

**FINANCIAL AID
AND
SCHOLARSHIP POLICY**

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Financial Aid and Scholarship Policy

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Part One - Introduction

The purpose of the financial aid program at Divine Word College is to provide financial assistance to students who demonstrate financial need in accordance with program guidelines. Some domestic Divine Word College students receive financial assistance from state and federal student aid programs. Every incoming domestic student should apply for federal financial aid. Divine Word College expects parents/students to contribute according to their means, taking into account all financial resources of the family, including appropriate borrowing against future earnings by the student. Several factors directly affect the student's need for financial aid: parent/student income, number of dependents in family, savings, investments, number of family members going to college, and a variety of other circumstances. The amount of aid offered will not exceed the amount needed to meet the difference between the student's total educational expenses and family's resources.

International students attending Divine Word College do not qualify for federal financial aid; therefore, the College has a robust scholarship program and collaborates with the Society of the Divine Word Chicago Province to provide necessary grants to help international students meet their financial aid needs.

The policies and procedures outlined in this manual cannot and are not intended to replace individual program manuals and the laws, regulations, policy statements, and other directories made by the government for government aid programs. No policy on student aid can remain current very long (even though every effort will be made to keep it current); this manual is no exception. Questions on any policy and/or procedure should be referred to the Financial Aid Coordinator for response and/or resolution. The contents of this manual pertain to the following federal, state and institutional financial assistance: the Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), Federal College Work-study, the Federal Direct Subsidized/Unsubsidized Loans, State Grant Programs, and Divine Word College programs.

Awarding Philosophy and Methods

The philosophy of Divine Word College in awarding government financial aid is to assist eligible students to the fullest extent possible to access financial aid enabling them to achieve their goals. The student makes the final determination as to whether the financial aid award will provide the needed assistance. Ultimately, each student has his/her own cost of attendance, which will determine if the award, made according to regulations, will conform to that individual's situation.

Each domestic student and/or parents must fill out and file the Free Application for Federal Student Aid (FAFSA). After filing the FAFSA, the Financial Aid Coordinator at Divine Word College electronically receives the Institutional Student Information Record (ISIR) report. The ISIR is checked for possible errors.

Financial aid applicants must meet all federal and state requirements before a financial aid award can be extended. This includes such eligibility criteria as a regular student enrolled in an eligible program, satisfaction of institutional application requirements, completion of verification requirements, and compliance with other student eligibility provisions. Once these determinations have been made, the awarding process can begin.

Coordination of College Positions/Offices

The Financial Aid Coordinator

The Financial Aid Coordinator has broad responsibility for awarding and administering virtually all financial aid funds which flow to the institution and generally for obtaining these funds from the government and other resources. Critical to performing these responsibilities successfully is a thorough understanding and continuous monitoring of regulations, legislation, and philosophies which affect the delivery of student aid. The professional staff which is current on these issues is in a position to recommend appropriate action and to speak with authority in disseminating information to other departments of the institution. The Financial Aid Coordinator:

- Strives to meet the demonstrated and documented financial need of all students at Divine Word College following approved procedures and ethical practice.
- Exercises appropriate caution and controls to avoid any over-awarding of student financial aid.
- Redirects funds when a student benefits from a merit scholarship recognizing special talents when these funds represent a significant portion of institutional assistance.
- Verifies applicant information as required under applicable federal statutes and the U.S. Department of Education (USDE) interpretations as specified in the USDE Verification Guide and the Federal Student Aid Handbook.
- Notifies state and federal agencies, which provide funds, of individual award amounts, fund balances and expenditures, regular enrollment and/or academic status reports, institutional audits, and requests for funds.
- Ensures compliance with specific statutory and regulatory requirements which govern each aid program (citizens, eligible non-citizens, selective service).
- Informs the student of all conditions under which an award is granted at the time the offer is made.
- Participates in the mandatory exit interview scheduled with each financial aid recipient.
- Maintains records of all student loans, furnishes to the Vice President for Admissions lists of students in default, and participates in the processing of loan collections and referrals to the U.S. Department of Education.
- Prepares for the annual Financial Aid Audit by preparing and producing all required documentation in a timely manner. Supplies all auditor requested information in a timely manner.
- Provides statements on the cost of attendance to students and government agencies when required.
- Maintains appropriate office confidentiality regarding all financial aid awards and student records.

Board of Administration

The Financial Aid Coordinator provides information regularly and promptly to the Scholarship Committee and the Board of Administration for decisions regarding scholarship renewals and other matters as requested.

Business Office

The Financial Aid Coordinator and the Business Office are in regular communication to ensure that the goals of the institution with respect to financial aid are carried through to completion. Both are involved in the implementation related to student financial aid.

Admissions Office

As a member of the Admissions Office, the Financial Aid Coordinator works closely with other members of the office to ensure their understanding of the financial aid policies and programs available to Divine Word College students.

Registrar Office

The Registrar provides enrollment verifications to the Financial Aid Coordinator for students of federal and state aid (e.g. grade reports, withdrawals, full or part-time, etc.). The control and management of aid funds require considerable information from the Registrar; therefore, a good line of communication between the Registrar and the Financial Aid Coordinator ensures accurate reporting and outcomes.

Part Two – Available Financial Assistance

Federal Title IV and State Programs

The Financial Aid Coordinator is required to maintain eligibility for Title IV and State financial aid programs.

The Financial Aid Coordinator shall be familiar with the requirements of the eligibility provisions to participate in Title IV student aid and state aid programs in order to maintain both initial institutional eligibility and subsequent renewal requirements. Included with this procedure is the mandate of complying with the administrative standards for student financial assistance.

Title IV and State Aid programs are as follows:

Federal Pell Grant – The Federal Pell Grant Program provides grants to undergraduate students who have financial need as determined by the results of the Free Application for Federal Student Aid (FAFSA). Besides having financial need, students must meet other eligibility requirements as set forth by the Department of Education.

Federal Supplemental Educational Opportunity Grant (FSEOG) – Federal Supplemental Educational Opportunity Grants are awarded to students with exceptional financial need as determined by the results of the Free Application for Federal Student Aid (FAFSA). Priority is given to students who are eligible to receive a Federal Pell Grant.

