

## Vice President for Resource Development

In one of the most challenging financial climates in modern history, MIT in FY2009 continued to attract support from generous alumni, friends, and philanthropic organizations. Most dramatically, philanthropic cash receipts for FY2009 totaled \$318.7 million, a difference of just 1 percent from FY2008, making the year one of the top three on record for MIT. In this difficult and uncertain time, new commitments totaled \$331.5 million, down from the record-setting FY2008 but still among the top four fundraising years ever for MIT. These achievements reflect not just the effort of Resource Development but the active involvement of many faculty, administrators, and volunteers in the critically important work of institutional development. They are also a result of past investments made to strengthen MIT's development program.

Three major fundraising initiatives continued in FY2009. The Campaign for Students sponsored meetings of volunteers and prospects in Cambridge and across the country, punctuated by the campaign's public launch on October 3, 2008. As of June 30 more than \$351 million, 70 percent of the goal, had been raised in support of the campaign. The MIT Energy Initiative (MITEI) has attracted multimillion-dollar support from individuals, foundations, and several corporate partners, and fundraising for the Koch Institute for Integrative Cancer Research has continued to be a primary focus of the development effort.

### Summary of FY2009 Fundraising Results

In FY2009, new commitments of cash gifts and new pledges totaled \$331.5 million, down 24 percent from last year. (Cash gifts are those received in full during the year, while pledges may be paid over the course of more than one year.) FY2008 was the strongest year on record for fundraising at MIT, and the FY2009 totals remain, in spite of the deleterious philanthropic climate, among the top four fundraising years ever at the Institute. This total does not include the \$9.6 million in unrestricted support from Industrial Liaison Program (ILP) members.

In FY2009, cash receipts totaled \$328.0 million, down 1 percent from FY2008. They included:

- \$318.7 million in gifts, grants, and bequests
- \$9.3 million from ILP members

The cash receipts for FY2009 compare with:

- \$331.4 million in 2008
- \$341.4 million in 2007
- \$250.6 million in 2006

Gifts-in-kind, principally of equipment, totaled an additional \$2.4 million.

Over the course of 2009, the staff of Resource Development settled into their new consolidated location at W98 and renewed a close partnership with the Alumni Association as well as development colleagues throughout the Institute. In order to position MIT to continue to attract philanthropic support now and into the future and to ensure that Resource Development is leveraging the resources entrusted to it in the most effective way possible, the senior management team engaged in multiyear strategic planning during the winter culminating in a plan to reorganize the department to address the Institute's core needs.

**Jeffrey L. Newton**  
**Vice President for Resource Development**

### **Office of Philanthropic Partnerships**

The Office of Philanthropic Partnerships was created in FY2008 as the centerpiece of MIT's principal gifts program. The office engages the Institute's most generous donors in the life of MIT and cultivates prospects with the capacity to contribute \$5 million or more to the Institute.

As of the end of FY2009, the Office of Philanthropic Partnerships included eight staff members, as follows: senior director of philanthropic partnerships, director of donor relations, director of the Corporation Development Committee and presidential events, philanthropic advisor, three philanthropic partnership associates, and a senior administrative assistant.

At the core of its activities, the Office of Philanthropic Partnerships is responsible for ensuring that the Institute's relationships with top-rated fundraising donors and prospects (of which there are approximately 400) are being managed with the highest degree of coordination and quality. Related responsibilities of the office include developing and managing the president's resource development calendar each year; overseeing a program of high-level dinners/events at the president's residence, Gray House; and coordinating with the Corporation Office and the Alumni Association on Visiting Committee nominations.

In the past year, the Office of Philanthropic Partnerships has also been responsible for reinvigorating the Institute's highest level volunteer committee, the Corporation Development Committee. Vigorous outreach has been conducted targeting current and potential new members, a regional plan for the committee has been developed, and active collaboration is under way with the Office of Leadership Giving and the Alumni Association on the development and management of this important volunteer committee.

