EDUCATION LOAN CODE OF CONDUCT

PURPOSE

Department of Education (DOE) Regulations require institutions that participate in Title IV financial aid programs to design and comply with a Code of Conduct ("Code") for their officers, employees, trustees, directors, contractors, and lenders (collectively referred to as "Agents"). Under DOE Regulation 34 CFR § 601.21, the Code must prohibit certain conflicts of interest.

AUTHORITY

Anderson University (AU) participates in Title IV financial aid programs and is required to have this Code. While AU has other policies that address conflicts of interest, this Code is specifically related to education loans.

POLICY

Ban on Revenue-Sharing Arrangements

AU may not enter into a revenue-sharing arrangement with any lender, under which (a) AU recommends the lender, (b) the lender provides an education loan to a student attending AU or the student's family, and (c) the lender pays a fee or provides material benefits to AU or Agent.

Ban on Gifts

No employee in the Office of Financial Aid & Scholarships, Agent with education loan responsibilities, or family member of an Agent may solicit or accept any gift from a lender, guarantor, or servicer of education loans. A gift includes anything of value that exceeds a de minimis amount.

Prohibition on Consulting or Contractual Arrangement

No employee in the Office of Financial Aid & Scholarships or Agent with education loan responsibilities may accept any fee, payment, or other financial benefit (including the opportunity to purchase stock) from any lender or lender affiliate, as compensation for any consulting or contractual arrangement to provide services to the lender or lender affiliate relating to education loans.

Directing Borrowers to Particular Lenders or Delaying Loan Certifications

For any first-time borrower, AU may not (a) assign through award packaging or other methods the borrower's loan to a particular lender or (b) 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 may not request or accept from any lender any offer of funds to be used for private education loans to students, in exchange for AU concessions or promises to the lender that include a specified amount or volume of loans or a preferred lender arrangement for such loans.

Lender Assistance

AU may not request or accept from any lender any call center or staffing assistance in the Office of Financial Aid & Scholarships. This does not prohibit a lender from providing the following:

- Professional development training for financial aid administrators.
- Counseling materials, financial literacy materials, or debt management materials for borrowers, as long as the materials disclose the identification of the lender.
- 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 employee in the Office of Financial Aid & Scholarships who serves on a lender advisory board or group may receive a gift or anything of value for serving in this capacity, except reimbursement for reasonable expenses incurred while serving in this capacity. This prohibition also applies to an Agent with education loan responsibilities who serves on a lender advisory board or group.

RESPONSIBILITIES

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

POLICY VIOLATIONS

Violations of this policy could result in disciplinary action in accordance with the AU Employee Handbook.

INTERPRETATION

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