

# 2013 – 2014 Cost of Living Stipend Recommendation

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Housing and Community Affairs  
Graduate Student Council

*Marzyeh Ghassemi, Andrea Dubin,*  
*HCA Committee*  
*Graduate Student Council*

# Structure

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- Objectives
- Data Sources and Methodology
- Housing and Rents
- Competitive Landscape
- Student-CPI at MIT
- Conclusions

# Objectives

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- Our goal is to present the minimum increase for graduate students' stipends to maintain standard of living.
- Support inter-institute stipend competition.
- This year, we've added new data sources and a competitive analysis.

# Historical Context

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- 2001–2002: HCA begins to investigate stipends
- Fall 2002: Cost of Living Survey 1
- 2002–2003: HCA/ODGE partnership formalized
- Jan 7, 2003: First Dean's Group presentation
- Fall 2007: Cost of Living Survey 2
- Fall 2011: Cost of Living Survey 3
- Fall 2015: Cost of Living Survey 4 (projected)

# Current Context

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- Rapidly rising off campus rents are raising the student CPI.
- Stipends come out of departmental and investigator grants.
- Recent governmental agency cuts have increased the competitive nature of research grants
- Intra-institute competition with postdoctoral appointments is not sustainable.

# Data Sources and Methodology

# Data Sources

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- 2011 Cost of Living Survey
  - Conducted through the Office of Institutional Research (Provost's Office) in collaboration with GSC (51.59% response rate - 3,359/6,510)
- 2013 Quality of Life Survey
- Registrar/Enrollment Statistics
  
- Off-campus Data
  - MIT Off-Campus Housing Office (OCH) – Moderated dataset of landlord/realestate listings (~1800-3200/year). Allows hyper-local analysis of rents, and listings (Cambridge, Somerville, Medford, Boston, Lexington, etc.)
  - Cambridge Community Development Department - Additional data.
  
- 2012 - 2014 Consumer Price Index (CPI)
  - Published by the U.S. Bureau of Labor Statistics
  - Data is for Boston-Brockton-Nashua, MA-NH-ME-CT



# Methodology

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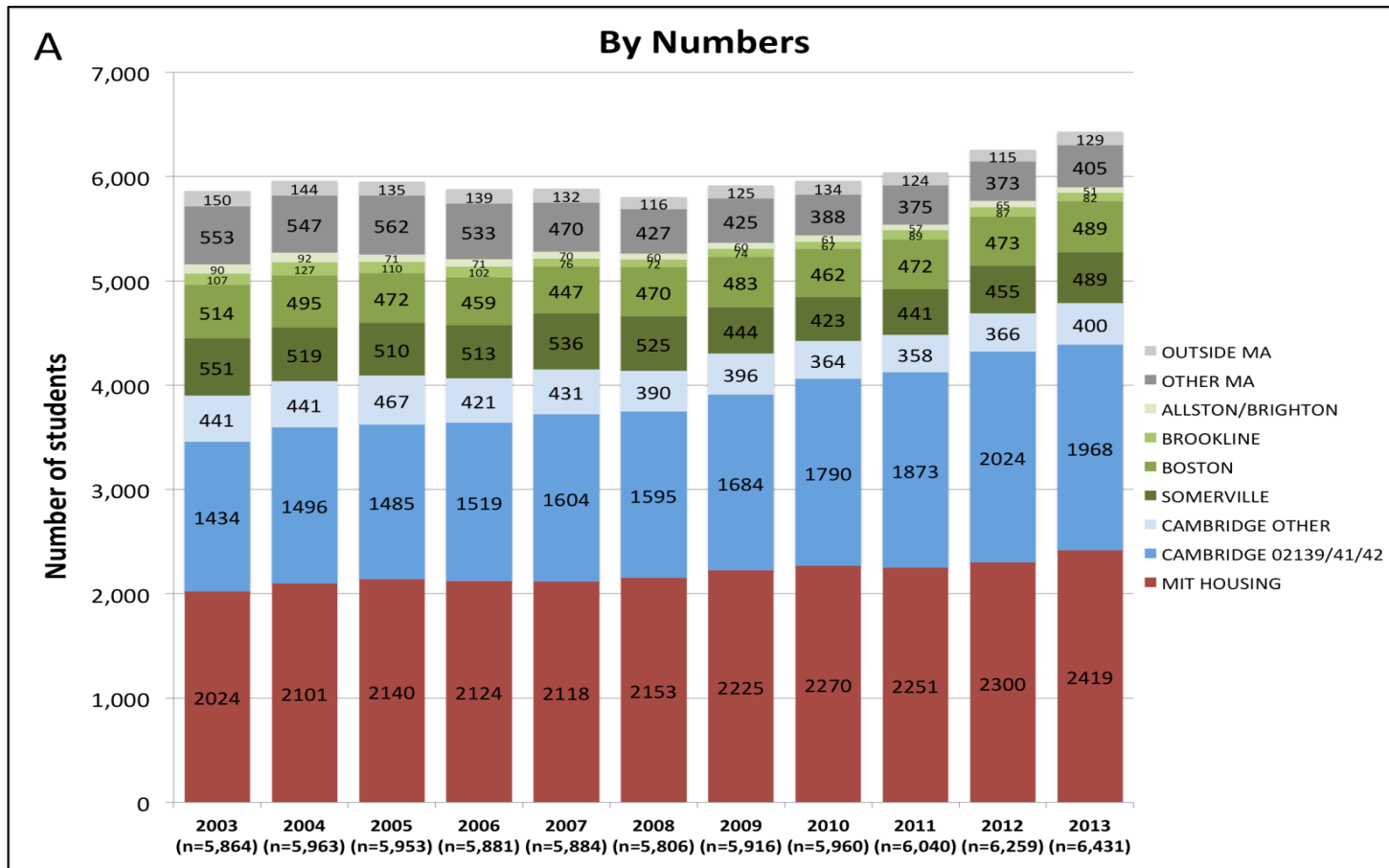
- The Cost of Living Survey broke student expenses into buckets based on CPI categories.
- We rescale each expense buckets to current day using CPI and MIT Off/On-Campus Housing data.