Other projects of note that have been managed by the Office of Philanthropic Partnerships or in which the office has been involved over the past year include the

President's Advisory Council on Regional Engagement, fundraising for the Kennedy Center Festival as part of MIT's 150th anniversary celebration, and service on the Revenue Enhancement Task Force.

The Office of Philanthropic Partnerships reports the following results for FY2009, as achieved in collaboration with all other Resource Development offices and the Alumni Association:

- 16 gifts/pledges of \$5 million or more, totaling \$149 million
- 19 cultivation or stewardship dinners at Gray House
- 16 presidential trips for Resource Development (10 domestic, six international)
- 137 individual prospect/donor appointments
- 28 presidential Resource Development events
- 15 presidential appearances coordinated with Alumni Association events

**Beth Raffeld**  
Senior Director of Philanthropic Partnerships

### **Office of Institutional Initiatives**

The Office of Institutional Initiatives (OII) develops the fundraising architecture for the Institute's highest priorities, including the MIT Energy Initiative, the David H. Koch Institute for Integrative Cancer Research, the Campaign for Students, and Global Initiatives. The office manages a portfolio of the most generous donors to the Institute.

OII works collaboratively with faculty, senior administrators, colleagues within Resource Development, the Alumni Association, and school, program, and project fundraisers to define fundraising priorities, identify and solicit potential donors, and coordinate activities across organizational boundaries.

OII accomplishments in FY2009 included the following:

- Directly managed individual donors giving more than \$80 million
- Increased gifts to the Koch Institute to \$204 million over the last four years
- Increased fundraising and the sponsored research funding level for MITEI to \$300 million over three years
- Successfully launched the Campaign for Students, with more than 70 percent of the goal raised by the end of the fiscal year
- Launched the MIT India Trust with gifts of \$400,000 to seed collaborations

- Launched the MIT China Innovation Fund with gifts of \$2 million to seed collaborations
- Successfully hired five new staff members

**O'Neil A. Outar**

**Senior Director of Institutional Initiatives**

### **Campaign for Students**

The five-year, \$500 million Campaign for Students (C4S) aims to increase undergraduate and graduate aid and enhance student life and learning opportunities. The campaign's silent phase began in July 2006, the public launch occurred in October 2008, and the deadline for completion will coincide with the Institute's sesquicentennial celebration in 2011. The campaign concluded FY2009 at \$351 million (over 70 percent of the goal).

While the campaign supports students life and learning broadly, the priorities include undergraduate and graduate financial aid, leadership, global education, and public service. These priorities were highlighted at the Campaign for Students launch on October 3, 2008. The launch consisted of a full day of programming attended by more than 330 prospects and donors, with 25 speakers and 13 subevents highlighting the needs of the campaign. The evening concluded with a gala focused on the students and including a performing arts showcase.

As of the conclusion of FY2009, over 65 regional campaign events have occurred. During the public phase, the campaign office will partner with the Office of Philanthropic Partnerships, Leadership Giving, Planned Giving, the Alumni Association, and the Corporation Development Committee to leverage existing events and ensure that campaign messaging to our alumni and donor audience is constant and consistent.

The campaign's five volunteer cochairs are:

- Lawrence Fish
- Thomas Gerrity '63, SM '64, PhD '70
- Mark Gorenberg '76
- Martin Tang SM '72
- Barrie Zesiger HM

The cochairs focused on soliciting Corporation members in FY2009. In FY2010, the focus will be on solicitations of Visiting Committee members as well as Corporation Development Committee members.

**Katie Alwart**

**Associate Director, Campaign for Students**

## Office of Communications

The Office of Communications (OC) provides writing, print design, and new media materials to support MIT's philanthropic goals. The OC partners with fundraisers to define strategic approaches for initiatives that inspire donors. Communications also works with the Office of the President, the News Office, the Alumni Association, and schools, departments, and centers on communications strategies and messaging.

