

Avoiding Scholarship Scams

There is no shortage of con artists and scams when it comes to paying for college and spotting them can save you money and heartbreak.

Any scholarship, grant, foundation, or organization that's legitimate won't ask for a penny out of your pocket.

Any one of these signs should be a red flag that you may be dealing with a scholarship scam:

- **Asking for money.** Reputable scholarships are free to apply for and free to receive. Scams typically charge for the application, or use deceptive language such as “reserve your scholarship with your credit card number”. *Reputable scholarships never need to charge money!*
- **Asking for lots of non-relevant personal information.** Scams using identity theft ask lots of personal information typically not relevant to a scholarship application such as bank account numbers, Social Security numbers, and other financially-related information.
- **Claims of exclusivity.** A fair number of scams make the claim that their information cannot be found anywhere else, and therefore you should pay for their services. In the age of Google, information exclusivity is a thing of the past. Do not pay.
- **Claims of guarantees.** The truth of scholarship hunting is that there are no guarantees. No one can guarantee that you will be awarded a scholarship and any company advertising a paid service making such a claim is likely a scam.
- **Receiving letters of potential awards you never applied for.** Scholarships are in such demand that no awarding agency needs to make unsolicited awards to recipients. This includes email notifications of any kind about scholarships that you never applied for.
- **“Free” seminars with an up sell.** The latest trick that some companies and individuals are using is the free financial aid seminar offer. These seminars typically promise great financial aid information, but end with a hard sales pitch to attend a future paid seminar, buy books, DVDs, or other materials (usually at high prices). There are plenty of free financial aid seminars offered by high schools and colleges that are worth attending instead. Check with your guidance office or financial aid office for details on those seminars.
- **If something feels, sounds, or seems “fishy”, it probably is.** The most important thing you can do when it comes to scholarship scams is to trust your instincts. With the Internet and other freely available resources, there is no shortage of legitimate scholarships to apply for.

Remember the golden rule of scholarships:

Money flows to the student, never the other way around.

Beware of any scholarship claim to the contrary.

