

Student Loan Code of Conduct  
Eureka College  
Financial Aid Office  
12/10/08

**Prohibition Against Remuneration to Eureka College**

- Eureka College will not solicit, accept or agree to accept anything of value from any Lending Institution, Guarantee Agency or Servicer in exchange for any advantage or consideration provided by the Lending Institution, related to its student loan activity. This prohibition covers, but is not limited to:
  - Revenue Sharing Agreements
  - Any computer hardware which Eureka College pays below market prices
  - Any computer software used to manage loans unless the software can manage disbursement from all lenders
  - Any printing costs, postage, or services
- This does not prevent Eureka College from soliciting, accepting or agreeing to favorable terms and conditions where the benefit is made directly to student borrowers.

**Prohibition against remuneration to Eureka College employees**

- Eureka College will require and enforce that no officer, trustee, director, employee, or agent of the college will accept anything more than a nominal value for his or her own behalf or on behalf of another during any 12 month period from, or on behalf of any Lending Institution, Guarantee Agency or Servicer.
- This prohibition will include, but not be limited to a ban on any payment or reimbursement from any Lending Institution, Guarantee Agency or Servicer to college employees for lodging, meals or travel to conferences or training seminars.
  - This does not preclude any officer, trustee, director, employee or agent of the college from receiving compensation for conducting non-college business with a Lending Institution, Guarantee Agency or Servicer or from accepting compensation that is offered to the general public.
- This prohibition does not prevent the college from holding membership in any non-profit professional associations.

**Ban on Gifts**

- No Eureka College employee involved in the affairs of the college's financial aid office shall solicit or accept any gift from a Lender, Guarantor, or Servicer of education loans.
- "Gifts" are defined as but not limited to:
  - Any type of gratuity, favor, discount, entertainment, hospitality, loan, or other item having more than a token monetary value. 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.

### **The Following Items would not be Considered to be Gifts**

- 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.
- Food, refreshments, training, or informational material furnished to any officer, trustee, director, or college employee 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, trustee, director, or employee.
- 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.
- Entrance and exit counseling services provided to borrowers to meet the institution's responsibilities for entrance and exit counseling as required... "as long as"
  - The institution's staff are in control of the counseling (and)
  - Such counseling does not promote the products or services of any specific lender.
- Philanthropic contributions that are unrelated to education loans or any contribution not made in exchange for any advantage related to education loans.
- State education grants, scholarships, or financial aid funds administered by or on behalf of a State.

### **Ban on Gifts to Family Members**

- Gifts to family members of any officer, trustee, director, or college employee will be considered a gift to said any officer, trustee, director, or college employee if:
  - The gift is given with the knowledge and acquiescence of the officer, trustee, director, or college employee (and)
  - The officer, trustee, director, or college employee has reason to believe the gift was given because of the official position of said officer, trustee, director, or college employee.

### **Limits of College Employees Participating on Lender Advisory Board**

- Eureka College will require and enforce that no officer, trustee, director, or employee of the college from receiving any remuneration for serving as a member or participant of an advisory board of any Lending Institution, Guarantee Agency, or Servicer or receiving any reimbursement of expenses from said participation.

- This does not preclude any officer, trustee, director, or college employee from participating on any lender advisory board that are unrelated to student loans.
- This does not preclude any Eureka College employee not involved in the affairs of the college's financial aid office from serving on the Board of Directors of a publicly traded or privately held company.

### **Contracting Arrangements Prohibited**

- Any officer, trustee, director, or college employee is prohibited from accepting any payments of any kind from a lender in exchange for any type of consulting services related to educational loans
  - This does not prevent anyone else in the institution who has nothing to do with student loans from entering into these agreements.
  - This does not prevent anyone not employed in the financial aid office who has "some" responsibility for student loans from entering into these agreements if that individual in writing, recues him or herself from any decision regarding educational loans
  - This does not prevent anybody from serving on a Board of Directors or trustee of institution if the individual recues him or herself from any decision regarding educational loans

### **Revenue Sharing Agreements Prohibited**

- Eureka College will not enter any revenue sharing agreement where
  - A lender provides or issues a loan that is made, insured, or guaranteed under this title to students attending the institution or to the families of such students; and
  - The institution recommends the lender and in exchange the lender pays a fee or provides other material benefits

### **Prohibition on Offers of Funds for Private Loans**

- Eureka College will not request or accept any agreement or offer of funds for private loans in exchange for concessions or promises of :
  - A specified number of loans made, insured, or guaranteed
  - A specified loan volume
  - A preferred lender arrangement

### **Ban on Staffing Assistance**

- Eureka College will not request or accept from any lender any assistance with call center staffing or financial aid office staffing.
- This does not include:
  - Professional development training for financial aid administrators.
  - Educational counseling materials, financial literacy materials, or debt management materials to borrowers, provided that such materials disclosed to borrowers, the identification of any lender that assisted in preparing or providing such material.

- Staffing services on a short-term, nonrecurring basis to assist the institution with financial aid-related functions during emergencies, including State-declared or federally declared natural disasters.

### **Interaction with Borrowers**

- Eureka College participates in the Federal Family Education Loan Program and all student and parent borrowers are packaged under that program. In respect to alternative loans:
  - Eureka College will not, for any first-time borrowers, assign, through award packaging or other methods, the borrower's loan to a particular lender.
  - Eureka College will not refuse to certify, or delay certification of, any loan based on the borrower's selection of a particular lender or guaranty agency.