Cost Item	Scaling Data Source
Rent	MIT OCH/On-Campus Rent
Food, Transportation, Utilities, Books, Medical, Childcare	CPI Buckets

- Calculate expense increase in consecutive years to arrive at average student CPI increase from a population-based weighted sum.

# Housing and Rents

# Where Do Students Live?



Source: MIT Institutional Research



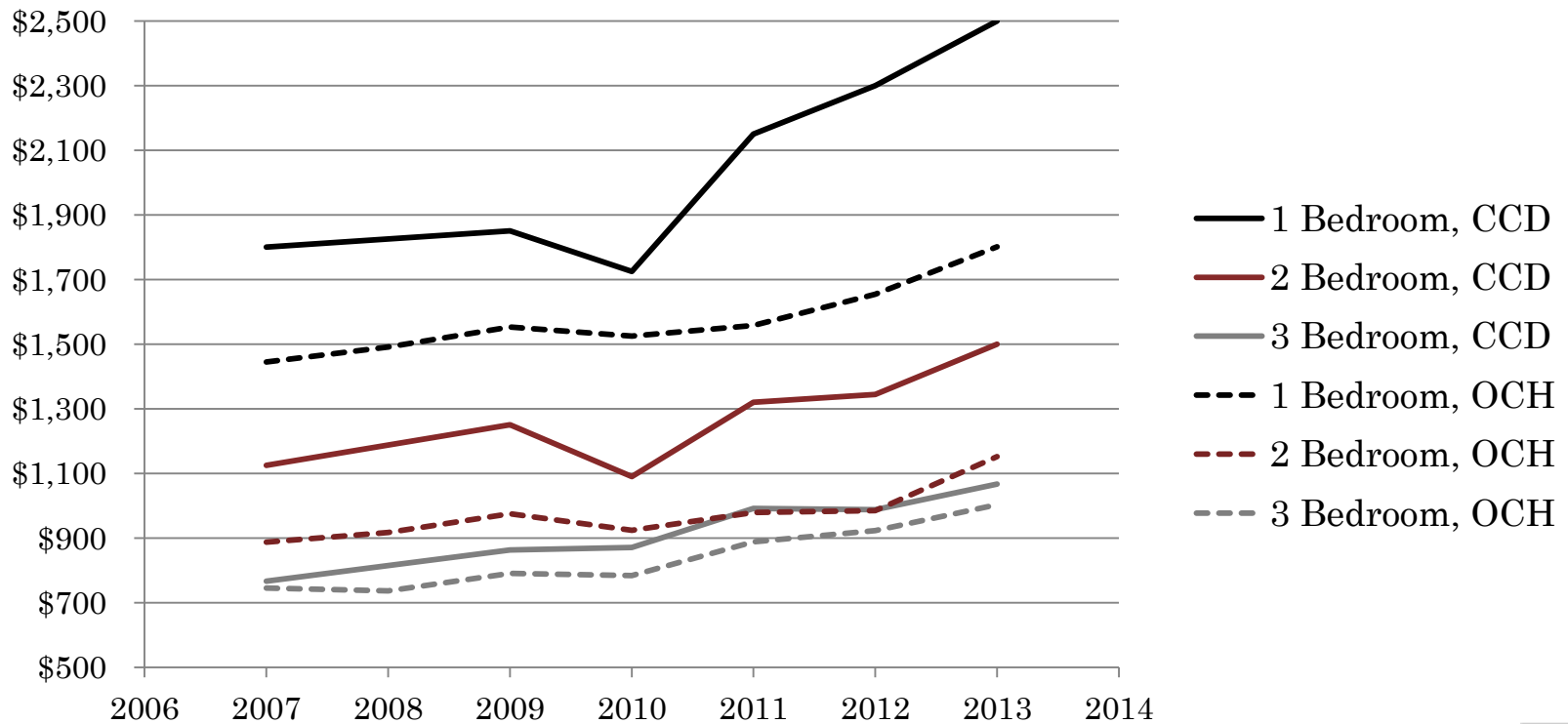
# On-Campus Housing

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- On-campus housing is only able to accommodate 38% of graduate students (including those living in undergraduate housing).
- Operating at full capacity with waitlist.
- The graduate housing taskforce is further examining the current demand for on-campus housing.