Priorities for FY2009 included supporting C4S, MITEI, the Koch Institute for Integrative Cancer Research, and various global initiatives. Major projects included the C4S launch, technical white papers focusing on energy and cancer, principal gift proposals, web development, iPhone integration, video/new media, branding/identity development, event collateral, and major gift proposal templates. Key new media accomplishments included the development of:

- A custom event registration system offering a unique, secure log-in for donors to allow them to select from a menu of campaign launch activities. The web system had a direct connection to ADONIS to allow dynamic daily reporting among prospect managers.
- A new iPhone prospect directory tied to Kerberos IDs for field staff to securely access demographic data and contact information for prospects in their portfolio.
- Websites for MIT Giving and the Compton lecture series, a redesigned C4S site, a new MIT Index featuring facts and links to Institute research and activities, and the expansion of InsideRD, an intranet portal and email newsletter to support philanthropic initiatives across the Institute.

The office also produced three *Spectrum* newsletters on the Undergraduate Research Opportunities Program (UROP), solar energy, and graduate education read by more than 52,000 alumni and friends. The publication won a gold medal for best newsletter in the 2009 District 1 awards competition sponsored by the Council for the Advancement and Support of Education (CASE). It is the third consecutive year that *Spectrum* has won the top award, and this is the 10th CASE award overall that *Spectrum* has won since 2001. OC also won an honorable mention for the design of the Campaign for Students launch event invitation.

**Nicole Malec Kenyon**  
**Director of Communications**

## **Office of Individual Giving**

In FY2009, the Office of Individual Giving encompassed Leadership Giving, Planned Giving, and Special Constituencies. The Office of Leadership Giving (OLG) cultivates and stewards individual alumni and friends capable of making gifts between \$100,000 and \$5 million. OLG works with other offices in Resource Development along with the Office of the President, the Office of the Chairman of the Corporation, deans, department heads, and volunteers from across the country.

The Office of Leadership Giving grew in size in FY2009, as a number of new field staff were hired to cultivate and solicit alumni in major markets throughout the country. Due to this staff increase, OLG has expanded the number of qualified prospects currently in its portfolio. OLG's associate director and regional directors continue to play a critical role in continuously reviewing the strength of portfolios as well as staffing the new regionally based Corporation Development Committee.

In FY2009, the Office of Leadership Giving continued its very successful internal fundraising education program and worked on strengthening its relationships with the Alumni Association and school-based development officers. These efforts played a key role in many gifts that were realized because of the implementation of a coordinated and collaborative endeavor with many internal stakeholders.

The Office of Leadership Giving staffed a large number of one-on-one visits between senior Institute leaders and important alumni prospects and donors. A large majority of these visits were focused on highlighting and raising support for key institutional priorities as defined by the giving opportunities in the Campaign for Students.

In FY2009, OLG staff completed 1,429 fundraising visits with alumni across the country. OLG raised \$23.3 million in new gifts and pledges in that period. In addition to the Campaign for Students, OLG focused its efforts on raising support for cancer and energy initiatives.

**Stuart Krantz**

**Director of Individual Giving**

## **Office of Gift Planning**

The Office of Gift Planning (OGP) supports MIT's development efforts by engaging donors in estate planning and philanthropic conversations that result in life income gifts and bequests. OGP supports the Office of Leadership Giving, the Office of Philanthropic Partnerships, all of the MIT schools, the Koch Institute for Integrative Cancer Research, MITEL, MIT Libraries, the Alumni Association, and the McGovern Institute for Brain Research.

As a result of this year's collaboration with the Koch Institute and MITEI, OGP raised several new outright and planned gifts. OGP also worked closely with the Alumni Association on reunion solicitations, training of volunteers, and planned giving mailings in the reunion appeal. Planned giving donor profiles were created for the School of Science newsletter, *Technology Review*, and the McGovern Institute.

