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# JOINT REPORT FROM THE CHAIRMAN AND PRESIDENT

At MIT Federal Credit Union, 2023 was a year of forward-thinking change. We continued to support an employee-first organization, building off the strengthened foundation of 2022. We developed a new mission statement, vision, and core values that reflect our organization, and we already see a positive impact on our members' satisfaction.

## FINANCIAL STABILITY & GROWTH

In 2023, we continued our goal of ensuring a safe, sound, and viable financial organization. Thanks to a significant improvement in our credit union capital, we were able to invest back into our members with competitive deposit and loan rates. Our hard-to-beat savings rates and new high-yield savings accounts gave our members more significant value in their savings, and additional new products have brought emergency assistance and a decreased carbon footprint to our repertoire.

One of our most notable new products is our Solar Loans. We partnered with NRGTree to provide access to resources that will assist our members in becoming more energy efficient and have been thrilled to see so many taking advantage of this great new product. We also began offering Express Loans to assist our members experiencing financial emergencies. Instead of putting an emergency expense on a credit card at a significantly higher rate, they can quickly get approved for an Express Loan and take advantage of a low, convenient rate. Our Solar

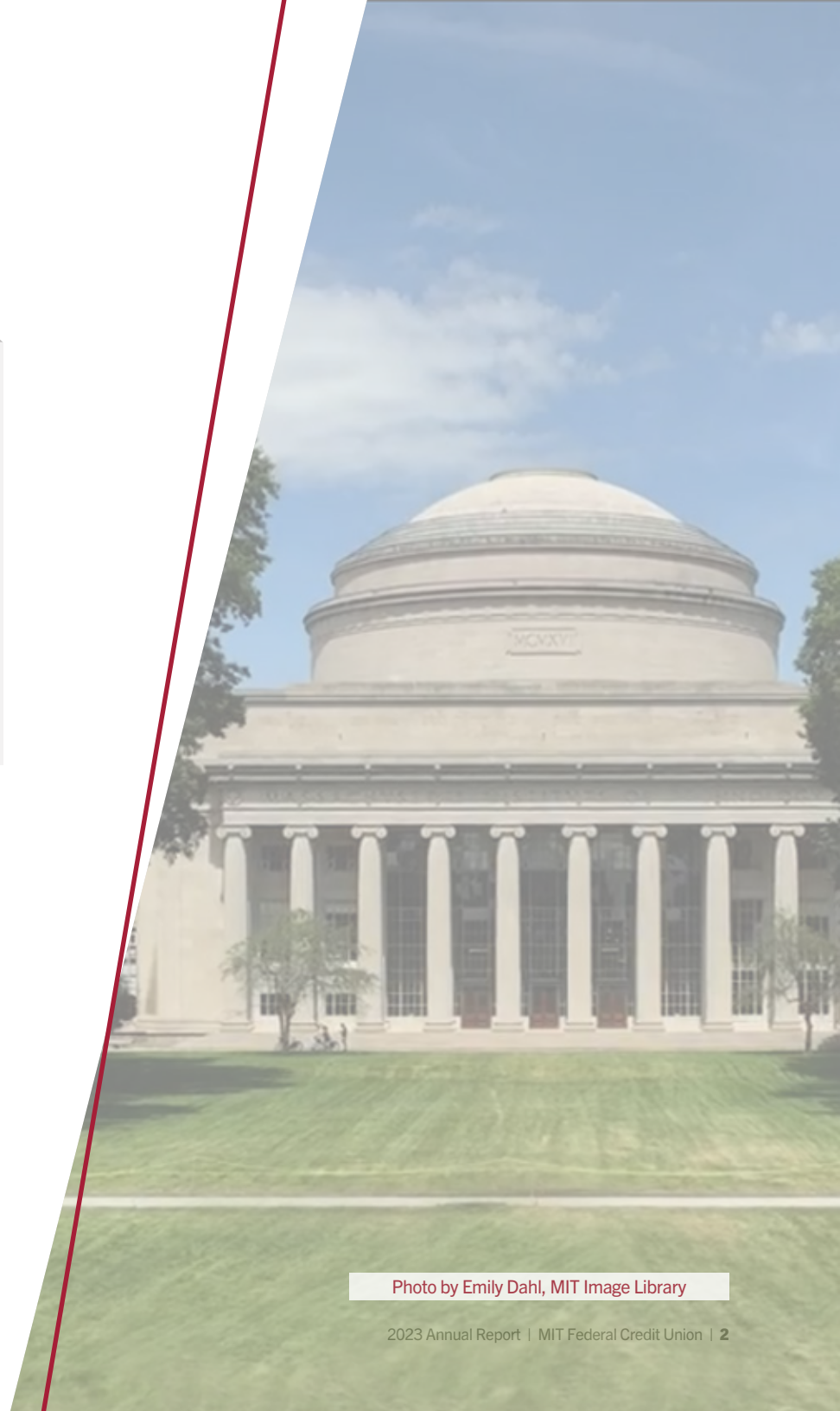


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and Express Loans were created with our members at the forefront, further defining our member-first ideology.

Digital Platform, Products & Services  
We continuously strive for innovation and a seamless digital experience to create additional convenience for our members as technology advances. 2023 brought significant steps towards this long-term goal, including 24/7 assistance provided by our new AI Chatbot, Mitch, and access to a new ATM/VTM site at 808 Memorial Drive.

One of the most substantial changes in 2023 was acquiring full ownership of our phone system. This gave us the opportunity to onboard a better solution for handling member interactions through our Contact Center. After weighing our options, we found Five9 to be the perfect system. We now have greater control and the ability to house all Contact Center member touchpoints, such as phone calls, emails, and chats, in one convenient location. This control will allow us to create a more enhanced

member experience throughout the contact center.

We also introduced a new credit score feature, SavvyMoney, in mobile and online banking, allowing members to manage their credit ratings better and take advantage of opportunities based on their scores. We are continuously assessing our technologies and developing our strategy for future enhancements and look forward to sharing our next significant steps with all of you.

### STRATEGY

In 2023, we embarked on a four-month process led by a committee of MIT FCU employees and board members, culminating in a revised mission statement, vision, and core values. We invested significant time in developing these values, and the project was a great accomplishment. Through this initiative, we are already experiencing an improved member experience. We proudly implemented many previously