# OCH Data vs. CCD Data

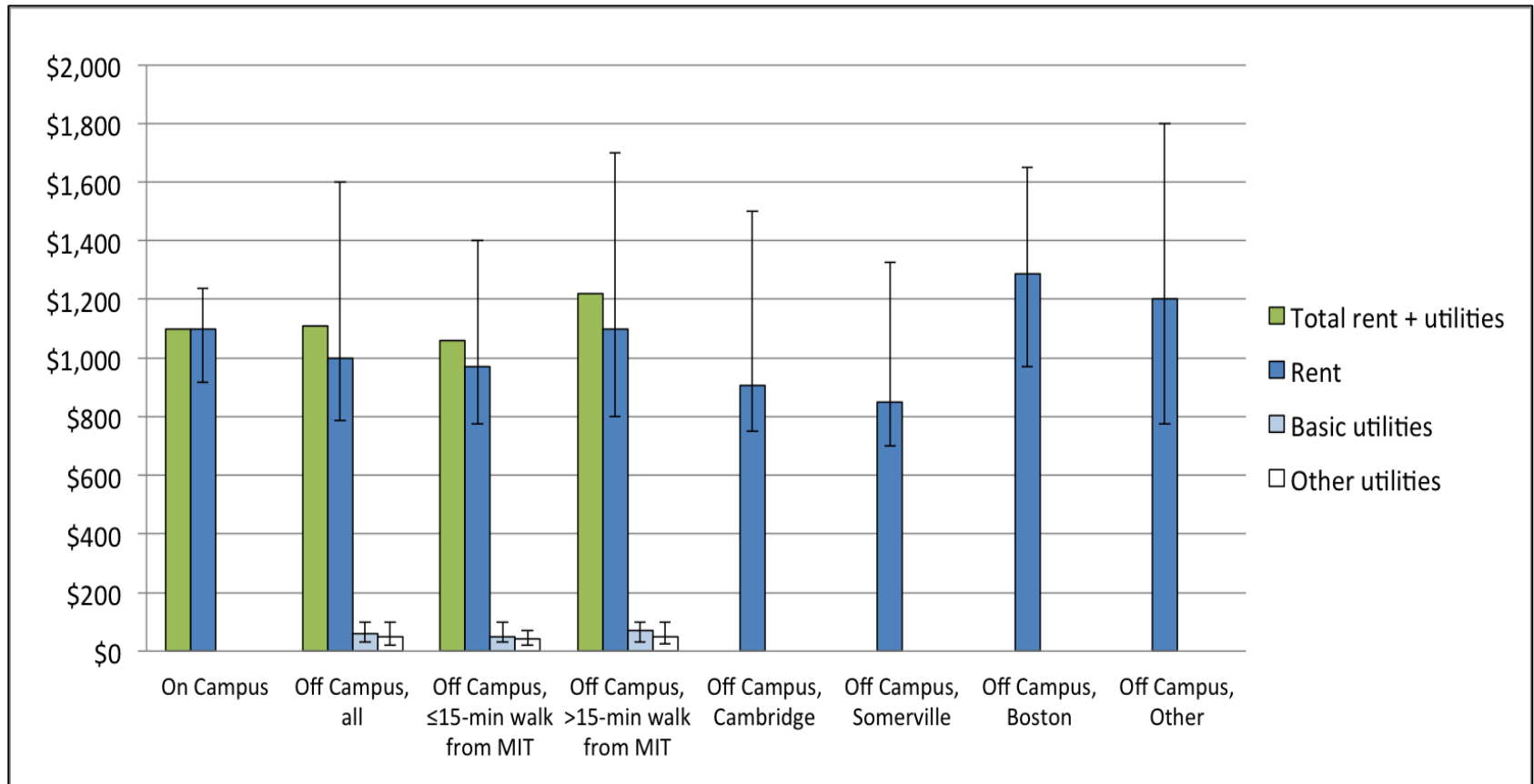
## Comparison of Rents Cambridge Community Development vs. MIT Off-Campus Housing