Federal Work-Study Program – The Federal Work-Study program is a federal program in cooperation with Divine Word College. The purpose of the program is to provide financial assistance to domestic college students in need. (See the Federal Work-Study Handbook). Divine Word College determines if the student qualifies for the federal work-study program and to what degree. While attending Divine Word College, the student participates in the formation program of community service, volunteering for six hours or more each week. Students who qualify for federal work-study can work additional hours and receive payment through the federal work-study program. Students are paid at least the current state or federal minimum wage, whichever is higher, per hour without deductions for income taxes and social security taxes. Payment for federal work-study hours completed occurs once a month. The amount is credited to the student's tuition, room and board, or personal account, whichever is applicable.

Federal Direct Subsidized/Unsubsidized Loan Program – This program enables students with financial need to borrow up to \$3,500 for the first year, \$4,500 for the sophomore year, and \$5,500 for each of the junior and senior years to an undergraduate aggregate maximum amount of \$23,000. These yearly maximum amounts may be less if the student receives other financial aid to help cover the cost of attendance. An origination fee is charged and deducted proportionately from each disbursement of the loan. Repayment of these loans begins six months after the student ceases to be at least a half-time student. Divine Word College provides applicants with information on the Federal Student Loan Programs, encouraging them not to take unnecessary loans or to borrow in excess of their means to repay. To that end, Divine Word College strives to limit students to borrowing no more than \$3,000 per year for a maximum of \$12,000 during their studies at Divine Word College. No student, however, will be denied his/her right to borrow assuming their intent to repay the loan.

State Grant Programs – State Grant Programs may be available for studying at Divine Word College.

Divine Word College Scholarships

Divine Word College Financial Assistance – After admission and upon enrollment at the beginning of every semester, financial assistance from Divine Word College (in the form of institutional discount) may be granted to any student in need. Students enrolling for part-time and/or auditing courses may qualify for proportionately reduced assistance.

Presidential Scholarship – Divine Word College first awarded the Presidential Scholarship in 1979. This scholarship is a recognition of and an honor for students who show promise of superior academic achievement. The Presidential Scholarship includes an annual award of up to \$3,000 renewable each year the recipient continues to meet the established guidelines. The award may result in a further institutional discount of tuition. A maximum of two new applicants may be approved for this scholarship in a single year.

Honor Scholarships – Scholarships honor the donors and the students who receive them. Funds associated with these scholarships are gifts given to Divine Word College. These need-based scholarship gifts reduce any expected tuition payments from the student.

They include:

- Mr. Amedeo Cacciamani Scholarship
- Mrs. Annunziata Cacciamani Scholarship
- Divine Word Missionary Brothers Scholarship
- Fr. Robert Flinn, SVD, Scholarship
- Dr. William Cade Goertz Scholarship
- Bishop Curtis Guillory, SVD, Scholarship
- Holy Spirit Missionary Sisters & Holy Spirit Adoration Sisters Scholarship
- Mr. Alfred E. Hughes Scholarship
- Fr. Francis Kamp, SVD, Scholarship
- Carl and Jo Mani Scholarship
- Mani Family Scholarship
- Fr. Edmund Morman, SVD, Scholarship
- Fr. Chester Nowicki, SVD, Scholarship
- Fr. William Shea, SVD, Scholarship

Good Neighbor Scholarship – Divine Word College established the Good Neighbor Scholarship in order to provide an AA Degree to local area residents who wish to avail themselves of the programs at Divine Word College.

Society of the Divine Word Chicago Province Grant for International Students

The Society of the Divine Word Chicago Province established a grant for international students attending Divine Word College in need of assistance for non-academic, personal expenses, including but not limited to room/board, the cost of medical insurance, clothing, necessary fees, and travel. Eligible students must possess an F-1 Student Visa, plan to attend DWC, seek to better prepare themselves for missionary service, and need financial assistance to help cover their costs. Students may apply for the grant, and if approved, the grant is renewable each year during the duration of their studies at Divine Word College.

Other Sources of Student Financial Aid

Divine Word College students may be eligible for other financial assistance to help meet educational expenses, including but not limited to:

- Educational assistance to veterans and their families
- Vocational rehabilitation assistance
- Social Services
- Private Grants:
 - Knights of Columbus
 - Service Clubs: Kiwanis, Rotary, Lions
 - St. Vincent DePaul Society
 - Church or Parish Organizations
 - Serra Clubs
- Private Loans
- Students are allowed to seek private loans; however, Divine Word college does not provide a preferred lender list. Students are free to seek any lender they choose. College personnel follow a code of conduct for educational loans as available in the College Handbook and appended to this policy.

Part Three – Procedures for Awarding Financial Assistance

Order of Financial Awards

Divine Word College Scholarships are awarded in conjunction with all other outside assistance in the following order:

1. Federal Grants
2. State Grants
3. Non-Institutional (outside) scholarships
4. Presidential Scholarship*
5. Honor Scholarships*
6. Federal Work-study
7. Federal Direct Loans
8. Divine Word College Financial Assistance

* See the Financial Aid Coordinator for details

Federal Financial Assistance

Pell Grant – The Financial Aid Coordinator will make Federal Pell Grants available to eligible students, according to the following procedures:

- Administration of this program is in accordance with program regulations for Title IV programs.
- The Financial Aid Coordinator will recalculate awards only for enrollment status changes that occur up to the end of the refund period. The Financial Aid Coordinator will recalculate the Federal Pell Grant award for any student whose enrollment status changed up to that date. No adjustments will be made for changes to enrollment status that occurred after that date.

Federal Supplemental Educational Opportunity Grant (FSEOG) – The Financial Aid Coordinator will make FSEOG awards to eligible students to the extent of available funding. These grants are made to students who receive Federal Pell Grants.

Federal Work-Study Program – Divine Word College will provide eligible students with part-time employment opportunities on campus.

- The Federal Work-Study Coordinator, along with the Dean of Students, will assign suitable work-study positions to the student.
- The Federal Work-Study Coordinator, along with the Dean of Students, will assign supervisors for each student.
- The Financial Aid Coordinator will monitor student employment earnings through the federal work-study program to assure that the student does not work more hours than he/she was allotted for in his/her financial aid award. The Financial Aid Coordinator will collect monthly time sheets and make sure each student receives payment.
- The Financial Aid Coordinator will certify that only students eligible for federal/state aid receive this aid.

Veterans Administration Benefits – Students eligible for veteran benefits will work with the Financial Aid Coordinator to access those benefits according to the following guidelines:

1. The Financial Aid Coordinator will assist eligible veterans and dependents of veterans in completing appropriate application forms for entitlement payments in order to attend approved programs at Divine Word College.
2. Completed application forms will be processed by the Financial Aid Coordinator in addition to enrollment certification forms which are forwarded to the Veterans Administration.

