



MINUTES

BOARD OF TRUSTEES OF THE  
TRUSTEES OF PURDUE UNIVERSITY

JULY 17, 2015

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

**JULY 17, 2015**

**MINUTES**

A meeting of the Board of Trustees convened in Room 326 of Stewart Center, Purdue University, West Lafayette, Indiana at 9:03 a.m. on Friday, July 17, 2015, with these trustees present for all or part of the meeting: Thomas Spurgeon, chairman; Sonny Beck; Michael Berghoff, vice chairman; Vanessa Castagna; John Hardin; Michael Klipsch; Gary Lehman; and Cameron Mann. JoAnn Brouillette and Don Thompson were not in attendance.

Also in attendance were: Mitch Daniels, President; Deba Dutta, Provost and Executive Vice President for Academic Affairs; Bill Sullivan, Treasurer and Chief Financial Officer; Jim Almond, Senior Vice President and Assistant Treasurer; Steve Schultz, Legal Counsel; and Janice Indrutz, Executive Assistant to the Board and Corporate Secretary.

**I. ROLL CALL AND MOMENT OF SILENCE**

Chairman Spurgeon announced that all trustees were present for the meeting, with the exception of JoAnn Brouillette and Don Thompson, whose absences were excused. He also welcomed Michael Klipsch and Cameron Mann, new student trustee, to the Board.

Chairman Spurgeon then asked the members of the Board and everyone in the room for a moment of silence to honor former trustees Wayne Townsend and Michael Birck, who passed away on July 3, 2015 and July 6, 2015, respectively.

**II. FUTURE MEETING SCHEDULE**

Chairman Spurgeon drew the Board's attention to the schedule of future meetings and commencements through 2016, as listed on the agenda. He pointed out that winter commencement at Purdue University Calumet had been rescheduled.

**III. REPORTS FROM BOARD COMMITTEES**

**A. ACADEMIC AFFAIRS COMMITTEE**

John Hardin, a member of the Academic Affairs Committee, reported that the Committee met on July 16, 2015. He said the Committee voted to seek full Board approval to change the name of a department at the Fort Wayne campus, which was subsequently included on the Board's unanimous consent agenda, and the Committee also had further discussion of proposed revised promotion and tenure criteria. He noted that the following paragraphs would be added to the criteria for the West Lafayette campus:

- (a) In addition, all tenured or tenure-track faculty seeking promotion must document their commitment to active and responsive mentorship and engagement with undergraduate students, as well as their active role in mentoring, advising and supporting the academic success of at-risk students.*
- (b) Accomplishment in discovery also extends to guided inclusion of undergraduate students in faculty research activity that result in published work, scholarly publications, patents and entrepreneurial activity.*
- (c) Evidence of excellence in Teaching and Learning may also extend to substantial activity to innovate pedagogical models and materials, including wide-scale transformation of hybrid courses that lead to scholarly publications; the development of competency-based courses or curricula within an academic unit that lead to scholarly publications; and the creation of comprehensive, interactive web-based textbooks and other materials.*

Dr. Jeffrey Roberts, Frederick L. Hovde Dean of the College of Science, also made a presentation to report on the College.

## **B. PHYSICAL FACILITIES COMMITTEE**

Gary Lehman, chair of the Physical Facilities Committee, reported that the Committee met on July 16, 2015, and voted to approve a resolution to plan, finance, construct and award the construction contract for the McCutcheon Hall University Residences Bathroom Renovation Phase V on the West Lafayette campus. Also for the West Lafayette campus, the Committee voted to seek full Board approval to award the construction contract for the Forney Hall East Wing Renovation (DL2) project, which was subsequently included on the Board's unanimous consent agenda.

## **C. AUDIT AND INSURANCE COMMITTEE**

John Hardin, chair of the Audit and Insurance Committee, reported that the Committee met on July 16, 2015, for discussion of two items – 1) the university's implementation of the Governmental Accounting Standards Board (GASB) Statement 68 on accounting and financial reporting for pensions and 2) an increase in the State Board of Accounts audit fees.

## **D. FINANCE COMMITTEE**

Gary Lehman, a member of the Finance Committee, reported that the Committee met on July 16, 2015, and voted to seek full Board approval to purchase equipment in excess of \$2,000,000, specifically a 3-Tesla Human Magnetic Resonance Imaging Scanner (3T MRI) for the West Lafayette campus, which was subsequently included on the Board's unanimous consent agenda.

