Test Optional Policies in College Applications:

Applicant Behavior Before and After Wide-Spread Adoption

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Abstract

This study investigates how test-optional admissions policies affect applicant behavior and the academic profiles of admitted students, leveraging the natural experiment created by the widespread adoption of these policies during the COVID-19 pandemic. Guided by disclosure theory, I hypothesize that test-optional policies encourage lower-performing applicants to strategically withhold scores, leading to increased application volumes, higher 25th percentile test scores, and a compressed interquartile range of reported scores.

Using panel data from the Integrated Postsecondary Education Data System (IPEDS) covering 490 U.S. institutions from 2013 to 2023, I estimate difference-in-differences models that compare outcomes before and after policy changes across institutions that adopted test-optional policies at different times.

The results show that test-optional adoption during COVID led to a roughly 40 percentage point decline in score reporting, a nearly 40% rise in applications to highly selective institutions, a 50-point increase in 25th percentile test scores, and a 15-point narrowing of interquartile ranges—effects that varied by institutional selectivity. In contrast, institutions that adopted test-optional policies before COVID experienced significantly smaller or statistically insignificant changes, suggesting that large-scale adoption, rather than isolated policy shifts, fundamentally reshaped admissions dynamics.

I also discuss limitations related to available data and suggest directions for future research on academic outcomes under test-optional regimes.

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1 Introduction

The COVID-19 pandemic prompted a widespread shift in college admissions policies, as the majority of U.S. institutions transitioned from requiring standardized test scores to adopting test-optional policies. While such policies had previously existed – primarily among a limited set of liberal arts colleges (Carnahan 2019) – the pandemic triggered a near-universal reconsideration of the role of standardized testing in admissions. This abrupt, system-wide shift created a natural experiment that offers a rare opportunity to examine how removing test requirements affects applicant behavior, the academic profiles of admitted students, and institutional outcomes.

Standardized tests like the SAT and ACT have long been valued for their predictive validity in forecasting college performance and post-graduation success (Bettinger, Evans, and Pope 2013; Comeaux and Sánchez 2020; Chetty, Deming, and Friedman 2023; Cascio et al. 2024). However, concerns about socioeconomic and racial bias — amplified by logistical disruptions during the pandemic — led many institutions to suspend test requirements. This change introduced new strategic choices for applicants, who must now decide whether to submit their test scores, and for admissions officers, who must evaluate candidates with incomplete academic signals.

Drawing on disclosure theory, I hypothesize that test-optional policies incentivize strategic score withholding, particularly among applicants whose scores fall below institutional norms. As a result, I predict that test-optional adoption will lead to: (i) a decline in the proportion of applicants submitting test scores, (ii) an increase in total application volume, (iii) a rise in 25th percentile test scores among enrolled students, and (iv) a narrowing of the interquartile range of reported scores. I further expect these effects to be more pronounced at institutions that adopted test-optional policies during the pandemic, given the broader salience and visibility of the shift.

These hypotheses rest on several behavioral assumptions: (i) a subset of applicants will withhold scores under test-optional regimes, (ii) applicants will view test-optional institutions as more accessible relative to their test-required counterparts, (iii) low-scoring students will be more likely to withhold scores, while (iv) high-scoring students will continue to disclose scores, thereby compressing the distribution of reported scores. I also assume that widespread policy adoption will prompt applicants to systematically revise their application strategies, rather than adjusting them only in response to isolated institutional changes.

This study contributes to the literature in three key ways. First, it leverages panel data from the Integrated Postsecondary Education Data System (IPEDS) to compare outcomes across institutions that adopted test-optional policies before and during the pandemic. Second, it employs a difference-in-differences empirical strategy to isolate policy effects from general time trends. Third, it extends the application of disclosure theory to the domain of college admissions, illustrating how information asymmetries influence strategic decision-making by applicants.

2 Literature Review

2.1 Standardized Testing in College Admissions

Standardized tests such as the Scholastic Aptitude Test (SAT) and the American College Test (ACT) have been core components of U.S. college admissions processes since the mid-twentieth century. These tests provide institutions with a uniform metric for comparing applicants from diverse educational backgrounds, mitigating differences in grading standards, curriculum rigor, and school resources across high schools.

Substantial empirical evidence demonstrates that standardized test scores are strong predictors of college academic performance, including first-year grade point averages and four-year graduation rates. Standardized test scores also exhibit predictive validity for post-graduate outcomes, such as earnings and occupational attainment (Bettinger, Evans, and Pope 2013; Comeaux and Sánchez 2020; Chetty, Deming, and Friedman 2023; Elizabeth Cascio et al. 2024).

Despite these strengths, criticisms have emerged regarding potential socioeconomic biases embedded within standardized testing (Micceri 2009). Students from higher income families, who can afford private tutoring, multiple test attempts, and specialized preparation, tend to achieve higher scores on average (Chetty, Deming, and Friedman 2023). Consequently, standardized test scores may partly reflect differences in resources rather than pure academic ability.

Nonetheless, it is important to note that wealth-related disparities permeate other components of college applications as well, including high school GPA, extracurricular involvement, and access to specialized admissions support (Zwick 2002; Gershenson 2018; Miller and Paris 2023). The predictive value of standardized tests persists even after controlling for socioeconomic status, suggesting that while imperfect, these assessments provide meaningful information.

Furthermore, understanding that family and community resources impact tests scores, many institutions evaluate scores in context, rather than using absolute scores (Sacerdote, Staiger, and Tine 2025). Before the repeal of affirmative action, institutions may have used this policy to favor certain groups, given the difference in test score means across races (Comeaux and Sánchez 2020). However, these practices have been challenged in the courts recently. After the 2023 Supreme Court ruling that restricted the use of affirmative action in college admissions, these kinds of adjustments expose colleges to legal liability. Adopting a test-optional application process may encourage students to withhold scores and allow colleges to continue to admit these students with reduced legal exposure.

2.2 Test-Optional Policies and Prior Research

Test-optional policies, which allow applicants to withhold standardized test scores, have existed in limited forms for several decades. The first to adopt such a policy, Bowdoin College, did so in 1969, with a few other small liberal arts colleges adopting similar policies in the following years (Carnahan 2019). However, prior to 2020, the adoption of test-optional policies, while growing, remained relative rare, especially among highly selective or large public institutions (Simon 2015).

When the COVID-19 pandemic disrupted the administration of standardized tests worldwide, it forced widespread adoption of test-optional policies across all levels of higher education (Freeman, Magouirk, and Kajikawa 2021). This rapid shift created a natural experiment to assess how applicant and institutional behavior changes when standardized tests are no longer mandatory (Meyer 1995).

Existing research on pre-pandemic test-optional policies found relatively modest effects. Studies generally reported small increases in the number of applicants, slight rises in underrepresented minority enrollment (Alon and Tienda 2007; Hoffman and Lowitzki 2005), and minimal changes in admitted student academic profiles (Belasco, Rosinger, and Hearn 2015; Robinson and Monks

2005). However, these effects often dissipated after a few admissions cycles, suggesting that isolated test-optional policies do not alter admissions dynamics (Saboe and Terrizzi 2019). Some studies also raise concerns that test-optional policies inadvertently disadvantage low-income or first-generation students if these applicants lack sufficient information about when disclosing test scores would be advantageous (Sacerdote, Staiger, and Tine 2025).

Before the pandemic, the limited number of schools with test-optional policies may have stopped applicants from adjusting their strategy. With the near-universal adoption during the COVID-19 pandemic, strategic considerations became more relevant, necessitating a re-examination of prior findings.

2.3 Disclosure Theory and Strategic Behavior in Admissions

Disclosure theory examines how agents selectively reveal information in strategic environments. In classical models, the option to withhold information creates an “unraveling” problem: If disclosure is costless and beneficial, agents with favorable private information disclose, leading the other side to conclude that those who do not disclose information to have poor scores (Milgrom 1981; Grossman 1981). In the equilibrium of these models, the information is either revealed or correctly inferred.

