



Report: The shocking truth about scholarships

A question I ask in all of my workshops is “Who here is expecting to get a lot of information on scholarships?” Invariably at least a third of the room raises their hands and half nod their heads. Scholarships are always looked at as a solution to the college funding problem. In fact, many times parents and students will bring up the “fact” that there is college scholarship money just waiting out there to be claimed if you know where to look for it. Then I give them the shocking truth.

All of that scholarship money that you hear about... All of that money that is just laying around waiting for someone to pick up off the ground... That pot of gold at the end of the scholarship rainbow... It's practically non-existent. Scholarships from the DAR, from Rotary, from Wal-Mart, from your local church, from any organization to which you apply make up only 2% of the money that is available to help send your student to college. How in the world are you going to send your students to college on only 2% of the money?

Why do you think that the scholarship search sites like FastWeb.com are sponsored by the student loan companies? Because the student loan companies know there is a huge myth surrounding the scholarship search game, and they take full advantage of that myth. It is a very good marketing tactic for them. They know that student after student is going to their websites hoping to find that scholarship pot of gold. In the end, what they will leave college with is a kettle full of debt.

Then on top of it all, a group comes into town and convinces you to pay them a hefty fee to help you get in front of all the scholarship search committees. They are going to make your student look like the greatest thing since sliced bread, and you are just going to rake in the money. What a crock!

There are always going to be the stories of the students who hit it big in the scholarship game. Many of my clients have been those students. Unfortunately, the even nastier shoe is about drop for them... the standard scholarship policies of practically every college in the country.

The standard response to all external scholarships (those not provided to the student by the college itself) is to reduce the student's financial aid package by the same amount of scholarship money they have received. In other words, scholarships, even for those lucky few who get them, most often gain nothing. They lose as much money as they gain.

Protect yourself from the myths of the scholarship game. Contact us at www.cfstrategies.com. We can help.