



# OFFICE OF THE ATTORNEY GENERAL

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**\*\*\*CORRECTED: PLEASE USE THIS VERSION\*\*\***

**\*\*\*National Consumer Protection Week Consumer Alert\*\*\***

## **NEVADA ATTORNEY WARNS NEVADANS OF GRANT SCAMS**

**Carson City, NV** – As part of the 14<sup>th</sup> annual National Consumer Protection Week (NCPW) Attorney General Catherine Cortez Masto is advising Nevadans, especially nonprofit organizations and small businesses, of scams promising grants from the government.

“During difficult economic times, victims are all too willing to believe a scammer’s pitch for free money,” said Masto. “Be skeptical, be smart and don’t fall for a grant scam.”

Perpetrators, who claim to be associated with the United States Government, call or e-mail victims, to inform them that they qualify for “free” government grant money or have won a substantial government grant.

The perpetrator’s requests vary from requiring payment to a grant writer of anywhere from \$2,500 to \$7,000 to receive the grant to requiring a victim to share credit card information/bank information in order to withdraw a "processing fee." The scammer often uses this information to drain a victim’s credit card or bank account and then disappear.

Perpetrators who call their victims will often ask victims to confirm readily available personal information to help build a rapport and establish trust.

Masto’s office received over 500 grant complaints from Nevada consumers and out of state consumer who were calling about a Nevada based scam from 2009 to present. In 2011 Masto’s office received 25 grant complaints from Nevadans.

A new wave of grant scams has become more sophisticated, using technology including websites and e-mail. Scammers may also set up professional looking websites or place legitimate looking print ads promising “free” grant money.

Despite their claims, most often the scammers have no affiliation with the government and are third parties attempting to capitalize on information that can be obtained for free from government agencies or government websites.

Here are some tips to spot these scams and guard against falling victim to them:

- Educate yourself about offers you receive. Scammers count on lack of knowledge to take advantage.
- Never provide personal financial information or your Social Security Number to anyone who calls on the phone. Ask for a return call number and verify the identity of the caller whenever anyone asks for this kind of information.
- Beware of callers who claim that you won or qualify for a government grant. Grants are provided only to people and organizations that meet specific guidelines and complete the application process. Remember that people generally will not call you to offer you money unless they are trying to perpetrate a scam.
- Never send money to "verify," "guarantee," or "process" any offer. Requests for up-front fees are a sure sign of a scam.
- Always ask for information in writing - if the grant is legitimate, the caller will not object to sending you the information in writing.

To find legitimate government grants visit [www.grants.gov](http://www.grants.gov). For business funding help, visit [www.sba.gov](http://www.sba.gov).

### **How to Report a Scam**

If you believe you are a victim of this type of scam and have given money, immediately contact your bank branch or the business used to wire the money and try to cancel the transaction before the suspect picks up the money. Victims should then report the scam to local police in the county the victim lives in or, if it can be found, the jurisdiction to which the money was sent.

*This consumer alert is part of National Consumer Protection Week (NCPW), March 4-10, 2012. Starting Monday, March 5 and running through Friday, March 9, the Nevada Attorney General's Office will issue daily consumer alerts relevant to Nevadans.*

*More information about NCPW is also available at [www.ncpw.gov](http://www.ncpw.gov). Consumer Protection information can also be found on the Attorney General's website (<http://ag.state.nv.us>), the Nevada Fight Fraud website (<http://fightfraud.nv.gov>) and the Federal Trade Commission website ([www.ftc.gov](http://www.ftc.gov)).*

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