In the context of college admissions, disclosure theory predicts that students with high standardized test scores should submit them to strengthen their applications, while students with weak scores should withhold them if possible. Admissions committees, aware of these incentives, may infer poor scores from non-disclosure and may impose implicit costs on applicants who fail to submit scores (Chen and Jin 2025).

However, empirical evidence after the mass adoption of test-optional policies suggests deviations from classical disclosure predictions. Many institutions explicitly state that applicants who choose not to submit test scores will not be disadvantaged. Observational data shows that substantial proportions of admitted students at selective institutions withheld test scores without apparent penalty (Burkhart 2024).

This divergence from standard disclosure models may be a result of several factors. First, if admissions offices credibly commit not to penalize non-disclosure, students will withhold scores. Second, applicants may lack perfect information about the relative strength of their profiles, particularly disadvantaged applicants who may misjudge whether disclosure would benefit them (Elizabeth Cascio et al. 2024; Sacerdote, Staiger, and Tine 2025). Third, institutions may value non-academic attributes or seek to maintain diversity, reducing the weight placed on standardized tests relative to other factors.

Simulations and laboratory experiments on test-optional regimes find that test-optional policies can improve diversity and academic preparedness only when there are significant costs to non-disclosure. This increased diversity came from privileged applicants underestimating the true costs of non-reporting, making room for disadvantaged applicants who did submit scores (Chen and Jin 2025). In contrast, real-world policies often impose little to no cost on withholding scores and disadvantaged students have the least access to information, suggesting that actual outcomes may differ from theoretical ideals.

3 Data and Methods

3.1 Data Source and Sample Construction

The primary data source for this study is the Integrated Postsecondary Education Data System (IPEDS), maintained by the National Center for Education Statistics. IPEDS collects annual institutional-level data on enrollment, admissions, test score reporting, and institutional characteristics.

The sample is restricted to U.S. degree-granting institutions categorized as either (i) doctoral universities with high or very high research activity, or (ii) baccalaureate colleges with an arts and sciences focus. Institutions are further required to enroll full-time, first-time undergraduate students. These criteria result in a sample of 90 institutions observed annually between 2013 and 2023.

Institutions are grouped based on their standardized test reporting policies over time:

Always Required: Institutions that required SAT/ACT scores throughout the sample period

Always Optional: Institutions that had test-optional admissions throughout the period.

Switched Pre-COVID (2014-2019): Institutions that adopted test-optional policies before the pandemic

Switched During COVID (2020-2021): Institutions that adopted test-optional policies during the pandemic

Switched Post-COVID (2022-2023): Institutions that adopted test-optional policies after the primary period of analysis.

The primary treatment groups are the schools that switched pre-COVID and those that switched during COVID and I compare them against the Always Required control group. Institutions that switched in 2022 are excluded from the analysis due to limited post-policy observation periods. Institutions that switched in 2023 are part of the control group, as they required test scores throughout the observed period. Institutions switching to test-blind policies are excluded as their dynamics are substantially different from test-optional institutions. It should be noted that none of the schools in the sample return to requiring test scores after adopting a test-optional admissions policy.

Schools are also grouped by the percent of applicants admitted, or selectivity. Selectivity classifications are based on historical admissions rates prior to a school switching test policies or prior to 2020.

- Highly Selective: Admitted less than 25% of applicants.
- Moderately Selective: Admitted between 25% and 50% of applicants.
- Not Selective: Admitted more than 50% of applicants.

The distribution of these groups can be seen in Table 1. Selectivity is measured using pre-switch or pre-2020 admissions rates to avoid endogeneity with policy adoption and COVID-era changes.

3.2 Variables

The main outcome variables for each college and year are:

- Report Rate: The percentage of enrolled first-time students who submitted either an SAT or ACT score. Calculated as percent of students who submitted SAT and the percent who submitted ACT, acknowledging overlap between the groups.
- Log Applicants: The natural logarithm of the total number of first-time undergraduate applications submitted to the institution.
- 25^{th} Percentile Score: A composite SAT score constructed by combining Math and Evidence-Based Reading and Writing and Math subscores, with composite ACT scores converted to the SAT scale.
- Interquartile Range (IQR): the difference between the 75^{th} percentile and 25^{th} percentile standardized test scores.

3.3 Empirical Strategy

To estimate the effect of test-optional policy adoption, I employ a difference-in-differences (DiD) framework. This approach compares changes in outcomes over time between treated institutions (those adopting test-optional policies) and control institutions (those maintaining required test policies).

The regressions I run to estimate the effects are:

$$Y_{it} = \beta_0 + \beta_1 Treat_i + \beta_2 Post_t + \beta_3 Treat_i \times Post_t + \epsilon_{it}$$

where

- Y_{it} is the outcome variable for institution *i* at time *t*,
- $Treat_i$ is an indicator equal to 1 if institution *i* belongs to the treatment group,
- $Post_t$ is an indicator equal to 1 for post-policy years,
- $Treat_i \times Post_t$ is the interaction term capturing the treatment effect,
- ϵ_{it} is an idiosyncratic error term

I estimate separate DiD regressions for the pre-COVID and COVID treatment groups. For the pre-COVID treatment, the sample is restricted to years 2013, 2014, and 2020 to ensure clean pre- and post-treatment periods unaffected by the pandemic. For the COVID treatment, all observed years except 2021 and 2022 were included in the regression. Coefficients are estimated via ordinary least squares, with heteroskedasticity-robust standard errors. Given directional hypotheses (e.g., expected decline in report rates, expected increase in 25th percentile scores), one-tailed t-tests are used to assess statistical significance.

3.4 Identification Assumptions

The DiD approach allows for time trends in the outcome variables but assumes that these trends are similar for all colleges absent the treatment effects. Although the assumption of parallel trends cannot be tested directly, pre-trends in report rates and applicant volumes appear comparable between groups prior to policy adoption, supporting validity. Potential concerns regarding endogenous policy adoption – such as selective institutions adopting test-optional policies to attract particular applicant profiles – are mitigated by the exogenous shock of the pandemic, which drove mass adoption of test-optional policies irrespective of institution-specific considerations. Nevertheless, limitations remain, including the possibility that unobserved institutional changes during the pandemic may confound estimates. These limitations are discussed further in Section V.

4 Results

4.1 Test Score Reporting Rates

The adoption of test-optional policies led to a significant decline in the proportion of students submitting standardized test scores

In the pre-COVID treatment group, report rates decreased by approximately 19 percentage points relative to control institutions ($p < 0.01$). As shown in Table 2 and Figure 4, this effect reflects a drop from roughly 100% reporting scores to approximately 80% among treated institutions.

In the COVID treatment, the magnitude of the effect was substantially larger. Report rates for test-optional colleges declined by approximately 43 percentage points relative to control institutions ($p < 0.01$). This decline is consistent across selectivity tiers, though it is slightly larger for moderate and highly selective institutions compared to not selective institutions.

The larger decline in the COVID treatment suggests that mass adoption of test-optional policies during the pandemic materially shifted applicant behavior and institutional reporting dynamics.

4.2 Applicant Volume

Results on applicant volume indicate heterogeneous effects by institutional selectivity

In the pre-COVID treatment, there were no statistically significant changes in log applicant counts relative to controls across selectivity tiers. Point estimates for highly selective institutions suggest a roughly 28% increase in applicants, but the effect is not statistically distinguishable from zero.

In contrast, the COVID treatment saw highly selective institutions experience a statistically significant increase of approximately 37% in applicant volume ($p < 0.10$), as shown in Table 3 and Figure 5. At the same time, moderately selective institutions experienced a statistically significant decrease in applicant volume of approximately 41% relative to control institutions ($p < 0.10$). Not selective institutions showed no significant change in applicant volume.

These results suggest that the adoption of test-optional policies during the pandemic increased the attractiveness of highly selective institutions to applicants, while moderately selective institutions as a whole saw more applications, though institutions that adopted test-optional policies saw less of an increase than the control.

4.3 25th Percentile Standardized Test Scores

Changes in the 25th percentile of admitted student standardized test scores also vary by treatment timing and institutional selectivity.

