

## LUNA COMMUNITY COLLEGE

### Title IV Code of Conduct

1. A ban on revenue-sharing arrangements with any lender. This is defined as any arrangement between LCC and a lender that results in the lender paying a fee or other benefits, including a share of the profits, to LCC, its officer, employees or agents, as a result of LCC recommending the lender to its students or families of those students.
2. A ban on employees of the financial aid office receiving gifts from any lender, guaranty agency or loan servicer. The law does provide for some exceptions related to specific types of activities or literature. This includes:
  - a) Brochures or training material related to default aversion or financial literacy.
  - b) Food, training or informational materials as part of training as long as that training contributes to the professional development of those individuals attending the training.
  - c) Favorable terms and benefits to the student employed by LCC as long as those same terms are provided to all students at LCC.
  - d) Entrance and exit counseling as long as the LCC's staff are in control and they do not promote the services of a specific lender.
  - e) Philanthropic contributions from a lender, GA or servicer unrelated to education loans.
  - f) State education, grants scholarships, or financial aid funds administered by or on behalf of the State.
3. A ban on contracting arrangements whereby any employee of LCC's financial aid office may not accept any fee, payment or 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.
4. A prohibition against steering borrowers to particular lenders, or delaying loan certifications. This includes assigning any first-time borrower's loan to a particular lender as part of their award packaging or other methods.
5. A prohibition on offers of funds for private loans. LCC may not request or accept such offers. This includes any offer of funds for loans to students at LCC, including funds for an opportunity pool loan, in exchange for providing concessions or promises to the lender for a specific number of loans, or inclusion on a preferred lender list.
6. A ban on staffing assistance from a lender. LCC may not request or accept any assistance with call center staffing or financial aid office staffing. However, the law does not prohibit LCC from requesting or accepting assistance from a lender related to:
  - a. Professional development training for financial aid administrators.
  - b. Providing educational counseling materials, financial literacy materials, or debt management materials to borrowers, provided that such materials disclose to borrowers the identification of any lender that assisted in preparing or providing such materials.

LUNA COMMUNITY COLLEGE

Title IV Code of Conduct

- c. Staffing services on a short-term, nonrecurring basis to assist LCC with financial aid-related functions during emergencies, including State-declared or federally declared natural disasters, and other localized disasters and emergencies identified by the Secretary.
7. A ban on advisory board compensation. Employees of LCC may not receive anything of value from a lender, guarantor, or group in exchange for serving in this capacity. They may, however, accept reimbursement for reasonable expenses incurred while serving in this capacity.