

St. Cloud State University Student Loan Code of Conduct

INTRODUCTION

St. Cloud State University (University) values integrity in the actions of its employees. The position you hold within the University is evidence of the trust we have in you. Compliance with all applicable laws, regulations, and University policies, and performance of our duties according to the highest standards of honesty and integrity, are expected of all of us.

This Student Loan Code of Conduct applies to: (1) all employees of the University who have any responsibility with respect to education loans; and (2) all employees of the University who are employed in the Financial Aid Office. (collectively “Covered Employees” or “you”). If you violate provisions of this Code of Conduct, you subject yourself to discipline, up to and including termination of your employment. If you violate provisions of this Code of Conduct, you also subject the University to possible sanctions or liability.

If you do not understand a provision of the Code of Conduct or have any related questions that are not answered in the Code of Conduct, you should feel free to call on the resources listed in the section below titled Seeking Assistance. If you suspect or detect any activity you believe to be contrary to the Student Loan Code of Conduct you are required to report it confidentially and promptly to the Director of Financial Aid. It is our policy to investigate promptly suspected violations of this Student Loan Code of Conduct.

DEFINITIONS

1. **“Covered Employee”** means those employees of the University who are subject to this Code of Conduct.
2. **“Education Lender”** means a lender who makes loans under the Federal Direct Loan program or private education loans that are not insured by the federal government.
3. **“Guarantor”** means a guarantee agency involved in the processing of loans.
4. **“Servicer”** means an entity that services education loans made under the Federal Direct Loan program or private education loans.

STUDENT LOAN CODE OF CONDUCT PROVISIONS:

I. CONFLICTS OF INTEREST

A conflict of interest exists when your personal interest has the potential to interfere with your judgment and the expectation that you will act in the best interest of the University or the students attending the University.

As a Covered Employee you must avoid conflicts of interest. Accordingly, you must comply with the following rules regarding conflicts of interest:

1. You must avoid actual and potential conflicts of interest between your duties and responsibilities at the University and your dealings with Education Lenders, Guarantors and Servicers who play any role in student financial aid at the University.
2. You must not accept any fees, payments or other financial benefits from any Education Lender, Guarantor or Servicer except as otherwise specifically described in this Code of Conduct.
3. You may not serve as a paid or unpaid member of a Board of Directors of an Education Lender or a Guarantor or Servicer.

4. You may not serve as a paid or unpaid consultant or employee for an Education Lender, Guarantor or Servicer.
5. You may not serve on an Education Lender's Advisory Board without advance approval from the Vice President of Finance and Administration.

II. GIFTS AND BUSINESS COURTESIES

1. You may not accept or solicit gifts from any Education Lender, Guarantor or Servicer. Gift is broadly defined to include anything of more than a nominal value (more than \$10). If you are offered a gift by an Education Lender, Guarantor or Servicer, you should decline the offer of a gift and immediately notify the Director of Financial Aid of the offer. Your family members and close friends should not accept gifts from an Education Lender, Guarantor or Servicer if the gift was offered because of your position with the University.
2. You may, however, accept food, refreshment, training or informational material provided as part of training by an Education Lender, Guarantor or Servicer provided the training or informational material is designed to improve the service of an Education Lender or a Guarantor or a Servicer and provided the training contributes to your professional development.
3. If you are invited by a Lender, Guarantor or Servicer to a meal, entertainment event or for drinks, you must pay for your own expenses. If appropriate under the University's expense reimbursement policy, you may request reimbursement from the University for those expenses.
4. A "gift" does not include standard materials, activities or programs on issues related to a loan product, default aversion, debt management or financial literacy, such as a brochure, a workshop or training, provided that students are informed of the name of any Education Lender, Guarantor or Servicer that assisted in preparing or providing such materials, activities or programs. Printed materials must contain the name of the Education Lender, Guarantor or Servicer that provided such materials and should not contain any University logos or trademarks.
5. The University may also use online entrance and exit counseling tools provided by Education Lenders, Guarantors or Servicers of education loans, as long as:
 - a. The University is in control of such counseling session; and
 - b. The counseling does not promote the specific products or services of any specific Education Lender.

III. INTERACTIONS WITH STUDENT AND PARENT BORROWERS

1. You may not assign a first time borrower's loan to a particular Education Lender and may not refuse to certify, or delay certification of any loan based on the borrower's choice of an Education Lender or Guarantor of education loans.
2. You must inform students that, when applicable, they have the right and ability to select the Education Lender of their choice regardless of whether that lender appears on the University's list of lenders.

IV. OFFERS OF PRIVATE LOAN FUNDS OR OTHER FINANCIAL PRODUCTS

1. The University will not accept access to, or preferential rates on, private education loans from an Education Lender in exchange for loan applications, loan volume, or placement on a lender list.
2. An Education Lender, Guarantor or Servicer may provide non-lending services to the University; however, the University must pay for these services at market rates and

- you may not promise or give the Education Lender, Guarantor or Servicer any advantage with respect to education loans in exchange for the non-lending services.
3. Nothing in paragraph 1, above, prohibits the University from accepting scholarships or philanthropic contributions from an Education Lender or a Guarantor or Servicer that are unrelated to education loans. If an Education Lender or a Guarantor or Servicer tells you of any offer of scholarships or philanthropic contribution to the University you should notify the Director of Financial Aid, and obtain approval before committing the University to accept such offer.
 4. Nothing in paragraph 1, above, prohibits the University from accepting state education grants, scholarships or financial aid funds administered by or on behalf of the State of Minnesota.

V. REVENUE SHARING PROHIBITED

The University will not accept any fees or other benefits from an Education Lender in return for placing the Education Lender on a lender list or preferring private education loan volume or loan applications to the Education Lender.

VI. STAFFING ASSISTANCE PROHIBITIONS

The University may not request or accept from any Education Lender any staffing assistance or call center assistance for the financial aid office, whether or not such Education Lender proposed to charge the University for such services.

SEEKING ASSISTANCE

If you have a question regarding any statement contained in this Code of Conduct or you are aware of any breach, please contact the Director of Financial Aid or the Vice President of Finance and Administration.