

THE FUTURE OF FAIR ADMISSIONS

ISSUE BRIEF 1: EARLY DECISION

James Murphy, Senior Policy Analyst

EDUCATION REFORM NOW | FALL 2022

TABLE OF CONTENTS

Executive Summary	1
The History of Early Decision	2
Why Do Colleges Offer Early Decision	3
How Common is Early Decision Among Colleges and Universities?	4
How Much of an Advantage Does Early Decision Provide to Applicants?	5
Who Benefits from Early Decision?	7
Can Early Decision Plans Be Part of a Fair Admissions Process?	9
The Future of Early Decision	11
Methodology	12
Endnotes	13

This issue brief is the first of three to be released by Education Reform Now in conjunction with the Supreme Court's hearing of two cases challenging the legality of race conscious admission policies. The Future of Fair Admissions series identifies areas of the college admissions process that demand reform in order to provide a fairer pathway to opportunity for all students. Issue Brief Two will address legacy preferences. Issue Brief Three will address transparency.

EXECUTIVE SUMMARY

arly decision programs allow students to apply to a college or university in the fall and receive an admission decision by December. When students apply early decision (ED), they commit to enrolling if admitted. At many of the highly selective colleges and universities that offer early decision, applying ED provides a significant advantage over applying regular decision (RD), and the percentage of students who are enrolled through ED plans has grown in recent years. Institutions that have the draw necessary to make offering early decision worthwhile see significant benefits from it, including securing tuition revenue early in the admissions process, locking in institutional priorities such as athletes and legacies, and lowering their overall admission rate.

Given the uneven access that underrepresented students have to highly selective institutions, all admissions practices that could exacerbate racial, ethnic, and socioeconomic enrollment gaps should be evaluated for their contribution to widening or closing that gap. Our analysis of early decision reveals that it makes college admissions less fair and closes off opportunities to underrepresented students at highly selective colleges.

FINDINGS

- 1. Seven out of eight four-year colleges or universities do not offer early decision, and almost no public institutions do, but ED is common at highly selective private colleges.
- 2. Early decision is used predominantly by students with wealth and resources and is thus likely to decrease the chances of underrepresented students being admitted to highly selective institutions. Based on an analysis of 2021 applications to over 900 colleges and universities through the Common Application, we found that:
 - A. Students who attended independent private high schools were more than 3.5 times more likely to apply ED than public school students were.
 - B. International applicants were almost three times more likely to apply ED than US residents were.

- C. Asian American applicants were three times more likely to apply through early decision than Black applicants were.
- D. Applicants from the wealthiest ZIP codes were twice as likely to apply ED than all other applicants were.
- 3. Evaluating the effects of early decision on equity in admissions is made difficult by a lack of data and disaggregated data in particular.
 - A. The data on early decision practices are made available through an initiative coordinated by two for-profit companies and a non-profit organization. The data are incomplete and are not disaggregated by race, ethnicity, or socioeconomic status.
 - B. The US Department of Education has the power to require better reporting by institutions of higher education on whether and how they use early decision in their admissions practices.

RECOMMENDATIONS

The most straightforward way to mitigate the harm caused by early decision to fair admissions is to ban the practice outright, but given the large benefits ED provides for a small but powerful and wealthy cohort of colleges and universities, a ban would be difficult to enact. While we endorse a complete ban, we recommend the following more limited measures as ways to decrease the negative impact of early decision:

- 1. Ban the use of early decision at public universities.
- 2. Require institutions that offer ED to meet the full financial need of all applicants.
- 3. Improve awareness of the benefits of early decision by improving college and career counseling.
- 4. Increase transparency by requiring disaggregated data reporting on early decision to the US Department of Education.

THE HISTORY OF EARLY DECISION

olleges began offering early decision programs in the 1950s in response to the growing number of academically prepared students applying to multiple colleges and universities. While having more applicants than seats is a good problem for a college to have, being selective only pays off if the students you accept enroll. Every admitted applicant represents a gamble since they might choose to matriculate elsewhere. One way to minimize risk is to allow students to apply early (usually by November 1 or 15) and receive an early decision (typically mid-December) on the condition that the student commits to applying to only one college through early decision and to accepting the offer should they receive one.

