

# **Union Adventist University**

## **Loan administration code of conduct**

**UNION**  
ADVENTIST UNIVERSITY  
Financial Aid Office  
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Union Adventist University recognizes that ensuring the integrity of the student financial aid process is critical to providing fair and affordable access to higher education in Nebraska. Therefore, these guidelines are designed to avoid any potential for a conflict of interest in the student financial aid process between Union Adventist University and students or their parents. Accordingly, the university shall adhere to the following principles in the university's financial aid operations:

### **1 - University employees should receive no personal benefit**

No employee of the university shall accept a gift or anything of more than nominal value on his or her behalf of another person or entity from any lending institution. The term "gift" means any gratuity, favor, discount, cash, stocks, entertainment, expense-paid trips, or other item having a monetary value of more than a de minimis amount. Likewise, an individual should never receive payment or reimbursement from a lending institution for lodging, meals or travel to conferences or training seminars. However, an employee of the university may:

1. Conduct non-university business with any lending institution and receive value in connection with such non-university business, so long as such value is not intended to influence the employee in conducting university business;
2. Conduct university business and receive value on behalf of the university that is unrelated to the student loan activities of the lending institution;
3. Attend conferences and meeting of tax-exempt organizations that are funded or sponsored by more than one entity and receive materials, refreshments, and other things of like value provided at such professional conferences and meetings;
4. Hold memberships in, serve on the board of or participate in the activities of any tax-exempt organization and, receive travel reimbursements and other things of like value from the tax-exempt organization for such activities; and,
5. Receive entrance and exit counseling services provided to borrowers to meet the institution's responsibilities for entrance and exit counseling as required by the HEA as long as the institution's staff are in control of the counseling and specific lender's product and services are not promoted.

### **2 - University employees should not serve on lender advisory boards for remuneration**

No employee of the university who makes financial aid decisions for the university or who is employed in, supervises or otherwise has responsibility or authority over the university's financial aid office, shall receive any remuneration for serving as a member or participant of a student loan advisory board of a Lending Institution or any reimbursement of expenses for such service. Any employee of the university who services as a member or participant of a lending institution board shall recuse himself or herself from any board discussions regarding the university's financial aid operations.

### **3 - The university should not provide any advantage to a lending institution**

The university shall not accept anything of value from any lending institution in exchange for any advantage or consideration provided to the lending institution related to its student loan activities, including but not limited to revenue-sharing, printing costs or below-cost computer hardware or software. Likewise, the university shall not allow any lending institution to:

1. Staff the university's financial aid office at any time;
2. Communicate with the university's students or their parents in such a manner as to create the impression that the lending institution is an employee or agent of the university in connection with the university's student financial aid operations, including the use of mascots, logos, etc.

This also prohibits:

1. Assigning through award packaging or other methods a first-time 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.
2. "Opportunity pool loans," by prohibiting institutions from requesting or accepting any offer of funds for private educational loans in exchange for the institution of higher education providing the lender with a specified number of loans or loan volume, or a preferred lender arrangement for Title IV loans. This does not include any private loan that is guaranteed by an institution (i.e. a recourse loan).

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#### **4 - The university should make appropriate use of any Preferred Lender Lists**

If the university decides to promulgate a list or lists of preferred lender choices for student loans or similar ranking or designation (“preferred lender list”), the selection of lending institutions for inclusion on the preferred lender list shall be based on the best interests of the University’s students and their parents without regard to the financial interest of the university. In addition, any preferred lender list shall clearly explain:

1. That students and their parents are free to select the lending institution of their choice and will suffer no penalty imposed by the university from using a lending institution that is not a “preferred lender;”
2. That students and their parents are not required to use any of the “preferred lenders;”
3. Where to find information on other lending institutions for student loans;
4. That the university will promptly certify any loan from any lending institution selected by a borrower, in accordance with U.S. Department of Education regulations;
5. The process the university utilized to select “preferred lenders,” including but not limited to the criteria used and the relative importance of such criteria;
6. Where to find information on the competitive interest rates, terms, and conditions of federal loans;
7. Where to find information on the interest rate, loan servicing or other benefits offered by “preferred lenders;” and
8. Where to find information on any agreements by “preferred lenders” to sell their loans to other lending institutions.
9. The university shall review any preferred lender List on an annual basis to determine that the information appearing on the list is accurate and that any website links are still viable.