Private Scholarships: How to Make Them More Accessible to Students  
*By EducationQuest Foundation*  
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As a nonprofit organization with a mission to improve access to higher education in Nebraska, EducationQuest Foundation continually strives to educate students and parents about the importance of postsecondary education and ways to pay for it.

In February 2012, President Obama urged Americans to invest more in education, stating that it was an economic imperative to provide citizens with the tools that they need for success.¹

Higher education at a four-year institution, community college, or trade school does undoubtedly affect the earning potential of Nebraskans in the workforce. However, attaining a college degree is not without its challenges. Rising tuition rates and a fear of excessive student loan debt are just a couple of potential obstacles that could stand between Nebraskans and higher education.

However, research shows that higher education is still “worth it.” A recent *Economic Letter*² by the Federal Reserve Bank of San Francisco states that the average college graduate could potentially earn over $800,000 more than the average high school graduate by retirement age.

With this earning potential in mind, Nebraskans would be wise to not only consider higher education, but to also consider options available to finance that education while reducing the amount paid out of pocket—both immediately and with potential student loan payments.

This brings us to a resource that is essential to attaining a lower-costing degree—privately funded scholarships. Private scholarships come from a variety of sources including, but not limited to, corporations, foundations, service organizations, and individual donors.³ Scholarships are an excellent option to pay for college because:

- they can reduce the amount of money a student needs to borrow or pay out of pocket to obtain their college degree
- scholarship money does not need to be repaid
- scholarships with varying criteria ensure that all students have a chance to pay for college—provided they are willing to find them

**Why aren’t students applying?**

If scholarships are beneficial to students, then why are they often overlooked as a viable option? According to the National Center for Education Statistics, only 12.8% of undergraduate students are funding their education with private scholarships.⁴ Does this indicate that the competition for

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private scholarships is limiting the number of students who receive awards, or are students simply neglecting to apply or don’t know how to effectively apply for scholarship money? The answer to this question is likely a combination of the three. Earning scholarships—especially high dollar scholarships—can be extremely competitive. For example, The Lincoln Community Foundation\(^5\) received over 12,000 applications for the 50+ scholarships they awarded during the 2013-2014 cycle.

However, five of those 50 scholarships did not receive any applications. Some of these scholarships were worth at least $1,000 toward higher education. In fact, scholarships may go unawarded for reasons such as poor promotion, complicated applications, and unattainable criteria.\(^6\) Students may be unaware of scholarship options, but they also may know about scholarship opportunities—and simply are not responding.

An example of this issue is EducationQuest’s *Reaching Your Potential* Scholarship, a need-based award targeted toward Nebraska students who face significant obstacles to higher education. *Reaching Your Potential* recipients receive between $2,600 and $5,200 a year toward their education at a Nebraska college or university. Applications are provided to students who are referred by a community agency or college.

Out of the almost 400 referrals received for the spring 2014 cycle, only about one-third of the referred students submitted an application. This return rate has been fairly consistent over the past several awarding periods.

Following the spring 2014 deadline, the non-applicants for the *Reaching Your Potential* Scholarship were surveyed and asked why they did not apply. The results are as follows:

- I did not have enough time to complete the application: 58.3%
- I was unable to submit required supporting documents: 29.2%
- I forgot to fill it out: 25%
- Other: 20.8%
- I did not believe I would be selected: 12.5%
- I did not believe I was eligible to apply: 8.3%
- I did not have access to a computer/necessary technology: 4.2%
- I did not understand the application requirements: 0%

Additionally, out of the 143 applications that were submitted for the spring 2014 cycle, 12 applicants were disqualified because they were not eligible to receive the scholarship. Upon initial submission, 27 applications were incomplete or completed incorrectly, which decreased to four incomplete applications following contact efforts made by scholarship staff. A total of 127 applications were ultimately sent on for review. Clearly, completing a scholarship application correctly is not as simple as it would seem.

**What can scholarship providers do to simplify the scholarship process?**

The process of finding and applying for scholarships is confusing for many students. Often, students do not know where to look for scholarships. Each scholarship provider has different eligibility requirements, and sometimes the eligibility requirements are not clearly defined.

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\(^5\) Lincoln Community Foundation: [www.lcf.org/scholarships](http://www.lcf.org/scholarships)

\(^6\) Institute for Higher Education Policy: [https://www.scholarshipproviders.org/Documents/PrivateScholCount.pdf](https://www.scholarshipproviders.org/Documents/PrivateScholCount.pdf)
Scholarship providers are on the right track by donating money to students, but how can they make the process “user friendly” for students? What steps can providers take to ensure that they have more applications submitted—and submitted correctly? The following are suggestions from Nebraska high school counselors, scholarship providers, and students.

**Keep the criteria clear and simple**

Scholarship providers must clearly state the applicant requirements in order to reduce applications from ineligible students. List age requirements, income requirements, residency requirements, GPA requirements, etc. on the application and note that only students who meet the eligibility criteria will be considered.

