

EDUCATION LOAN CODE OF CONDUCT

PURPOSE

The Higher Education Opportunity Act (HEOA), section 493, requires institutions participating in Title IV financial aid programs to design and comply with a Code of Conduct for their officers/employees/agents. The Code of Conduct must prohibit a conflict of interest with the responsibilities of these individuals with respect to education loans and include the provisions set forth in the HEOA related to conflicts.

AUTHORITY

Anderson University (AU), as a participant in federal loan programs, is required to have this Code of Conduct. While AU has existing policies that address conflicts of interest, this Code of Conduct is specifically related to education loan activities.

POLICY

- **Ban on Revenue Sharing Arrangements**

AU will not enter into any revenue-sharing arrangement with any lender.

- **Gift Ban**

No AU officer/employee/agent who works in the financial aid office or who has responsibilities with respect to education loans shall solicit or accept any gift from a lender, guarantor, or servicer of education loans. This applies to a family member of an AU officer/employee/agent.

- **Contracting Arrangements Prohibited**

No officer/employee/agent who is employed in the financial aid office or who has responsibilities with respect to education loans shall accept from any lender or affiliate of any lender any fee, payment, or other financial benefit as compensation for any type of consulting arrangement or other contract to provide services to a lender or on behalf of a lender relating to education loans.

- **Directing Borrowers to Particular Lenders or Delaying Loan Certifications**

For any first-time borrower, AU shall not assign through award packaging or other methods, the borrower's loan to a particular lender or refuse to certify or delay certification of any loan based on the borrower's selection of a particular lender or guaranty agency.

- Offers of Funds for Private Loans

AU shall not make any contract with a lender under which the lender provides AU funds to be used for private education loans to students and in exchange for which AU provides concessions or promises regarding providing the lender with a specified amount or volume of federal student aid to students or a preferred lender arrangement for federal student aid with AU.

- Staffing Assistance

AU shall not request or accept from any lender any assistance with call center or financial aid office staffing, except that AU may request or accept assistance from a lender related to:

- Professional development training for financial aid administrators.
- Providing educational counseling materials, financial literacy materials or debt management materials to borrowers, provided that such materials disclose to borrowers the identification of any lender that assisted in preparing or providing such materials.
- Staffing services on a short-term, nonrecurring basis to assist AU with financial aid-related functions during emergencies or natural disasters.

- Advisory Board Compensation

No AU officer/employee/agent who serves on an advisory board or group established by a lender may receive a gift or anything of value for serving in this capacity, except for reimbursement for reasonable expenses incurred while serving in this capacity.

RESPONSIBILITIES

The Vice President for Enrollment Services (or designee) is responsible for the management of this policy.

POLICY VIOLATIONS

Violations of this policy may result in disciplinary action in accordance with Human Resource policies.

INTERPRETATION

Authority to interpret this policy rests with the AU President and may be delegated to the Vice President for Enrollment Services.