In the pre-COVID treatment, estimated effects on 25th percentile scores are positive but not statistically significant across selectivity tiers. Highly selective institutions experienced an estimated 34-point increase, while moderately selective institutions saw an estimated 60-point increase. However, standard errors are large, and neither estimate is significant at conventional levels.

In the COVID treatment, moderately selective institutions experienced a significant 70-point increase in 25th percentile scores relative to controls ($p < 0.10$). Not selective institutions experienced a significant 52-point increase ($p<0.05$). Highly selective institutions experienced an estimated 49-point increase, but this effect is not statistically significant in part because the sample size for this group is small. Table 4 and Figure 6 provide detailed estimates.

These findings are consistent with the hypothesis, based on disclosure theory, that applicants with lower test scores strategically withhold their results, leading to an upward shift in the observable left tail of the admitted student distribution.

4.4 Interquartile Range of Test Scores

Analysis of the interquartile range (IQR) of test scores reported by admitted applicants reveals evidence of compression following the adoption of test-optional policies.

In the pre-COVID treatment, none of the changes in IQR are statistically significant, though estimates indicate modest compression.

In the COVID treatment, highly selective institutions experienced a 46-point reduction in IQR ($p < 0.05$). Moderately selective institutions experienced a 32-point reduction in IQR ($p < 0.01$). Not selective institutions experienced a 16-point reduction in IQR ($p < 0.05$). Table 5 and Figure 7 summarize these results.

These findings suggest that score dispersion decreased following the adoption of test-optional policies. This shift was primarily driven by the upward shift in the 25th percentile rather than changes at the upper end of the distribution.

Such score compression is consistent with disclosure theory. Under a test-optional application policy, applicants with low tests scores are likely to withhold their tests scores while applicants with high test scores are likely to submit them. This left truncation of the reported test scores should lead to an increase in the 25th percentile of reported scores, likely no change in the 75th percentile of reported test scores, and therefore a decline in the interquartile range of reported test scores.

5 Discussion

5.1 Interpretation of Findings

The results support the hypothesis that test-optional policies altered applicant behavior and shifted admitted student profiles, particularly in the COVID treatment.

First, the significant reduction in standardized test reporting rates indicates that applicants took advantage of the opportunity to withhold scores once it became widely available. The larger magnitude of decline among the COVID treatment compared to the pre-COVID treatment suggest that students better understood the strategic significance of withholding when test-optional policies became the norm across institutions, rather than isolated exceptions. It also suggests that any costs that may have been incurred by withholding may have significantly lessened or dropped entirely in the COVID treatment.

Second, highly selective institutions experienced significant increases in applicant volume following the adoption of test-optional policies during the COVID treatment. This is consistent with the idea that removing the standardized test requirement expanded the perceived accessibility of these institutions. In contrast, moderately selective institutions experienced a relative decline in applicants, potentially reflecting substitution toward more prestigious institutions that were perceived as attainable without exceptionally strong test scores.

Third, the observed rise in 25th percentile standardized test scores and compression of the interquartile range provide evidence that applicants with weaker scores were more likely to withhold them. Since 75th percentile scores showed relatively little movement, the upward shift at the lower end accounts for most of the observed compression. This is in line with disclosure theory, specifically where agents face low costs for non-disclosure, with students with poor scores opting not to submit and students with high ones willing to disclose.

Finally, the muted effects among the pre-COVID treatment suggests that isolated test-optional policies did not meaningfully alter application strategies or institutional outcomes. It was only under mass adoption during the pandemic that disclosure dynamics and strategic behavior became widespread.

5.2 Limitations

Several limitations should be acknowledged.

First, the data used in this study reflects characteristics of enrolled students rather than applicants. As a result, the analysis captures the combined effects of applicant behavior and admissions office selection criteria. Without access to applicant-level data, it is difficult to determine whether changes are driven more by self-selection into the applicant pool or by changes in institution's evaluation practices.

Second, although the difference-in-differences design controls for time-invariant institutional characteristics and common shocks, potential violations of the parallel trends assumption cannot be fully ruled out. While visual inspection suggests similar trends before treatment, unobserved differences may exist.

Third, the control group in the COVID treatment is small, especially among highly selective institutions. Only a handful of highly selective institutions (e.g., Georgetown University, the U.S. Naval Academy, the U.S. Military Academy) continued to require test scores during and after the pandemic. This small sample size introduces larger standard errors and limits the precision of estimated treatment effects for this group.

Fourth, while institutions were classified based on the official adoption of test-optional policies, informal practices may have varied. Some institutions may have implemented "soft" test-optional policies prior to official adoption or enforced test requirements unevenly across applicants. This could mean some institutions in the control group may behave like part of the treatment group for some part of the period. The clear pre-and post-treatment designations help with this issue, as those who may have had soft test-optional policies in 2020 and switched in 2021 are treated the same as institutions that swapped in 2020.

Finally, external factors unrelated to test-optional policies, such as broader trends in application behavior, demographic shifts, or pandemic-induced disruptions, may have influenced admissions outcomes during the study period.

5.3 Policy Implications and Future Research

The results have several implications for institutional policy and future research.

From an institutional perspective, the adoption of test-optional policies appears to influence application volume, reported academic metrics, and possibly the composition of admitted classes. Institutions should consider how test-optional policies interact with goals related to selectivity, diversity, academic preparedness, and rankings.

The existing literature also finds that transparency around how non-reported scores are interpreted may be important (Chen and Jin 2025). If disadvantaged students are less likely to understand when non-disclosure is advantageous or harmful, test-optional policies may inadvertently widen access gaps rather than narrow them.

Future research should prioritize applicant-level data to better understand selection dynamics. Important questions include: To what extent does strategic withholding vary across demographic groups? How do withheld scores correlate with subsequent academic performance? Do test-optional policies affect retention, choice of major, or graduation outcomes?

Finally, while this study focuses on the short-term effects of policy adoption, understanding long term effects – how applicant and institutional behavior adjust over multiple admissions cycles – remains an important area for future work after the mass adoption of test-optional policies.

5.4 Institutional Incentives and Test-Optional Policies

Colleges and universities may have multiple incentives to adopt test-optional admissions policies beyond accommodating applicants during periods of external disruption, such as the COVID-19 pandemic.

First, test-optional policies can increase application volume by lowering material and perceived barriers to applying. A larger applicant pool enables institutions to select a more desirable entering class while also lowering the acceptance rate, an important metric associated with institutional prestige in college rankings.

Second, permitting applicants to withhold low test scores may raise reported academic profile metrics, such as average or 25th percentile SAT/ACT scores. Since published score statistics are used in popular college rankings and influences external perceptions of selectivity and academic rigor, institutions may have incentives to improve these figures by allowing or encouraging non-reporting.

Third, test-optional policies can facilitate broader access and diversity goals. By reducing emphasis on standardized testing – which has been criticized for correlating strongly with student's socioeconomic background – institutions may seek to attract more socioeconomically and demographically diverse applicants. Whether test-optional policies achieve this goal remains debated in the literature, but the perceived alignment with furthering diversity goals may offer reputational benefits.

Fourth, in the wake of legal changes, including the 2023 Supreme Court decision restricting the use of affirmative action in admissions, test-optional policies may provide institutions greater flexibility in constructing an entering class without relying on quantitative metrics that could face legal scrutiny. Reducing reliance on standardized test scores potentially affords admissions offices more discretion in evaluating applicants holistically.

Finally, institutions may view test-optional policies as a means of signaling adaptability and responsiveness to changing societal views and expectations around fairness, equity, and student opportunity, enhancing their appeal to prospective students and families.

While the motivations for adopting test-optional policies may vary across institutions, these strategic considerations suggest that test-optional policies serve institutional interests in addition to, or in some cases instead of, serving purely applicant-centered goals.

See the appendix for additional discussion of these ideas.

6 Conclusion

The COVID-19 pandemic created an unprecedented shift in U.S. higher education admissions, with widespread adoption of test-optional policies altering the traditional role of standardized testing. This study examines how these policy changes influenced applicant behavior, admitted student profiles, and institutional outcomes, drawing on disclosure theory and using a difference-in-differences empirical strategy.