Source: MIT OCH and CCD



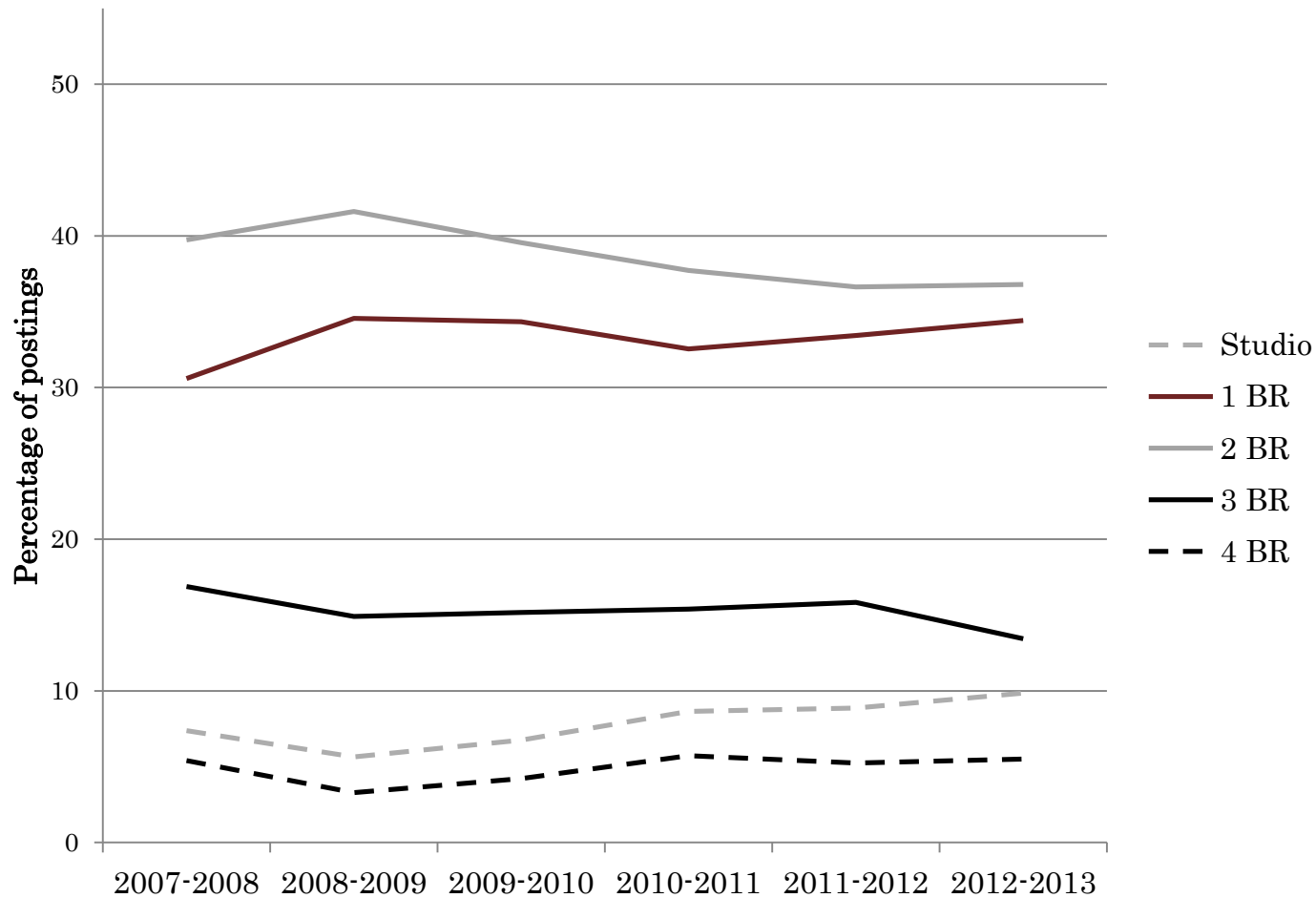
# Self-Reported Rent Prices



Source: 2013 MIT Quality of Life Survey



# OCH Data By Type



Source: MIT OCH



# 2012-2013 Rent Increases (Per person)

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Source	Room Type	Percent Price Increase
OCH	Studio	11.29%
OCH	1 BR	8.88%
OCH	2 BR	4.99%
OCH	3 BR	8.75%
OCH	4 BR	10.30%
CCDD	1 BR	8.70%
CCDD	2 BR	11.57%
CCDD	3 BR	8.00%

Weighted off-campus housing increase (OCH): **8.67%**



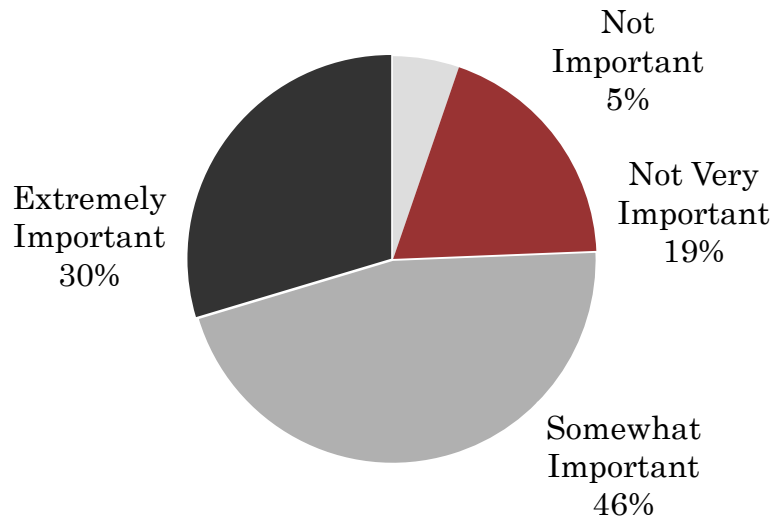
# Competitive Landscape

# Finances Are Important

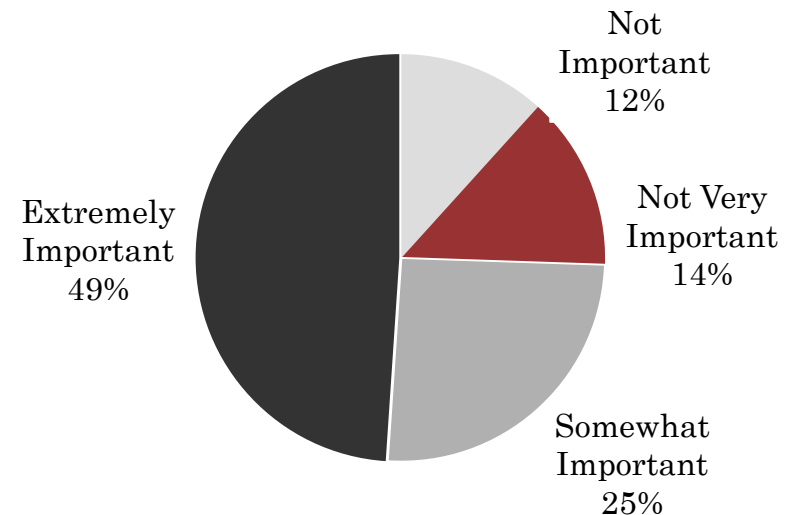
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Admitted Doctoral Students:  
How Important Was Financial Support to Your  
Decision to...

Enroll at MIT?



Enroll at Another Institution?



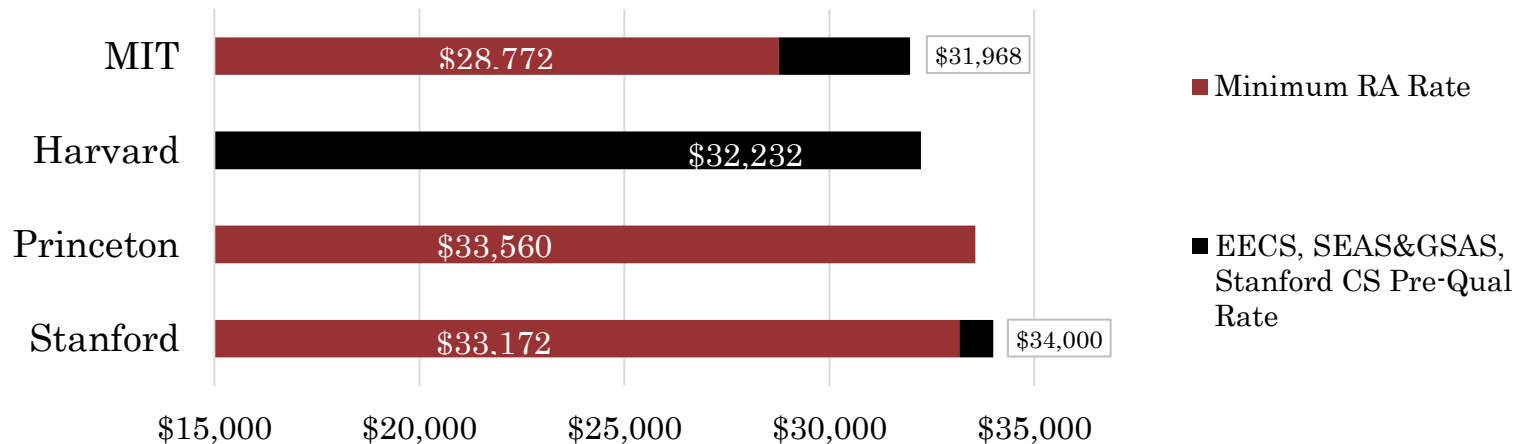
Source: IR Incoming PhD Survey 2013



# Competitive Analysis

Institute	Average Per-Year Stipend Increase (2010-2013):	Number of "Peer" Departments
MIT	3.19%	-
Stanford	3.69%	28
Harvard	~3%	24
Princeton	-	23