The Office of Gift Planning engages in a variety of activities including individual donor visits, proposals to donors, strategy sessions, and solicitations. Life income gifts provide funding for scholarships, fellowships, cancer research, MITEI, professorships, MIT's libraries, and general needs. OGP also seeks to increase awareness of planned giving among internal and external constituencies and to cultivate relationships with current donors while supporting the work of other Resource Development staff, the schools, and the Alumni Association.

In addition, the Office of Gift Planning works closely with donors and their advisors to solicit bequests for the Institute. In some cases, these bequests are realized within a short time frame and result in unrestricted gifts or endowed scholarships.

During FY2009, OGP raised \$8.895 million in gifts from 77 donors, including two gifts of more than \$1 million and another 23 gifts in the six-figure range. Of the 77 total planned gifts this year, 29 were from new donors who made a gift as a result of direct mail or web marketing. OGP held estate planning seminars in California and Texas identifying new prospects for the campaign.

**Judith V. Sager**  
**Director of Gift Planning**

### **Office of Corporate Relations**

The Office of Corporate Relations (OCR), which includes the Industrial Liaison Program, creates and strengthens mutually beneficial relationships between MIT and corporations worldwide. During FY2009, ILP achieved revenues of \$9.3 million, the second highest in the 61-year history of the program.

OCR staff provided support to members of the senior administration in their corporate relations activities, as well as in connection with major MIT international and corporate partnerships. Of special significance last year, OCR staff worked with the faculty leadership of MITEI to secure commitments from companies to join the MITEI Industry Consortium, maintained excellent relations with the eight ILP members that had earlier joined MITEI, and developed robust working relations with the additional four MITEI members that now are stewarded through the ILP. Two additional ILP members joined as MITEI research sponsors during the past year: Siemens and Electricité de France Development Inc.

OCR staff focused on supporting Institute-wide efforts to secure these funding streams by identifying and catalyzing opportunities for the faculty to acquire research and other gift support from ILP member companies and assisted faculty efforts with member firms. One example of an ILP-initiated result in FY2009 was the BBVA \$562,000 corporate foundation grant to the Abdul Latif Jameel Poverty Action Lab. Approximately half of the ILP member organizations provide financial support to MIT through research and gift funding.

OCR organized nine major conferences in FY2009, often in conjunction with major MIT organizations or ILP members. Examples included a joint conference with the Austrian Federal Economic Chamber on “Engineering Innovation: An Interdisciplinary Approach” in Vienna, Austria; a joint Materials Processing Center/ILP/Robert Bosch GmbH workshop on “Nanostructure to Infrastructure: An MIT Perspective on the Future of Materials Processing”; and the first MIT Future of Biomanufacturing Conference focusing on “Streamlining Biopharmaceutical Development.”

**Karl F. Koster**

**Executive Director of Corporate Relations**

*More information about the Office of Corporate Relations and the Industrial Liaison Program can be found at <http://ilp-www.mit.edu/>.*

**Office of Foundation Relations**

The Office of Foundation Relations manages MIT’s relationships with the foundation community and supports project-driven fundraising on behalf of the deans and faculty. Gifts from private foundations and charitable trusts for this fiscal year totaled \$138 million, comprising 43 percent of the total private support to MIT. In addition to these figures, we have been tracking more than \$276 million in pledged balances in the pipeline. (Note that this number does not reflect that, on July 1, 2009, the Broad Institute will be established as a permanent nonprofit scientific research institute.)

This year featured new and continued major foundation support for the following:

- Mellon postdoctoral fellowships in the School of Humanities, Arts, and Social Sciences
- Abdul Latif Jameel Poverty Action Lab
- Multiyear partnership between the School of Architecture and Planning and the Indian Institute for Human Settlements
- Koch Institute for Integrative Cancer Research
- Wellcome-MIT postdoctoral fellowships
- Autism research
- Malaria research

