

Executive Vice President

The substantial construction program, which began in fiscal year 2000, has transformed the campus with new and renovated research facilities, student housing, athletic facilities, and improvements of its infrastructure. This program continued in FY2005 with capital building projects in various stages of development. Plans are under way to celebrate the openings of the Picower Institute for Learning and Memory, the McGovern Institute for Brain Research, and the Department of Brain and Cognitive Sciences, all housed within the new Brain and Cognitive Sciences Building that will open in the fall of 2005. Current projects in various stages of planning and construction are the Broad Institute, the Center for Cancer Research, the Graduate Student Dormitory, the Media Arts and Sciences Project, the Physics, DMSE/Spectroscopy/Infrastructure project, the Sloan School expansion, the Vassar Street-West improvement project, the Vassar Street Bridge, and the E25 renovation.

In consideration of the emerging external focus on research administration compliance, the Audit Division and Office of Sponsored Programs launched the formation of the Research Administration Compliance Program (RACP). RACP will monitor federally sponsored research activity, review the administrative and financial practices within MIT's departments, laboratories, and centers, and provide guidance to these units in research compliance and internal control issues. Other efforts that complement RACP are described in detail within the Audit Division's departmental report.

Significant accomplishments of the Systems, Applications, and Products in Data Processing/Human Resources (SAP/HR) Payroll project that continued this year were completion of documentation for time collection, payroll processing, completion of a full year of processing the pension payroll, 91 percent completion of payroll realization phase, and all year-end tax reporting to state and federal agencies. Voucher Payroll was transitioned to an outside vendor. Due to the approaching go-live date, Brown Bag lunch sessions were created to provide ongoing dialogue with the MIT community about their administrative needs vis-à-vis the functionality of the new system. These informational sessions will continue until the completion of the project.

In the spring of 2004, the EVP's office initiated the design and implementation of a Shared Services Center (SSC) to provide core administrative support to the departments of Facilities, Campus Police, and Environmental, Health, and Safety and to provide the additional benefits of business analyses and consultative services to the department heads. Gerald Albertini was hired to manage the project. The core mission of the SSC is to aggregate into a single unit similar services, processes, and positions that are necessary to the efficient administrative operations of the three departments. Due to the large scope of services within the Department of Facilities, in the spring of 2005 the focus of the project was revamped to service only Facilities with the prospect of providing selected services in the future to smaller units such as Campus Police and Environment, Health and Safety. It is expected that the reorganization of the Facilities Department under the new chief facilities officer Bill Anderson, who arrived at the conclusion of the design work, will incorporate the SSC.

Working in collaboration with the Medical Department and the Controller's Office, the Office of Budget and Financial Planning (OBFP) began a major long-range study of the Medical Department's financial management and also contributed significant effort to the presidentially appointed Task Force on Medical Care for the MIT community, whose report is expected sometime this fall. OBFP also collaborated with the Department of Facilities and developed the Hyperion/Edgewater Capital Pilot Project, which will provide a comprehensive financial management system complete with analysis and forecasting tools.

The FY2005 operating budget totaled \$1.9 billion in revenues and expenses across all categories of funds, including the General Institute Budget, sponsored research, auxiliary activities, and designated funds. Direct and indirect costs of sponsored research accounted for over half of this total.

Organizational Changes

After a distinguished career in higher education and a legendary reputation in the world of sponsored research, MIT's director of sponsored research, Julie Norris, announced she would retire in September of 2004. A national search was begun by MIT's Search Advisory Committee, which was chaired by associate provost Claude Canizares. The search led to the appointment of Patrick Fitzgerald as the new director of the Office of Sponsored Programs, effective October 1, 2004. Pat has a considerable record of accomplishment and experience—most notably his role as director of cost analysis at MIT since 1997—to provide excellent service to the faculty to ensure MIT's leadership in the world of sponsored research administration.

In June, personnel changes within the Office of Budget and Financial Planning were announced. Israel Ruiz was promoted to director of finance, managing the newly created Office of Finance, and Margaret Warner was promoted to director of budget operations, responsible for the new Office of Budget Operations. In addition, Israel Ruiz was honored with an Excellence Award in March for going above and beyond in providing exceptional client service.

Parking and Transportation, which had been reporting to the Dean for Student Life, was moved to the Facilities Department. Larry Brutti, manager of parking and transportation, received an MIT Excellence Award for Innovated Solutions as a member of the online parking application team.

John R. Curry
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