



PURDUE UNIVERSITY BOARD OF TRUSTEES

COMPENSATION COMMITTEE

AUGUST 2, 2019

MINUTES

A meeting of the Compensation Committee of the Board of Trustees convened at 10:51 a.m. on Friday, August 2, 2019, in Room 326 of Stewart Center on the Purdue University campus in West Lafayette, Indiana.

Committee members present were Thomas Spurgeon, chair, and Don Thompson. Gary Lehman was not present. Other trustees present were: Michael Berghoff; Vanessa Castagna; Malcolm DeKryger; Michael Klipsch; and Noah Scott.

Officers and administrators in attendance were: Mitch Daniels, president; Jay Akridge, provost and executive vice president for academic affairs and diversity; Bill Sullivan, treasurer and chief financial officer; Jim Almond, senior vice president, assistant treasurer, and assistant secretary; Steve Schultz, general counsel; Janice Indrutz, corporate secretary and senior executive assistant to the Board; and Ron Elsenbaumer, chancellor of Purdue University Fort Wayne.

I. APPROVAL OF CONTRACT AMENDMENTS FOR DIRECTOR OF INTERCOLLEGIATE ATHLETICS

Trustee Spurgeon acknowledged that a quorum of the Committee was present to act on proposed contract amendments for Mr. Mike Bobinski, vice president and director of Intercollegiate Athletics. He remarked that Mr. Bobinski had done well since joining Purdue in 2016 and noted that the current proposal was to extend Mr. Bobinski's contract for an additional three years, ending in 2024. Trustee Spurgeon also outlined proposed increases to Mr. Bobinski's compensation, which included a revised incentive package based on financial and academic goals, as well as overall athletic program success and football program success. It also contained qualifiers limiting payout of incentive compensation upon the occurrence of NCAA compliance violations. Mr. Schultz recommended that, consistent with past practice, approval of the proposed contract amendments should include delegation of authority to Trustee Spurgeon and President Daniels to finalize the specific metrics and final contract language with Mr. Bobinski. Chairman Berghoff observed that the incentive package was very similar to President Daniels' with regard to rewarding performance based on a set of carefully considered metrics.

Trustee Thompson expressed his appreciation for the compliance component of the compensation package. He said it was imperative that the Purdue brand not be put at risk and that he took comfort in knowing Mr. Bobinski was very receptive to the established metrics. President Daniels observed that Mr. Bobinski's high degree of integrity was rare and expressed his belief that extending Mr. Bobinski's contract was warranted because of the success of his programs both on and off the field. He further noted that student-athletes had achieved their highest cumulative grade point average in the university's history under Mr. Bobinski's leadership of Intercollegiate Athletics. Trustee Klipsch echoed the comments made by Trustee Thompson and President Daniels and said he fully supported the contract amendments because Mr. Bobinski's body of work had been exceptional; he had been a fantastic representative of

the university, he had taken marketing of Purdue Athletics to a new level, and he had made additional improvements to athletic facilities. Professor Cheryl Cooky, chair of the University Senate, remarked that, as someone who studied women's participation in sports, she had spoken to Mr. Bobinski about implementing a leadership program for female athletes, to which he was very amenable, and which, she said, spoke to his commitment to the success of student-athletes. To conclude the discussion, Chairman Berghoff pointed out that Mr. Bobinski's salary currently ranked 8th in the Big Ten. Opining that Mr. Bobinski's performance was "better than 8th," Chairman Berghoff noted that the proposed salary adjustments would elevate Director Bobinski to approximately 5th in the Big Ten.

Following discussion, and upon proper motion duly made and seconded, the Compensation Committee voted unanimously to recommend full Board approval of the contract amendments and the delegation of authority to President Daniels and Committee Chair Spurgeon to finalize the incentive pay metrics and to negotiate, execute, and deliver the contract amendments reflecting the changes discussed at this meeting. Supporting documents were filed with the minutes.

II. APPROVAL OF MINUTES

Upon proper motion made and duly seconded, the Compensation Committee voted unanimously to approve the minutes of its last meeting on April 12, 2019.

III. ADJOURNMENT

By consent, the meeting adjourned 11:03 a.m.