In accordance with the Higher Education Opportunity Act of 2008, Midstate College will enforce the following Code of Conduct for its officers, employees and agents of the institution.

- Prohibition of a revenue-sharing arrangement with any lender. The HEOA defines “revenue-sharing arrangement” as any arrangement between an institution and a lender under which the lender makes Title IV loans to students attending the institution (or to the families of those students), the institution recommends the lender or the loan products of the lender and, in exchange, the lender pays a fee or provides other material benefits, including revenue or profit-sharing, to the institution or to its officers, employees, or agents

- Prohibition of employees of the financial assistance office receiving gifts from a lender, guaranty agency or loan servicer. A “gift” is defined as any gratuity, favor, discount, entertainment, hospitality, loan, or other item having monetary value of more than a de minimus amount. A gift does not include (1) a brochure, workshop, or training using standard materials relating to a loan, default aversion, or financial literacy, such as a brochure, workshop, or training; (2) food, training, or informational material provided as part of a training session designed to improve the service of a lender, guarantor, or services if the training contributes to the professional development of the officer, employee, or agent; (3) favorable terms and benefits on an education loan provided to a student employed by the institution if those terms and benefits are comparable to those provided to all students at the institution; (4) entrance and exit counseling as long as the institutional staff members are in control of the counseling and the counseling does not promote the services of a specific lender; (5) philanthropic contributions from a lender, guarantor, or servicers that are unrelated to education loans or any contribution that is not made in exchange for advantage related to education loans, and; (6) State education grants, scholarships, or financial aid funds administered by or on behalf of a State

- Prohibition of a contractual arrangement between an officer or employee of the financial aid office and a lender or an affiliate of any lender to provide any fee, payment, or other financial benefit as compensation for any type of consulting arrangement or contracting to provide services to or on behalf of a lender relating to education loans

- Prohibition against steering borrowers to particular lenders or delaying loan certifications. For any first-time borrower, an institution may not assign, through the award packaging or other methods, the borrower’s loan to a particular lender. In addition, the institution may not refuse to certify, or delay the certification, of any loan based on the borrower’s selection of a particular lender or guaranty agency
- Prohibition of offers of funds for private loans. An institution may not request or accept from any lender any offer of funds for private loans, including funds for an opportunity pool loan, to students in exchange for providing concessions or promises to the lender for a specific number of Title IV loans made, insured, or guaranteed, a specified loan volume, or a preferred lender arrangement. An “opportunity pool loan” is defined as a private education loan made by a lender to a student (or the student’s family) that involves a payment by the institution to the lender for extending credit to the student

- Prohibition of staffing assistance. An institution may not request or accept from any lender any assistance with call center staffing or financial aid office staffing, except that a lender may provide professional development training, educational counseling materials (as long as the materials identify the lender that assisted in preparing the materials), or staffing services on a short-term, nonrecurring basis during emergencies or disasters

- Prohibition of advisory board compensation. An employee of an institution’s financial aid office (or employee who otherwise has responsibilities with respect to education loans or financial aid) who serves on an advisory board, commission, or group established by a lender or guarantor (or a group a lenders or guarantors) is prohibited from receiving anything of value from the lender, guarantor, or group, except for reimbursement for reasonable expenses incurred by the employee for serving on the board

Revised July 29, 2009