The Seven Sisters colleges began offering early decision admissions in 1958. By 1960, more than 180 colleges offered ED. In 1976, Harvard, Yale, and Princeton began offering early action plans, which work just like early decision but are not binding. Hundreds of colleges now offer early action plans for admissions. The newest development in early decision programs is the creation of a second round, what's often called ED II, which is also binding but typically has a January deadline that falls after students have received notifications about their ED applications.

It took little time for institutions to become nervous about the potential negative effects of early decision. Just four years after starting its ED program, <u>Radcliffe College</u> (Harvard University's women's college) temporarily suspended it with concerns that it was making it too difficult to gain admission under regular decision.⁴ A few years later, Radcliffe began offering ED again, and over the next few decades, it spread to most highly selective colleges.

In 2001, James Fallows called out ED in an Atlantic article entitled "The Early-Decision Racket." Fallows

"We think
[eliminating early
action] will
produce a fairer
process, because
the existing
process has been
shown to
advantage those
who are already
advantaged."

- Harvard President Derek Bok (2006) criticized ED for ratcheting up the intensity of college admission for middle-class families and for "rewarding the richest students from the most exclusive high schools and penalizing nearly everyone else." The following year, the University of North Carolina, Chapel Hill, stopped offering early decision and never went back to it. In 2006, the University of Virginia announced it would also stop offering early decision in order "to remove an identified barrier to qualified low-income students and their families who have long believed that top-tier universities were not within their reach." That same year, Harvard and Princeton announced that they were ending their early action programs. Harvard's president at the time, Derek Bok, explained, "We think [eliminating early action] will produce a fairer process, because the existing process has been shown to advantage those who are already advantaged." Five years later, Harvard, Princeton, and UVA had all restarted early action, and in 2019, UVA went back to offering early decision. Despite being some of the most selective colleges in the nation, they could not resist the power of early applications.



WHY DO COLLEGES OFFER EARLY DECISION?

Ithough early decision was packaged from the start as a benefit for students, the biggest beneficiaries are the colleges themselves:

- Early decision locks in students who are institutional priorities, including:
 - Recruited athletes at Division III colleges that cannot offer athletic scholarships or have students sign a binding National Letter of Intent. At some highly selective liberal arts colleges and Ivy League universities, athletes make up <u>a quarter or more</u> of undergraduates, and many of them <u>come from wealthy families</u>.⁸
 - o The **children or grandchildren of alumni**, who already have an advantage in the admissions process by virtue of being legacies.
 - Underrepresented students, many of whom apply through feeder high schools or wellestablished pipelines like the Posse Foundation or the Questbridge Scholarship, both of which support high-achieving, low-income students applying to highly selective universities and colleges.
- Early decision **locks in tuition revenue**, particularly since students who apply this way tend to come from wealthy families. This revenue can allow an institution to spend more on financial aid for students with need, but it can also help it manage how much so-called merit aid (i.e., tuition discounts designed to make a paying student more likely to enroll) they need to offer to meet their enrollment goals.
- Early decision **drives down a college's admit rate** because it allows a college to admit fewer students during the regular decision round.
 - o Although early decision is in fact not legally binding for students and all colleges who offer it will see some of their ED applicants enroll somewhere else, the percentage who do so is tiny compared to the percentage of RD students who are admitted but never attend. The average yield rate, or the percentage of admitted students who enroll, for four-year colleges was just 24 percent in 2019.9 Early decision can significantly increase a college's yield rate.
 - By driving down the admit rate during the regular decision round, early decision can make a college attractive to more students who see selectivity as a measure of a college's value, which will then push application numbers higher and admit rates even lower.

It should be noted that most colleges and universities cannot capitalize on the benefits of early decision. A college needs to have a brand strong enough to draw sufficient applications to make the investment in early decision worthwhile. The cost of conducting two admissions cycles each year, which may require hiring extra staff and starting the recruitment process earlier, is not worth it if a small number of applicants apply ED.



