



PURDUE UNIVERSITY BOARD OF TRUSTEES

COMPENSATION COMMITTEE

OCTOBER 10, 2019

MINUTES

A meeting of the Compensation Committee of the Board of Trustees convened at 9:31 a.m. on Thursday, October 10, 2019, in Room 326 of Stewart Center on the Purdue University campus in West Lafayette, Indiana.

All committee members were present: Thomas Spurgeon, chair; Gary Lehman; and Don Thompson. All other trustees were present: Sonny Beck; Michael Berghoff; JoAnn Brouillette; Vanessa Castagna; Malcolm DeKryger; Michael Klipsch; and Noah Scott.

Officers and administrators in attendance were: Jay Akridge, provost and executive vice president for academic affairs and diversity; 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 Tom Keon, chancellor of Purdue University Northwest.

I. APPROVAL OF MINUTES

Upon proper motion made and duly seconded, the Compensation Committee voted unanimously to approve the minutes of its last meeting on August 2, 2019.

II. DETERMINATION OF PRESIDENTIAL PERFORMANCE AT-RISK PAY FOR 2018-2019

Trustee Spurgeon reviewed the context of President Daniels' performance metrics and at-risk pay program, which included 14 objectives within four categories. He said it was interesting to note the success the university had enjoyed as a result of President Daniels' efforts since he joined the university in 2013, including a 20% improvement in the four-year graduation rate, reduced time to degree, and an 80% growth in fundraising. Trustee Spurgeon then proposed that President Daniels should earn 103% of his \$215,250 incentive stipend, or \$221,707.50. Upon proper motion duly made and seconded, the Compensation Committee voted unanimously to recommend full Board approval of the Committee's assessment of President Daniels' performance and associated at-risk payment. Supporting materials were filed with the minutes.

Trustee Spurgeon expressed his belief that, with this earned at-risk pay, President Daniels' salary would rank fifth or sixth in the Big Ten. Trustee Lehman remarked that, though other institutions had followed Purdue's lead, none had put as much as 50% of their president's salary at risk, and he noted that President Daniels had also implemented the program within his administration. Trustee Scott shared his observations about the effectiveness of President Daniels' leadership, and Chairman Berghoff thanked Trustee Spurgeon for his leadership of the presidential performance program. Chairman Berghoff also said it was important to recognize President Daniels' cooperation with the Board to advance the objectives, which made the university's success possible.

III. ADJOURNMENT

By consent, the meeting adjourned 9:43 a.m.