EXECUTIVE SUMMARY

Introduction and Methodology

During the 2007 Fall Semester, the Massachusetts Institute of Technology established a Blue Ribbon Committee as an advisory group to evaluate the existing campus-dining program and provide recommendations as to how the program might change for the future. The specific charge to the committee was to gain an understanding of the dining program and its purpose, beyond just serving food. Some features that might relate to the campus-dining program's purpose include but are not limited to:

- A *nutritional aspect*, which addresses the relationship between sound nutrition and learning ability;
- Social engagement over meals, allowing students faculty and staff to interact outside the classroom; and,
- An opportunity for creating *community building* that brings members of the larger Institute family together and contributes to the overall learning experience.

As part of the evaluation, the Committee's charge was to review and assess:

- Current program offerings
- Current pricing and perceived value
- Where and when they eat
- Spending patterns
- Delivery Models

The process used to evaluate the campus-dining program included:

- Focus Group Sessions
- Web-based Market Research Survey
- Benchmarking with Peer Schools
- Discussions to Develop a Vision
- Analysis

Key Research Findings

3,921 members of the MIT campus community participated in a web-based survey during the 2008 Spring Semester, of which 46.2% were undergraduates, 45.3% were graduate students and 8.5% were faculty members. Survey results indicated that the dining opportunities available on campus significantly influence where students choose to live and that there is a need for several options for the diverse population. These options include providing:

- Dining rooms for those who do not want to cook
- Kitchens for those who prefer to cook their own meals, and
- Both, for those who like to participate in both options

On average, most students indicated that eat approximately 14 meals every five days. Students living in residences with dining facilities tend to purchase slightly more meals on campus than preparing them in their room or kitchen, while students living in residences without dining facilities tend to prepare twice as many of their own meals as purchasing them on campus. Despite eating approximately fourteen meals

every five days, less than 20% of the undergraduate students and less than 30% of graduates indicated that eat a balanced diet. 12.5% of the respondents perceive they eat one healthy meal a day, while less than 10% do not think about health and nutrition and only eat what is convenient to them.

Survey results suggest that the amount of money students spend on food each year varies from approximately \$1,750 (East Campus and Senior House) to \$2,250 (average for students living in residence halls with dining facilities). This is considerably lower than the financial aid office's allocation of \$4,460, which includes 28 days for IAP.

Approximately 50% of Undergraduates living in Houses with Dining Halls as well as those living in Burton Conner and Senior House thought MIT should offer an All You Care to Eat (AYCE) dining option. Interestingly 65% to 69% of the Undergraduates living in MacGregor, New House and Bexley and 44% to 47% of Graduate students thought MIT should offer an AYCE dining option. Around 10% of all Undergraduates living on campus indicated that they prefer all their meals to be available on an AYCE basis, while 27% of the Undergraduates living on campus wanted a combination of some AYCE and some a la carte meals. When the ACYE interest percentages are extrapolated to MIT's official bed occupancy by residence, 278 undergraduate residents prefer all their meals to be AYCE, while 793 undergrads prefer a combination of AYCE meals and a la carte meals. When FSILG students are included, these numbers increase to 460 and 1,134 respectively.

In general, students do not perceive that the current dining program provides a good value, and students living in residences with dining facilities, expressed a desire to have breakfast as part of their dining program. Other thoughts that survey respondents tend to agree upon included:

- MIT should offer a global meal plan to build community
- Meals are an important part of the residential life experience
- Broader commitments are justified if it results in lower costs and better service

When compared to its peer schools, all the other schools offered at least one AYCE dining facility, with the exception of Virginia Tech. All the peer schools had some kind of meal plan requirement – nine schools require all residents, three schools require all first year students, and Stanford requires residents that have a dining hall affiliated with it to purchase a meal plan. The number of AYCE facilities available at peer schools varied from several smaller residential dining venues (Residential College models) to providing only a few larger ones, where seven schools offer an AYCE dining venues that may serve from 1,575 to 5,500 residents. Among its peer schools, MIT has the fourth lowest dollar allocation for the equivalent of a 14 meals per week meal plan.

Proposed Vision for the Campus Dining Program

After considerable discussion and analysis of the market research data, the Blue Ribbon Committee developed a list of desired outcomes for the campus-dining program. This vision includes the following:

- 1. Students should have money set aside for food, and food only, regardless of where they choose to obtain meals (campus dining venues, FSILGs, grocery stores, off-campus venues).
- 2. Dining plans should insure that economic considerations do not compromise student nutrition. Everyone should be able to eat well regardless of his or her economic situation.
- 3. Opportunities need to exist to allow students to participate in the system and be a part of the system. This might include employment opportunities and must include programs that welcome and encourage continual feedback and input.

- 4. Choice must be part of whatever system is chosen. The program must also be dynamic and able to be changed.
- 5. The Institute has a vested interest in building community around meals.
- 6. Good nutrition aids in better academic performance.
- 7. MIT is a diverse community. The system should recognize that diversity exists and plan for it.
- 8. Food should be available on a schedule that matches customer schedules. Service availability should not be a barrier to using the system.
- 9. The program should be able to exist on its own merits regardless of the system chosen to support it

Short-term Recommendations

Taking into consideration the market research results and the desired outcomes for the campus-dining program, short-term recommendations were developed to address the nutritional aspects, social engagement, and community building features desired for the MIT campus-dining program.

Nutritional Aspect

It is a significant concern that less than 20% of the Undergraduates and 30% of the Graduate students are consuming a balanced diet, especially when other studies have indicated that poor nutrition adversely affects cognitive performance. (See references at end) One of MIT's educational missions is to combine rigorous academic study and the excitement of research with the support and intellectual simulation of a diverse campus community, so that students are prepared to contribute to or prosper in an environment of science and technology in society through excellence in education, research, and public service. Since the academic and learning experience at MIT is rigorous, it is of utmost importance that students receive a nutritious and balanced diet on a daily basis.

It is also interesting to note that when a pilot study was conducted at Simmons Dining Hall for a few weeks during the 2008 Spring Semester, where an AYCE dining program was offered for dinner rather than an a la carte service, the Bon Appetit management team informed MIT administrators that the types of menu items consumed changed considerably. Students were consuming significantly more fruits, vegetables and milk, when they paid a fixed fee (price) for their meal. When students paid for their meal on an a la carte basis, they would not tend to purchase these foods, and consequently did not have the variety required to obtain all the essential nutrients and minerals needed for a healthy diet.

To ensure that students will be more likely to consume nutritious, well balanced meals to "fuel their brains", MIT should provide AYCE dining options. The survey results suggest that the interest in AYCE meals is significant and that more than one AYCE dining venue will need to be available to accommodate the demand for dinner. In addition, these venues need to be strategically located so that they are convenient for most of the residents, such as Baker and Next House at a minimum, and perhaps Simmons.

Since studies have indicated that the first meal of day results in better performance, it will be important that convenient healthy breakfast options are available, including a hot AYCE breakfast. MIT should also consider offering continuous service rather than set meal times at one of the AYCE dining venues. This

will accommodate those students that have different schedules and do not tend to eat their meals during traditional meal times. Given that most of the academic classes are east of Massachusetts Avenue, Baker House appears to be the logical choice for this service since it is anticipated that Baker will likely be already offering an AYCE Breakfast and Dinner, at a minimum.

Later service hours will also help address the nutritional aspect. Athletes in particular find it difficult to obtain a dinner meal in a residential dining unit. By extending the service hours to 9:00pm or 9:30pm, this should accommodate the athletes and other students who have activities occurring during the dinner hour. To address the late night needs of students who are still studying past midnight, MIT can offer a la carte service at Next House.

Another option is to convert the MacGregor Convenience Store into an Emporium. An Emporium features a food platform that can provide menu items for all day parts, (breakfast, lunch, dinner, and late night) such as Grill in addition to convenience and retail items. The dining environments are designed to be inviting, featuring a mixture of café tables and soft seating, and in some cases may include a small performance area, similar to what one might see in a coffeehouse environment. This type of environment, coupled with more nutritious menu options, will be more attractive and ultimately the Emporium can become a destination for students. The other benefit is that MacGregor provides an outside entrance, which is easily accessible for all residents in this zone of the campus, and as a result provides opportunities for social engagement among all the houses.

There will be a cost to convert MacGregor to an Emporium, which is beyond the scope of this study; however once it is implemented, the Institute should evaluate if the demand for Late Night service will merit keeping both MacGregor and Next House open.

Social Engagement

A campus-dining program provides more than "refueling" a person's brain however. It presents opportunities for students to interact with faculty and staff outside of the classroom setting, while still contributing to their overall learning experience. Unfortunately, since many of the faculty and staff leave campus by 5:00p.m., the opportunities for students to socially interact with them over a meal needs to occur primarily over lunch. Unfortunately, the number of dining venues that encourage people to "dine in" and have pleasant environment that is conducive to conversation, is rather limited during lunch. The options might include the Forbes Family Café and the Lobdell Food Court.

MIT should consider offering a convenient sit-down dining venue that features a more intimate setting, such as a residential dining venue, which may be more conducive for social engagement. If this venue happens to offer AYCE service, MIT could configure its meal plan program so that students could invite a faculty or staff member to lunch using one of their meal swipes, or by using a bonus swipe. If using a bonus swipe, then the Institute may need to step up a fund to budget the faculty and staff meals if it ends up being a popular program.

An AYCE dining venue will also encourage members of the campus community to dine in rather than take their food to go. When a person dines in, the chances of seeing someone you know increases, which provides an opportunity to engage in conversation that might not have occurred otherwise. Even if they do not see a familiar person the first time, on subsequent visits, seeing the same individual(s) in the dining room may encourage civil pleasantries that may evolve into long-term friendships.

Another opportunity for social engagement and preparing students for society in the future is creating a program that features a mock interview over a meal. Faculty and staff members could act as potential employers while students are the prospective employees. Not only will this create a comfortable

readiness for students for when the real interview occurs, but it also provides an opportunity to learn the proper dining etiquette that many students may not have received previously. This type of program could occur over lunch or dinner.

Besides mock interviews, conducting a discussion or presentation over a meal that perhaps bestows additional information on a particular topic or addresses current events, will provide an opportunity for faculty, staff and students to interact and engage with each other outside of the traditional classroom experience.

Community Building

For several years now, MIT has desired to increase the community aspect of campus life but has not always been successful in fostering it, as noted in previous studies, including the *September 1998 Task Force on Student Life and Learning* report. Many think that the Campus Dining Program can be a key contributor in fostering institute-wide community but this has been challenging in recent years for several reasons. Many members of the campus community think that the dining halls in the residences are restricted primarily to the students living there and as a result do not patronize them. Unfortunately, the house dining venues are only open for dinner, approximately three hours, and this is fewer operating hours than in previous years. The Student Center would be the next logical location to build community; however, it is very commercialized with fast food eateries and the building itself does not have very many convenient and inviting hang out spaces where students and members of the community can gather "to see and be seen".

Despite these challenges, MIT is known for its diverse population, and wants its diversity to be a contributing factor to the overall campus life experience and the educational process. As noted earlier, the diverse population and their subsequent dining needs were reinforced by the survey results. Several survey respondents indicated that they prefer to cook all of their own meals; however, the survey results suggest that students that prefer to cook tend to purchase at least a couple of their meals in the existing campus dining facilities in any given week. In addition, some students want the option of consuming an AYCE meal on any given day, while around 10% of all residents, regardless of where they live, want all their meals to be on an AYCE basis. By offering an AYCE dining venue, different campus constituencies, including faculty, staff and off-campus students, will likely dine in this facility on any given day, which will bring residents from different houses into one dining venue.

When residents from multiple houses dine in one facility, the dining venue can provide a unique opportunity for students to mingle and socialize with other members of the campus, ultimately fostering a sense of community. A campus-dining venue can also provide an opportunity to educate the campus community on different ethnic cuisines, exposing students to foods that they may not otherwise try, which contributes to their educational process. This opportunity can be expanded to where Dining Services can market and promote a themed lunch or dinner that may support or be in conjunction with a campus event or activity. These events can be marketed to the whole campus community, where everyone, including faculty and staff are invited to partake and learn about different ethnic cuisine.

Meal Plans

To accommodate the changes that will foster better nutrition, social engagement and community building, MIT will need to reconfigure its meal plan offerings. Factors that were considered when developing the proposed meal plans included the following:

1. Per the market research, students are consuming approximately fourteen meals every five days

2. Meal plans need to accommodate the different dining patterns and lifestyles of all the residents. Consequently, the meal plans will need to offer different combinations of AYCE meals and Dining Dollars. The Dining Dollars can be used to purchase food items in the on-campus dining

venues and convenience stores as well as pay for debit cards that can be used for food in the local

- grocery stores.

 3. Meal plans need to provide flexibility and be perceived as a good value.
- 4. Meal plan rates need to be appropriate with MIT's Financial Aid Office's allocation.
- 5. Meal plan options need to correspond to current spending and dining patterns, as reported in the Spring 2008 Survey results, which are illustrated in Charts 1 and 2 that follow.

