



2021 ANNUAL REPORT

FULFILLING DREAMS AND ENRICHING THE LIVES OF OTHERS.



“The greatness of a community is most accurately measured by the compassionate actions of its members.”

– Coretta Scott King



Joint Report from the Chairman & President



Rui F. Domingos
President/Chief Executive Officer



John McDonald
Chair of the Board

2021 - AN OPPORTUNITY FOR CHANGE

Some may look back on 2021 as a repeat of 2020. But for MIT Federal Credit Union, the past year has been far more than a repeat, instead becoming an exciting year of change. Change that meant a chance to redirect efforts and find new ways of doing things. Signs of change were all around us last year. Combined with a sense of moving forward, we all felt a sense of hope in 2021. We welcomed students, faculty, and staff back to campus, and continue to see more and more community businesses returning to Kendall Square. And rather than saying we saw a “return to normal,” I say it was movement forward because returning to the pre-pandemic world isn’t progress. In fact, the pandemic has been a catalyst for progress - a change offering the chance to do better. In 2021, we embraced the opportunity to create a better experience for our members, staff, and community.

SOCIAL RESPONSIBILITY - SUPPORTING OUR COMMUNITY

Credit unions are in a unique position. One that allows us to connect and support our community in ways that can make a real difference. That sense of social responsibility is a game-changer and supports the credit union philosophy of People Helping People. It’s also a big part of MIT Federal Credit Union’s brand.

In 2021 we continued to offer emergency loans, payment deferrals, and Paycheck Protection Program loans because many of our members and the community at large continued to experience financial hardship.

We also made an effort to expand our charitable giving, providing multiple opportunities for our staff and our community to give.

We increased our calendar of virtual webinars, offering a chance for financial education with both the MIT Community and the local population.

We were approached by numerous organizations asking for more access and were able to provide specialized programs for:

- MIT Medical
- Special Employee Group's Benefits Fairs
- Office of Graduate Education
- Alumni Association – Boston Club

As we head into 2022, we look forward to further expanding our financial education efforts with webinars offered to new groups, including GetFit and the Community Wellness Racial Equity Group.

We were also thrilled to add a significant number of talented professionals to our first-rate team.

TECHNOLOGY – THERE'S ALWAYS A BETTER WAY

With so many people working from home, assisting with virtual schooling, and an increased comfort level with a digital world including everything from purchasing groceries and gifts online to test driving a car virtually, we expanded our own technologies to offer:

- Development of our in-house mortgage department and mortgage app ready for launch in 2022. In anticipation of having our entire lending process from application to close to be completed online or via our app.
- Multi-channel marketing - offering display, geofencing, event

- targeting, social and remarketing capabilities to offer timely messaging when members and prospects are looking for it
- AI-based marketing, promoting the right product at the right time, based on automated data gathering and analysis
- Trigger-based onboarding and retention campaigns to ensure existing and new members enjoy the benefits of membership.
- Enhanced offerings in online banking including member-to-member transfers
- Glia Chat - with traditional text-based chat, video, and co-browse chat from any phone, any device, anywhere

In 2021, we indeed took a step back. Still, it was a step that allowed exploration of the needs and wants of the community we serve. And as part of that exploration, we discovered the many possibilities that now lay before us. We made and continue to make intelligent changes and advancements to offer an improved experience for all.

IT'S ALL ABOUT COMMUNITY – COMMUNITY CAN START AT HOME

How can we help? That's the question we ask at the credit union. How can we best support our members and our community? In 2021 we recognized that our employees are also a part of that

community. January found us participating in MIT's Priscilla King Gray Center Social Impact Internship. A student intern gave our Money Talk Blog a new voice as a writer for our Student Talk series. We also emphasized awareness and training relative to Diversity, Equity, and Inclusion (DEI) within our staff. These efforts positively impact the service and acceptance our brand embodies within our community. Recognition, opportunity, and direction became a focus. It helped everyone, from onsite staff to those working remotely, focus, connect and contribute.

INTELLIGENCE IN SERVICE

As we look back on 2021, we saw the continuing struggle in the world around us. But we also see success, forward motion, better use of resources, increased use of technology, and a new direction. I know that I am looking forward to what comes next. I am grateful for our staff and our Board of Directors. They constantly strive to provide the highest level of service for our members and set a high bar for each other as we move forward. As a team, we look forward to the challenges and the opportunities of 2022 and the years to come.



Rui F. Domingos
President/Chief Executive Officer



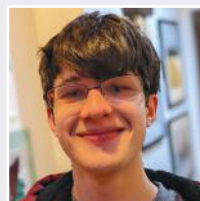
MIT FCU COMMUNITY

MEMORIAL
SCHOLARSHIPS

PEOPLE
HELPING
PEOPLE



Elisabeth Hunt



Christopher Hunt



Kayleigh Hubbard



Andrew Gagnon



Kevin Nett



Jacqueline Pottle



Jocelyn Heywood

People Helping People Award 2022

Recipient's Charity of Choice -
Boston City Singers



Charitable Giving

MIT FCU is happy to see things on the upswing despite all that is going on in the world today. One thing we've learned over the past year is that there is always opportunity to give, and our goal in the coming year, will be to take advantage of that opportunity as often as we can.

- Cambridge Family and Children's Services
- Camp Kesem-MIT-PHP Winner Charity 2021
- Community Tech Care Corporation
- CUKids at Heart
- Massachusetts Alliance of Portuguese Speakers
- Memorial Scholarship Program
- MIT Women's League
- My Brother's Table
- The Salvation Army
- Cooperative Credit Union Association (CCUA)
 - Stephen D. Jones Charity Golf Tournament
 - Children's Book Drive
- Massachusetts' Coalition for the Homeless – A Bed for Every Child



CHARITABLE
DONATIONS

SUPERVISORY REPORT

The Supervisory Committee continues to perform its charter to ensure that the financial reporting requirements are properly completed and the credit union has effective procedures to safeguard members' assets. The committee meets monthly to review the financial and internal control audits as well as other operational topics of interest. We are assisted in our efforts by outside firms that provide audit support of the credit union's finances, policies, and procedures.

