

BOARD APPROVED

August 7, 2020

Janice Indrutz
Corporate Secretary



Office of the Chief Financial Officer and Treasurer

TO: Members of the Board of Trustees
FR: Christopher A. Ruhl, Chief Financial Officer and Treasurer
DATE: July 27, 2020
RE: Approval of Securian Financial Group Life and AD&D Renewal

Purdue offers to all benefits-eligible employees (1) terminal life insurance at 1.5 times their salary and (2) basic additional death and dismemberment (AD&D) insurance for \$15,000. Since 2008, both of these benefits are offered through our partner, Securian Financial Group. Securian also offers voluntary life insurance and AD&D options that are fully funded by the employee.

Securian approached Purdue to request an early contract renewal. The total annual cost of the life insurance contract is \$ 4,946,274. The early renewal will allow a rate reduction for both employees and the University for the calendar years 2021 and 2022, a total save of approximately \$250,000. We are requesting approval for a three-year rate renewal with Securian from July 1, 2021 through June 30, 2024. Below is the distribution of the total cost for each benefit offering.

Basic Life Insurance: \$3,832,746

Basic AD&D: \$602,825

Voluntary offerings (additional term life, spouse life): \$510,703