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Financial Aid: Need Based or Merit Based?: Towards a Just Policy

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\$250,000 investment in a local credit union—money that will support small businesses and local homeowners, among others—in response to a student campaign called “Fordham for the Bronx.”

As anchor institutions in our communities, Jesuit schools have considerable power to respond to Arrupe’s call to build more just social structures. In Cleveland, Case Western Reserve has joined the Cleveland Clinic and University Hospitals in leveraging their purchasing power to incubate the Evergreen Cooperatives: employee-owned businesses providing commercial solar, laundry, and greenhouse food production services and building good jobs and real wealth for residents of nearby neighborhoods whose median income is \$18,000 per year. What if Jesuit schools helped incubate similar initiatives in our communities?

We have an opportunity—at the invitation of our current Jesuit superior Fr. Adolfo Nicolás—to creatively reimagine the founding of our Jesuit universities and how we can embody our values in present realities. On business practices, two emerging networks of faculty, staff, and students are engaging in this creative process: the Jesuit Just Employment Project (<http://lwp.georgetown.edu/campus-project/jesuit-just-employment-policy-initiative/>) and the Jesuit Endowment Ethics Network (full disclosure: I belong to both). Both groups have been gathering stories of promising practices like those mentioned above and have been developing model policies and tools. I urge my colleagues across the family of Jesuit institutions to find out more and to join in this important work to raise our practices to the level of our ideals. ■

Financial Aid: Need Based or Merit Based?

Towards a Just Policy

By Jeff von Arx, S.J.

We are all aware that St. Ignatius wished Jesuits not to charge for their ministries, including the ministry of education, so that students would be admitted to our colleges regardless of their ability to pay. He expected us to beg for the support of our works! This proved to be impractical in the long run, but the contributed services of Jesuits, who constituted the majority of faculty in our schools for most of Jesuit history, meant that fees were low, even when they were charged. Here in the United States, our colleges were founded in the interest of a mostly urban, immigrant population who could not afford the fees that most private institutions charged, and even these modest fees were often waived for students who could not pay them in an informal economy of financial aid administered by the Jesuits.

As our institutions changed, and especially as we hired more lay faculty and staff who had to be paid a living wage, tuitions rose and financial aid became more

formalized. Today, a few of our institutions are in the fortunate position to honor a commitment not only to need-blind admission but also to meeting fully the demonstrated financial need of all the students they admit. They do this typically with the help of large endowments. But I do not mean to minimize the struggle it is even for these institutions to meet this commitment, especially in the current economic climate.

For the rest of us, who cannot meet full financial need, we have traditionally tried to make as much need-based financial aid available as we could. There have been some exceptions to this practice, most notably athletic grants-in-aid, which are awarded irrespective of need (although, of course, many athletes have need), and merit scholarship programs to attract the very best students (presidential scholars, etc.). But a commitment to awarding most financial aid on the basis of need has

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been characteristic of our Jesuit institutions as a fundamental matter of social justice and the first and most obvious thing that a Jesuit educational institution can do to meet our obligation, repeated in one general congregation after another, to be in solidarity with the poor.

A commitment to need-based financial aid has contributed as well to maintaining and expanding diversity on our campuses. This is most obvious in the case of socio-economic diversity. Kids from working class backgrounds cannot attend our (mostly) expensive schools without substantial aid, but there is also a correlation between that availability of need-based financial aid and racial and ethnic diversity.

In the last several years, I believe there has been a trend in some of our institutions toward awarding more financial aid not on the basis of need but on the basis of merit. Typically, institutions do not release information on the distribution of merit- versus need-based financial aid, but I think all of us know, if only anecdotally, that it is true that some of our institutions are awarding more merit-based financial aid. It is increasingly the case that when letters of admission and financial aid awards are sent out, admissions offices and sometimes presidents

are confronted by cross-admitted students—and more frequently by the parents of these students—with letters from institutions, including other Jesuit institutions, offering these students substantial merit-based financial aid, and we are challenged to match those offers. Or, when we lose cross-admitted students and ask them why, we often find that it was because of a merit scholarship they had been offered at the school they chose.

The result has been that even schools that are trying to hold the line on need-based financial aid are finding themselves in an arms race with their competitors in which they must offer merit scholarships in order to compete. The consequence of this is clear: the neediest students are getting less financial aid, and merit scholarships are going to students who either do not demonstrate need, or to supplement the financial aid packages of low-need applicants.

No one school can resist or reverse this trend toward an increase in merit-based financial aid. If we care about this issue, and I believe we should as a matter of social justice and solidarity with the poor, it has to be addressed at the systemic level. The network of Jesuit colleges and universities might be one place to start. ■



Michael J. Sheeran, S.J.
Photo courtesy of the AJCU.

Fr. Sheeran Heads AJCU

Last April 1, Fr. Michael J. Sheeran, S.J., became the tenth president of the Association of Jesuit Colleges and Universities (AJCU), succeeding Fr. Gregory F. Lucey, S.J.

Founded in 1970, the AJCU is a national organization that represents Jesuit higher education for the 28 universities and colleges. It seeks to support initiatives fostering Jesuit, Catholic identity and mission, educating for a faith that does justice, promoting national and international collaboration among campuses, sponsoring professional and leadership development programs, and offering online educational opportunities through JesuitNET.

Father Sheeran comes to AJCU following a successful tenure of

almost twenty years as president of Regis University in Denver. Before that he taught history and political science and served in administration there. Father Sheeran's doctoral dissertation on consensus-based decision-making among the Quakers has become a book that the Quakers use to teach new members of their community. In his first year as president at Regis, he hosted a historic meeting between Pope John Paul II and President Bill Clinton.

The AJCU is a joint sponsor, along with the Jesuit Conference Board, of the National Seminar on Jesuit Higher Education, which publishes *Conversations*. *Conversations* looks forward to working with Father Sheeran in fostering this crucial ministry of the Society of Jesus. ■