

## Office of the Executive Vice President and Treasurer

The Executive Vice President and Treasurer (EVPT) organization remains committed to operating as one administration, to working together seamlessly across all administrative units, and to connecting closely with administrators within the Institute's schools and interdisciplinary research laboratories.

The areas under the EVPT umbrella include the Audit Division; Environment, Health and Safety Headquarters Office; Facilities Department; Human Resources; Information Systems and Technology (IS&T); MIT Medical; MIT Police; and the Offices of Campus Planning, Government and Community Relations, Insurance, Major Agreements, Sustainability, Recording Secretary, and the Vice President for Finance (VPF).

### Key Hiring Activities and Organizational Changes

During FY2018, three key retirements were announced, one new important role was introduced, and a few associated organizational changes took place.

On June 18, 2018, Vice President of Information Systems and Technology John Charles announced his decision to retire from MIT—following five years of service—at the end of the calendar year. Under his leadership, IS&T adopted a cloud-based platform and service strategy, laying the groundwork for a new operating model for enterprise resource planning and data centers. The search for an individual to fill this key role will commence shortly.

Don Holmes, who led the permitting and start of construction for the upgraded central utilities plant due to be completed in 2020, retired from his position as director of Maintenance and Utilities effective March 9, 2018. Following his retirement, the maintenance and utilities teams were brought under the leadership of Joe Higgins, who absorbed these responsibilities in addition to leading the business operations teams, with the augmented title of Director of Infrastructure Operations.

This summer, Recording Secretary Elizabeth Ogar also announced that she will retire from MIT in September 2018, and the search for her successor will soon begin. She leaves MIT following 36 years of exceptional service to the Institute, including 11 years as recording secretary.

The Office of Treasury and Planning, led by Director of Treasury and Planning Allen Marcum, rejoined VPF in December 2017. The office plays a significant role in developing long-range financial models and executing major financial strategies. In rejoining VPF, the office will continue to perform its critical responsibilities, but will do so with even closer collaboration across related finance functions.

And lastly, Jessie Smith joined EVPT as director for Open Space Programming on May 21, 2018. In this new role, she is responsible for cultivating a vibrant community around MIT's open spaces being created as part of the Kendall Square Initiative. She will envision and produce unique and memorable public programming to engage diverse members of the Cambridge and MIT communities, and will work to build connections and energize the open spaces in creative and enduring ways.

## Campus Planning and Renewal

MIT's strong financial position has enabled continued investment in campus infrastructure and the surrounding innovation ecosystem.

Following a number of years of planning, design, and construction, MIT.nano received its certificate of occupancy in June 2018. The 200,000 square foot facility opening this fall more than doubles MIT's shared fabrication and imaging capabilities. Nearby, Building 31 was fully renovated in order to modernize mechanical and electrical systems while addressing programming needs for Mechanical Engineering and Aeronautics and Astronautics. The facilities now boast a new test space for flying robotics and an updated and relocated wind tunnel.

The construction team partnered with architects to create a series of new open spaces adjacent to MIT.nano and extending past Building 13 to Massachusetts Avenue. It is envisioned that the spaces will extend west as the West Campus planning evolves, and east as the Kendall Square Initiative takes shape, expanding MIT's indoor Infinite Corridor outdoors and across campus in both directions.

Construction has begun in Kendall Square with development of an underground parking structure now underway. The new graduate housing tower at site four, opening in 2020, will include 454 units of graduate student housing, an MIT childcare facility, and The Forum—a gathering space on the ground floor. Construction has also started on site one, which will include housing, retail, office space, and a grocery store, with completion planned for summer 2019. Site five, a 17-floor building to be constructed at 314 Main Street, will be home to the MIT Museum, the MIT Press Bookstore, commercial laboratory space, and a café. Boeing, the first major tenant, has agreed to lease 100,000 square feet of space in this new building.

MIT continues to demonstrate its commitment to improving housing for both graduate and undergraduate students, and on October 16, 2017, the MIT administration committed to expanding graduate student housing by 950 beds. As noted above, the new graduate student residence in Kendall Square will come online in 2020, and will net 250 new beds after the demolition of Eastgate (Building E55). In addition, MIT has committed to building a new residence hall with at least 500 beds, and will apply for a building permit no later than the end of 2020. The Institute will also provide an additional 200 graduate student beds by converting existing beds and establishing new beds on MIT's campus or properties owned by MIT. Also, construction of a 450-bed undergraduate dormitory has begun on the site of the recently demolished West Garage parking facility (Building W45) on Vassar Street.

On June 14, 2018, the Institute announced the Metropolitan Warehouse building as a potential new home for the School of Architecture and Planning. As proposed, the renovation of Metropolitan Warehouse would enlarge MIT's classroom and design studio space, significantly increase its exhibition capacity for arts and design programming, and feature a new maker space.

