

Scholarship Scam Alert

By Debbie Demers, Newark Valley High School Counselor

With the college costs rising parents are looking for more creative ways to help finance their son or daughter's education. There are many legitimate scholarship opportunities for students who are willing to take the time and effort required to pursue this avenue. Unfortunately, there are also a number of scholarship scams. An official sounding name does not mean that a company is legitimate. Scams sometimes use words like "national" and "education" in their titles.

The following warning signs published in FastWeb's Student Bulletin (Oct./Nov. 2002 & November/December 2000) should help in determining which scholarship services are legitimate. Be wary of these phony claims by scholarship-matching services.

"For a fee, we provide a comprehensive list of scholarships." It is not necessary to pay a fee for a scholarship matching service. These are available for free on the Web.

"Billions of dollars of award monies go unclaimed". This is simply untrue. If funds are available, students will compete for them

"We have a money-back guarantee". Legitimate scholarships are always competitive. No one can guarantee that you will win a scholarship.

"We need your credit card or bank account number". This is not a requirement for legitimate scholarships.

"We will do all the work". Applying for scholarships is work that only a student can do. Students must complete application forms, essays and supply letters of recommendation for many competitive scholarships.

"You must use our service to qualify for aid". Matching services do not control who wins a scholarship; they just match you to a list of potential awards

Other possible red flags when searching for scholarships:

You are offered an award for which you did not apply

The organization provides only a P.O. Box, refuses to release it's telephone number or provides an 800 telephone number where you cannot access any 'real person' or information about the company

The organization says that you cannot get this information elsewhere or that their database is "unique".

If you suspect a scam the following organizations can help:

National Fraud Information Center (NFIC)

Phone: 800-876-7060

www.fraud.org - file an online complaint

Federal Trade Commission (FTC)

Phone: 1-877-382-4357

www.ftc.gov - file an online complaint

Better Business Bureau (BBB)

Phone 1-703-276-0100

www.bbb.org - be sure to have the address of the company in question

New York State Consumer Protection Board Information and Complaints

Phone: 1-800-697-1220

The best place to start your scholarship search is in the high school guidance office. There you will be directed to legitimate online search engines that will match your qualifications to potential scholarship Applications for local and national scholarships arrive on a regular basis, so check often. Many local scholarships that are awarded are chosen in the spring, just before graduation and when students think they are "done" with the college process. Students who actively apply for scholarships get more money. It is well worth the time and effort spent on scholarship applications when the end result is extra money for college!