



TIPS FOR AVOIDING SCHOLARSHIP SCAMS

Scams will try to capitalize on and profit from your need for scholarships and financial assistance. Common scam "red flags" include fee charges, vague or no contact information, and masquerading as a government agency, such as the Department of Education, which try to persuade you with a false sense of credibility. Above all, you should never have to pay a fee for any service or to apply for a scholarship when there are many other excellent and free scholarship services available online. Also, be cautious about disclosing vital info, such as your Social Security Number, due to a rise in identity theft crimes. We suggest using reputable and well established online sources, such as fastweb.com.

If you suspect fraud, you can report to Federal Trade Commission and National Fraud Information Center. These agencies will determine whether to investigate further based on the description you reported. By actively reporting fraud, you will discourage these scams from expanding their operations and help other students from being victimized.

Federal Trade Commission

CRC-240

600 Pennsylvania Avenue NW

Washington, DC 20580

877/382-4357

www.ftc.gov

National Fraud Information Center (NFIC)

PO Box 65868

Washington, DC 20035

800/876-7060

www.fraud.org

For more comprehensive information, visit www.finaid.org. This site offers information about the Scholarship Fraud Prevention Act of 2000, which includes jail time and up to \$500,000 in penalties for people convicted of scholarship scams.