established DEI initiatives along with employee feedback and will continue to operate under these ideals.

### LOOKING FORWARD

In 2024, I am most excited to continue building on our momentum from this past year. I am thankful for our staff and Board of Directors, who worked hard as a community to have a meaningful impact on our members. 2023 was an excellent year for MIT Federal Credit Union, and I look forward to all 2024 will bring.



Rui F. Domingos  
*President / Chief Executive Officer*



Clinton Blackburn  
*Chair of the Board*



# MIT FCU COMMUNITY

## Memorial Scholarship

Each year, MIT Federal Credit Union recognizes outstanding student members through our Memorial Scholarship Program. Recipients were selected based on grades, extracurricular activities, and their response to an essay question.

**For the 2024-2025 academic year, MIT Federal Credit Union is proud to award six \$1,000 college scholarships.**

## People Helping People

The 2024 People Helping People Award is presented to a current member of both the MIT Community and MIT Federal Credit Union. The recipient exemplifies compassion, commitment to helping others, and a sense of social justice. The award recipient will receive \$2,000, and a charity of the winner's choice will receive an additional \$2,000 donation.



**Lashauna Walker**

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**Courtney Fitch**



**Madison Fitch**



**Andrew Gagnon**



**Madison Holmberg**



**Gwyneth Tangog**



**Amanda Wang**

# CHARITABLE GIVING

MIT FCU is passionate about creating meaningful change, which is why we support various initiatives that make a difference in Cambridge and the surrounding areas. In the coming year, we hope to expand our outreach and make a lasting, positive difference for our employees, members, and communities.

- 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



“I always feel safe banking with MIT FCU, even during a stressful time. I always trust that they are doing what they can to have my back.”

- Anthony F.

Photo by MIT Image Library

# 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 2023. Wolf & Company, P.C. performed seven planned internal audits during the year to test credit union procedures and controls in various areas including Network Infrastructure, Risk Assessment, and Information Security. 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 members remained

unchanged over this past year. The committee has begun a recruitment campaign for a new student associate member. We proudly volunteer for this committee and look forward to serving the MIT FCU community in 2024.

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

*"I have been a member of the credit union for 38 years, the people are always helpful and friendly! I love going there!"*

*- Linda B.*

# TREASURER'S REPORT

In 2023 our Credit Union was in a very challenging financial environment as many others were. The stock market improved substantially over 2022 and the Federal Reserve continued to increase interest rates thereby giving our members several options to invest their funds.

