

Ad Hoc Committee to Review MIT's Gift Process – Interim Report

Feb. 14, 2020

Executive Summary

This is the interim report of the Ad Hoc Committee to Review MIT's Gift Processes. This committee was formed by a charge from Provost Schmidt on October 14th, 2020 and we will present a final report on June 1st, 2020. We work with the Ad Hoc Faculty Committee on Guidelines for Outside Engagements to make recommendations for the overall improvement in MIT's system for soliciting, processing, and accepting gifts.

This report provides an overview of MIT's fundraising enterprise, which has been compiled through ten meetings and more than 60 interviews with MIT community members, we refer to as "stakeholders," to inform ourselves broadly of how MIT's finances and fundraising operate, how they impact activities on campus and how they are understood by various part of the MIT community. For the purposes of this report, our definition of "fundraising" is limited to the solicitation, acceptance, and processing of philanthropic gifts, not sponsored projects or other types of revenue funds that support MIT.

Our final report, due June 1st, will contain our recommendations as to how MIT should improve its processes as they relate to philanthropy. In the meantime, this committee shares an interim document with the MIT community that might be able to offer a broad context as to MIT's current structure, policies, and practices.

The Committee's charge, membership and schedule are included in the Appendices.

Context

Over the course of our committee's discussions, three primary landscapes emerged, each with its own (sometimes overlapping) stakeholders: the financial landscape, the fundraising landscape and the community landscape. The following three sections describe each of these domains and how they relate to MIT gifts and philanthropy. The Committee views understanding these overlapping domains as critical to how the fundraising process(es) might be updated and improved going forward – the fundraising processes do not take place in a vacuum but instead are integrally linked to MIT's ability to fulfill its mission.

Financial Landscape

Philanthropy plays an indispensable role in supporting MIT's activities. Gifts and pledge payments and the proceeds from their investment in the endowment have driven the strong growth of the Institute's financial capacity and resilience over the past two decades. Currently, nearly half of MIT's operating revenue comes from categories of funding that are principally rooted in philanthropy. Philanthropic resources are interwoven throughout the activities of the Institute, supporting education, research, innovation, and the people and spaces that enable these activities, augmenting funding provided by tuition, research grants, and other revenues.¹

¹ MIT has publicly noted, for example, that tuition covers only about half the costs of an undergraduate education. <https://sfs.mit.edu/undergraduate-students/the-cost-of-attendance/how-much-it-costs/>. Philanthropy is critical to covering the remainder of these costs. The Institute has also publicly emphasized the role of the endowment in supporting research activity at MIT. <http://news.mit.edu/2016/letter-congress-outlines-mit-endowment-0404>.

Endowed and Current Use Contributions

There are two kinds of philanthropic contributions that MIT receives: endowed and current use contributions.

Endowed contributions are gifts and pledge payments for which the principal is intended to remain intact and be invested in perpetuity, with the income and investment gains used to provide long-term support for Institute and programmatic purposes. Virtually all endowed contributions to MIT are invested through Pool A, which is the Institute's long-term investment pool that holds primarily endowment funds. Pool A is managed by the MIT Investment Management Company (MITIMCo). The MIT Executive Committee² votes annually to distribute Pool A's income and a portion of its cumulative gains³ to support operations.⁴

MIT's endowment totaled \$17.4 billion (excluding pledges) at the end of fiscal 2019.⁵ These are the endowment designations as of the end of fiscal 2019:

- 28% for professorships
- 21% for student support (undergraduate scholarships and graduate student support)
- 20% for support of departments and research
- 18% for general purposes of the Institute
- 13% for other uses specified by the donor designations

Current use (or expendable) contributions are gifts and pledge payments for which – unlike endowment – the principal is available immediately upon receipt of funds to support MIT's operations.

