

## **BEWARE OF SCHOLARSHIP SEARCH COMPANIES**

Flyers around college campuses advertise seminars on financial aid, with funds available regardless of financial background or academic status. Students receive mail from scholarship search firms guaranteeing eligibility for scholarships, grants, and fellowships. And you may have seen the ads: “Free financial aid! Available to all students.” Does this sound too good to be true? It probably is.

Classified ads, brochures, and seminars tell students and their parents how to receive funds by paying a fee for the service. Fees usually range between \$25 to several hundred dollars. Although some ads or solicitations are sent by what looks like legitimate companies, many are sent by people who have responded to work-at-home opportunities and have unwittingly also become victims by sending the solicitations out to others.

Scholarship search firms claim they have computerized information to help students find millions of dollars in little known public and private funds that go unused every year.

Some search firms offer a money-back guarantee. However, a student must usually prove he or she was ineligible for every funding source generated by the firm. Sometimes, written rejection letters are required. Not every company contacted by the student will respond with a rejection letter, making it impossible for the student to receive a refund.

Most financial aid counselors say parents and students feeling the crunch of increasing college tuition and decreased financial aid sources are wasting good money on financial aid “search” services.

College financial aid offices provide much of the same information free of charge. Students are urged to check with their schools before investing in a costly service. Most of the information is also available at the local public library.

Before sending money to a scholarship search firm, be sure you know what you will be getting.

- Are you simply paying for lists of scholarships?
- Must you make all scholarship contacts on your own?
- How much time will you have to spend contacting scholarship sources and completing applications?
- What are the time limit restrictions to request a refund?
- Is the same information available free of charge at a college financial aid office or at the local library?

Before sending money to a search firm, be sure to do some searching on your own.