HOW COMMON IS EARLY DECISION AMONG COLLEGES AND UNIVERSITIES?

he challenges of running a successful early decision program explain why, 60 years after it took off, the number of colleges administering one has not grown that much. In 1962, 200 colleges offered ED; in 2020, 322 did, but only 196, or **roughly 12 percent of four-year colleges reported receiving any early decision applications**. That's an increase from about 10 percent in 2012. In recent years, several prominent universities, including the University of Chicago, Boston College, and Tulane University, have added an early decision option. Still, at more than half of the colleges and universities, ED applications accounted for less than 5 percent of all applications. Only 16 public colleges reported receiving early decision applications in 2020; 7 of them were in Virginia.

Only 16 public colleges reported receiving early decision applications in 2020; 7 of them were in Virginia.

How Common is Early Decision at Four Year Colleges?

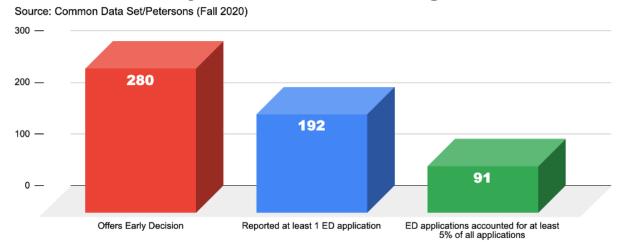
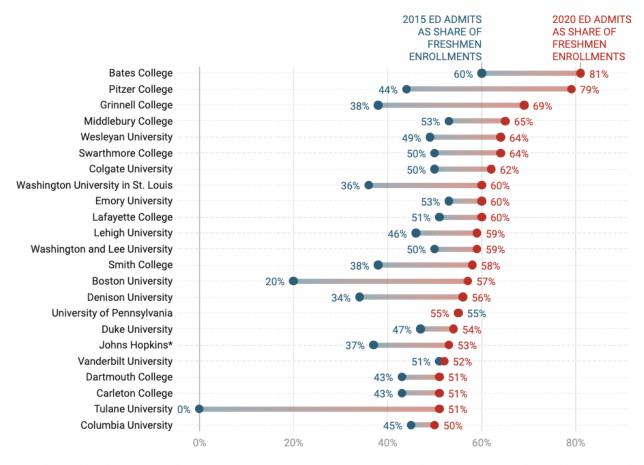


Figure 1

Early decision programs have always been rare and remain so. What has changed is the degree to which some highly selective colleges and universities rely on ED to enroll a significant percentage of their undergraduates. From 2015 to 2020, Boston University more than doubled the share of students it admitted through early decision relative to the size of its freshmen class. At Washington University in St. Louis, the ED share grew by two-thirds. Bates College in Maine has long been a heavy user of early decision, but it hit a new national high in 2020, when four out of five freshmen were enrolled through early decision.

Heavy Users of Early Decision

The percentages in this graph represent the number of students admitted through early decision divided by the number of freshmen enrolled in the same cohort.



*Early decision data for Johns Hopkins University not available for 2015-16. Data for 2014-15 used instead.

Figure 2

HOW MUCH OF AN ADVANTAGE DOES EARLY DECISION PROVIDE TO APPLICANTS?

Chart: Education Reform Now • Source: CDS/Petersons • Created with Datawrapper

hen a college has already filled half or more of its freshman class before the deadline for regular decision applications, it is no surprise that applicants who apply ED have a significant advantage. The pool of ED applicants is much smaller than the pool of RD applicants but they might be competing for the same number of spots in a freshman class.

Additionally, the power of a binding commitment removes the qualms that admissions officers might have about admitting a highly qualified student they suspect will enroll elsewhere, which also increases admit rates. At Brown and Duke, the odds of being admitted under ED were more than four times what they were for RD. At Dartmouth and Columbia, the odds of getting in were more than three times as large. At some colleges, tens of thousands of applicants are effectively wasting their time and money applying through regular decision since so much of the class has already been admitted under ED.

