



SCHOLARSHIPS MATTER



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NORTHWEST NAZARENE UNIVERSITY

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A WORD FROM A SCHOLARSHIP INSIDER

Each academic year brings new students to university campuses. They are filled with academic expectations, dreams of degree completion and anticipation for the great adventure that awaits them. Every class brings a new level of understanding which broadens the students' perspective of the world and gives them a depth of character. However, these students also face undeniably difficult obstacles. From financial stress to the complex academic landscape, many students are tempted to delay graduation or abandon their academic journey altogether.

In my position at NNU, I see firsthand how many of these extraordinary students choose to finish their degrees despite what appear to be insurmountable obstacles. I have witnessed the power scholarships possess in the eyes of students. When a student is awarded a scholarship, they are given an invitation to make a difference in the world. They become transformative heroes.



AMY SHINGLER

DIRECTOR, SCHOLARSHIP GIFTS

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"What if we could flip the switch from ignorance to empowerment?"

SCHOLARSHIPS MATTER

Higher education is a choice that individuals invest in so they can broaden their knowledge in preparation for particular career paths in hopes of positively influencing their communities. Contextually, education adds depth to a person's life, both intellectually and professionally. Although some may believe education is strictly about the increase of knowledge, higher education is much more. It is an exchange of ideas that helps mold students' character as well as their future potential. Ignorance—the lack of knowledge and pertinent information—can rob individuals of their ability to achieve their highest potential and create lasting change. However, what if we could flip the script from ignorance to empowerment?

Many students and their families ask if pursuing higher education is worth their time and money. There is startling data that proves the investment in higher education is not only worth their time and resources, but it can change the trajectory of an entire family. For instance, according to the 2021 report issued by the U.S. Bureau of Labor Statistics, the unemployment rate of those who didn't graduate from high school had an 8.3% unemployment rate as opposed to those who earned a four-year degree, cutting that unemployment rate by more than half and landing at 3.5%. If a student continues and completes a doctoral degree, the unemployment rate drops another 50%.

EARNING & EMPLOYMENT STATISTICS

Earnings and unemployment rates by educational attainment, 2021



Note: Data are for persons age 25 and over. Earnings are for full-time wage and salary workers.
Source: U.S. Bureau of Labor Statistics; Current Population Survey.

Source: U.S. Bureau of Labor Statistics, 2021

Students who didn't graduate from high school had an average weekly earning potential of \$626. This increased to \$809 for high school graduates and continued to grow to \$1334 for college graduates. The earning potential increased and the unemployment rate decreased with the completion of higher educational degrees (U.S. Bureau of Labor Statistics, 2021).