- MITEI Future of Solar Energy Study
- Gordon and Betty Moore Foundation investigatorships in marine microbiology
- Genomics of marine ecosystems
- MIT Kavli Institute for Astrophysics and Space Research
- Science of aging
- Learning International Networks Consortium
- Bringing Biology Research Software into the Classroom project
- Center for Collective Intelligence
- Media Lab
- Center for Future Civic Media
- New Media Literacies Project
- Community Innovators Lab
- Venture Mentoring Service
- Congressional Staff Seminar
- Global Security Working Group
- US-Iran Relations Project
- Engineering curriculum development in China
- Kuwait-MIT Center for Natural Resources and the Environment
- MIT-Portugal Program
- Global development programs, including the International Development Design Summit
- Precollege outreach programs: Minority Introduction to Engineering and Science (MITES); Saturday Engineering Enrichment and Discovery Academy (SEED); Science, Technology, Engineering, and Math Program (STEM); and MIT Science of Baseball Program (MSBP)
- Mentor Advocate Partnership Program (Office of Minority Education)
- Fellowship support in energy, environmental sciences, brain and cognitive sciences, mathematics, economics, and electrical engineering and computer science

Foundation Relations continues to play a central role in the fundraising efforts of the Legatum Center for Development and Entrepreneurship at MIT.

**John E. Oldham**  
**Director of Foundation Relations**

## **Recording Secretary's Office**

The Office of the Recording Secretary receives gifts on behalf of the Institute and provides expertise and consultation on gift policies and procedures. The office prepares tax receipts, deposits gifts, and provides official recordkeeping for pledges and gifts of cash, securities, mutual funds, and gifts-in-kind. In addition, the office ensures the maintenance, safekeeping, and accessibility of permanent records of gifts, including original documentation of gift memoranda, gift agreements, pledges, trust instruments, and other legal documents associated with gifts. The office has oversight of the approval, creation, and maintenance of all endowed funds and works with senior representatives of the Institute to formulate policy and implement established guidelines.

The Gift Policy Committee chaired by the recording secretary convened monthly during FY2009. A topic of interest relating to the economic decline was the Institute's handling of underwater endowment funds.

A number of process improvements that began in FY2008 were completed in FY2009. The remaining scanning of the terms (gift and treasurer's memoranda) of all endowed funds was completed. Scanned documentation was uploaded into ADONIS and attached funds to provide easy accessibility for system users. Documentation was then automatically distributed to addressees of funds to ensure proper compliance with donors' intentions in fund income expenditures. All checks received in the office are now scanned directly to a designated account at Bank of America. The office has simplified the creation of documentation for new Institute funds. In addition, all receipts, including those provided for the executive vice president and treasurer, have now been automated.

The office recorded more than 15,000 gifts in FY2009. Combined with the Alumni Association, which recorded about 40,000 gifts, the total was approximately 55,000 entries. In response to a significant drop in the markets, gifts in the form of securities declined by over 40 percent from FY2008. The majority of gifts recorded by the office in FY2009 were in the form of checks and bank wires.

This year, the office conducted a series of outreach meetings with the administrative and financial officers in each of the schools to review new processes and provide additional service and enhanced collaboration with the community on all matters related to gift funds.

**Elizabeth M. Ogar**  
**Recording Secretary/Executive Director of Administration**

## **Finance and Administration**

Finance and Administration provides financial management, human resources administration, and general administrative oversight for Resource Development.

### **Financial Administration**

Resource Development finished FY2009 within budget. With support from MIT central administration, resources were available for key initiatives such as the public launch of the Campaign for Students and support and staffing for development efforts focused on energy and the environment and integrative sciences. The office also met the Institute's request to reduce the department's budget by 15 percent as a result of the current economic climate.

### **Human Resources**

In FY2009, the office aided in filling 26 Resource Development positions. Of these, four were promotions from within MIT and one was a promotion within Resource Development. Of the new hires, 21 were women and five were members of underrepresented minority groups. One position was a joint appointment between Resource Development and the Alumni Association. Unfortunately in FY2009, the office also undertook the difficult task of staff reductions due to budget cuts.