The Early Decision Advantage

This graph compares the admission rate for students who applied through early decision and for those who did not. The non-ED group includes students who applied early action. At each university and college in this graph the admission rate for ED applicants was at least twice as high as it was for non-ED applicants.

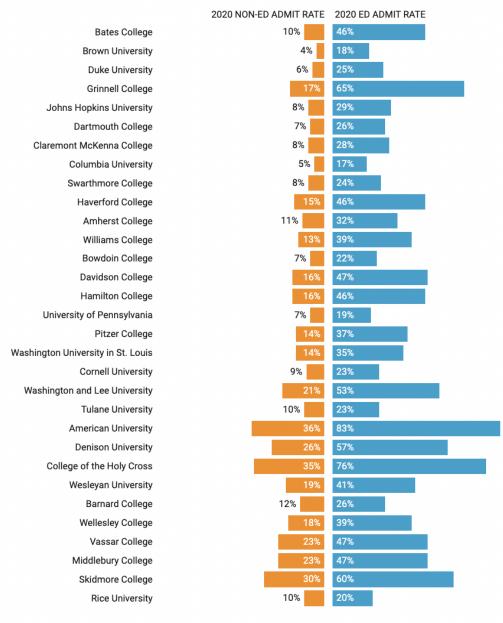


Chart: Education Reform Now • Source: CDS/Petersons • Created with Datawrapper

Figure 3

Some of the boost in the acceptance rate for early decision students likely comes from the fact that the students who apply early tend to be very desirable to admissions officers and often include athletes and legacies. Furthermore, students who can commit to a college without seeing how much it will cost them also tend to be students who have invested heavily in becoming competitive applicants.

Still, even taking these factors into account, a 2001 <u>study</u> of early decision found that the binding power of ED provided a boost by itself, equivalent to 100 extra points on the SAT.¹¹ Twenty years later, as some colleges have leaned into early decision to fill classes and secure tuition revenue, the impact of applying ED could well be larger.

With increased odds like these, it is no surprise that some high school students decide they are going to apply ED long before knowing where it will be. The strategy is to get into some dream school, any dream school, even if it is not their dream school.

WHO BENEFITS FROM EARLY DECISION?

he use of early decision is not just rare among colleges; its use is rare among students. In 2020, 3.5 percent of all students enrolled in four-year colleges and universities were admitted through ED. That's an increase from just over 2 percent of students admitted through ED in 2012, but still a tiny portion of all the students who enroll in four-year colleges.¹²

Thanks to data shared by the Common Application, it is possible to get a better sense of the composition of the early decision pool. Over 900 colleges and universities use the Common Application, including most highly selective institutions.

One way to look at who applies early decision is to compare the overall pool of applicants for fall 2021 to the pool for ED applicants that year. The most striking differences between the two groups are what happens with international applicants and Black applicants. The percentage of international applicants more than doubles in the early decision pool, while the share of Black applicants decreases by almost half (see Figures 4 and 5). An even more dramatic increase occurs with the share of students from independent high schools, which are private and tend to be very expensive, costing as much as \$80,000 per year. The share of applicants from these private schools almost triples in the early decision pool.

The Early Decision Pool, by Race/Ethnicity

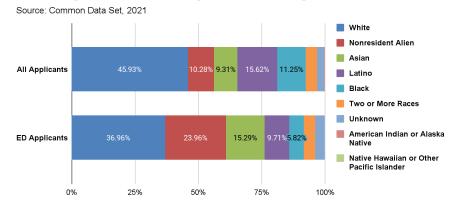


Figure 4

The Early Decision Pool, by HS Type

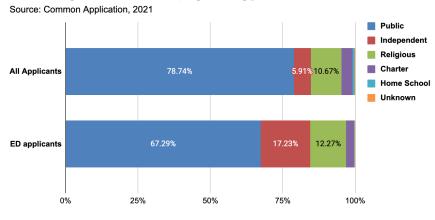


Figure 5

The disparities among different populations when it comes to applying through early decision are even more apparent when we measure what percentage of a particular group of applicants applied through ED (see Figure 6).

