

SDNY News Clips

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Epstein

Jeffrey Epstein Gave \$850,000 to M.I.T., and Administrators Knew

NY Times

By Tiffany Hsu, David Yaffe-Bellany and Marc Tracy

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The convicted sex offender Jeffrey Epstein donated a total of \$850,000 to the Massachusetts Institute of Technology, and top administrators were aware of the gifts for years, according to a report released on Friday by a law firm hired by the university to investigate its ties to the disgraced financier.

The firm, Goodwin Procter, found that Mr. Epstein made 10 donations from 2002 to 2017, and also visited the school nine times from 2013 to 2017. The school said last year that it had received roughly \$800,000 over the past two decades from Mr. Epstein, who killed himself in his Manhattan jail cell in August while awaiting trial on federal sex trafficking charges.

The university placed Seth Lloyd, a mechanical engineering professor who previously acknowledged a relationship with Mr. Epstein, on paid leave after the report found that he “purposefully failed” to inform M.I.T. of multiple donations from Mr. Epstein, including a \$60,000 gift that was deposited into a personal bank account and not reported to the school.

Mr. Lloyd did not immediately respond to a request for comment.

The report found that three current and former M.I.T. administrators learned of Mr. Epstein’s donations to the Media Lab in 2013, but “in the absence of any M.I.T. policy regarding controversial gifts,” other donations were approved under “an informal framework” that the administrators developed.

The report said senior administrators had made “significant mistakes of judgment” in accepting donations from Mr. Epstein after his 2008 conviction on sex charges in involving a minor in Florida, but had not breached any university policy. The university did not announce any disciplinary action for the administrators.

“We must fix what needs fixing and improve what needs improving,” L. Rafael Reif, M.I.T.’s president, said in a statement.

Mr. Reif acknowledged last year that he had signed a letter thanking Mr. Epstein for a donation in 2012, four years after the financier’s plea. The 61-page report cleared Mr. Reif of wrongdoing, saying that he was unaware that the school’s prestigious Media Lab was accepting donations and “had no role in approving” the funds, according to the university.

After Mr. Epstein was charged with sex trafficking in July, the Media Lab became ensnared in the public reckoning over the vast network of academic, business and political leaders who rubbed shoulders with the financier or accepted money from him.

The lab’s director, Joichi Ito, acknowledged raising \$1.7 million from Mr. Epstein for the lab and his own outside investment funds. The disclosure created an uproar at the Media Lab, a program that prides itself on its contrarian culture.

Mr. Ito, a master networker who had raised at least \$50 million for the Media Lab, resigned from the center in September. He also stepped down from The New York Times Company’s board of directors, as well as several other boards and a visiting professorship at Harvard.

Internal emails demonstrated how Mr. Ito and other Media Lab officials took steps to conceal the lab's relationship with Mr. Epstein. In one 2014 email, Mr. Ito wrote that a \$2 million gift from the Microsoft co-founder Bill Gates had been "directed by Jeffrey Epstein." In a subsequent email, another official at the lab wrote that "for gift recording purposes, we will not be mentioning Jeffrey's name as the impetus for this gift."

Mr. Gates denied that Mr. Epstein had directed grant-making on his behalf, and the firm's report said Mr. Gates's representatives had flatly denied that Mr. Gates had donated at Mr. Epstein's behest.

In another email exchange, Mr. Ito discussed how Mr. Epstein was helping to connect the lab to Leon Black, the founder of Apollo Global Management, a prominent private equity firm. One email indicated that Mr. Black had given the lab \$4 million by wire transfer.

The report said Mr. Black had acknowledged donating to charities affiliated with Mr. Epstein, but that he had not specifically addressed whether he had given to M.I.T. or whether Mr. Epstein had asked him to donate.

A representative for Mr. Black said he could not immediately be reached for comment.