3. The Financial Aid Coordinator will also monitor the satisfactory progress of enrolled veterans and will notify the Veterans Administration when progress is not attained.
4. Section 103 Compliance Policy: ALL students that have completed their GI Bill Benefits worksheet and have been certified by the College, will not be restricted in any way for the first 90 days of a semester if the reason for the delay in making payments for the certified semester is due to a delay in receipt of benefits from the VA. This will include assessing late fees, charging restrictions or registration holds. After the 90 days, the College will treat each Veteran on a case by case basis.

Federal Direct Subsidized/Unsubsidized Loan – Students eligible to receive federal loans will work with the Financial Aid Coordinator to access those benefits according to the following guidelines:

1. Students complete the loan entrance counseling and the loan application online at www.studentloans.gov.
2. The Financial Aid Coordinator receives notification that No. 1 has been completed by the student and then completes the loan process.
3. The Financial Aid Coordinator completes loan certifications as required.
4. When the student leaves the College, the Financial Aid Coordinator assists with the online exit interviews in collaboration with the Dean of Students and the student.

Policies Governing Federal Grants

1. Verification Method – Verification is the process under which a student's FAFSA information is selected by the U.S. Department of Education or Divine Word College to check the accuracy of the information the student and/or parents provided when applying for federal financial aid. Information is verified by securing documentation and signed statements attesting to the accuracy of the information provided. Verification will help assure the correct amount of financial assistance to be disbursed.

Programs at Divine Word College covered by verification are Federal Pell Grant, Federal Supplemental Educational Opportunity Grant (FSEOG), Federal Work Study, and Federal Direct Subsidized/Unsubsidized Loans.

Verification of applicant information is an encompassing responsibility required under applicable federal statutes and U.S. Department of Education (USDE) interpretations. There are two important sources of information on verification that are to be consulted for both understanding

and implementing the verification procedures. These sources are: The USDE Verification Guide and the Federal Student Aid Handbook. Statements made on policy and procedures for verification in this context are broad guidelines for implementing this requirement, and the aforementioned informational resources are to be consulted for final determination on “verification.”

The following policies and procedures are broad features of verification at Divine Word College. Questions regarding specific features should be directed to the Financial Aid Coordinator.

- All financial aid applications of enrolled students selected by the U.S. Department of Education for verification are verified for accuracy of the required data items as outlined in the federal regulations. This may or may not match the 30% limitation. Divine Word College will also select additional applications for verification beyond those required where information appears to be conflicting or discrepant.
- Any suspicion of fraud or abuse will be reported to the USDE during verification by the Financial Aid Coordinator. Examples are: forged or falsified documents, transcripts, or signatures; false claims; and generally unsupported data.
- The applicant is notified of verification requirements via the Institutional Student Aid Record (ISIR), provided an Institutional Verification Worksheet (IVF), and advised to contact the Financial Aid Coordinator for further instructions.
- Notwithstanding federal verification requirements, Divine Word College will resolve what it identifies as conflicting documentation, and verify data that appears to be incorrect.
- Verification requirements are as follows:
 - The IVF worksheet will be used to verify family information and required student/parent untaxed income as well as collect required signatures for certification or information.
 - Federal tax returns will be utilized to verify both taxed and untaxed income verification items.
 - As a matter of policy, all untaxed income items will be reviewed in accordance with verification information.

- VA educational benefits will be verified with the records in the Student Services VA office. A copy of the student's VA payment roster is used to verify the amount received.
 - All verified applications with incorrect information are corrected and resubmitted electronically to the Department of Education for recalculation.
2. Refunds – Upon withdrawal from the College, tuition and room and board are refunded on a day-by-day prorated basis, minus a \$100 administrative recovery charge. When 60% of a semester has expired, there will be no refund.
 3. Refunds for Military Personnel – Per section 261.9(1) of Iowa Code, a student who is a member, or the spouse of a member if the member has a dependent child, of the Iowa national guard or reserve forces of the United States and is ordered to national guard duty or federal active duty are protected by the following provisions:
 - Withdraw from the student's entire registration and receive a full refund of tuition and mandatory fees.
 - Make arrangements with the student's instructors for course grades, or for incompletes that shall be completed by the student at a later date. If such arrangements are made, the student's registration shall remain intact and tuition and mandatory fees shall be assessed for the courses in full.
 - Make arrangements with only some of the student's instructors for grades, or for incompletes that shall be completed by the student at a later date. If such arrangements are made, the registration for those courses shall remain intact and tuition and mandatory fees shall be assessed for those courses. Any course for which arrangements cannot be made for grades or incompletes shall be considered dropped and the tuition and mandatory fees for the course refunded.
 4. Return of Title IV Funds – The College follows the U.S. Department of Education regulations and procedures to determine Refunds and Returns of Title IV funds. When 60% of a semester has expired, there is no refund or return of Title IV funds. The U.S. Department of Education regulations and procedures are available in the Financial Aid Office.
 5. Satisfactory Academic Progress and Attendance Policy – Students receiving financial assistance must maintain satisfactory academic progress and attendance in order to receive financial assistance (Title IV programs and Veterans benefits).

- The Registrar will send the list of students on probation at the start of each semester and send immediate updates on student withdrawals throughout each semester to the Financial Aid Coordinator.
 - Students who have not maintained the minimum cumulative grade point average are given a “probationary term.”
 - Financial aid is suspended at the end of the probationary term if the cause condition has not been corrected. The Financial Aid Coordinator will advise students of their status.
6. Collection Process for Student Loans - Federal Perkins Loans and Divine Word College Loans – Divine Word College contracts the services of University Accounting Service, LLC, Brookfield, WI. UAS bills and maintains the borrower’s account during grace and deferment periods. UAS contacts and sends correspondence to the borrowers as required by federal regulations during the grace, deferment and repayment periods.

Student loans, in default, following the established collections procedures by UAS, are assigned to the U.S. Department of Education.

State Grants

State Grant Programs – State Grant Programs may be available for studying at Divine Word College.

Vocational Rehabilitation Assistance – Information regarding such assistance is available from the department of education in a student’s home state.

Divine Word College Assistance

Divine Word College Financial Assistance

As previously noted, after admission and upon enrollment at the beginning of every semester, financial assistance from Divine Word College (in the form of institutional discount) may be granted to any student in need who is pursuing the objective of missionary service. Students enrolling for part-time and/or auditing courses may qualify for proportionately reduced assistance.