## Annual RA Rates 2013



Sources: [http://www.stanford.edu/dept/finaid/faculty\\_staff/gfs/salary13](http://www.stanford.edu/dept/finaid/faculty_staff/gfs/salary13)  
<http://www.seas.harvard.edu/audiences/prospective-graduates/funding>  
<http://www.princeton.edu/gradschool/financial/assistantships/research>  
 Alex Sandra Pinedo, Stanford Computer Science Lab Manager



# Palo Alto vs. Cambridge?

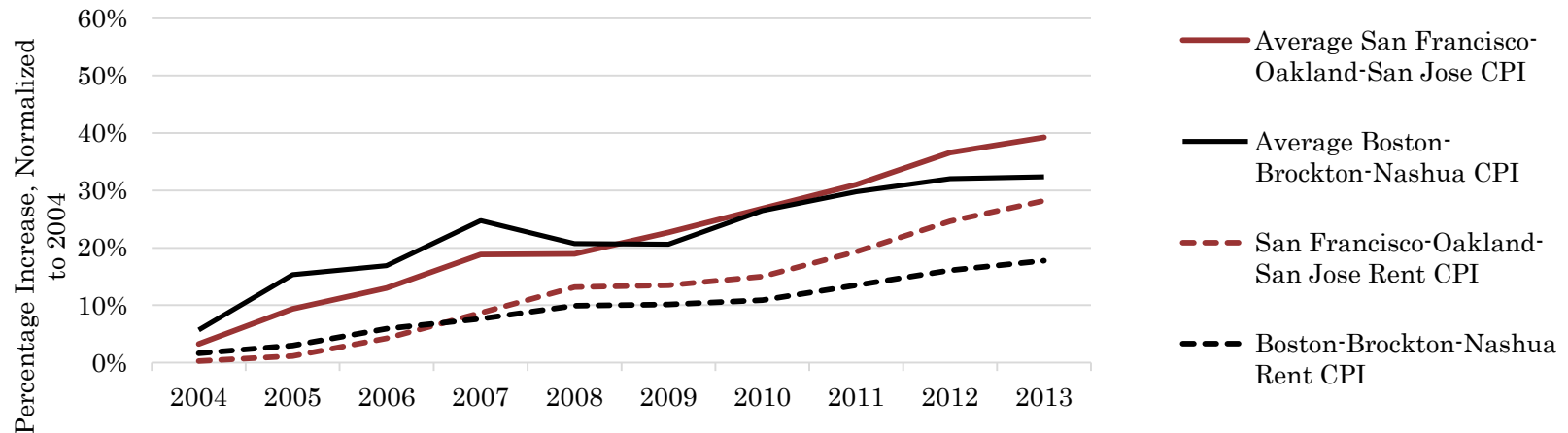
On-Campus

	Single Students
MIT On-Campus (1,925/408 units)	\$760/month - \$1,695/month
Stanford On-Campus (3,793/608 units)	\$678/month - \$1,679/month
Stanford Off-campus Subsidized (398/45 units)	\$1006/month

- ~4,950 (~57%) Stanford grad students live on campus
- ~2,330 (~35%) MIT graduate students live on campus