- Almost a third of the students from independent schools applied somewhere ED, which was
 more than 3.5 times the percentage of public school students who applied through the Common
 App. The percentage would be higher still if it included students who applied early action to
 Harvard, Yale, Princeton, Notre Dame, Georgetown, or Stanford, which all bar early action applicants
 from applying ED to other private colleges.
- International applicants were almost three times more likely to apply ED than US residents were, and Asian American applicants were three times more likely to apply through early decision than Black applicants were.
- Applicants from the wealthiest ZIP codes were twice as likely to apply ED than all other applicants.

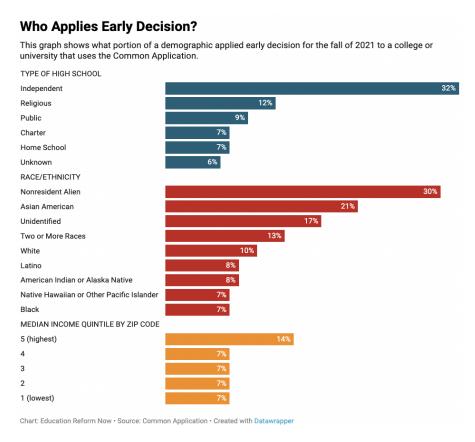


Figure 6

The strong connection between wealth and applying early decision reflects more than the ability to commit to a college without considering competing offers. Applying early decision is a product of not only financial capital but also cultural capital, or know-how. One study found that the strongest predictor of a student applying early decision was hiring a college admission consultant. US-based and international private schools also have large, well-trained college counseling staffs, which often include admission officers and even deans from highly selective universities.¹⁴

Early decision doesn't exclusively help wealthy students. There are organizations such as Texas's Academic Success Program that provide high-level college advising to low- and middle-income students, or Questbridge and the Posse Foundation, which partner with highly selective universities to admit high-achieving, low-income students with scholarships that often cover the full cost of attendance.

But how many low-income or even middle-income students benefit from early decision? <u>Some highly</u> <u>selective colleges and universities with large endowments</u> that offer ED promise to meet a student's full financial need, but the vast majority do not.¹⁵ Although most colleges that offer ED let students back out of their commitment if they cannot afford to enroll, many families are not aware of that exception or are

unwilling to take advantage of it, which pushes down application rates among students who need financial aid to attend.

CAN EARLY DECISION PLANS BE PART OF A FAIR ADMISSIONS PROCESS?

he cumulative effect of early decision plans is to make college admissions less fair. It increases the advantage of students with the most resources and discourages students with the least resources from applying. There are, however, several policy steps that could be taken at the state or federal level to make ED more equitable.

1. Ban the use of early decision universally.

Given the benefits that early decision programs provide for universities and the fear of being put at a competitive disadvantage, it is unlikely that many institutions will voluntarily discontinue offering ED while their peers continue to offer it. A universal ban on ED is the most effective way to level the playing field. Passing such a ban at the state or federal level, however, would be exceedingly difficult, given the financial resources and political clout of wealthy private universities.

2. Ban the use of early decision at public universities.

A more limited approach to reducing early decision's power to reduce opportunity would be to ban it at public institutions of higher education. A ban on ED at public colleges and universities would affect a small number of institutions since so few public universities currently offer it. The Common Data Set shows that only 39 public colleges and universities have an early decision offering, and only 16 of them reported ED applications in 2020. Notably, seven of them were in Virginia, which was one of only six states where public colleges or universities reported any early decision applications.¹⁶

Institution	State	Students Admitted ED as a Share of Freshman Class (2020)
Virginia Military Institute	VA	59.13%
William & Mary	VA	39.45%
The College of New Jersey	NJ	30.95%
State University of New York Maritime College	NY	29.45%
Christopher Newport University	VA	27.53%
Salisbury University	MD	26.60%
Virginia Polytechnic Institute and State University	VA	19.31%
University of Virginia	VA	19.05%
Ramapo College of New Jersey	NJ	14.14%
St. Mary's College of Maryland	MD	13.91%
Miami University	ОН	13.70%

