



1200 West University Avenue, Mitchell, SD 57301-4398
605-995-2600 FAX 605-995-2122 www.dwu.edu

Financial Aid Code of Conduct

Through the Higher Education Opportunity Act of 2008, HEOA requires schools to have a Code of Conduct, which must govern:

- Revenue sharing arrangements
 - Gifts
 - Contracting Agreements
 - Interaction with Borrowers
 - Offers of private loans
 - Staffing assistance
 - Advisory Board Compensation
-

- Dakota Wesleyan University prohibits revenue-sharing arrangements on FFELP loans;
 - Dakota Wesleyan University prohibits officers, employees or agents of institutions, and under certain conditions, by the families of officers, employees or agents of institutions, soliciting or accepting gifts from lenders, guarantors, and servicers of education loans. The term gift means any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a de minimus amount. The term includes a gift of services, transportation, lodging, or meals, whether provided in kind, by purchase of a ticket, payment in advance, or reimbursement after the expense has been incurred.
- The following are not considered gifts:
 - Standard material, activities, or programs related to a loan, default aversion, default prevention, or financial literacy, such as a brochure, a workshop, or training.
 - Food, refreshments, training, or informational Material furnished to an officer or employee of an institution, or to an agent, as an integral part of a training session that is designed to improve the service of a lender, guarantor, or servicer of education loans to the institution, if such training contributes to the professional development of the officer, employee, or agent.
 - Favorable terms, conditions, and borrower benefits on an education loan provided to a student employed by the institution if such terms, conditions, or benefits are comparable to those provided to all students of the institution.

Dakota Wesleyan University is an equal opportunity employer and provider.

- Entrance and exit counseling services provided to borrowers to meet the institution's responsibilities for entrance and exit counseling as required by the HEA as long as the institution's staff are in control of the counseling and specific lender's products and services are not promoted.
 - Philanthropic contributions to an institution from a lender, servicer, or guarantor of education loans that are unrelated to education loans or any contribution from any lender, guarantor, or servicer that is not made in exchange for any advantage related to education loans.
 - State education grants, scholarships, or financial aid funds administered by or on behalf of a State.
- Dakota Wesleyan University prohibits contracting and consulting arrangements between an officer or employee of the institution and a lender of an affiliate of a lender, except that institutional employees who are not in the financial aid office can serve on the boards of directors of lenders, guarantors, and servicers of education loans if these employees do not have loan responsibilities or the institution has a written conflict of interest policy that clearly keeps the employee from participating in any decision of the board regarding education loans at the institution. Similarly, the bill allows, under certain conditions, officers, employees and agents of a lender, guarantor, and servicer of education loans to serve as a trustee of an institution.
 - Prohibits Dakota Wesleyan University from assigning, through award packaging or other methods, a first-time 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.
 - Eliminates "opportunity pool loans" by prohibiting Dakota Wesleyan University from requesting or accepting any offer of funds for private educational loans in exchange for DWU providing the lender with a specified number of loans or loan volume, or a preferred lender arrangement for Title IV loans. This does not include any private loan that is guaranteed by an institution (i.e., a recourse loan).
 - Bans Dakota Wesleyan University from receiving staffing assistance with financial aid or via a call center, but permits lenders to provide staffing services on a short-term, nonrecurring basis to assist institutions with financial aid-related functions during emergency situations or for office staff professional development or for providing educational counseling, financial literacy, or debt management materials to borrowers as long as such materials disclose to borrowers the name of the lender that provided or assisted in the preparation of the materials
 - Prohibits any Dakota Wesleyan University financial aid office employees or others with loan or financial aid, who serve on an advisory board, commission, or group established by a lender, from receiving anything of value from the lender, except reimbursement for reasonable expenses incurred in serving on such advisory board, commission or group.
 - Requires the Inspector General to submit an annual report identifying all substantiated violations of the gift-ban provision

Dakota Wesleyan Financial Aid
Reviewed 3/2021

Dakota Wesleyan University is an equal opportunity employer and provider.