

# **Student Loan Code of Conduct**

Effective fall 2017, Southern Crescent Technical College (SCTC) participates in the William D. Ford Federal Direct Loan Program which include the Direct Subsidized and Direct Unsubsidized Student loans. Private loans are also processed for students on an as needed basis. The 2008 Higher Education Opportunity Act requires that all institutions adopt a Student Loan Code of Conduct which serves as the formal guiding principles in ensuring integrity of the student loan process and ensures the ethical conduct of Southern Crescent Technical College (SCTC) employees in regard to student loan practices.

## **Interaction with Borrowers**

Southern Crescent Technical College participates in the William D. Ford Federal Direct Loan Program through the U.S. Department of Education. This program includes Direct Subsidized, Direct Unsubsidized loans.

To a much lesser extent, private education loans are also processed for students at their request as needed.

SCTC does not maintain a preferred lender list for private student loans nor does it recommend any private lender. All decisions concerning private education loans will be made by the borrower based on his/her independent review of lender benefits and services. SCTC will not refuse to certify or delay certification of any private education loan based on the borrower's selection of a particular lender.

## **Gifts**

Employees of the SCTC Financial Aid Office are prohibited from receiving gifts from any lender, guaranty agency or loan servicer. Exceptions related to specific types of activities or literature include the following: Brochures or training material related to default aversion or financial literacy.

- Food, training or informational materials as part of training as long as the training contributes to the professional development of those individuals attending the training.
- Favorable terms and benefits to the student employed by the institution as long as those same terms are provided to all students at the institution.
- Entrance and exit counseling as long as the institution's staff are in control and they do not promote the services of a specific lender.

- Philanthropic contributions from a lender, guaranty agency or servicer unrelated to education loans.
- State education, grants, scholarships or financial aid funds administered by or on behalf of the State.

## **Contracting Arrangements**

Employees of the SCTC Financial Aid Office shall not accept from any lender or affiliate of any lender any fee, payment or other financial benefit as compensation for any consulting arrangement or other contract to provide services to a lender or on behalf of a lender relating to education loans.

## **Revenue Sharing**

SCTC will not enter into any revenue-sharing arrangement with any lender. This is defined as any arrangement between a school and a lender that results in the lender paying a fee or other benefits, including a share of the profits, to the school, its officer, employees or agents, as a result of the school recommending the lender to its students or families of those students.

## **Opportunity Pool Loan**

SCTC will not request or accept from any lender any offer of funds to be used for private education loans including funds for an opportunity pool loan in exchange for SCTC providing concessions or promises to the lender for a specific number of loans, or inclusion on a preferred lender list.

## **Staffing Assistance**

SCTC will not request or accept from any lender, guarantor or servicer of student loans any assistance with call center staffing or financial aid office staffing.

## **Advisory Board Compensation**

Employees of the SCTC Financial Aid Office who serve on any advisory board, commission or group established by a lender, guarantor or student loan servicer are prohibited from receiving anything of value from the lender, guarantor or loan servicer for serving in this capacity, except that an employee may be reimbursed for reasonable expenses incurred while serving in this capacity.