

Bemidji State University Student Loan Code of Conduct

INTRODUCTION

Bemidji State University (BSU) values the integrity in the actions of employees. The position an employee holds within the University is evidence of the trust we have in them. 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.

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 BSU Financial Aid Office. If an employee violates the provisions of this Code of Conduct, they may be subject to discipline, up to and including termination. If an employee violates a provision of this Code of Conduct, they may also subject the University to possible sanctions and or liability.

If questions arise concerning this Code of Conduct, please refer to the resources listed below in the section titled Seeking Assistance. If one suspects or detects any activity believed to be contrary to the Student Loan Code of Conduct, one is required to report it confidentially and promptly to the BSU Director of Financial Aid. It is our policy to promptly investigate suspected violations of this Student Loan Code of Conduct.

STUDENT LOAN CODE OF CONDUCT PROVISIONS:

I. CONFLICTS OF INTEREST

A conflict of interest exists when an employee's personal interest has the potential to interfere with their judgment and the expectation that they will act in the best interests of the University or the students attending the University.

All employees covered by this Code of Conduct must avoid conflicts of interest. Accordingly, covered employees must comply with the following rules regarding conflicts of interest:

1. Employees must avoid actual and potential conflicts of interest between duties and responsibilities at the University and dealings with education lenders, guarantors or servicers who play any role in student financial aid at the University.

2. Employees 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. Employees may not serve as a paid or unpaid member of a Board of Directors of an education lender, guarantor or servicer.
4. Employees may not serve as a paid or unpaid consultant or employee for an education lender, guarantor or servicer.
5. Employees may not serve on an education lender's Advisory Board without advance approval from the BSU Vice President for Finance and Administration.

II. GIFTS AND BUSINESS COURTESIES

1. Employees may not accept or solicit gifts from any education lender, guarantor or servicer. A "gift" is broadly defined to include anything of more than a nominal value (more than \$10). If offered a gift by an education lender, guarantor or servicer, an employee should decline the offer of the gift and immediately notify the BSU Director of Financial Aid. This prohibition extends to an employee's family members and close friends if a gift was offered because of the employee's position within the University.
2. Employees may, however, accept food, refreshments, 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, guarantor, or servicer and provided the training contributes to an employee's professional development.
3. If invited by an education lender, guarantor or servicer to a meal, drinks, entertainment event, or other activity not related to training, the employee must pay for their own expenses. If appropriate under the University's expense reimbursement policy, the employee 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, guarantor, or servicer.

III. INTERACTION WITH STUDENT AND PARENT BORROWERS

1. Employees may not refuse to certify or delay certification of any loan based on the borrower's choice of a lender, except as allowed through participation in the William D. Ford Federal Direct Loan Program.
2. Employees must inform students that they have the right and ability to select the alternative loan of their choice regardless of whether that lender appears on the University's List of Alternative Loan Programs.

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 a lender in exchange for loan volume, or placement on the University's List of Alternative Loan Programs.
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 employees 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 IV.1, above, prohibits the University from accepting scholarships or philanthropic contributions from an education lender, guarantor, or servicer that are unrelated to education loans. If an education lender, guarantor, or servicer tells an employee of an offer of scholarships or philanthropic contributions to the University, the employee must notify the BSU Director of Financial Aid, and obtain approval before committing the University to accept such offer.
4. Nothing in paragraph IV.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 lender on the List of Alternative Loan Programs or referring private education loan volume or loan applications to the 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 lender proposed to charge the University for such services.

SEEKING ASSISTANCE

Any questions regarding any statement contained in this Code of Conduct, or if one becomes aware of any breach, please contact the BSU Director of Financial Aid, or the BSU Vice President for Finance and Administration.