MINUTES

BOARD OF TRUSTEES OF
THE TRUSTEES OF PURDUE UNIVERSITY

FEBRUARY 21, 2014
Adjournment 8, XI

Appointments Ratified 2, IV
Appenzeller, Joerg; Barry M. and Patricia L. Epstein Professor of Electrical and Computer Engineering
Caruthers, James M.; Gerald and Sarah Skidmore Professor of Chemical Engineering
Chen, Kuan-Chou; Thomas M. McDermott Sr. Professor in Economic Development (PUC)
McConnell, John J.; Burton Morgan Chair in Private Enterprise
Obi, Cyril Pat; White Lodging Professor of Finance (PUC)

Bylaws 3, IV
Amended to add ex-officio, non-voting member

College of Engineering 3, IV
Lyles School of Civil Engineering named

College of Liberal Arts 2, IV
Create School of Interdisciplinary Studies

College of Science 2, IV
Change name of Department of Physics to Department of Physics and Astronomy

Conflict of Interest 2, IV
Disclosures approved

Degrees, Honorary 3, IV
Conferral of Honorary Doctorate degrees, Spring 2014

Degrees, Posthumous 3, IV
Boldt, Andrew F.

Director of Audits 3, IV
2013 Annual Report approved

Director of Intercollegiate Athletics 3, IV
Employment agreement amended

Meetings 1, II
Future meeting schedule reviewed

Minutes 2, IV
Executive Sessions: December 13, 2013 and December 14, 2013

Nepotism 3, IV
Exceptions to Nepotism Policy approved

Purdue Moves Updates 5, VI
Advanced Plant Science Research
Drug Discovery

Purdue University Calumet 4, VI
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Recognition of Board Members 8, X
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Regional Campuses 6, VII

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Friends of Purdue University
A meeting of the Board of Trustees convened in Room 326 of Stewart Center, Purdue University, West Lafayette, Indiana at 9:07 a.m. on Friday, February 21, 2014, 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; 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 announced that all trustees were present for the meeting.

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 February 20, 2014, and voted to recommend full Board approval of seven action items, which were clear-cut decisions and included on the consent agenda of this stated meeting. The Committee also heard a presentation by Dr. Irwin “Bud” Weiser, dean of the College of Liberal Arts.

Gary Lehman, chair of the Physical Facilities Committee, reported that the Committee met on February 20, 2014, and voted to approve the financing and construction of the Shreve Hall Academic Support Center and to award the construction contract for the Meredith Hall Window Replacement project.

John Hardin, chair of the Audit and Insurance Committee, reported that the Committee met on February 20, 2014, and voted to recommend full board approval of the 2013 annual report from the director of audits, Ms. Peggy Fish. The Committee also discussed
the 2014 audit plan with Ms. Fish and supports it fully. Following the public meeting of
the Committee, the Committee held an executive session with Ms. Fish.

Chairman Spurgeon, chair of the Executive Committee, reported that the Committee met
on January 28, 2014, and voted on behalf of the full Board not to remonstrate in the
annexation process conducted by the City of West Lafayette and also authorized
university officials to enter into an Interlocal Cooperation Agreement with the City of
West Lafayette. The Executive Committee also approved a contract to purchase
$10,700,000 of Cisco infrastructure equipment at a final cost of $4,301,764, with the
savings resulting from applying the State of Indiana quantity purchase discount and an
additional negotiated discount.

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 sessions held on December 13, 2013 and December 14,
2013;

b. Ratification of Dr. Joerg Appenzeller as the Barry M. and Patricia L. Epstein
Professor of Electrical and Computer Engineering, as recommended by the Academic
Affairs Committee;

c. Ratification of Dr. John J. McConnell as the Burton Morgan Chair in Private
Enterprise, as recommended by the Academic Affairs Committee;

d. Ratification of Dr. Cyril Pat Obi as the White Lodging Professor of Finance at Purdue
University Calumet, as recommended by the Academic Affairs Committee;

e. Ratification of Dr. Kuan-Chou Chen as the Thomas M. McDermott, Sr. Professor in
Economic Development at Purdue University Calumet, as recommended by the
Academic Affairs Committee;

f. Changing the name of the Reilly Professor of Chemical Engineering to the Gerald
and Sarah Skidmore Professor of Chemical Engineering, a designation currently held
by Dr. James M. Caruthers; as recommended by the Academic Affairs Committee;

