

Save Your Money, Save Your Identity

How Financial Aid Applicants Can Avoid Fraud and Identity Theft

Save Your Money

Don't Pay for Help to Find Money for College

Commercial financial aid advice services can cost well over \$1,000. You might have heard or seen these claims at seminars, over the phone from telemarketers, or on-line:

- **“Buy now or miss this opportunity.”** Don't give in to pressure tactics. Remember, the “opportunity” is a chance to pay for information you could find yourself for free. We've provided a list of free sources below.
- **“We guarantee you'll get aid.”** A company could claim it fulfilled its promise if you were offered student loans or a \$200 scholarship. Is that worth a fee of \$1,000 or more?
- **“I've got aid for you; give me your credit card or bank account number.”** Never give out a credit card or bank account number unless you know the organization you are giving it to is legitimate. You could be putting yourself at risk of identity theft. For tips on avoiding identity theft, see “Save Your Identity” below.

Try These Free Sources of Information:

- The U.S. Department of Education's website: www.studentaid.gov.
- The Federal Student Aid Information Center (see end of fact sheet).
- Other federal agencies: www.students.gov.
- Your state education agency.
- A college or career school financial aid office.
- A high school, TRIO, or other college access counselor.
- Your library's reference section.
- FREE on-line scholarship searches.
- Foundations, religious or community organizations, local businesses or civic groups.
- Organizations (including professional associations) related to your field of interest.
- Ethnicity-based organizations.
- Your employer or your parents' employers.

Don't Pay for the FAFSA

Several websites offer help filing the *Free Application for Federal Student Aid* (FAFSA) for a fee. These sites are not affiliated with or endorsed by the U.S. Department of

Education. We urge you not to pay these sites for assistance that is provided free elsewhere. The official FAFSA is at www.fafsa.gov, and you can get free help from the:

- Financial aid administrator at your college;
- FAFSA's on-line help at www.fafsa.gov; and
- Federal Student Aid Information Center (see end of fact sheet).

If you are asked for your credit card information while filling out the FAFSA on-line, you are not at the official government site. Remember, the FAFSA site address has **.gov** in it!

Save Your Identity

Keep Your Information Safe

How Does Identity Theft Happen?

Criminals gain access to personal data such as names, Social Security Numbers, and bank and credit card information. Using the stolen data, the criminal can fraudulently obtain credit, establish cellular phone accounts, and more.

Reduce Your Risk When Applying for Aid

- Apply for federal student aid by filling out the FAFSA at www.fafsa.gov.
- After completing the FAFSA on-line, exit the application and close the browser; any cookies created during your session will be deleted automatically.
- Keep your Federal Student Aid PIN in a secure place.
 - Get your PIN at the FAFSA site.
- Don't tell anyone your PIN, even if that person is helping you fill out the FAFSA.
- Review your financial aid award documents and keep track of the amounts applied for and awarded.
- Never give personal information over the phone or Internet unless you made the contact. If you have questions about a solicitation or about your student loan account, call 1-800-4-FED-AID.
- Federal Student Aid securely stores your information on the National Student Loan Data System. However, if you complete or even request a student loan application from a lender, you may be granting the lender permission to access your file. Before providing personal information to an organization, review its privacy policy.
- Shred receipts and documents with personal information if they are no longer needed.
- Immediately report all lost or stolen identification (credit card, driver's license, etc.) to the issuer (and to the police, if appropriate).

Report Fraud and Identity Theft

Report Financial Aid Fraud

A company charging for financial aid advice is not committing fraud unless it doesn't deliver what it promises. For more information about financial aid fraud or to report fraud, call the Federal Trade Commission toll free at 1-877-FTC-HELP (1-877-382-4357) or go to www.ftc.gov/scholarshipscams.

Report Identity Theft

If you suspect that your student information has been stolen, it is important to act quickly. These offices will help you determine what steps to take depending on your situation:

U.S. Department of Education, Office of Inspector General

1-800-MIS-USED (1-800-647-8733)
complain on-line: www.ed.gov/misused

Federal Trade Commission

1-877-IDTHEFT (1-877-438-4338)
complain on-line: www.ftc.gov/idtheft

More information about federal student aid:

www.FederalStudentAid.ed.gov

Federal Student Aid Information Center

1-800-4-FED-AID (1-800-433-3243)

TTY for the hearing impaired: 1-800-730-8913

For callers without access to the toll-free number: 1-319-337-5665

This information is available in brochure form. Students may order single copies from 1-800-4-FED-AID or from www.edpubs.org. Counselors may order in bulk from www.FSAPubs.org.

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Fraud Awareness Resources

U.S. Department of Education

<http://www.studentaid.ed.gov/types/scams>

Handouts: *Save Your Money, Save Your Identity*

Links: Text of College Scholarship Fraud Act
Annual Reports to Congress on financial aid fraud

<http://www.studentaid.ed.gov/resources>

Handouts: *Don't Get Scammed on Your Way to College*
Don't Get Stung poster
Other student info topics, including identity theft

Ordering: Hard copy of *Save Your Money, Save Your Identity* available at
www.FSAPubs.org

Complaints: 1-800-MIS-USED
www.ed.gov/misused
oig.hotline@ed.gov

Federal Trade Commission

www.ftc.gov/scholarshipscams

Flyers: *OUCH! Students Getting Stung Trying to Find \$\$\$ for College*
6 Signs That Your Scholarship is Sunk

Links: List of defendants in Project \$cholar\$cam
Spanish content

www.ftc.gov/consumer

Links: Other consumer info topics, including identity theft
Ordering instructions for FTC publications

Complaints: 1-877-FTC-HELP
www.ftc.gov/scholarshipscams

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