

Participation and Survey

As of May 27th, 2011, 30 organizations have replied to the housebill survey. This includes all resident sororities, three of six independent living groups and 23 of 25 resident fraternities. The comment field was used by a few houses, with two houses reporting billing members separately for meal plans.

Findings

Occupancy

Nineteen of 30 organizations reported operating at above 80% of the total “ideal capacity” as defined by each chapter (average of 83.8%, median of 86.5%). In total, all participating groups housed a total of 907 students out of a total ideal capacity of 1088 (83.3% average, 188 available beds). Higher occupancy numbers were reported for the Summer 2010 period compared to the academic term (average of 88.6, median of 96.6%), although Sorority occupancy rates lagged behind those of Fraternities and ILGs (75.4% versus 90.5% average summer occupancy).

Resident Charges

The average Fraternity, Sorority, ILG and community-wide Housebills are shown below and on Chart 1 and data from individual chapters are shown in Chart 2. Overall, the increase in FSILG Housebill was 3% from the 2009-2010 to the 2010-2011 academic year, and 6.9% total over the 2008-2009 to 2010-2011 two-year period. These changes in Housebill vary by chapter, as reflected in the second table below.

| | Fraternity | Sorority | ILG | FSILG-wide |
|----------|-------------------|-----------------|------------|-------------------|
| 2010-11* | \$7,184 | \$7,882 | \$5,734 | \$7,132 |
| 2009-10* | \$6,966 | \$7,831 | \$5,766 | \$6,925 |
| 2008-09* | \$6,976 | \$7,529 | \$5,133 | \$6,671 |

*Note that the same houses did not participate in each period.

% Housebill Change, by chapter

| (No. of Chapters) | <0% | 0-2% | 2-5% | 5-10% | >10% |
|-------------------|---------------|-------------|-------------|--------------|----------------|
| One Year | 4 | 11 | 3 | 5 | 5 |
| Two Years | 4 | 4 | 2 | 6 | 7 |

Non-resident Charges

The average Fraternity, Sorority, ILG or FSILG non-resident housebill for the year is reported below and on Chart 1 for freshmen (new members) and non-freshmen. The amount charged to non-residents varies considerably from chapter to chapter. However, there was little change FSILG-wide in these figures compared to previous years.

| Freshmen | Fraternity | Sorority | ILG | FSILG-wide |
|-----------------|-------------------|-----------------|------------|-------------------|
| 2010-11 | \$588 | \$692 | \$140 | \$588 |
| 2009-10 | \$628 | \$545 | \$325 | \$595 |
| 2008-09 | \$622 | \$790 | \$110 | \$540 |

| Non-Freshmen | Fraternity | Sorority | ILG | FSILG-wide |
|---------------------|-------------------|-----------------|------------|-------------------|
| 2010-11 | \$775 | \$684 | \$300 | \$775 |
| 2009-10 | \$833 | \$506 | \$450 | \$761 |
| 2008-09 | \$810 | \$662 | \$203 | \$701 |

Summer Housebills

The amounts collected for the Summer of 2010, per summer resident, are reported below. These data were not collected in 2008. Eight of 30 houses were at less than 80% ideal capacity in the summer of 2009.

| Summer | Fraternity | Sorority | ILG | FSILG-wide |
|---------------|-------------------|-----------------|------------|-------------------|
| 2010 | \$1219 | \$1369 | \$1291 | \$1246 |
| 2009 | \$1033 | \$1322 | \$928 | \$1058 |

Meal Plans

All chapters except two reported providing some meal plan. Four organizations provide only dinner two-five days per week. Many of the other houses provide some variation of an open pantry policy for breakfast and lunch. The housebill charged did not correlate at all to the estimated cost of meals provided. MIT estimates that students will spend ~\$20.75 per day on meals or about \$2,175 per semester (further estimated to be \$5.75 per breakfast, \$6.25 per lunch and \$8.75 per dinner). Based upon an assumption that students eat 50% of their provided meals in house and pay for the remainder out of pocket, the housebills were normalized for the number of meals provided. These values are reported in Chart 3. The error bars show what a student would pay if they eat none of the meals provided by their FSILG (positive error bar) or all of their meals provided (negative error bar).