g. Changing the name of the Department of Physics in the College of Science to the
Department of Physics and Astronomy, as recommended by the Academic Affairs
Committee;

h. Creating the School of Interdisciplinary Studies in the College of Liberal Arts, as
recommended by the Academic Affairs Committee;
i. Naming the Lyles School of Civil Engineering in the College of Engineering; as recommended by the Academic Affairs Committee;

j. Awarding a posthumous Bachelor of Science in Electrical Engineering degree to Andrew F. Boldt, as recommended by the Academic Affairs Committee;

k. Conferral of Honorary Doctorate degrees to be awarded in Spring 2014, as recommended by the Academic Affairs Committee;

l. Amending the Bylaws to add a nonvoting, ex-officio member to the Academic Affairs Committee, as recommended by the Academic Affairs Committee;

m. 2013 Annual Report of the Director of Audits, as recommended by the Audit and Insurance Committee;

n. Amendment to the employment agreement with the Director of Intercollegiate Athletics, including supplemental retirement plan;

o. Conflict of Interest disclosures; and

p. Exceptions to nepotism policy.

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

The Gallup-Purdue Survey and Index Agreement, which appeared as item number 15 on the stated meeting consent agenda, was removed from the agenda for consideration at the stated meeting in April 2014.

V. REPORT OF THE PRESIDENT

President Daniels announced a new governance process that will feature a revised and strategically aligned reporting system. Whereas the Board previously received “governance reports,” such Board reports will now focus on the university’s five strategic goals, associated initiatives, and metrics. Using the strategic goals as a backdrop, a task force of faculty formulated the outcome-based metrics to include faculty awards and honors, academy memberships, entrepreneurial activity, research productivity, research awards by discipline, and faculty citations and publications. President Daniels discussed application trends, noting that the application rate increased by an “astonishing” 31% this year. He attributed this in part to implementing the Common Application, but he also shared his assessment that a portion of the increase is due to Purdue’s enhanced visibility and the emphasis on affordability. He also highlighted top high school scholar enrollment trends and provided information about where Purdue ranks among public land-grant universities as ranked by those entities that consider the success of graduates. The President noted that this metric is an indication of Purdue’s reputation for the quality and value of its graduates among employers. A copy of President Daniels’ presentation will be filed with the minutes.
Following President Daniels’ report, Chairman Spurgeon expressed the Board’s deep appreciation to President Daniels and the administrators, faculty, staff, and students for their response to the events of January 21, 2014, when senior Andrew F. Boldt was murdered on campus. President Daniels echoed that January 21st will never again be an ordinary day for Purdue University, and he discussed how the university is learning from the tragedy.

VI. PURDUE MOVES STATUS UPDATES

DRUG DISCOVERY

To initiate the new reporting structure, Chairman Spurgeon called upon Dr. Philip Low, inaugural director of the Purdue Center for Drug Discovery, and Dr. Timothy Ratliff, Robert Wallace Miller Director of the Purdue University Center for Cancer Research, to report on drug discovery. Dr. Low began by thanking the Board for its vision and generosity in establishing the Purdue Center for Drug Discovery, which has generated tremendous excitement. One of the first efforts undertaken was organizing interested faculty based on their expertise and strengths. Dr. Low illustrated the number of drugs currently in the Purdue pipeline and discussed why that number has grown over the last year. He explained that the culture is changing from “publish and move on” to developing the discovery drug technologies for the greater good. Dr. Low also discussed current faculty recruiting efforts, the construction of the drug discovery building and the multidisciplinary cancer research facility, the assembly of sophisticated instrumental facilities that will augment productivity in the area of drug discovery, and establishing pipeline relationships with major clinical research institutions.

Dr. Ratliff then spoke about efforts to generate resources for developing the pipeline and the Drug Evaluation Committee that will help move drugs forward. He illustrated how new discoveries will be translated into effective and marketable drugs more expeditiously through a new drug discovery vehicle, which will be formed by repurposing an existing 501(c)(3) corporation and be known as “Boilermaker Health Innovations, Inc.” He anticipates that process to be completed by March 31, 2014. Dr. Ratliff also thanked the Purdue Research Foundation for its commitment to the venture.

Finally, Dr. Low highlighted goals for the coming year and stated that Purdue is measurably ahead in drug discovery compared to other institutions in the country. He said the commercialization culture at Purdue exceeds that of other institutions and has attracted top faculty.