CHART 1 SPENDING PATTERNS PER 2008 SPRING SURVEY

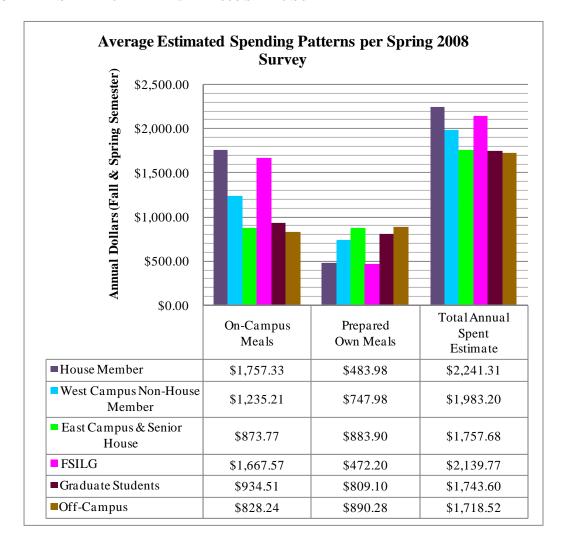
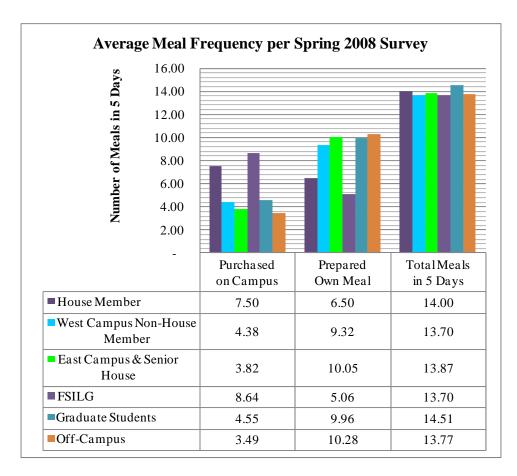


CHART 2 DINING PATTERNS PER 2008 SPRING SURVEY



Based on where they live, the meal plans must support the general lifestyle of the house, and each resident will be required to purchase a minimum plan to ensure that some basic nutritious meals are available for all students. Freshmen and sophomores will purchase the equivalent of fourteen meals per week, while juniors and seniors will purchase the equivalent of ten meals per week. This proposed requirement is less than what survey respondents indicated they are currently consuming; however, it should provide approximately two meals a day. It is also recommended that students be allowed to change their meal plan once each semester and ideally this will occur after their schedule for the semester is in place, which may be three or four weeks into the semester.

Fifteen meal plans were developed. The proposed meal plan options for residents in Year 1 and per semester pricing are depicted in Table 1.

Table 1 Proposed Meal Plan Options and Per Semester Cost for Year 1 $\,$

Meal Plan	Per Semester Cost	Freshmen in House with AYCE Dining	Freshmen in House without Dining or House with A La Carte Dining	Sophomores in House with AYCE Dining	Sophomores in House without Dining or House with A La Carte Dining	Juniors in House with AYCE Dining	Juniors in House without Dining or House with A La Carte Dining	Seniors in House with AYCE Dining	Seniors in House without Dining or House with A La Carte Dining
Unlimited Meals with \$50 Dining Dollars	\$2,475	X	X	X	X	X	X	X	X
285 Meals per Semester with \$75 Dining Dollars	\$2,175	X	X	X	X	X	X	X	X
210 Meals per Semester with \$125 Dining Dollars	\$1,775	X	X	X	X	X	X	X	X
150 Meals per Semester with \$350 Dining Dollars	\$1,625	X	X	X	X	X	X	X	X
105 Meals per Semester with \$580 Dining Dollars	\$1,500	X	X	X	X	X	X	X	X
75 Meals per Semester with \$650 Dining Dollars	\$1,350	X	X	X	X	X	X	X	X
60 Meals per Semester with \$600 Dining Dollars	\$1,175			X	X	X	X	X	X
Declining Balance Plan #1	\$1,325		X		X		X		X
Declining Balance Plan #2	\$995		X		X		X		X
140 Meals per Semester with \$95 Dining Dollars	\$1,300					X	X	X	X
75 Meals per Semester with \$475 Dining Dollars	\$1,175					X	X	X	X
50 Meals per Semester with \$490 Dining Dollars	\$975					X	X	X	X
45 Meals per Semester with \$355 Dining Dollars	\$800					X	X	X	X
Declining Balance Plan #3	\$950						X		X
Declining Balance Plan #4	\$800						X		X

The meal plans were designed to accommodate the different dining patterns of students, including:

- All AYCE Meals
- Some AYCE Meals and Some A La Carte Meals
- Few AYCE Meals, Few A La Carte Meals, and Cook a Few Meals
- All A La Carte Meals
- Some A La Carte Meals and Cook Some Meals
- Cook All the Meals

The Declining Balance Plans are designed to accommodate the last three dining patterns were mostly a la carte meals and cooking for themselves are desired.

The Unlimited Plan and the 285 Meals per Semester plan can only be offered if a convenient dining location, such as Baker, is available and it offers continuous service from breakfast through dinner. It should be noted that continuous service does not imply that every station needs to be open; rather the appropriate stations are open during the Breakfast, Lunch and Dinner meals but between Lunch and Dinner, perhaps only the deli bar, soup and salad bar are available. The key is that the menu offerings are fresh and the customer does not perceive that they are being served leftovers or that the food has been sitting for several hours.

One might ask why the dining hall does not close between meals, which might allow the dining program to save money. The consulting team's experience is that it will not cost the Institute that much more money to offer continuous service versus three meals a day. It is estimated that the labor cost differential between continuous service and three meals a day will be approximately \$25,000 annually. The proposed price difference between the 285 Meals per Semester, which is approximately 19 meals per week, and the Unlimited plan is \$300. This implies that if 42 students each semester elected to purchase the Unlimited plan over the 285 Meals per Semester, it would pay for this service. More importantly, the customer satisfaction level will be significantly higher if students are allowed to graze all day and do not need to worry about making it back to the dining hall before a specific time to obtain the value of their meal. If the Institute decides to offer only two to three meals a day, then they need to be prepared to listen to students complain about missing meals. Failure to address their missed meal issue will result in customer dissatisfaction, which is not a perception that is desired for the MIT Campus Dining Program.

It should also be noted that the Unlimited Plan has been successfully implemented on other campuses. At Princeton University, students have the option of selecting an Unlimited plan that comes with 10 guest meals for an annual cost of \$5,200 or they may select from four to six other plans that cost less. 50% of the meal plan participants opt to purchase the Unlimited plan which have no declining balance dollars associated with the plan. Unlike other campuses, Princeton does not offer continuous service at each of the residential College Dining Halls because it is not cost effective for them. Rather students on the Unlimited plan may use a meal equivalency of \$5.95 for a late lunch on weekdays and \$6.95 for a late dinner Monday through Thursday at the Frist Campus Center.

Campuses that implemented Unlimited plans have found them to be cost effective in that the cost per meal served can be less because students tend to eat the same amount of food if they use three swipes versus multiple swipes a day. Customer satisfaction is also higher because students on the Unlimited plan are no longer restricted, and it is almost like being at home, where they access to a kitchen and refrigerator most hours of the day.

Since MIT has not offered an Unlimited plan or an AYCE dining program in the House Dining venues in recent years, the acceptance factor is obviously an unknown; although residents that live in close proximity to dining facilities that offer AYCE service are anticipated to participate in the plan. For the

financial analysis, the consulting team *conservatively* estimated that no more than 25% of the 10% that desired AYCE meals for all their meals would choose this option. The main reason for doing this is that the Unlimited plan is most successful when it is convenient for the students. Thus, it was assumed that for students living in MacGregor, New House, Next House and Simmons, the Unlimited Plan would not necessarily be convenient for them and as a result may elect not to purchase the Unlimited Plan but may select a different AYCE meal plan.

Analysis

To determine the participation for each of the proposed meal plans listed above, the market research results for the "Ideal Dining Pattern" was extrapolated to each residence hall by potential class as indicated in the Fall 2008 housing occupancy data. Although the actual occupancy was higher than the official bed count, the consulting team used the official bed count to be conservative in the revenue projection and the AYCE seating requirement.

Three analyses were conducted. One was to understand the potential demand for AYCE seats for any given meal to determine how many dining venues might need to offer this service. The second was to conduct a SWOT (Strength, Weakness, Opportunity, Threat) analysis for the proposed changes, while the third one was to understand the potential financial implications of implementing some of the proposed changes. The analyses were conducted on four, five-year scenarios as follows:

Scenario A

In Year 1, all currently enrolled upper-class students that are living on campus are "grandfathered" from purchasing a meal plan and participate in the dining program on a voluntary basis, while all freshmen living on campus are required to purchase a minimum plan that is the equivalent of fourteen meals per week. In Year 2, all freshmen and sophomores living on campus will be required to purchase a minimum plan that is the equivalent of fourteen meals per week. In Year 3, all juniors are required to participate, and in Year 4, all seniors are required, where both classes must purchase the equivalent of ten meals per week.

Scenario B

Is similar to Scenario A except that all upper-class students living in houses with dining facilities are no longer eligible to be "grandfathered" and must purchase a meal plan that is the equivalent of 10 meals per week. Upper-class students already living in Houses without dining venues are "grandfathered" and may participate in the program on a voluntary basis until they graduate. In Year 1, freshmen are required to purchase a minimum plan that is the equivalent of fourteen meals per week, while in Year 2, both freshmen and sophomores have this requirement. In Year 3 and 4 all juniors and seniors living on campus are required to purchase the equivalent of ten meals per week respectively.

Scenario C

Is similar to Scenario A except that the dining venues available for AYCE service change. For example, in Scenario C Pritchett is not available as an AYCE venue and to accommodate the demand for AYCE dinners, McCormick is converted to an AYCE dinner service in years 2 and 3, when W-1 is not available. When W-1 becomes available, it is anticipated that Baker may still be needed for AYCE dinner service, since the residents living in East Campus and Senior House that prefer AYCE meals, will need to walk to W-1 or Baker for their AYCE meals.

Scenario D

Is similar to Scenario A except continuous AYCE service is not available in Years 1, 2, and 3 when W-1 is not available. Instead, meal plan participants are

provided additional Dining Dollars to spend in the on-campus dining operations or to purchase groceries to prepare meals in their residence. Continuous service will become available when W-1 opens.

Appendix A provides the SWOT analysis by year, with a summary chart of what type of service is recommended for each of the House Dining venues on the last page. A summary of the service that is being proposed for each of the House dining venues during the first three years of each scenario, prior to W-1 opening, follows.

TABLE 2 THREE YEAR SUMMARY OF SERVICES IN THE HOUSE DINING VENUES

MIT Dining Recommendations	Year 1	Year 2	Year 3		
Scenario A			W-1 is Not Open		
Baker	AYCE - Continuous Service	AYCE - Continuous Service	AYCE - Continuous Service		
McCormick	A la carte Dinner	A la carte Dinner	A la carte Dinner		
Next House	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night		
Pritchett	No Service	AYCE Dinner	AYCE Dinner		
Simmons	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night		
W-1	NA	NA	NA		
Scenario B			W-1 is Not Open		
Baker	AYCE - Continuous Service	AYCE - Continuous Service	AYCE - Continuous Service		
McCormick	A la carte Dinner	A la carte Dinner	A la carte Dinner (May need to be AYCE Dinner)		
Next House	AYCE - B, D; A al Carte Late Night	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night		
Pritchett	AYCE Dinner	AYCE Dinner	AYCE Dinner		
Simmons	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night		
W-1	NA	NA	NA		
Scenario C			W-1 is Not Open		
Baker	AYCE - Continuous Service	AYCE - Continuous Service	AYCE - Continuous Service		
McCormick	A la carte Dinner	AYCE Dinner	AYCE Dinner		
Next House	AYCE - B, D; A al Carte Late Night	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night		
Pritchett	No Service	No Service	No Service		
Simmons	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night		
W-1	NA	NA	NA		
Scenario D			W-1 is Not Open		
Baker	AYCE Breakfast and AYCE Dinner	AYCE Breakfast and AYCE Dinner	AYCE Breakfast and AYCE Dinner		
McCormick	A la carte Dinner	A la carte Dinner	A la carte Dinner		
Next House	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night		
Pritchett	No Service	AYCE Dinner	AYCE Dinner		
Simmons	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night		
W-1	NA	NA	NA		

One will notice that Next House and Simmons provide the same services in all four scenarios, while it is recommended that Baker provide AYCE continuous service in Scenarios A, B and C. In Year 2, it is anticipated that an additional AYCE dining venue will be required to accommodate the demand, and depending on the Scenario, this AYCE venue may vary between McCormick and Pritchett.

AYCE Dining Demand

To determine the potential number of ACYE seats that would be required for lunch and dinner a seating demand analysis was conducted. It should be noted that for students who purchased meal plans that provided on average of seven or less AYCE meals per week, it was assumed that they would use these

meals for dinner to obtain the most value. Not surprising, as more students participate in the dining program, the demand for AYCE dining seats increases in future years as illustrated in Table 3 below.