Comparison to Dormitories

Using the assumptions about student eating habits described above, we are able to make comparisons between FSILG and Dormitory costs. Considering room and board alone, the average FSILG was ~7% less expensive than the average dormitory room. The average fraternity was also less expensive (~6%) than the average dormitory room and the average sorority about the same cost, whereas the average ILG was significantly less expensive, although there was high variability among the ILGs reporting. In a continuing trend, the cost of living in a dormitory increased relative to the cost of living in an FSILG from the 2009-10 to 2010-11 Academic Years. These figures, however, are highly dependant upon how eating habits are modeled at each chapter. For example 25 of 30

FSILGs are less expensive than all Dormitories if students take full advantage of their meals plans (100% of provided meals eaten in house). These values are also well below the \$11,775 that MIT estimates an incoming student will spend on room (\$7,275) and dining (\$4,500) in the 2011-2012 academic year (red dotted line in Chart 3, http://web.mit.edu/sfs/forms_and_publications/form_pdfs/FYME2011.pdf).

Finally, to examine the change over time in cost of a representative Dormitory room, the cost of a double in Baker house is shown in Chart 4. The year-over-year increase in cost for this standard room is 6.67% from 2003-2010. However, the change in cost from the 2009-2010 to 2010-11 academic year was ~4%, a departure from the 6-7% increases which have been standard over the last seven periods from which we have data. This 4% increase was maintained by MIT again going into the 2011-2012 academic year in almost all residences. These numbers exclude the additional cost of the meal plan mandatory in some residence halls.