Trustee Thompson remarked that it is very exciting to see Purdue move forward to leverage its strength and brilliance in this area. Trustee White commented that the Purdue Research Foundation has made it clear that this is a priority and believed the efficient collaboration to be a model. In response to a question from Trustee Lehman, Dr. Low and Dr. Ratliff explained how this effort has excelled in a short period of time. Chairman Spurgeon reiterated the Board’s excitement and concluded that Dr. Low and Dr. Ratliff deserved the applause they received following their presentation.

A copy of the Drug Discovery presentation will be filed with the minutes.
ADVANCED PLANT SCIENCE RESEARCH

Dr. Jay Akridge, Dean of the College of Agriculture, and Dr. Karen Plaut, Senior Associate Dean for Research and Faculty Affairs, were in attendance to report on advanced plant science research. Dean Akridge explained that Purdue is employing its resources to address the world’s biggest problems of feeding nine billion people and dealing with the effects of urbanization, both of which are driving the demand for improved plants. He explained that not only does the College of Agriculture have talented faculty, but it has also made targeted investments in facilities and enjoys deep relationships with the Colleges of Engineering and Science, as well as organizations within Indiana focused on plant improvement. He also shared that these strengths are supplemented by Governor Pence’s current initiative to make Indiana a hotbed nationally for research in food and agriculture.

Dr. Plaut then explained the nature and objectives of plant science research by demonstrating a 3-D model of plant DNA, a real sample of plant DNA, kernels of corn, and an orange cob of corn. She explained how each is utilized in plant biology research and teaching. She then discussed in detail the four components of the plant science research initiative, which are 1) expand capacity in plant biology, 2) transform plants to improve crops, 3) automate large scale plant analysis, and 4) commercialize products and graduate leaders. She emphasized there is strong student engagement throughout this initiative, including at the level of recruiting high school students. To conclude the presentation, Dean Akridge illustrated and briefly discussed the investment platform, of which both public and private partnerships are core pieces. Dean Akridge also thanked the Board for its support, followed by a rich discussion.

Trustee Beck remarked that the idea of “genetically-modified” crops has not been publicly accepted, even though there has not been one documented illness or death in 20 years, compared to the sheer magnitude (10 billion acres) of crops harvested over that period. Dr. Plaut responded by drawing a distinction between the popular view of “genetically modified” food and what Purdue’s research actually involves. She explained that Purdue’s research includes taking advantage of natural selection to modify crops. The technologies that will emerge from this research will be game changers because the ultimate product will not be genetically modified. Trustee Hardin remarked that how we communicate the research is key to addressing the stories that are counterproductive to the food system.

Trustee Berghoff observed that the research presentations have demonstrated “the power of a simple strategic plan that is focused and funded and how it can create momentum to make serious things happen,” and he said that should be celebrated. Trustee Thompson commended the interdisciplinary collaboration and said Purdue’s strong belief that it impacts the world is contagious to students.

President Daniels expressed his appreciation for the Board’s comments and said that Purdue is replete with fantastic researchers who, if successful, can literally change the world. He observed that this is why being good stewards of Purdue’s resources is so vital, because it allows for these kinds of investments.
Trustee White continued the discussion by saying that the world community must also address the political corruption, tribal issues, etc. that impact the capacity to feed the world. Trustee Hardin responded that Purdue’s Global Policy Research Institute is the intersection of changes in technology and policy that provides the opportunity for global modeling of solutions to these types of challenges. Dr. Plaut emphasized that a new undergraduate class was designed for students to tackle these very issues.

VII. REGIONAL CAMPUS REPORTS

Dr. Vicky Carwein, Chancellor, Indiana University-Purdue University Fort Wayne (IPFW), began her report by thanking Dr. Gerry McCartney, Vice President for Information Technology, who, with his counterpart from Indiana University, visited IPFW at her request and made specific recommendations on how to modernize IPFW’s information technology services. She then discussed trend data and noted that IPFW has almost 10,000 undergraduate degree-seeking students, as well as over 3,000 high school students who take courses at IPFW for dual high school and college credit; approximately one-third of those high school students ultimately enroll at IPFW. Chancellor Carwein informed the Board about new administrators, discussed points of pride, including a recent expansion of the reciprocity agreement to allow in-state tuition to residents of six Ohio counties, and shared that IPFW is re-envisioning its Honors Program. She also highlighted the academic success of IPFW’s student athletes and shared the achievements of the men’s basketball team. Chancellor Carwein highlighted the goals that will be included in IPFW’s new strategic plan and referenced a recent report from the Indiana Commission for Higher Education. She concluded her report by announcing that IPFW will be a smoke free and tobacco free campus on April 1, 2014. A copy of Chancellor Carwein’s presentation will be filed with the minutes.