TABLE 3 ESTIMATED AYCE SEATING DEMAND

AYCE Seating Demand	Year 1	Year 2	Year 3	Year 3	Year 4	Year 5
Scenario A			W-1 is Not Open	W-1 is Open		
Dinner - 80% Efficiency Factor	527	630	698	822	876	876
Dinner - 85% Efficiency Factor	496	593	657	774	825	825
AYCE Seats Available for Dinner	530	645	645	810	810	810
Lunch - 80% Efficiency Factor (Does not						
include FSILG students)	147	167	169	205	208	208
AYCE Seats Available for Lunch	160	160	160	325	325	325
# of Baker Seats	160	1.00	160			
	160	160	160	250	250	250
# of Next House Seats # of Pritchett Seats	250	250	250	250	250	250
# of Simmons Seats	120	115	115	115	115	115
# of W-1 Seats	120	120	120	120	120 325	120
			W 1 :- N-4 O	325	323	325
Scenario B Dinner - 80% Efficiency Factor	(22	600	W-1 is Not Open	W-1 is Open	977	977
-	622	688	727	837	876	876
Dinner - 85% Efficiency Factor AYCE Seats Available for Dinner	586	647	684	788	825	825
	645	645	755	810	810	810
Lunch - 80% Efficiency Factor (Does not	152	170	170	208	208	208
include FSILG students)						
AYCE Seats Available for Lunch	160	160	160	325	325	325
# of Baker Seats	160	160	160			
# of McCormick Seats			110			
# of Next House Seats	250	250	250	250	250	250
# of Pritchett Seats	115	115	115	115	115	115
# of Simmons Seats	120	120	120	120	120	120
# of W-1 Seats				325	325	325
Scenario C			W-1 is Not Open	W-1 is Open		
Dinner - 80% Efficiency Factor	527	630	698	822	895	895
Dinner - 85% Efficiency Factor	496	593	657	774	842	842
AYCE Seats Available for Dinner	530	640	640	855	855	855
II unch - 80% Efficiency Factor (Does not						
Lunch - 80% Efficiency Factor (Does not include FSILG students)	147	167	169	205	209	209
Lunch - 80% Efficiency Factor (Does not include FSILG students) AYCE Seats Available for Lunch	147 160	167 160	169 160	205 325	209 325	209 325
include FSILG students) AYCE Seats Available for Lunch	160	160	160	325	325	325
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats		160 160	160 160			
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats	160 160	160 160 110	160 160 110	325 160	325 160	325 160
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats	160	160 160	160 160	325	325	325
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats	160 160 250	160 160 110 250	160 160 110 250	325 160 250	325 160 250	325 160 250
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Pritchett Seats	160 160	160 160 110	160 160 110	325 160 250	325 160 250 120	325 160 250
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Pritchett Seats # of Simmons Seats # of W-1 Seats	160 160 250	160 160 110 250	160 160 110 250	325 160 250 120 325	325 160 250	325 160 250
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Pritchett Seats # of Simmons Seats # of W-1 Seats Scenario D	160 160 250 120	160 160 110 250	160 160 110 250 120 W-1 is Not Open	325 160 250 120 325 W-1 is Open	325 160 250 120 325	325 160 250 120 325
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Pritchett Seats # of Simmons Seats # of W-1 Seats Scenario D Dinner - 80% Efficiency Factor	160 160 250 120	160 160 110 250 120	160 160 110 250 120 W-1 is Not Open 698	325 160 250 120 325 W-1 is Open 822	325 160 250 120 325 876	325 160 250 120 325 876
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Pritchett Seats # of Simmons Seats # of W-1 Seats Scenario D Dinner - 80% Efficiency Factor Dinner - 85% Efficiency Factor	160 160 250 120 527 496	160 160 110 250 120 630 593	160 160 110 250 120 W-1 is Not Open 698 657	325 160 250 120 325 W-1 is Open 822 774	325 160 250 120 325 876 825	325 160 250 120 325 876 825
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Simmons Seats # of W-1 Seats Scenario D Dinner - 80% Efficiency Factor Dinner - 85% Efficiency Factor AYCE Seats Available for Dinner	160 160 250 120	160 160 110 250 120	160 160 110 250 120 W-1 is Not Open 698	325 160 250 120 325 W-1 is Open 822	325 160 250 120 325 876	325 160 250 120 325 876
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Simmons Seats # of W-1 Seats Scenario D Dinner - 80% Efficiency Factor Dinner - 85% Efficiency Factor AYCE Seats Available for Dinner Lunch - 80% Efficiency Factor (Does not	160 160 250 120 527 496	160 160 110 250 120 630 593	160 160 110 250 120 W-1 is Not Open 698 657	325 160 250 120 325 W-1 is Open 822 774	325 160 250 120 325 876 825	325 160 250 120 325 876 825
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Pritchett Seats # of W-1 Seats Scenario D Dinner - 80% Efficiency Factor Dinner - 85% Efficiency Factor AYCE Seats Available for Dinner Lunch - 80% Efficiency Factor (Does not include FSILG students)	160 160 250 120 527 496 530	160 160 110 250 120 630 593 645	160 160 110 250 120 W-1 is Not Open 698 657 645	325 160 250 120 325 W-1 is Open 822 774 810 205	325 160 250 120 325 876 825 810 208	325 160 250 120 325 876 825 810 208
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Pritchett Seats # of Simmons Seats # of W-1 Seats Scenario D Dinner - 80% Efficiency Factor Dinner - 85% Efficiency Factor AYCE Seats Available for Dinner Lunch - 80% Efficiency Factor (Does not include FSILG students) AYCE Seats Available for Lunch	160 160 250 120 527 496 530 0	160 160 110 250 120 630 593 645 0 NA	160 160 110 250 120 W-1 is Not Open 698 657 645 0 NA	325 160 250 120 325 W-1 is Open 822 774 810	325 160 250 120 325 876 825 810	325 160 250 120 325 876 825 810
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Pritchett Seats # of Simmons Seats # of W-1 Seats Scenario D Dinner - 80% Efficiency Factor Dinner - 85% Efficiency Factor AYCE Seats Available for Dinner Lunch - 80% Efficiency Factor (Does not include FSILG students) AYCE Seats Available for Lunch # of Baker Seats	160 160 250 120 527 496 530	160 160 110 250 120 630 593 645	160 160 110 250 120 W-1 is Not Open 698 657 645	325 160 250 120 325 W-1 is Open 822 774 810 205	325 160 250 120 325 876 825 810 208	325 160 250 120 325 876 825 810 208
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Pritchett Seats # of Simmons Seats # of W-1 Seats Scenario D Dinner - 80% Efficiency Factor Dinner - 85% Efficiency Factor AYCE Seats Available for Dinner Lunch - 80% Efficiency Factor (Does not include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats	160 160 250 120 527 496 530 0 NA 160	160 160 110 250 120 630 593 645 0 NA 160	160 160 110 250 120 W-1 is Not Open 698 657 645 0 NA 160	325 160 250 120 325 W-1 is Open 822 774 810 205 325	325 160 250 120 325 876 825 810 208 325	325 160 250 120 325 876 825 810 208 325
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Pritchett Seats # of Simmons Seats # of W-1 Seats Scenario D Dinner - 80% Efficiency Factor Dinner - 85% Efficiency Factor AYCE Seats Available for Dinner Lunch - 80% Efficiency Factor (Does not include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats	160 160 250 120 527 496 530 0	160 160 110 250 120 630 593 645 0 NA 160	160 160 110 250 120 W-1 is Not Open 698 657 645 0 NA 160	325 160 250 120 325 W-1 is Open 822 774 810 205 325	325 160 250 120 325 876 825 810 208 325	325 160 250 120 325 876 825 810 208 325
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Pritchett Seats # of Simmons Seats # of W-1 Seats Scenario D Dinner - 80% Efficiency Factor Dinner - 85% Efficiency Factor AYCE Seats Available for Dinner Lunch - 80% Efficiency Factor (Does not include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Pritchett Seats	160 160 250 120 527 496 530 0 NA 160	160 160 110 250 120 630 593 645 0 NA 160 250 115	160 160 110 250 120 W-1 is Not Open 698 657 645 0 NA 160 250 115	325 160 250 120 325 W-1 is Open 822 774 810 205 325	325 160 250 120 325 876 825 810 208 325 250 115	325 160 250 120 325 876 825 810 208 325 250 115
include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats # of Pritchett Seats # of Simmons Seats # of W-1 Seats Scenario D Dinner - 80% Efficiency Factor Dinner - 85% Efficiency Factor AYCE Seats Available for Dinner Lunch - 80% Efficiency Factor (Does not include FSILG students) AYCE Seats Available for Lunch # of Baker Seats # of McCormick Seats # of Next House Seats	160 160 250 120 527 496 530 0 NA 160	160 160 110 250 120 630 593 645 0 NA 160	160 160 110 250 120 W-1 is Not Open 698 657 645 0 NA 160	325 160 250 120 325 W-1 is Open 822 774 810 205 325	325 160 250 120 325 876 825 810 208 325	325 160 250 120 325 876 825 810 208 325

In Scenario B, when upper-class students living in residences with dining facilities are no longer "grandfathered", the demand analysis suggests that an additional AYCE dining facility will be required in Year 1. It is recommended that Pritchett be considered as a potential option for AYCE dinner service, since it is estimated that 141 or 28% of the residents in East Campus and Senior House will have purchased a plan offering AYCE meals. If the students in East Campus and Senior House do not select meal plans with AYCE meals, then an AYCE service may not be needed at Pritchett; however to accommodate the projected demand, it is anticipated that McCormick may then need to provide AYCE service.

Taking into consideration the existing dining facilities and W-1 in the future, the extrapolation of the market research results for the demand analysis suggests that by Year 4 the interest in an AYCE dining program will require four AYCE dining venues for the dinner meal. A complete list of all the assumptions that were incorporated into the seating demand analysis is provided in Appendix D.

Financial Implications

One of the benefits of the short-term recommendations for the House dining venues is that it will not require a significant capital investment to convert the existing house dining venues into an AYCE facility; consequently, any future capital expenditures were not included in the analysis. Rather the financial analysis evaluates the day-to-day operating expenses such as food, labor and other direct expenses.

For Fiscal Year 2008, MIT paid Bon Appetiit a \$513,846 subsidy for the House Dining program, which is approximately \$195 per meal plan participant. By Year 4, each of the Scenarios, are estimating a subsidy of \$422,000 to \$454,000, which takes into consideration an annual inflation rate of 3% for four years. This equates to \$66 to \$70 subsidy per meal plan participant. Extrapolation of the current subsidy at 3% for four years suggests that the subsidy will increase to \$578,338, if no changes are made to the existing dining program.

It should also be noted that in all of the Scenarios, the subsidy could be considerably less since the financial assumptions (Appendix E) that were incorporated were very conservative. Factors that could reduce the subsidy include:

- 1. The marketing and selling of lunch only meal plans to FSILG and off-campus students. This is a feasible option since 19.6% of FSILG survey respondents and 6.8% of off-campus students indicated their ideal dining pattern would consist of all AYCE meals. MIT could offer a 75 Lunch Only plan at \$580 per semester. If 20% of the FSILG students purchased this plan each semester, the incremental revenue would be \$215,760 with an estimated net contribution of \$129,456.
- 2. Marketing and selling of meal plans to faculty, staff, and graduate students. For example, if 5% of the graduate students purchased a 50 Lunch Only plan each semester, the incremental revenue would be \$238,382, while the estimated net contribution would be \$142,429.
- 3. The purchase of AYCE meals with the Dining Dollars associated with the meal plans. For example, if 10% of the Dining Dollars associated with plans that averaged less than ten meals per week were used in the AYCE facilities, then the projected subsidy could be reduced by \$100,000 to \$200,000 in any given year. This is a reasonable expectation since 10% of the potential Dining Dollars averages to about five meals per semester. Given the popularity of an AYCE Brunch meal on many campuses, the amount of Dining Dollars spent in the AYCE venues could be higher than 10%.

4. A lower participation rate on each meal plan, where fewer AYCE meals are consumed. This would reduce the overall food cost. Although this would not be the goal, the reality is that some students may have lower participation rates than that estimated in the financial analysis.

- 5. Students paying the door price for an AYCE meal. For example, if 80% of the 930 FSILG students purchased one AYCE lunch per week at approximately \$8, the incremental gross revenues would be approximately \$178,560, with an estimated net contribution of \$107,136.
- 6. Bon Appetit could hire student employees for some of the part-time positions, where appropriate. In some instances, offering a free meal for working a full shift or a set number of hours each day may be an incentive for some students to work in the dining halls. Another option that has been successful on other campuses, is to pay Dining Services student employees a higher wage, perhaps 10% higher, than those students that may opt to work in a library.
- 7. In the 2008 Fall Semester, the MIT Housing Department was accommodating approximately 72 additional students over the official bed count. Considering that the average per person meal plan revenue for Years 1 and 4 is \$2,163, this will generate incremental gross revenues of \$155,736 if this pattern continues in the future.

A summary of how a couple of the options above might influence the subsidy requirement for Year 1 and Year 4 is depicted in Tables 4 and 5 that follow.

TABLE 4 POTENTIAL SUBSIDY REQUIREMENT FOR YEAR 1

Year 1	Scenario A	Scenario B	Scenario C	Scenario D
Est. Profit (Subsidy)	(\$254,354.51)	(\$385,326.53)	(\$254,354.51)	(\$249,043.60)
Est. Incremental Net if 10% DD\$ Captured	\$82,559.15	\$103,372.17	\$82,559.15	\$83,030.29
Est. Incremental Net if 20% FSILG Lunch Plans	\$129,456.00	\$129,456.00	\$129,456.00	\$129,456.00
Est. Incremental Net if 5% Graduate Lunch Plans	\$142,429.50	\$142,429.50	\$142,429.50	\$142,429.50
Est. Adjusted Profit (Subsidy)	\$100,090.13	(\$10,068.86)	\$100,090.13	\$105,872.19

TABLE 5 POTENTIAL SUBSIDY REQUIREMENT FOR YEAR 4

Year 4	Scenario A	Scenario B	Scenario C	Scenario D
Est. Profit (Subsidy)	(\$453,741.06)	(\$453,741.06)	(\$422,102.67)	(\$453,741.06)
Est. Incremental Net if 10% DD\$ Captured	\$196,045.63	\$196,045.63	\$195,972.29	\$196,045.63
Est. Incremental Net if 20% FSILG Lunch Plans	\$145,973.25	\$145,973.25	\$145,973.25	\$145,973.25
Est. Incremental Net if 5% Graduate Lunch Plans	\$160,625.43	\$160,625.43	\$160,625.43	\$160,625.43
Est. Adjusted Profit (Subsidy)	\$48,903.25	\$48,903.25	\$80,468.30	\$48,903.25

In Year 1, Scenario B is expected to lose more money than the other scenarios since Pritchett is open as an AYCE dining venue. This loss could be reduced if Pritchett is not open and McCormick is converted to an AYCE dining venue instead. The potential negatives to this change is that students living in East Campus or Senior House will need to walk to West Campus to obtain an AYCE meal, while residents on West Campus would need to go to the Student Center for any a la carte dinners that they would want to purchase.

The number of participants on each meal plan per the survey results, which ultimately generates the annual board plan revenue for the financial scenarios, may be found in Appendix C.