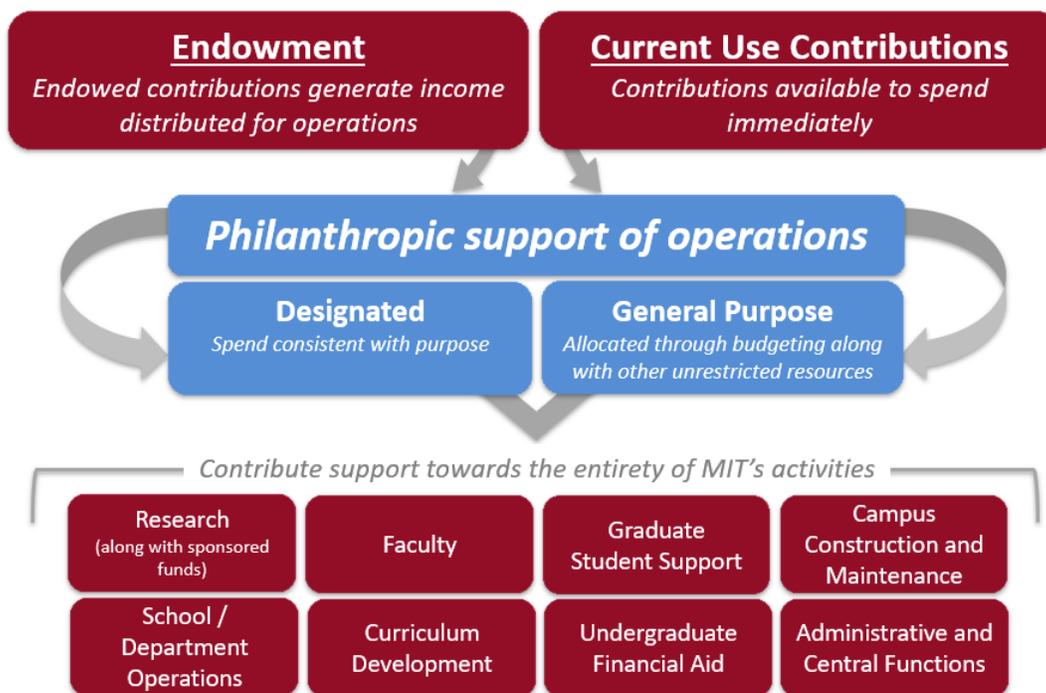
The diagram below depicts how endowed and current use philanthropic contributions support MIT's operations.

² <https://corporation.mit.edu/committees/standing-committees/executive-committee>.

³ The Pool A's income is principally comprised of interest earned, dividends and rents from Pool A. Pool A gains refers to the appreciation in the value of the assets held in Pool A.

⁴ The Executive Committee, per the Massachusetts-enacted version of the Uniform Prudent Management of Institutional Funds Act (UPMIFA), appropriates for expenditure or accumulates so much of an endowment fund as MIT determines is prudent for the uses, benefits, purposes, and duration for which the endowment fund is established, subject to the intent of the donor as expressed in the donation instructions. In accordance with UPMIFA, MIT considers the following factors in making distribution determinations: i) the duration and preservation of the fund; ii) the purposes of MIT and the endowment fund; iii) general economic conditions; iv) the possible effects of inflation and deflation; v) the expected total return from income and appreciation of investments; vi) other resources of MIT; vii) the investment policies of MIT.

⁵ Most of the endowment is derived from endowed contributions from donors. The remainder is "quasi-endowment" -- unrestricted funding that the MIT Executive Committee designates to be invested alongside donor endowment so as to preserve the principal in perpetuity and generate a long-term stream of resources to support the Institute.



Both endowed and current use philanthropic contributions that are *designated* for particular purposes or units are expended in accordance with donor intentions. They provide funding for professorships, research (in combination with sponsored and unrestricted funds), undergraduate scholarships, graduate fellowships, and the construction of buildings, as well as discretionary resources for departments and faculty. Designated contributions also provide resources for core academic and administrative functions through the application of the fund fee and related mechanisms.⁶

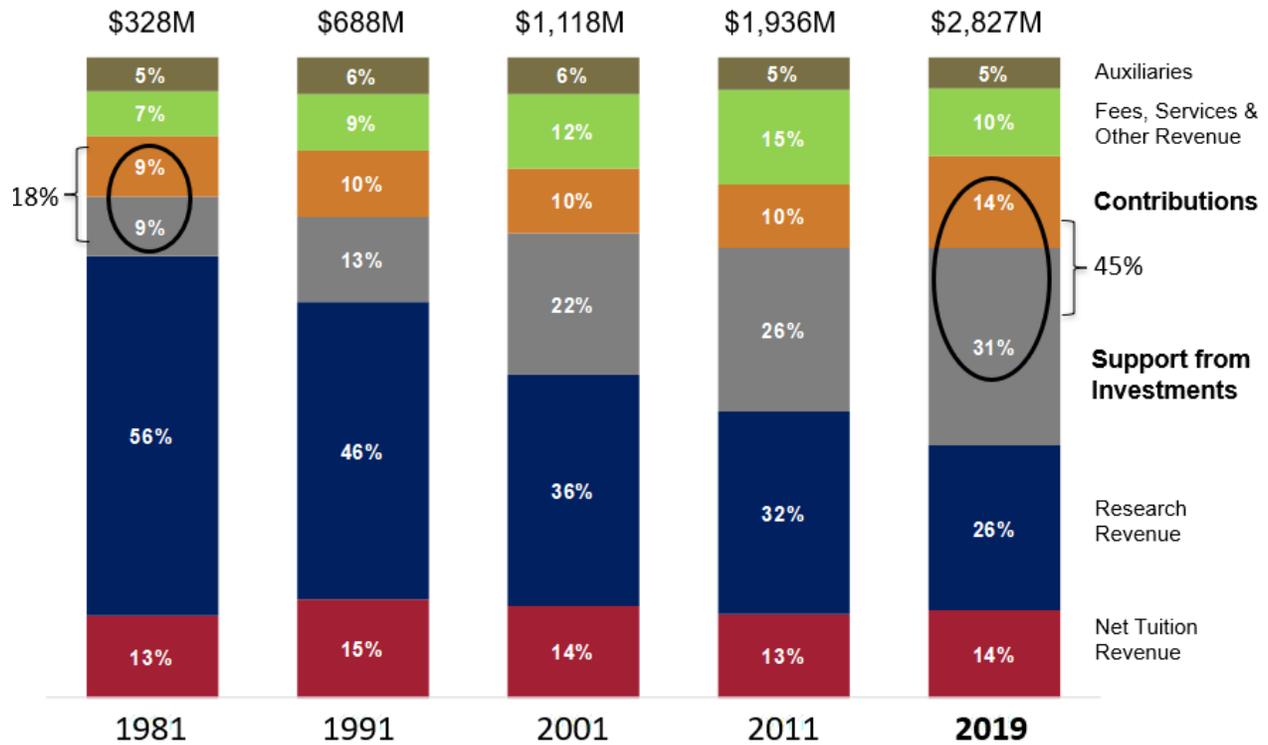
General purpose philanthropic contributions provide a sizeable portion of the Institute's overall unrestricted annual operating funds, which are allocated through the annual budget process to support the same or related broad purposes as designated contributions: faculty; curriculum development; undergraduate financial aid; graduate student support; research (in combination with sponsored and designated funds); the construction, upkeep and renovation of the campus; and administrative and central functions.