University of Mary Washington	VA	11.10%
College of Charleston	SC	10.28%
Longwood University	VA	2.08%
Wayne State University	MI	0.32%

3. Require institutions that offer ED to meet the full financial need of all applicants.

If policymakers do not have the desire to ban early decision outright in the service of making college admissions fairer, another approach would be to put tighter restrictions on its use. The most pernicious aspect of early decision might be that it forces a student to commit to attending without considering competing financial aid offers. While admissions offices allow students to break that commitment if they cannot afford to enroll, doing so can be a source of embarrassment and severe disappointment for a student and their family. Additionally, many students may be unaware of this exception and thus unwilling to risk applying early decision, which helps explain why wealthy students and students at high schools with strong college counseling apply ED at much higher rates. If, however, a college that offered early decision also made it clear that an accepted applicant's full financial need would be met, that could increase applications from students with fewer resources. States could enforce a requirement to meet full financial need for all applicants by making it a condition for access to state grant aid; the US Congress could do the same, but with access to federal financial aid as the condition.

4. Improve awareness of the benefits of early decision by improving college and career counseling.

Early decision need not be a force for unfairness in college admissions if all students are aware of its benefits and encouraged to apply ED, with the knowledge that they are not in fact bound to enroll if they cannot afford to do so.¹⁷ At many high schools, school counselors are responsible for advising hundreds of students each year, and they do not have the capacity to work individually with students to determine whether applying ED makes sense for them. States could provide funding to decrease student-to-counselor ratios below 250 to 1. They could also require all school counselors to have completed at least one semester of master's level coursework on college advising.

5. Increase transparency by requiring disaggregated date reporting on early decision to the US Department of Education.

One of the most important sources of information about higher education in the United States is the Department of Education's annual survey of colleges and universities, the results of which are collected and published by the Integrated Postsecondary Education Data System (IPEDS). IPEDS is an essential tool for policymakers, researchers, and higher education advocates, who rely on its data to stay informed about a range of issues, including enrollment, completion, financial aid, revenue, expenditures, and more. Currently, IPEDS publishes a bare minimum of data around the admissions process: the number of applications, the number of admissions, and the number of enrollments, as well as the SAT and ACT scores of enrolled students. None of these data are disaggregated by race, ethnicity, or socioeconomic status. If the Supreme Court strikes down the use of race-conscious admissions policies in its current term, as is expected, disaggregated data will be essential for tracking the effects of that ruling in the years to come.

The Department of Education collects no separate data on early decision admissions. The data we have are from the Common Data Set Initiative, which is a collaborative effort of US News and World Report, Peterson's, and the College Board. The Common Data Set is a valuable tool, but it is flawed. Such important data should not be left to a private collaboration that has little power to compel universities to complete their surveys accurately, as was made clear by the recent scandal at Columbia University, which was misreporting to the Common Data Set. Several prominent universities and colleges that offer early decision, including NYU, Tufts, University of Chicago, Baylor, Boston College, Clark, Colby, Franklin & Marshall, and Northwestern, leave the fields reporting the number of applications and admissions through ED blank.

The Department of Education should begin including survey questions about early decision and publishing the results in IPEDS. These questions should include:

- A. Whether an institution of higher education offers early decision.
- B. The number of early decision applications received.
- C. The number of early decision applicants admitted.
- D. The number of early decision admits enrolled.
- E. Data for B, C, and D disaggregated by race/ethnicity and gender.
- F. Data for D disaggregated by Pell status.

THE FUTURE OF EARLY DECISION

iven the benefits of early decision for universities, it is highly unlikely that the practice will go away on its own. At the same time, given the need for a college to have a high profile and enough drawing power to justify its existence, it is also unlikely that ED will be adopted at many more institutions.

