

Office of Treasury and Planning

The [Office of Treasury and Planning](#) reports to the executive vice president and treasurer (EVPT). The office is primarily responsible for ensuring the ongoing liquidity of the Institute while it pursues its bold research and education mission. The group is composed of Allen Marcum, director; Allison Parisi, Eileen DesRosiers, and Sean Adams, senior analysts; and Carol Ann Schultz, office manager.

Staff members help guide the long-term financial strategy of the Institute by providing research and analysis in support of new and ongoing EVPT initiatives. They are also responsible for the strategic and operational deployment of MIT's working capital, the optimization of its debt structure, and the funding and strategic implementation of the capital plan. Key ongoing deliverables include the preparation and presentation of financial reports and analysis to the Institute's Executive Committee and the MIT Corporation in the areas of capital planning, financial forecasting, borrowing, and working capital management.

Significant FY2016 accomplishments included:

- Completion of a comprehensive review of the history of the MIT/Kendall Square/Route 128 innovation ecosystem. From Kendall's industrial and manufacturing roots in the 1920s, through MIT's role in propagating "America's Technology Highway" beginning in the 1950s, to today's position as the home of the world's most innovative intersection, MIT has been a key participant in the success of the greater Boston area and in creating an innovation area rivaling that of Silicon Valley. This review provided a solid footing from which to contemplate MIT's next steps in leading an improved integration of the Kendall Square community, creating more porous boundaries between local companies, Kendall's startup economy, students, faculty members, and MIT's other resources.
- Creation of a financial resiliency index risk model to assess MIT's financial health compared with peer institutions. The resiliency index is a quantitative risk model based on publicly available information from MIT and its peers; it gives MIT a financial context for decision making about the Institute's long-term financial and operational health and exposure to a range of external shocks. In coordination with the Office of the Vice President for Finance, initial modeling focused on events that could result in a \$100 million or greater loss in operating performance or financial assets. Scenarios included risks specific to the Cambridge location (such as natural disaster, terrorism, pandemic, and so on), as well as the effects of broader risks such as financial market volatility, and resulted in a range of possible mitigating responses and items for further consideration.
- Continued refinement of the tax-exempt debt private business use data collection and calculation methodology, which allowed MIT to review private business use data at the room level of tax-exempt financed buildings to ensure proper disclosure to the Internal Revenue Service. The Internal Revenue Code imposes

very strict rules and restrictions regarding the manner in which MIT's tax-exempt bond-financed buildings and facilities can be used and this new methodology enhances the office's ability to provide correct tracking of any activities of outside parties or uses that are not consistent with MIT's research and education mission.

Allen Marcum
Director