Off-Campus

Local CPI Increases in San Francisco vs. Boston Areas

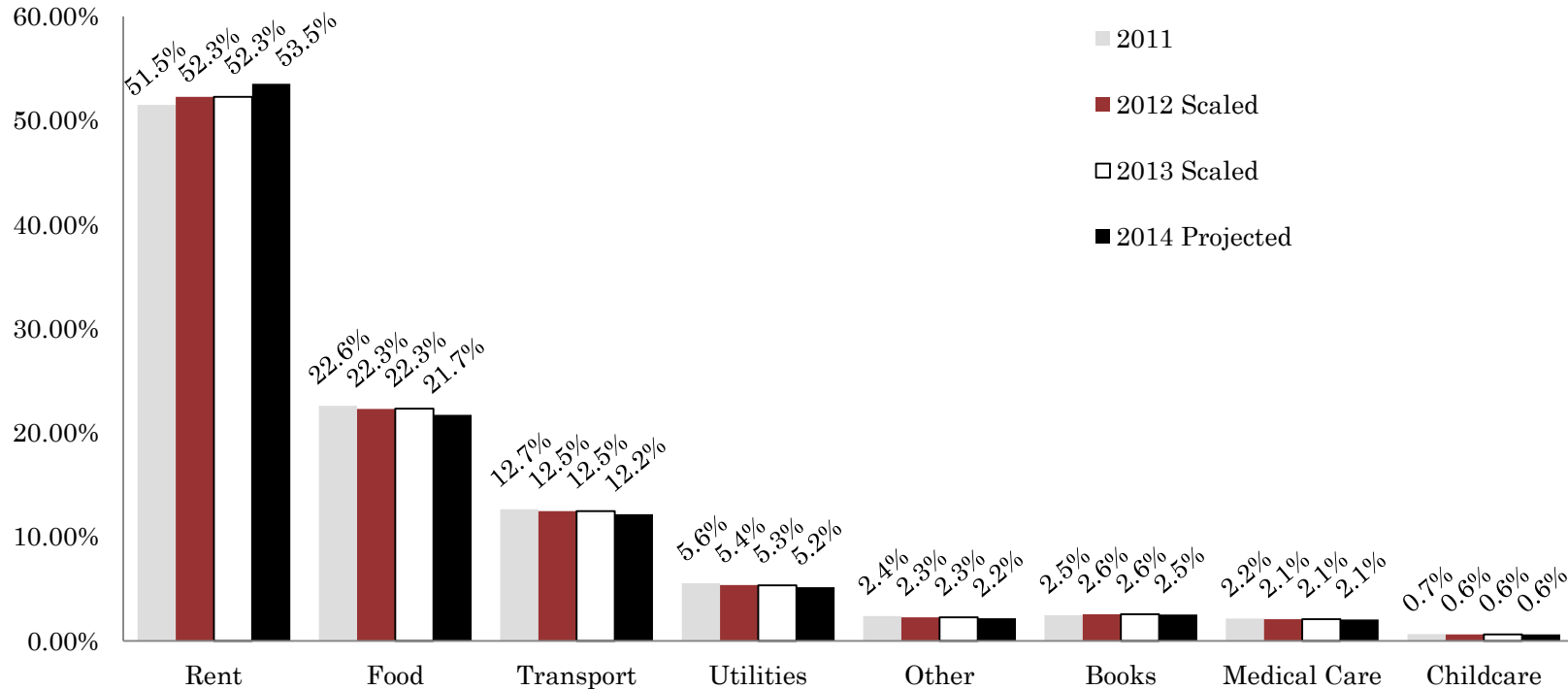


Sources: U.S. Bureau of Labor Statistics  
<http://housing.mit.edu/graduatefamily/residences>  
[http://www.stanford.edu/dept/rde/cgi-bin/drupal/housing/sites/default/files/pdfs/2013-14\\_Grad\\_RatesChart.pdf](http://www.stanford.edu/dept/rde/cgi-bin/drupal/housing/sites/default/files/pdfs/2013-14_Grad_RatesChart.pdf)



# Student-CPI at MIT

# 2011 – 2014, Costs with Rescaling



The 2011 CoL Survey collected data from students based on previous year expenses. In this graph we scale the expense buckets up to present day.

# Calculation Summary

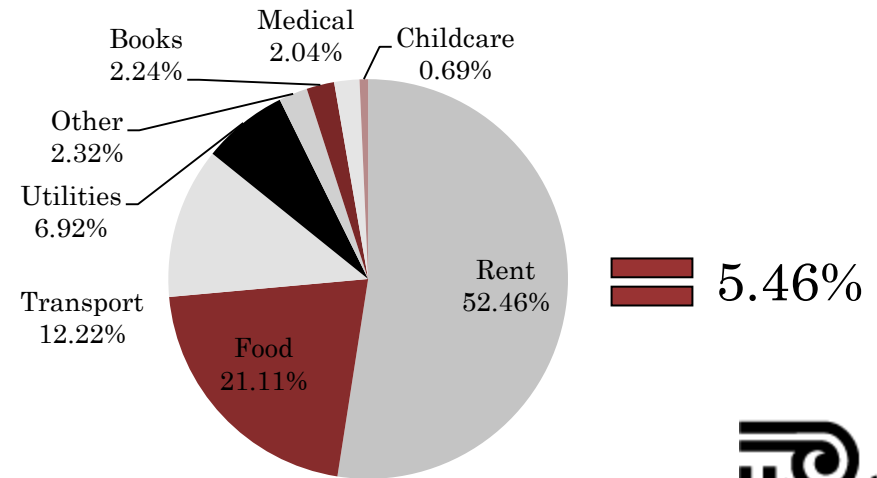
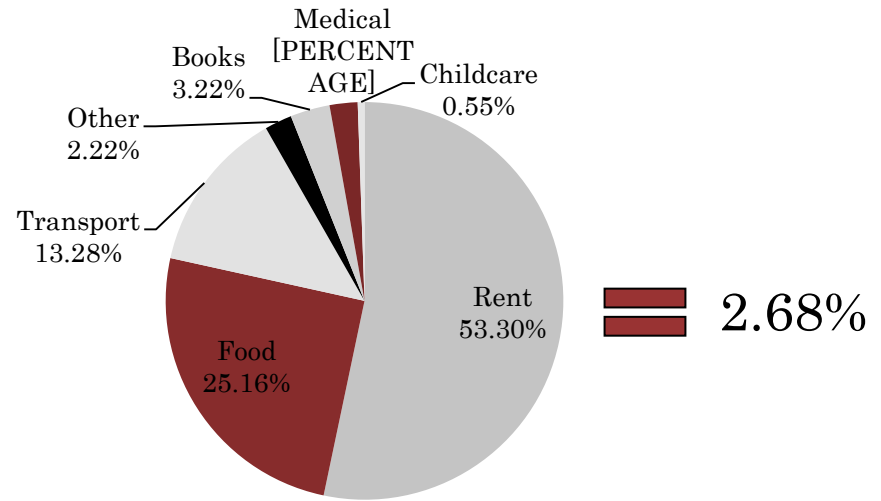
Local CPI	Change from AY12-13
Food	1.49%
Transport	1.92%
Utilities	1.47%
Textbooks	3.26%
Medical Care	2.60%
Childcare	2.64%

