



P.S. | Personally Sacha

Welcome to the weblog of Sacha Millstone, where you'll find wide-ranging and well-reasoned considerations for your financial life – and life in general.

September 16, 2014

Part 5: The Real Scoop on Scholarships – Fishing in the Right Pool

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First, a couple of definitions:

Financial Aid is based on financial need as *determined by the college*.

Scholarships are not. (Scholarships are also called Merit Aid by many colleges.) True scholarships are based on some aspect of merit – academic, athletic, community service, or artistic talent.

Every day I see stories about scholarship, most of them fiction.

The Real Money is from the Colleges

Your student can spend dozens of hours writing essays for local and national scholarship contests, but the truth is that the vast majority of these scholarships are for \$100-\$500, and most are one-time scholarships. Or, you can put the time into looking for colleges that give \$15K, \$20K, or \$40K scholarships that are renewable annually. Nothing wrong with writing the essays, but your first priority ought to be seeking out the bigger scholarships – and the payoff per hour spent is a lot better.

Some colleges only give Financial Aid (Or, the Scholarship that Isn't!)

Get into Harvard? Stanford? Caltech? Congratulations! Unfortunately, they only give financial aid based on need; no academic scholarships. Though some of their aid might be called a scholarship, you have to apply for financial aid to get it. *Many of the elite private colleges have policies that they do not give pure merit scholarships, only financial aid.* External scholarships (local, national, corporate) are your only scholarship options for these schools, and the big ones are very hard to get.

Some colleges give Financial Aid to all qualifying students, and Scholarships to their very best applicants

The University of Chicago, Vanderbilt, Claremont McKenna, Kenyon and the University of Michigan are examples of colleges that offer some pure merit scholarships for which you do not need to submit financial aid information.

Some colleges give smaller scholarships to lots of students, while others give a few very large scholarships

Nearly a quarter of the students attending USC get academic scholarships, but only a handful of the students at Duke or Johns Hopkins are so lucky. Washington University in St. Louis, Rice, and Vanderbilt all give significant scholarships. Occidental, Ithaca, and the Bryn Mawr are examples of colleges with merit scholarships that top out at about \$22,000/year – a big help, but far short of the cost of attending those schools – but a higher percentage of their students get some scholarship money than at many other schools.

The bigger the scholarship, the harder it is to get

Makes sense. Colleges are likely to offer their biggest scholarships to the students they most want. Any student that got a huge scholarship at Duke probably had a decent chance of admission to several Ivy League schools. *Many schools require separate scholarship applications for their largest scholarships, but use their regular college applications for smaller scholarships.* For consideration for the biggest scholarships, students are often invited to scholarship weekends, during which time they're interviewed individually and in groups, shown around the campus, and fêted by senior admissions representatives and members of the administration and faculty.

Are You Fishing In the Right Pool?

If financial aid alone isn't likely to be enough, and you need scholarships, make sure you're looking at colleges that actually give scholarships. *Sounds simple, but every year we see students who've applied to a whole list of colleges that don't give merit scholarships even though their families don't qualify for much financial aid. Ouch.*

Are You Using the Right Bait?

It is not enough to be a really good student. The difference between the students who get significant scholarships and those who don't has a lot to do with preparation. A future blog will discuss the college dating game – and this game takes on a special importance for students looking to get scholarships. *You need even more preparation to stand out as a viable candidate for the larger scholarships.*

We'll Answer Your Questions

Send us any questions that come up and we'll be sure to answer them in the next blog.