Long-term Recommendations

Knowing that MIT wants to maintain and foster a "Residential College" model, yet wants to create and promote community and socialization on an institute-wide basis, the Institute should consider offering one centrally located AYCE dining facility that is not part of a residence hall. There are several benefits to offering a centrally located dining facility including:

- A. The facility can be designed to accommodate residents from several houses to dine and socialize together. For example, a centrally located facility on West Campus could accommodate residents living in Burton-Conner, MacGregor, New House, Next House and Simmons.
- B. It can feature a multi-purpose space, where residents from a whole house could dine together all at once, if so desired, or the space could be divisible so that more than one group can reserve it.
- C. It is more efficient to operate and it provides an opportunity to offer more choices to students than what is available in the smaller house dining venues.
- D. It will encourage diverse populations to dine together.
- E. One of the stations in the serving area could be designed to accommodate cooking a meal with a campus chef certain nights of the week or month. This event would allow students, faculty and staff from campus to sign up and participate in the experience, which may focus on how to incorporate a particular cooking technique and or prepare unusual foods.
- F. It can incorporate more sustainable dining practices in an effort to reduce the use of natural resources and the carbon footprint.
- G. The facility could become a community commons building that may also include a centralized mail area, which tends to be a destination for most students. In this case, the Institute may want to offer an a la carte dining option in addition to an AYCE venue, since all residents in this zone of the campus would likely be visiting the commons building to eat a meal or check their mail on a regular basis. Those lingering, may want to purchase a meal or snack on an a la carte basis or at the AYCE venue. If an a la carte venue is offered in this commons building, it will be important to evaluate the need for any a la carte operations in the residence halls such as Next House or Simmons. The service hours for all of the venues should be adjusted according to the demand.
- H. Last but not least, a central location will be more inviting for faculty and staff member to patronize, which will foster the out of classroom social interaction that is so importance to MIT's mission and campus life experience.

Other Considerations

1. Develop meals plans for FSILG, Off-Campus and Graduate Students, Faculty and Staff
As noted earlier, the survey results indicated that 19.6% of FSILG students prefer that all their meals be AYCE, while 36.7% expressed a desire for some of their meals be AYCE. This suggests that developing a lunch only meal plan may help complement the dining program in their house or living group. When developing these plans, it is recommended that the average cost per meal (charged to the student) for a "Lunch Only" plan be less than the cash door price to provide an incentive for them to purchase the plan. If the FSILG or off-campus student is being charged tax, then purchasing a meal plan may reduce or eliminate the tax, creating another cost savings to the student. Faculty, staff, and graduate students may find a similar plan to be attractive as well and this would provide an opportunity for the diverse members of the campus to dine together. It should be noted that if the Lunch Only program becomes popular in the first couple of years, then Baker Dining may not able to accommodate the demand for seats and another dining venue may need to become available.

2. <u>Declining Balance Plans</u>

In Year 1, one of the proposed declining balance plans cost \$800 per semester, which when extrapolated to an annual basis is less than what survey respondents indicated they are currently

spending on food. The intent of this plan is to accommodate those students who prefer to prepare their own meals or tend to purchase them on a la carte basis and may not be enamored with purchasing a meal plan. The Institute should monitor this plan to determine if more dollars should be added to the plan and understand what percentage of the Dining Dollars are being used for grocery debit cards.

3. Grocery Debit Cards

The Grocery Debit Cards will allow students the flexibility to purchase food to cook their own meals. To ensure that the students are receiving the maximum nutritional benefit, the Institute may want to consider differentiating the Grocery Debit Cards that are purchased with Dining Dollars. By differentiating the card from the grocery store's generic debit card, the cashier will be alerted so that students will not be allowed to purchase beer, cigarettes, soap, health and aids, and any other non-food products that are typically available in a grocery store.

4. Attractive a la carte dinner options

As the number of AYCE dining venues increase on campus, the number of a la carte dinner options decrease. It is recommended that the Institute monitor this closely to determine if the operating hours as well as menu offerings may need to be modified for those students who prefer to purchase their meals on an a la carte basis.

5. Evaluate the changes every year

Since the proposed recommendations will involve a significant transformation for the MIT campus community, it is strongly recommended that the changes be evaluated every year if not every semester. In the first year, it will be important to evaluate the changes during the Fall Semester to determine if the assumptions incorporated into the planning process were correct and what modifications, if any, should be implemented to enhance the program and achieve the desired outcomes expressed by the Blue Ribbon Committee.

Year 1 Summary

In summary, the proposed changes for the Housing Dining program in Year 1 include:

- 1. Offering AYCE continuous service at Baker seven days a week, 7:00a.m. 9:00p.m. or 9:30p.m. Monday Friday, and Brunch through Dinner on the weekends
- 2. Offering ACYE breakfast and dinner at Next House
- 3. Offering a la carte service at Next House for Late Night
- 4. Offering a la carte breakfast at Simmons' Pacific Java
- 5. Offering AYCE dinner at Simmons
- 6. Continuing to offer a la carte dinner at McCormick and a la carte late night service at Simmons' Pacific Java
- 7. And perhaps offering AYCE dinner service at Pritchett, if Scenario B is followed.

By implementing the proposed changes into the House Dining venues, the MIT campus community will be able to realize the following benefits in Year 1:

- Addresses and accommodates the AYCE interest that was expressed in the survey
- Provides healthier and additional choices for breakfast
- Encourages students to dine in, relax and socialize
- Provides students more variety and the opportunity to consume more nutritious meals at a reasonable price
- Athletes will appreciate the later dinner hours

- An additional late night option is available for students on West Campus
- Provides an additional dinner venue for residents living in East Campus and Senior House, if Scenario B is selected

Two potential conflicts from implementing the proposed changes include:

- It may limit the use of Baker Dining for its House events for the first two or three years
- There may not be enough attractive a la carte dinner options on West Campus

Short-term recommendations for the Retail (Non-House Dining) operations are:

- 1. Consider converting MacGregor into an Emporium when the budget allows it
- 2. Conduct market research shortly after implementing the proposed House Dining changes above to understand how well the retail offerings and services are meeting the campus community's expectations
- 3. Evaluate the need to offer an AYCE dining facility in the academic core of the campus

It is important that the menu offerings and services in the retail venues campus wide complement those that are featured in the House Dining venues. Together they formulate the Campus Dining Program that must meet the needs of a diverse population and ideally exceed customers' expectations. When this situation occurs, then it will likely promote the consumption of healthy, nutritious meals, social gathering, and foster institute-wide community building among faculty, students and staff.

Nutrition / Cognitive Performance References:

- 1) Research shows that well-nourished students are more prepared to learn (with citations): $\underline{ http://www.fldoe.org/FNM/wellness/pdf/Why\%20School\%20Meals.pdf}$
- 2) Position paper from the MA Dept. of Education: http://www.doe.mass.edu/cnp/position.html
- 3) Students with healthier diets do better in school http://www.sciencedaily.com/releases/2008/03/080320105546.htm
- 4) Meta-analyses and research on "Breakfast and Cognition and Physical Performance": http://www.breakfastresearchinstitute.org/dynamic.cfm?fuseaction=library.entry&entry=52783B0A-1125-9DB1-1AADB46D3D8467BC

MIT Campus Dining



Meal Plan Study

Draft Report January 29, 2009





Overview

- Meal Plan Study Charge and Process
- Key Findings
- Short Term Recommendations
- Long Term Recommendations
- Financial Analysis





Meal Plan Study Process

- Blue Ribbon Committee's Charge
- Focus Group and Interviews
- Market Research Survey
 - 3,921 Respondents
 - Confidence Interval 1.6%
- Benchmarking
- Dining Program Vision
- Recommendations
- Analysis







Blue Ribbon Committee's Charge

- Gain an understanding of:
 - The purpose of a dining program
 - Nutritional aspect
 - Communal and community building
 - Bringing students together
 - > Faculty and student interaction
- Need a comprehensive, successful program
- Offer options





Blue Ribbon Committee's Charge

- Look at different variables
 - Review and assess
 - Current program offerings
 - Current pricing and perceived value
 - Where and when they eat
 - Spending patterns
 - Delivery Models





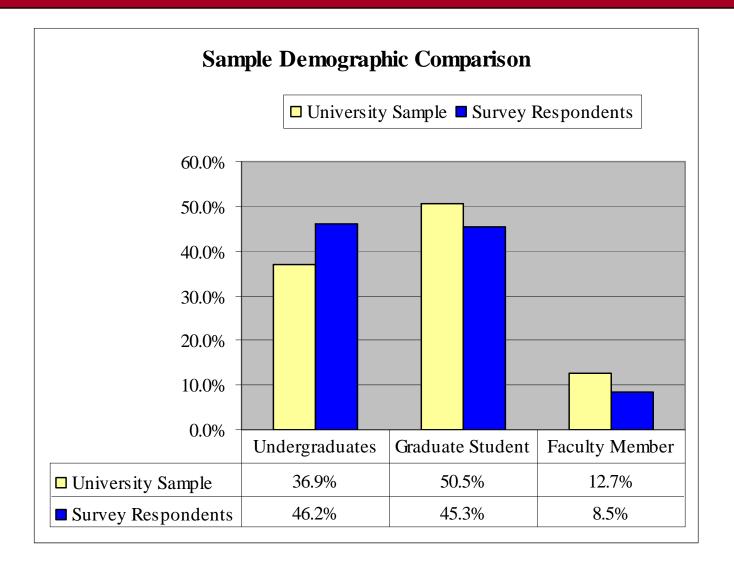
Focus Group Themes

- Students tend to:
 - Skip breakfast or eat this meal in their room
 - Order meals on-line through Campus Food
 - Want healthier menu options
 - Desire an All-You-Care-to-Eat (AYCE) option on campus
 - Request longer operating hours
- Food trucks are convenient & perceived to be cheaper
- Current House Membership is not perceived as a good value





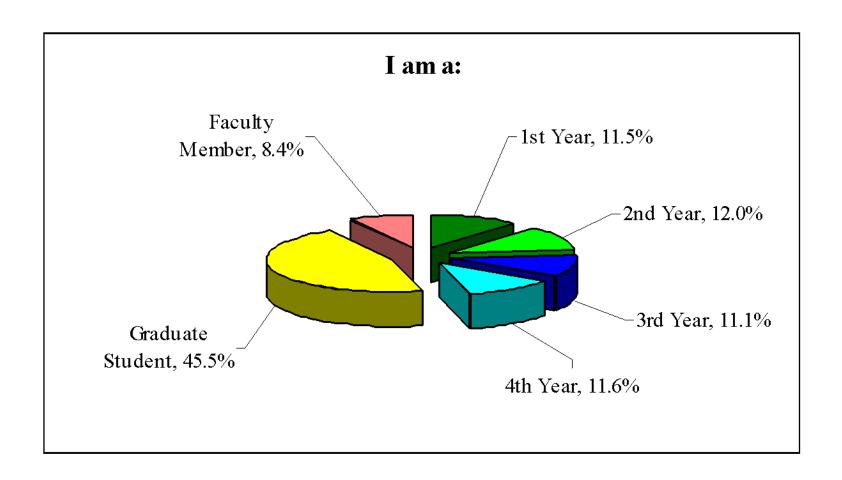
Market Research Survey







Survey Demographics







Where Survey Students Live

House Members:

- 144 Baker House
- 121 McCormick
- 148 Next House
- 153 Simons
- **566** Total House

Other:

- 674 Graduate Students
- 1,067 Off Campus
 - 245 Faculty
- 194 Other
- **2,180** Total

Non-House Members (West):

- 165 Burton Conner
- 139 Macgregor
- 113 New House
 - 64 Random Hall
 - 59 Bexley
 - 9 Northwest
- **549 Total Non-House**

East and FSILG:

- 232 East Campus
 - 66 Senior House
- 245 SFILG
- 543 Total





Dining Options Do Influence Housing Selection

- Significance for House Membership
 - 71.2% for Baker respondents
 - 57.7% for McCormick respondents
 - 62.9% for 500 Memorial Drive respondents
 - 73.8% for Simmons respondents
- Did not want to cook
 - 80.9% of Baker respondents
 - 66.7% of 500 Memorial Drive respondents
 - 46.2% of McCormick respondents
 - 45.8% of Simmons respondents
- Wanted option to cook or eat in dining room
 - 53.8% of McCormick respondents
 - 50.0% of Simmons respondents





Dining Options Do Influence Housing Selection

Significance for Non-House Membership

- 72.5% for Burton-Conner respondents
- 39.6% for Macgregor respondents
- 37.3% for New House respondents
- 73.9% for Random respondents
- 34.4% for Bexley respondents
- 58.2% for East Campus respondents
- 28.5% for Senior House respondents
- 59.5% for FSILG respondents





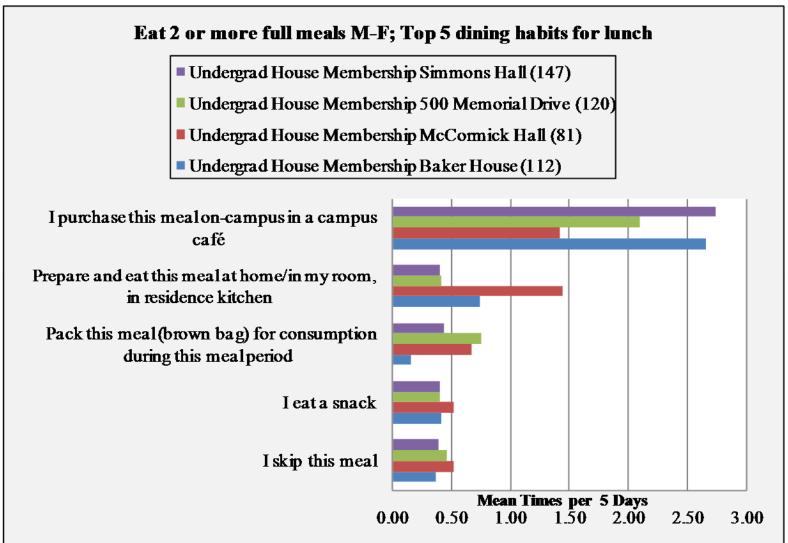
Dining Options Do Influence Housing Selection

