

July 19, 2006

Dear Colleagues,

Seven years ago, the Purdue Board of Trustees undertook a thorough assessment of the University. What the board members discovered was not a major surprise. Purdue was in excellent shape. Indeed, it was among the finest universities in the world.

And the Trustees decided that — rather than be satisfied with its outstanding history — Purdue should move from a position of strength to a higher level of excellence. They recognized that to accomplish this move, the University needed a strategic plan grounded in its land-grant missions of learning, discovery, and engagement. In 2000, they invited me to build that plan and lead its implementation.

Today — at the beginning of a new fiscal year and six years into a process that has been a transformation for Purdue and many of its people — I am writing to update you on what the strategic plan has meant.

It is important to understand that the first step toward success is a truly honest look at our strengths and weaknesses and a frank comparison against a peer group of excellent institutions with similar missions. This can be a difficult and sobering process, but the faculty and staff of Purdue did not flinch. They were determined to make the University better.

Through this evaluation, we learned a great deal about Purdue, and we concluded that:

- We had too many graduate teaching assistants and too few full-time professors in the classroom.
- Our research activity, while growing, was not keeping pace with peers.
- Faculty salaries were not competitive, and we were losing talented people.
- Our infrastructure needed modernization.
- We needed to make a greater commitment to economic development for our state.
- Growing competition in our signature areas was threatening the University's prestige.
- Purdue was underfunded, relative to its peers.

These were hard truths, but once we confronted them, we were able to develop strategies for addressing them. We identified seven key areas in which to invest our resources:

- Adding 300 new faculty positions, reducing reliance on teaching assistants.
- Increasing the diversity of our campuses.
- Expanding scholarships and financial aid to ensure that no talented student would be denied the opportunity to study at Purdue solely because of finances.
- Offering competitive salaries in order to recruit and retain the best faculty and staff.
- Expanding our research capacity in visionary interdisciplinary initiatives.
- Investing more than \$600 million in modernization and expansion of our infrastructure.
- Expanding our engagement efforts with Indiana, focusing on economic development and K-12 education.

We then took the difficult but essential step of determining exactly how much these improvements would cost and how the University would pay for them. We recognized that dramatic increases in state appropriations were unlikely in the short term, but we asked Indiana's leaders to maintain state support with adjustments for inflation. We asked our students and their families to invest more in their education with a commitment from Purdue for higher quality.

We launched a major capital campaign that has been so successful that it will surpass its \$1.5 billion goal within the next year. It is the largest educational capital campaign in the history of Indiana, and we specified how we would spend the money:

- \$200 million in student support,
- \$200 million for faculty support, which includes both research and teaching assistance,
- \$600 million for facilities,
- \$300 million for programs, and
- \$200 million in unrestricted funds.

Today, six years into the strategic plan, we know that Purdue is a better university, that it is moving in a positive direction, and that it will continue to get better. This progress is measurable:

- We have added 234 new faculty positions and hired people to fill them. We will add 66 more positions by the fall of 2007 to reach our goal.
- We are increasing diversity. Since 2001, 58 percent of our faculty hires have been women and minorities, including 64 percent of our strategic plan new hires. Since 2001, our African-American student enrollment has grown every year. It is now at an all-time high, including a 34 percent increase in graduate and professional enrollment over the past eight years. We have launched programs such as Science Bound, a partnership with the Indianapolis Public Schools designed to prepare inner-city youngsters for university academics and provide scholarships for those admitted to Purdue.
- Student aid funding has increased every year of our strategic plans. Including scholarships, grants, loans, and employment, student aid at Purdue West Lafayette last academic year was more than \$381 million. That nearly equals the \$394 million in student fees paid in fiscal 2005-2006. We have launched the Purdue Opportunity Awards, providing a scholarship every year for one student with special needs from each of Indiana's 92 counties.
- To help maintain and attract top faculty, the University has increased the number of named and distinguished faculty by 79 percent since 2001.
- Purdue-sponsored program funding increased 21 percent from fiscal 2004-2005 to 2005-2006. Our research successes include the creation of Discovery Park, a \$300 million interdisciplinary research and teaching complex with some of the most advanced facilities in the world.
- Fifty-four capital projects, including more than 40 buildings, are listed in our strategic plans, and we are well on our way to completing them. The majority of these facilities are paid for by private donations. One effect of these buildings is a significant increase in classroom space, improving the learning environment.

- In engagement, Purdue is creating a new model for 21st century university involvement in public education and the economic development of our state. Purdue has sponsored state academic competitions impacting more than 30,000 Indiana students per year. In a single year, our College of Science outreach programs benefit another 23,000 Indiana students and 1,300 teachers.

The Purdue Research Park in West Lafayette is recognized as one of the top technology/business incubators in the nation. It has been named the country's Outstanding Research Park by its peers. Of the 80 high-tech companies at the Purdue Research Park, one-third are based on Purdue-licensed technologies.

The University reaches out to business in other ways. Purdue's Technical Assistance Program assists more than 400 companies each year, impacting local government as well as business and industry. The program has now expanded its mission to include the health-care system and is working to improve service and reduce costs in this critical sector.

Applications to Purdue are at an all-time high. Our incoming freshman class will rank among the best prepared in our history.

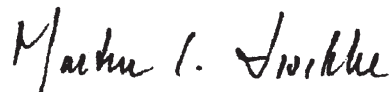
On the University's statewide campuses, we are expanding programs based on the economic needs of surrounding areas. We have launched residential facilities to expand student opportunities.

A Purdue education has never been better. A Purdue degree has never been worth more. Purdue's impact on the economy and quality of life in our state has never been greater. Purdue is becoming a preeminent university and is perfectly positioned to serve the people of Indiana.

The strategic plan is succeeding for Purdue because of the vision of our Trustees; the hard work of our faculty and staff; the support of students, parents, alumni, and friends; and the faith the people of Indiana continue to have in their land-grant university.

We believed we could become a better university and a better servant to our state, and we have done that — but we are not finished. Purdue will complete this strategic plan process, assess the future, and begin again to move to a higher level of excellence.

Sincerely,

A handwritten signature in black ink that reads "Martin C. Jischke". The signature is written in a cursive, slightly slanted style.

Martin C. Jischke  
President