

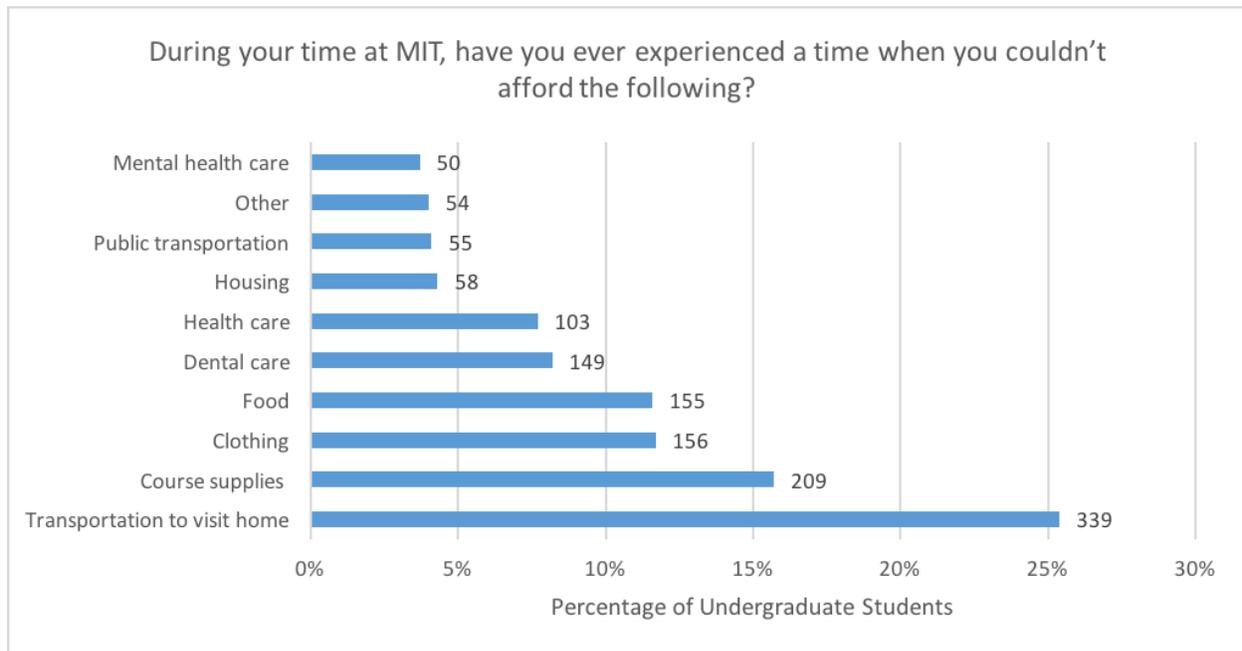
## Report on Socioeconomic Challenges of the MIT Undergraduate Body

In the Fall of 2016, the student group Class Awareness, Support, and Equality (CASE) developed and released a survey to the student body through the Undergraduate Association. The purpose was to validate the need for improved or new programs to support students who have endured or are enduring a financially difficult period during their time at MIT. CASE considered various ways in which coming from a lower socioeconomic status could influence one's housing or major choice, reasons for working, financial literacy, professional opportunities, and a myriad of other factors. There was a 29.5% response rate from the MIT undergraduate population on this survey.

For the purposes of this analysis, CASE equated low income students with affirmative responses to having qualified for food stamps or reduced-price meals while growing up. We recognize that this definition has limitations, one of which includes students classified as undocumented immigrants. However, this methodology is used in other reports [1, 2, 3].

### Overall Affordability

In response to the question “During your time at MIT, have you ever experienced a time when you couldn't afford the following?” undergraduates respondents conveyed they could not afford:



**Fig. 1** Undergraduates' response to the question “During your time at MIT, have you experienced a time when you couldn't afford the following?” The bar labels show the number of students and the horizontal axis is the percentage of students out of the total undergraduate population.

## **Financial Aid Gap**

We found that regardless of whether students felt like there was a gap in their financial aid, they are still facing similar issues affording various necessities and there is still a need for additional financial support, regardless of whether students point at a financial aid gap as the cause. This is demonstrated by the similar shape of the two graphs in Fig. 2, and correspondingly similar affordability challenges. Students provided further detail into their experiences not being able to afford such necessities in the comments section, for instance, one student stated:

