

GRANTS

Offers for “free” grants to cover such expenses as tuition, home repairs or business expenses, can be found in print media, online or phone calls can be received. They all have one thing in common: You are told your application for a grant is guaranteed and that you’ll never have to pay the money back.

Federal grants are not issued for personal use, but instead to help institutions and nonprofits carry out projects with a public purpose. Foundations, institutions and organizations do, however, award an array of grants.

Here are tips, if you are looking for a legitimate government grant:

- Don’t pay money for a “free” government grant. A real government agency won’t ask you to pay a processing fee for a grant that you have already been awarded or to pay for a list of grant-making institutions. The names of agencies and foundations that award grants are available for free at any public library and on the Internet. The only official access point for all federal grant-making agencies is www.grants.gov.
- Look-alikes aren’t the real thing. Take a moment to research the name of the agency or organization offering the grant to learn if it actually exists or if it is fake. The Federal Grants Administration, for example, does not exist yet that’s the name used when fraudsters contact consumers regarding phony grants.
- Phone numbers can deceive. Some con artists use Internet technology called “spoofing” to disguise their area codes in Caller ID systems. Although it may look like they’re calling from Washington, DC, they could be calling from anywhere in the world.

STUDENT AID - WHAT YOU NEED TO KNOW

You do not have to pay to find aid money. The Free Application for Federal Student Aid (FAFSA) is free. Use the FAFSA to apply for federal grants and loans. You do not need to pay a service for this. If you are struggling with student debt, the government can help you consolidate your student loans for free. For information on consolidation as well as federal student aid programs, check out www.studentaid.ed.gov.

SOUTH DAKOTA OFFICE OF ATTORNEY GENERAL

**CONSUMER
PROTECTION**

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This handout is for informational purposes and should not be construed as legal advice or as a policy of the South Dakota Attorney General. If you need advice on a particular issue, you should consult a private attorney or other experts.

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