For domestic students who qualify for federal financial aid, their Divine Word College assistance is based on need after all other grants, scholarships and loans are calculated. The Financial Aid Coordinator lists the amount of the Divine Word College financial assistance on their award letter and each student acknowledges receipt of this letter by signing it in a timely manner.

International students and domestic students who are not eligible for federal financial aid may also receive Divine Word College financial assistance. While domestic students may receive Divine Word College financial assistance for both tuition and non-academic costs, international students only qualify for academic assistance. To assist them with non-academic expenses, the Society of the Divine Word Chicago Province established a grant for F-1 Visa holders. The Financial Aid Coordinator will assist international students in applying for that grant to receive additional assistance for personal expenses.

Students receiving Divine Word College financial assistance must be in good standing with the College both academically and formationally.

Honor Scholarships – Divine Word College offers several Honor Scholarships, including the Mr. Amedeo Cacciamani Scholarship; Mrs. Annunziata Cacciamani Scholarship; Divine Word Missionary Brothers Scholarship; Fr. Robert Flinn, SVD, Scholarship; Dr. William Cade Goertz Scholarship; Bishop Curtis Guillory, SVD, Scholarship; Holy Spirit Missionary Sisters & Holy Spirit Adoration Sisters Scholarship; Mr. Alfred E. Hughes Scholarship; Fr. Francis Kamp, SVD; Scholarship; Carl and Jo Mani Scholarship; Mani Family Scholarship; Fr. Edmund Morman, SVD, Scholarship; Fr. Chester Nowicki, SVD, Scholarship; and the Fr. William Shea, SVD, Scholarship. Each of these scholarships currently generates \$5,000 annually, but may be divided into two (2) \$2,500 scholarships. These are financial need-based scholarships and are awarded to students in the following order:

- SVD candidates who are U.S. Citizen and Lawful Permanent Residents.
- Other students who are U.S. Citizens and Lawful Permanent Residents.
- International SVD candidates.
- Other international student.

The Financial Aid Coordinator will review each student's financial need, and in keeping with the College's philosophy of keeping domestic students' loans as low as possible, will recommend to the Vice President for Admissions scholarship recipients. Together, the two will make the final decision and inform the Board of Administration of the scholarship recipients. The names of those receiving the scholarships will be engraved on the plaques prominently displayed near the College President's office honoring both the donors and the award recipients. The College will award these scholarships in the beginning of each academic year when the Admissions Office identifies students' financial needs and their financial aid award letters are prepared.

Presidential Scholarship – Divine Word College awards the Presidential Scholarship according to these procedures:

1. The Financial Aid Coordinator provides applications to qualifying students.

2. The completed application is returned to the Financial Aid Coordinator, who submits the application to the Vice President for Admissions.
3. The Vice President for Admissions presents the applications to the Board of Administration.
4. The Board of Administration selects the scholarship recipients.
5. The College President notifies the recipients and the Financial Aid Coordinator.

Good Neighbor Scholarship

Divine Word College established the Good Neighbor Scholarship in order to provide an AA Degree to local area residents who wish to avail themselves of the programs at Divine Word College. The scholarship details, including eligibility criteria, benefits and application process are provided in a separate scholarship brochure. Applicants should contact the Vice President of Admissions for details.

Satisfactory Formation Progress – Financial Assistance through Divine Word College, Honor Scholarships and the Presidential Scholarship may be forfeited if a student is placed on formation probation; depending on the decision of the Dean of Students and the College President.

Limitations of Financial Awards – Any student who does not qualify for government financial aid, including loans, may be awarded financial assistance through Divine Word College at the discretion of the Financial Aid Coordinator and approved by the Vice President of Admissions.

Divine Word College Professional Judgment Methods – The Financial Aid Coordinator exercises professional judgment when informed of extenuating circumstances that affect the financial welfare of the student. The Financial Aid Coordinator might learn of the need to exercise professional judgement from the student, professional staff, referral, agency personnel or other concerned parties such as parents or spouse. The Financial Aid Coordinator will exercise all reasonable and prudent means which are at hand to help the student meet both financial and human needs. Reasons for exercising professional judgment include:

- Adjusting the cost of attendance to allow for unanticipated expenses that are not foreseen or considered in normal situations (e.g., change in direct school expenses such as program equipment purchases due to curricular changes).
- A student/parent's inability to meet expected family contribution levels under the needs analysis formula because of special conditions. There are

any number of other reasons that could cause a change in income or loss of assets that can lower the contribution level.

The Financial Aid Coordinator will document the professional judgment conditions to the best of his/her ability with written and dated narrative and/or documents. A personal interview will normally occur but a written request by the student will be considered. A recalculation of expected family contribution will be performed whenever there is a change in income. Current calendar year, school year, or expected calendar year income could be considered. The Financial Aid Coordinator will notify the Vice President for Admissions professional judgment is used to reflect changes in the financial aid award.

Part Four – Financial Aid Coordinator Required Reports

The Financial Aid Coordinator is responsible for preparing the following reports required for financial aid accounting;

- Federal Pell Grant Payments submitted electronically via EDE Express to update Federal Pell grant authorizations.
- The Fiscal Operations Report and Application to Participate (FISAP) – The FISAP report is filed annually to report financial aid expenditures and apply for funding for the Federal Work-Study Program, Federal Perkins Loan Program and the Federal Supplemental Educational Opportunity Grant Program.
- Information required by auditors performing annual federal audit procedures on Title IV student financial assistance programs and State of Iowa programs.
- Integrated Post Secondary Education Data System (IPEDS) – The Financial Aid Coordinator provides necessary information to the Registrar to complete the IPEDS report.
- Campus Crime & Security Survey – The Vice President for Operations prepares the report and gives it to the Financial Aid Coordinator to transmit and to the Public Relations Director to post on the website.
- Gainful Employment Report – The Financial Aid Coordinator submits annually the Gainful Employment Report via NSLDS if required by the U.S. Department of Education.

Institutional Code of Conduct for Education loans

Divine Word College

03/01/2024

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Introduction

Iowa Code Section 261F.2, Sections 487(a)(25)(A) and 487(e) of Title IV of the Higher Education Act (HEA), and federal regulations contained in 34 CFR 668.14(b)(27), and 34 CFR 601.21 require Divine Word College (referred to throughout this document as “the institution”) to develop, administer, and enforce a Code of Conduct. The Code of Conduct sets forth standards for business relationships between colleges and universities, their affiliated organizations and entities, private entities that make or hold education loans (referred to throughout this document as “lender”), and guarantors of loans made under the Federal Family Education Loan Program (FFELP).