The findings demonstrate that mass adoption of test-optional policies significantly reduced the rate of standardized test score reporting, increased applications to highly selective institutions, raised the 25th percentile of standardized test scores among enrolled students, and narrowed the interquartile range of scores. These effects were substantially larger for institutions adopting test-optional policies during the COVID-19 period than for those who adopted similar policies prior to the pandemic, suggesting that widespread adoption was necessary to significantly alter applicant strategies.

By linking empirical outcomes to predictions from disclosure theory, this study contributes to a deeper understanding of how information asymmetries and strategic behavior manifest in college admissions contexts. It also highlights the importance of considering both intended and unintended consequences when designing admissions policies.

Limitations of the analysis, including reliance on enrolled student data and a small COVID-era control group, suggest caution in generalizing the findings. Future research should focus on applicant-level data and long-term academic outcomes to fully understand the implications of test-optional policies.

As institutions continue to reassess the role of standardized testing in admissions, the evidence presented here underscores that changes in information disclosure policies have meaningful effects on both applicant pools and institutional profiles. Understanding these dynamics will remain critical for institutions seeking to balance goals of access, academic preparedness, and institutional competitiveness.

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Appendix A: Tables and Figures

Table 1: Number of Colleges Adopting Test-Optional Policies

	College Selectivity				
	Highly Selective	Moderately Selective	Not Selective	All Colleges	Percent of Total
Always Required	2	6	19	27	6
Always Optional	4	15	51	70	15
Switched 2014-2019	3	15	55	73	15
Switched 2020-2021	36	50	200	286	60
Switched 2022	3	0	15	18	4
Switched 2023	1	0	4	5	1
All Switching Years	49	86	344	479	
Percent of Total	10	18	72		

The table shows the number of colleges that adopted test-optional application policies in different years. The first two rows show the number of colleges that always required test scores or never required test scores, respectively. In the columns, the colleges are split into highly selective, selective, and not selective groups according to percent of applicants admitted.

Table 2: Effects of Test-Optional Policies on Report Rate

	Report Rate							
	Pre-COVID Treatment				COVID Treatment			
	Selective		Not selective		Selective		Not selective	
treat	-10.997	***	-1.650		-10.551	***	6.711	***
	(3.037)		(1.656)		(2.855)		(1.183)	
post	-7.306	***	-5.662	***	-13.722	***	-22.084	***
	(1.661)		(1.313)		(4.445)		(5.721)	
DiD	-19.085	***	-23.361	***	-43.447	***	-38.798	***
	(6.485)		(5.026)		(4.837)		(6.040)	
Intercept	115.673	***	110.840	***	123.167	***	103.629	***
	(1.032)		(0.638)		(2.815)		(1.136)	
Number of observations	348		799		834		1927	
Adjusted R-squared	0.22		0.13		0.59		0.58	

*** p<.01, ** p<.05, *p<.1

The table shows the effect of adopting test-optional policies on standardized test reporting rates for two different treatment groups. The difference-in-differences effect is relative to a control group of institutions that never switched. The numbers in parentheses are heteroskedasticity-consistent standard errors.

The table shows results from the difference-in-differences regression

$$Y_{it} = \beta_0 + \beta_1 Treat_i + \beta_2 Post_t + \beta_3 Treat_i \times Post_t + \epsilon_{it}$$

Where Y_{it} measures test reporting rates for applicants at institution *i* at time *t*. $Treat_i$ is an indicator equal to 1 if institution *i* belongs to the treatment group. $Post_t$ is an indicator equal to 1 for post-policy years. $Treat_i \times Post_t$ is an interaction term capturing the treatment effect and ϵ_{it} is an idiosyncratic error term. The row labeled DiD shows the estimate of β_3.

Table 3: Effects of Test-Optional Policies on Log Applicants

	Log Applicants											
	Pre-COVID Treatment						COVID Treatment					
	Highly Selective		Moderately Selective		Not Selective		Highly Selective		Moderately Selective		Not Selective	
treat	-0.37		-0.64	***	-0.84	***	0.09	*	-0.62	***	0.56	***
	(0.306)		(0.179)		(0.120)		(0.063)		(0.113)		(0.137)	
post	0.19		0.21		0.15		-0.04		0.71	***	0.25	
	(0.162)		(0.201)		(0.100)		(0.198)		(0.186)		(0.439)	
DiD	0.28		-0.02		-0.16		0.37	*	-0.41	*	0.05	
	(0.426)		(0.344)		(0.258)		(0.253)		(0.279)		(0.448)	
Intercept	9.71	***	9.49	***	8.82	***	9.74	***	10.18	***	8.43	***
	(0.091)		(0.111)		(0.053)		(0.037)		(0.092)		(0.134)	
Number of observations	132		228		853		351		501		1979	
Adjusted R-squared	0.00		0.04		0.08		0.01		0.03		0.02	

*** p<.01, ** p<.05, *p<.1

The table shows the effect of adopting test-optional policies on applicant volume for two different treatment groups. The difference-in-differences effect is relative to a control group of institutions that never switched. The numbers in parentheses are heteroskedasticity-consistent standard errors.

The table shows results from the difference-in-differences regression

$$Y_{it} = \beta_0 + \beta_1 Treat_i + \beta_2 Post_t + \beta_3 Treat_i \times Post_t + \epsilon_{it}$$

where Y_{it} measures the natural log of applicants at institution i at time t. $Treat_i$ is an indicator equal to 1 if institution i belongs to the treatment group. $Post_t$ is an indicator equal to 1 for post-policy years. $Treat_i \times Post_t$ is an interaction term capturing the treatment effect and ϵ_{it} is an idiosyncratic error term. The row labeled DiD shows the estimate of β_3.

Table 4: Effects of Test-Optional Policies on 25th Percentile Scores

	25th Percentile Scores					
	Pre-COVID Treatment			COVID Treatment		
	Highly Selective	Moderately Selective	Not Selective	Highly Selective	Moderately Selective	Not Selective
treat	-4.60	-78.17	10.15	131.44 ***	38.23 **	11.73 *
	(33.244)	(41.822)	(9.909)	(16.833)	(18.384)	(8.202)
post	62.63 ***	56.33 **	34.80 ***	29.90	37.60	-2.86
	(12.248)	(22.929)	(7.657)	(56.083)	(43.442)	(28.787)
DiD	33.87	60.26	-28.15	48.97	70.01 *	51.81 **
	(52.600)	(69.881)	(23.872)	(56.507)	(47.494)	(30.202)
Intercept	1353.10 ***	1171.58 ***	1033.15 ***	1255.10 ***	1175.73 ***	1045.43 ***
	(7.082)	(13.345)	(4.360)	(16.528)	(17.232)	(7.830)
Number of observations	127	224	811	346	491	1933
Adjusted R-squared	0.17	0.05	0.02	0.38	0.06	0.02

*** p<.01, ** p<.05, *p<.1

The table shows the effect of adopting test-optional policies on 25th percentile test scores for two different treatment groups. The difference-in-differences effect is relative to a control group of institutions that never switched. The numbers in parentheses are heteroskedasticity-consistent standard errors.

The table shows results from the difference-in-differences regression

$$Y_{it} = \beta_0 + \beta_1 Treat_i + \beta_2 Post_t + \beta_3 Treat_i \times Post_t + \epsilon_{it}$$

where Y_{it} measures the 25th percentile SAT scores for enrolled applicants at institution i at time t. $Treat_i$ is an indicator equal to 1 if institution i belongs to the treatment group. $Post_t$ is an indicator equal to 1 for post-policy years. $Treat_i \times Post_t$ is an interaction term capturing the treatment effect and ϵ_{it} is an idiosyncratic error term. The row labeled DiD shows the estimate of β_3.