Rent	Change from AY12-13
Off-campus	8.67%
On-campus	3.50%

On-Campus

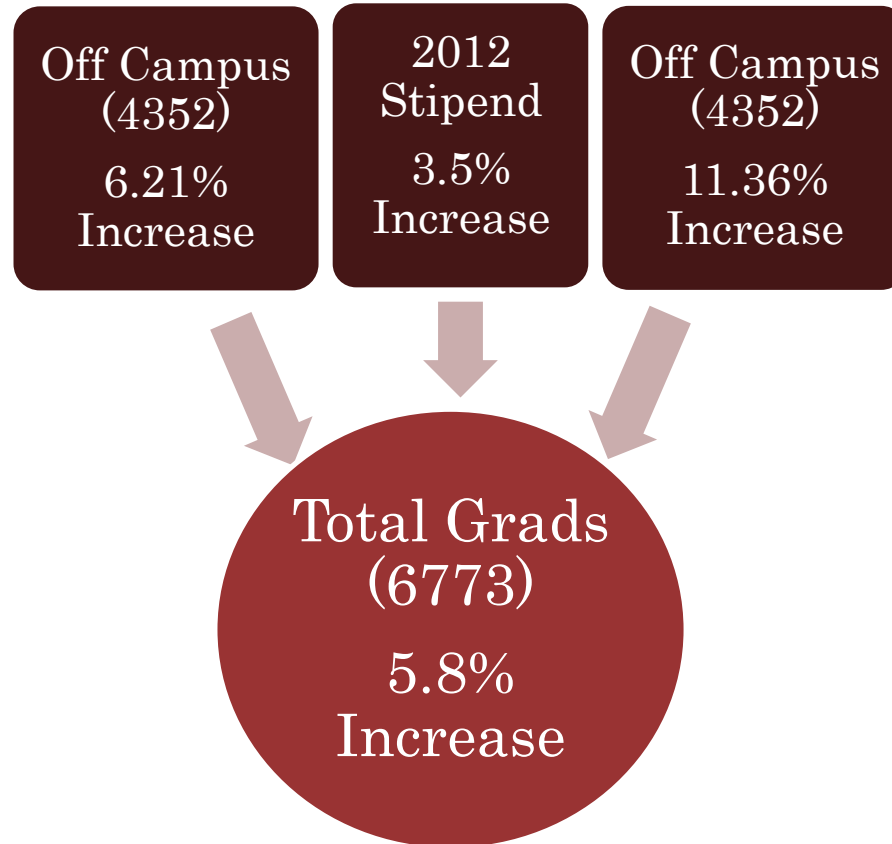
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Off-Campus



# 2011 – 2013 Student CPI

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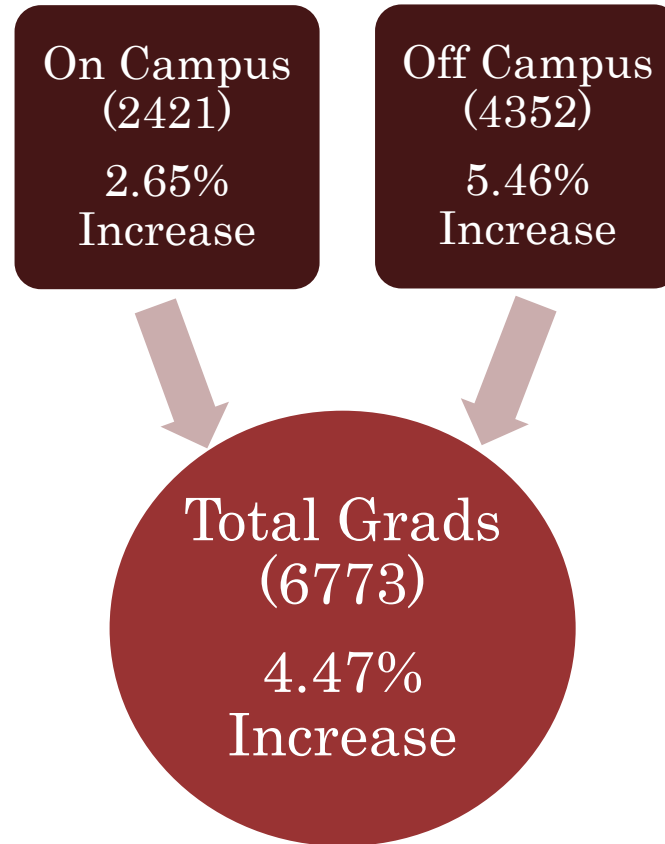


Maintain 2011 standard of living.