A private education loan is any loan that is not made under Title IV of the HEA and is issued to a borrower expressly for postsecondary education expenses, regardless of whether the loan is provided through the institution that the student attends or directly to the borrower from the lender. A private loan secured by a dwelling or an extension of credit under an open-end consumer credit plan (e.g., a home equity line of credit, or open line of credit tied to a Certificate of Deposit) is not considered a private education loan.

Iowa Code Section 261.F1(10)

All of the following individuals or entities associated with the institution must comply with this code of conduct governing education loan activities:

- An employee
- A contract employee
- A director or officer
- A trustee
- An agent – including an “institution-affiliated organization” (see below), booster club, or other organization directly or indirectly associated with or authorized by the institution or an employee of the institution

An institution-affiliated organization is an organization that is directly or indirectly affiliated with us and includes, but is not limited to, an alumni, athletic, social, academic, or professional organization.

Iowa Code Sections 261F.2(1) and 261F.1(2) and (3); 34 CFR 601.2 definition of institution-affiliated organization

Distribution Requirements

This code of conduct must be published prominently on our Internet site.

Iowa Code Section 261F.2(1)(b) ; 34 CFR 601.21(a)(2)(ii)

If an institution-affiliated organization (see above) participates in a preferred lender arrangement*, and that organization has a Web site, our Code of Conduct must be published on the institution-affiliated organization's Web site.

34 CFR 601.21(b)(2)

At least annually, the institution's officers, employees, and agents who have responsibilities for education loans must be informed of the provisions of this code of conduct. An institution-affiliated organization (see above) that participates in a preferred lender arrangement* must notify its officers, employees, and agents who have responsibilities for education loans of the provisions of this Code of Conduct at least annually.

34 CFR 601.21(a)(2)(iii) and (3)

*See "Preferred Lender Arrangements" for more information.

Gifts

Impermissible Activities

An officer, employee, or agent of the institution who is employed in the financial aid office or who otherwise has direct responsibilities with respect to education loans must not solicit or accept any gift from a lender, lender servicer, or guarantor. See exceptions below under "Permissible Activities."

Gifts to Family Members or Others

A gift to a family member of the institution's officer, employee, or agent, or a gift to an individual based on that individual's relationship with the institution's officer, employee, or agent is not permissible if **either** of the following applies:

- The gift is given with the knowledge and acquiescence of the institution's officer, employee, or agent, **or**
- The officer, employee, or agent has reason to believe the gift was given because of that person's official position with the institution.

Gift Definition

A gift means any gratuity, favor, discount, entertainment (including expenses for shows, sporting events, or alcoholic beverages), hospitality (including private parties of select training or conference attendees), loan, or other item having a monetary value of more than a "de minimus" or nominal value¹. A gift includes 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.

Iowa Code Sections 261F.1(5) and 261F.3(1) and (2); HEA Section 487(e)(2); 34 CFR 682.200(b) Definition of "Lender" (5)(i)(A)(8); 34 CFR 682.401(e)(1)(i)(D); 34 CFR 601.21(c)(2)(i) and (ii); November 1, 2007, Federal Register, Vol. 72, No. 211, p. 61981

Permissible Activities

An officer, employee, or agent of the institution, or a member of an organization affiliated with the institution, may accept items of a “de minimus” or nominal¹ value from a lender, lender servicer, or guarantor that are offered as a form of generalized marketing or advertising or to create good will.

Examples of permissible gifts include, but are not limited to, the following:

- Pens or pencils
- Notepads; sticky-notes
- Calculators
- Small tote bags
- Other individual office supply items

¹“De minimus” or nominal value is undefined in Iowa Code, federal law or the U.S. Department of Education’s regulations (34 CFR 601.21). Employees of state agencies should consult their personnel policies for any additional restrictions on the acceptance of gifts.

An employee of the institution may also accept items of value from a lender, lender servicer, or guarantor that are also offered to the general public.

Iowa Code Section 261F.1(5)(l) and (m); HEA Section 487(e)(2)(B); 34 CFR 682.200(b) Definition of "Lender" (5)(ii)(J); 34 CFR 682.401(e)(2)(ix)

Philanthropic Gifts/Contributions to the Institution

Impermissible Activities

The institution will not accept philanthropic contributions from a lender, lender servicer, or guarantor that are related to the education loans the lender, lender servicer, or guarantor provides to our students and families, or that are made in exchange for any advantage related to education loans.

Iowa Code Section 261F.1(5)(d); HEA Section 487(e)(2)(B)(ii)(V); 34 CFR 601.21(c)(2)(iii); 34 CFR 682.200(b) Definition of "Lender" (5)(i)(A)(9); 34 CFR 682.401(e)(1)(i)(E)

Permissible Activities

The institution may accept philanthropic contributions from a lender, lender servicer, or a guarantor that are not related to the education loans provided by the lender or guarantor, and that are not made in exchange for any advantage to the lender, guarantor, or servicer. However, we must disclose philanthropic contributions made to our institution by an education lender with whom we have a preferred lender arrangement* under rules <https://www.legis.iowa.gov/docs/iac/chapter/12-04-2019.61.37.pdf> established by the Iowa Attorney General.

*See "Preferred Lender Arrangements" for more information.

Iowa Code Sections 261F.1(5)(d) and 261F.4(6); 34 CFR 601.21(c)(2)(iii)

Advisory Councils

Impermissible Activities

An officer, employee, or agent of the institution who is employed in the financial aid office or who otherwise has direct responsibilities with respect to education loans must not serve on or otherwise participate in an advisory council established by a lender or its affiliate, or a group of lenders.

Iowa Code Section 261F.3(6)

An officer, employee, or agent of the institution who serves on an official, standing advisory council for a guarantor must not accept anything of value for that service. See the exception below for reasonable compensation under "Permissible Activities."

HEA Section 487(e)(7); 34 CFR 601.21(c)(7)

Permissible Activities

An officer, employee, or agent of the institution who is employed in the financial aid office, or who otherwise has responsibilities with respect to education loans or other financial aid offered to our students and their families may serve on an official, standing advisory council for a guarantor, including an Iowa College Student Aid Commission advisory council or task force, and be compensated for reasonable expenses incurred in that service.

Expenses are considered reasonable if they meet the standards of and are paid according to a State government reimbursement policy that governs the entity offering reimbursement. If no State government reimbursement policy applies to the entity which offers reimbursement, expenses are reasonable if they meet the standards of and are paid according to applicable Federal cost principles.