Impact of Philanthropy in Supporting MIT's Operations Today

Philanthropy plays a significant and growing role in supporting MIT's annual operations. This is illustrated in the below, which depicts categories of revenue that support MIT's annual operations, as reflected in the Institute's published financial statements.⁷

⁶ Fund fees and related mechanisms allocate portions of a designated gift to the general Institute budget to help offset the full range of Institute costs associated with the use of the designated gift.

⁷ <https://vpf.mit.edu/sites/default/files/downloads/TreasurersReport/MITTreasurersReport2019.pdf> (fiscal 2019 financial statements).

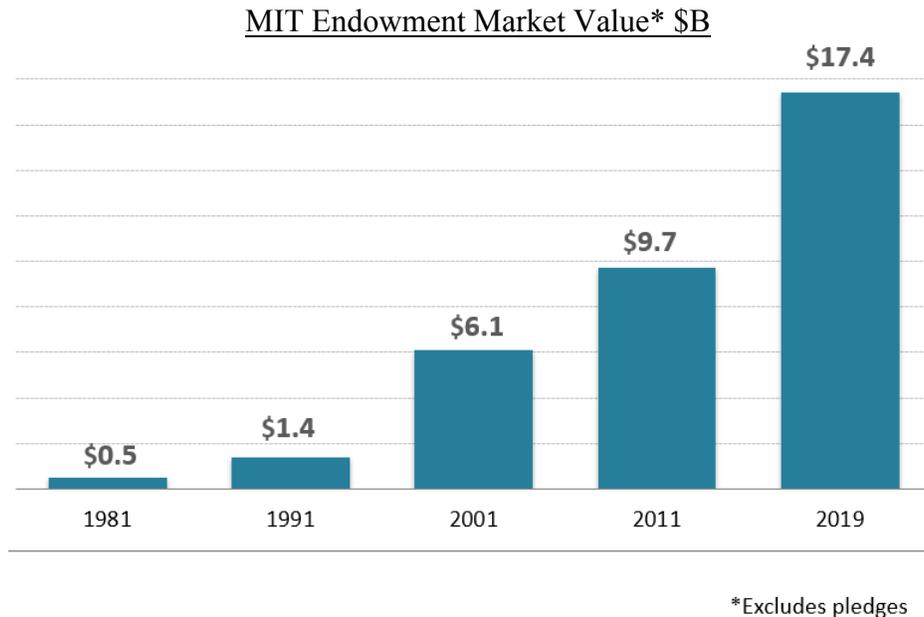


“**Support from investments**” comprised 31% of MIT’s campus operating revenue in fiscal 2019. Most of the amount comprising support from investments is endowment income and gains made available to support operations (25% of total campus operating revenue). It also includes distributed returns from the investment of working capital (generated in part by philanthropic contributions), as well as other smaller sources of investment returns.

“**Contributions**” comprised 14% of MIT’s campus operating revenue in fiscal 2019. This includes gifts and pledge payments for current use.

Together, these categories - which are rooted principally in funding from past and present fundraising efforts - have come to comprise nearly half of MIT’s annual campus operating revenue; in 1981, they comprised only 18%. Thanks to the skill and efforts of our advancement community and MITIMCo, these resources have been the principal drivers of the almost ten-fold increase in the Institute’s operating revenues since that time. While dollar income from other categories of operating revenue (net tuition, research, other fees, and revenues) has grown since then, the growth of the philanthropy-based categories of revenue has outpaced it.