- Desire to cook on a regular basis
 - 90.0% of Bexley respondents
 - 71.1% of Burton-Conner respondents
 - 64.7% of Random respondents
 - 60.0% of East Campus respondents
 - 57.1% of Macgregor respondents
 - 33.3% of Senior House respondents
- There is an active cooking community
 - 47.4% of New House respondents
 - 33.3% of Senior House respondents





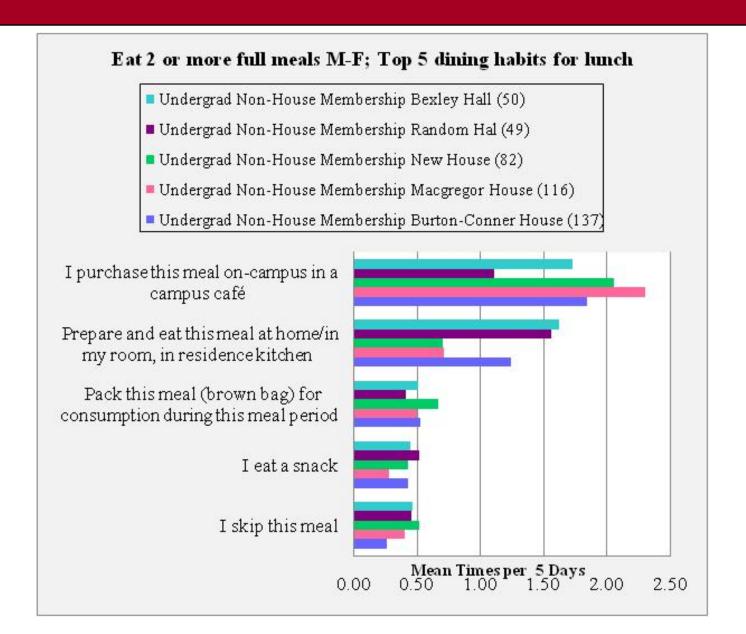
House Members Dining Habits - Lunch







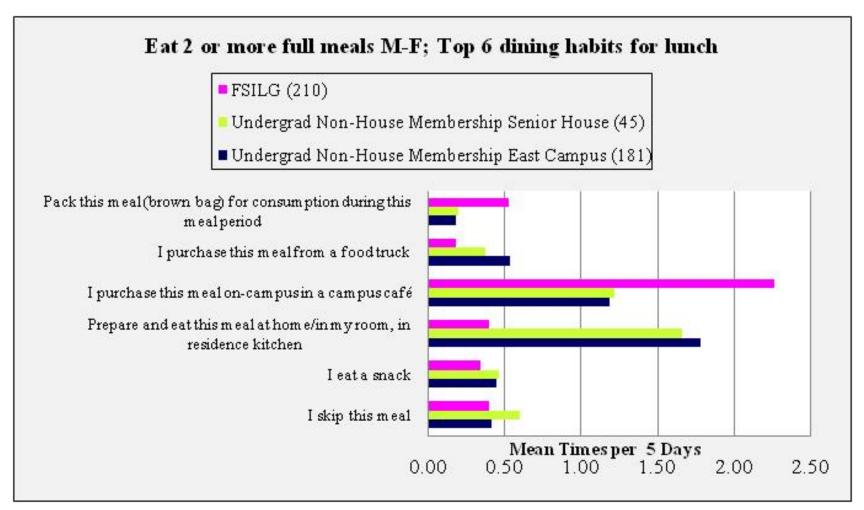
Non-House Members Dining Habits - Lunch







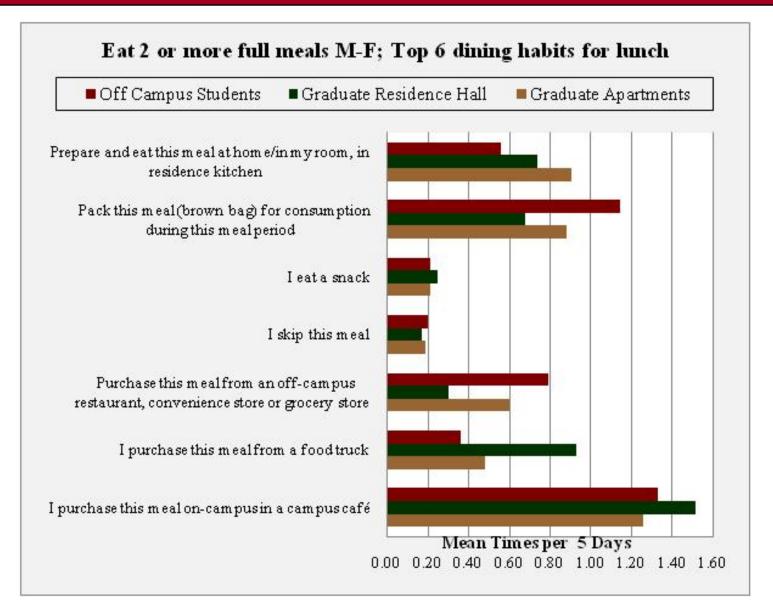
Non-House Members Dining Habits - Lunch







Graduate and Off Campus Dining Habits - Lunch







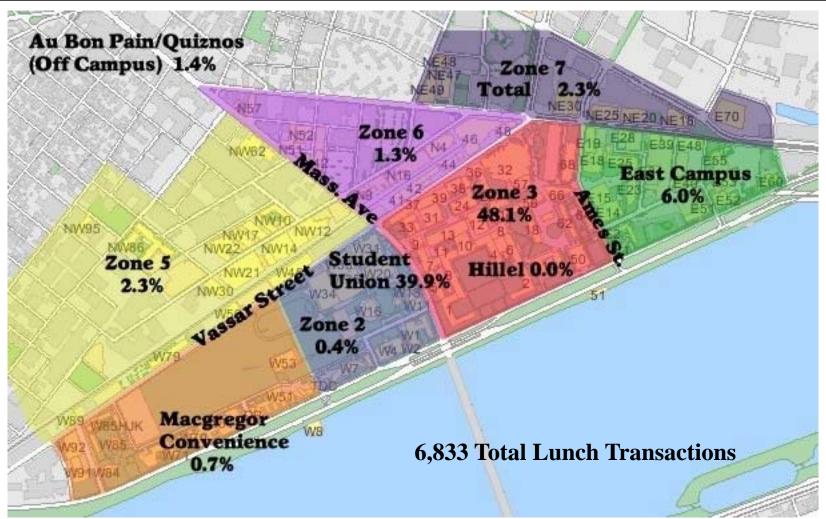
General Dining Habits - Lunch

- Reasons for brown bagging
 - Limit spending
 - ➤ Healthier food
 - Food Quality
 - > Do not want to wait in line
- 71% of the survey respondents are in the zone of campus within the borders of East of Mass. Ave., North of Memorial Dr., South of Vassar St. and West of Ames St.
- 4 of the 11 open campus dining facilities are located in this zone of the campus





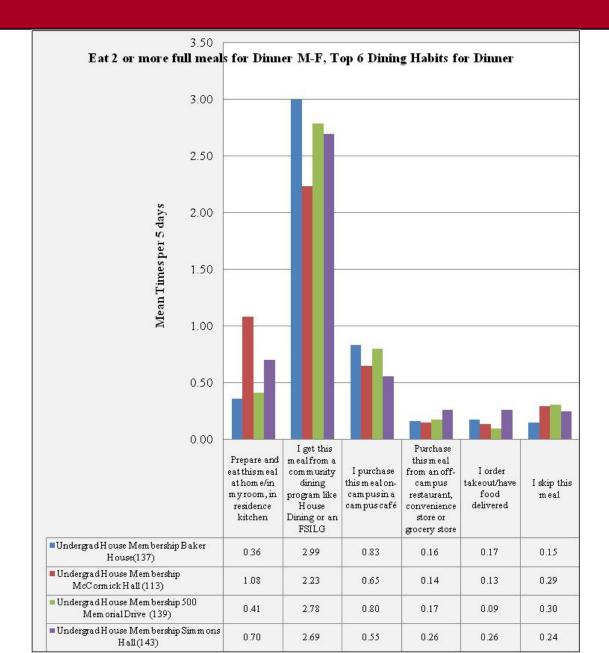
Distribution of Lunch Transaction Counts in April 2008







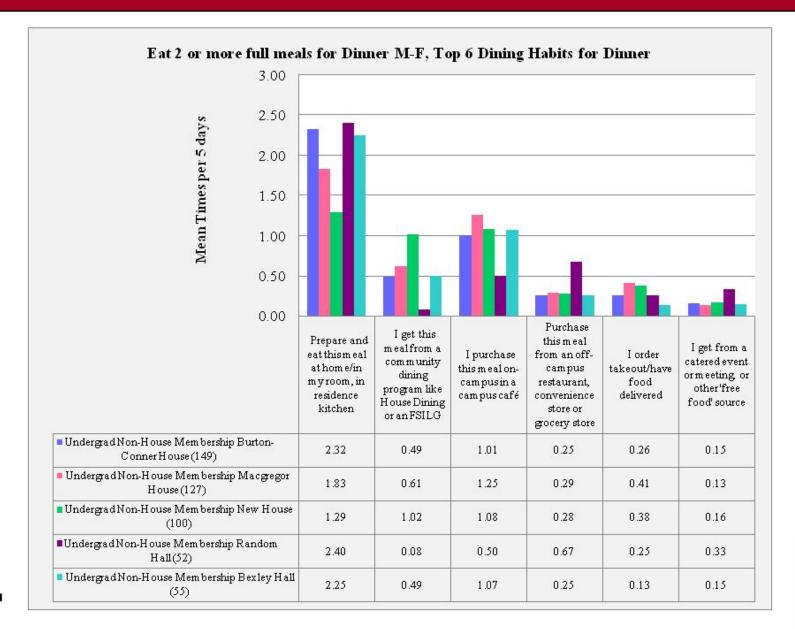
M-F Dinner Habits – House Members







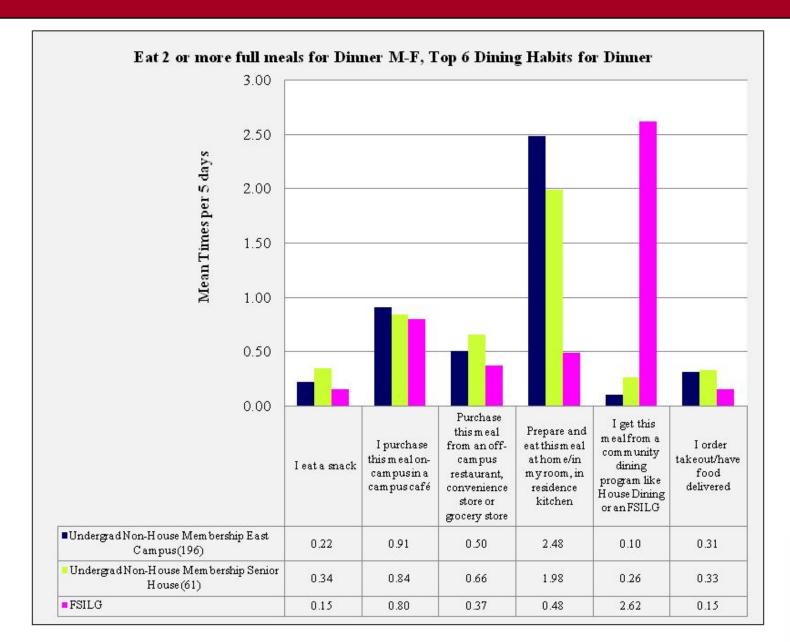
M-F Dinner Habits – Non-House Members







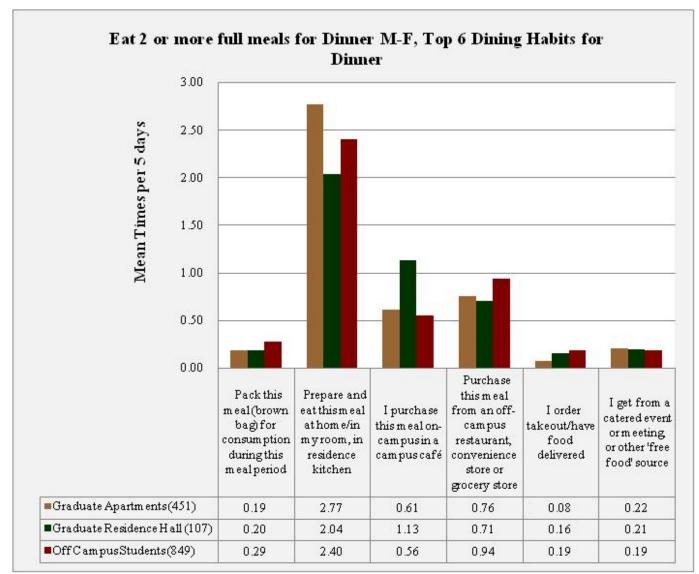
M-F Dinner Habits – Non-House Members







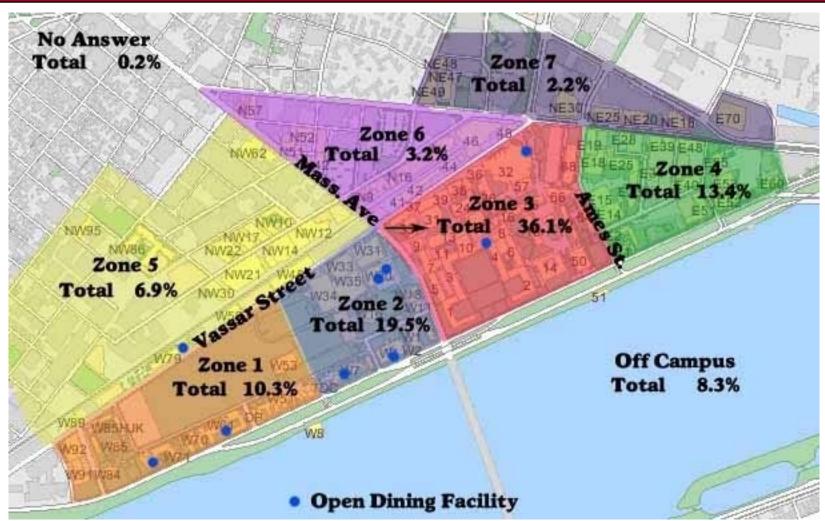
M-F Dinner Habits – Graduate and Off Campus