Total Assets were \$727,131,892, a decrease from the \$732,193,717 the previous year. Total Loans also saw a decrease to \$603,500,331 from \$610,526,722 in 2022. Total Shares decreased to \$640,029,187 from \$668,386,635 in 2022.

**Net income for the year was \$8,287,964 up from the \$4,936,244 in 2022.**

“I love that I get to speak to an actual human when I need customer service at MIT FCU, and the representative with whom I spoke was very effective at resolving the issue behind the call.”

- Matthew B.

Dividends earned by our members also increased substantially because of our High Yield Savings Account and various Certificate Specials to \$3,733,045 from \$840,293 the previous year. As a result of this increase in earnings, we were able to add to our reserves as required by the National Credit Union Administration (NCUA) and earned us a Well Capitalized rating, which is their top rating.

We also opened a new ATM/ VTM location at 808 Memorial Drive and became a member of the American Consumer Council (ACC).

As we look forward to our 84th year in operation in 2024, we would like to thank our members for their continued support as well as our Board of Directors, Supervisory Audit Committee, and the employees of the Credit Union.

**Robert M. Dankese, Treasurer**

# KEY FINANCIALS

## STATEMENT OF FINANCIAL CONDITION

	2023	2022
<b>Assets</b>		
Cash & Cash Equivalents	\$52,965,040	\$20,889,934
Loans, Net	\$597,702,695	\$604,305,919
Investment Securities	\$45,036,427	\$72,172,467
All Other Assets	\$31,427,730	\$34,825,397
<b>Total Assets</b>	<b>\$727,131,892</b>	<b>\$732,193,717</b>
<b>Liabilities</b>		
Member Shares & Deposits	\$640,029,187	\$668,386,635
Accounts Payable & Other Liabilities	\$29,618,386	\$16,242,499
<b>Total Liabilities</b>	<b>\$669,647,573</b>	<b>\$684,629,134</b>
<b>Retained Earnings</b>		
Regular & Undivided Earnings	\$62,726,624	\$54,648,569
Unrealized Gain (Loss) on Investments	\$(5,242,305)	\$(7,083,986)
<b>Total Retained Earnings</b>	<b>\$57,484,319</b>	<b>\$47,564,583</b>
<b>Total Liabilities &amp; Retained Earnings</b>	<b>\$727,131,892</b>	<b>\$732,193,717</b>

## STATEMENT OF INCOME & EXPENSE

<b>Income</b>		
Interest on Loans & Investments	\$26,737,181	\$19,230,309
Gain on Sale of Loan Portfolio	-	-
Fees & Other Income	\$5,049,503	\$3,920,911
<b>Total Income</b>	<b>\$31,786,684</b>	<b>\$23,151,220</b>
<b>Expenses</b>		
Operating Expenses	\$18,081,327	\$17,202,390
Provision for Loan Loss	\$250,000	-
Dividend Expense	\$3,733,044	\$840,293
Interest on Borrowings	\$1,434,349	\$172,293
<b>Total Expenses</b>	<b>\$23,498,720</b>	<b>\$18,214,976</b>
<b>Net Income</b>	<b>\$8,287,964</b>	<b>\$4,936,244</b>



# CREDIT UNION LEADERSHIP

## BOARD OF DIRECTORS

**Clinton Blackburn**, *Chair*

**Steven Winig**, *Vice Chair*

**John Kendall Nowocin**, *Secretary*

**Robert M. Dankese**, *Treasurer*

**John M. McDonald**, *Director*

**John “Jack” Wolfe**, *Director*

**Vipul Bhushan**, *Director*

**Cheryl Clarkson**, *Director*

**Paula Collins**, *Director*

**John Gianfrancesco**, *Associate  
Director*

**Jay Steven Fridkis**, *Associate  
Director*

## SUPERVISORY & AUDIT COMMITTEE

**Stephen Boyer**, *Chair*

**Steven Winig**, *Director*

**Jordan Briggs Lewis**, *Secretary*

**Theresa Howell**, *Member*

**Karon McCollin**, *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*

**John Billings**, *Vice President,  
Marketing*

**Jill Finnegan**, *Vice President, Finance*

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Your savings are federally insured to at least \$250,000 and backed by the full faith and credit of the United States Government, National Credit Union Administration, a U.S. Government Agency.

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