

What Questions Should I Ask?

- How much does the service cost?
- What services will be received?
- What representations or guarantees is the service provider making?
- What are the professional's qualifications?
- Is the Advisor/Consultant a member of NYSFAAA?
- If the FAFSA was completed by someone other than the student/parent, was it reviewed for accuracy and did the preparer sign in the appropriate spot?

For More Information Please Visit:

- www.nysfaaa.org
New York State Financial Aid Administrators Association.
- www.nasfaa.org
National Association of Student Financial Aid Administrators
- www.hesc.org
Higher Education Services Corporation
- www.ed.gov/finaid
U.S. Department of Education



NYSFAAA

New York State Financial Aid Administrators Association, Inc.

What You Need to Know About: Using College Planning Services and Consultants



NYSFAAA

New York State Financial Aid Administrators Association, Inc.



Understanding College Financial Services

The college application and financial aid processes are complex, and most families are nervous about navigating them. Students worry about being accepted to their “first choice” college. Parents try to balance financial realities with the desire to provide the best possible education for their children. Information seems to come from all directions, and the information sources often seem to contradict each other. Further, there are those who would prey upon this confusion for personal financial gain. Who can you trust to give honest advice?

Of course, the same rules should apply to the college decision process as to any other high-cost purchase. Work with people you can trust. Read everything carefully before making any commitment. And if it sounds too good to be true, it probably is.

Financial Advisors Are Not All The Same

Financial Aid Administrator – is someone who works in a college Financial Aid Office and can give specific details on available financial aid opportunities. Most of these professionals within New York State are members of NYSFAAA (New York State Financial Aid Administrators Association) and do not charge families for information concerning planning for college.

Financial Planner / Consultant – is someone who assists individuals to manage their savings, investments, income taxes and other financial matters – particularly in regard to retirement planning. These professionals generally possess some type of certification of their qualifications.

Financial Aid Consultant / College Planner – is someone who assists with the college application

process including test preparation, admission and / or applying for financial aid. No specific certification or qualifications are needed to engage in this business. These services are provided to families on a fee basis by private businesses and individuals.

What do Consultants/Planners Do?

A frequent tactic of consultants / planners is to send letters to students and parents advertising a free financial aid seminar, usually at the conference room of a local hotel or public library. While the presentation might be free, the services are not. Participants are usually pressured to provide a check, checking account number, or a credit card at the seminar to sign up for services. Participants are often told that questions can only be answered once the fee is paid.

Another activity of consultants/planners is charging families to complete the Free Application for Federal Student Aid (FAFSA). The FAFSA is a very simple form that takes about 30 minutes or less to complete online. If help is needed, it is not necessary to engage the services of a paid consultant. Many high schools and almost all college financial aid offices run free workshops and offer free telephone help.

Scholarship Services

Every year, large numbers of unsuspecting students and families fall prey to fraudulent scholarship companies that pose as legitimate scholarship sponsors, foundations or search services. They have been known to promise free money for college or to “guarantee” scholarship dollars later for an up-front fee. Some are actually fronts for identity thieves. How do you know the difference?

It is important to understand that the philanthropists, foundations and charitable organizations that provide scholarship money are not engaging in a business

to create a profit. They have donated money to help students go to college. Legitimate scholarships never charge students a fee to apply. The rules of good sense apply. Don’t give your personal financial information on these types of applications.

A legitimate scholarship service might need to know a student’s name, address, age, race, gender or academic history to determine qualifications for specific scholarships. A legitimate scholarship provider or search service will never ask for a credit card number, bank account number or social security number.

The Internet

There are many legitimate sources of good financial aid information on the Internet, but there are also many sites that are not what they appear to be.

What can you do to avoid these sites? Unless the site was recommended by a College or linked from a College’s web site, trust very little of what you see on the internet. Further, if the site uses a name that seems intended to mislead about the site content, or if the site does not clearly identify both its owner and purpose, it is probably not a legitimate site. Some legitimate web sites appear at the end of this brochure.

A good reminder for all new and prospective students is that the process of filing the FAFSA is always free of charge.

Good Advice from a Trusted Advisor

The financial aid process can seem to be a very daunting, overwhelming process and the world of financial services can be intimidating, particularly in the Internet age. Professional Financial Aid Administrators are highly trained advisors available to help students and families avoid the confusion and succeed in paying for college.