This growth in “Support from Investments” revenue funding MIT’s operations is rooted in growth in MIT’s endowment.



The endowment has grown due to increasing philanthropic receipts and strong investment returns. Pool A (as noted above, the principal investment vehicle for the endowment) produced an investment return of 8.8% in fiscal 2019, continuing a trend of strong returns, on average, over the last several years. Historical average annual returns are 12.2% over the prior three years, 10.0% over the prior five years, and 11.6% over the prior ten years.

Fundraising Landscape

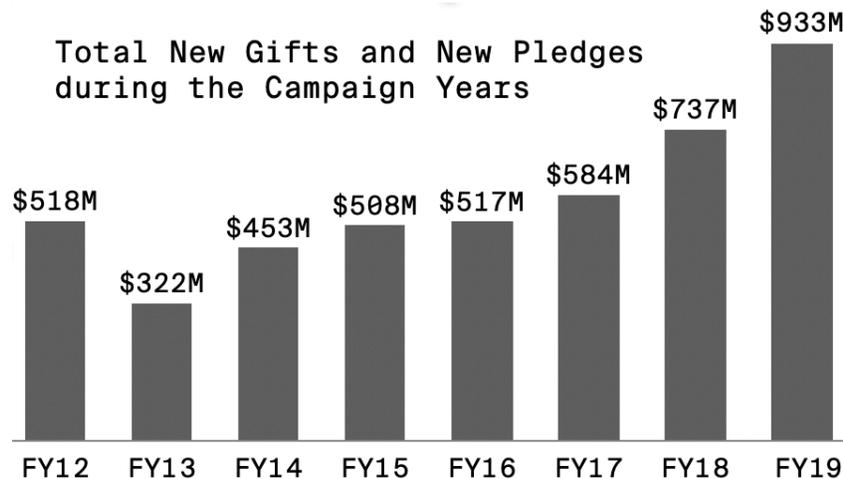
As the financial landscape section notes, philanthropy (and the investment return it generates) has become an increasingly important component of MIT's revenue over the past 20 years. MIT's donors have made significant investments in MIT's growth and their commitments will impact the successes of current and future MIT faculty and students for generations to come. There has also been an investment from MIT to build out a robust fundraising or "advancement" operation that supports engagement with MIT's alumni and develops relationships with current and potential donors. The chart in the following section indicates how philanthropic support (measured in new gifts and new pledges) to MIT has grown over the course of the current Campaign for a Better World since it started in 2012.

Why donors give to MIT

There are many reasons why donors choose to make philanthropic donations to MIT. A recent study of high net-worth donor behavior indicates that a major motivation for giving to all forms of charity relates to the personal values that the donor holds.⁸ MIT alumni often donate to the Institute to pay back for the life-changing experience gained, to provide support for the benefit of current and future students, or invest in research areas that are of particular interest to them.

⁸ Source: The 2018 U.S. Trust Study of High Net Worth Philanthropy

Non-alumni frequently support MIT because of its reputation to solve challenging problems facing society. Foundations and corporations also contribute to MIT when there is mutual alignment of interests, especially in areas of research. The Campaign for a Better World has demonstrated this wide appeal to donors. Understanding donor inclinations, motivations, and values is the work of fundraisers across MIT.



Organizational Structure of MIT Fundraising

MIT's organizational structure for fundraising is a decentralized controlled model that allows for some centralized functions. There are three primary areas within the Institute where much of the fundraising activity takes place and yet each of these entities has separate organizational reporting structures and budgets:

1. Resource Development (RD)—the largest concentration of fundraisers and fundraising activity support, this office focuses on securing philanthropic gifts of \$100,000 or greater from individuals and foundations. Fundraising from Corporations does not happen within RD. RD fundraisers, also known as Relationship Managers (RMs), report to and are funded by RD. The RMs are responsible for developing giving strategies for donors and working in concert with senior leadership, faculty and administrators of MIT to facilitate the solicitation of gifts that can fulfill MIT's fundraising priorities. RD delivers many centralized functions that support fundraising across MIT, including developing communications materials; co-managing the Institute-wide donor database (ADVANCE) with the MIT Alumni Association; producing donor research; providing training for fundraisers; and executing some stewardship activities. RD is led by the VP of Resource Development, who reports to MIT's president.
2. MIT Alumni Association (AA)— this office focuses on engagement of MIT's 139,000 alumni as well as the management of MIT's Annual Fund activities. The Annual Fund seeks to attract donors who normally give year over year. AA fundraisers solicit gifts from individuals up to \$100,000, as well as host alumni events and serve as liaisons to MIT's many alumni clubs. AA fundraisers report to and are funded by the AA. The AA is led by the CEO of the AA, who reports to MIT's president.

