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FTC Issues “Facts for Business” Guide on Avoiding Fake Degree

Publication Specifically Aimed at Protecting Businesses from Hiring Employees With Fake Degrees

The Federal Trade Commission today issued a “Facts for Business” guide to help businesses avoid hiring people with phony degrees. “Avoid Fake-Degree Burns By Researching Academic Credentials” provides “red flags” for businesses that indicate a job applicant’s claimed academic credentials could be bogus. The publication is available at <http://www.ftc.gov/bcp/online/pubs/buspubs/diplomamills.htm>.

Federal officials caution that some people are buying phony credentials from “diploma mills” – companies that sell “degrees” or certificates on the Internet without requiring the buyer to do anything more than pay a fee. Most diploma mills charge a flat fee, require little course work, if any, and award a degree based solely on “work or life experience.” In an effort to crack down on diploma mills, the FTC, the U.S. Department of Education (DOE), and the Office of Personnel Management are putting new tools in place to help businesses weed out bogus academic credentials and ensure the integrity of their hiring process.

In its new publication, the FTC emphasizes that while it is not always easy to tell if academic credentials are from an accredited institution, there are clues to help spot questionable credentials on a resume or application. According to the FTC, some of the tell-tale signs of a bogus degree are:

- **Out of Sequence Degrees.** When reviewing an applicant’s education claims, be sure that the degrees earned are in a traditional progression, e.g., if an applicant claims a college degree, but shows no high school diploma or General Education Development (GED) diploma, consider it a “red flag.” It is likely a sign of a diploma mill.
- **Quickie Degrees.** Generally it takes time to earn a college or advanced degree. A degree earned in a very short time, or several degrees listed for the same year, are also warning signs.
- **Degrees From Schools in Locations Different From the Applicant’s Job or Home.** If an applicant worked full-time while attending school, check the locations of the job and the educational institution.
- **Sound-Alike Names.** If the institution has a name similar to a well-known school, but is located in a different state, check it out. It should be considered a warning sign if an applicant claims a degree from a state or country where he/she never lived.

Federal officials recommend that businesses always check academic credentials, even when the school is well-known. Because employers are less likely to check with schools for verification or academic transcripts, some applicants may falsify information about their academic backgrounds. To help businesses verify academic credentials, the FTC suggests the following:

- Contact the School. Most college registrars will confirm dates of attendance and graduation, as well as degrees awarded.
- Research the School on the Internet. Colleges and universities accredited by legitimate agencies generally have a rigorous review of the quality of their educational program. If a school had been accredited by a nationally recognized accrediting agency, it is probably legitimate. Businesses can check to see if a school is accredited by a legitimate organization at a new database of accredited academic institutions posted by DOE at www.ope.ed.gov/accreditation. For a list of recognized national and regional accrediting agencies maintained by the Council for Higher Education Accreditation visit www.chea.org.

The FTC further cautions businesses to check other resources. Although there is no comprehensive list of diploma mills on the Web, the Oregon Student Assistance Commission's Office of Degree Authorization maintains a list of organizations it has identified as diploma mills at www.osac.state.or.us/oda. Businesses are also urged to call the college or university registrar's office and ask if it accepts transfer credits from the school they are researching. Remember, the FTC states, ultimately it is up to the applicant to show that he/she earned the credentials from a legitimate institution.

Also today, the FTC issued a new "Consumer Alert," "Diploma Mills: Degrees of Deception," to inform consumers of the marketing claims that could indicate a diploma mill. It is posted at www.ftc.gov/bcp/online/pubs/alerts/diplomaalrt.htm.

Copies of the both brochures are available from the FTC's Web site at <http://www.ftc.gov> and also from the FTC's Consumer Response Center, Room 130, 600 Pennsylvania Avenue, N.W., Washington, D.C. 20580. The FTC works for the consumer to prevent fraudulent, deceptive, and unfair business practices in the marketplace and to provide information to help consumers spot, stop, and avoid them. To file a complaint in English or Spanish (bilingual counselors are available to take complaints), or to get free information on any of 150 consumer topics, call toll-free, 1-877-FTC-HELP (1-877-382-4357), or use the complaint form at <http://www.ftc.gov>. The FTC enters Internet, telemarketing, identity theft, and other fraud-related complaints into Consumer Sentinel, a secure, online database available to hundreds of civil and criminal law enforcement agencies in the U.S. and abroad.

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