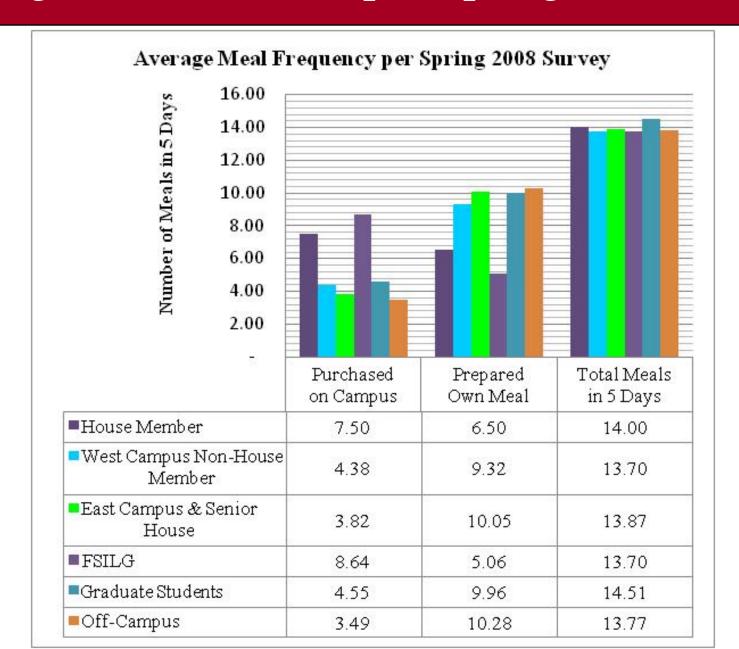
Total Respondents Location at Meal Time 4:00pm-9:59pm







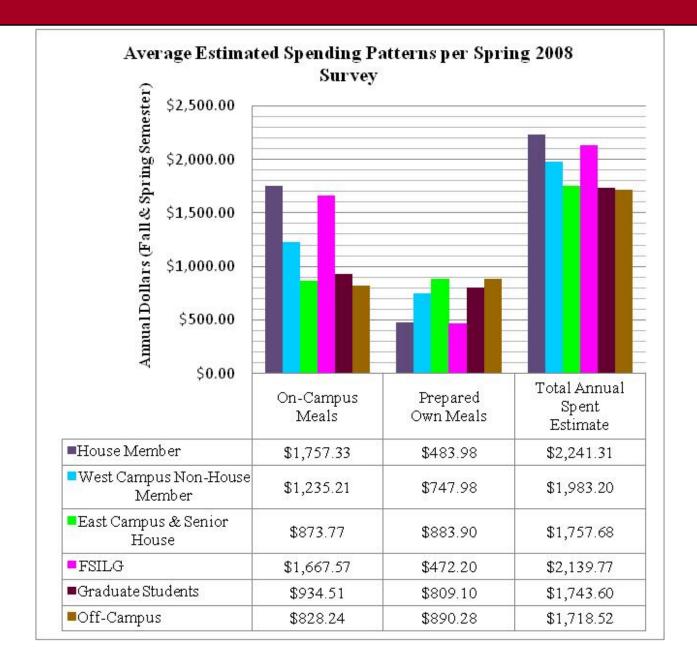
Average Meal Patterns per Spring 2008 Survey







Average Spending Patterns Estimated per Survey







Analysis of General Dining Habits

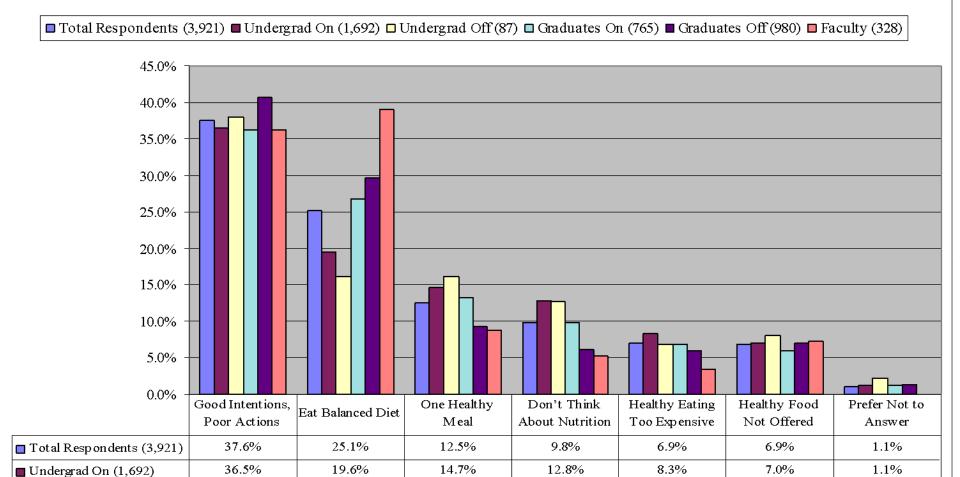
- Per the survey, less than 60% of House Members indicated they participate in the House Dining Program
- Actual transaction counts tend to support this, except for Baker and Next House which exhibit greater support
- House members and FSILG students tend to spend around \$30 per week on groceries
- Non-house members and graduate students living on campus tend to spend around \$40 per week on groceries





Nutrition

Please select one (1) statement that best describes how nutrition affects your dining patterns:



16.1%

13.2%

9.2%

8.8%

16.1%

26.8%

29.7%

39.0%

☐ Undergrad Off (87)

Graduates On (765)

■ Graduates Off (980)

■ Faculty (328)

37.9%

36.2%

40.7%

36.3%

12.6%

9.8%

6.1%

5.2%

6.9%

6.8%

6.0%

3.4%

8.0%

6.0%

6.9%

7.3%

2.3%

1.2%

1.3%

0.0%

Breakfast

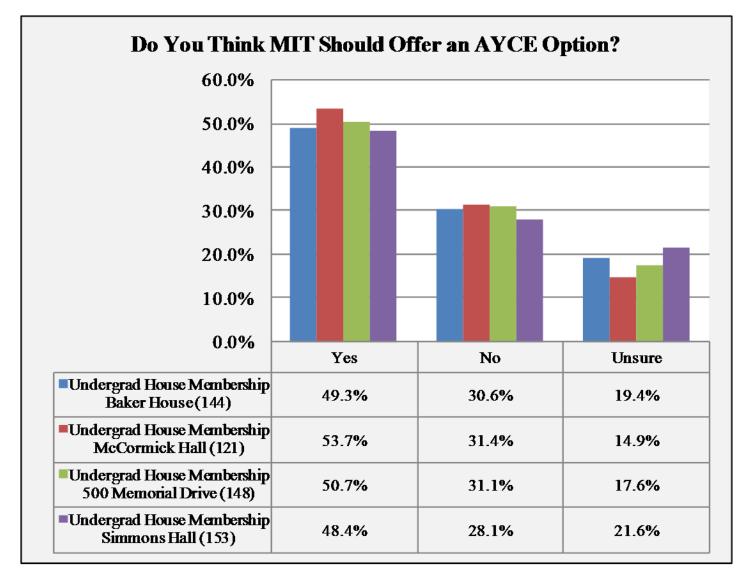
- Slight preference by House and FSILG members that their plan should offer breakfast and lunch, as well as dinner
- Preference by all students for a Hot Traditional breakfast, followed by a "Grab 'n Go" concept
- Majority of residents are in their residential area right before breakfast







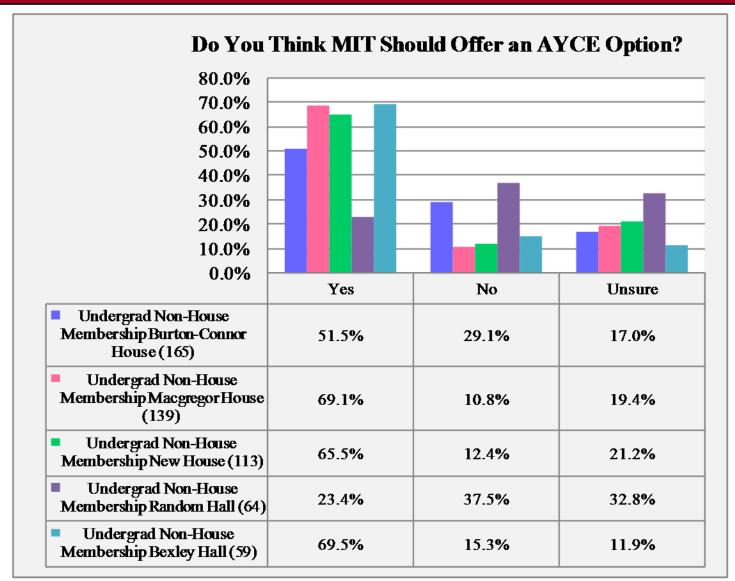
Should MIT Offer an AYCE Option







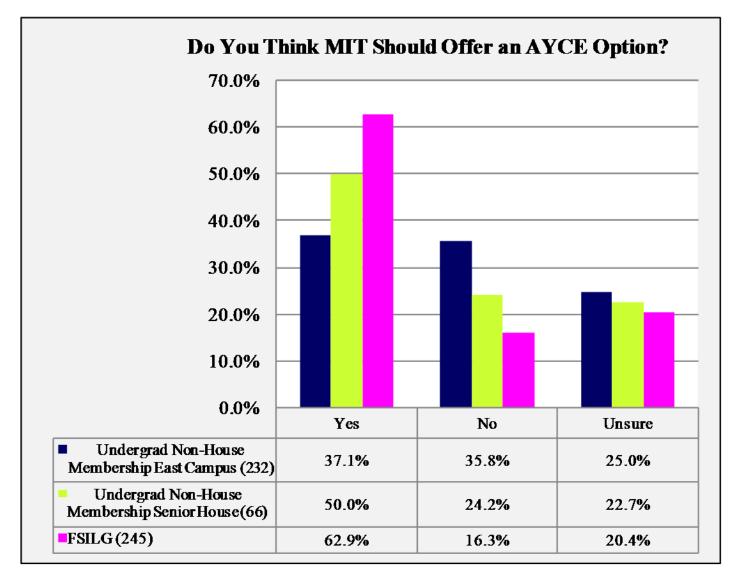
Should MIT Offer an AYCE Option







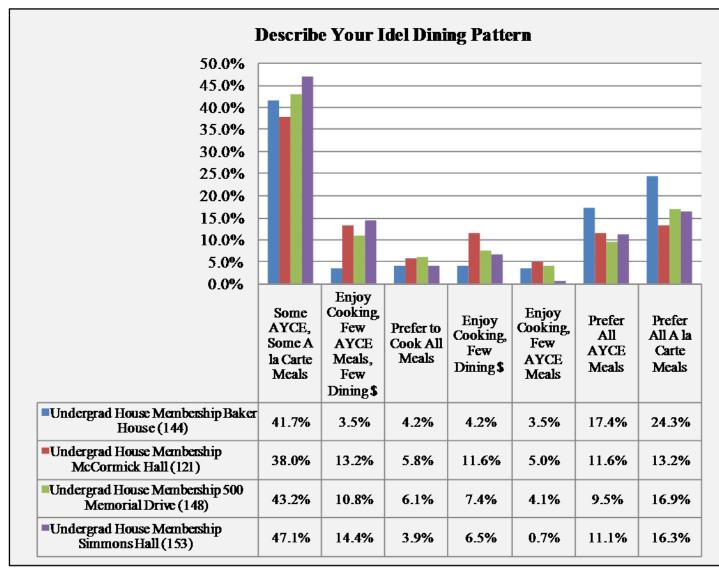
Should MIT Offer an AYCE Option







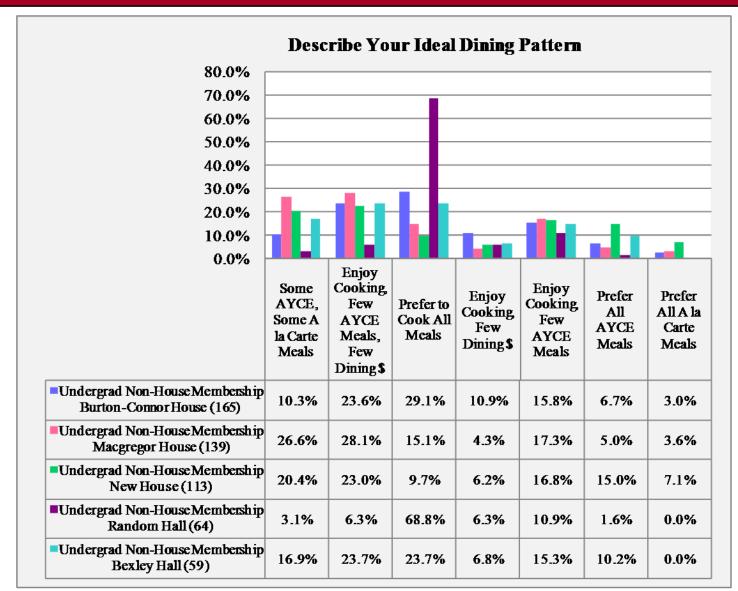
Ideal Dining Pattern







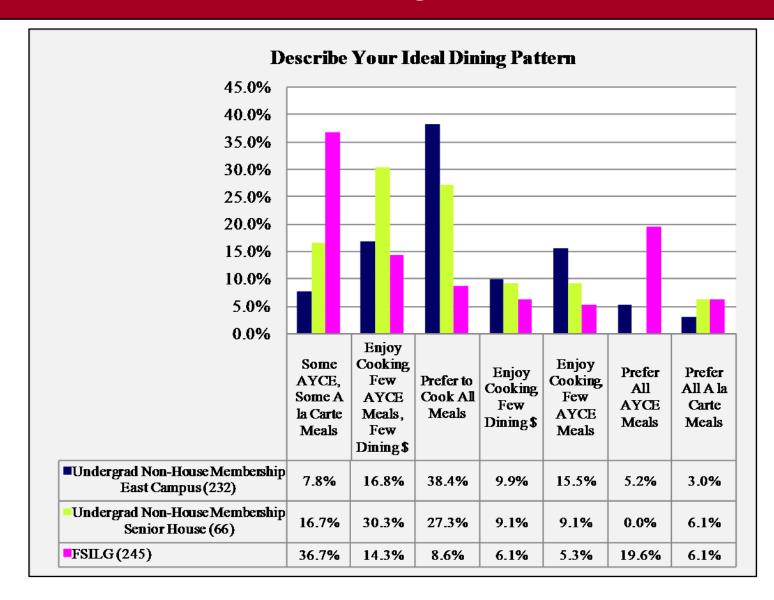
Ideal Dining Pattern







Ideal Dining Pattern







AYCE Dining

- Between 44.2% 47.5% of Graduates think MIT should offer an AYCE option
- Approximately 80% of Graduates living on campus and 72% of Graduates living off campus expressed a desire for some plan configuration that offered AYCE meals
- First preference by all survey respondents is that the AYCE option would **not** be located in a residence hall





