

YOUR MONEY

How to Predict Merit Aid in a Strange College Application Season

Students may have no test scores, altered grades and compromised extracurricular activities. So how will colleges dole out the discounts?



By **Ron Lieber**

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Untold numbers of high school seniors have had trouble finding convenient places to take standardized tests during the pandemic, while others have health issues that make doing so risky. In the spring, many of them got pass-fail grades or are grappling with other altered academic standards. And plenty of extracurricular activities may be limited or are gone altogether.

So what is a student who is seeking merit aid from colleges to do, given that such evaluations are based on those scores and grades, not to mention the very activities that are no longer possible?

To review, there are two main ways to pay less than full price for college. One is pretty straightforward, the other somewhat more mysterious.

The straightforward discount comes from need-based financial aid, when a school determines your ability to pay by looking at income and certain assets. Net price calculators on school websites predict the assistance a school might offer.

The second is merit aid, when the quality of applicants' grades, test scores and extracurricular activities can lead to offers that have little to do with their parents' financial standing. These renewable discounts can range from a few thousand dollars to a full ride and are often awarded without a separate application.

Like so much else, merit aid may not work the way it did 12 months ago. In this fundamentally altered admissions season, how is any college supposed to figure out who should get a discount coupon of \$100,000 or more?

"I think you're trying to get me to go pour a drink," said Nathan Ament, chief enrollment officer at Loyola University in New Orleans, when I put the question to him before noon on a recent weekday.

Colleges offer merit aid on top of need-based aid for many reasons. They do it to woo star students, to lure out-of-state applicants to budget-strapped public universities or just to hit their enrollment and revenue goals through strategic deployment of discounts.

There can be a psychological component to merit aid, too. For students with financial need, it's an extra pat on the back. And families that don't meet a school's requirements for need-based aid, but that are unable or unwilling to pay full price, can still get a discount.

While families are the theoretical winners of the annual merit aid derby, it also has losers and — perhaps — victims. Merit aid is partly an act of competition that one school pursues to the detriment of another, which then needs to fill spots some other way. It's just business, or something like it.

But merit discounts also raise questions of equity. The good grades from rigorous high schools and high test scores that make admissions officers salivate often result from the kind of parental attention that is generally easier for the affluent.

However, if too many parents won't pay the list price, less selective schools like the Connecticut Colleges and the Oberlins have to discount somehow, even if the Yales and the Northwesterns, which are a bit higher up the competitive food chain, do not. Then, hopefully, they solve for the equity piece by offering need-based scholarships, too.

This year, test scores are in play. Every applicant seeking merit aid has to weigh the question: If I can't find a testing center or my health is at risk if I sit in one, could the lack of a score cost me thousands in lost discounts?

The best way for colleges to assuage those concerns is to adopt a "test blind" policy that doesn't examine scores, either for admission or for merit aid (unless required by state-based scholarships or athletic rules). Loyola University of New Orleans is doing that now.



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“Like most institutions, we understood that G.P.A.s are a better and more fair predictor of success,” Tania Tetlow, Loyola’s president, said. “At a moment when students literally couldn’t take the standardized tests, it felt like the right moment to be brave and make a change.”

By contrast, the University of Alabama, which has been especially aggressive with merit aid, still requires test scores. The school will allow students to apply for conditional admission if they submit a score by May 1. A spokesman declined to comment beyond the university’s description of its policies on its website.

Given the challenges in taking standardized tests, many more schools are now test optional, but that tends to leave lingering questions in families’ minds.

Debbie Schwartz, who developed a search tool called College Insights, has a daily view into parents’ thinking via the Paying for College 101 Facebook group she started. “I think the reason that so many families are still trying to have their kids take tests is that they need merit money,” she said. While applicants may be qualified for admission, must they have a lights-out test score to get a large merit award too? “They are not sure how the schools are going to be giving it out.”

Wabash College, a test-optional (for this year at least) school for men that posts a grid showing the kinds of merit aid offers that admitted students get based on their grades and test scores, would seem to be in a particular predicament. After all, half its evaluative data could go missing. Wouldn’t it prefer that students submit scores?

The answer is likely to be no in nearly every case, according to Chip Timmons, its dean for enrollment management and director of admissions. Its plan is to take an even harder look at grade point averages in core, college-preparatory classes.

“We’re going to do this in a way that casts the student in the best possible light,” he said. “If we feel like he can do well because of a strong G.P.A., he will not be disadvantaged by not having a test score.”

What about the applicant with poor grades who plans to prove, via the aces ACT score he’ll get next month, that he has pulled it together and deserves admission with a discount?

“Historically, that guy has not done well here,” Mr. Timmons said. “We’ve learned enough to know that those aren’t good bets for us.”

Given the nuances of each school’s system, some families may remain confused. If that’s you, find the admissions representative who reads applications from your region and ask about tests or your high school’s altered grading policy.

“That is what we are encouraging,” said Loyola’s Mr. Ament, who I could tell via Zoom had ultimately resisted the siren call of a pre-lunch Sazerac.

A few schools have gone further, offering a customized financial aid evaluation (both need based and merit) to all comers, before they even submit an application for admission. The idea is to make it clear early on what the price will be if they get in, as long as parents' financial pictures and applicants' grades don't change in the interim.

Whitman College is one school that invites interested students to submit academic information and financial data in advance. "We've been historically opaque, and we wanted to change that," said Josh Jensen, its vice president for enrollment and communications.

Mr. Jensen added that Whitman's offering could be especially useful for a family if the student wanted to apply during the binding early-decision round. Until the change, price-conscious students lacked certainty about what, if any, merit aid might be on offer if they were admitted.

The College of Wooster has offered a similar service for years, and its vice president of enrollment, Scott Friedhoff, did something a lot like it when he worked at Allegheny College. Wooster is also test optional.

"There is no disadvantage for a student if they do not submit a test, vis a vis merit aid," Mr. Friedhoff said.

Should skeptical students really trust his word? "They should believe me," he said. "We are test blind when it comes to merit."

Families could use more blunt talk, not to mention the kind of human intervention and transparency that Whitman and Wooster offer. If you are applying to college this season, ask the merit-aid-dangling school you're considering for a similar pre-application money read and let me know if it proves to be willing.

Next September, I hope to write a similar column to this one, but with a much longer list of schools that have started doing what these two colleges have already done.

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