bill Sullivan, Treasurer and Chief Financial Officer; 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.

Trustee Berghoff called the meeting to order and then announced that the meeting would be postponed until the time reserved for committee reports during the stated meeting of the Board of Trustees on the following day, December 20, 2014. Upon proper motion duly seconded, the Compensation Committee voted to adjourn the meeting.

The Compensation Committee then reconvened on December 20, 2014 at 9:15 a.m., with the same attendance.

I. ADOPTION OF PRESIDENTIAL PERFORMANCE METRICS FOR 2014-2015

Trustee Berghoff reviewed the structure of President Daniel’s compensation plan, which provided for 30% of President Daniels’ salary to be “at-risk” and awarded based on objectives outlined by the Board. He said that since this approach to compensation had been adopted at the presidential level, it had begun to take hold as a more common practice within the administration – thirteen administrators also had a compensation structure that included an at-risk component.

Trustee Berghoff outlined the four categories on which the at-risk pay for 2014-2015 would be based. The categories were (1) student affordability, (2) student success, (3) fundraising, and (4) institutional reputation and excellence. He also discussed some of the objectives within the categories. Trustee Hardin believed it was very important to point out that the research productivity objective would be measured by the level of outside funding from government agencies, foundations, etc. Trustee Thompson then asked for the record to show that the university was “more than word and plan” relative to the commitment to student affordability and success, and he noted that the university was being seen in a very positive light as a result.

Upon proper motion duly seconded, the Compensation Committee voted unanimously to recommend full Board approval of the presidential performance metrics for 2014-2015. Supporting documents were filed with the minutes.

II. ADJOURNMENT

By consent, the meeting adjourned at 9:21 a.m.