- 63% of Faculty prefer to interact with students via sitdown forums or institute sponsored events
 - ➤ Of these, less than 12% want to interact one or more times a week
 - > Up to 37.5% would interact one or more times a month
- 81.4% of Faculty indicated that they would dine in a residential dining facility to interact with students
 - ➤ 6.2% would do this one or more times per week
 - > 30.2% would do this one or more times per month
 - > 45% would do this one or more times a term

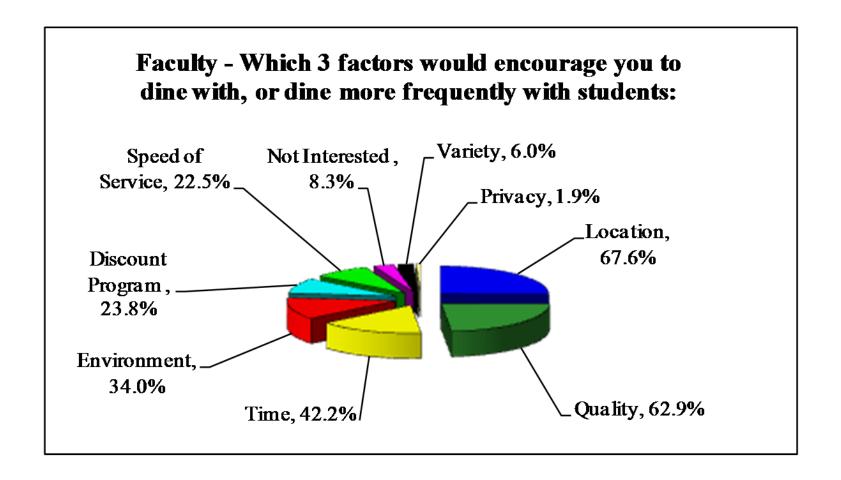




- •18.6% of Faculty indicated that they would seldom dine in a residential dining facility. Reasons stated included:
 - > Prefer to eat dinner at home
 - Didn't know they could
 - ➤ Don't stay on campus after 5:00pm



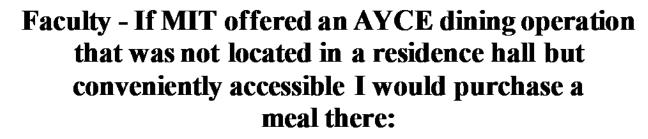


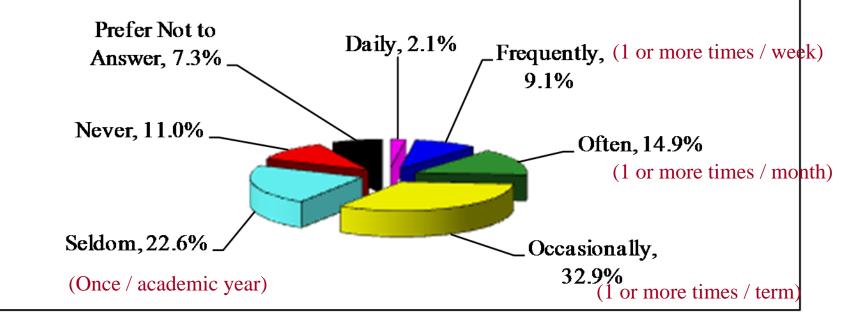
















Community Building / Residential Dining Statements

Agree that:

- ➤ MIT should offer a global meal plan to build community
- ➤ Meals are an important part of the residential life experience
- ➤ Broader commitments are justified if it results in lower costs and better service
- ➤ An AYCE "option" is desirable on campus
- Students do not think there should be a meal plan commitment, regardless of where they live
- Students tend to think the cost of the house dining program should be supported by only those that participate in it







Benchmarking

University	Annual Cost	Description	# Of Operating Days	\$ Paid per Day	Ave. \$ Avail. per Day	Ave. Meals per Day	Est. Value per Meal	Available
			_		-	•		per Week
Virginia Tech	\$2,580	\$530/sem.	215	\$12.00	\$12.40	-		\$86.80
Boston University	\$3,998	14 Meals/wk. + \$200DB	219	\$18.26	\$1.83	2.0	\$8.21	\$127.79
Carnegie Mellon	\$4,160	13.5 Meals/wk +\$440DB	222	\$18.74	\$3.96	1.9	\$7.66	\$131.17
MIT	\$4,460	A la carte / Declining Balance	238	\$18.74	\$18.74	-		\$131.18
U Penn	\$3,981	210 Meals/sem. +\$150DB	212	\$18.78	\$1.42	2.0	\$8.76	\$131.45
Columbia University	\$4,170	210 Meals/sem. +150DB	218	\$19.13	\$1.38	1.9	\$9.21	\$133.90
Case Western Reserve	\$4,370	200 Meals per Semester	219	\$19.95	\$0.00	1.8	\$10.93	\$139.68
Caltech	\$4,413	5 Din./wk +\$1,298DB/year	219	\$20.15	\$5.93	0.7	\$19.91	\$141.05
Stanford University	\$4,945	14 Meals/wk +\$420DB/Yr.	234	\$21.13	\$1.79	2.0	\$9.67	\$147.93
Cornell University	\$4,690	14 Meals/wk +\$500DB	219	\$21.42	\$4.57	2.0	\$8.42	\$149.91
Yale	\$4,860	14 Meals/wk +\$150DB	218	\$22.29	\$1.38	2.0	\$10.46	\$156.06
Harvard University	\$4,982	21 Meals/wk +\$65 / Sem.	223	\$22.34	\$0.58	3.0	\$7.25	\$156.39
Duke University	\$4,820	12 Meals /wk. + \$415DB	212	\$22.74	\$3.92	1.7	\$10.98	\$159.15
Princeton University	\$4,992	235 Meals/sem.	212	\$23.55	\$0.00	2.2	\$10.62	\$164.83





Benchmarking

- Among its peer schools, MIT ranked fourth highest in regards to the number of retail units on campus
- With the exception of MIT and Virginia Tech, all peer schools had at least one AYCE dining facility
- MIT's room and board rate was the ninth highest out of the fourteen schools
- MIT ranked the fourth lowest in regards to the cost of a meal plan that was the equivalent of 14 meals per week





Desired Outcomes for New Dining Program

- 1. Students should have money set aside for food, and food only, regardless of where they choose to obtain meals (*campus dining venues*, *FSILGs*, *grocery stores*, *off-campus venues*).
- 2. Dining plans should insure that economic considerations do not compromise student nutrition. Everyone should be able to eat well regardless of his or her economic situation.
- 3. Opportunities need to exist to allow students to participate in the system and be a part of the system. This might include employment opportunities and must include programs that welcome and encourage continual feedback and input.





Desired Outcomes for New Dining Program

- 4. Choice must be part of whatever system is chosen. The program must also be dynamic and able to be changed.
- 5. The Institute has a vested interest in building community around meals.
- 6. Good nutrition aids in better academic performance.
- 7. MIT is a diverse community. The system should recognize that diversity exists and plan for it.





Desired Outcomes for New Dining Program

- 8. Food should be available on a schedule that matches customer schedules. Service availability should not be a barrier to using the system.
- 9. The program should be able to exist on its own merits regardless of the system chosen to support it.





Factors Considered for Recommendations

- Options are needed for the diverse population
 - Dining rooms for those who do not want to cook
 - Kitchens for those who want to cook on a regular basis
 - > The option to do either
- Students are interested in a breakfast meal being part of the meal plan program
- Less than 30% of the students believe they eat a balanced diet, which may be affecting academic performance
- Current spending and dining patterns





Factors Considered for Recommendations

- Desire to increase the perceived value of the meal plan, including the options and services available
- Provide opportunities to create institute-wide community building
- MIT's current Financial Aid allocation for food
- Desire to reduce the annual subsidy and create a reserve account for future food service investments
- Future housing and dining plans, such as the renovation of W-1
- Capacity of the existing dining facilities on campus





- Provide Continuous AYCE Service at Baker
 - > 7:00am 9:30pm, M-F; 10:00am 9:30pm Sat. & Sun.
 - > Convenient location for most students
 - Provides opportunity to graze and socialize
- Provide AYCE Breakfast and Dinner at Next House
 - > 7:00am 10:00am, 5:30pm 8:30pm M-Th
 - > AYCE Brunch and Dinner on Sunday
- Provide Late Night a la carte service (Grill) at Next House
 - > 9:00pm 1:00am, Su-Th





- Provide a la carte Breakfast Service at Simmons Pacific Java
 - > 7:00am 10:00am, M-F
 - > Provides opportunity to dine in or take it to go
- Provide AYCE Dinner at Simmons
 - > 5:00pm 8:00pm Su-Th
- Continue a la carte dinner services at McCormick
- Continue late night service at Simmons Pacific Java
- Depending on meal plan requirements, AYCE dinner may be needed at Pritchett in Year 1



• Potential Benefits:

- ➤ Addresses the AYCE interest expressed in survey
- > Provides healthier and additional choices for Breakfast
- Encourages students to dine in, relax and socialize
- Provides students more variety and the opportunity to consume more nutritious meals at a reasonable price
- ➤ Athletes will appreciate the later dinner hours
- ➤ Additional late night option for students on West Campus
- ➤ Potential dinner option for East Campus and Senior House residents





Potential Conflicts

- ➤ May limit the use of Baker Dining for House events
- ➤ Ability of dining operations to accommodate the AYCE interest
- Number of attractive a la carte dinner options may not meet the expectations of the campus community





- Consider converting the Macgregor Convenience Store into and Emporium
 - Increase the menu options by featuring a hot food platform that can accommodate multiple day parts such as breakfast and late night service
 - Remodel dining area to be more inviting and feature soft seating to encourage students to lounge and mingle
 - Accessible outside entrance will be less of a deterrent for other residents in the area to use it
 - ➤ Central location on West Campus can accommodate late night dining needs for many in this zone of the campus
 - Additional options will attract students to spend declining balance dollars at this venue





• Conduct Market Research on Retail Venues

- ➤ How well are they meeting the needs of the campus?
- > Do they offer the desired menu offerings and restaurant brands?
- > Are the service hours appropriate for all parts of the campus?
- ➤ Is there an opportunity to increase market share?
- ➤ How will the AYCE offerings influence the campus community's expectations for retail offerings?
- ➤ Will there be a demand for less fast food restaurants or for more?
- ➤ Will there be a demand for comfort foods (home-style) on an a la carte basis in a non-residential dining facility?



- Evaluate the need to offer an AYCE dining option in the academic core
 - ➤ Is there a need to provide this service for lunch?
 - ➤ Will faculty and staff use it?
 - ➤ Will students use it?
 - ➤ If substantial interest, should Walker be renovated to accommodate this service?
 - ➤ Is there enough interest by East Campus and Senior House residents?
 - ➤ Is there a need for additional dinner service in this zone?





Proposed Meal Plan Configuration

- Students may select from several meal plans
 - All Freshmen and Sophomores living on campus will select from plans that are the equivalent of 14 meals a week or higher
 - ➤ All Juniors and Seniors living on campus will select from plans that are the equivalent of 10 meals or higher
 - > Options may vary slightly depending on residence and the style of service the dining facility is offering
 - ➤ Students living in Non-House Dining residences will have the option to select an all declining balance meal plan





Proposed Meal Plan Configuration

- All plans will have Dining Dollars and or Tech Cash associated with them
 - > Dining Dollars may be used in any on-campus dining venue
 - ➤ Tech Cash may be used in the convenience stores, approved off-campus restaurants, and to purchase debit cards for local grocery stores
- Unspent Dining Dollars will rollover from Fall to Spring Semester, but will be forfeited at the end of the Spring Semester
- Unused AYCE meals will be forfeited at the end of each semester

Draft Report January 29, 2009





- Freshmen living in Baker, Next House, Simmons and McCormick
 - ➤ <u>Unlimited Meals</u> Where students can enter into an AYCE dining facility as many times as they during service hours. For example Baker may be open for continuous service on weekdays from 7:00am to 9:30pm. The plan also includes \$50 Dining Dollars.
 - ➤ <u>285 Meals per Semester</u> Includes \$75 Dining Dollars and provides approximately 19 AYCE meals per week.
 - ➤ <u>210 Meals per Semester</u> Includes \$125 Dining Dollars and provides approximately 14 AYCE meals per week.
 - ➤ <u>150 Meals per Semester</u> Includes \$300 Dining Dollars and \$50 Tech Cash, provides approximately 10 AYCE meals per week.