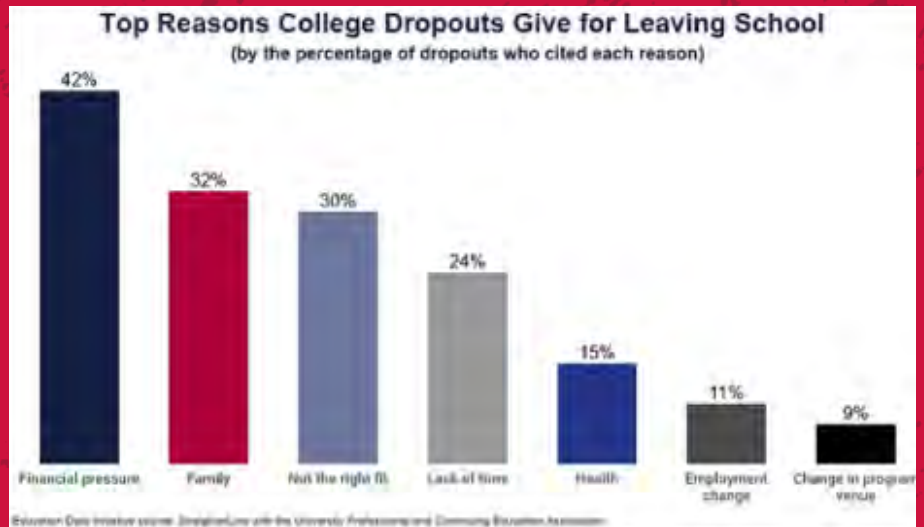
FINANCIAL STATS

With these impressive statistics, one must still acknowledge the challenges and obstacles many students must overcome in order to complete their academic journey. According to the National Center for Educational Statistics (2022), when students enroll in a university and fail to complete their degree within six years, they are more likely not to complete it at all. This tragedy happens to more than half of all students who start a university education. In the United States, only 60% of four-year university students will earn their degree within six years. With these alarming statistics, universities must look at innovative ways to address and rectify these student retention issues.

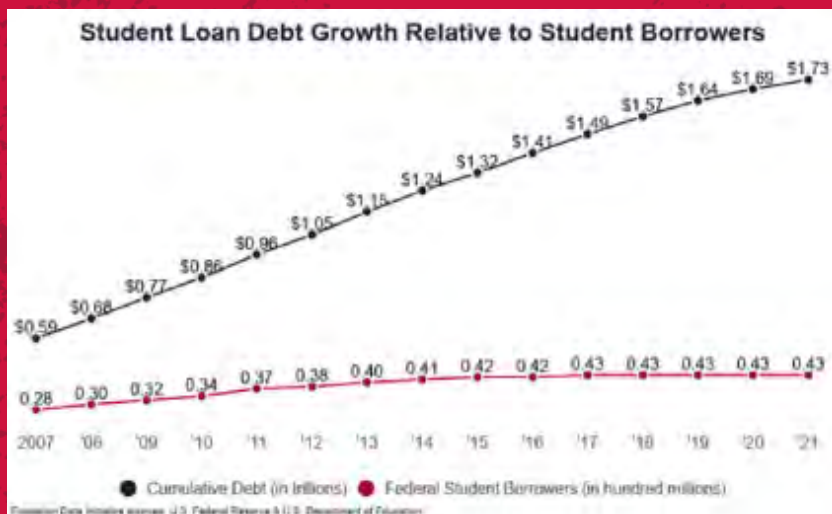
According to the 2022 Federal Reserve Report, student debt has reached \$1.75 trillion, a 20% increase in the last five years (Giovanettie, 2022). Student loan debt is the second-largest consumer debt source, second only to mortgage debt (Friedman, 2022). That is an increase of 20% in the last five years. The average student graduate has \$40,274 in student debt (Hanson, 2022b).

According to a recent government study, 67.8% of student loans are more extensive than \$10,000 (Hanson, 2022b). Most student loans are structured to be paid off in 10 years, but on average, it takes 21 years for students to be financially free from their student loan debt (Ramsey Solutions, 2021). This means the average 22-year-old will still be paying off student loans well after they reach their fortieth birthday milestone. The average student loan debt rate grows faster than the average increase of tuition costs by 166.9% (Hanson, 2022b).

Studies prove financial pressures are the number one reason students drop out of college.