Internal audits continued to receive significant attention

during 2021. Wolf & Company, P.C. performed ten planned internal audits during the year to test credit union procedures and controls in various areas including Wire Transfers, Risk Assessment, and Lending. We are happy to report that the findings were all positive and MIT FCU is in good standing.

Focus on information technology continued this year due to increasing occurrences of security breaches throughout the world. The threat of cyber-attacks, directly, through third-party vendors, or social engineering remain ever present.

The committee reviewed the findings and management's responses, and actively worked with Wolf & Company, P.C. and MIT FCU management on the suggested areas for improving procedures, security, and controls.

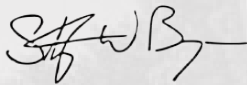
The committee continued to partner with an external auditor for our annual audit. The audit firm was engaged to perform our financial statements audit, which also included a review of internal controls. The committee met with the audit manager to review the scope, methods, and findings of their audit work.

- The committee believes the financial statements, in all material respects, fairly present the financial position of MIT FCU.

The Supervisory Committee is charged to investigate and respond to unresolved member complaints against credit union management, as well as whistleblower allegations. There were no such allegations this year.

The committee membership did not change this year. Covid-19 has led to conducting monthly meetings online and we look forward to in-person meetings in the future.

We proudly volunteer for this committee and look forward to serving the MIT FCU community in 2022.



**Stephen W. Boyer, Chairman,
Supervisory Committee**

“MIT FCU has the best rates, customer service, and service speed I’ve encountered in two different states over the last 10 years.”

- Pedro S.
Member since July 2008

TREASURER'S REPORT

Our credit union continued to grow in 2021, achieving a new record in Total Assets of \$771,117,121. This represents an increase of \$78,113,152 over 2020. Also reaching a new record high were Total Shares of \$716,414,557, an increase of \$73,881,524 over 2020. This indicates the continued confidence our members have in the credit union.

We continued to assist our member through the Payroll Protection Program.

The credit union completed the major renovation at our 700 Technology Square Branch and also completed the refresh for the Student Center Branch reopening. Both will enhance our member experience.

None of these major achievements could have been accomplished without the continued support of our members and the collaboration of our Board of Directors and other volunteers along with the employees of the credit union. THANK YOU! We look forward for continued growth in 2022.

Robert M. Dankese, Treasurer



KEY FINANCIALS



Statement of Financial Condition

ASSETS

	2021	2020
Cash & Cash Equivalents	\$ 167,209,967	\$ 110,292,203
Loans, Net	496,555,302	500,202,055
Investment Securities	80,508,817	51,810,685
All Other Assets	26,843,035	30,699,026
Total Assets	\$ 771,117,121	\$ 693,003,969

LIABILITIES

Member Shares & Deposits	\$ 716,414,557	\$ 642,533,033
Accounts Payable & Other Liabilities	5,661,561	5,743,299
Total Liabilities	\$ 722,076,118	\$ 648,276,332

RETAINED EARNINGS

Regular & Undivided Earnings	\$ 49,712,326	\$ 44,540,927
Unrealized Gain (Loss) on Investments	(671,323)	186,710
Total Retained Earnings	49,041,003	44,727,637
Total Liabilities & Retained Earnings	\$ 771,117,121	693,003,969

Statement of Income & Expense


INCOME

Interest on Loans & Investments	\$ 17,283,135	\$ 18,629,989
Gain on Sale of Loan Portfolio		
Fees & Other Income	4,130,410	3,516,975
Total Income	\$ 21,413,545	\$ 22,146,964

EXPENSES

Operating Expenses	\$ 15,072,096	\$ 15,392,980
Provision for Loan Loss	100,000	4,466,669
Dividend Expense	\$ 1,070,051	\$ 1,668,567
Interest on Borrowings		
Total Expenses	\$ 16,242,147	\$ 21,528,216
Net Income	\$ 5,171,398	618,748

Please note that these schedules reflect audited financial statements as of 4/8/22.



“Everyone is always
incredibly responsive
and customer service
oriented.”

- Michelle H.
Member since June 2000



CREDIT UNION LEADERSHIP

Board of Directors

John M. McDonald, Chair
Clinton Blackburn, Vice Chair
Robert M. Dankese, Treasurer
John Kendall Nowocin, Secretary
David E. Markuson, Director
C.J. Whelan, Director
Steven Winig, Director
Jack Wolfe, Director
Vipul Bhushan, Director
Laura R. Zhivich, Associate Director
Bryan Reid, Associate Director

Supervisory Committee

Stephen W. Boyer, Chair
Jordan B. Lewis, Secretary
David E. Markuson, Director
Theresa Howell, Member
Karon McCollin, Member
Ina Kundu Benjamin, Associate Member

Senior Management

Rui F. Domingos, President/Chief Executive Officer
Nancy J. Fales, Senior Vice President, Lending
Cynthia M. Hudson, Senior Vice President,
Chief Financial Officer
Christian Lazowy, Senior Vice President,
Member Services
Lisa Mandel, Senior Vice President, Information
Technology & Operations
Leroy Mahoney, Vice President,
Information Technology
Dmitriy Banar, Vice President, Mortgage Operations



MIT FCU Operations Center

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Federally Insured By NCUA. Equal Housing Lender.