



# “ On T h e M o n e y R e p o r t ”

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**Scholarships are there for the taking. You just need to know where to look.\***

Scholarships that offset or eliminate the climbing cost of college tuition have turned the dreams of many young students into reality. Those lucky enough to land an award often graduate with little to no debt. It doesn't hurt their parents' pocketbooks either, as any dollars their child receives softens the blow to their bank account.

Yet, all too often, high school students fail to explore tuition awards for which they might be eligible, assuming their household incomes are too high, or that they can't compete with their over-achieving classmates.

They're making a big mistake.

The [National Center for Education Statistics](#) reports there are 750,000 scholarships earmarked for qualified students, totaling \$1.2 billion. Much of that money comes from Uncle Sam. In fact, nearly 40 percent of enrolled college kids receive free government money in the form of [Pell Grants](#). Such awards are granted to needy families who meet certain financial criteria. The average size of a government scholarship runs \$2,001.

Private scholarships average \$2,051 and are awarded to both needy and non-needy students alike. Only 6 percent of college students receive them, which means the odds of actually scoring a private grant run about 1 in 17. Those odds may seem slim, but they mark a big improvement from the mid-1990s, when the

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odds were 1 in 25.

"Private-sector scholarships are extremely competitive," said Mark Kantrowitz, publisher of the Internet scholarship site, [FinAid.com](http://FinAid.com). "That doesn't mean a student should give up all hope. But be aware that sponsors are giving out awards based on specific criteria, whether that's athletic, artistic or academic. So, look for awards for which you have those kinds of skills."

In other words, you've got to work to obtain all that free cash. The following provides a roadmap on how to get what's coming to you:

## **Start early**

Deadlines for scholarships generally don't come due until students are high school seniors. But experts agree that college-bound kids should start searching for grants as early as their freshman year. By identifying potential awards sooner than later, students can choose classes and participate in activities that will boost their odds of winning free cash.

For example, a student who's achieved Eagle Scout status – the top rank for the Boy Scouts of America – would do well to stick with Scouts through high school. That's because the [National Eagle Scout Association](http://NationalEagleScoutAssociation.org) awards various scholarships -- including one that's worth \$48,000 and four \$20,000 scholarships -- but applicants must be a graduating senior or entering college when they apply.

Consider, too, the prestigious [Intel Science Talent Search](http://IntelScienceTalentSearch.com), which comes with a

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top \$100,000 prize. Students must develop and submit their own experiments to be considered for this award. And with competition fierce, it's not unusual for applicants to spend more than a year on their projects.

## **Let the Internet guide you**

Tracking down scholarships has become a lot easier thanks to the Internet. Some of the bigger free sites are [FastWeb](#) and [Scholarships.com](#), both of which have about 6,000 scholarships in their database. The [College Board](#) lists 2,000 undergrad scholarships, internships and loan programs. Meanwhile, [Scholarship Resource Network](#) has about 8,000 programs for both undergraduate and graduate scholarships.

A typical high school student should be eligible to apply for 30-to-40 different scholarships.

The best scholarship Web sites enable students to submit a personal profile online, then receive a list of matching scholarships for which they might qualify. Offer as much detail as possible. For example, someone who lists "engineering" as their chosen major may not get as many scholarship listings as, say, someone who specifies "chemical engineering." That's because various professional groups use grants as a way to attract talent.

Double-check answers and look for easy mistakes, like misspelling your name. Don't leave answers blank. Students may modify and resubmit their profiles to see what other scholarships match.



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It's also smart to sign up with at least two sites. You'll find that there's plenty of "overlap," but you can rest assured that way that you've identified most of the scholarships available.

Finally, never ever pay fees to obtain a listing. There are enough free databases out there and paying money to identify grants and awards does not improve your chance of success. In fact, one study by a group of colleges found that less than 1 percent of students using fee-based searches actually won money.

## **Keep trying**

If you're applying for a federal grant, you'll need to submit the [FAFSE](#) (Free Application for Federal Student Aid), which determines how much loan and grant money a student qualifies for and what a family should contribute toward tuition.

If you have questions, don't guess or leave blank answers. Instead, contact the [U.S. Department of Education](#) at (800) 433-3243 for help filling out the form or talk to a school guidance counselor.

Applications for private scholarships all vary, but students often can re-use essays. In some cases, a student can get feedback from a scholarship committee about a written application after a grant's been awarded. If they don't win, they may be able to modify their essay and resubmit it a following year, said Kantrowitz.

Never assume that students who are "too rich" to qualify for government grants will be automatically disqualified for private scholarships. Be sure to give



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teachers and others plenty of time to write letters of recommendation.

For more suggestions, see the College Board's [tips on applying for grants](#).

## Think small

It's no surprise that mega-grants such as the [Coca-Cola Scholars Program](#) and the [Gates Millennium Scholars Program](#) have certain appeal. After all, they come with big prizes that add cachet to a student's resume.

But there are good reasons to think small. For starters, thousands of students apply for big-name grants so competition can be tough. Smaller scholarships that are worth less than \$1,000 or grants from community organizations often are easier to obtain. That's also true for scholarships from local groups, such as the Parent-Teacher Association, the area Lions Club or your local church or synagogue. Many employers even offer scholarships for employees' children.

What's more, winning a smaller scholarship may boost a student's chances of snagging something bigger down the road since it indicates that he or she is worthy of an award.

You can find out about local scholarships through a high school college counselor. Another good source is financial aid offices at area colleges, which tend to be good, if not better, about advertising scholarships that are awarded locally.

## Beware of scams

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Lastly, you've no doubt heard tales that billions of dollars in scholarships go unspent each year because no one applies.

"That's the biggest fallacy," said Herm Davis, national director of the National College Scholarship Foundation in Rockville, Md., and co-author of "College Financial Aid for Dummies."

The rumor, says Davis, began in 1987 when reports misquoted a student-lobbying group that testified before Congress about employer tuition-assistance program money that goes unused. Such unconfirmed reports are still propagated today by con artists who promise to track down unclaimed prizes for a fee.

Unfortunately, that's not the only scholarship scam. Since 1996, the [Federal Trade Commission](#) has returned more than \$560,000 to individuals who have been ripped off by various schemes.

"This is definitely still a problem. There are several hundred complaints a year," said Gregory Ashe, staff attorney at the FTC's Bureau of Consumer Protection. "When parents want to do anything they can for their children, they let their guard down."

One of the newer scams is a "seminar" where students and families are invited to hear how to win scholarships, but end up listening to high-pressure sales pitches for expensive services that never materialize. (Con artists track down students by using marketing lists to find potential candidates.)



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"They'll lay on the guilt – you'd do anything for your child – and play on fears of the parent," said Ashe. "But it comes down to that old adage. If something seems too good to be true, it probably is."

Steer clear of offers that cost money or require some kind of fee. Ditto for anyone who guarantees to get you scholarship money or who requests a credit card or bank number to "hold" a scholarship.

For more information about scholarship fraud log onto the [FTC Web site](#). Or, if you think you've been a victim of a scam, call the agency at (877) 382-4357.

## **Keep applying for free school money**

Finally, once you're in college, don't assume the scholarship quest has ended. There are plenty of scholarships specifically geared for college sophomores, juniors and seniors. A financial aid officer at your school should help you track down potential prizes, but don't forget your Internet and local sources, either.

\*Taken from an article appearing in cnmoney

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