Table 5: Effects of Test-Optional Policies on Interquartile Range

	Interquartile Range					
	Pre-COVID Treatment			COVID Treatment		
	Highly Selective	Moderately Selective	Not Selective	Highly Selective	Moderately Selective	Not Selective
treat	-3.34	-4.33	2.34	-46.569 ***	15.475 ***	8.177 ***
	(5.689)	(6.242)	(3.348)	(5.484)	(3.930)	(2.707)
post	-29.64 ***	-4.83	5.74 **	-5.417	0.594	18.688
	(6.328)	(5.437)	(2.597)	(26.166)	(10.088)	(9.741)
DiD	-27.36	-12.01	5.76	-46.490 **	-31.609 ***	-15.900 **
	(24.642)	(10.630)	(9.487)	(26.530)	(12.838)	(10.187)
Intercept	147.84 ***	173.38 ***	198.26 ***	180.417 ***	156.906 ***	191.836 ***
	(3.237)	(2.762)	(1.537)	(5.202)	(3.534)	(2.595)
Number of observations	127	224	811	346	491	1933
Adjusted R-squared	0.18	0.01	0.01	0.34	0.06	0.01

*** p<.01, ** p<.05, *p<.1

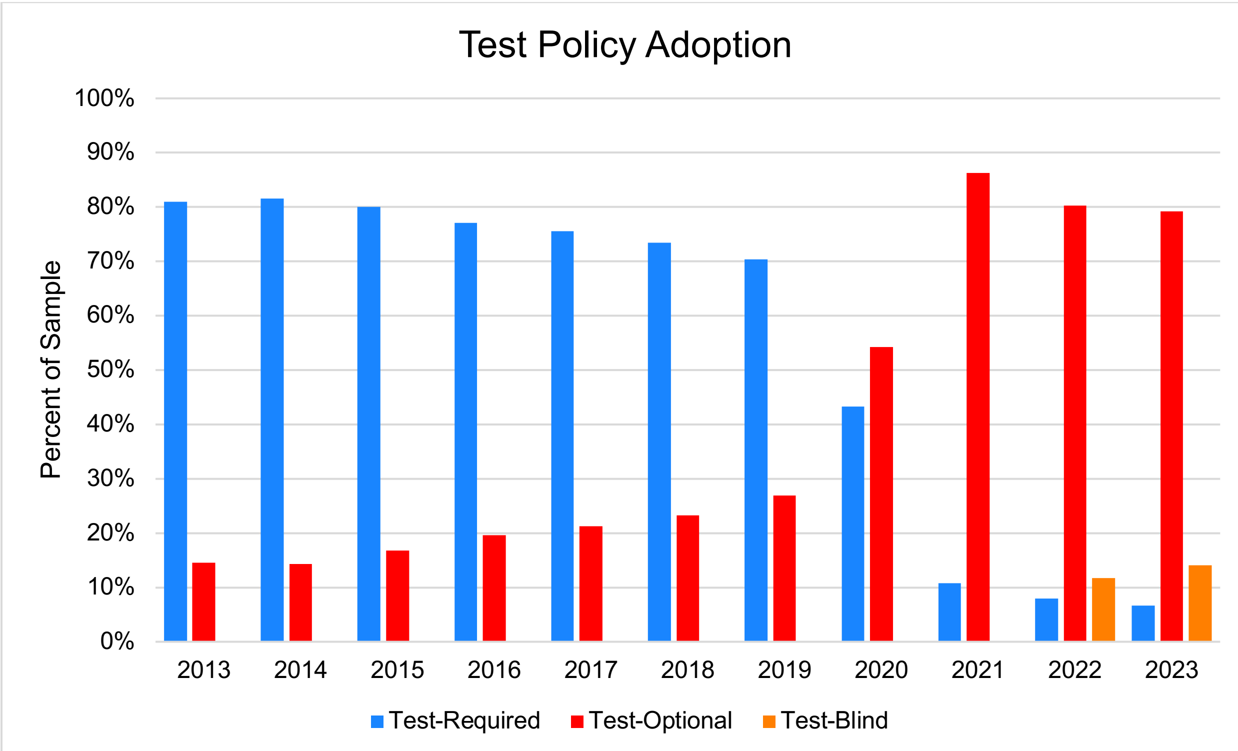
The table shows the effect of adopting test-optional policies on the interquartile range of test scores for two different treatment groups. The difference-in-differences effect is relative to a control group of institutions that never switched. The numbers in parentheses are heteroskedasticity-consistent standard errors.

The table shows results from the difference-in-differences regression

$$Y_{it} = \beta_0 + \beta_1 Treat_i + \beta_2 Post_t + \beta_3 Treat_i \times Post_t + \epsilon_{it}$$

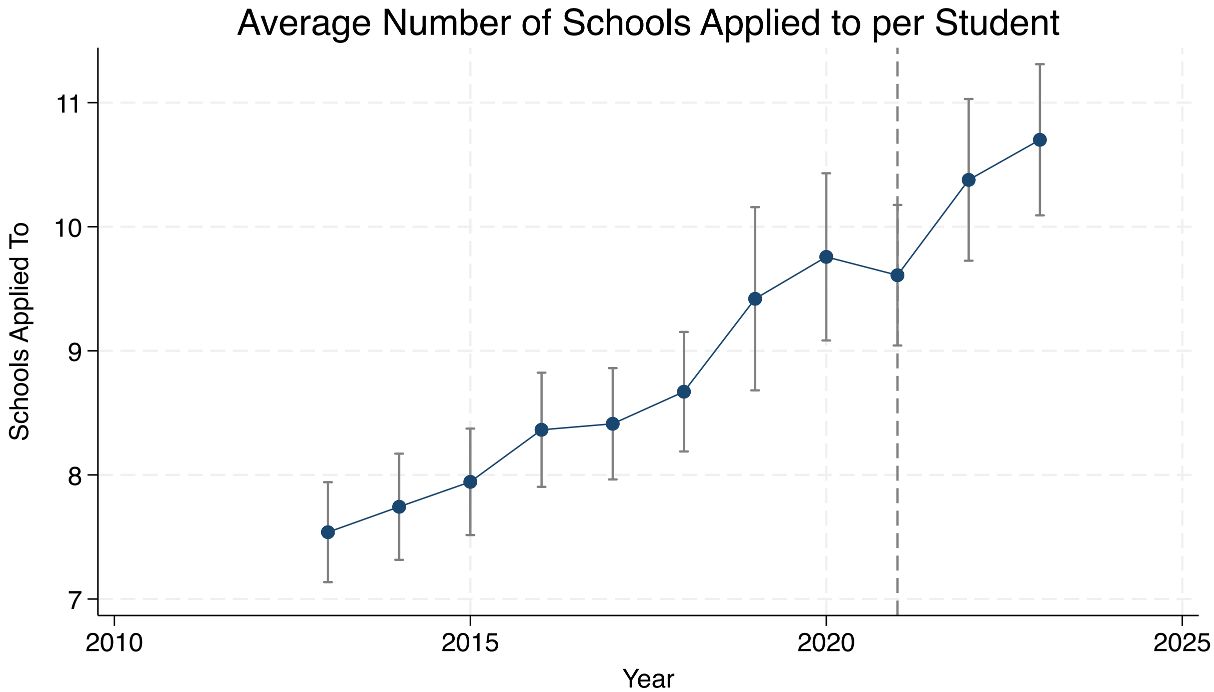
where Y_{it} measures interquartile range of SAT scores for enrolled applicants at institution *i* at time *t*. $Treat_i$ is an indicator equal to 1 if institution i belongs to the treatment group. $Post_t$ is an indicator equal to 1 for post-policy years. $Treat_i \times Post_t$ is an interaction term capturing the treatment effect and ϵ_{it} is an idiosyncratic error term. The row labeled DiD shows the estimate of β_3.

