

Scholarship Scams

It's no wonder that students and parents are so eager to find these sources of funding that they don't have to pay back, but this makes them easy targets for financial aid con artists. Scholarship scams have been around for years. Hundreds of thousands of people are cheated by scholarship scams each year, losing tens of millions of dollars. According to the Federal Trade Commission, if you hear these lines from a scholarship service, you may be getting duped:

"The scholarship is guaranteed or your money back."

No one can guarantee that they'll get you a grant or a scholarship. Refund guarantees often have conditions or strings attached. Get refund policies in writing and read the fine print before you go any further.

"You can't get this information anywhere else."

You can tell from the preceding information that there are thousands of scholarships that you can research through free means. It's highly doubtful that a company would have an exclusive list of scholarships that you can't find through another source.

"I just need your credit card or bank account number to hold this scholarship."

Don't give your credit card or bank account number without getting information in writing first. Be very cautious about any company that would ask for it. It may be the setup for an unauthorized withdrawal from your account.

"We'll do all the work."

Don't be fooled. There's no way around it. You must apply for scholarships or grants yourself.

"The scholarship will cost money."

Don't pay anyone who claims to be "holding" a scholarship or grant for you.

"You've been selected" by a "national foundation" to receive a scholarship or "you're a finalist" in a contest you never entered.

Before you reply to a scholarship offer you didn't initiate, check it out. Make sure the foundation or program is legitimate.

What to Do if You Suspect an Offer Is a Scam

Start with your school counselor. He or she may have information about well-known scams. Also, the following organizations can help you decide if an offer is legitimate. They will tell you whether they have received any complaints about the company, or whether the company is currently under investigation. Look for these organizations online or call for more information.

- Better Business Bureau (BBB) in the city where the scholarship service is located
- Federal Trade Commission
877 FTC-HELP www.ftc.gov/scholarshipscams
- State Bureau of Consumer Protection
- State Attorney General's Office
- National Fraud Information Center (NFIC)
www.fraud.org

For more information about scholarship scams, visit www.finaid.org.

For more information about college costs and financial aid, visit the Pay for College section at www.collegeboard.com.

The College Board's mission is to connect students to college success and opportunity. We are a not-for-profit membership organization with a commitment to excellence and equity in education.

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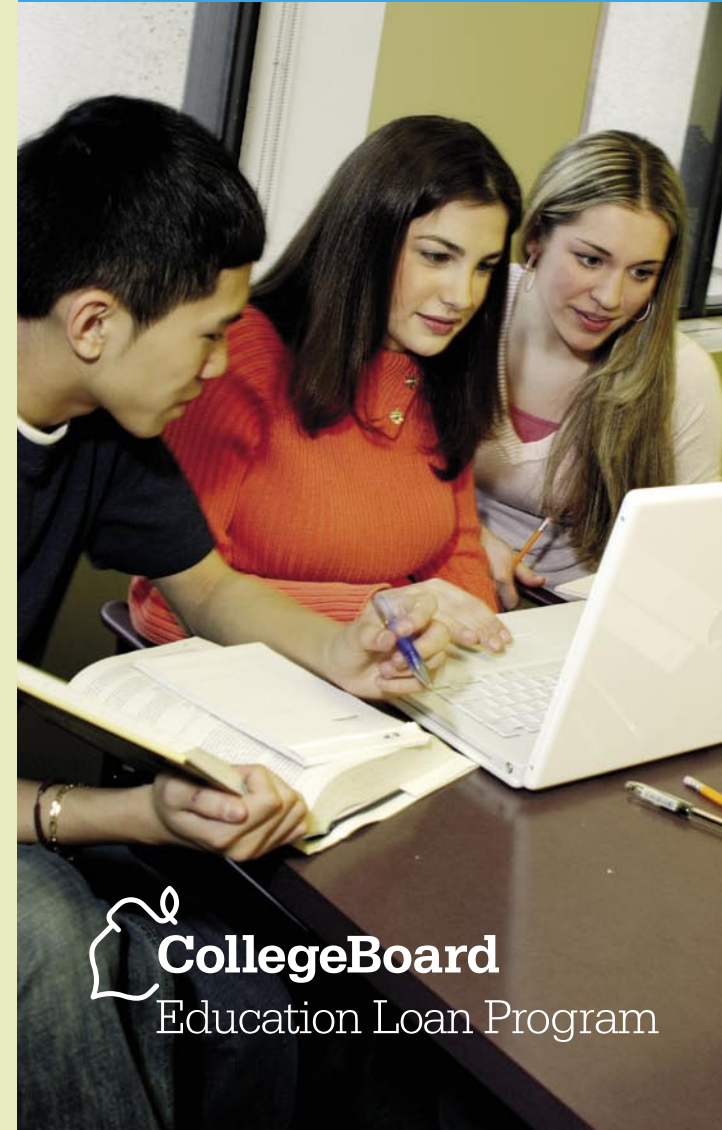
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This brochure is based on "Searching for a Scholarship? Buyer Beware!," written and produced by the Guidance and Admission Committee of the Western Regional Council.

