6/14/2010

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As a result of the downturn in the economy, MIT looked inward to see how it could cut costs and save money as a result of the drop in the value of MIT’s endowment. The MIT Institute-wide Planning Task Force looked at all aspects of MIT’s operations to look for ways to save money and reduce waste. One of the aspects MIT identified was a then-$500,000 subsidy to house dining operations.[[1]](#footnote-1) The task force charged Dean of Student Life Chris Colombo to investigate ways of eliminating that subsidy. Dean Colombo created the House Dining Advisory Group (HDAG) to work on this issue. However, in the charge Dean Colombo issued to HDAG, cost savings somehow fell to last on the Dean’s list of issues to consider. Instead of cost savings, values such as “service,” “quality,” “nutrition” and “variety” topped the Dean’s list of important issues. [[2]](#footnote-2) What started as an exercise in cost cutting quickly transformed into a service escalation.

And it is clear that HDAG considered cost to be its lowest priority. The HDAG plan more than doubles the number of meals served per week at MIT houses from 22 to 56 per week.[[3]](#footnote-3) Even at first glance this raises a red flag. Meals served in house dining locations are inherently most costly per person than other locations on campus because of their isolated and internally focused nature. Now cost must be balanced with demanded service level. HDAG correctly synthesized that most members of dorms with dining halls do not want their dining hall to close. As the administration correctly points out, dining halls are an important place of community for each dorm. I certainly have put off many P-Sets because I become involved in long conversations over dinner with other students who live in Baker, as well as the other dorms. I think for many MIT students; the value of this community and conversations over dinner is worth the cost of running smaller house dining locations. In addition it is great that MIT gives students a choice whether to live in a dorm with dining or to cook for ones’ self. Certainly for me, the dining hall provides me with nutritious food; without which I would be at a disadvantage. Having dinner available in my own house makes it convenient during the evening. Personally, I think the $8 (with my half off fee amortized over the semester) I currently pay per dinner is a good value. The other students in dorms with dining halls have also made this cost to service tradeoff.

Now, MIT certainly has the right to remove the subsidy from its house dining operations if it decides that the rest of campus should no longer subside house dining through campus food purchases. But if one does the math on this deficit, which has been reported to be as high as $640,000[[4]](#footnote-4), the deficit only amounts to $513 per student who lives a dorm with a dining hall.[[5]](#footnote-5) These students currently spend $600 for a half-off “House Dining Membership.” A 2007 Baker House study found that most Baker students spend less than an additional $600/year at the cash register. [[6]](#footnote-6) Even assuming students spend $600 per year at the cash register, the cost of dinner adds up to $1713 per student per year under the current plan, even without the subsidy. When one compares this to the proposed 7 breakfast/7 dinner plan which costs a projected $3,800, one is left with over half the cost of the plan accounting for the addition of breakfast or the change to all you care to eat (AYCE).

Richard Berlin, director of Campus Dining, has claimed to me that AYCE has about the same cost as a la carte. However, Mr. Berlin has not provided more than simple anecdotal evidence of the cost differences. In the final HDAG report, the administration makes no mention of the cost of AYCE vs a la carte, despite their group being charged with evaluating cost. Instead, the administration touts AYCE for its power to make students drink 5 times more milk than before.

The largest increase in cost is thus due to the addition of breakfast. Most of the additional meals which would be served would be breakfast 7 days a week in all 4 dorms with dining. Even a very limited grab-and-go program would be expensive. It would need to be staffed and since staff make up the majority of cost in almost every business, food service included, breakfast would cost significantly more than buying ingredients from Shaw’s, while offering a smaller selection. MIT students are perfectly capable of visiting a grocery store once a week or less and buying a box of cereal and a gallon of milk. Rather than paying someone to pour out some cereal for us, we can pour our own in our rooms and eat it on the way to class. If we assume that my calculations for the current cost of dinner even without the subsidy and the administration’s assertion that AYCE would cost the same, MIT students would be paying about $8 a day for this fancy cereal service whether they use it or not.

The administration asserts in the final HDAG report that “the Institute has an obligation to ensure that breakfast is available.”[[7]](#footnote-7) However, in this bad economy, we simply cannot afford expanding services. MIT should focus on getting rid of the dining deficit if need be, but it should refrain from doubling the service level in these lean times. One argument made by the administration is that adding breakfast would spread the fixed costs of operating the house dining program over more meals. However, as any economist will tell you those costs are sunk, and thus should not factor into your decision to spend additional money. Instead we must look solely at the marginal cost of adding breakfast.

MIT’s stance to improve service at the expense of cost only furthers the cost spiral of higher education in the US. Colleges’ total cost of attendance have been growing at double the rate of inflation for many years – not due to increased instruction, but the exploding costs of student life and related programs. By not adding expanding services MIT will help hold the line on the escalating costs of higher education in the US. Because students have been historically able to meet rising costs through loans and scholarships, colleges have been free to ever try to outdo the competition with plusher student life programs.

Even though we, the actual students are not the ones actually paying the bills, many of us are extremely cost conscious. We recognize that using our scarce financial aid resources takes them away from other places; especially the increase in enrollment this year. For those without financial aid, $50,000+ is a LOT of money. Adding to it, even a little amount, hurts. We do not want to dig ourselves further into a debt hole to enjoy a plusher service than we have now. In fact in the 2009 Envision Strategies Blue Ribbon Commission report, students overwhelmingly stated that they cooked for themselves because it was cheaper.[[8]](#footnote-8)

However the administration is unwilling to reevaluate serving breakfast. I made a deal to Dean of Student Life Chris Colombo to set a performance target on the use of breakfast. By the administration’s logic, breakfast, especially breakfast you have already paid for, will be picked up by a lot of students. On the other hand, many of the students I talked to have no interest in breakfast, especially considering they would have to pay about $8 for it, every day, whether they buy it or not. Dean Colombo and the rest of the administration on HDAG had no patients for my idea, even though the plan would concede every other issue to the administration. They told me that they were not willing to evaluate the success of breakfast even after an entire semester. Instead they told me that they would be willing to wait years for breakfast to “take.”

As a member of the RFP committee, I look forward to evaluating the actual cost of service as proposed by the vendors themselves. I sincerely hope that a proposal with sufficient quality comes in at an affordable cost. We must guard against spiraling cost increases, especially on a service many students do not want.

–Michael Plasmeier

1. http://web.mit.edu/instituteplanning/TaskForceFinalReport.pdf [↑](#footnote-ref-1)
2. http://studentlife.mit.edu/sites/default/files/HDAG\_charge.pdf [↑](#footnote-ref-2)
3. Current: 7+5+5+5. New 7\*4\*2 [↑](#footnote-ref-3)
4. http://studentlife.mit.edu/house-dining-review/financial-stability [↑](#footnote-ref-4)
5. 318+347+344+237=1246 dorms with dining [↑](#footnote-ref-5)
6. http://tech.mit.edu/V127/N24/bakerdining.html [↑](#footnote-ref-6)
7. HDAG Final p43 [↑](#footnote-ref-7)
8. HDAG Final p58 [↑](#footnote-ref-8)