

Scholarship Scams

How to Protect Yourself from Being Taken

Scholarships that sound too good to be true, usually are. Learn how to recognize and protect yourself from the most common scholarship scams. Joseph Orsolini of College Aid Planners, Inc. joined Anupy Singla, host of CLTV's "Your Money" program, with tips for parents on avoiding scholarship scams.

To learn more, visit Joe's website (www.NOTPAYINGFORCOLLEGE.com) or contact Joe at 630-469-6776.

Ms. Singla: We are speaking with Joe Orsolini of College Aid Planners. Joe, thanks for joining us.

Mr. Orsolini: Thank you.

Ms. Singla: Tell us about scholarship scams. How prevalent are they?

Mr. Orsolini: They are very prevalent. One reason for this is the fact that many parents are shell shocked by the cost of college. They haven't saved enough money for college tuition and they become desperate to find a way to pay for it. They then become targets for all kinds of scam artists trying to take advantage of the fear and anxiety that parents have of paying for college.

Ms. Singla: So give us the red flags. How do you recognize that what you are looking at is a scam?

Mr. Orsolini: One of the biggest red flags of a scam is any solicitation that asks for money in order to secure a scholarship for your student. All of the help you need to find scholarships is available for free either through your high school guidance counselor, the colleges themselves, or your public library. All are excellent free resources for college scholarship information.

Ms. Singla: And there are private resources for scholarships as well. How do you decide whether they are legitimate or not?

Mr. Orsolini: Any offer stating that a scholarship is guaranteed but then asks you to send money to apply is going to be an indication that there is something questionable about it. If you receive something like that, it is best to check with your high school guidance counselor or call the college financial aid office. Ask them if they are familiar with the group or company providing the scholarship. They should be able to guide you on whether the offer is legitimate or not.

Ms. Singla: Okay. Any other words of advice for parents looking for some aid?

Mr. Orsolini: The most important thing for families to remember is that ninety percent of all financial aid dollars are administered through the colleges; only one percent is available privately. So the best course of action for families is to complete the college financial aid forms, the free forms such as the FAFSA, and work through that process first. And then look for outside private money.

Ms. Singla: Great. Joe Orsolini, thanks for joining us.

Mr. Orsolini: Thank you.