Oregon College Loan Code Of Conduct

Effective as of April 30, 2008

Definitions:
A. “College” shall mean any postsecondary education institution in Oregon.
B. “College employees” shall mean any College officer, administrator, or employee.
C. “Education loan lending institution” shall mean any entity other than a college or university which is in the business of making loans to students, parents or others for the purpose of financing higher education expenses.

1. REVENUE SHARING PROHIBITION – A College and its employees are prohibited from receiving anything of value from any education loan lending institution in exchange for promoting the education loan products of that lending institution. This provision does not prohibit College employees from receiving compensation for conducting non-College business with any education loan lending institution or from accepting compensation that is offered to the general public. This provision also does not prohibit a College from accepting charitable contributions from an education loan lending institution, so long as the College gives no competitive advantage or preferential treatment to the education loan lending institution related to its education loan activity in exchange for such support.

2. GIFT AND TRIP PROHIBITION -- College employees are prohibited from receiving anything of more than nominal value ($50) from any education loan lending institution during any 12-month period. This prohibition includes trips for college employees paid for by education loan lenders; except that this provision shall not be construed to prohibit any College employee from receiving compensation for the conduct of non-College business with any education loan lending institution, or from accepting compensation that is offered to the general public.

3. ADVISORY BOARD COMPENSATION RULES -- College employees are prohibited from serving on the advisory board of any education loan lending institution. Education loan lending institutions may obtain advice and opinions of financial aid officials on financial aid products and services through Trade Associations, industry surveys or other mechanisms that do not require service on education loan lending institution advisory boards, provided such person receives no compensation for such service. This provision shall not apply to participation on advisory boards that are unrelated in any way to financial aid or higher education loans.

4. PREFERRED LENDER GUIDELINES -- College “preferred lender lists” must be based on the characteristics of the education loan products – including interest rates, borrower benefits, and services to borrowers – offered by the listed education loan lending institutions rather than on the financial interests of the college. If a college also makes education loans, the education loan(s) it provides must have characteristics that are comparable to or better than those of the other education loan lending institutions listed.

5. PREFERRED LENDER DISCLOSURE -- All preferred lender lists must clearly and fully disclose the criteria and process used to select preferred lenders. Every brochure, web page or other document that sets forth a preferred lender list shall state in the same font and same manner as the predominant text on the document that students and their parents have the right and ability to select the lender of their choice and are not required to use any lenders on the preferred lender list.

6. USE OF MASCOT, LOGO, EMBLEM, OR NAME BY LENDERS -- No college shall authorize or permit an education loan lending institution to use the name, emblem, mascot, or logo of the college; or words, pictures, marks, or symbols readily identified with the college; in the marketing of education loans in any way that implies that the college endorses those loans.

7. LOAN RESALE DISCLOSURE -- To be eligible to appear on a preferred lender list, a lender must disclose any agreement(s) to sell its loans to another entity. In addition, no lender may bargain to be a preferred lender with respect to a certain type of loan by providing benefits to a college as to another type of loan.

8. LENDER IDENTIFICATION REQUIREMENT -- The college will not permit employees of education loan lending institutions on campus to identify themselves as employees of the college, and no employee of an education loan lender may work in or provide staffing assistance to a college financial aid office; except that employees of colleges that also make education loans may perform their normal functions as long as those functions comply with relevant laws and regulations, and with the other items of this Code of Conduct.

* This Code was prepared by the Oregon Department of Justice with the assistance of a multi-institution committee coordinated by the Oregon Independent Colleges Association and composed of representatives from independent institutions and community colleges.