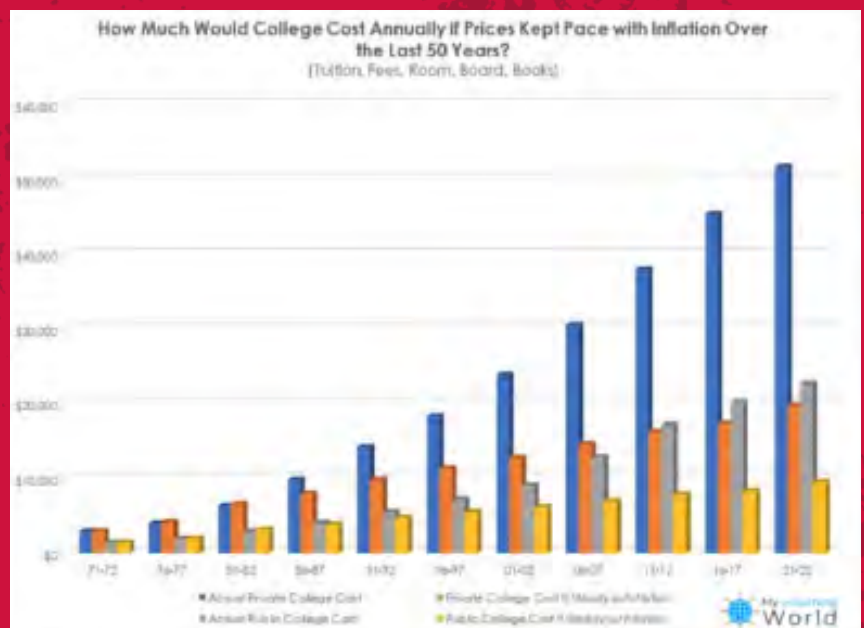
Source: Hanson, 2022a



Source: Hanson, 2022b

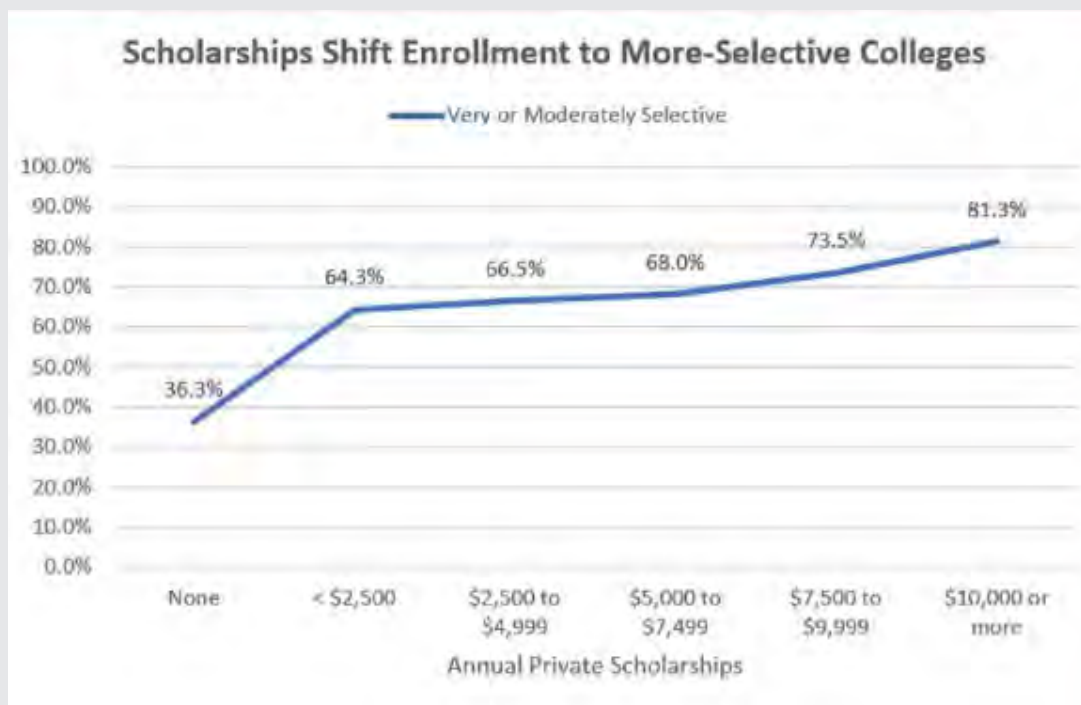
Student loan debt is one of the fastest growing consumer debts in the U.S., second only to mortgage debt.

Students face rising tuition costs and must adapt to economic changes beyond inflation.



Source: Winstead, 2022

SCHOLARSHIPS = SOLUTIONS



Source: Kantrowitz, 2021

Scholarships are one of the primary solutions to these financial burdens. When students experience the financial support they need to attend a university without the burden of financial debt, they find success and complete their academic journeys. Scholarships become a vehicle that can drive these students closer to the academic finish line and give them the confidence to continue pursuing their degrees. When students receive even a modest scholarship of less than \$2,500, it increases their ability to be more selective and attend the university of their choice. This graph shows that the more significant the scholarship, the more selective the student can be in their university of choice; however, even a modest \$2,500 scholarship can make a big impression and increase the ability of the student to be selective by 64.3% (Kantrowitz, 2021). This data is promising for universities as they seek to recruit students to attend their institutions.