Addressing deferred maintenance continues to be prioritized as an integral part of overall campus renewal, and the Institute remains on track to meet its goal of achieving a backlog of \$77 per square foot by the year 2030, as compared to \$126 per square foot at the end of FY2017.

### **Campus Sustainability**

Work to refurbish the central utilities plant began following the May 22, 2017 Massachusetts Department of Environmental Protection approval, with completion targeted for 2020. By upgrading the co-generation plant, MIT is creating a flexible power system that positions the Institute to explore emerging sustainability and efficiency measures. Able to adapt and evolve in response to advances in the energy field, the new plant is central to MIT's commitment to reduce greenhouse gas emissions by at least 32% by 2030.

The final report of the Campus Sustainability Task Force, *Pathway to Sustainability Leadership by MIT: Incubation, Transformation, and Mobilization* was released on April 5, 2018. The report lays out five key elements of the pathway to sustainability leadership. Following its release, a campus-wide implementation design forum took place on June 1 to engage the MIT community in shaping an implementation plan.

### **The Engine: Advancing the Innovation Ecosystem**

The Engine Accelerator, initially launched on October 26, 2016 to provide a home for tough tech founders to create the next generation of world-changing companies, continued to increase its momentum. Since Katie Rae was named president and chief executive officer of The Engine and managing partner of its first fund—The Engine Accelerator Fund 1, L.P.—the veteran tech innovator has built an outstanding team. This past year, MIT alumna Anne DeWitt joined the team as chief operating officer and as the third partner, bringing with her a strong background in life sciences.

The Engine's first investment fund achieved a final close of \$205,200,000, exceeding the initial target of \$150,000,000, and it has already invested in 11 companies, which together employ over 80 individuals and 35 interns. Significant progress has been made in convening The Engine network, which includes tough tech start-ups, emerging companies and strategic corporate partners. The Engine Room, which gives founders access to specialized equipment and facilities, is operating with a concierge model, has signed partnerships with eight laboratories, and has 18 working relationships and 23 partnerships in progress. The Engine headquarters in Central Square provides 26,000 square feet of space, and MIT seeks to make 200,000 square feet of additional space available. The Engine expansion vision continues to focus on creating a magnet for tough tech in Cambridge.

On April 12, 2018, The Engine working groups led by Anantha P. Chandrakasan, dean of Engineering and Vannevar Bush Professor, released a final report in follow up to the preliminary report of recommendations issued on June 30, 2017. The five MIT groups focused on facilities access, new models for technology licensing, conflict of interest, visas for entrepreneurs, and MIT's innovation ecosystem, and were convened to guide the development of policies and simplified procedures specifically as they relate to MIT's launch of The Engine. A key outcome of this work was the creation of a function within

the MIT Innovation Initiative to oversee the overall interface between MIT and The Engine. Implementation of recommendations will be facilitated by the MIT Innovation Initiative and its co-directors, Professors Michael Cima and Fiona Murray.

### **Enhancing Community Experiences**

Individuals across the EVPT organization aspire to innovate and to create seamless experiences, integrated systems, sustainable practices, simplified processes, and satisfying interactions for MIT's faculty, students, staff, and extended community.

In addition to the MIT Traditional and MIT Choice Health Plans, MIT began offering the option of a new MIT High Deductible Health Plan (HDHP) effective January 1, 2018. The HDHP provides for a lower premium and higher deductible in conjunction with a tax-advantaged health savings account.

In FY2018, we worked to analyze and adapt to changes in the federal tax laws. VPF provided guidance and highlighted tools to help community members assess, and if desired, adjust their tax withholdings from paychecks based on the personal income tax changes under the new federal law. We included an initial framework for FY2019 budget planning for bearing new federal tax liabilities (the so-called endowment tax, plus other tax provisions), and as the Internal Revenue Service provides further guidance on these new tax provisions, we will refine and finalize this framework.

The IS&T team has been working to migrate the Oracle-based data warehouse (Warehouse Classic) to an SAP HANA DataMart (Warehouse 2.0). Warehouse 2.0 is providing several benefits, including more efficient data access and loading, near real-time access to data versus previous 24-hour lag, and cloud deployment. Facilities' objects were migrated in FY2017, and Sponsored Programs' and Human Resources' objects were migrated in FY2018. Enhanced disaster-recovery capability was also deployed this year. Migration of financial and procurement objects are planned for FY2019, with MIT Student Information System's objects planned for FY2020.

And finally, a project to redesign the parking system for the campus has been ongoing, and new simplified processes will be introduced for fall 2018. New systems and processes include timely billing, a user-friendly web portal, elimination of stickers for car windows, and an auto-renewal process for future years.

**Israel Ruiz**

**Executive Vice President and Treasurer**