As long as we are balancing our operating budget, growing our faculty, investing in necessary capital projects, increasing staff compensation competitively, all without tapping our cash reserves, why would we raise tuition?

2 "On Campus Enrollment Slides While Online Continues to Ascend." Dan Schultenow, May 2017. https://campus.com/2017/05/03/on-campus-enrollment-slides-while-online-continues-to-ascend/
GROWING OUR FACULTY

Excludes Postdocs & Extension Educators. Includes Continuing & Limited Term Lecturers. Uses FTE method.
FACULTY GROWTH OUTPACED STUDENT ENROLLMENT GROWTH

Excludes Postdocs and Research Faculty. Undergrads only.

<table>
<thead>
<tr>
<th></th>
<th>Students per faculty</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008-12 Median</td>
<td>13.62</td>
</tr>
<tr>
<td>Fall 2013</td>
<td>13.08</td>
</tr>
<tr>
<td>2014-18 Median</td>
<td>12.48</td>
</tr>
</tbody>
</table>
INVESTING IN NECESSARY CAPITAL PROJECTS

- Bechtel Innovation Design Center
- Controlled Environment Phenotyping
- Engineering Renovations
- American Railway
- Wilmeth Active Learning Center
- Flex Lab
- STEM Teaching Lab Facility
- ABE
- Land O’Lakes Center for Experiential Learning
- Hobart & Russell Creighton Hall of Animal Sciences
- Purina Pavilion
Since 2013, investments in the upkeep & preventative maintenance of our buildings has increased 16%.
RECENT MAJOR FUNDING INVESTMENTS

$44 Million
Faculty Startup Investments for
New Hires FY16-19

$81 Million
Purdue Moves Initiatives
FY16-19

$35 Million
New VetMed Hospital
FY18

$27 Million
Various student Initiatives (eg.
Study Abroad, Advising etc.
FY16-19

$76 Million Recurring Annually
Academic, research &
infrastructure investments

Purdue University
150 Year of Giantleaps
INCREASING STAFF COMPENSATION COMPETITIVELY

New Benefits
- Dental Insurance – Added 2016
- Autism Insurance – Added 2016

Pay Increases
- 3.5% Merit Pay – 2016
- 2.5% Merit Pay – 2017
- 2.5% Merit Pay – 2018
- 2.5% Merit Pay – 2019

One-time Benefits
- Winter Recess – 2015, 2016, 2017, 2018
INCREASING STAFF COMPENSATION COMPETITIVELY

New Benefits

- Dental Insurance – Added 2016
- Autism Insurance – Added 2016

Pay Increases

- 3.5% Merit Pay – 2016
- 2.5% Merit Pay – 2017
- 2.5% Merit Pay – 2018
- 2.5% Merit Pay – 2019
- 2.5% Merit Pay – 2020 New!

Total: 13.5% in 5 years

One-time Benefits

- Winter Recess – 2015, 2016, 2017, 2018
- 2019 Winter Recess – New!
- $500 Appreciation Award – 2019 New!
• 6 graduating classes will earn degrees without ever experiencing a tuition increase.

• Indiana residents continue to pay less than $10,000 per year in tuition.

• The last time a tuition increase was announced was when today’s freshmen were in elementary school.
If Purdue had raised tuition & fees at the average rate of other schools from 2013-18:

<table>
<thead>
<tr>
<th></th>
<th>Tuition would be:</th>
<th>≈ Savings over 4 years*</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Indiana Students</strong></td>
<td>$1,400 or 14% higher</td>
<td>$5,600 saved</td>
</tr>
<tr>
<td>vs. 4-year public universities</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Non-Hoosier U.S. Students</strong></td>
<td>$6,524 or 23% higher</td>
<td>$27,000 saved</td>
</tr>
<tr>
<td>vs. Big Ten</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Excludes Purdue in average, 4-year savings assumes all-rates held constant 4 years
# Affordability Records & Trends

<table>
<thead>
<tr>
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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Room &amp; Board Big Ten Cost Ranking</td>
<td>2</td>
<td>3</td>
<td>9</td>
<td>11</td>
<td>11</td>
<td>12</td>
<td>14</td>
<td>2nd most expensive to most affordable</td>
</tr>
<tr>
<td>1 = Most Expensive</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost of Attendance</td>
<td>$23,468</td>
<td>$23,242</td>
<td>$23,002</td>
<td>$23,032</td>
<td>$23,032</td>
<td>$22,812</td>
<td>$22,822</td>
<td>Cheaper Today</td>
</tr>
<tr>
<td>Cheaper Today</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Annual Student Borrowing</td>
<td>$183</td>
<td>$164</td>
<td>$144</td>
<td>$131</td>
<td>$128</td>
<td>$126</td>
<td>$123</td>
<td>Down $60 million</td>
</tr>
<tr>
<td>Borrowing</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debt Per Undergraduate</td>
<td>$5,047</td>
<td>$4,555</td>
<td>$4,166</td>
<td>$3,988</td>
<td>$3,881</td>
<td>$3,657</td>
<td>TBD</td>
<td>Lowest in 15 years</td>
</tr>
</tbody>
</table>
AVERAGE ANNUAL STUDENT BORROWING PER UNDERGRADUATE

NOMINAL $
DEFAULT RATE: 3-YEARS AFTER EXPECTED GRADUATION YEAR

- **All Purdue WL Borrowers**
- **Purdue Borrowers who Graduated**
- **IU (All Borrowers)**

Year | All Purdue WL Borrowers | Purdue Borrowers who Graduated | IU (All Borrowers)
--- | --- | --- | ---
2010 | 6.4% | 2.5% | 5.9% | 0%
2011 | 5.3% | 1.6% | 5.1% | 1%
2012 | 3.9% | 2.5% | 3.4% | 2%
2013 | 3.0% | 1.0% | 2.8% | 3%
2014 | 3.6% | 0.8% | 2.5% | 4%
2015 | 3.9% | 2.6% | 2.6% | 5%

Graph shows the default rate trends for different groups of borrowers over the years 2010 to 2015.
QUALITY \[\frac{\text{COST}}{\text{COST}} = \text{VALUE}\]

Higher Education at the Highest Proven Value