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YOUR MONEY

Appealing to a College for More Financial Aid

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Your Money

By RON LIEBER

The era of the financial aid appeal has arrived in full, and April is the month when much of the action happens.

For decades, in-the-know families have gone back to college financial aid officers to ask for a bit more grant money after the first offer arrived. But word has spread, and the combination of the economic collapse in 2008-9 and the ever-rising list price for tuition and expenses has led to a torrent of requests for reconsideration each spring.

Do not call it bargaining. Or negotiation. That makes financial aid officers mad, as they don't like to think of themselves as presiding over an open-air bazaar. But that's not to say that you shouldn't ask. At many of the private colleges and universities that students insist on shooting for, half or more of families who appeal get more money. And this year, for the first time, the average household income of financial aid applicants will top \$100,000 at the 163 private colleges and universities that the consulting firm Noel-Levitz tracks.

Whatever you call your request for reconsideration, keep this in mind: For all of the real, important work of forging minds that goes on behind the ivy-covered walls, this is also an industry. The people who work in it are obsessed with carefully managing enrollment and making sure that they don't give away too much money. To accomplish these goals, Carnegie Mellon uses proprietary statistical modeling, while consultants like Noel-Levitz sell revenue management systems and blog about merit scholarships that can serve as decision triggers. The

real sin in the financial aid world is something called overawarding, lest the discount rate outpace the growth of net tuition revenue per student.

All that business jargon is not to suggest that they aren't discounting. It happens, a lot. Knowing a bit more about how the process works may help you get a lower price if you don't like the figures on the award letter that your child has received.

In recent weeks, I sent notes to a few dozen of the most expensive colleges and universities in the country seeking answers to a few basic questions about appeals. Some declined to help or were nearly monosyllabic, perhaps reflecting either their distaste for appeals or their 100-hour workweeks at the moment. The initial response from the University of Chicago came with a claim that the answers to my questions were not public information. Then there was the heartfelt and intensely useful response from Maureen McRae Goldberg, the director of financial aid at Occidental College, which appears in full with the web version of this column.

The responses I did get led me to believe that there were two main kinds of appeals, and only the first had a reasonably high likelihood of success.

Financial Changes

Your best shot with an appeal will come from a change in your family's financial circumstances since you applied for aid. Possibilities include job loss or other reduction in income, new health expenses, death of a parent, disability of a family member, nursing home costs, natural disasters or parental credit woes that make borrowing impossible.

When you make the appeal, Kelly O'Brien, the director of financial aid at Trinity College, suggests that it be written, quantified and documented. At Sarah Lawrence, the dean of enrollment, Kevin McKenna, adds that it's easier to respond to changes that have already happened. Upon appeal, the school may wait to see what happens with changes families merely anticipate.

Here are some circumstances not to cite: Ms. McRae Goldberg of Occidental once heard from a family that wanted allowances for \$3,000 in monthly groceries, including \$1,000 for dairy products. Then there was another family with \$30,000 in medical expenses after a cancer diagnosis. Documentation arrived, and it was for the family cat.

So what are your odds of success when you ask for more grant money that you don't have to pay back? Some universities claim they don't track the batting average of appealers, while others almost certainly do but didn't want to tell me.

But a few institutions did give up some numbers. At Occidental, the financial aid office approved the appeals of one-third of the entire entering class (including those who did not apply for financial aid). Eugene Lang College at the New School reports a 57 percent success rate among all its students who have appealed. At Cornell and Sarah Lawrence, it's about 50 percent.

Dartmouth would only say that it loosens the purse strings for a majority of the appeals, and it sympathized with those who curse the whole system, noting that the various formulas that most colleges use don't fully recognize the true cost of living for most families.

Sometimes, misunderstandings occur. Most families are applying for financial aid for the first or second time, so they make mistakes. Financial aid officers aren't infallible either. The rules around divorced parents, home equity and small-business revenue can throw people for a loop. If similar schools offer radically different amounts, it's worth finding out if there was an error.

Cornell instantly corrects itself if you've got higher need-based aid offers from other Ivy League schools or M.I.T., Duke and Stanford; it will match that offer, no questions asked.

Carnegie Mellon appears to be acting similarly, noting on its site that the university has "been open about our willingness to review financial aid awards to compete with certain private institutions for students admitted under the regular decision plan." Then it throws in this zinger: "Unlike most institutions, the university states these principles openly to those offered first-year admission under the regular decision plan."

Merit and Matching

One of the key code words here is "need-based" offers, like the ones that Cornell offers to match. Many institutions also give away "merit" scholarships to students they want to attract, regardless of whether they can afford to pay the entire cost of attendance and have no financial need.

This is where things get tricky. Many families get merit scholarships but also have financial need. But it's often hard to get one school that offers need-based aid

but no merit aid to match the overall grant package of another school that offers both. It's also challenging when the colleges are not of equal stature.

Moreover, the colleges are on to you. Enrollment specialists have gathered data and done the math, and people who appeal are more likely to attend than people with aid offers who do not appeal, regardless of whether the school gives the appealers more money. In fact, according to Jim Scannell, the co-founder of consulting firm Scannell & Kurz, sometimes the people with rejected appeals enroll at a *higher* rate than those with winning appeals. "You're not going to appeal to a place that you're not serious about," he said.

People who try haggling around the merit money are the ones who inspired Kenyon's vice president of enrollment, Jennifer Delahunty Britz, to describe this in a Washington Monthly story last year not as some golden age of banter and reconsideration but an "age of entitlement."

She's not the only one who isn't fond of the parents' appeals. Here's Victoria Romero, vice president for enrollment at Scripps College, on the subject: "It is important for families to understand that financial aid packages are not subject to negotiation." She adds, seemingly for emphasis: "We award all merit aid at the time of admission and will not match another school's merit award."

Other schools may indeed match the overall offer, perhaps under the face-saving guise of checking the original application for supposed errors in calculating actual financial need. But even then, families need to be honest with themselves about the applicants. "Be realistic about how they will stack up," said Kalman Chany, the author of "Paying for College Without Going Broke" and an aid consultant to families. "If you're barely sneaking in, they don't care if you come so much. But if they're buying your SAT scores or grades to improve their rankings and convince other people to spend the money to go there, then they really have to have you."

The worst that can happen is that the financial aid office says no, so many parents will be tempted to try get a better offer anyway. But Deborah Fox, a veteran family aid adviser, tries to talk them into putting the student at center stage. "I prefer the student appealing," she said. "I want them to demonstrate taking control of their college education and being engaged in the financial aid process. Colleges have to deal with pushy parents all the time." She claims a higher success rate with this approach.

Still, much will depend on the college. What is its endowment? How many students have said yes so far, and what sort of aid did they get? “We do our best to understand families’ resources from the information they provide,” said Mr. McKenna of Sarah Lawrence. “But at some point, we have offered as much we can to a student. If financial aid offices had enough resources to go around, no one would ever need to appeal.”

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