3. Schools, the College and DLCs⁹ — this constellation of development activities can be found in a variety of sizes and supports the vision of the deans and faculty, working in concert with RD and AA. There are fundraisers located in every school that report to and are funded by faculty department heads and school deans, who, in turn, report into the Provost.

Decentralized fundraising activities occur when faculty and staff work directly with donors they have met through their own networks and are not working with fundraisers from the Schools, AA or RD. Though this approach can allow for programs to receive a greater level of direct funding for their activities and can also lead to a deep level of donor engagement, it also means that these solicitations can take place with little transparency as to what gifts might be solicited and with no training on MIT protocols for those who are making the solicitations.

Once gifts are received at MIT, they are processed in one of two offices, with separate reporting structures:

1. The Recording Secretary's Office (RSO) records all cash gifts to MIT above \$2,000 as well as all gifts made through alternate types of transactions, including securities, gifts-in-kind and wires. The RSO also oversees the creation of gift terms for donor-supported activities, gift policy and all accounting related activities as they pertain to gifts. The office reports into the Vice President for Finance, who, in turn, reports into the Executive Vice President and Treasurer (EVPT)¹⁰.
2. The Alumni Records Office (ARO) records cash gifts from individuals below \$2,000 as well as credit card gifts made at any level. The ARO reports into the Executive Director of Information Systems and Volunteer Services, who reports into the CEO of the AA.

The model that MIT has built—a structured centralization of the majority of fundraisers around geographic areas (RD) in addition to a smaller cohort of fundraisers around content (Schools and the College)—is one that was designed for efficiency but also allows for significant activity beyond these structures to occur. This disparity between central control and decentralized independence leads to an inherent tension in how these different units are aligned in their activities and are asked to provide accountability in their activities. As MIT's fundraising aspirations and operations have expanded in recent years, developing clearer governance and policies around expectations for how all fundraisers should represent MIT will be helpful in allowing these different entities to work together more cooperatively.

Shared Fundraising Technology

The MIT advancement community uses a single database, ADVANCE, co-managed by the Alumni Association and Resource Development. All users of the database sign annual confidentiality agreements and receive training on its use. All centralized fundraising professionals at MIT are expected to enter when and how they have interacted with donors as well as when they plan to discuss a gift with a donor. Formal policies for data handling, integrity and confidentiality are reviewed by a committee¹¹ comprised of members from RD, AA, RSO and the Schools and the College.

⁹ Departments, laboratories and centers

¹⁰ Executive Vice President and Treasurer

¹¹ The Alumni Development Database System Strategy Team, referred to as ADDSTRAT.

The ADVANCE database is 24 years old. The aging technology is not as intuitive as many products currently available and there is currently a review underway to evaluate what the appropriate platform should be for a future that will enhance the user experience and ensure that MIT has the tools to support current activity and the expected future growth of alumni, student, and friend engagement and fundraising across both centralized and decentralized parts of the fundraising enterprise.

Donor Engagement and Solicitation Process

The primary individual responsible for overseeing the progression of a prospective donor in making a gift is known as the relationship manager (RM). The RM is accountable for managing the strategy for engagement, executing the solicitation and coordinating the roles of MIT senior leaders, faculty, volunteers, and other individuals connected to the prospect. RMs in RD typically manage 50-150 prospects in a portfolio, RMs in the Schools and the College manage somewhat fewer prospects. RMs are required to prepare contact reports to document the interactions with prospects, especially visits made in person. These reports are filed and stored in the ADVANCE database.

The donor development process utilized by MIT is one adopted widely in the fundraising industry and designed to track the status of prospects and their inclination for making gifts to MIT. Prospects are identified, qualified, cultivated, solicited, and ultimately stewarded with the hope that they will continue giving in the future. These prospect stages are described below.

- **Identification/Qualification:** Donors can be identified through different sources, including RD's Office of Prospect Development, as well as donor and alumni networks. Once identified, Prospect Development conducts initial research, drawn from public information, to verify donor backgrounds and capacity to make a major gift.
- **Cultivation/Solicitation:** RMs engage directly with the prospective donor to understand prospective donor interests and motivations to support MIT. They identify various giving opportunities and introduce them to different areas of activity on campus. They solicit donors for a gift that can support MIT and do so often in partnership with senior MIT leadership and faculty.
- **Gift Documentation:** Once a donor has identified an area of activity they would like to support and a gift amount, the RM will alert the RSO, who will, in turn, develop gift terms that lay out how the gift will be utilized and managed over its lifetime. Gift agreements are stored in the ADVANCE database and are permanent records of the Institute. Once the gift is made, depending on size and how it is recorded, either the RSO or Alumni Records will issue a receipt to the donor.
- **Stewardship:** The Office of Donor Relations and Stewardship (DRS) oversees many activities, including the drafting of acknowledgements and providing updates on donor-funded programs. A great amount of stewardship activity is also conducted by the Schools, the College, and DLCs, who are closest to the programmatic activity.