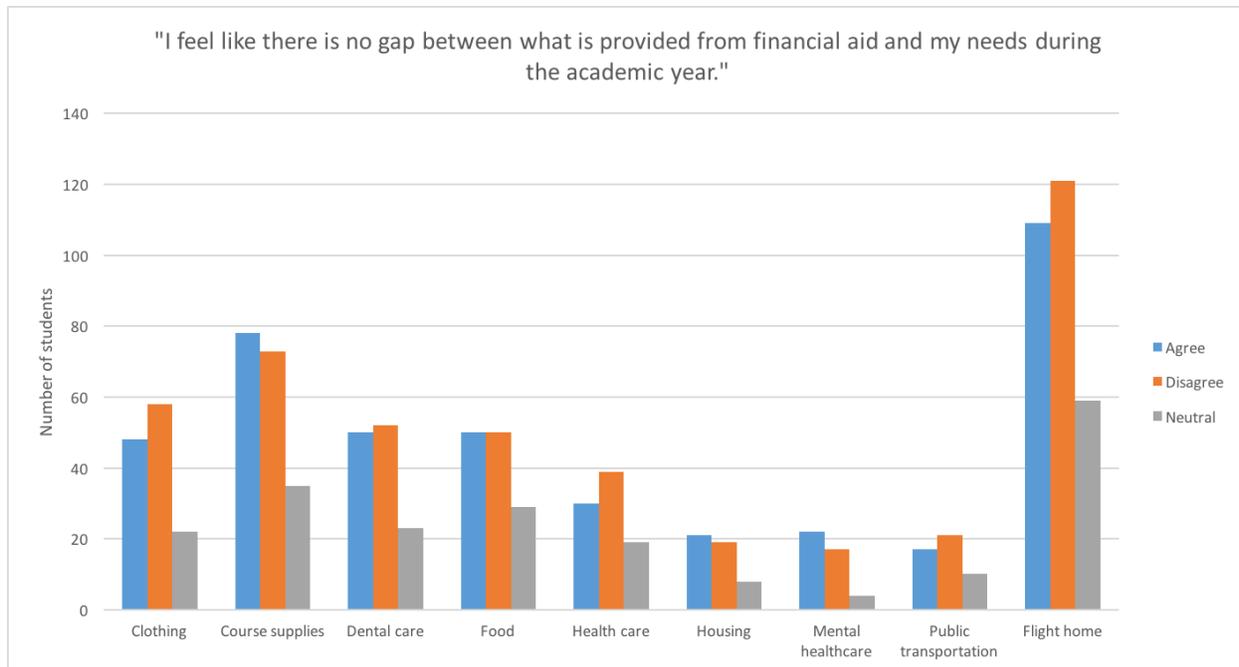
*“I have been able to afford most of the things I need, but only because I made some cuts in other areas where the need was not as urgent (although it was there). For example, I did not get physical copies of my textbooks because I could get pdf versions online, and this would allow me to get warmer clothes for winter.”*

An additional perspective indirectly came from this student:

*“I can technically afford most things, but I'd rather save that money for more important things other than food and clothing.”*

Another student even addressed this question directly:

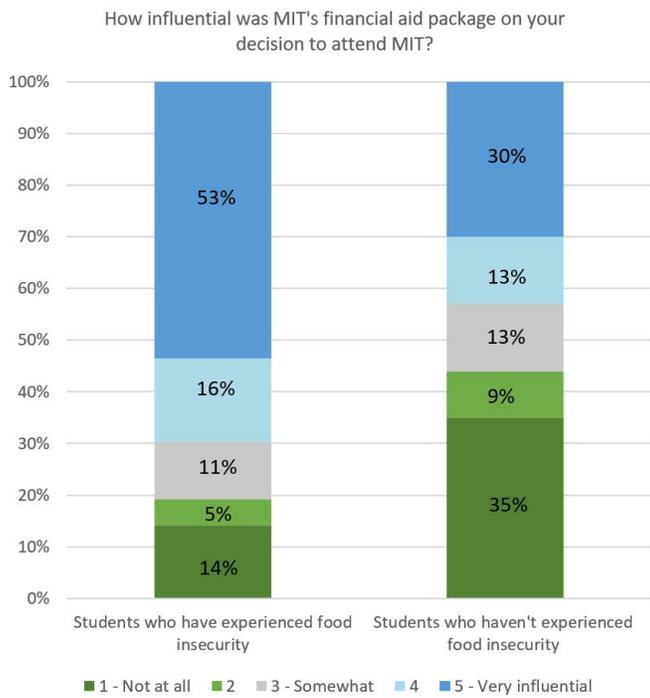
*“In the question about what I could and couldn't afford, I wasn't sure how to answer if I gave up something in order to afford something else on that list. For example, I am on the MIT extended medical insurance plan in order to receive medication for depression but that makes money a little bit tighter.”*



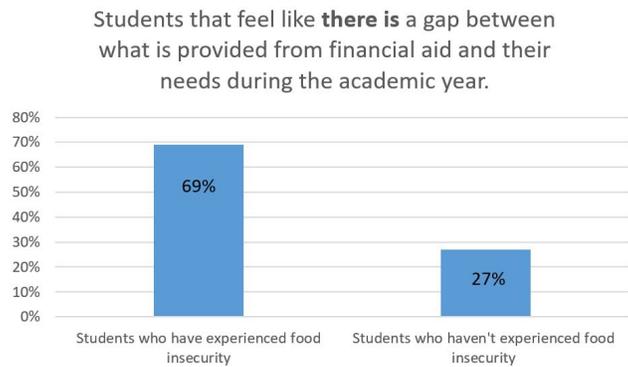
**Fig. 2**

### **Food Insecurity**

155 (11.6%) of undergraduates responded that food was something they were not able to afford at some point during their time at MIT. We found that more than half of the undergraduates who have experienced a food need found financial aid “very influential” in their decision to attend MIT compared to 30% of undergraduates who have never experienced a food need (Figure 3). Lastly, approximately 105 or 69% of students who have or are experiencing food insecurity “strongly disagree” or “disagree” that there is no gap between what is provided from financial aid as opposed to 309 or 27% of students who have not experienced food insecurity (Figure 4). Thus, students who experience food insecurity feel there is still a need that is not being met.