WHEN STUDENTS STRUGGLE

SCHOLARSHIPS HELP

Students face another challenge in the complexities within the university experience that often stall student success. Most students who enter college are between the ages of 18-24. This age demographic is exceptionally adaptable and influenced by its surroundings (Knoll et al., 2017). These students are moving out of their guardians' homes and entering a phase of life where they live independently for the first time. University is an opportunity for many students to be impacted and influenced profoundly. Many university students enter their first year with insecurities and trepidation and leave as graduates confident and competent.

When students enter college, they will inevitably be influenced by the university's values and mission, so it can be profoundly significant that the student selects a higher education institution that aligns with their values and beliefs. If students decide to delay college, they stand the chance that they may be faced with far more significant challenges like family and job commitments, which can derail their academic achievements.

Studies have shown that those individuals who decide to go to university and persevere through the many challenges they face are more likely to complete their degrees (Bazelaïs et al., 2016). Universities can be filled with complicated checkpoints, from FASFA forms, enrollment applications, applying for scholarships and navigating the labyrinth of class schedules. These are just a few of the many complexities that students face.

A university experience is filled with many unknowns that students must survive. Scholarship supporters invest in academic scholarships that relieve students from apparent mounting pressures, creating an academic experience for them to find success at the university.

Scholarships help alleviate the fierce pressure students face in these academic complexities.

Scholarship supporters also play a crucial role in a student's transformation story. It is vital that students do not leave the university with just a degree and knowledge but have instead experienced a transformative education, one that equips them holistically to enter the workforce as compassionate, intelligent and impactful leaders ready to serve those in their communities.

At Northwest Nazarene University, four values help define its culture. These values are service, truth, community and transformation. Transformation is part of the culture at NNU and many students experience this in profound ways. Students attending an exceptional university like NNU are given the support they need to achieve their academic aspirations.

SCHOLARSHIPS SUPPORT STUDENT ADVOCACY

Scholarships are the support network that students need to help set them up for success. As vehicles of advocacy, scholarships help students feel supported. Scholarships not only take a financial load off of students but also communicate that they matter and are valued.

One challenge many students face is the lack of advocacy. When students enroll at a given university, many must navigate the community's complexities; unfortunately, some must do this alone. They may be first-generation students who are the first in their families to attend a four-year university or older students who no longer have guardians to help them through the system. Students who are both low-income and first-generation experience, on average, a dropout rate of 89%, which is four times higher than second-generation students. (First Generation Foundation, 2020).

In July 2020, 39 million Americans dropped out of college; of those, only 944,200 re-enrolled in the fall (Hanson, 2022a). According to author David Kirp (2019), campuses that provide frequent and pertinent support, particularly to first-year students, increase retention rates. Students who lack support are likely to drop out of school or never attempt a higher education degree in the first place (Kantrowitz, 2022). Not only does this limit their lifetime earning potential, but it impacts their future families and their ability to influence their communities.

"When I discovered I had been awarded a scholarship, it meant I mattered, and someone believed in me."

"NNU has made a huge impact in my life. I am one of four daughters of two Mexican immigrants who worked in the California vineyards for over thirty years. I am the first in my family to attend college and receive an undergraduate education. After having children, I never thought going back to school was possible, so being accepted to NNU and the nursing program was a huge blessing for my family and me. Scholarships made all the difference. When I discovered I had been awarded a scholarship, it meant I mattered, and someone believed in me. Growing up, I was told the dream of higher education was too big of a dream, and I needed to dream smaller and not be so ambitious with my plans. However, scholarships made me believe my dreams were achievable. I am so grateful."



