

## **CODE OF CONDUCT**

The Board of Governors of the State University System recognizes that ensuring the integrity of the student financial aid process is critical to providing fair and affordable access to higher education in Florida. Therefore, the Board has formalized the following guiding principles that shall be effective immediately and must be adopted by each University's Board of Trustees as soon as practicable. These guidelines are designed to avoid any potential for a conflict of interest between the University, its students or their parents in the student financial aid

and, subject to state law, receive materials, refreshments, and other things of like value provided at such professional conferences and meetings; and, (d) hold membership in, serve on the board of or participate in the activities of any tax-exempt organization and, subject to state law, receive travel reimbursements and other things of like value from the tax-exempt organization for such activities.

**2. University employees should not serve on lender advisory boards for remuneration.**

No officer, trustee or employee of the University who makes financial aid decisions for the University or who is employed in, supervises or otherwise has responsibility or authority over the University's financial aid office shall receive any remuneration for serving as a member or participant of an student loan advisory board of a Lending Institution or any reimbursement of expenses for such service. Any officer, trustee or employee of the University who serves as a member or participant of a Lending Institution board shall recuse himself or herself from any board discussions regarding the University's financial aid operations.

**3. The University should not provide any advantage to a Lending Institution.**

The University shall not accept anything of value from any Lending Institution in exchange for any advantage or consideration provided to the Lending Institution related to its student loan activities, including but not limited to revenue-sharing, printing costs or below-cost computer hardware or software.<sup>2</sup> Likewise, the University shall not allow any Lending Institution to: (a) staff the University's financial aid office at any time; or (b) communicate with the University's students or their parents in such a manner as to create the impression that the Lending Institution is an employee or agent of the University in connection with the University's student financial aid operations, including through the use of mascots, logos, etc. Finally, the

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<sup>2</sup> The University may accept any assistance that is authorized by 34 C.F.R. 682.200(b)(5)(i) (definition of "Lender").

University shall not enter into any agreement with a Lending Institution to provide alternative (*i.e.*, non-federal or “opportunity”) student loan programs if the provision of such alternative loan programs prejudices other students or parents.<sup>3</sup>

**4. The University should make appropriate use of any Preferred Lender Lists.**

If the University decides to promulgate a list or lists of preferred or recommended lenders for student loans or similar ranking or designation (“Preferred Lender List”), the selection of Lending Institutions for inclusion on the Preferred Lender List shall be based on the best interests of the University’s students and their parents without regard to the financial interests of the University.<sup>4</sup> In addition, any Preferred Lender List shall clearly explain:

- Students and their parents are free to select the Lending Institution of their choice and will suffer no penalty imposed by the University from using a Lending Institution that is not a “preferred lender”;
- Students and their parents are not required to use any of the “preferred lenders”;
- Where to find information on other Lending Institutions for student loans;
- The University will promptly certify any loan from any Lending Institution selected by a borrower, in accordance with U.S. Department of Education regulations;
- The process the University utilized to select “preferred lenders,” including but not limited to the criteria used and the relative importance of such criteria;
- Where to find information on the competitive interest rates, terms, and conditions of federal loans;
- Where to find information on the interest rate, loan servicing or other benefits offered by “preferred lenders”; and,
- Where to find information on any agreements by “preferred lenders” to sell their loans to other Lending Institutions.

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<sup>3</sup> The University may offer loans to its international students, at fair market rates, when such students would otherwise be unable to secure a domestic loan.

<sup>4</sup> The University also shall not place a Lending Institution on a Preferred Lender List for a particular type of student loan in exchange for benefits provided to the University, its students or their parents in connection with a different type of student loan.

Each University shall review any Preferred Lender List on an annual basis to determine that the