34 CFR 601.21(c)(7); 34 CFR 668.16(d)(2)(ii); 34 CFR 682.401(e)(2)(vi)

An officer, employee or agent of the institution may respond to any lender who seeks advice from the institution or groups of institutions by telephone, electronically, or in a meeting, about improving products or services for borrowers. However, the institution may not accept any gift or compensation for responding to the lender including, but not limited to, transportation, lodging, or related expenses.

Iowa Code Section 261F.3(6)

Boards of Directors

Impermissible Activities

Lender, Lender Servicer, and Guarantor

An employee or agent of the institution who is employed in the financial aid office must not serve on or otherwise participate in the board of directors of a lender, lender servicer, or guarantor.

An employee or agent of the institution who is not employed in the financial aid office but who has responsibility with respect to education loans must not serve on or otherwise participate in the board of directors of a lender, lender servicer, or guarantor, unless we have a written conflict of interest policy.

This institution has a written conflict of interest policy for this purpose. See below under “Permissible Activities” for more information about the content of that policy.

Iowa Code Sections 261F.3(7)(a)(1) and (2); 34 CFR 601.21(c)(3)(i) and (ii)

Institutional Boards of Directors or Trustees

No officer, employee, or agent of a lender, lender servicer, or guarantor may serve on this institution’s board of directors or trustees, unless we have a written conflict of interest policy.

This institution has a written conflict of interest policy for this purpose. See below under “Permissible Activities” for more information about the content of that policy.

Iowa Code Sections 261F.3(7)(a)(3); 34 CFR 601.21(c)(3)(iii)

Permissible Activities

Lender, Lender Servicer, and Guarantor

An employee or agent of the institution who is not employed in the financial aid office and who has no responsibility with respect to education loans may serve unrestricted and be compensated for service on the board of directors of a lender, lender servicer, or guarantor.

An employee or agent of the institution who is not employed in the financial aid office but who has responsibility with respect to education loans may serve on the board of directors of a lender, lender servicer, or guarantor, and be compensated for that service, if the institution has a written conflict of interest policy. Our conflict of interest policy specifies that an officer or agent of the institution who is serving on such a board of directors must not participate in any decision of the board with respect to any transaction regarding education loans.

Iowa Code Section 261F.3(7)(a)(1) and (2); 34 CFR 601.21(c)(3)(i)

Institutional Board of Directors and Trustees

The institution may permit an officer, employee, or agent of a lender, lender servicer, or a guarantor to serve as a member of our board of directors or trustees if we have a written conflict of interest policy. The institution has a conflict of interest policy for this purpose. Our conflict of interest policy includes all of the following:

- A prohibition against the participation of such a member in any decision regarding education loans offered to our students or their families,
- Procedures to be followed when such a member’s personal or business interests in education loans may be advanced by an action of the board of directors or trustees, and
- A prohibition against the participation of such a member in any decision to approve any transaction where such conflicting interests may be advanced.

Iowa Code Sections 261F.3(7)(a)(3) ; 34 CFR 601.21(c)(3)(iii)

Bundling of Private Loans

Impermissible Activities

The institution’s financial aid staff will not bundle (i.e., package) a private education loan in a student’s financial aid award, except under certain conditions. See

“Permissible Activities” below for more information about acceptable conditions for private loan bundling.

Iowa Code Section 261F.5(2)

Permissible Activities

The institution’s financial aid staff may bundle (i.e., package) a private education loan in a student’s financial aid award under any one of the following conditions:

- The borrower is ineligible for additional funding
- The borrower has exhausted the limits of his or her eligibility for Title IV loans (Federal Perkins, Stafford, and, as applicable, parent or Grad PLUS)
- The borrower has not filled out a Free Application for Federal Student Aid (FAFSA)
- The borrower does not desire, or refuses to apply for, a Title IV loan (including a parent PLUS loan)

The bundling of a private education loan will be clearly and conspicuously disclosed to the borrower, in a manner that distinguishes them from loans made under Title IV of the HEA, prior to the borrower’s acceptance of the financial aid package.

Iowa Code Section 261F.5(2); 34 CFR 601.11(c)

Choice of Lender

Impermissible Activities

Regardless of whether this institution maintains a preferred lender arrangement for education loans, our financial aid office will not:

- Refuse to certify or delay certification of an education loan based on a borrower's selection of a lender or guarantor
- Assign a first-time borrower's education loan to a particular lender through award packaging or other methods

34 CFR 601.21(c)(4)

Consulting and Contractual Arrangements

Impermissible Activities

An officer, employee, or agent of the institution who is employed in the financial aid office or who otherwise has responsibilities with respect to education loans will not accept from any lender or its affiliate 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 the lender. A prohibited financial benefit includes the opportunity to purchase stock.

Iowa Code Section 261F.3(3); 34 CFR 601.21(c)(3)

Permissible Activities

An officer, employee, or agent of the institution who is not employed in the financial aid office and who has no responsibilities with respect to education loans may accept compensation from a lender for a consulting arrangement or other contract to provide services to or on behalf of a lender.

Iowa Code Section 261F.3(3); 34 CFR 601.21(c)(3)

Loan Counseling

Permissible Activities

The institution may request and accept services from a lender or guarantor in conducting initial (i.e., entrance) and exit loan counseling for our students (including in-person counseling or on-line counseling resources), provided:

- Institutional staff is in control of the counseling. To be considered "in control of the counseling," staff must review and approve the content of the counseling and provide oversight over how the counseling is conducted.

- The lender or guarantor does not promote a specific lender's products or services.

Counseling materials that the institution accepts from a lender or guarantor must disclose the identity of the entity that assisted in preparing or providing the materials, and must not be used to promote the lender's or guarantor's education loan or other products. A guarantor's materials may promote benefits provided under other federal and state programs that the guarantor administers.

Iowa Code Section 261F.4(5)(a); 34 CFR 601.21(c)(2)(iii)(D); 34 CFR 601.21(c)(6)(ii); 34 CFR 682.200(b) Definition of "Lender" (5)(i)(10) and (5)(ii)(B); 34 CFR 682.401(e)(2)(i); Federal Register dated October 28, 2009, p. 55631

Loan Terms and Conditions

Impermissible Activities

The institution will not request or accept from any lender an offer of funds to be used for private education loans, including funds for an opportunity pool loans (see the separate definition of opportunity pool loans below), in exchange for the institution's promise to provide the lender with any of the following:

- A specified number of education loans
- A specified education loan volume
- A preferred lender arrangement

34 CFR 601.21(c)(5)

The institution will not place a lender on a preferred lender list (PLL), or provide that lender with preferred placement on the PLL, in exchange for benefits the lender provides to the institution or to our students in connection with a different type of loan.