- Freshmen living in Baker, Next House, Simmons and McCormick (continued)
 - ➤ <u>105 Meals per Semester</u> Includes \$500 Dining Dollars and \$80 Tech Cash, provides approximately 7 AYCE meals per week.
 - > <u>75 Meals per Semester</u> Includes \$425 Dining Dollars and \$225 Tech Cash, provides approximately 5 AYCE meals per week.

Additional options for McCormick Freshmen include:

- ➤ <u>Declining Balance Plan 1</u> Includes \$1,325 Dining Dollars.
- ➤ <u>Declining Balance Plan 2</u> Includes \$725 Dining Dollars and \$325 Tech Cash





- Sophomores living in Baker, Next House, Simmons and McCormick
 - > Same plans as those available to Freshmen living in these residences
 - ▶ 60 Meals per Semester Includes \$225 Dining Dollars and \$325 Tech Cash, provides approximately 4 AYCE meals per week.





- Juniors and Seniors living in Baker, Next House,
 Simmons and McCormick
 - Same plans as those available to Sophomores living in these residences
 - ➤ <u>140 Meals per Semester</u> Includes \$95 Dining Dollars and provides approximately 9.33 AYCE meals per week.
 - > <u>75 Meals per Semester</u> Includes \$475 Dining Dollars and provides approximately 5 AYCE meals per week.
 - ➤ <u>50 Meals per Semester</u> Includes \$325 Dining Dollars and \$165 Tech Cash, provides approximately 3.3 AYCE meals per week.





Additional options for Juniors and Seniors living in McCormick include:

- Declining Balance Plan 4 Includes \$950 Dining Dollars.
- ➤ <u>Declining Balance Plan 5</u> Includes \$500 Dining Dollars and \$250 Tech Cash





• Freshmen living in Non-House Dining Residences

- ➤ <u>Unlimited Meals</u> Where students can enter into an AYCE dining facility as many times as they during service hours. For example Baker may be open for continuous service on weekdays from 7:00am to 9:30pm. The plan also includes \$50 Dining Dollars.
- ➤ <u>285 Meals per Semester</u> Includes \$75 Dining Dollars and provides approximately 19 AYCE meals per week.
- ➤ <u>210 Meals per Semester</u> Includes \$125 Dining Dollars and provides approximately 14 AYCE meals per week.
- ➤ <u>150 Meals per Semester</u> Includes \$300 Dining Dollars and \$50 Tech Cash, provides approximately 10 AYCE meals per week.





- Freshmen living in Non-House Dining Residences (cont.)
 - ➤ <u>105 Meals per Semester</u> Includes \$500 Dining Dollars and \$80 Tech Cash, provides approximately 7 AYCE meals per week.
 - > <u>75 Meals per Semester</u> Includes \$425 Dining Dollars and \$225 Tech Cash, provides approximately 5 AYCE meals per week.
 - Declining Balance Plan 1 Includes \$1,325 Dining Dollars.
 - ➤ <u>Declining Balance Plan 2</u> Includes \$725 Dining Dollars and \$325 Tech Cash





- Sophomores living in Non-House Dining Residences
 - > Same plans as those available to Freshmen living in these residences
 - ▶ 60 Meals per Semester Includes \$225 Dining Dollars and
 \$325 Tech Cash, provides approximately 4 AYCE meals per week.
 - ➤ <u>Declining Balance Plan 3</u> Includes \$225 Dining Dollars and \$575 Tech Cash





- Juniors and Seniors living in Non-House Dining Residences
 - Same plans as those available to Sophomores living in these residences
 - ➤ <u>140 Meals per Semester</u> Includes \$95 Dining Dollars and provides approximately 9.33 AYCE meals per week.
 - > <u>75 Meals per Semester</u> Includes \$475 Dining Dollars and provides approximately 5 AYCE meals per week.
 - ➤ <u>50 Meals per Semester</u> Includes \$325 Dining Dollars and \$165 Tech Cash, provides approximately 3.3 AYCE meals per week.
 - Declining Balance Plan 4 Includes \$950 Dining Dollars.





- Juniors and Seniors living in Non-House Dining Residences (Continued)
 - ➤ <u>Declining Balance Plan 5</u> Includes \$500 Dining Dollars and \$250 Tech Cash
 - ➤ <u>Declining Balance Plan 6</u> Includes \$225 Dining Dollars and \$375 Tech Cash





Benefits

- Plans are designed to accommodate the different dining patterns and lifestyle of residents
- Most plans provide approx. 10 -14 meals per week, however plans with more meals are available
- Students may purchase an AYCE meal with any plan
- ➤ Block plan (meals per semester) configuration are perceived as a better value than Meals per Week plans, since the opportunity to miss meals is diminished
- > Students will have the option of changing their meal plan at the beginning of each semester so that it accommodates their semester schedule



Opportunities

- ➤ Bon Appetit or MIT Health Services could conduct seminars on how to prepare nutritious meals on a budget
- The Bon Appetit Chef could conduct cooking lessons over a meal where students pay a nominal fee to offset the cost of food that is prepared and served

Potential Threats

By offering Tech Cash as part of the meal plan some students may elect to purchase non-food items with the dollars provided which defeats the intent of the program or providing nutritious meals throughout the semester





Meal Plan Analysis

• Scenario A

- ➤ All existing enrolled students are grandfathered and participate in the meal plans voluntarily
- In year 1, All Freshmen are required to purchase a meal plan that is equivalent of 14 meals per week or higher
- ➤ In years 2, 3, and 4, all Sophomores, Juniors and Seniors are required to purchase a meal plan respectively
- ➤ Short term recommendations for House Dining Venues are implemented in year 1
- Participation on any one specific meal plan was determined by applying the "ideal dining pattern" survey results by residence





Meal Plan Analysis

• Scenario B

Same as Scenario A with the following exceptions:

- All existing enrolled students living in a residence without a dining venue are grandfathered and participate in the meal plans voluntarily
- All existing enrolled students living in a residence with a dining venue are required to participate in the dining program
- ➤ The demand for AYCE dining is anticipated to be higher than in Scenario A, so in addition to the implementing the short term recommendations for House Dining Venues in year 1, Pritchett offers an AYCE Dinner Su Th





Meal Plan Analysis

Scenario C

Same as Scenario A with the following exceptions:

- Pritchett is not available as a dining option
- To accommodate the demand for AYCE, McCormick offers AYCE dinner service in Years 2 and 3
- ➤ It is anticipated that after W-1 opens, Baker may still be needed for AYCE dinner service in the future





Scenario Summary for House Dining Venues

MIT Dining Recommendations	Year 1 Year 2		Үеаг 3	
Scenario A			W-1 is Not Open	
Baker	AYCE - Continuous Service	AYCE - Continuous Service	AYCE - Continuous Service	
McCormick	A la carte Dinner	A la carte Dinner	A la carte Dinner	
Next House	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night	
Pritchett	No Service	AYCE Dinner	AYCE Dinner	
Simmons	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	
W-1	NA	NA.	NA	
Scenario B			W-1 is Not Open	
Baker	AYCE - Continuous Service	AYCE - Continuous Service	AYCE - Continuous Service	
McCormick	A la carte Dinner	A la carte Dinner	A la carte Dinner (May need to be AYCE Dinner)	
Next House	AYCE - B, D; A al Carte Late Night	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night	
Pritchett	AYCE Dinner	AYCE Dinner	AYCE Dinner	
Simmons	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	
W-1	NA	NA.	NA	
Scenario C			W-1 is Not Open	
Baker	AYCE - Continuous Service	AYCE - Continuous Service	AYCE - Continuous Service	
McCormick	A la carte Dinner	AYCE Dinner	AYCE Dinner	
Next House	AYCE - B, D; A al Carte Late Night	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night	
Pritchett	No Service	No Service	No Service	
Simmons	AYCE Dinner, A la Carte Breakfast; A la	AYCE Dinner, A la Carte Breakfast; A la	AYCE Dinner, A la Carte Breakfast; A la	
	Carte Late Night	Carte Late Night	Carte Late Night	
W-1	NA	NA.	NA.	





Scenario Summary for House Dining Venues

MIT Dining Recommendations	Year 3	Year 4	Year 5	
Scenario A	W-1 is Open			
Baker	Closed	Closed	Closed	
McCormick	Closed	Closed	Closed	
Next House	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night	
Pritchett	AYCE Dinner	AYCE Dinner	AYCE Dinner	
Simmons	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	
W-1	AYCE - Continuous Service	AYCE - Continuous Service	AYCE - Continuous Service	
Scenario B	W-1 is Open			
Baker	Closed	Closed	Closed	
McCormick	Closed	Closed	Closed	
Next House	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night	
Pritchett	AYCE Dinner	AYCE Dinner	AYCE Dinner	
Simmons	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	
W-1	AYCE - Continuous Service	AYCE - Continuous Service	AYCE - Continuous Service	
Scenario C	W-1 is Open			
Baker	AYCE Dinner	AYCE Dinner	AYCE Dinner	
McCormick	Closed	Closed	Closed	
Next House	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night	AYCE - B, D; A la Carte Late Night	
Pritchett	No Service	No Service	No Service	
Simmons	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	AYCE Dinner, A la Carte Breakfast; A la Carte Late Night	
W-1	AYCE - Continuous Service	AYCE - Continuous Service	AYCE - Continuous Service	

Note: By Year 4, when all residents are participating in the Dining Program, the demand analysis for AYCE dining suggests 4 AYCE dining venues will be needed





Estimated AYCE Seating Demand

AYCE Seating Demand	Year 1	Year 2	Year 3	Year 3	Year 4	Year 5
Scenario A			W-1 is Not Open	W-1 is Open		
Dinner - 80% Efficiency Factor	509	619	686	786	858	858
Dinner - 85% Efficiency Factor	479	582	645	739	808	808
AYCE Seats Available for Dinner	530	645	645	810	810	810
Lunch - 80% Efficiency Factor (Does not include FSILG students)	127	155	155	184	185	185
AYCE Seats Available for Lunch	160	160	160	325	325	325
Baker	160	160	160			
Next House	250	250	250	250	250	250
Pritchett		115	115	115	115	115
Simmons	120	120	120	120	120	120
W-1				325	325	325





Estimated AYCE Seating Demand

AYCE Seating Demand	Year 1	Year 2	Year 3	Year 3	Year 4	Year 5
Scenario B			W-1 is Not Open	W-1 is Open		
Dinner - 80% Efficiency Factor	601	666	713	819	858	858
Dinner - 85% Efficiency Factor	565	627	671	771	808	808
AYCE Seats Available for Dinner	645	645	755	810	810	810
Lunch - 80% Efficiency Factor (Does not include FSILG students)	128	151	156	185	185	185
AYCE Seats Available for Lunch	160	160	160	325	325	325
Baker	160	160	160			
McCormick			110			
Next House	250	250	250	250	250	250
Pritchett	115	115	115	115	115	115
Simmons	120	120	120	120	120	120
W-1				325	325	325





Estimated AYCE Seating Demand

AYCE Seating Demand	Year 1	Year 2	Year 3	Year 3	Year 4	Year 5
Scenario C			W-1 is Not Open	W-1 is Open		
Dinner - 80% Efficiency Factor	509	630	703	791	871	871
Dinner - 85% Efficiency Factor	479	593	662	744	820	820
AYCE Seats Available for Dinner	530	640	640	855	855	855
Lunch - 80% Efficiency Factor (Does not include FSILG students)	127	155	155	184	185	185
AYCE Seats Available for Lunch	160	160	160	325	325	325
Baker	160	160	160	160	160	160
McCormick		110	110			
Next House	250	250	250	250	250	250
Pritchett						
Simmons	120	120	120	120	120	120
W-1				325	325	325





Financial Implications

- Conservative Assumptions Incorporated
- Subsidy is reduced
 - After 4 years is slightly less than current one, after inflation
 - > Contribution to reserves does not exist
- Opportunities to reduce it further
 - Marketing and selling meal plans to FSILG, Off-campus students, faculty and staff
 - ➤ Capturing a percentage of the Dining Dollars and Tech Cash associated with the meal plans
 - ➤ Hire student employees for some of the part-time positions





Long Term Considerations

• Offer an AYCE venue in Zone 2 / Zone 3 (see map below)







Long Term Considerations

- Benefits of offering a larger central AYCE venue:
 - Campus community prefers it to be located in a non-residential building
 - ➤ Will foster better nutrition & healthier eating habits
 - > AYCE meals will provide a better value
 - ➤ Will promote institute wide community building
 - Can implement sustainable practices
 - > Stronger potential for increasing faculty & student interaction
 - > Can complement educational process





Long Term Considerations

- Benefits of offering a larger central AYCE venue in Zone 2:
 - ➤ Can complement W-1, which is expected to accommodate the AYCE demand for Baker, McCormick, Bexley and W-1
 - ➤ One centrally located AYCE venue on West Campus (perhaps closer to Simmons and Next House) can accommodate the AYCE for all the other residences on West Campus (Estimate 375 seats)
 - ➤ Will encourage students from different houses to dine together
 - Can be designed with an additional multi-purpose space to accommodate house dinners and meetings as seen on other "Residential College" campuses
 - More efficient to operate than smaller house dining venues





Considerations

- Consider using Dining Dollars to purchase the grocery debit cards and pay for food items served in the Convenience stores
- May need to set parameters and cut off dates towards the end of the semester when using Dining Dollars or Tech Cash to purchase Grocery Debit cards to promote good nutrition habits through out the semester and foster institute-wide community building
- Evaluate the changes annually and during the first semester of the first year; modify accordingly





Discussion





