

## **Treasurer of the Corporation**

In fiscal year 2004, the Institute had total operating revenues of \$1,832.4 million. Total operating expenses were \$1,840.0 million. The Institute's results of operations were (\$7.5) million in fiscal year 2004 in comparison to (\$28.5) million in the prior year.

Total net assets on June 30, 2004, were \$7,741.4 million, an increase of 11.7 percent, or \$810.8 million, from the \$6,930.6 million reported as of June 30, 2003. This increase resulted from an increase in endowment and other financial assets as a result of investment return and new gifts, which total exceeded funds distributed to support operations during the fiscal year.

In addition to the management of the investment program, the Office of the Treasurer provided assistance to the Institute's overall financial operations and planning in conjunction with the offices of the Provost and of the Executive Vice President.

Other activities of the Office of the Treasurer supported Institute real estate planning, community relations, and the Office of Resource Development.

**Allan S. Bufferd**  
**Treasurer**

*For more information, see the Report of the Treasurer at <http://web.mit.edu/cao/www/reports/TR2004.pdf>.*

## **Investment Committee**

The Investment Committee held three regularly scheduled meetings during fiscal year 2004. Theresa M. Stone, a member of the committee for many years, completed her first year as chair.

The Wellington Management Company of Boston remained a primary investment manager and advisor for publicly-traded domestic securities, an appointment it has held for more than 25 years. The Institute continued its program, managed by other investment management firms, of equity investments in smaller capitalization companies and of investments in international equities. The program for domestic and international alternative investments continued to expand during the past year. The alternative investments are managed primarily through pooled investment funds by a diverse group of managers. These investments include the areas of private equity, non-Cambridge real estate, long-biased hedge funds, and distressed debt. The Institute expanded its participation in emerging markets in view of the continued strong economic growth in Asia and the associated demand for raw materials.

Through the action of the Corporation during the year, the activities of the Investment Committee were transferred, effective July 1, 2004, to the board of the newly constituted MIT Investment Management Company (MITIMC). The MITIMC board is comprised of many former members of the Investment Committee and other alumni with substantial investment experience. Ms. Stone chairs this new board.