Iowa Code Section 261F.6(4)

Opportunity Pool Loans

An opportunity pool means a private education loan made by a lender to a student attending this institution or a student's family member that this institution guarantees in any manner or that involves the institution directly or indirectly paying points, premiums, payments, additional interest, or other financial support to the lender for the purpose of that lender extending credit to the borrower.

Iowa Code Section 261F.3(5); 34 CFR 601.21(c)(5)(ii)

Permissible Activities

The institution may solicit or accept from any lender an offer of funds to be used for private education loans (including opportunity pool loans), if it is **not** provided in

exchange for a promise that the institution will deliver to the lender a specified number of loans or loan volume, or place that lender on the institution's preferred lender list.

Iowa Code Section 261F.3(5); HEA Section 487(e)(5); 34 CFR 601.21(c)(5)(ii)

The institution may solicit and accept the following favorable education loan terms and conditions on behalf of our student and parent borrowers:

- A reduced origination fee
- A reduced interest rate
- Payment of the federal default fee on a Stafford or PLUS loan made under the FFELP (Note: Federal law prohibits the making of new loans under the FFELP effective July 1, 2010)
- Benefits offered to a borrower under a repayment incentive program that requires, at minimum, one or more scheduled payments to receive or retain the benefit
- Benefits under a loan forgiveness program for public service or other targeted purposes approved by:
 - The Iowa Attorney General for a private loan forgiveness program
 - The U.S. Department of Education for a federal loan forgiveness program

An *employee* of the institution may accept favorable terms, conditions, and borrower benefits on an education loan if the terms, conditions, and benefits on the employee's loan are comparable to those provided to all of our students.

Iowa Code Section 261F.1(5); 34 CFR 601.21(c)(2)(iii)(C); 34 CFR 682.200(b) definition of lender (5)(ii)(I);

Meals, Refreshments, and Receptions

Impermissible Activities

See the definition of "Gift" for information about cases when meals, refreshments, or other hospitality is considered a prohibited gift.

Permissible Activities

The institution's employees and agents may accept from any lender or guarantor food and refreshments that are reasonable in cost and are offered as an integral part of a training session or conference that is designed to contribute to the professional development of our employees or agents. The food and refreshment sponsored by the lender or guarantor must be offered to all who attend the training session or conference.

Our employees and agents may attend a lender- or guarantor-sponsored reception for which food and refreshments are provided, so long as the reception is a general

gathering that is held in conjunction with a training session or conference and is open to all attendees.

In addition, the institution's employees and agents may accept from a guarantor food and refreshments that are reasonable in cost and provided in connection with other workshops and forums the agency uses to fulfill its guaranty agency responsibilities.

Iowa Code Section 261F.1(5)(b); HEA Section 487(e)(2)(B)(ii)(II); 34 CFR 601.21(c)(2)(iii)(B); Federal Register, Vol. 72, No. 211, November 1, 2007, p. 61981

Prudent Person Test

Employees of the institution who participate in the planning of a student-aid related training session or conference will ensure that food and refreshments sponsored by a lender or guarantor is reasonable in cost by applying the "prudent person test." In other words, the cost per person for the sponsored event must not exceed the cost that would be incurred by the prudent person under the circumstances at the time the decision was made to incur the cost. The burden of proof will be, in part, on event managers to show that costs are consistent with the normal per-person cost of the event.

November 1, 2007, Federal Register, Vol. 72, No. 211, p. 61981

Misleading Identification of Institutional Employees

Impermissible Activities

The institution will not permit a lender's or guarantor's employee or agent to be identified as an institutional employee, representative, or agent.

Iowa Code Section 261F.4(2)

Payment of Education Loan Costs

Permissible Activities

The institution may make principal or interest payments on an education loan to lower costs for our borrowers.

Impact on Our Cohort Default Rate

If an owner, agent, contractor, employee, or other entity or individual affiliated with the institution makes a payment to prevent default on a Stafford loan, or a Consolidation loan that repaid a Stafford loan, during the period for which our cohort default rate is calculated, that loan is considered to be in default and counts against our cohort default rate notwithstanding the payment.

Iowa Code Section 261F.3(7)(b); 34 CFR 668.183(c)(1)(iii); USDE Cohort Default Rate Guide, Chapter 2, p. 2-1.9

Preferred Lender Arrangements

Definition

A preferred lender arrangement is an arrangement or agreement between the institution or an institution-affiliated organization* and a lender that provides education loans to our students and their families in which we or our affiliated organization recommends, promotes, or endorses the lender's education loan product.

There are two conditions that must be met in order for a preferred lender arrangement to exist between a lender and this institution or an institution-affiliated organization*:

- A lender provides or issues education loans to our students or their families, and
- We, or an institution-affiliated organization*, recommends, promotes, or endorses the lender's education loan products.

A preferred lender arrangement does not require a written or verbal agreement, nor is a preferred lender arrangement confined to only cases in which the lender is included on a preferred lender list.

Iowa Code Section 261F.1(8); 34 CFR 601.2; Federal Register dated July 28, 2009, p. 37436; Federal Register dated October 28, 2009, p. 55630

A preferred lender arrangement does **not** include any of the following:

- Federal Direct loans
- Federal Perkins loans

Iowa Code Section 261F.1(8)

The identity of any private lender with whom the institution or an institution-affiliated organization* have a preferred lender arrangement will be displayed on all information and documentation related to the lender's loans.

34 CFR 601.12(b)

For any year in which the institution has a preferred lender arrangement, we will annually compile and make available for students attending the institution and their families a list of the specific education loan lenders that the institution recommends, promotes, or endorses.

34 CFR 668.14(b)(28)

See "Introduction" for more information about an "institution-affiliated organization."

Preferred Lender Lists

(Applicable to the institution, an any institution-affiliated organization*, that has a preferred lender arrangement for education loans.)

A preferred lender list (PLL) is a list of education loan lenders which the institution recommends, promotes, or endorses, and with which we have a preferred lending arrangement.

