

Office of the Recording Secretary

The [Recording Secretary's Office \(RSO\)](#) receives gifts on behalf of the Institute and provides consultation and expertise on gift policies and procedures. The office prepares tax receipts, deposits gifts, and is responsible for the official recordkeeping of pledges and gifts of cash, securities, mutual funds, and gifts-in-kind. In addition, RSO ensures the maintenance, safekeeping, and accessibility of the 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 MIT senior representatives to formulate policy and implement established guidelines. Detailed reports from each of RSO's functional areas follow.

Gift Policy

RSO has responsibility for the creation and oversight of adherence to MIT gift policy and procedures in support of MIT's mission. The office ensures that gifts received supporting MIT's broad reach and the Campaign for a Better World are aligned with MIT's principles of gift acceptance.

Collaboration is a basic tenet of RSO's ability to succeed. RSO worked very closely with key MIT offices on a number of areas relating to gift policy. In fiscal year 2018, RSO participated in the newly established Core Group, an alliance of senior leaders of MIT's financial, legal, and gift offices.

The recording secretary convenes the Gift Policy Committee, which functions as an advisory board to the Executive Vice President and Treasurer (EVPT). The committee offers advice on the development of new gift policies or changes to existing policies, provides guidance on complex or unusual gift agreements, and recommends improvements to gift infrastructure and processes. Members of the Gift Policy Committee include MIT's vice presidents for the Office of the General Counsel and the Office of Finance; the vice president, associate vice president, and chief operating officer of the Office of Resource Development; the controller, the director, and the associate director of the Office of Major Agreements; the assistant provost for administration; the counsel for and director of estates and trusts; and the senior advisor to the chancellor for academic advancement. Key areas of work this year include the expansion of designations for credited bequest intentions. In addition to designations for unrestricted and core needs as originally defined in the policy, donors can now give to an unrestricted endowment for an MIT school, department, or the Institute. Donor-advised fund distributions to MIT will be allowable for all current needs at MIT, including unrestricted funds, professorships, scholarships, fellowships, and capital.

The Receipt Characterization Group, which is an alliance of RSO, the Office of Sponsored Projects, the Office of Finance, and the Office of the General Counsel, brought clarity to funding characterization through its review of proposals and agreements for supporting MIT projects.

Through a joint project with two teams within the Office of Resource Development—Office of Human Resources and Strategic Talent Management (HR-STM) and Campaign Office—RSO continued participation in providing training for fundraisers. The RSO management team considered the existing gift infrastructure in Japan, Chile, and France as MIT's global reach expands. RSO worked to ensure that the gift infrastructure is in place to support MIT's world presence, as did the International Coordinating Committee, of which the recording secretary is a member.

Gift Operations

Gift Operations is responsible for verifying that assets are received by financial entities on behalf of the Institute, ensuring that proper gift documentation is provided and retained, appropriately recording transactions in the gifts database, and issuing tax receipts and acknowledgments to donors. The team also prepared commitment reminders to some of the Institute's most generous supporters. DocuSign was implemented to speed the process of document review and approval through the Office of the EVPT.

Gift Accounting

Gift Accounting maintains the accuracy and integrity of gift and pledge financial data in accordance with accounting standards, as well as Institute policies and procedures. Among its responsibilities, Gift Accounting prepares monthly and quarterly reports and reconciliations of gifts and pledges and advises the MIT community on matters relating to donor compliance. The team also manages internal and external audits of the gifts sector, provides gift-related data and information to the Office of the Vice President for Finance's tax and global operations team for the annual Form 990 tax filing, and prepares pro forma budgeting for gift and pledge revenue to support that office's budget and financial analysis team in its preparation of the total Institute budget.

In FY2018, Gift Accounting established 325 new gift funds for the Institute. The accounting group completed an internal process audit with satisfactory results in the areas of governance, policies and procedures, as well as pledge and gift management. The first external audit of the MIT Hong Kong Foundation Ltd. was successfully completed. The team collaborated with the financial accounting and reporting team of the Office of the Vice President for Finance (VPF), the Office of Planned Giving, and Office of Resource Development technical staff to accept the first gift via MIT's newly established donor-advised fund. Finally, through collaboration with the Office of the VPF's budget and financial analysis team, Gift Accounting created a new quarterly campaign central support analysis and enhanced the campaign tracking financial dashboard.

Endowment Operations

In conjunction with the Office of Resource Development, RSO prepares and distributes annual individualized endowment reports to major gift donors of named endowed funds. Nearly 1,800 reports, covering the prior fiscal year's financials, were generated in FY2018. The reports contain the financial status of each individual donor's endowed funds, with information on the investment performance of the endowment and its effect on MIT.

RSO's Endowment team prepares documentation for the establishment of endowed funds and for donors to record their commitments for major gifts that will be given over a period of time, up to five years. Approximately 130 new endowed funds were established in FY2018.

The office also serves as the repository for documentation on previously established endowed funds and provides information to Institute departments on the terms of use for the funds. The team assists the departments in modifying the terms for endowed funds, if necessary, when the original purpose is no longer applicable at the Institute or the fund value has grown beyond meeting the needs of the original purpose and there is an accumulation of excess income in the fund.

In FY2018, the team started work on the probate petition for the loan funds with outside counsel. The team expects to have the petition filed in FY2019.

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