

**BOARD APPROVED  
OCTOBER 6, 2023**

**Cindy Ream  
Corporate Secretary**

## **M E M O R A N D U M**

**To:** Members of the Compensation Committee and Board of Trustees  
c/o Malcolm DeKryger, Compensation Committee Chair

**From:** Steve Schultz

**Cc:** Mung Chiang, President  
Chris Ruhl, Chief Financial Officer and Treasurer

**Re:** Proposed Amendments to Employment Agreement – Mike Bobinski

**Date:** October 1, 2023

On behalf of the Compensation Committee, Trustees DeKryger and Berghoff have reached a preliminary agreement with Vice President and Director of Athletics Mike Bobinski on the terms of a proposed extension of his employment agreement, as amended to date.

Highlights of the proposed changes, which are described in the attached Summary of Terms, include:

- Extension of contract term through Fiscal Year 2028
- Incremental increases in Base Salary and Deferred Compensation, as indicated in the schedule reflected in the attached Summary of Terms
- Adjusted goals and metrics of the incentive program described in Appendix B to the employment agreement
- Addition of two retention bonus payments of \$250,000 each if Mike is still employed as Purdue's Athletics Director on June 30, 2026, and again on June 30, 2028
- Access to Purdue Executive Lift for up to 15 hours per year

Consistent with past practice, we will request Compensation Committee and full Board approval of these proposed amendments at your stated meeting, together with a grant of delegated authority to the President and the Chair of the Compensation Committee to approve, execute and deliver the definitive form and final terms of the contract amendment (consistent with the attached summary).

Your approval of the proposed terms is respectfully requested.

**Vice President and Director of Athletics**  
**Summary of Terms**

This summary describes the material terms that have been discussed between Michael Bobinski and Purdue University (“Purdue”). Both parties shall cooperate and negotiate in good faith to incorporate these terms into a formal extension (the “Extension Amendment”) of Bobinski’s existing employment agreement (the “Original Agreement”), which Extension Amendment shall contain such terms and conditions as are customary for an extension of this nature.

- I. **Extension Term** – The period beginning on July 1, 2023 and ending on June 30, 2028, unless earlier terminated in accordance with existing termination provisions of the Original Agreement, as amended to date.

II. **Updated Compensation Components.**

<b>Year</b>	<b>Base Salary</b>	<b>Deferred Compensation</b>	<b>Incentive Compensation*</b>
FY24	\$975,000	\$250,000	Up to \$200,000
FY25	\$975,000	\$300,000	Up to \$200,000
FY26	\$975,000	\$350,000	Up to \$200,000
FY27	\$1,025,000	\$400,000	Up to \$200,000
FY28	\$1,075,000	\$450,000	Up to \$200,000

\*Incentive Compensation –Appendix B to Original Agreement to be amended and restated to reflect adjusted incentive program components described on following page. Appendix B will be further revised to incorporate a mechanism by which the Compensation Committee may update the goals and metrics in a given year, in a manner similar to other at-risk compensation programs at the University.

III. **Retention Compensation.** Retention compensation payable as follows:

- \$250,000 to be paid on or before July 31, 2026 if Bobinski remains employed by Purdue as the Director of Athletics through June 30, 2026.
- \$250,000 to be paid on or before July 31, 2028 if Bobinski remains employed by Purdue as the Director of Athletics through June 30, 2028.

IV. **Use of Purdue Plane.** Access to Purdue Executive Lift for personal use for up to 15 hours per year (operating under either 135 charter certificate or time-sharing agreement).

***New Goals Categories for Incentive Compensation Plan***

- A. Student Success (CGPA, Graduation Success Rate, Post-Collegiate Career Placement)
- B. Program Financial Stability
- C. Competitive Results

**A. Student Success**

***Cumulative GPA (CGPA)—Proposed Metrics:***

<b><u>Threshold</u></b>	<b><u>Target</u></b>	<b><u>Stretch</u></b>
<b>3.15</b>	<b>3.25</b>	<b>3.30</b>

***Compare Cumulative GPA History:***

2019	2020	2021	2022	2023
3.12	3.28	3.25	3.20	3.16

***Graduation Success Rate—Proposed Metrics:***

<b><u>Threshold</u></b>	<b><u>Target</u></b>	<b><u>Stretch</u></b>
<b>86%</b>	<b>88%</b>	<b>90%</b>

***Compare Graduation Success Rate History:***

2019	2020	2021	2022	2023
86%	88%	88%	89%	88%

***Post Collegiate Career Placement (go pro, job, or grad school)—Proposed Metrics:***

<b><u>Threshold</u></b>	<b><u>Target</u></b>	<b><u>Stretch</u></b>
<b>90%</b>	<b>95%</b>	<b>100%</b>

***Compare Post Collegiate Career Placement History (go pro, job in company/organization, or grad school):***

2019	2020	2021	2022
93%	100%	99%	100%

**B. Competitive Results**

*NCAA D1 Team/Individual Invitations Per Year—Proposed Metrics:*

<u>Threshold</u>	<u>Target</u>	<u>Stretch</u>
13	14	15

Compare NCAA D1 Team/Ind. Invites History:

2019	2020	2021	2022
13	COVID	10	13

**C. Program Financial Stability**

*Did the Athletic Department realize a net operating surplus (operating revenue over operating expenses) in a given FY?*

*Proposed Metric: Yes or No?*