

LAWRENCE UNIVERSITY PRIVATE STUDENT LOAN CODE OF CONDUCT

Lawrence University prohibits the conflict of interest with the responsibilities of officers, employees, or agents of the University with respect to education loans for students. In keeping with the Higher Education Opportunity Act (HEOA) of 2008 and our Program Participation Agreement, Lawrence University adheres to the following Student Loan Code of Conduct:

1. Ban on Revenue-Sharing Arrangements

The University shall not enter into any revenue-sharing arrangement with any lender or other vendor working with any of its offices that are responsible for carrying out financial aid functions. The University shall not accept any fee or other material benefit in exchange for recommending a lender to its students.

2. Gift Ban

No University officer or employee with financial aid responsibilities shall solicit or accept a giftⁱ having monetary value of more than a de minimis amount from a lender, guarantor, or servicer of education loans.

3. Contracting Arrangements Prohibited

No University officer or employee with financial aid responsibilities should accept from any lender or lender affiliate payment or other financial benefit as compensation for any type of consulting arrangement or other contract to provide services to a lender.

4. Interaction with Borrowers

The University shall not automatically assign a particular lender to any borrower, unless required to do so by law, and shall not refuse to certify or delay certification of any loan based on the lender or guarantee agency selected by the borrower.

5. Prohibition on Offers of Funds for Private Loans

The University shall not request or accept from a lender an offer of funds to be used for private education loans (as defined in section 140 of the Truth in Lending act), including funds for an opportunity pool loanⁱⁱ, to students in exchange for the institution providing concessions or promises regarding providing the lender with a) a specified number of loans made, insured or guaranteed under this title; b) a specified loan volume of such loans; or c) a preferred lender arrangement for such loans.

6. Ban on Staffing Assistance

The University shall not request or accept from any lender assistance with call center staffing or financial aid office staffing unless any such assistance has been legislatively defined as acceptable. Lenders, for example, may provide professional development training to financial aid administrators, educational advising materials to borrowers, or assistance in state or federally-declared natural disasters.

7. Advisory Board Assistance

All employees with financial aid responsibilities shall be prohibited from receiving anything of value from a lender or guarantor in return for service on its advisory board. Reimbursement for or payment of reasonable expenses incurred in connection with such service, however, is permitted.

Lawrence University shall comply with, administer, enforce, prominently publish on its website, and annually inform officers, employees and agents of the University with responsibilities with respect to education loans of this Student Loan Code of Conduct.

Definitions:

ⁱGift—

- (i) IN GENERAL, the term ‘gift’ means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a de minimus amount. The term includes a gift of services, transportation, lodging, or meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.
- (ii) EXCEPTIONS. The term “gift” shall not include any of the following:
 - (I) Standard material, activities, or programs on issues related to a loan, default aversion, default prevention, or financial literacy, such as a brochure, a workshop, or training.
 - (II) Food, refreshments, training, or informational material furnished to an officer or employee of an institution, or to an agent, as an integral part of a training session that is designed to improve the service of a lender, guarantor, or servicer of education loans to the institution, if such training contributes to the professional development of the officer, employee, or agent.
 - (III) Favorable terms, conditions, and borrower benefits on an education loan provided to a student employed by the institution if such terms, conditions, or benefits are comparable to those provided to all students of the institution.
 - (IV) Entrance and exit counseling services provided to borrowers to meet the institution’s responsibilities for entrance and exit counseling as required by subsections (b) and (l) of section 485, as long as—
 - (aa) the institution’s staff are in control of the counseling, (whether in person or electronic) ; and
 - (bb) such counseling does not promote the products or services of any specific lender.
 - (V) Philanthropic contributions to an institution from a lender, servicer, or guarantor of education loans that are unrelated to education loans or any contribution from any lender, guarantor, or servicer that is not made in exchange for any advantage related to education loans.
 - (VI) State education grants, scholarships, or financial aid funds administered by or on behalf of a State.
- (iii) RULE FOR GIFTS TO FAMILY MEMBERS.—For purposes of this paragraph, a gift to a family member of an officer or employee of an institution, to a family member of an agent, or to any other individual based on that individual’s relationship with the officer, employee, or agent, shall be considered a gift to the officer, employee, or agent if—
 - (I) the gift is given with the knowledge and acquiescence of the officer, employee, or agent; and
 - (II) the officer, employee, or agent has reason to believe the gift was given because of the official position of the officer, employee, or agent.

ⁱⁱ Opportunity Pool Loan – a private education loan made by a lender to a student attending the institution or the family member of such a student that involves a payment, directly or indirectly, by such institutions of points, premiums, additional interest, or financial support to such lender for the purpose of such lender extending credit to the student or family.