# 2012 – 2013 Student CPI

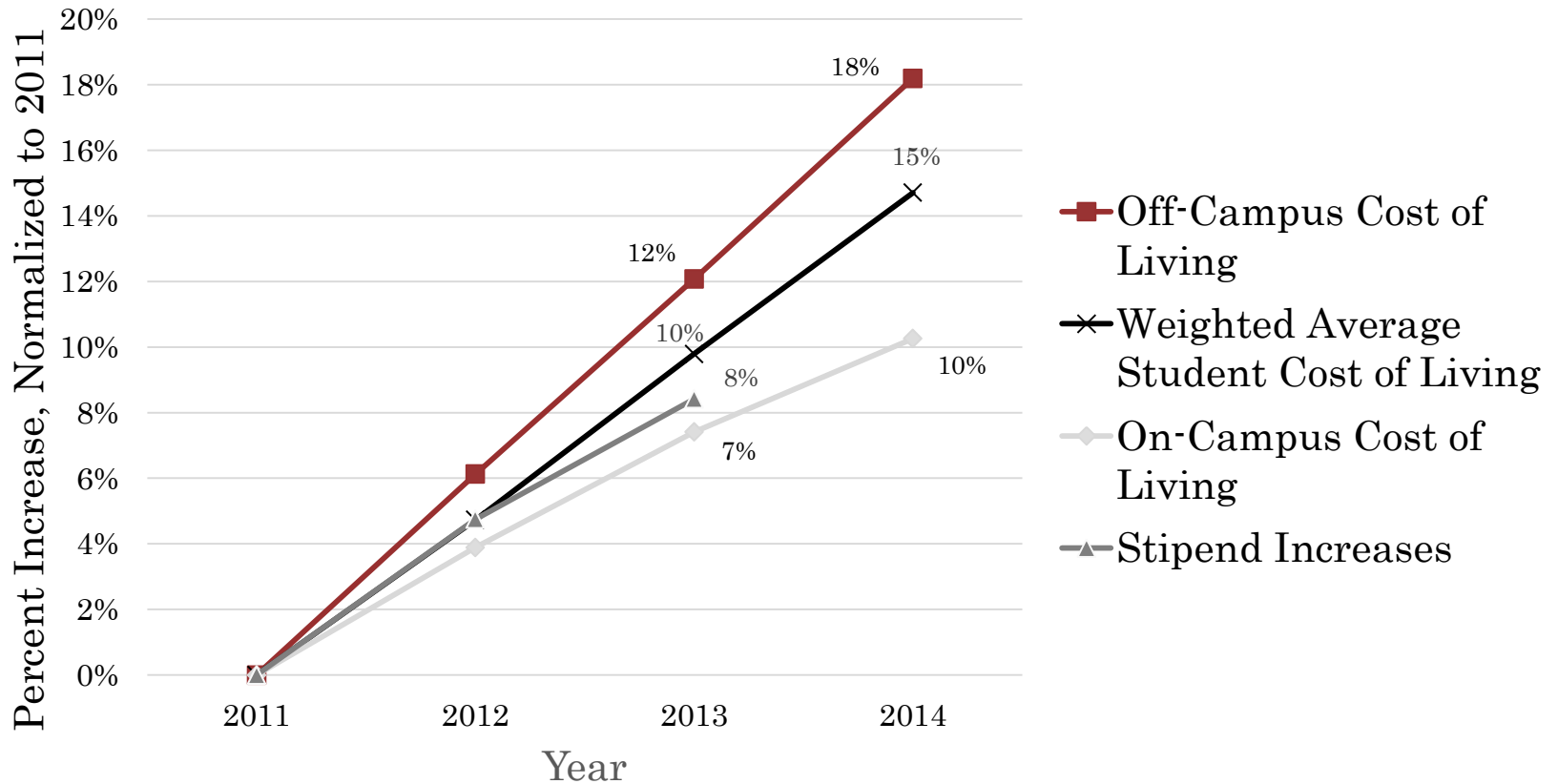
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Maintain 2012 standard of living.

# Averages vs. Subgroups

## Student Cost Of Living vs. Stipend Increases



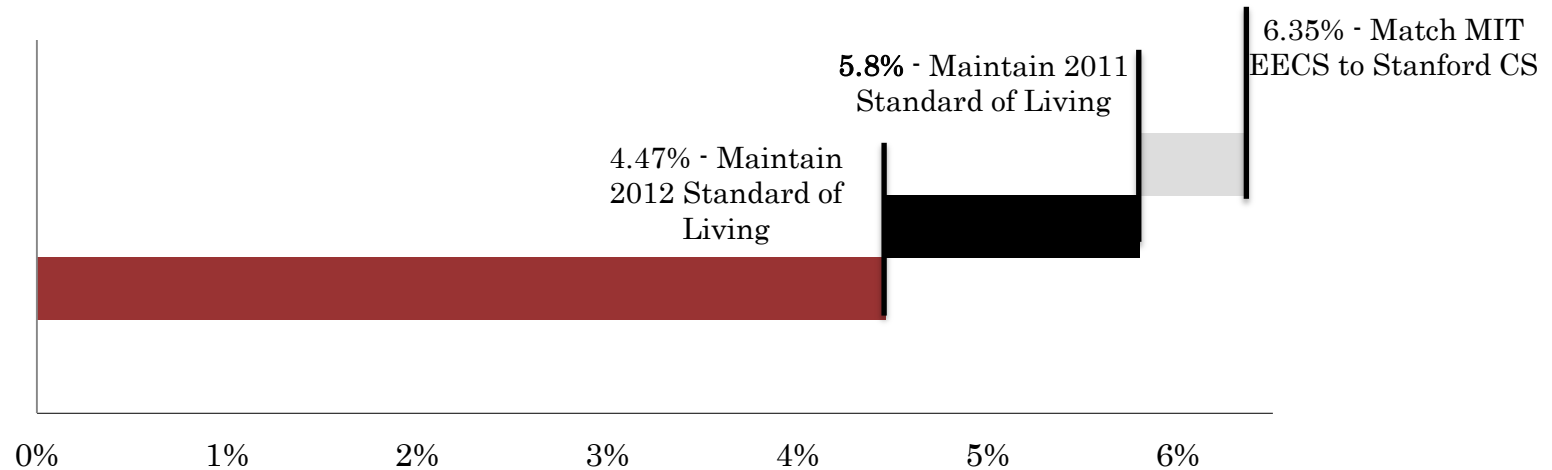
# Conclusions

# Key Drivers

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- 2/3 of students live off-campus, and OCH increased by an average of 8.67% per-person.
- Need to maintain our competitive edge w.r.t. our peers.
- Financial support is an important factor in admitted PhD school choice.
- As stipend information becomes more public, we want be a top choice for prospective students.

# Stipend Recommendation



5.8% increase to stipends will maintain 2011 standard of living.

Footnote: 14% - Match MIT EECS to Stanford CS Post-Qual  
15.29% - Match MIT Min to Stanford Min

# Additional Considerations

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- Our recommendation is based on a “mean” student.
- Off campus students, and students with children, are at a financial disadvantage.
- The outcomes of the Housing Strategy Taskforce and the East Campus Steering Committee will have lasting impacts on MIT’s ability to house its students.

# Acknowledgments

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- Dean Christine Ortiz (ODGE)
- Vice President Maria Zuber
- Ms. Tasha Coppett (Off-Campus Housing)
- The HCA committee
- Kathleen Easterbrook (Economics PhD Candidate)
- Tristan Naumann (CS PhD Candidate)