**Fig. 3**



**Fig. 4**

The challenge of food insecurity applies to students on the meal plan as well, with 28% (44 out of 155) students experiencing food insecurity are on meal plans. One student from Maseeh stated:

*“(I’m) dependent on the meal plan. If it’s not open, I’m short on money and can’t go other places to eat.”*

A student from Next House stated:

*“(The) IAP meal plan is more expensive than living off of ramen,”*

while another student from Pi Phi stated,

*“I am currently on a meal plan out of requisite by my sorority, and although I’ve chosen the cheapest option, it still takes my entire food budget. I work extra to pay for my food expenses outside of breakfast and dinner during the week, but sometimes ends don’t always meet.”*

We are concerned that requiring students to be on meal plans when they are low income students could exacerbate the potential for food insecurity challenges.

### **Affording Summer Housing**

After asking students how they felt about the statement: "I can afford housing in the summer when I do find a job/internship away from home," we found that there is most certainly a relationship between students being able to afford summer housing and students having qualified for reduced meals. Students who have qualified for food stamps or reduced meals are 2.8 times more likely to have answered “disagree” or “strongly disagree” when asked whether or not they were able to afford summer housing, when compared to those who have not qualified for reduced meals.

### **Financial Aid Gap and Reasons Students Work**

Students that feel like there is a gap between their financial aid and their financial needs work for different reasons than those who do not feel like there is a gap. Students that feel like there is a financial gap are 1.88 times as likely to work to send money back home, 2.89 times as likely to work to pay off debt or bills, and 1.38 times as likely to work to afford basic necessities. They were less likely to work for any of the other categories (including enjoying the job or learning useful skills).

### **Findings regarding Students on Leave**

58 students out of 1335 stated they have taken an optional or required leave from MIT, and of the 58 students, nearly half or 28 students answered “yes” to “Did you encounter difficulties paying for airfare, food, college, tuition, health care, etc. while you were taking time off?” If they answered yes, we asked for them to “Please expand on what has been difficult for (them) to afford during this period of time.” One student stated,

*“I needed to pay for classes at a local university in order to apply back to MIT. I took 3 classes which cost around \$1,000 per class and had to work 4-5 months in order to obtain that money.”*

The inability to afford college courses elsewhere as a requirement before returning back to MIT was a common theme in students' responses. Another student stated,

*“Everything. No one wants to hire me because I don't have a degree, and I can't rely on my parents because even though they have plenty of money to support me...”*

Some situations were more unique than others with one student claiming they were homeless during this period, another student had parents who got divorced one parent who lost their job, and another student who stated that they lost their health insurance when they went on a withdrawal and could not afford to see a therapist *“even though it was strongly recommended to (them) as a part of (their) condition of returning.”*

### **Insight from Student Comments**

Students expressed concern regarding being able to earn enough money to meet the student contribution:

*“I think it is important to note that the MIT financial aid package always designate a part of the aid from student work, yet when you get a UROP for pay you are maxed out at ~1400 and often the student contribution is far higher than this making it relatively impossible to realistically provide all the student aid they require and thus creating a need for loans.”*

Additionally, students expressed concern about parents not paying the parent contribution, and students are thus left in a more financially challenging situation:

*“I'm paying entirely for my education, but my parents expected contribution is still there.”*

### **Actionable Items**

We recommend that MIT establishes a representative or office for individuals with a low income or lower socioeconomic background. There currently exists an office for minority and first generation students, but individuals may fall outside of the purview of those offices and lack the support structure necessary to have the best experience at MIT. We would like such an office to serve as a conduit for continuing the conversation about tackling low income challenges, and be a support service for students to turn to when facing difficulties.

We call on MIT to create a taskforce to identify additional solutions in order to address the challenges delineated in this report. We hope the MIT administration further engages with students to discuss the challenges and methods to address these challenges lower income students face at MIT.

As part of this taskforce, we urge MIT to reevaluate the requirement for meal plans for low income students in Tier 1 dorms, the requirement for students to meet qualifications for returning from leave that involve financial expenditures, and the size of the student contribution in financial aid packages. We further call on MIT to increase affordable food options on campus.

*If you have any questions, please contact [case-exec@mit.edu](mailto:case-exec@mit.edu) (CASE).*

## **References**

[1] Sensation-Seeking, Risk-Taking, and Problematic Financial Behaviors of College Students, 2010.

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[2] Food insecurity among low-income Hispanics in Hartford, Connecticut: Implications for public health policy, 2000.

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[3] Economic Well-Being and Children's Social Adjustment: The Role of Family Process in an Ethnically Diverse Low-Income Sample, 2012.

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