Chart 1: Average Academic Year Housebill

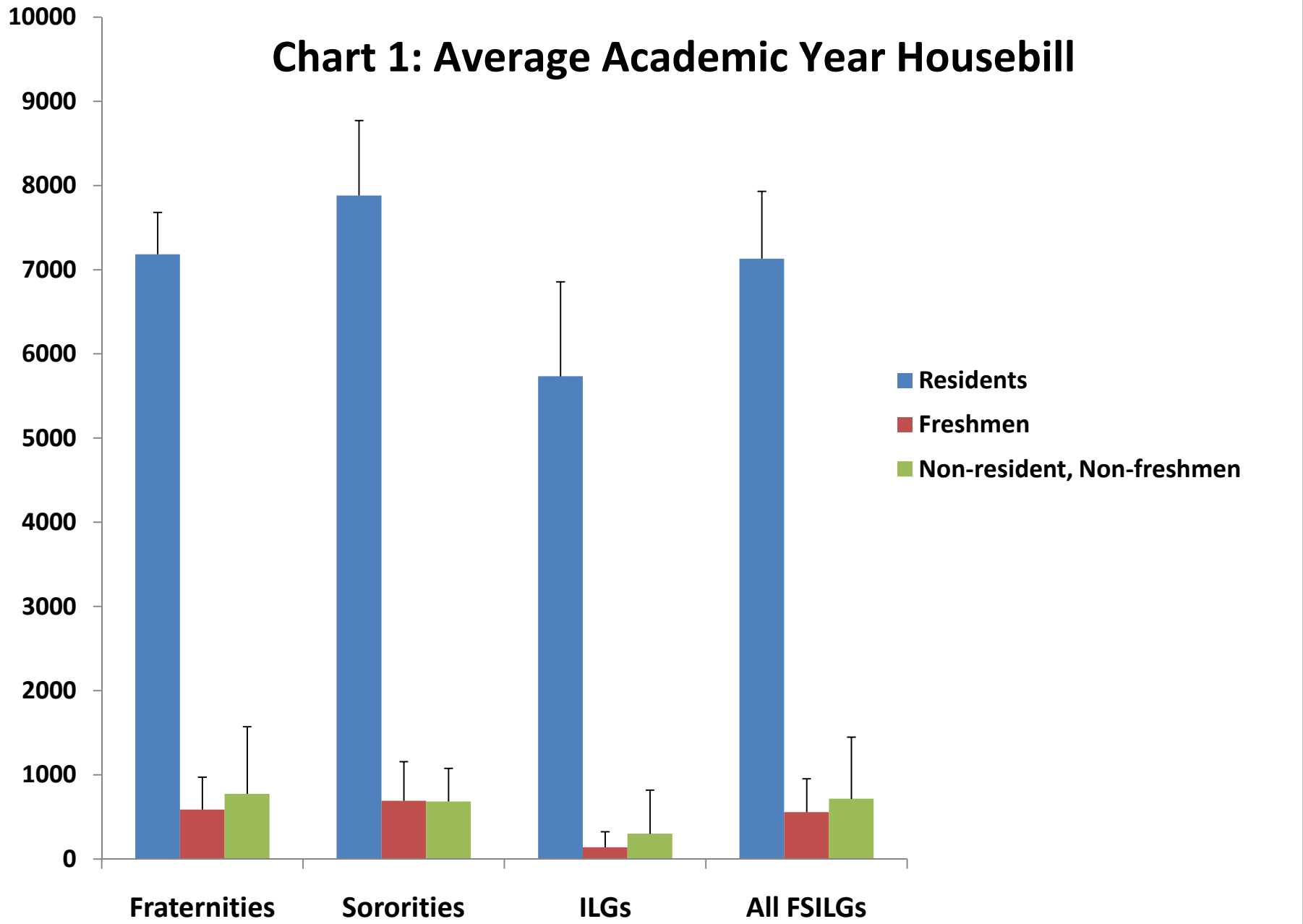


Chart 2: 2010-2011 Academic Year Housebills by chapter