Figure 1: Test-Optional and Test-Blind Adoption Over Time



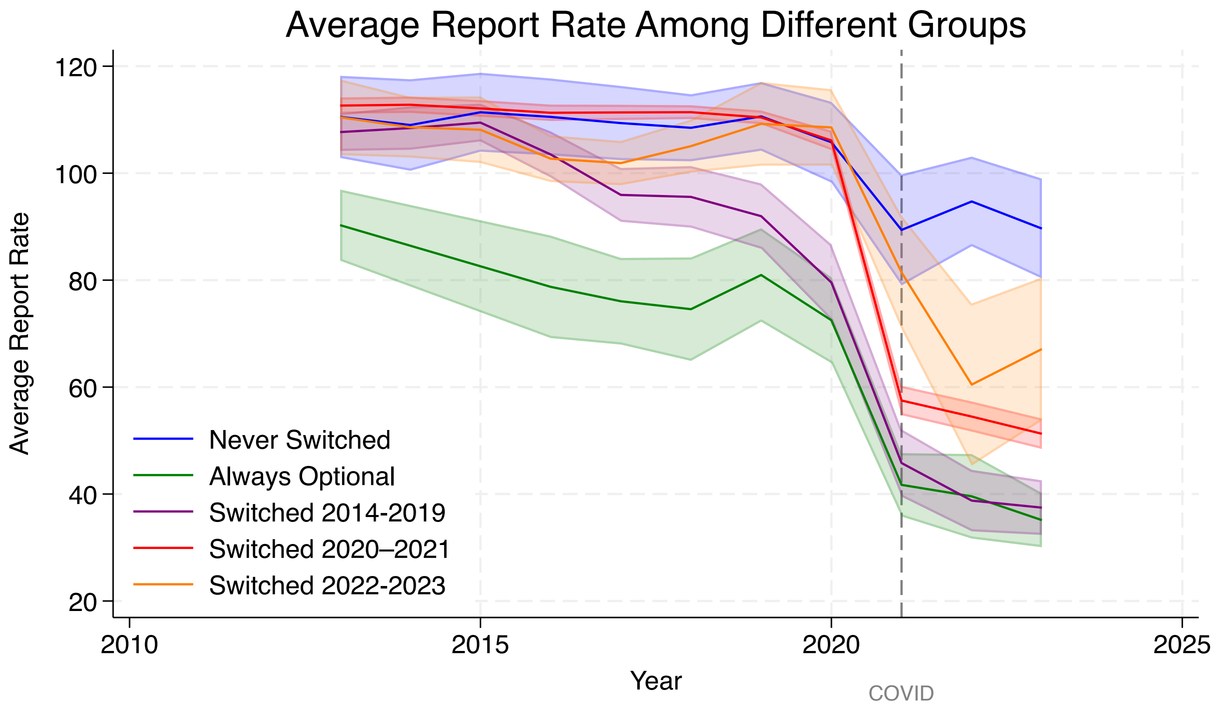
This figure shows the adoption of test-optional and test-blind admissions policies over time. Test-optional policies in the sample were growing before the COVID-19 pandemic, but only gained widespread adoption in 2020 and 2021, during the pandemic.

Figure 2: Average Applications in Sample Over Time



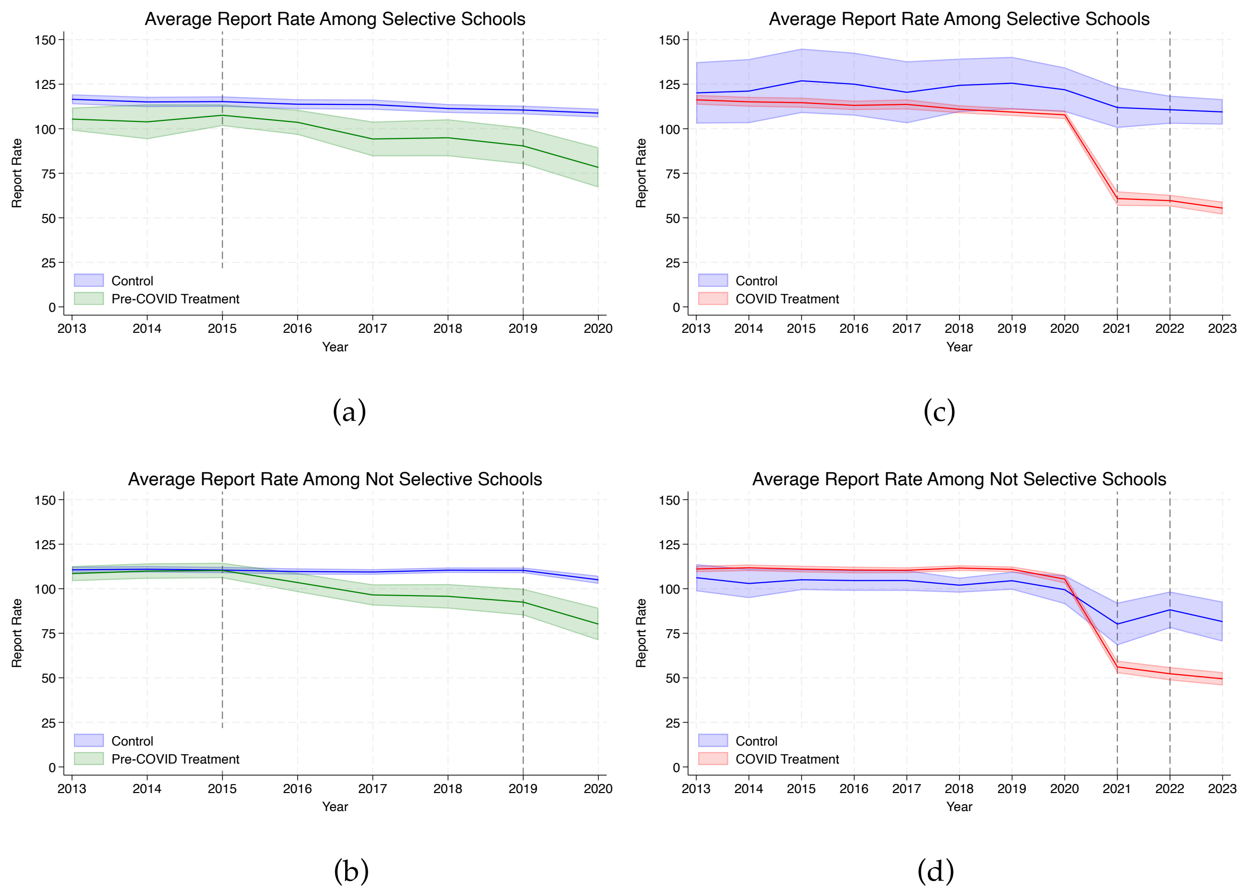
This figure shows the average number of schools a student applied to in the sample. This was calculated by dividing the total number of applications all schools in the sample received each year by the total number of enrolled students at every school. The dashed line represents 2021, the height of the COVID-19 pandemic and when test-optional policies began to see widespread adoption. It is likely these values understate the number of colleges to which a typical student applied. There are other institutions to which students may have applied that are not included in the sample.

Figure 3: Average Report Rate Among Different Groups



This figure shows the average standardized test score reporting rate for the 5 groups outlined in Table 1. The dashed line represents 2021, the height of the COVID-19 pandemic and when test-optional policies began to see widespread adoption. This can be seen by the drop in standardized test reporting at that time. The shaded areas represent 95% confidence intervals. The values may exceed 100% because some enrolled students submit both SAT and ACT scores, which are counted separately.