For the second year, the office held the Institutional Intelligence Forum, which permitted discussions involving senior officers, deans, program leaders, and MIT fundraising staff on critical MIT issues. We plan to continue to offer this event, which provides a venue for fundraisers to increase their knowledge about MIT in order to foster rich conversations with prospects and donors. Also, as an investment in our staff, plans are under way for a department-run and ongoing professional development and learning program for staff development and training. Additionally, the director cochaired the career development track and spoke as part of a panel discussion on mentorship at the annual conference of the Council for Advancement and Support of Education.

The office continues to promote Resource Development's Infinite Mile Rewards and Recognition program, awarding 30 Infinite Mile Awards and 33 Spot Appreciation Awards in FY2009.

### **Administration**

In June 2008, Resource Development relocated from four buildings across campus to 600 Memorial Drive (Building W98). The department shares this facility with colleagues in the Alumni Association. In FY2009, there was a strong focus on getting to know our new space, fostering community within the building, and collaborating with our Alumni Association colleagues on streamlining common processes, such as facilities work orders, conference room reservations, and office supply ordering and inventory. As appreciation, the Institute awarded the W98 Core Move Team an MIT Excellence Award for Innovative Solutions.

**Lorraine Ng**  
**Director, Finance and Administration**

## **Office of Development Services**

The Office of Development Services provides stewardship and reporting to donors, event planning and execution, individual prospect research, information management, business intelligence, technology management, and training support to Resource Development and its partners. In FY2009 the office continued to focus on key strategic areas—research, donor engagement, fund compliance, events management, information administration, and technology—to enhance the support it provided to MIT fundraisers.

### **Stewardship**

The stewardship team designed individual prospect plans and launched coordinated strategies for encouraging major donors to consider specific giving areas, including professorships, scholarships, and capital projects. It sent 780 donor reports, more than 500 presidential acknowledgment letters, and more than 250 letters from the Corporation chairman applauding alumni career moves. The team also produced customized stewardship materials for major and principal gift donors. In addition, it staged a scholarship, fellowship, and UROP brunch that was more heavily attended than ever; held several Emma Rogers Society events; and facilitated 28 in-person donor-student meetings.

### **Research**

Research continued to focus on providing business intelligence and analysis on known prospects and on finding new ones. Significant effort was expended on briefing senior officers, with 966 detailed reports prepared for these individuals in FY2009. The team leveraged technology to produce briefings more efficiently. It also continued work to assist other units within Resource Development on the imaging and indexing of paper files into our document management system.

### **Prospect Identification**

Prospect identification efforts dramatically increased. More than 2,500 evaluations were completed in FY2009, resulting in the discovery of 1,042 new major gift prospects and making 2009 a record-setting year. Data modeling projects and screenings have contributed to the efficiency of this major gifts prospecting effort.

### **Events**

The development services events team collaborated with offices across Resource Development to create gatherings for prospects and donors. More than 70 events were staged throughout the country, with about 3,000 attendees in all. Among the events were a campus visit, the annual Corporation Development Committee meeting, and numerous cultivation receptions and dinners in support of the Campaign for Students, MITEL, and the Koch Institute for Integrative Cancer Research. The successful launch of the Campaign for Students in October 2008 punctuated a very active year for events that enabled the cultivation of a wide range of donors to the Institute.

**Systems**

The systems and reporting groups served over 290 clients in Resource Development and the schools. More than 7,000 calls to RDCompHelp were resolved. An additional 1,592 data requests and numerous systems enhancements were completed during FY2009, including enhancements to management reporting, gift processing, quality control, document management, and stewardship.

Cooperation among the functional units of development services, and among other clients and stakeholders, was critical to the team's success. In the spring of 2009, the team engaged in a highly productive exercise to find synergies between the Resource Development and Alumni Association IT groups. This work affirmed the efficient distribution of labor and cooperative spirit that have served MIT for three decades.

**Robert D. Scott**

**Executive Director of Development Services**

*More information about resource development at MIT can be found at <http://development.mit.edu/>.*