The greater threat early decision poses to equity in college admissions is not its expansion across universities but within them, as colleges that provide an ED option lean into it and enroll half or more of their class through a pathway that is favored by wealthy students who receive high levels of support through the college admissions process. Even if an outright ban on early decision—the simplest solution—is unlikely, there are other ways for policymakers and higher education leaders to mitigate the harm done by ED. Requiring all colleges and universities to open their books on the extent to which they use early decision and who they are enrolling through it would be a very good start.



METHODOLOGY

This report used the Common Data Sets for academic years 2015–16 to 2020–21, which are published by Peterson's. It looked only at public and not-for-profit four-year institutions in the 50 states and the District of Columbia. Unless otherwise stated, the data used are from the class that began in fall 2020. It relied on question C21 to identify a) whether an institution offered early decision, b) the number of early decision applicants, and c) the number of early decision admits. To calculate the share of freshmen admitted through early decision, it divided the total number of early decision admits by the number of enrolled freshmen. In some cases, this percentage will be higher than the percentage of freshmen enrolled through ED, since some students admitted through ED will not enroll. That number is likely to be small, but just how small is difficult to determine, since colleges are not asked to report it. To calculate the adjusted admit rate of regular decision applicants, I subtracted the number of early decision applications from the total number of applications and divided it by the number of early decision admits subtracted from the total number of admits.

ENDNOTES

- ¹ Leonard Buder, "Colleges Pick Freshmen; Method Is Vexing to Both", New York Times (May 18, 1958), 1.
- ² "Early Decision Plan Tells, College Applicants Now", New York Times (December 13, 1959), 186.
- ³ "3 in Ivy Group Add Early Admissions", New York Times (February 15, 1976), 47.
- ⁴ "Radcliffe to Drop Early Decision Plan", New York Times (November 3, 1963), 83.
- ⁵ James Fallows, "The Early-Decision Racket", *The Atlantic* (September 2001).
- ⁶ "University Of Virginia To End Early Decision Program In Admissions", UVAToday (September 25, 2006).
- ⁷ Alan Finder and Karen W. Arenson, "Harvard Ends Early Admission", New York Times (September 12, 2006).
- ⁸ James S. Murphy, "College Admissions Are Still Unfair", *The Atlantic* (October 23, 2021) and Saahil Desai, "College Sports Are Affirmative Action for Rich White Students", *The Atlantic* (October 23, 2018).
- ⁹ Jon Boeckenstedt, "Yes, Your Yield Rate Is Still Falling", *Higher Ed Data Stories* (January 6, 2022).
- ¹⁰ James Murphy, "Just How Big is Early Decision?," *All Access*, The College Board (October 2, 2019). Some highly selective institutions, such as the University of Chicago and New York University, receive significant numbers of ED applications but fail to report how many. At some institutions that report offering early decision, however, it is quite likely that they receive no ED applications.
- ¹¹ Christopher Avery and Jonathan D. Levin, "Early Admissions At Selective Colleges", NBER Working Paper Series (April 2009).
- ¹² James Murphy, "Just How Big is Early Decision?," All Access, The College Board (October 2, 2019).
- ¹³ Alvin Goodley, "8 Most Expensive High Schools in the U.S.", *The Rarest* (January 14, 2022).
- ¹⁴ James S. Murphy, "The Real College Admissions Scandal," *Slate* (June 14, 2021). Jonah Charlton, "Dean of Admissions Eric Furda to leave Penn at end of 2020", *The Daily Pennsylvanian* (June 18, 2020).
- ¹⁵ "Schools that Meet Full Need", Cappex.
- ¹⁶ Southern Utah University reported 40 early decision applications in 2020, but they were for a specialized program that admits students after the first semester of their junior year of high school, not a traditional early decision program. SUNY-Geneseo dropped ED this year.
- 17 The reality is that early decision is not legally binding and any student can opt not to attend.





EDUCATION REFORM NOW

Education Reform Now (ERN) is a non-partisan, nonprofit think tank and advocacy organization that promotes increased resources and innovative reforms in K-16 public education, particularly for students of color and students from low-income families. We seek forward progress in public education—at the federal, state, and local level—developing and advocating for new, bold ideas and mutually reinforcing policies in elementary, secondary and post-secondary education.