Figure 4: Effects of Test Optional Policies on Report Rate

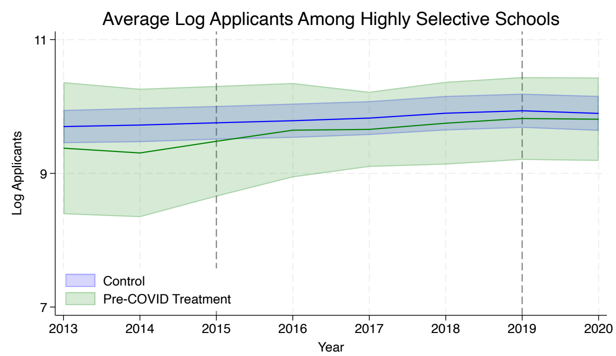


(a) (c)

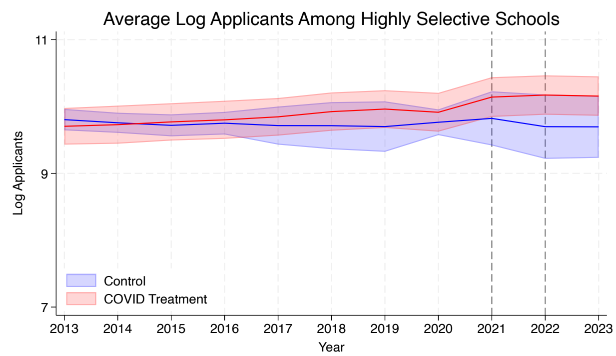
(b) (d)

This figure shows the effect of test-optional policies on the standardized test reporting rate for two different treatment groups and corresponds to Table 2. Panels (a) and (b) show the effects on the pre-COVID treatment while (c) and (d) show the effects on the COVID treatment. The area between the dashed lines is dropped in the regressions. The area before the first dashed line corresponds to the period before adoption, while the area after the second dashed line corresponds to post adoption (post in the regression tables). The shaded areas represent 95% confidence intervals.

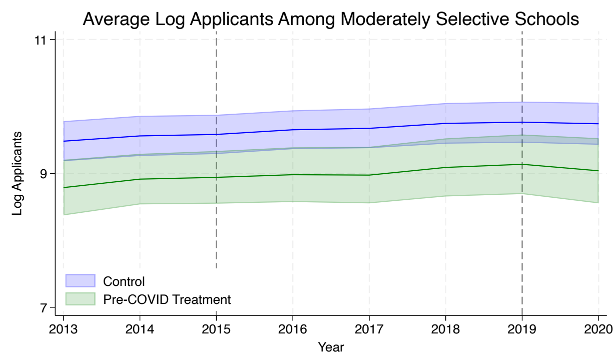
Figure 5: Effects of Test-Optional Policies on Log Applicants



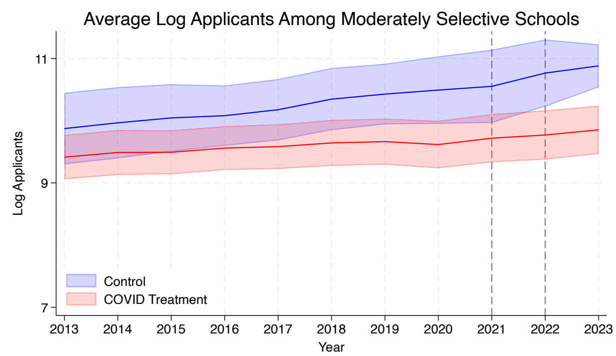
(a)



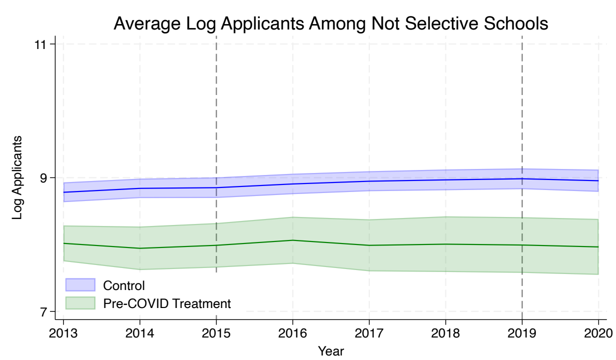
(d)



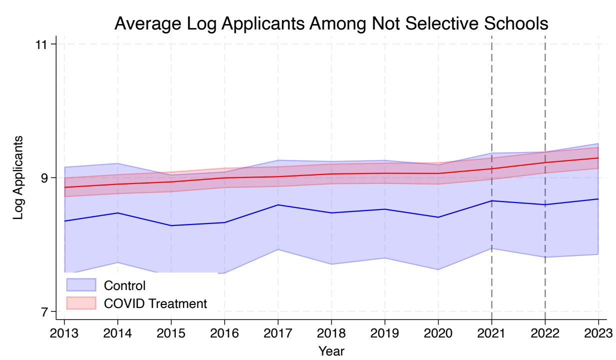
(b)



(e)



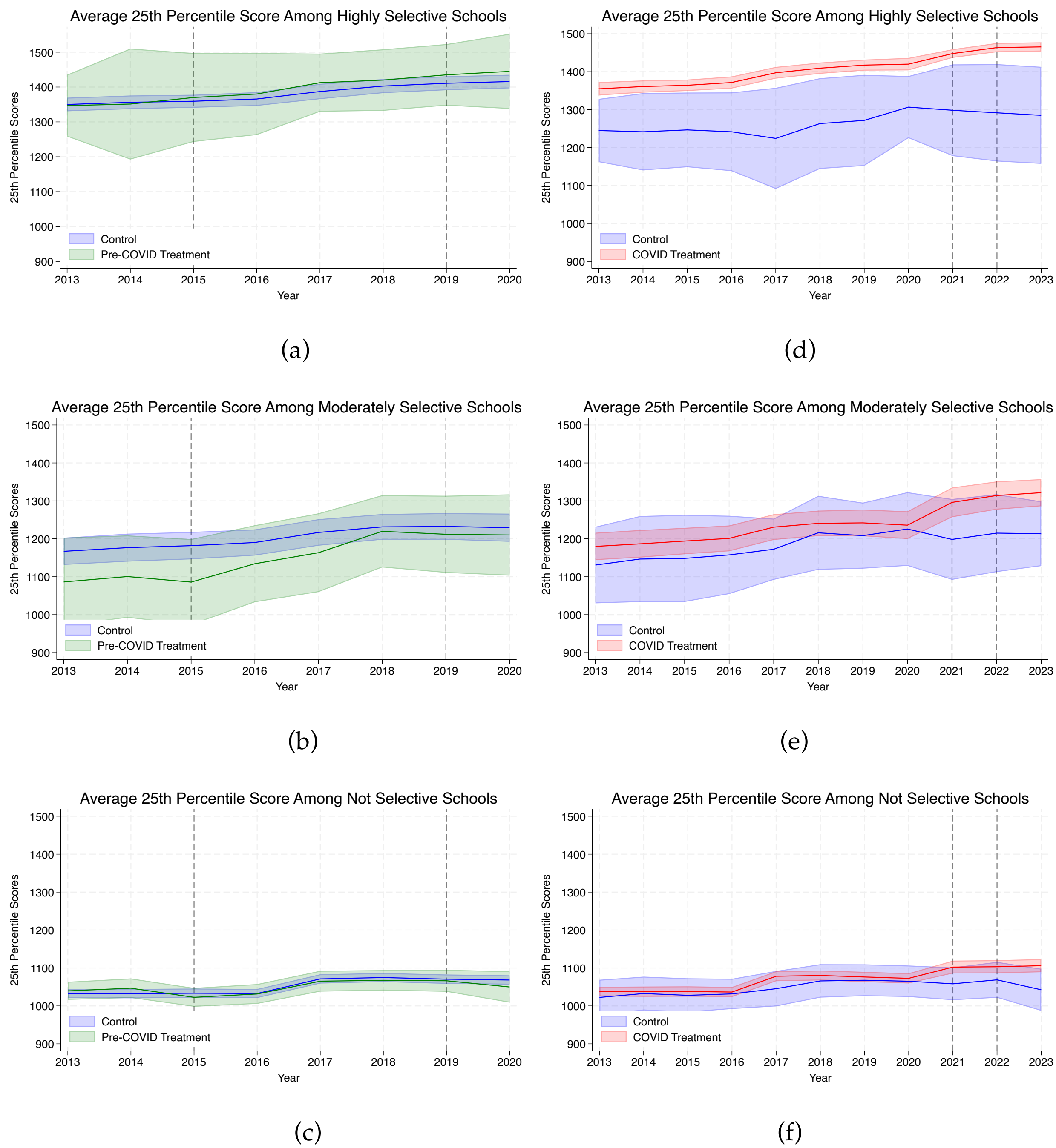
(c)



(f)

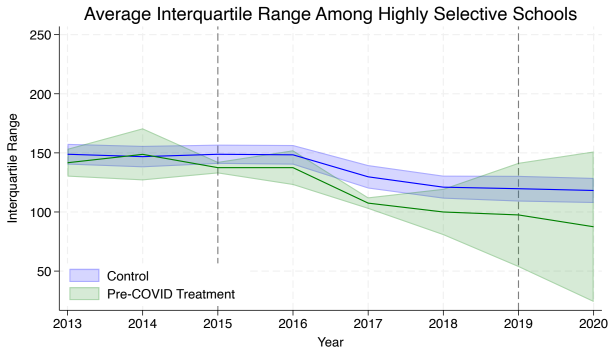
This figure shows the effect of test-optional policies on applicant volume for two different treatment groups across different selectivities and corresponds to Table 3. Panels (a) (b) and (c) show the effects on the pre-COVID treatment while (d) (e) and (f) show the effects on the COVID treatment. The area between the dashed lines is dropped in the regressions. The area before the first dashed line corresponds to the period before adoption, while the area after the second dashed line corresponds to post adoption (post in the regression tables). The shaded areas represent 95% confidence intervals.

