

INSTITUTIONAL CODE OF CONDUCT FOR EDUCATION LOANS

The Delaware College of Art and Design participates in the William D. Ford Federal Direct Loan Program. This program includes the Direct Subsidized and Direct Unsubsidized Student Loans, and the Direct Parent PLUS Loan. Upon request from students and parents, private loans are also certified and processed for students. To comply with the 2008 Higher Education Opportunity Act (HEOA), DCAD has instituted a Student Loan Code of Conduct to ensure the integrity and the compliance of the administration of all student loan programs. DCAD adheres to the following principles:

Prohibition of Revenue-Sharing

DCAD will not participate in any revenue-sharing arrangements. The HEOA of 2008 defines revenue-sharing arrangements as any arrangement between an institution and a lender under which the lender makes 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, to its officers, employees, or agents.

DCAD officers, employees, or agents will not accept gifts from any outside entity in exchange for loan referrals. 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.

Prohibition on Contracting Arrangements

No officer, trustee, or employee of the College will accept from any lender, guarantor or servicer any fee, payment or other financial benefit as compensation for any type of consulting arrangement or other contract to provide services to or on behalf of a lender, guarantor or servicer.

Prohibition on Offers of Funds for Private Loans

No officer, trustee, or employee of DCAD will request or accept from any lender, guarantor or servicer any offer of funds to be used for private educational loans, including a pool of funds to students in exchange for the University providing concessions or promises to the lender, guarantor or servicer for a specific number of loans made, insured, or guaranteed, a specified loan volume, or a preferred lender arrangement. Prohibited financial benefits include but are not limited to revenue-sharing, fees, payments, printing costs, cash, gifts, stocks, expenses-paid trips, entertainment, lodging, meals or travel costs.

Gift Restrictions

Officers, trustees and employees of the College are prohibited from soliciting or accepting any gift from a lender, guarantor, or servicer of educational loans. Gifts include but are not limited to any cash, gratuity, favor, discount, entertainment, hospitality, loan, stocks, printing costs, expense-paid trips or reimbursement for lodging, meals or travel to conferences or training seminars. Training materials are not considered gifts.

The Code of Conduct is based upon Section 493 of the HEOA. The requirements set forth in Section 493 of the HEOA shall take precedence over any section of this Code of Conduct that is in conflict with Section 493 of the HEOA except that the more restrictive part of either this Code of Conduct or Section 493 of the HEOA shall take precedence over the less restrictive part.