Jiorjina A.
Senior, Nursing Student

SCHOLARSHIPS PROMOTE STUDENT SUCCESS

Scholarships show profound support, give inspiration and empower students. Students who receive scholarships are given the reinforcement they need to complete their academic aspirations. Scholarships are two-sided. They not only touch the students' lives and influence their futures in tangible ways but there are substantial benefits for the scholarship supporter. First, many scholarship supporters report the deep fulfillment they experience when participating in scholarship philanthropy. Scholarship supporters are profoundly aware that this investment does not end with the scholarship recipient but will continue to affect the lives of those the recipient impacts. If the scholarship is an endowed scholarship fund, then the donor also has the assurance that the scholarship will continue to impact students yearly in perpetuity. Few investments can ensure that degree of influence.

SUPPORTER BENEFITS

Scholarship supporters also experience a renewed level of re-engagement with their institution of choice. At NNU, our donors show an increase in participation at University-sponsored events after donating to the University. This affects the community as a whole. As we build stronger communities, philanthropy can be a way individuals connect to a given institution and create a better tomorrow.

According to research from the Council for Christian Colleges & Universities, \$5 in institutional aid is offered to students for every \$1 in federal grant money. This study proves that private donations are essential to nonprofit higher education institutions. Without these generous gifts, fewer students would be able to finance their education (Hartle, 2021).

In the last two years, the global pandemic played a critical role in bringing attention to philanthropy and shined a spotlight on the fact that there is work to be done. The work within higher education is imminent and crucial to the fabric and infrastructure of our society to equip professionals to lead through these challenging times.

Lastly, scholarships can give supporters tax benefits and can be vehicles that shelter them from unnecessary taxation and financial complexities. Although the amount you can deduct from your annual income taxes vary depending on your tax bracket and follows the same rules as any charitable contribution, it remains a viable benefit to most scholarship supporters. Tax benefits can be substantial. It is advised that one speaks with their accountant, as this is a financial benefit that many supporters take advantage of when considering their financial plans and wealth strategies.

According to the most recent Giving USA Report (2022), 72% of donors say they would continue to give to their charity of choice even if there was no income tax charitable deduction incentive. They want to give to something that aligns with their values and creates lasting change. They desire to build stronger communities and invest in more than bricks and mortar.

At NNU, we give individuals the opportunity to invest in meaningful ways, one of which is through scholarships. NNU seeks to partner with those who desire to create a lasting impact with significant returns.

INCREASE 60.85%

NNU's endowment grew over 60% in the last five years due to wise investments and stewardship strategies.

OVER \$2.25M

Due to generous NNU scholarship supporters in 2021, NNU students received over \$2.25 million from NNU scholarships.

OVER 99%

NNU students are supported in tangible ways. Over 99% of NNU students receive financial aid and assistance with tuition from NNU.

OVER \$23M

NNU students have received over \$23 million from endowed scholarships since 2000. This number is growing substantially each year due to scholarship supporters who want to invest in what really matters.



SCHOLARSHIPS EMPOWER

Students are our mission, and NNU is ready to educate and empower all students. Scholarships can be a game-changer to help alleviate unnecessary burdens from students and give them the support they need to succeed. NNU desires to play a vital role in the lives and futures of students as they prepare to become God's redemptive agents throughout the world. The decision to partner with NNU by becoming a scholarship supporter is the best decision when one is interested in making a lasting difference.

Despite mounting challenges faced by students, scholarships can help bridge the gap between retention challenges and students reaching their academic potential. Scholarships have the power to lessen the financial burden, support the student through complexities and reinforce student advocacy. The investment in a scholarship fund is beyond the monetary exchange. Although there are tax and tangible financial benefits, being a part of a student's transformative experience is at the heart of scholarship supporters.

Over the last two decades, NNU has given over \$24 million in scholarships to students. Our work has only just begun. We have students to educate and lives to transform.

Scholarships can shore up college dropout rates, help lower unemployment, ensure communities have competent professionals that are well informed and ultimately equip the next generation. At NNU, our scholarship supporters champion our students. They help make it possible for students to achieve an exceptional education and an environment that supports transformation and prioritizes the greater good.



NORTHWEST
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To partner with NNU and support student success, contact Northwest Nazarene University to discuss your options:

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