



PURDUE UNIVERSITY BOARD OF TRUSTEES

FINANCE COMMITTEE

OCTOBER 4, 2024 | MINUTES

A meeting of the Finance Committee of the Board of Trustees convened at 9:21 a.m. on Friday, October 4, 2024, at the Indiana Historical Society, 450 West Ohio Street, Indianapolis, IN.

Committee members present: Michael Klipsch, Chair; Sonny Beck; Malcolm DeKryger; Gary Lehman; and Shawn Taylor. Other trustees present: Michael Berghoff; Kevin Boes; JoAnn Brouillette; and Vanessa Castagna. Theresa Carter participated virtually.

Officers and administrators in attendance were: Mung Chiang, president; Patrick Wolfe, provost and executive vice president for academic affairs and diversity; Eva Nodine, vice president, deputy cfo, assistant treasurer, and assistant secretary; Steve Schultz, general counsel; and Cindy Ream, corporate secretary and senior executive assistant to the Board.

I. APPROVAL OF HOUSING AND DINING RATES FALL 2025*

Chris Ruhl, Chief Financial Officer and Treasurer, opened the discussion by seeking approval for the proposed housing and dining rates for the 2025-26 academic year. He emphasized the core principles of student affordability, operational sustainability, and providing a diverse range of options for students. Beth McCuskey, Vice Provost for Student Life, then provided additional context, underscoring Purdue's significant affordability impact. She pointed out that since 2012, Purdue students have saved over \$476M compared to their peers in the Big Ten, with Purdue's rates being the lowest in the conference by more than \$1,500. Ms. McCuskey also introduced a new tiered structure for housing rates, designed to streamline the system. She highlighted that 759 of the beds will experience a modest increase of less than \$50 per month, reflecting a minimal adjustment. Furthermore, she outlined plans for expansion, with 984 new beds set for Fall 2025 and another 896 beds slated for Fall 2026.

Ms. McCuskey then shifted the focus to the proposed meal plans for the 2025-26 academic year, emphasizing the ongoing commitment to affordability. The recommended 3.5% increase will continue to remain below the Big Ten average for comparable options. The plans will continue to include meal swipes and Dining Dollars. She also outlined the communication strategy for both current residents and newly admitted students, stressing that guaranteed housing for freshmen continues to be a principal component of the plan. Provost Wolfe added that most students prefer living in university housing, and cited research that shows on-campus residents often experience greater academic success.

Mr. Ruhl provided an update on housing for the urban campus in Indianapolis, currently offering 468 on-campus residence hall beds at North Hall and 400 near-campus apartment beds at Lux on Capitol. He outlined plans to expand the total number of beds to over 1,000. Mr. Ruhl noted that the rate increases for North Hall will align with Indiana University's rates for the 2025-26 academic year, with approval anticipated later this year. Additionally, Lux on Capitol will see a 3% rate increase, alongside the introduction of additional beds.

In conclusion, Mr. Ruhl outlined changes to regional campus housing. Purdue Northwest currently offers 780 beds, with a proposed 7% rate increase aimed at covering operating cost inflation and debt

service needs. Purdue Fort Wayne, with 1,204 beds, is responding to growing housing demand by master leasing an additional 372 beds in the surrounding community. For the first time, PFW will require a 2-meals-per-week plan, priced at \$408 per year, for all on-campus residents. Excluding the new meal plan, the housing rates on the PFW campus will increase by 3.7% for the 2025-26 academic year, while the master-leased housing rates will rise by 6.2%. The additional revenue generated will help cover rising maintenance and operational costs, as well as build reserves for future renovations.

Upon proper motion duly made and seconded, the Finance Committee voted unanimously to recommend full Board approval of Housing and Dining Rates Fall 2025. A copy of the presentation and supporting minutes were filed with the minutes.

II. (SW) RATIFICATION OF PROPERTY INSURANCE POLICY*

General Counsel Steve Schultz presented the Ratification of the Property Insurance Policy to the committee for approval. He explained that the premium exceeds the \$2 million approval threshold, necessitating Board approval. Due to timing, this was brought forward as a ratification, as the University needed to secure the policy for the 2024-25 insurance year, which begins on September 30th. Mr. Schultz noted that Purdue would continue with the incumbent underwriter, FM, as they offer the most cost-effective program with the broadest coverage. The premium for the policy will be \$4.3 million, reflecting an increase of approximately 3.5% compared to the previous policy. The committee commended Mark Kebert and his team for their exceptional work in ensuring ongoing affordability.

Upon proper motion duly made and seconded, the Finance Committee voted unanimously to recommend full Board approval of (SW) Ratification of Property Insurance Policy. Supporting documents were filed with the minutes.

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