MIT Fundraising Governance

Because of MIT's distributed organizational structure for fundraising, there are strong protocols and guidelines in place but they are not able to be applied universally throughout the fundraising enterprise. We hope to look more carefully at these areas and how they might be better aligned in our next round of Committee discussions. In the course of our conversations this fall and winter, we did look at three areas of activity that were especially relevant to current discussions on campus and learned the following:

Donor Research. When RD is aware that gift conversations are underway with potential prospects considered able to make contributions of \$100,000 or more, it conducts due diligence research using public sources on look for indicators of potential risk to the Institute. Resources such as the Visual Compliance database, negative news screens and enhanced due diligence dossier preparation are tools that are utilized in anticipation of gift solicitation. Together with the RSO, a formal process for gift acceptance was developed in Spring 2019 that lays out a potential vetting process for continued evaluation of prospective donors identified for RM cultivation, as well as donors who make gifts outside of RM channels.

Independent Faculty Gift Solicitation. Roughly \$100 million per year in \$1M+ gifts that MIT receives annually are not solicited by RD or School, College or Department-based RMs. These gifts are often solicited by faculty members or staff who are working directly with individuals or entities in their own networks, but may not be aware of MIT's fundraising policies, may not be trained to use the donor database, or be informed on best fundraising practices.

In recognition that stronger protocols need to be revisited around the acceptance of gifts and as this Committee and the Ad Hoc Faculty Committee on Guidelines for Outside Engagements consider such recommendations and identify opportunities for improvement, a review process has been implemented that includes a review of all donors through a restricted party database to ensure that MIT's acceptance of a gift is in compliance with government regulations. In addition, an Interim Gift Acceptance Committee (IGAC) has been established. IGAC currently reviews the cases of all domestic donors who have capacity to make \$5M+ gifts and international donors who have capacity to make \$1M+ gifts. The committee is comprised of the Provost, Vice President for Research and Vice President for Finance. The General Counsel VP, VP of RD and Associate Provost for International Activities also serve in an advisory capacity.

Donor Anonymity

MIT's current gift acceptance policy requires that a senior officer know the identity of every donor - there can be no completely anonymous donors. MIT has respected a donor's wish to remain anonymous and MIT has not historically made a gift anonymous unless it is the donor's express wish, with one notable exception.¹²

¹² Braceras, R., J. Chunias, and K. Martin, "Report Concerning Jeffery Epstein's Interactions with the Massachusetts Institute of Technology", <http://factfindingjan2020.mit.edu/files/MIT-report.pdf?200117>, p.28.

Community Membership Landscape

We now turn to the Community Member, of Stakeholder, Landscape which encompasses the entirety of the MIT community, including alumni and unaffiliated donors. A goal of our committee is to bring understanding of the fundraising process and its importance to MIT and how the changes we will propose will improve the whole of MIT. For this report, the Committee needed to gain insight as to how the stakeholders understand and view MIT's fundraising enterprise.

In speaking with members of the MIT community, the Committee identified 18 groups that fell into 5 broad categories: staff (including RD, AA and DLC staff fundraisers), faculty, Corporation members, scholars (research scientists, postdocs, graduates and undergraduates), and alumni/non-affiliated donors. The Committee formed five teams shown in Table 1 and each team member interviewed three or more people. We used some initial questions given in the Appendix to start the interviews.

Based upon our interviews, we identified the following themes as shared across all 5 stakeholder categories:

1. There is a wide variance in the understanding of how fundraising works across MIT. Membership groups understand different components of the fundraising process, and different groups hold varying views of the same part of the fundraising process. However, most community members do not have an understanding of the whole integrated process. This is not surprising because MIT has a system that is simultaneously centralized and decentralized, so different stakeholder groups interface with, and therefore become more knowledgeable about, different aspects of the fundraising organization.
2. The MIT community has an appetite for more education about how fundraising is prioritized for different areas and activities, and how gift funds are used to support MIT's mission.
3. There are few official policies, and fewer still that are made widely available, regarding MIT's fundraising processes. Depending on where a stakeholder might sit, there is an uneven understanding around the guidance that is available to those who want to engage in fundraising, and a lack of transparency about how fundraising operates to those outside of the Resource Development and School, College, and Departmental Development Offices. There is an openness to having this guidance provided and shared more broadly, though without restricting MIT's entrepreneurial spirit. However, this perspective is balanced with the understanding that MIT needs to be extremely thoughtful with whom it engages in fundraising. There is a fairly wide spectrum of views regarding whom MIT should and should not solicit and/or accept money from. The Ad Hoc Faculty Committee on Guidelines for Outside Engagements is developing guidelines and we will work with them to build them into the fundraising process.
4. There is a general sense, particularly among scholars, alumni, and donors, that MIT is respectful in its approach to fundraising and that the outward facing fundraising effort works well. The opportunities through which donors can give are generally made clear. Many appreciated the outreach they received in the form of emails, Spectrum, and newsletters from the Schools, the College and departments.