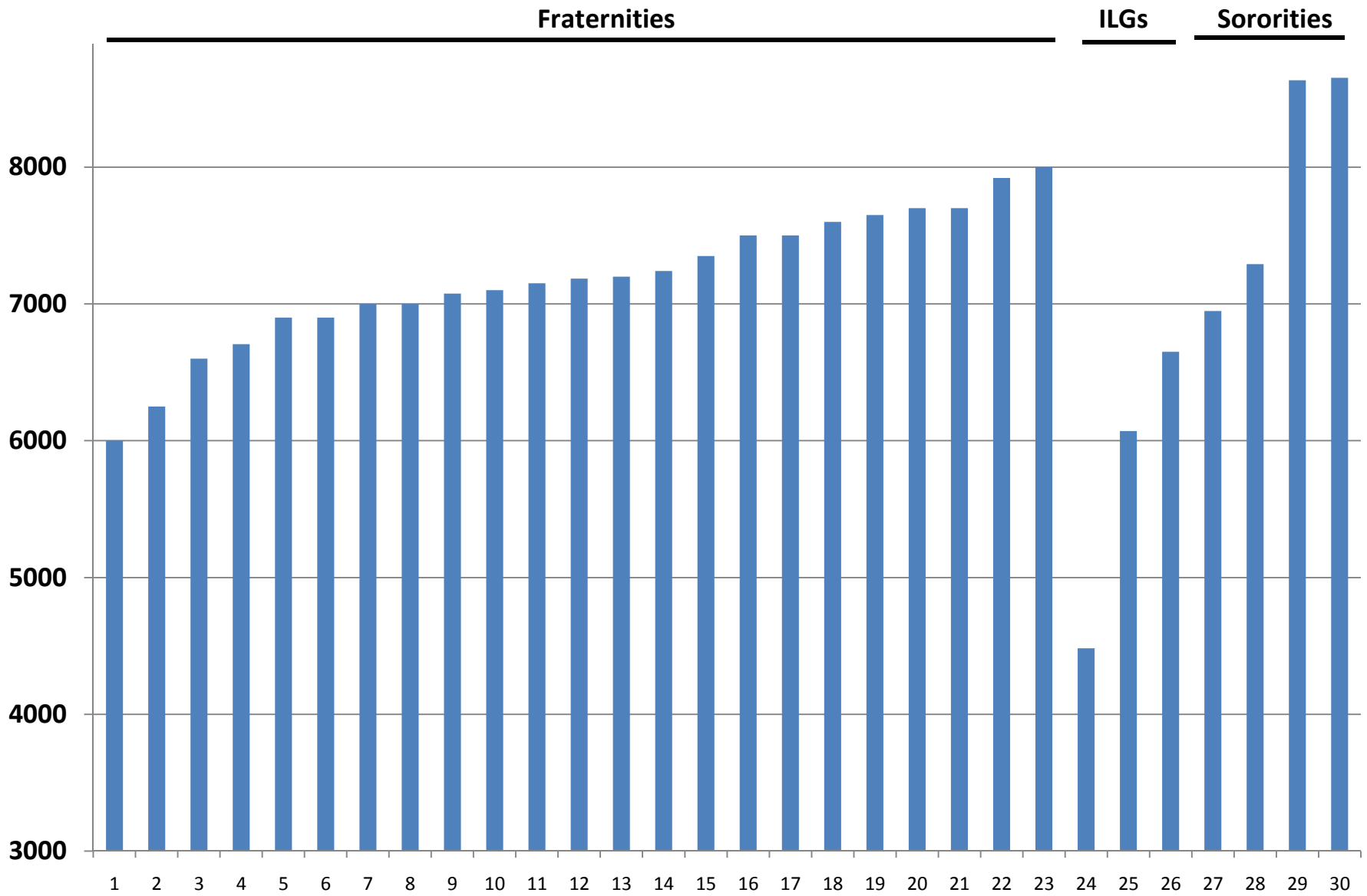


Chart 3: Housebill Corrected for Differences in Meal Plans

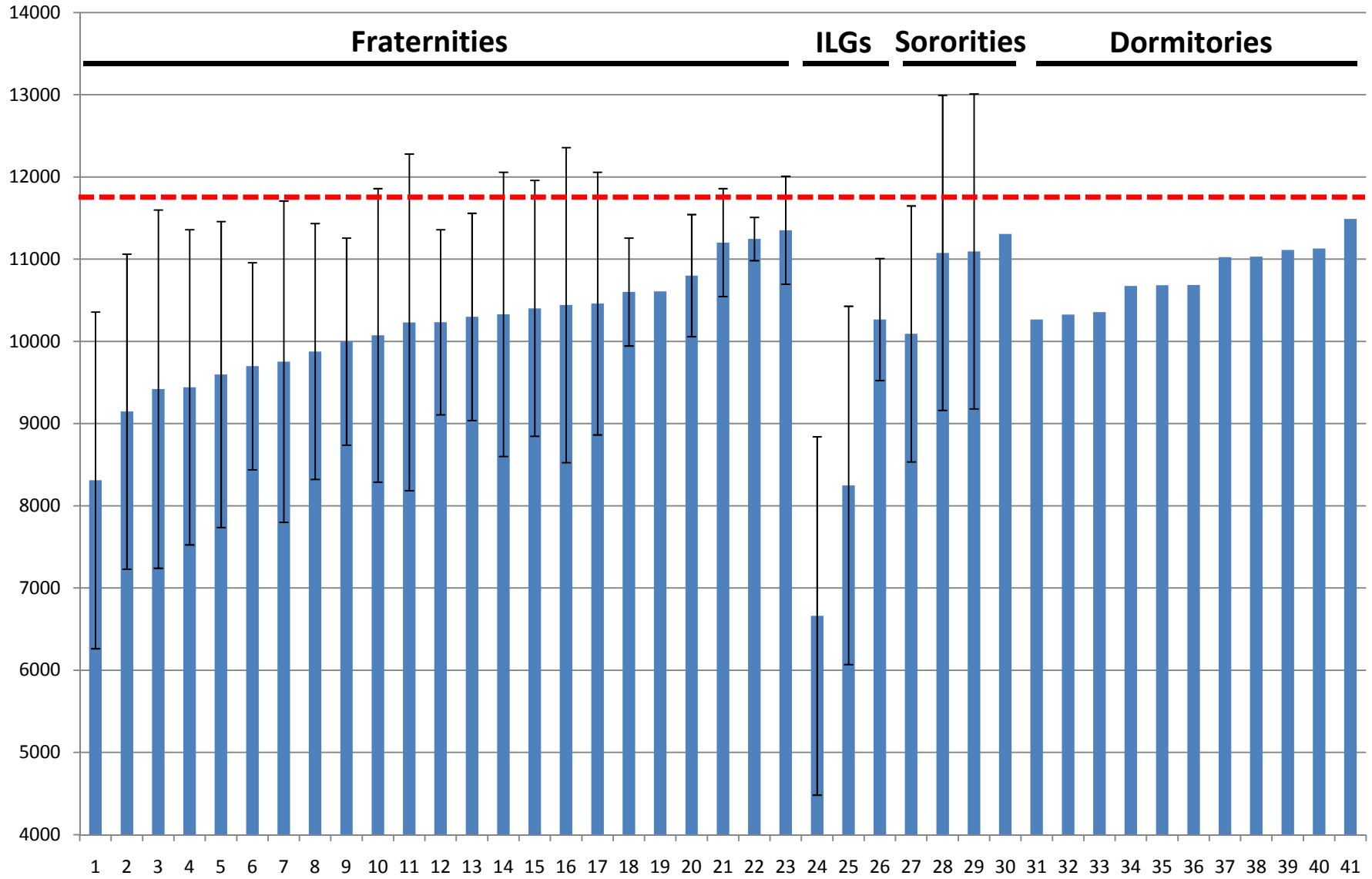


Chart 4: Cost of a Double in Baker House
(per Academic Year, does not include house tax and required dining plan)