**Make the application simple**

Prominently list the application deadline, contact information and application instructions. Keep the application as short as possible while still collecting all necessary information. If possible, consider creating an application that can be completed and submitted online. This will reduce the amount of incomplete and incorrectly completed applications.

**Financial need? Use the EFC.**

If financial need is a criterion, use the federal government’s Expected Family Contribution (EFC) from the Student Aid Report to determine what ‘need’ means for your scholarship. EFC is the result of the student completing the Free Application for Federal Student Aid (FAFSA) and is an unbiased way to establish a need threshold.

**Keep a standing deadline**

A good way to build a knowledge base for a scholarship is to keep the deadline the same (or similar) from year to year. It will help with planning and will decrease deadline confusion.

**Use available resources to promote the scholarship.**

High school counselors are an excellent resource to use when promoting a scholarship. Build a working relationship with them and they will be happy to give applications to eligible students.

Another resource to help providers promote their scholarships is ScholarshipQuest at EducationQuest.org. ScholarshipQuest is a database of over 2,000 Nebraska-based awards. By including their scholarships, providers can help provide a central location for Nebraska students to find local, state and regional scholarships.

**How can Nebraskans help students complete and submit scholarship applications?**

Simplifying the scholarship process is only one step that must be taken to help students successfully engage in the scholarship process. Students need a knowledgeable support system to help them navigate the world of scholarships.

An individual who wishes to help students successfully find and complete scholarship applications should do any or all of the following:

- Be aware of scholarship opportunities—national, state, and local.
- Encourage students to apply for local and lower-dollar awards in addition to larger awards.
- Consider students who may be eligible for awards and encourage them to apply.
- Offer to proofread applications and essays.
• Offer to write a letter of recommendation.
• Be aware of procrastination and remind them to submit the application.
• Avoid any service that promises scholarships in exchange for a fee as it may be a scam.

Nebraska high school counselors, community agencies, colleges, and scholarship providers supply excellent services that encourage students to submit scholarship applications. However, students still need support during the scholarship process. This is where EducationQuest Foundation can help.

**How EducationQuest helps students access scholarships**

EducationQuest’s [ScholarshipQuest](http://www.educationquest.org) resource, mentioned above, allows Nebraska students to complete an online profile and be matched with scholarships for which they are eligible. It provides an opportunity for students to find scholarship options tailored to their needs. EducationQuest scholarship staff is constantly seeking to grow the database each year by contacting new Nebraska providers and adding awards.

EducationQuest also funds scholarship opportunities for Nebraska students. Among them is the [EducationQuest Scholarship Program](http://www.educationquest.org/college-professionals/esp), which provides over $1.4 million annually in need-based scholarship funds to Nebraska nonprofit colleges. Individual awards range from $300 to $2,500 and recipients are selected by the participating Nebraska colleges and universities.

EducationQuest’s [Reaching Your Potential Scholarship](http://www.educationquest.org/college-professionals/ryp) is awarded to 10-20 Nebraska students per award cycle. Recipients receive between $2,600 and $5,200 per year toward higher education. The award is renewable up to a bachelor’s degree, and all students in the *Reaching Your Potential* Program receive support from an EducationQuest staff mentor and a mentor on their college campus. This ensures that students have the support that they need to earn their degree.

Additionally, EducationQuest College Planning staff regularly visits Nebraska high schools to give scholarship presentations to high school students. During these presentations, staff provides students with an idea of what Nebraska colleges cost. Next, they explain different financial aid options and help students set up ScholarshipQuest accounts.

EducationQuest offices are located in Lincoln, Omaha, and Kearney to help students and families complete their FAFSA, understand the results, and come up with a plan to finance their educational goals.

EducationQuest provides [scholarship advice on their website at EducationQuest.org](http://www.educationquest.org), as well as several handbooks with scholarship advice for different student groups. Among them are the [KnowHow2Go Handbook](http://www.educationquest.org) for 8th, 9th, and 10th grade students, the [College Prep Handbook](http://www.educationquest.org) with the supplemental [College Planning for Students with Disabilities](http://www.educationquest.org) for 11th and 12th grade students, and the [Adult Learner Handbook](http://www.educationquest.org) for nontraditional students.

By improving scholarship processes and preparing students to complete private scholarship applications, Nebraskans can pursue postsecondary education with confidence—at a manageable cost.

If you have questions about this document, contact Eric Drumheller, Assistant Vice President of Grants & Scholarships, EducationQuest Foundation, at 800.303.3745, ext. 6622 or ericd@educationquest.org.

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7 [EducationQuest Scholarship Program](http://www.educationquest.org/college-professionals/esp/)
8 [Reaching Your Potential Scholarship](http://www.educationquest.org/college-professionals/ryp/)