5. There were concerns voiced in particular by members of the Corporation, faculty, and staff, that some parts of the fundraising outside RD and the Schools and College organizations are similar to "...the Wild West..." where those raising funds have little to no oversight from Resource Development, School, College or Departmental Development, or MIT senior administration. This is historically due to MIT's spirit of entrepreneurship, but there are clear concerns that some pockets where fundraising occurs need better oversight.

Specific stakeholder groups had additional concerns which we note here.

- **Staff** were concerned about the outdated technology for tracking, processing and recording gifts and that not all involved in fundraising use the system of record. This fractured system makes it nearly impossible for one to easily achieve a consolidated view of the fundraising effort.
- Several **faculty** felt that they needed better guidance in their own fundraising. They also expressed a general need for oversight from a committee that consists primarily of faculty and perhaps scholars and staff. Some faculty expressed concerns that involving School or central Resource Development in their fundraising efforts would result in those funds that faculty had raised being redirected elsewhere, away from their intended purpose.
- **Corporation** members seem to think that the Corporation needs to better define its role in fundraising. Several Corporation members expressed the notion that while values-based fundraising is important, it is also important to do no harm by having overly restrictive fundraising rules.
- **Scholars**, which includes research scientists, post docs, graduate and undergraduate students, desire more transparency and guidance around donor interactions, especially in-person VIP visits. Scholars frequently give lab tours, talks or impromptu presentations to people visiting campus, and solicit outside funds on behalf of student activity groups and would benefit from better understanding of their role in the larger process. Graduate students and post-doctoral fellows are generally aware their fellowship may come from gifts. They also would like to better understand how Institute and School priorities are set.
- **Alumni and donors** seem to feel that there is a strong focus on naming things, such as buildings, professorships, and fellowships.

The main theme that emerges is the need for better education of the MIT wide community about how funds are raised and used. Our report provides a start, but a persistent and widespread effort, perhaps with materials customized for each community group, is necessary for everyone to better understand how MIT uses its funds to fulfill its mission.

Next Steps

The Committee must complete its understanding of the current fundraising landscape and bring that into a final focus before we can address our mandate. To date, we have developed a solid sense of MIT's financial landscape. We have made a serious inroad into unraveling the complex narrative of MIT's fundraising operations. We have captured perspectives and suggestions from many different members of the MIT community. We have a good understanding of the reasoned changes that Resource Development, the Schools and the College began in March 2019, before our committee met, intended to address some of the known risks.

We encourage that fine work to continue. While we have learned a great deal in our ten meetings, there are still topics that we do not sufficiently understand. We need, for example, additional information on the fundraising elements outside of Resource Development and the Schools and the College. We have also begun gathering information about the fundraising practices of peer universities and recommended best practices of the professional fundraising societies.

Once the landscape is complete, the committee will turn its attention to organizational changes with respect to MIT's gift acceptance processes that will emerge from the members of the Committee itself and from diverse members of the MIT community. At present, these range from the simplest (e.g., MIT already has solid processes; we merely need to follow them to the letter), to fundamental changes as to who reviews donors, to new tools for reviewing all prospective donations, to instituting new committees that will have the final say in whether to accept a philanthropic donation or refuse it.

As we discuss procedures that seem judicious to us we will, above all, ensure that any recommendation regarding process that we make is in alignment with the *MIT values* developed by the Ad Hoc Faculty Committee on Guidelines for Outside Engagements.

Our goal is to recommend processes that will allow MIT to continue its strong fundraising performance while allowing for two things that will benefit the larger community. The first is to seek solutions that will feel as seamless and natural as is possible to both our donors and to the members of the Institute. The second is to allow greater transparency for the MIT community with regard to the Institute's policies and protocols, which will help clarify and serve collaborations among the many entities engaged in fundraising activities.

APPENDIX A

Charge to the Committee—October 14, 2020

The Institute is committed to furthering MIT's mission through the fostering of relationships with individuals and organizations that result in goodwill and philanthropic engagement. The size, scale and complexity of the philanthropic landscape has increased in recent years, as well as societal expectations for greater operational transparency.

The Institute has recently installed a new process to support the assessment of risk in international engagements ([International Engagements](#)) as well as a new office ([OSATT](#)) to support the development of non-federal proposals and agreements. However, as revealed by the recent events surrounding Jeffrey Epstein, a review of the Institute's processes surrounding gifts is called for, and should complement the [Ad-Hoc Committee](#) recently announced by the Chair of the Faculty that is focused on principles.

This new committee is charged with reviewing MIT's current processes for soliciting, processing and accepting gifts to the Institute, including policies, practices and organizational roles and responsibilities related thereto, and with recommending improvements to facilitate efficient, transparent and responsive decision making with respect to gifts.

