

Educational Loan Code of Conduct

4204

Issued: 10-6-14
Revised: 11-17-15
Updated:

I. PURPOSE

The purpose of this policy is to ensure the integrity of the financial aid process by providing students equitable access to higher education programs offered by California Northstate University (CNU) by prohibiting conflicts of interest related to private loan programs.

II. SCOPE/COVERAGE

This policy covers exchanges, interactions, and relationships between CNU (the “University”), CNU employees, officers, and agents of CNU (“University Employees”), educational loan originators, holders, servicers, or guarantors (“Lenders”) regarding any loan program offered to students for the purpose of financing higher education expenses, through private educational loan programs (“Loans”).

III. POLICY STATEMENT

General

- CNU has promulgated this policy which provides guidance regarding appropriate behavior between the University, University Employees, and Lenders in connection with the processing of Loans for CNU students.
- Students will be provided financing options prior to the application process

Provisions

- The University and University Employees are prohibited from participating in any revenue-sharing arrangements with any lender.
- University Employees with any responsibility in the financial aid office are prohibited from soliciting or accepting gifts from a Lender. Standard material, activities or programs on issues related to a loan are exempt.
- University Employees with any responsibility in the financial aid office or with a responsibility with respect to Loans are prohibited from receiving any compensation, fees, payments, or other financial benefit (including stock options) from any Lender for any type of consulting arrangement or other contract to provide services to a Lender or on behalf of a Lender relating to education loans.
- The University will not for first-time borrowers, through any method, assign a borrower to a particular lender.
- The University will not refuse to certify, or delay certification of, any loan based on the borrower’s selection of a particular lender.
- The University will not request or accept funds to be used for private educational loans in exchange for the institution providing concessions to the Lender in regards to –
 - A specific number of loans originated, held, serviced, guaranteed, or insured;
 - A specific loan volume of such loans; or
 - A preferred lender arrangement for such loans.
- The University will not request or accept from a Lender any assistance with call center staffing or financial aid office staffing.
- University Employees with any responsibility in the financial aid office or with a responsibility with respect to Loans who serve on an advisory board or commission of a Lender are prohibited from receiving anything

of value from the Lender except reimbursement for reasonable expenses of serving on such advisory board or commission.

- An officer, employee, or contractor of a lender or servicer of private loans may serve on a board of directors, or serve as trustee only if that board member or trustee agrees to recuse him or herself from decisions regarding private loans.
- The University will provide all loan applicants with the self-certification form and the information needed to complete it.

Violations of This Policy

- CNU expects officers and employees covered by this policy to report violations of this policy to the Financial Aid Officer. Failure to comply with this policy will result in disciplinary action, which may include termination of employment.