Tips For Consumers

From Richard T. Epsstein, President The Better Business Bureau®

College Scholarship Search Scams

Again this year, thousands of students and parents - including some in the Toledo area - will fall victim to scholarship search service scams. They will receive impressive letters promising money, or see ads for one-day seminars at a local hotel where parents of college-bound students can obtain vast amounts of money for college. If your family is confronting big college expenses, we at the BBB warn you that some of these services may charge hundreds of dollars for worthless programs. Here are some warning signs. It's probably a scam if a company:

- **Guarantees “A Scholarship or your Money Back.”** Many financial aid programs, like work study, are almost automatic. Any student qualifies, but the company can claim they got you “financial aid.” Real grants or scholarships are awarded on basis of performance or qualifications. No one can “guarantee” that you'll get one.

- **Claims “You Can’t Get Our Information Anywhere Else.”** Free scholarship information abounds - in school libraries, bookstores, guidance counselors, and college financial aid offices. The promoters don't have secret information.

- **Wants a credit card application fee to hold your scholarships.** Never give your credit card or bank account numbers over the phone. Most legitimate scholarship search companies don't charge big application fees.

- **Says “We’ll do all the Work.”** Nonsense! There's no way around it. You must apply for scholarships or grants yourself.

- **Claims “You’ve been selected” or “You’re a finalist” for a scholarship or grant that you never applied for.** Scholarships won't come looking for you.

Before you sign a contract with a scholarship search company, be sure to get their BBB report. Call us 24 hours a day at 419-531-3116 or visit our web site, www.toledobb.org.

For more tips on scholarship scams, visit the Better Business Bureau web site at www.bbb.org; and www.finaid.org/scholarships/scams.shtml, the FinAid web site.

Be sure to get any promises the service makes to you in writing. Ask counselors in your high school or the financial aid office of the child's college what has been their experience with such services.

If you have a complaint, talk first to the company management. If this doesn't work, file a complaint on our website or write us with the details at: BBB, 3103 Executive Pkwy., Suite 200, Toledo, OH 43606. Perhaps we can help. Our office serves Toledo and all of Lucas County.

KEY DEADLINES
ALL ADVERTISING 4:30 p.m. Thursday prior to publication date
NEWS MATERIAL 4:30 p.m. Wednesday
5 Overlooked Sources for Scholarships
Tips on finding money for your kid's college education
By Lisa Goff

To help pay for her education at the University of Texas at Austin, Alisha Jones searched for grants — and ended up with $24,000 from more than 50 sources. “I basically spent my senior year writing scholarship applications,” explains Alisha, who got help from her high school college counselor. The awards were all small — $1,000 or less — and included local scholarships for community service and athletics, a national award from a professional association related to her business major, and a four-year grant from her stepfather’s employer. “It’s a load off to know I won’t graduate with any debt,” says Alisha.

Here's how your teen can get extra financial help:

1. Go local. Competition for big national scholarships can be fierce. But local chapters of service organizations like Rotary International or Lions Clubs International may get fewer applicants, especially for smaller awards (ranging from $500 to $1,000). You should also pay attention to announcements of local scholarships in the community pages of your town paper.

2. Make volunteer work pay. Kids who are big on community service have a good chance of getting a scholarship — more and more of these grants are available every year at both private and public schools. For a list, visit FinAid.org.

3. Sign up for contests. While most of these competitions reward standouts in writing and the arts, some involve more luck than talent. The American Fire Sprinkler Association (firesprinkler.org) holds a drawing for ten $2,000 scholarships for students who ace a 10-question, open-book, multiple-choice test. Several companies and banks — such as Tylenol, Calgon, and Wells Fargo — give from $1,000 to $5,000 to lucky winners. So do a number of college-related companies: Next Step magazine (up to $20,000) and ECampusTours.com ($1,000).

4. Try co-op programs. Many universities team up with local employers to create programs where students earn money in an off-campus job that’s related to their major. Your child can work part-time while in school or alternate between...
semesters of full-time work and full-time study. The *Directory of College Cooperative Education Programs* (it’s $69, so look for a copy at your library) lists 460 schools with co-op programs, which are especially popular at engineering schools. Finishing this kind of program can take five years, but students graduate with little or no debt and a lot of résumé-enhancing experiences. They’re also frequently hired by their co-op employers at significantly higher starting salaries. The National Commission for Cooperative Education (co-op.edu) has a “best of” guide about these programs on its site.

5. **Check out professional associations.** They offer scholarships to students planning to major in their field, or even to kids who are just looking into that kind of job. Visit FastWeb.com for a huge database of scholarships from various associations. Students can apply for these at any point in their college career, but their application will be more convincing after they’ve declared a major.