**Work at Home Schemes**

Text reprinted with permission from the Office of the Minnesota Attorney General

**Pre-reading**

**Questions:** What do you know about the subject of the reading? What would you like to know about it?

**Definitions:**
- **Scheme** – a secret, dishonest plan to do something
- **Prey** – to harm or take advantage of someone
- **Consumer** – anyone who buys and uses things

**Reading**

Many people who need extra money would like to work at home. Some companies cheat people out of money by preying on this desire to make money from home.

Most work-at-home businesses advertise on signs seen along the road, or through ads in newspapers and email. Maybe you’ve seen some of them. “Earn $2,500 a month without leaving your home – send $29.95 for details.” “Work from home and earn $1,000 a week.” The old saying, “if it sounds too good to be true, it probably is,” applies to these ads.

Many ads don’t tell you about the hidden costs. They also don’t tell you that there may be many hours of work required for no pay. The claims about making hundreds of dollars a week typically are not true. **Fraudulent** work-at-home businesses usually set-up fake names and post office boxes to begin business in a new area. By the time local law enforcement learns about the scheme, the company has already moved. The scammers are usually transient, moving from town to town, stealing consumers’ money along the way.

While many variations of work-at-home schemes exist, envelope stuffing and assembly or craft work are two of the most common. Promoters advertise that, for a “small” fee, they will tell you how to earn money stuffing envelopes at home. Later, when it’s too late, you will find out that the promoter never had any employment to offer.

For your fee, you’re likely to get a letter telling you to place the same envelope stuffing ad in newspapers or magazines, or to send the ad to friends and relatives. The only way you’ll earn money is if people respond to your work-at-home ad.

The assembly or craft work programs often require you to invest hundreds of dollars in equipment or supplies. You may also be required to spend many hours producing goods for a company that has promised to buy them. For example, you might have to buy a sewing machine or sign-making machine from the company, or materials to make items such as aprons, baby shoes, or plastic signs.

After you’ve purchased the supplies or equipment and performed the work, fraudulent operators don’t pay you. In fact, many consumers have had companies refuse to pay for their work because it did not meet undefined “quality standards.” No work is ever “up to standard,” leaving workers with expensive equipment and supplies, and no income.

*Level 7.0*
Understanding

1. What does the word fraudulent mean? _________________________________________________

2. Why do people get taken in by these schemes? ___________________________________________

3. Why are these types of businesses difficult to stop? _______________________________________

4. What does the word scam mean?_____________________________________________ _________

5. Where might you find ads for work-at-home employment? _________________________________

6. How does the saying, “if it’s sounds to good to be true, it probably is” apply to the topic of the reading?

7. What is one of the most common work-at-home scams? Briefly describe it.____________________

Writing

Option A: Summarize the reading in your own words.

Option B: What new things did you learn about work-at-home schemes? What surprised you?

Option C: Have you or someone you know been a victim of such schemes? If so, write about it. What kind of scheme was it? What happened?