Figure 6: Effects of Test-Optional Policies on 25th Percentile Scores

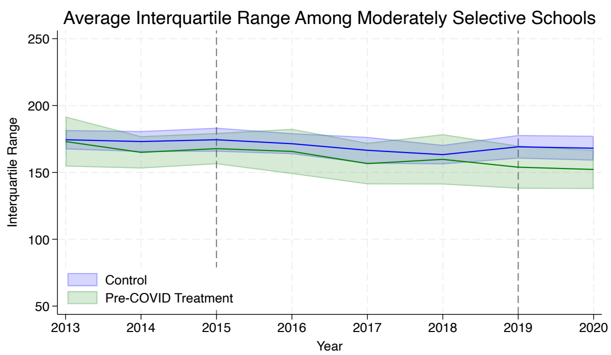


This figure shows the effect of test-optional policies on 25th percentile test scores for two different treatment groups across different selectivities and corresponds to Table 4. Panels (a) (b) and (c) show the effects on the pre-COVID treatment while (d) (e) and (f) show the effects on the COVID treatment. The area between the dashed lines is dropped in the regressions. The area before the first dashed line corresponds to the period before adoption, while the area after the second dashed line corresponds to post adoption (post in the regression tables). The shaded areas represent 95% confidence intervals.

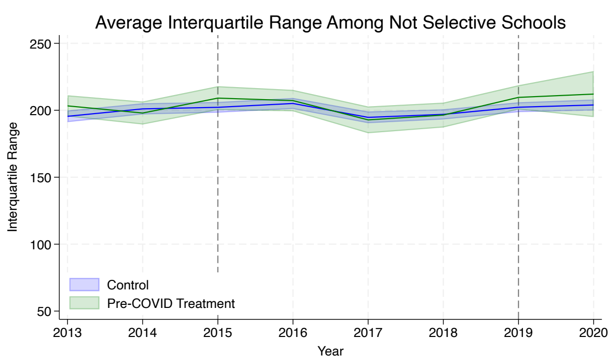
Figure 7: Effects of Test-Optional Policies on Interquartile Range



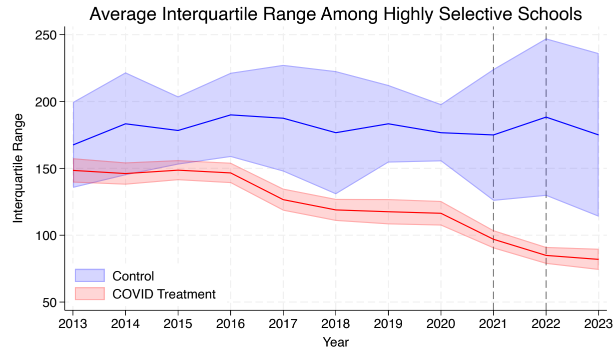
(a)



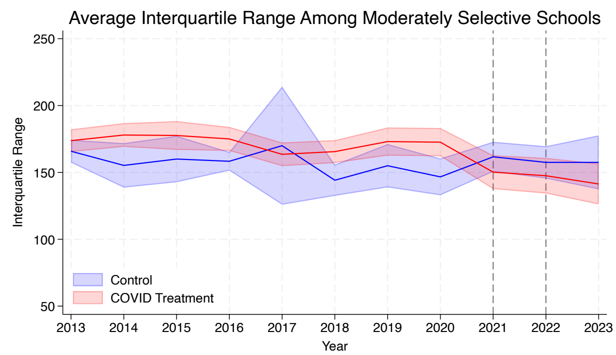
(b)



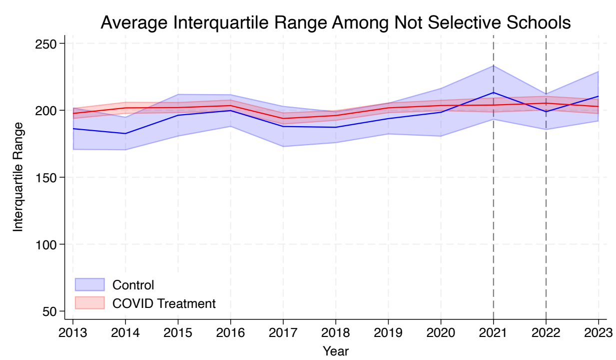
(c)



(d)



(e)



(f)

This figure shows the effect of test-optional policies on the interquartile range of test scores for two different treatment groups across different selectivities and corresponds to Table 5. Panels (a) (b) and (c) show the effects on the pre-COVID treatment while (d) (e) and (f) show the effects on the COVID treatment. The area between the dashed lines is dropped in the regressions. The area before the first dashed line corresponds to the period before adoption, while the area after the second dashed line corresponds to post adoption (post in the regression tables). The shaded areas represent 95% confidence intervals.

Appendix B: Left Truncated Test Scores Versus Changes in Applicant Characteristics

One important consideration in interpreting the results is whether test-optional policies induced true changes in the academic quality of admitted students, or whether observed changes in reported test scores simply reflect selective withholding of lower scores without changing the underlying composition of admitted students. If applicants with lower standardized test scores chose not to submit them while other characteristics (such as high school GPA, course rigor, extracurriculars, or letters of recommendation) remain unchanged, the observed increase in the 25th percentile of reported scores and the narrowing of the interquartile range may result purely from left-truncation of the test score distribution. In this case, test-optional policies would affect only observed metrics, not admitted student characteristics or quality. In contrast, if test-optional policies changed the characteristics of who applied and who was admitted – attracting a broader pool of applicants or shifting the admissions office evaluation criteria – then changes in reported test scores would coincide with real changes in admitted students. Testing these alternatives requires information beyond reported SAT and ACT scores. Several empirical strategies could be used:

1. Compare non-test-based metrics over time:
   If test-optional policies only induced left-truncation in reported test scores, one would expect no significant change in non-test-based metrics (e.g., high school GPA, class rank, AP course completion rates) among enrolled students after the adoption of test-optional policies. Increases or decreases in these metrics would suggest changes in admitted student quality beyond selective test score reporting
2. Examine graduation rates and academic performance:
   If applicant quality changed, differences should emerge in downstream outcomes like first-year college GPA, retention rates, and four- or six-year

graduation rates. No change in these outcomes would be consistent with left-truncation and a material change in outcomes would suggest real changes in enrolled students.

I asked the University of Rochester Admissions Office for anonymized application data with the aim to test this hypothesis and related ideas. Following some discussion, the Admissions Office and the Dean's Office unfortunately declined to share the anonymized data.

Due to data limitation – specifically the reliance of aggregate IPEDS data and the absence of applicant-level high school performance measures – this study cannot definitively separate left-truncation effects from genuine changes in applicant or enrolled student characteristics. However, existing literature suggests that in contexts where non-reporting carries no formal penalty, observed increases in reported test scores often reflect selective score withholding rather than changes in applicant quality (Belasco, Rosinger, and Hearn 2015; Saboe and Terrizzi 2019).

Future research incorporating richer applicant- and outcome-level data will be essential to fully resolve this distinction.