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Scholarships

Everything You Need to Know
About Finding **Free Money** for
College and Avoiding **Scams**



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Education Loan Program

Scholarships are an attractive way to help manage college costs. You don't have to repay them like loans, or work to earn them like work-study. Because there are so many scholarships available, sometimes it's hard to know where to begin! Use this guide to help you get started on your free search for scholarship money. Remember, there are many ways to search for scholarships that cost you nothing, so don't get caught in a scam!



Where to Look for Scholarships

Many valuable FREE sources of information are available to students seeking the means to pay for their college education. Some of those sources are:

High School Counselors, College and Career Centers

Ask your high school adviser about local scholarships, which you have a better chance of attaining since the pool of eligible students is smaller than that of nationwide scholarships. Counselors should also have information about large national scholarships you can apply for.

Local Public Libraries

Check out the college section at your public library. You should find a selection of scholarship books, like the *College Board Scholarship Handbook*. You will also be able to research other college information, such as college costs and other sources of aid.

Public and Private Organizations

Look into religious, community service, fraternal, military, union, or professional organizations, especially those with which you or your parents are associated. Many of these organizations may offer money for higher education. Don't forget to ask your parents to check with their employers.

State Agencies

Check to see if your state offers scholarship and grant programs for its residents. This is a great place to look if you plan to attend college in your own state because some of the awards are only available to applicants who will attend school in their home state. Look on your state's Web site or contact your college for more information.

Institution You Will Attend

Check out your college Web site, catalog, and financial aid office to find out what kinds of scholarships are offered by your college. These scholarships may be awarded automatically or you may have to apply separately. They can be based on a variety of factors such as financial need, intended major, ethnicity, or merit. You should find out the application process, whether the award is renewable, and, if renewable, what the requirements are to maintain the award.

The Internet

Use one of the many free online scholarship searches. Based on the information you provide about yourself, they will generate a list of scholarships you may be eligible to receive.

Try out the free scholarship search at www.collegeboard.com. You can also check out others such as www.srnexpress.com, www.wiredscholar.com, or www.fastweb.com.

As you search sites on the Internet about paying for college, be wary of the many ads you will see. These companies know that you are looking for money for school and may try to hook you into a scholarship scam or services that you don't really need. Read on for more information about how you can spot a scam.

Scholarship Success

Now that you've found some scholarships you want to apply for, use the following tips on how to successfully attain them.

1. Start your research early.

The more time you can put into your scholarship search, the more options you'll have. You'll need time to research scholarships, request information and application materials, and complete your application. Plus, some scholarships have deadlines early in the fall of senior year.

2. Read eligibility requirements carefully.

If you have a question about your eligibility for a particular scholarship, contact the scholarship sponsors.

3. Organize all of your scholarship materials.

Create a separate file for each scholarship and file by application date. Keep a calendar of application deadlines and follow-up appointments.

Many scholarships require you to provide them with some combination of the following:

- Transcript
- Standardized test scores
- Financial aid forms, such as the FAFSA or CSS/Financial Aid PROFILE®
- Parent's financial information, including tax returns
- One or more essays
- One or more letters of recommendation
- Proof of eligibility (e.g., membership credentials)

You may also need to prepare for a personal interview. For students competing for talent-based scholarships, an audition, performance, or portfolio may be required.

4. Proofread your application carefully.

Use your computer's spelling and grammar check tools. Have a parent, teacher, or friend read your essays.

5. Don't leave items blank.

Contact scholarship sponsors if you aren't sure how to fill out any part of the application.

6. Follow instructions to the letter.

Avoid going over the length limit for the essay, and resist the temptation to send supporting materials that are not requested in the application.

7. Make sure your application is legible.

Type or print your application forms and essays.

8. Make copies of everything you send.

If application materials are lost, having copies on hand will make it much easier to resend your application quickly.

9. Double-check your application.

If you're reusing material (such as a cover letter or essay) from another scholarship application, be especially careful you haven't left in any incorrect names or blank fields. Don't forget to sign and date your application.

10. Get your applications in early.

You'll miss out if you miss deadlines. Consider using certified mail or return receipt.