Specifically, the committee should:

- 1) Become familiar with MIT's current processes for soliciting, processing and accepting gifts to the Institute, including due diligence practices;
- 2) Study processes of peer institutions for the solicitation, processing and acceptance of gifts;
- 3) Use the Institute's receipt and acceptance of gifts from Jeffrey Epstein as a case study to identify areas for improvement, the committee may develop other cases in support of its finding and recommendations; and
- 4) Recommend changes to MIT's current gift solicitation, processing and acceptance processes.
- 5) The committee will work in conjunction with the Ad Hoc Faculty Committee on Guidelines for Outside Engagements which is charged with defining a set of values and principles to guide the assessment of outside engagements. Several members of the Ad Hoc Committee will sit as voting members of this committee.

The committee is encouraged to solicit input and advice, as well as possibly hold forums with community members (staff, students, and faculty). The committee's final product is a report with findings and recommendations to the Provost and Chair of the Faculty due June 1, 2010. The committee should provide an interim report by January 15, 2020, which could contain initial recommendations.

The Committee will work closely with the Ad Hoc Faculty Committee on Guidelines for Outside Engagements to consider how principles being developed might impact processes under consideration.

APPENDIX B

Committee Process

The Committee has divided its work into two cycles: Cycle 1 is an initial look at the giving process in time to deliver an interim report by Feb. 1. Cycle 2 will be a deeper dive into specific areas identified in Cycle 1 as important or problematic. The report is the outcome of Cycle 1. A final section of this report gives initial plans for Cycle 2.

The Committee’s work for Cycle 1 consisted of ten meetings of the entire group, stakeholder interviews and small group meetings. The schedule of meeting of the entire group is given below.

- Wed 11/20 - recording secretary
 - Group discussion
- Wed 11/27 9-10am – group discussion
- Wed 12/4 10-11am – Chap Lawson (MISTI), Glen Shor (VPF)
- Wed 12/11 12:30-1:30pm – Richard Lester, International
- Tues 12/17 noon-1pm - David Woodruff, RD
- Wed, 1/8 – Heather Kispert-Hagerty – School level fundraising
- Wed, 1/15 – Team reports
- Wed, 1/22 – Findings and recommendations discussion
- Week of 1/27-1/31 – Discussion
- Wed, 2/3 – Writing subgroup meeting

As part of Cycle 1, the Committee identified five general stakeholder communities that spanned MIT. Working in teams of three, Committee members each interviewed three people from their community in order to find common views on the fundraising process and its implementation at MIT. The Committee decided on some started questions for each interview.

1. What has been your exposure to philanthropy, either at MIT or elsewhere?
2. How does fundraising and gift processing effect you?
3. What is your role in fundraising and gift processing?
4. How can fundraising and gift processing be improved?

Community	Elements
Staff	Resource development School/Department fundraising Recording Secretary Senior administrative staff Libraries DLC/FR – Solve, MISTI, ODL, RDL, LGO, ILP
Faculty	Faculty Senior research scientists, instructors, lecturers DLC Heads Deans Upper Administration
Corporation	Executive Committee

	General membership
Scholars	Graduate Undergraduate Post docs Principle and Research Scientists
Alumni and donors	Alumni Alumni donors Unaffiliated donors

Table 1 – Stakeholder communities and their elements.

Team	
1 – Staff	Julia, Li-Huei, Sarah
2 – Faculty	Anne, Glen, Peter S.
3 – Corporation	Janet, Fiona, Mariana
4 – Scholars	Mahi, Heather, Anish
5 – Alumni and donors	Peter F., Larry, David

Table 2 – Interview teams and their membership

Appendix C

Committee Membership

<i>Tavneet Suri (Princ., C)</i>	Sloan	<i>tavneet@mit.edu</i>
<i>Dan Hasting (Princ.)</i>	SoE	<i>hastings@mit.edu</i>
<i>Chap Lawson (Princ.)</i>	SHASS	<i>clawson@mit.edu</i>
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Peter Fisher - Chair	SoS	<i>fisherp@mit.edu</i>
Li-Huei Tsai	SoS	<i>lhtsai@mit.edu</i>
Janet Sonenberg	SHASS	<i>json@mit.edu</i>
Mariana Arcaya	SAP	<i>marcaya@mit.edu</i>
Larry Sass	SAP	<i>lsass@mit.edu</i>
Fiona Murray	Sloan	<i>fmurray@mit.edu</i>
Glen Shor	VPF	<i>glenshor@mit.edu</i>
Julia Topalian	Recording Secretary	<i>topalian@mit.edu</i>
Heather Kispert Hagerty	SoE Development	<i>hkispert@mit.edu</i>
David Woodruff	Resource Development Alumni Association	<i>daw@mit.edu</i>
Sarah Hendrick	Office	<i>hendrick@mit.edu</i>
Anish Antony	Post-Doc Association	<i>anishp@mit.edu</i>
Peter Su	GSC	<i>peterxsu@mit.edu</i>
Mahi Elango	UA	<i>melango@mit.edu</i>