

Financial Aid Seminars and Consultants: Paying for Help?

Seminars and consultants often charge fees for services or information. Keep yourself from getting scammed!

Seminars:

Is the seminar a scam? Here are some warning signs:

- You receive an unsolicited letter to lure you in.
- After a free presentation, the presenters use high pressure tactics to try to get you signed up for their service.
- They raise the price if you don't sign up immediately. Any legitimate services will have a set price.
- You are encouraged to commit fraud, entering inaccurate income and/or assets to make it seem like you earn less money, thereby qualifying for more aid.
- Paid aid consultants are required to sign the FAFSA; if the consultant refuses to sign, that could be the sign of a scam.
- You are asked for a credit card number to "hold" the scholarships for you.
- Specific questions can be answered only after you have paid the fee.

* A seminar held at a local school or university doesn't mean it's legitimate. Be sure to check with your counselor if you think the seminar might be a scam.

Found a Scam? Been Scammed?

If credit card or banking accounts have been compromised, what should you do?

Immediately contact your bank. Explain the situation and have the bank close your account(s).

Report the fraud to the Federal Trade Commission (FTC).

Web: www.ftc.gov/scholarshipscams

Ph: 877-FTC-HELP (877-382-4357)

You can also notify these other agencies:

National Fraud Information Center (NFIC)

Fill out an online complaint form:

Ph: 800-876-7060

Web: www.fraud.org

Better Business Bureau (BBB)

If possible, report the address of the company about whom you are filing the complaint.

Ph: 703-276-0100

Web: www.bbb.org

United States Postal Inspection Service (USPIS)

Ph: 800-654-8896

Web: www.usps.gov/postalinspectors/fraud/welcome.htm

U.S. Department of Education

Ph: 800-4FED-AID (433-3243)

Web: <http://studentaid.ed.gov>

Financial Aid Consultants:

You can do it on your own for free. But if you decide to pay for help, make sure you choose the right person:

Talk to your guidance counselor's office. They can tell you if they've had trouble with any consultant in particular.

Consider the consultant's qualifications carefully. One way is to find a consultant who has worked in a university financial aid office or at least is a certified public accountant (CPA). Another way is to contact past clients personally and ask them about the consultant's services. Checking just one qualification is no guarantee of a legitimate service.

Don't let a consultant to take a percentage of your aid as a fee. The aid that you win is yours and shouldn't be shared.

Never use a consultant who encourages you to do something unethical. If you falsify financial aid forms, you can end up paying a big fine, in jail or both.

*** Remember that financial aid help is always available for free! Check the following sources:**

- High school counselors
- 800-4-FED-AID
- College Financial Aid offices
- Online sources such as
- Libraries
- FinAid.org & FastWeb.com

**Free search of over
600,000 scholarships and
over 4,000 colleges
www.fastweb.com**

FastTip:

Do not be fooled by official sounding names. Just because an organization has "education," "national" or "federal" in its name or has an official-looking seal doesn't make it legitimate. In addition, just because they claim to be from the Department of Education doesn't mean they really are.

Avoid giving out credit card or bank account information over the phone. It's difficult to verify identity - not everyone is who they say they are.