

## Code of Conduct for Financial Aid Professionals at Piedmont Technical College

The Higher Education Opportunity Act of 2008 [HEOA § 487(a)(25)] requires every institution of higher education that participates in federal financial aid programs to develop and prominently display a code of conduct. The principles below are consistent with the requirements of that Act.

As a member of the National Association of Financial Aid Administrators (NASFAA), Piedmont Technical College financial aid office employees also abide by the NASFAA Statement of Ethical Principles and Code of Conduct, which contains principles specific to the financial aid profession.

All financial aid employees at Piedmont Technical College review the code of conduct and the NASFAA Statement of Ethical Principles and Code of Conduct, and sign a document indicating that they have read, understand, and will comply with the principles contained within.

### Code of Conduct Principles

#### A. Prohibition on Revenue Sharing

1. A revenue sharing agreement is defined 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”.
2. Neither Piedmont Technical College nor any employee of Piedmont Technical College who has responsibilities with respect to financial aid shall enter into any revenue-sharing arrangement with any lender.

#### B. Prohibition on Gifts

1. a. 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.  
b. 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 servicer if the training contributes to the professional development of the institution’s 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 institution's staff 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 servicer 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.
2. No employee of Piedmont Technical College's financial aid office (or an employee or agent who otherwise has responsibilities with respect to educational loans), nor any family member of such, may solicit or accept any gift from a lender, guarantor, or servicer of education loans.
  3. Piedmont Technical College is not prohibited from accepting endowment gifts, capital contributions, scholarship funding, or other financial support from a lender, guarantor, or servicer of education loans, so long as the College gives no competitive advantage or preferential treatment to the lender, guarantor, or servicer of education loans related to its education loan activity in exchange for such support.

#### C. Prohibition on Compensation for Consulting, Contracting, or Advising

1. No employee of Piedmont Technical College's financial aid office (or an employee or agent who otherwise has responsibilities with respect to educational loans), nor any family member of such, shall accept any fee, payment, or other financial benefit as compensation for any type of consulting arrangement or contract to provide services to, or on behalf of, a lender relating to education loans.
2. No employee of Piedmont Technical College's financial aid office (or an employee or agent who otherwise has responsibilities with respect to educational loans), nor any family member of such, shall accept any fee, payment, or other financial benefit as compensation for serving on an advisory board, commission, or group established by a lender or guarantor (or a group of lenders or guarantors), except for reimbursement of reasonable expenses incurred by the employee for serving on the board.
3. The Piedmont Technical College financial aid office may hold membership in any nonprofit professional association, or an employee of the Piedmont Technical College financial aid office may hold individual membership in any nonprofit professional association.

4. Piedmont Technical College financial aid office employees are not precluded from attending any educational or training program related to financial aid or higher education loans where no registration fee is charged to any attendee because of a lender, guarantors, or loan servicer's sponsorship or support of the program, and provided that the registration fee is limited to covering the costs associated solely with the education or training component of the program.
5. These prohibitions shall not apply to participation on advisory boards that are unrelated in any way to financial aid or higher education loans.

#### D. Prohibition on Loan Awarding Process

1. The Piedmont Technical College financial aid office, or an employee of the Piedmont Technical College financial aid office, shall not, for any first-time borrower, assign, through award packaging or other methods, the borrower's loan to a particular lender or refuse to certify, or delay certification of, any loan based on the borrower's selection of a particular lender or guaranty agency.
2. The Piedmont Technical College financial aid office, or an employee of the Piedmont Technical College financial aid office, shall not direct any borrower to a specific lender for the purpose of borrowing an educational loan. However, a list of lenders that Piedmont Technical College students have previously selected for educational loans, can be provided to prospective borrowers.

#### E. Prohibition on Contracting Arrangements for Private Educational Loans

1. Piedmont Technical College may not request or accept from any lender any offer of funds to be used for private educational loans to students in exchange for providing concessions or promises to the lender regarding a number of loans, loan volume, or a preferred lender arrangement for private educational loans.
2. This prohibition extends to "opportunity pool loans", which are 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.

#### F. Prohibition of Lending Institutions Providing Staffing Assistance

1. No employee or other agent of a lending institution may staff the Piedmont Technical College financial aid office at any time, either in-person or as part of a call center. The College shall ensure that no employee or other representative of a lending institution is ever identified to students or prospective students of the College or their parents as an employee or agent of the College.

2. Representatives of lenders may be allowed to conduct informational sessions, such as exit interviews and presentations on loan payment and loan consolidation options, so long as:  
(a) student attendance is voluntary; (b) a College representative explains that other lenders may provide similar services; (c) the affiliation of the lender representative is disclosed at the start of the presentation; (d) the lender representative does not promote the products or services of any lender, and (e) the College takes reasonable steps to ensure compliance with the requirements of this paragraph.
3. In the event that the College permits a lender to conduct information sessions or exit interviews as explained above, the College must retain control of any interview or presentation offered by Lenders. Control may be evidenced by: (a) a College employee attending such interview or presentation; (b) the College recording or videotaping the interview or presentation; or (c) with respect to an exit interview conducted electronically via the internet, the College creating or approving in advance the content of such electronic exit interview.
4. Staffing assistance from a lending institution is permitted on a short-term, nonrecurring basis to assist with financial aid-related functions during emergencies, including State-declared or federally declared natural disasters, federally declared national disasters, and other localized disasters and emergencies identified by the Secretary.
5. A lender may provide educational counseling materials, financial literacy materials, or debt management materials as long as the materials identify the lender that assisted in preparing the materials.

G. In addition, Piedmont Technical College financial aid office employees shall:

1. Avoid all conflicts of interest, potential conflicts of interest, and the appearance of conflicts of interest which would result in personal financial gain to the employee.
2. Refrain from knowingly taking any action that is contrary to law, regulation, university policy, or contrary to the best interests of students and their families.
3. Refrain from taking any action or decision for a family member, friend, or business associate that would result in impacting financial aid eligibility, other than running automated processes in which the student is being processed along with many other students.
4. Promote the core values and mission of the Piedmont Technical College financial aid office.
5. Notify their supervisor, or Financial Aid Director, of any observed potential conflict of interest by a financial aid office employee.
6. Notify the Financial Aid Director if any family member, friend, or business associate has been granted the ability to disburse aid by another office of Piedmont Technical College.