

# NEWS FROM SCDCA

South Carolina Department of Consumer Affairs



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July 30, 2007

Release #07-054

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## FOR IMMEDIATE RELEASE

### DEPARTMENT OF CONSUMER AFFAIRS WARNS PARENTS AND STUDENTS ABOUT BACK-TO-SCHOOL SCAMS

**Columbia, SC.....**South Carolina's annual tax-free holiday weekend is here, which means the start of another school year is just around the corner. If you're like most parents, rising tuition, book costs, and school fees are forcing you to apply for more scholarships and financial aid. Before applying, make sure you do your homework. The South Carolina Department of Consumer Affairs is warning all parents and students to watch out for fraudulent scholarship services and other back-to-school scams.

#### **Scholarship Services: What To Watch For**

Scam artists pose as scholarship representatives and offer to complete application forms. Some charge for information that can be obtained for free. They may also guarantee financial aid or request financial information to confirm a scholarship.

In contrast, legitimate scholarships require the applicant to complete all paperwork and never require bank account or credit card information. Legitimate scholarship services provide scholarship information for free but do not determine which students are awarded scholarships. Guaranteed approval of a scholarship is a likely indicator of a scam.

#### **Other RED FLAGS include scholarships or representatives that...**

- Request credit card numbers or bank account information
- Claim that a company can offer "exclusive" information
- Promise to give you cash if you pay an up-front registration fee

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#### **About the South Carolina Department of Consumer Affairs:**

Established by the Consumer Protection code in 1974, The South Carolina Department of Consumer Affairs represents the interests of South Carolina Consumers. Our mission is to protect consumers from inequities in the marketplace through advocacy, mediation, enforcement and education.

For more information, visit [www.sconsumer.gov](http://www.sconsumer.gov).

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- Offer a lower interest rate if you pay a fee in advance
- Claim the company will convert a loan into a grant for a fee

### **Other Back-To-School Scams:**

- **Identity Theft:** Students should be especially hesitant to hand out personal information like social security numbers, credit card numbers and copies of birth certificates, even if requested by a sports' team, doctor's office or school organization. Organizations should explain the information's purpose and use.
- **Modeling and Talent Pitches** – Don't be fooled. Illegitimate agencies promise fame and fortune but require large fees for portfolios before skipping town with your money.
- **Music and Book Clubs:** These scammers may send and request payment for merchandise you did not order. If you did not order, do not pay. Keep the merchandise or send it back.
- **Cell Phone Plans:** Beware of “no contract” or “no obligation” sale offers. If they seem too good to be true, they probably are. These plans may contain hidden fees or fail to give you as much “bang for your buck.”
- **Credit Card Offers:** Companies will attract you with low interest rates on a new credit card. These rates often skyrocket shortly after you sign the contract.

### **An Ounce of Prevention: What You Can Do**

- Make sure the information is not **FREE** before paying.
- Do **NOT** respond to or initiate e-mails including personal identification information.
- **USE** a number other than your social security number on your driver's license.
- **KEEP** your social security card separate from your purse or wallet.
- Do **NOT** pay for a service or product before receiving it.
- **READ** terms and conditions for phone and credit card plans, especially the fine print.

For more information, contact the Public Information Division at 803.734.4190, toll free in SC at 1.800.922.1594, or online at [www.sconsumer.gov](http://www.sconsumer.gov).