## **IV. UNANIMOUS CONSENT AGENDA**

As reported by the Board committees, the following Unanimous Consent items were fully explored and debated in committee meetings or were 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 consent agenda 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:

- Minutes of the stated meeting held on May 15, 2015; minutes of executive sessions held on May 14, 2015 and May 15, 2015; and minutes of the Executive Committee meeting held on May 27, 2015;
- For Indiana University-Purdue University Fort Wayne: Approval to change the name of the Department of Consumer and Family Sciences to the Department of Hospitality and Tourism Management, as recommended by the Academic Affairs Committee;
- Approval to award construction contract for the Forney Hall East Wing Renovation (DL2) on the West Lafayette campus, as recommended by the Physical Facilities Committee;
- Approval to purchase equipment in excess of \$2,000,000: a 3-Tesla Human Magnetic Resonance Imaging Scanner (3T MRI) for the West Lafayette campus, as recommended by the Finance Committee;
- Approval of Conflict of Interest disclosures, system-wide; and
- Approval of exceptions to Nepotism Policy, system-wide.

All supporting documents were filed with the minutes.

## **V. REPORT OF THE PRESIDENT**

President Daniels reported on the university's accomplishments during the fiscal year that ended on June 30, 2015. He began by providing data that demonstrated the record-breaking results of development efforts, and he noted that the second annual Purdue Day of Giving set not only a university record, but also a national one-day fundraising record. He said that a record was also set relative to sponsored research awards, which he described as a remarkable achievement and for which he recognized the efforts of faculty and the Office of Research and Partnerships. President Daniels shared an update on the positive trend in the University's corporate partnerships, with the number of awards from industry and foundations having more than doubled over the last five years. He observed that this trend reflected the effort to find an improved model for working with outside funding sources. President Daniels explained that this effort had yielded opportunities broader than what might come to mind when thinking about the traditional spectrum of "corporate" partnerships. He explained, for example, that Colombia illustrated well the potential of Purdue's partnerships in the international area, noting that the University was currently preparing to submit a proposal to Ruta N Medellín to develop a course on innovation, which would be used by universities in Colombia and potentially elsewhere in the world. The President noted that Purdue was well-positioned to pursue this opportunity and similar ones as a result of a more focused effort on identifying areas where Purdue's key strengths, such as innovation and technology commercialization, were likely to have the greatest potential impact. In the course of further discussion, the Board applauded these efforts and expressed its approval for moving forward to secure related opportunities, including the proposed submission to Ruta N in connection with its procurement process for the innovation course described by the President.

President Daniels also spoke about the record numbers of patents, licenses, and startup companies, which he attributed to the innovativeness of faculty and students and the increased attention to technology transfer and commercialization of Purdue products. He provided a sampling of new startup companies that had resulted from this focused effort and said they were beginning to attract funding and create jobs. Trustee Berghoff offered his view that these companies would have an economic impact on the region and the state, to which President Daniels responded that, in many ways, one could describe startup companies as the purest form of engagement, one of the university's core missions. President Daniels concluded his report by illustrating a continued decline in student loan debt and an increase in students participating in study abroad programs.

Because President Daniels' report aligned with the end of the fiscal year and summer vacation for many, Trustee Berghoff asked President Daniels to convey the Board's pride to all faculty and staff when they return to campus for all that had been accomplished on so many different levels.

A copy of President Daniels' report presentation was filed with the minutes.

## **VI. RATIFICATION OF DISTINGUISHED PROFESSOR OF PHYSICS AND ASTRONOMY**

Provost Dutta respectfully requested the Board's approval to appoint Dr. David D. Nolte as a Distinguished Professor of Physics and Astronomy in the College of Science on the West Lafayette campus. Provost Dutta explained that Dr. Nolte was an internationally-acclaimed researcher in biomedical diagnostics and was involved in creating the field of biophotonics, in which optical methods were used to advance biology and medicine. Provost Dutta also referenced the letters of support that were included in the nomination packet for the Board's review. Upon proper motion duly seconded, the Board of Trustees voted unanimously to ratify Dr. Nolte's appointment as Distinguished Professor of Physics and Astronomy.

Dr. Nolte thanked the Board, President Daniels, Provost Dutta, and Dean Roberts. He also thanked Andrew Hirsch, department head, for being his enthusiastic supporter for many years, as well as Professor Anant Ramdas, who, he said, had been his "champion from day one." Dr. Nolte said he had recently celebrated his 25-year service anniversary and that he could not think of a better place to establish and pursue his career. He also thanked his family, who was in attendance, and he recognized the Purdue Foundry as a great new resource. Supporting documents were filed with the minutes.

