

## Avoiding Scholarship Scams

In the news, you may find stories of the “untold millions” of scholarship dollars that supposedly go unclaimed each year. These claims are exaggerated and are often used to get you to pay for things that you can do for free, such as searching for scholarships and completing applications. Every year, unscrupulous con artists bilk unsuspecting students and their families out of their college savings to the tune of about \$5 million.

### How can you prevent these scams and apply for legitimate scholarships?

#### **TIP #1: The Federal Trade Commission cautions students to look for tell-tale lines like:**

- "The scholarship is guaranteed or your money back."
- "You can't get this information anywhere else."
- "I just need your credit card or bank account number to hold this scholarship."
- "We'll do all the work."
- "The scholarship will cost some money for processing."
- "You've been selected by a 'national foundation' to receive a scholarship" or "You're a finalist" in a contest you never entered.

#### **TIP #2 DO NOT PAY for financial aid advice or scholarship applications!**

- Free financial aid and scholarship advice is available from numerous entities including colleges, high schools, the federal government and the Oregon Student Assistance Commission.
- Complete the Free Application for Federal Student Aid (FAFSA) for **FREE** at [www.fafsa.ed.gov](http://www.fafsa.ed.gov). You'll automatically be considered for federal, state and most campus-based aid.
- Apply for more than 400 scholarships administered by the Oregon Student Assistance Commission on a single application at [www.GetCollegeFunds.org](http://www.GetCollegeFunds.org).

#### **TIP #3 Note the Differences among scholarship search services**

- You do not have to pay for search services. Many websites such as [www.fastweb.org](http://www.fastweb.org) and [www.finaid.org](http://www.finaid.org) offer this for free.
- Some organizations or individuals provide services for a fee. Investigate before paying for help by talking to a guidance counselor or financial aid advisor. Legitimate companies never guarantee or promise scholarships or grants.

#### **TIP #4 Beware of claims and promises**

- If it sounds too good to be true—it probably is! Avoid high-pressure sales pitches that require you to buy now or risk losing out on the opportunity. Solid opportunities are not sold through intimidating tactics.
- Organizations may rent a room at a school for a presentation but are not endorsed by the school. They may be selling a service you don't need.
- Some websites will look like they are official but have slightly different names from legitimate sources of help—be careful!

**TIP #5 Be cautious about websites that request your personal information**

- Review the website for pertinent information about the organization. If not much information is provided about the organization, stay away!
- Do not provide personal information such as your Social Security Number or a credit card number unless you are sure of the site. Scam organizations may sell your personal information or name to others for marketing or sales purposes.

**TIP #6 Look for the reputable scholarship sources**

- There are many types of scholarships available for students of all types.
- Some scholarships reward academic achievement or special talents while others also consider financial need.
- There are even scholarships to assist “average” students who are not at the top of their classes. You’ll never know how much you qualify to receive unless you apply.
- Apply for more than 400 scholarships administered by the Oregon Student Assistance Commission on a single application at [www.GetCollegeFunds.org](http://www.GetCollegeFunds.org).

**OSAC Websites:**

[www.OSAC.state.or.us](http://www.OSAC.state.or.us)

<http://www.GetCollegeFunds.org/eapp.html>

<https://secure.osac.state.or.us/listScholarships.aspx>

[www.GetCollegeFunds.org](http://www.GetCollegeFunds.org)

**More information about Scholarship Scams**

<http://www.ftc.gov/scholarshipscams>



The Oregon Student Assistance Commission (OSAC) administers a variety of state, federal, and privately funded student financial aid programs, including grants and scholarships, for the benefit of Oregonians attending institutions of postsecondary education. The agency helps over 50,000 Oregon students work toward their educational goals each year.

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