



**IowaCollegeAid.gov**  
Your Financial Aid Connection

## NEWS RELEASE

**FOR IMMEDIATE RELEASE**

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### **Iowa College Aid Warns College-Bound Students to Avoid Financial Aid Scams**

*Students and their Families Should Never Pay for Financial Aid Assistance or Services*

**Des Moines, IA., July 11, 2013** – As students and their families prepare to complete financial aid and scholarship forms for college, the Iowa College Student Aid Commission (Iowa College Aid) wants students to be aware that they never have to pay for help filing the FAFSA or for searching for and applying for scholarships.

Recently, companies have been contacting Iowa students and families requesting that they pay a fee in for the company to aid the student in receiving scholarships and financial aid packages. Some organizations claim students must pay an amount up front for the organization to “process” their scholarships and grants. Students and their families should be wary of any organization that requires payment for financial aid services.

“Unfortunately, there are still companies who prey on Iowa families,” said Karen Misjak, executive director of the Iowa College Student Aid Commission. “Any promise made by a company claiming to guarantee scholarships for a fee should immediately raise a red flag. A reputable company will never require a fee payment to confirm eligibility for a scholarship. If something sounds too good to be true, it probably is.”

Misjak recommends that families be suspicious of claims such as:

- “We promise to find you college scholarships or your money back.”
- “You are guaranteed to get this scholarship.”
- “You can’t find this information anywhere else.”
- “You just need to pay a nominal processing fee.”
- “Give us your credit card number and we will do all of the work.”
- “Act now or lose out on this opportunity.”
- “You’ve been selected” or “You are a finalist” in contests you didn’t know existed. If you haven’t applied, you can’t be selected.

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Additionally, Misjak warns that students and parents should never provide bank account information to an unknown company or person making such claims. “We have heard from families in the past who were invited to attend a “free” financial aid seminar, but once there were pressured into paying the company fees to file the Free Application for Federal Student Aid (FAFSA) and to guarantee grants and scholarships.”

There are many free scholarship search tools available for students; a good starting point can be high school counselors as well as the scholarship search available at [www.IHaveAPlanIowa.gov](http://www.IHaveAPlanIowa.gov). There are also links and other scholarship information available at Iowa College Aid’s website, [www.IowaCollegeAid.gov](http://www.IowaCollegeAid.gov). For specific questions or to report a questionable offer, students and families may call Iowa College Aid at 877-272-4456.

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***About the Iowa College Student Aid Commission***

*Iowa College Aid provides college access, financial literacy, and outreach services to Iowa’s students and families as they plan, prepare and pay for college. Iowa College Aid also administers state scholarship, grant, work study, and loan forgiveness programs totaling over \$60.0 million annually; provides I Have A Plan Iowa™, the state-designated career information system, free to all Iowans; partners with financial institutions in the state to offer an online financial literacy platform free to all Iowa high schools; conducts research and distributes higher education data; and offers Iowans assistance in obtaining student financial aid and college-related information. Additionally, Iowa College Aid is the administrator of the Federal GEAR UP Grant, a multi-year state-wide grant which is being used to provide early awareness programming and outreach initiatives to thousands of Iowa’s students and families. Through its role, Iowa College Aid also serves as the state-designated administrator of the U.S. Department of Education’s College Access Challenge Grant, which is designed to increase the college-going culture in Iowa. Iowa College Aid is also responsible for registering postsecondary institutions and other instructional schools under Iowa Code Chapter 261B and sections of Chapter 714. More information is available at [www.IowaCollegeAid.gov](http://www.IowaCollegeAid.gov).*