## **VII. STAFF UPDATES FROM THE OFFICE OF THE PROVOST**

### **A. DEAN OF STUDENTS**

Provost Dutta was pleased to report to the Board that Dr. Katherine "Katie" Sermersheim had been named Dean of Students and would begin on August 1, 2015. Dr. Sermersheim would report to Dr. Beth McCuskey, Vice Provost for Student Life, and serve as an advocate for student issues and concerns. She would also oversee the Office of Students Rights and Responsibilities, Counseling and Psychological Services, and the Purdue University Student Health Center.

## **B. DIVISION OF DIVERSITY AND INCLUSION**

Provost Dutta also reported that the Division of Diversity and Inclusion had been restructured to focus on improving diversity within the faculty and with postdoctoral students. As a result, and in consultation with President Daniels, his title had been changed to Provost and Executive Vice President for Academic Affairs and Diversity. Chairman Spurgeon thanked Provost Dutta for accepting the challenge of promoting diversity and bringing attention to it, and he offered the Board's support. Trustee Hardin expressed his hope that it was clearly understood that Provost Dutta's willingness to take on the responsibility of diversity would have the effect of elevating the attention that would be brought to such important matters. He observed that the ability of graduates to function in a much more diverse and interactive world now required a higher degree of education, sensitivity, and understanding and that diversity was crucial for the university's impact on the future.

## **VIII. STAFF UPDATE FROM THE OFFICE OF THE TREASURER**

Treasurer Sullivan was pleased to report to the Board that Mr. Trent Klingerman had been named vice president for human resources, effective July 1, 2015, after serving as interim vice president since November 2014. Mr. Klingerman was a Purdue alumnus who had been an employment lawyer with Stuart & Branigin before first becoming director of employee relations at Purdue. Treasurer Sullivan said Mr. Klingerman was selected for the position because of his enthusiasm, expertise, incredible work ethic, and ability to build relationships across the university.

## **IX. REPORT OF THE UNIVERSITY SENATE**

Professor Kirk Alter, chair of the University Senate, thanked the members of the Board for the opportunity to address them. He discussed his background and 20-year career in the Purdue Polytechnic Institute School of Construction Management Technology. He also shared that he was a Purdue alumnus, and his wife and four children had attended, or would attend, Purdue as well.

Professor Alter thanked the Board for the salary increases that were provided to faculty and staff in the new fiscal year and said that as chair of the University Senate, he would take a more business-like approach to conducting business in a proactive, rather than reactive, manner. He said an early initiative he planned to undertake was creating standard operating procedures for the University Senate to enhance transparency and efficiency. He also planned to initiate a thorough review of the Senate Bylaws. He explained that the Bylaws had not been reviewed in some time, and a review would ensure that the Bylaws reflected the intent of the body, were clarified and updated to represent gained knowledge, and speak to areas where silence in the Bylaws previously created challenges. He also planned to address significant challenges of participation in, and engagement with, the Senate.

Professor Alter then discussed five specific areas that he would address as chair of the Senate. These were 1) mentoring of pre-freshman via short-term global experiences, 2) working with the Office of the Provost to develop a robust pre-freshman summer experience, 3) extending the ideas and implementation of the Purdue Polytechnic Institute across colleges, 4) working with the Office of the Provost to recruit and hire underrepresented minority faculty, and 5) working with the Offices of the President and Provost to enhance communication, timing, and transparency with the faculty.

**X. RESOLUTION OF APPRECIATION FOR FRIENDS OF PURDUE UNIVERSITY**

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

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:

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: William B. Elmore, to support the College of Engineering; John Templeton Foundation, to support the College of Liberal Arts; Stephen Linowiecki, to support the College of Health and Human Sciences; Anonymous, to support the College of Science; and Anonymous, to support Discovery Park.

A copy of the resolution and supporting slides were filed with the minutes.

**XI. RESOLUTION OF APPRECIATION FOR BRUCE W. WHITE**

Upon proper motion duly seconded, the Board of Trustees voted unanimously to approve the following resolution of appreciation for former trustee Bruce W. White, as read by Chairman Spurgeon:

WHEREAS, Bruce W. White served Purdue University with excellence and dedication as a member of the Board of Trustees from July 2011 to February 2015; and

WHEREAS, he brought invaluable wisdom and insight to the Board of Trustees and, in particular, the Board's Finance Committee and Physical Facilities Committee; and

WHEREAS, his close association with Purdue dates to his undergraduate years, having earned a Bachelor of Science degree in Management in 1975; and

