



NEWS RELEASE

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Iowa College Aid Cautions College-Bound Students about Financial Aid Scams *Students and their Families Should Never Pay for Financial Aid Assistance or Services*

Des Moines, IA., November 19, 2014 – 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.

It is not unusual for companies to contact Iowa students and families offering to help secure financial aid for a fee. 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. “Families should be cautious any time company claims to guarantee scholarships for a fee. 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.”

The Federal Trade Commission 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 resources to assist Iowa families with completing the FAFSA. Families can attend a [College Goal Sunday](#) event, schedule an appointment with the Iowa College Access Network (ICAN), contact the financial aid office of the college or reach out to Iowa College Aid. Free and reputable scholarship sources and searches are also available on the Iowa College Aid website, www.IowaCollegeAid.gov. To learn more about the financial aid process 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 prepare, plan and pay for college. Iowa College Aid also administers state scholarship, grant, work study, and loan forgiveness programs totaling over \$70.0 million annually, conducts research and distributes higher education data, and offers Iowans assistance in obtaining student financial aid and college-related information. 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. More information is available at www.IowaCollegeAid.gov.