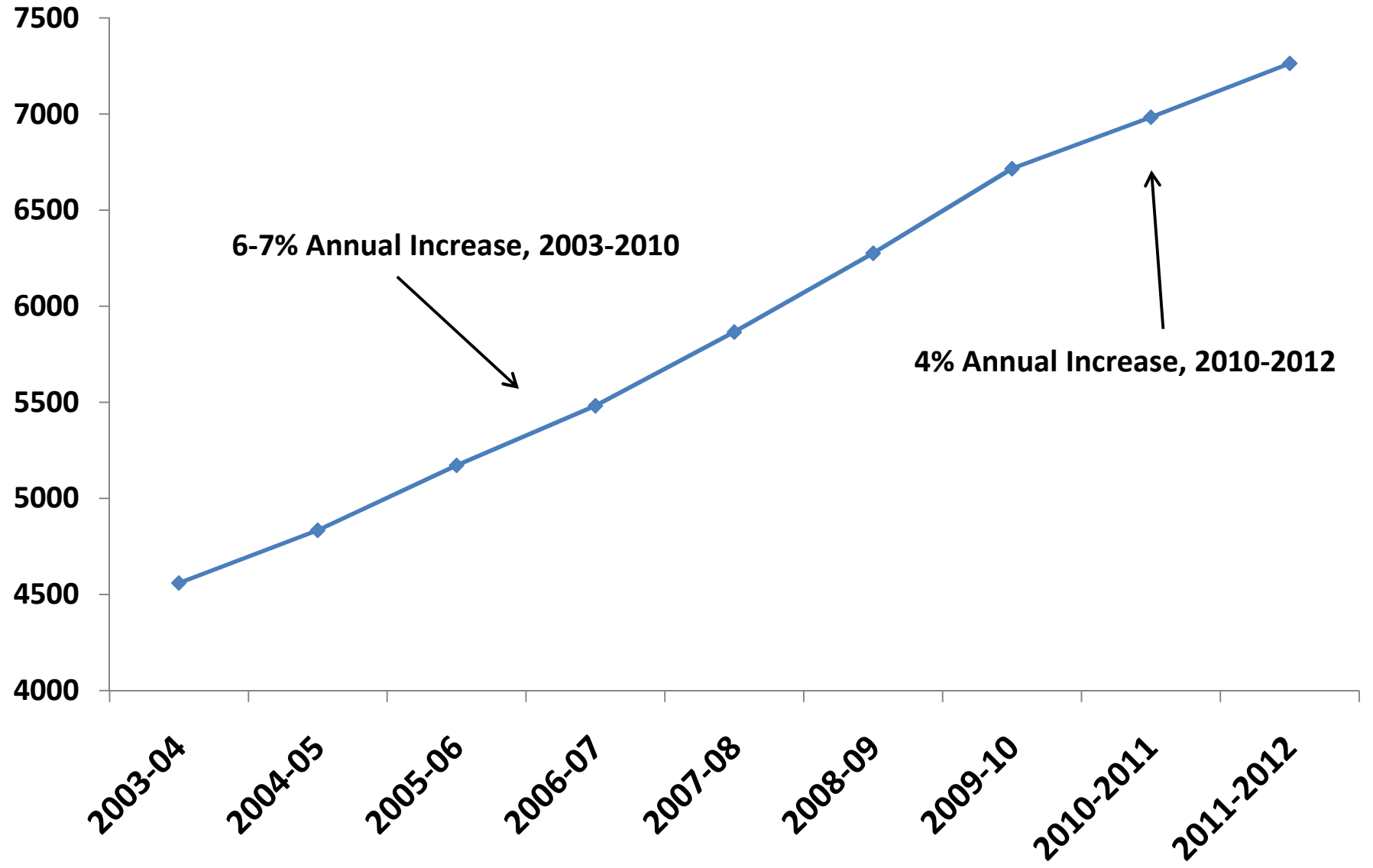


Chart 1. Average Resident Housebill. This chart depicts the average amount charged to resident members, non-resident freshmen, or non-resident non-freshmen per person for the entire academic year (Fall 2010, IAP 2011, Spring 2011). The 23 responding fraternities, 3 ILGs and 4 sororities, and community wide averages are reported. Error bars indicate the standard deviation for each group.

Chart 2. Annual Housebill Per Chapter. This chart indicates the resident housebill for the 2010-2011 academic year (Fall 2010, IAP 2011, Spring 2011) reported on a chapter-by-chapter basis. The bars are organized in order of increasing housebill and are grouped by affiliation (Fraternities are bars 1-23, ILGs are bars 24-26, sororities are bars 27-30).

Chart 3. Annual Housebill Per House Normalized for Meal Plan Costs. This chart indicates the resident housebill for the 2010-2011 academic year (Fall 2010, IAP 2011, Spring 2011) reported on a chapter-by-chapter basis plus normalization for the cost of meals not provided by the FSLIG. The bars are organized in order of increasing housebill and are grouped by affiliation (Fraternities are bars 1-23, ILGs are bars 24-26, sororities are bars 27-30, dormitories are bars 31-41). For dormitories, the average of the cost of a double and triple room plus the annual house tax was used as the annual housebill. The order of the bars differs from that in Chart 4. The formula for attaining the normalized values is as follows:

Annual Housebill + (Cost of meals for the 30-week academic year – (50% of cost of breakfast and lunch and dinner provided by the chapter))

The “cost of meals” was based upon MIT’s estimate of the average meal costing \$5.75 per breakfast, \$6.25 per lunch and \$8.75 per dinner. For a 30 week academic year, this equaled \$4,358 in food costs per person.

This normalization assumes that if a meal is provided, a student will eat that meal in house 50% of the time and will pay for that meal out of pocket the remainder of the time at the above-mentioned rate.

The error bars show what a student would pay if they eat none of the meals provided by their FSILG and pay for all of them out of pocket (positive error bar) or if they eat all of the meals provided and only pay for any not provided meals out of pocket (negative error bar).

The red dotted line shows the cost quoted by MIT for housing plus dining for the 2011-2012 academic year.

Chart 4. Cost of a Double in Baker House. This chart reports the cost of a double in Baker House for nine consecutive academic years (blue diamonds).