WHEREAS, he earned a graduate degree from the Harvard Graduate School of Business Owner/President Management program and was presented an Honorary Doctorate of Business Administration in Hospitality Management by Johnson and Wales University; and

WHEREAS, Bruce has established himself as a leader in entrepreneurial ventures in the world of hospitality as the founder, chairman and chief executive officer of White Lodging Services, Inc., headquartered in Merrillville, Indiana, for more than 30 years, growing the company's portfolio to more than 170 hotels in 21 states; and

WHEREAS, he has demonstrated his deep-rooted Boilermaker pride and generosity by helping establish an endowment fund for future Hospitality and Tourism Management students at Purdue's main campus; and

WHEREAS, through the Bruce & Beth White Family Foundation and the Dean & Barbara White Family Foundation, Purdue University Calumet was able to expand and enhance its Hospitality and Tourism Management program, which was renamed the Purdue University Calumet White Lodging Center for Hospitality and Tourism Management in recognition of the White family's generosity; and

WHEREAS, Bruce has remained a loyal and longtime partner of the Purdue University School of Hospitality and Tourism Management by providing internships to many of its students and hiring many of its graduates; and

WHEREAS, he has often returned to the Purdue campus to speak with and mentor Hospitality and Tourism Management students; and

WHEREAS, he has received numerous honors, including the Illinois Hotel Lodging Association's J. Patrick Leahy Lifetime Achievement Award in 2011, the Hunter Hotel Developer Award for Excellence and Inspiration in 2011, the Will Koch Indiana Tourism Leadership Award in 2011, the Midwest Lodging Investors Summit Game Changer Award in 2012, and a finalist position for *HOTELS* magazine's Global Corporate Hotelier of the Year in 2013; and

WHEREAS, he has been an active and highly respected leader and advocate of numerous hospitality, business and civic organizations throughout his career, including the Indiana Economic Development Corporation, the Chicago Economic Club, Starwood North America Owners Advisory Council, the Courtyard by Marriott Advisory Board, the Residence Inn by Marriott Association Board of Directors, the Young President's Organization, the World President's Organization, and the University of Chicago Hospitals, among several others; and

WHEREAS, his entrepreneurship and leadership in the hospitality industry earned him a place in the inaugural class inducted to the Purdue University School of Hospitality and Tourism Management Hall of Fame; and

WHEREAS, Bruce W. White has stepped down from the Purdue Board of Trustees;

BE IT THEREFORE RESOLVED BY THE TRUSTEES OF PURDUE UNIVERSITY:

1. That enormous gratitude and appreciation are expressed to Bruce W. White for his loyalty and service to his alma mater; and
2. That Bruce W. White has contributed immensely to this university both as a member of our Board of Trustees and as a valued alumnus; 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.

A copy of the resolution was filed with the minutes.

## **XII. ELECTION OF OFFICERS**

Chairman Spurgeon called upon Trustee Lehman to present the proposed slate of officers for the 2015-2017 biennium. Trustee Lehman then recommended the following slate of officers:

Chairman: Michael R. Berghoff  
Vice Chairman: Thomas E. Spurgeon  
Corporate Secretary: Janice A. Indrutz  
Assistant Secretary: James S. Almond  
Treasurer: William E. Sullivan  
Assistant Treasurer: James S. Almond  
Legal Counsel: Steven R. Schultz

With no other nominations from the floor, and upon proper motion duly seconded, the Board of Trustees voted unanimously to approve the slate of officers as presented.

Mr. Spurgeon congratulated Mr. Berghoff. He said he was honored to have served as chairman and looked forward to his continued service as vice chairman. He thanked the members of the Board for supporting him and also for their dedication to Purdue University.

Mr. Berghoff then shared terms that he said came to mind when he thought about Mr. Spurgeon -- competence, reliable, incredibly loyal, generous, humble, supportive, sensitive, thoughtful, rich in experience, smart, wise, and "old school." He continued that, most importantly, Mr. Spurgeon excelled at being both a mentor and a friend. Mr. Berghoff said he was pleased that Mr. Spurgeon would continue to serve on the Board so that the Board would continue to benefit from his many attributes. He said he was privileged to serve as chair on the heels of so many records having been set during Mr. Spurgeon's chairmanship.

Trustee Lehman also remarked that whenever the Board was undertaking a sensitive subject that took objectivity, patience, and calmness, the Board members turned to Mr. Spurgeon. Mr. Lehman said he, too, was pleased that Mr. Spurgeon would continue to serve on the Board, and he thanked Mr. Spurgeon for his leadership.

## **XIII. ADJOURNMENT**

By consent, the meeting adjourned at 10:07 a.m.