Dr. Jason Curtis, Chair of the Faculty Senate at Purdue University North Central, reported that PNC continues to experience growth of undergraduate programs. He provided spring enrollment data, and he discussed student persistence data for the last five years and initiatives to increase student persistence, including Indiana’s “15 to Finish” campaign that encourages students to complete 15 credit hours per semester to graduate on time. Trustee Hardin acknowledged that Governor Pence has appointed Dr. Curtis to the Indiana Commission for Higher Education to serve for a two-year term. A copy of Dr. Curtis’s presentation will be filed with the minutes.

Adam Cooper, President of the Student Government Association at Purdue University Calumet, reported that an environmental initiative and a proposed Student Organizational Council are among SGA’s current projects. SGA is also working to rebuild campus traditions as well as streamline its internal processes to present itself more professionally. Adam also discussed his participation in a task force aimed at redesigning PUC’s website. Trustee Thompson appreciated Adam’s distinct communication skills, and Trustee White encouraged Adam and SGA to continue building on mission-critical successes. A copy of Adam’s supporting materials will be filed with the minutes.
VIII. REPORTS OF FACULTY AND STUDENT REPRESENTATIVES

Professor David Williams, chair of the University Senate, reported that the Board’s approval to amend the Bylaws to add the chair of the University Senate to the Academic Affairs Committee in an ex-officio capacity is truly historic and sends a message to the national academic community. He thanked the members of the Board, President Daniels, Provost Sands, and Legal Counsel Schultz for committing to shared governance in this way. Professor Williams also stated the University Senate has formed a task force to study the year-round calendar initiative. A copy of Professor Williams’ report will be filed with the minutes.

Kyle Pendergast, president of Purdue Student Government, reported that PSG will participate in an annual Big Ten event in Washington, D.C., where he will also attend a gun safety conference. He shared that the “Purdue Statement of Values,” formerly referred to as the “Purdue Creed,” would be voted on at the next meeting of the University Senate, and PSG is advocating for a student representation on the West Lafayette City Council given the recent annexation of the property occupied by the West Lafayette campus. Kyle also discussed the proposed military absence policy for students and the Purdue-Gallup Index, stating that PSG has offered its assistance with promoting this initiative to the other Big Ten universities. Following Kyle’s report, Trustee Quin pointed out that Kyle is an engineering student who has made significant contributions during his tenure, including “reinventing” PSG, initiating the candlelight vigil for Andrew Boldt, and recently winning a $10,000 prize for an energy company he has proposed to start. A copy of Kyle’s report outline will be filed with the minutes.

IX. 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:

- Chaney Family Foundation, to support the College of Pharmacy
- Mr. Donald E. Huff, to support the College of Agriculture
- Lumina Foundation for Education, to support the Gallup-Purdue Good Jobs/Good Lives Index
- Lyles Foundation, to support the School of Civil Engineering
- Margaret and John Weeks, to support the College of Agriculture
- Anonymous, to support the Affordability and Accessibility Fund
- Anonymous; to support the Schools of Chemical and Mechanical Engineering
- Anonymous, to support the School of Civil Engineering

X. RECOGNITION OF BOARD MEMBERS

Chairman Spurgeon discussed the bond developed among the ten trustees and the deep regard, respect, and admiration they have for their fellow trustees who earn recognition, and he shared that Trustee Brouillette had an announcement to make in this regard. Trustee Brouillette then announced that Trustee Beck was recently recognized by his professional peers as the 2014 Agribusiness Leader of the Year, which is a huge honor. Trustee Beck remarked that his is a “team sport,” wherein he is simply the coach who gets to accept the trophy.

Chairman Spurgeon also announced that Trustee Thompson was recently recognized as a Distinguished Engineering Alumnus and remarked about Trustee Quin’s upcoming participation in a half-marathon at Disney World.

XI. ADJOURNMENT

By consent, the meeting adjourned at 11:37 a.m.