

Job Scams and Employment Fraud

As college graduates quickly learn, online job searching is a highly effective resource. While the internet has broadened career opportunities for many, it has also led to online job scams and employment fraud. Below are some tips to help you become more aware of potential scams and how to avoid them.

- Please read about Job Scams by visiting: <http://onguardonline.gov>
- If you have been a victim of a job scam or would like to file a complaint, please contact the Arkansas Attorney General's Office: <http://www.ag.arkansas.gov/contact-us/>

Job seekers are cautioned to thoroughly research any opportunity they find online. Signs of a phony job listing include a request for personal information, such as bank account numbers, social security number or a copy of your drivers' license; a contact e-mail address that is not a primary domain (example: an employer contact using an @yahoo.com or @hotmail.com e-mail address); and a lack of interest in meeting you. CareerBuilder.com offers the following tips to avoid scams¹:

- Research the prospective company.
- Never give personal bank account, PayPal or credit card numbers to an employer.
- Don't divulge private information such as a copy of your driver's license, passport or social security number.
- Never forward, transfer or "wire" money to an employer or on behalf of an employer.
- Do not re-ship products or partake in cross-border action.

Job seekers should also be aware of the various types of scams they face. The Better Business Bureau lists the following as common online job scams²:

- The payment-forwarding or payment-transfer scams: In this scenario, the con artist pretends to be an employer. He uses a job ad or information from a resume posted online to convince the job seeker that he is a legitimate employer. Once he gains the victim's trust, he uses one of several ploys to request the job seeker's bank account number. He may tell the job seeker he needs it to deliver his/her paycheck by "direct deposit." Or the scammer may promise high wages for a job that involves forwarding, transferring or wiring money from a personal bank account, a PayPal account, or from Western Union to another account. The job seeker, as part of their pay, is instructed to keep a small percentage of the money (which can total hundreds of thousands of dollars) as payment. The money the victim transfers has invariably been stolen, so the job candidate ends up committing theft and wire fraud.
- The "personal" invitation: This job scammer sends mass e-mails to long lists of recipients. The e-mail claims to have seen your resume on the Internet, notes that your skills match the requirements for their job, and invites you to complete an online job application. Or the e-mail may state that it is in response to the resume you submitted for a job opening. Proceed with caution! Is this a cold-contact e-mail from a business or person that is not familiar to you? Did you apply for a job with this organization? Did you send a resume to this recruiter? Type the company's Web site address into your browser and contact the company via telephone to check it out.
- The ID verification scenario: During the job application process, or prior to promising to schedule a personal interview, the scam artist will say the business needs to scan your driver's license, passport or other means of identification to "verify" your identity. Or, the scammer claims to need your bank account or credit card numbers to run a "credit check" before proceeding with the job application process. Other red flags are requests for your Mother's

maiden name, your date of birth or your social security number. These are not legitimate requests and can be used to commit identity theft!

- The inside scoop on federal jobs: Avoid Web sites that promise, for a fee, to give you the inside scoop on how to get a Federal or Postal Service job. They are likely to use a government-like name, such as the "U.S. Agency for Career Advancement" or the "Postal Employment Service." Know that they are probably lying about the availability of federal jobs in your area and making other false claims about "undisclosed" opportunities in the federal government, "guaranteed" entry to a particular position, or assurance that you will receive a high score on a postal entrance examination. All federal government positions are publicly announced and federal agencies never charge application fees or guarantee that an applicant will be hired.
- Opportunities abroad: Who does not dream of being paid high wages to work in an exotic locale? Remember, high-paid job opportunities overseas for people who lack significant experience in a particular field, are virtually nonexistent. Legitimate businesses seeking to fill jobs at locations outside the U.S. will not ask for money up front; use post office boxes, instead of office addresses; make promises of employment and guarantees of refunds; or charge fees for giving you a job lead.

Some companies claim to guarantee you a job if you pay for their placement services. Job seekers should be cautious of these organizations. Before spending money on placement firms or placement contracts, the Federal Trade Commission offers the following advice³:

- Reject any company that promises to get you a job.
- Be skeptical of any employment-service firm that charges first, even if it guarantees refunds.
- Get a copy of the firm's contract and read it carefully before you pay any money. Understand the terms and conditions of the firm's refund policy. Make sure you understand what services the firm will provide and what you'll be responsible for doing. If oral promises are made, but don't appear in the contract, think twice about doing business with the firm.
- Take your time reading the contract. Don't be caught up in a rush to pay for services. Stay away from high-pressure sales pitches that require you to pay now or risk losing out on an opportunity.
- Be cautious about purchasing services or products from a firm that's reluctant to answer your questions.
- Be aware that some listing services and "consultants" write their ads to sound like they are jobs when they're selling general information about getting a job.
- Follow up with the offices of any company or organization mentioned in an ad or an interview by an employment service to find out if the company is really hiring.
- Be wary of firms promoting "previously undisclosed" federal government jobs. All federal positions are announced to the public on www.usajobs.gov.
- Check with your [local consumer protection agency](#), state [Attorney General's Office](#), and the [Better Business Bureau](#) to see if any complaints have been filed about a company with which you intend to do business. You also may contact these organizations if you have a problem with an employment-service firm.

If you feel you have been a victim of a job scam, please file a complaint about the fraudulent job posting by calling the Federal Trade Commission complaint line at 877-382-4357.

Past fraud alerts specific to U of A students include:

- **High Five Marketing, YMC Investments, Merrill Lynch, Adaptec, Pershing & Cameron:** If you have been contacted by someone claiming to be from one of the companies above saying that they received your resume from your University/College Career Center, please note: this is a fraudulent email. While these companies do exist, recruiters from the organizations would never contact you in this way or use an email account such as @yahoo.com, @gmail.com, pershing@live.net, etc.
- **Money Order Schemes:** Jade Williams Realty - Personal Assistant Job Posting. While it looks like an appealing part time job, this posting is just a way to get student contact information, send checks/money orders from their company, have the student deposit them into a personal bank account, and then have them wire the money back when the funds are posted. These are fraudulent/counterfeit checks that generally take weeks to clear and then the student is responsible for the deposited amount after it bounces. Click [here](#) to find out more about this scheme and others like it.

If you have any doubts about an email recruiting contact, please contact the Walton College Career Center at 479-575-6100 or the University Career Development Center at 479-575-2804 right away.

Articles of Interest:

- [Avoiding Online Job Scams](#)
 - [Internship Programs Under the Fair Labor Standards Act](#)
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References:

¹ CareerBuilder.com: [What You Need to Know About Job Scams](#)

² Better Business Bureau: [Graduates Cautioned to Avoid Online Job Scams](#)

³ Federal Trade Commission: [Job-Hunting/Job Scams](#)