Top Ten Myths About Scholarships

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Overview

1. Only Straight-A Students Win Scholarships
2. Most Scholarships are Just for Minority Students
3. My Child Will Win a Free Ride with Scholarships
4. I'm Not an Athlete, So I Won't Win Any Money
5. Only the Poor Win Scholarships
6. Only High School Seniors Can Apply for Scholarships
7. Private High School Students Win More Scholarships
8. $6.6 Billion in Scholarships Went Unclaimed Last Year
9. Colleges Reduce Need-Based Aid When You Win Scholarships, So Why Bother?
10. Searching/Applying for Scholarships is Too Much Work

Myth: Only “A” Students Win Scholarships

<table>
<thead>
<tr>
<th>Cumulative GPA on a 4.0 Scale</th>
<th>High School GPA</th>
<th>College GPA</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% Winning Scholarships</td>
<td>% of Scholarship Winners</td>
</tr>
<tr>
<td>0.0-1.9 (D- to C)</td>
<td>5.7%</td>
<td>1.3%</td>
</tr>
<tr>
<td>2.0-2.4 (C to B-)</td>
<td>7.1%</td>
<td>6.2%</td>
</tr>
<tr>
<td>2.5-2.9 (B- to B)</td>
<td>9.5%</td>
<td>8.1%</td>
</tr>
<tr>
<td>3.0-3.4 (B to A-)</td>
<td>10.7%</td>
<td>30.0%</td>
</tr>
<tr>
<td>3.5-4.0 (A- to A)</td>
<td>18.7%</td>
<td>54.4%</td>
</tr>
</tbody>
</table>

The Race Myth: Only Minorities Win

- Reality: White students win more than their fair share of scholarships, not minority students

<table>
<thead>
<tr>
<th>Race</th>
<th>Percent of Recipients</th>
<th>Percent Winning</th>
<th>Average Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>White</td>
<td>71.5%</td>
<td>14.4%</td>
<td>$2,643</td>
</tr>
<tr>
<td>Black or African American</td>
<td>10.5%</td>
<td>11.4%</td>
<td>$2,962</td>
</tr>
<tr>
<td>Hispanic or Latino</td>
<td>8.1%</td>
<td>9.1%</td>
<td>$2,353</td>
</tr>
<tr>
<td>Asian</td>
<td>4.4%</td>
<td>10.5%</td>
<td>$3,170</td>
</tr>
<tr>
<td>American Indian or Alaska</td>
<td>1.4%</td>
<td>32.7%</td>
<td>$3,967</td>
</tr>
<tr>
<td>Native</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>More than One Race</td>
<td>3.4%</td>
<td>16.0%</td>
<td>$4,891</td>
</tr>
<tr>
<td>All Minority Students</td>
<td>28.5%</td>
<td>11.2%</td>
<td>$3,167</td>
</tr>
</tbody>
</table>

Myth: My Child Will Win a Free Ride

- Reality: Students with better grades are more likely to win scholarships, but B and C students do win some
- Of students enrolled full-time at a 4-year college
  - 0.3% get enough grants to cover the full COA
  - 1.0% get enough grants to cover 90% or more of the COA
  - 3.4% get enough grants to cover 75% or more of the COA
  - 14.3% get enough grants to cover 50% or more of the COA
- Of students winning scholarships, more than two-thirds (69.1%) received less than $2,500
- Scholarships are part of the plan for paying for college, but not the entire plan
Top Ten Myths About Scholarships

Myth: Only Athletes Win Scholarships
- 1.4% of students in Bachelor’s degree programs received athletic scholarships in 2007-08
- The average athletic scholarship was $7,855, a third of the total cost of attendance
- Athletic scholarships represent only 5.4% of institutional grants and 2.1% of all college grants
- Athletic scholarships enable students to attend more expensive colleges, but do not yield a significant financial advantage.
  - Total institutional grants are $3,979 higher than for non-recipients, but the cost is $4,560 higher

Myth: Only the Poor Win Scholarships
- Reality: Middle-income students are more likely to win private scholarships than lower-income or upper-income students
- Most private scholarships are not based on financial need

Myth: Just for High School Seniors
- There are scholarships with deadlines in every month of the year
  - Deadlines peak in the fall and spring
  - Summer is the low point
- Many families wait until spring of the senior year in high school to figure out how to pay for college, missing half the deadlines for seniors
- There are many scholarships for students in lower grades, even elementary school
- Continue searching for scholarships after you have enrolled in college

Myth: Private K-12 Students Win More
- Reality: Students who graduate from private high schools win more private scholarships, but not enough to compensate for the higher cost of private school tuition
  - Only about $1,000 more in private scholarships
  - 48.5% of private-school students enroll at private non-profit colleges vs. 26.7% of public-school students

Myth: $6.6 Billion Went Unclaimed Last Year
- The unclaimed aid myth is based on a 1976-77 academic year study by the National Institute of Work and Learning (NIWL)
  - NIWL estimated that $7 billion was available from employers in employer tuition assistance, but only $300 to $400 million was being used
  - The myth is more than 30 years old, is based on an unsubstantiated estimate and has nothing to do with scholarships
  - The only scholarships that go unclaimed can’t be claimed due to restrictive eligibility criteria

Myth: Colleges Will Cut Aid, So Why Bother?
- Colleges do displace private scholarships, but most colleges will try to ensure that the student gets some financial benefit
  - Private scholarships first fill the gap (unmet need)
  - Then some of the private scholarship money will be used to reduce the student’s loan and work burden
- Every college has an outside scholarship policy which dictates how the college reduces need-based aid when a student wins a scholarship
  - Check the college’s policy to see how your scholarship and bottom-line cost will be affected
Myth: Searching and Applying for Scholarships is Too Much Work

- Searching for scholarships is the easy part
  - Fastweb matches your background with scholarships
  - It takes about half an hour to search the database
- Applying for scholarships is hard, but then so is applying for college admission
- It gets much easier after your first half-dozen applications, since you can reuse and adapt your previous application essays
- Some students don’t like essay contests and small scholarships, making them easier to win