Impermissible Activities

The institution's PLL will not include less than three unaffiliated lenders (see the paragraph immediately below for an exception). For this purpose, a lender is affiliated with another lender if any of the following applies:

- The lenders are under the ownership or control of the same entity or individuals
- The lenders are wholly or partly owned subsidiaries of the same parent company
- The directors, trustees, or general partners, or individuals exercising similar functions, of one of the lenders constitute a majority of the persons holding similar positions with the other lender

Iowa Code Sections 261F.1(9) and 261F.6(1)(b)

If we initially meet the preferred lender list requirement of including a minimum of three unaffiliated lenders, we may be later notified that one or more of those lenders has decided to discontinue making loans to our students and parents. The USDE and the Iowa Attorney General will take such circumstances, over which we have no control, into consideration in determining our compliance with the requirement that we maintain at least three unaffiliated lenders on our preferred lender list.

U.S. Department of Education Dear Colleague Letter GEN-08-06

A PLL will not include lenders that have offered, or have offered in response to our solicitation, financial or other benefits to the institution in exchange for inclusion on the PLL, or a promise that the institution or its students will send a certain number of loan applications to the lender.

Iowa Code Sections 261F.6(1)(c)

Our financial aid office will not use a PLL to do any of the following:

- Require a prospective borrower to use a lender on our PLL
- Deny or otherwise impede a borrower's choice of lender
- Assign a first-time borrower's loan to a particular lender through award packaging or other methods
- Refuse to certify a loan or cause unnecessary certification delays for a borrower who selects a lender that does not appear on our PLL

Iowa Code Sections 261F.6(1)(a) and 261F.6(2)(c), (d), and (e); 34 CFR 601.10(d)(1)(iii); 34 CFR 601.10(d)(5); 34 CFR 601.21(c)(4)

Preferred Lender List Alternatives

Permissible Activities

The institution's financial aid office is not required to maintain a preferred lender list for education loans, and is permitted to provide no information to education loan borrowers about lenders.

Other acceptable alternatives to a preferred lender list appear below. These alternatives are not considered a preferred lender list or preferred lending arrangement:

- If the institution desires to compile a preferred lender list but is unable to identify at least three unaffiliated lenders that will make loans to its students or parents sufficient to meet the requirements of a preferred lender list, we may provide the names of all of the lenders that have indicated that they would provide loans to our students and their parents. In providing this information, we will make it clear that we do not endorse the lenders, and provide a clear statement that the

borrower may choose to use any lender that will make loans to the borrower for attendance at this institution.

- We may provide a neutral, comprehensive list of lenders that have made loans to our students or parents in the past three to five years (or some other period) and that have indicated that they would continue to make loans to our students. We may provide contact information for the lender, and comparative information about the terms and conditions of loans offered by the lender. We will not provide any additional information about the lender, including, for example, the percentage of loans made to our students by a particular lender. We will make it clear that we do not endorse the lenders, and that the borrower can choose to use any lender that will make loans to the borrower for attendance at this institution.
- We may refer a prospective private education loan borrower to a Web site developed by a third party that contains a neutral, comprehensive list of private education lenders and the loan products each lender offers. We will ensure that the list provided on such a Web site is broad in scope, does not endorse or recommend any of the lenders on the list and the lenders on the list do not either pay the third party who maintains the Web site for placement on the list or pay the third party a fee based on any loan volume generated.

U.S. Department of Education Dear Colleague Letter GEN-08-06; Federal Register, Vol. 74, No. 207, October 28, 2009, p. 55630.

Publications

Impermissible Activities

The institution will not permit a lender with which it has a preferred lender arrangement* to prepare any of our materials related to education loans, with exceptions permitted by law and noted below under “Permissible Activities.”

*See “Preferred Lender Arrangements” for more information.

Iowa Code Section 261F.4(3) and (5)(a)

The institution will not permit a lender or guarantor to print and distribute our catalogue and other non-counseling or non-student financial aid-related materials at reduced or no cost.

34 CFR 682.200(b) definition of lender (5)(iii)(C); 34 CFR 682.401(e)(3)(iii)

We will not permit a lender to use our name, emblem, mascot, logo, other words, pictures or symbols readily identified with the institution in the marketing of private education loans to our students or parents in a way that implies that the institution endorses the lender’s private education loans or that the loan is offered or made by this institution. We may allow the use of our name if it is part of the lending institution’s name.

Iowa Code Section 261F.4(4); 34 CFR 601.12(a)

Permissible Activities

The institution may request and accept, free of charge, student aid, financial literacy, debt management, default prevention, or default aversion materials and publications from a lender or a guarantor. We may also request and accept initial (i.e., entrance) and exit loan counseling materials and services from any lender or guarantor (see “Loan Counseling” for additional information).

Iowa Code Sections 261F.1(5)(a) and 261F.4(5)(a); 34 CFR 601.21(c)(2)(iii)(A) and (D); 34 CFR 601.21(c)(6)(ii)

Revenue-Sharing Arrangements

Impermissible Activities

The institution or an agent of the institution will not solicit or accept a fee, revenue- or profit-sharing, or other material benefit provided by a lender that issues education loans to our students or their families in exchange for the institution recommending the lender or the lender’s education loan products.

Iowa Code Sections 261F.1(11) and 261F.3(4); 34 CFR 601.21(c)(1)

Staffing Assistance

Impermissible Activities

The institution will not permit any lender to staff our financial aid offices or call center, except on a short-term, non-recurring, emergency basis.

Iowa Code Section 261F.4(5)(b); 34 CFR 601.21(c)(6)

The institution will not permit a guarantor to staff our financial aid offices or call center under any circumstances.

HEA Section 428(b)(3)(C)

Permissible Activities

The institution may permit a lender to staff our financial aid offices or call center on a short-term, non-recurring, emergency basis.

For this purpose, “emergency” is defined as:

- A State-designated natural disaster
- A Federally-declared natural disaster (identified by the Federal Emergency Management Agency on its website at www.fema.gov)
- A Federally-declared national disaster
- Another localized disaster or emergency approved by the Iowa Attorney General and the USDE

Iowa Code Sections 261F.4(3) and 261F.4(5)(b); 34 CFR 601.21(c)(6)(iii)

State Education Grants, Scholarships, & Financial Aid Funds

Permissible Activities

The institution may accept Iowa grants, scholarships, and other state-based financial aid funds administered by the Iowa College Student Aid Commission under Iowa Code Chapter 261.

Iowa Code Section 261F.1(5)(e); 34 CFR 601.21(c)(2)(iii)(F)

Student Aid Related Programs

Permissible Activities

The institution may request and accept from any lender or guarantor standard materials, activities, and programs, including workshops and training, related to

student aid outreach, financial literacy, debt management, default prevention and aversion, or educational counseling that are designed to improve the lender or guarantor's services.

The lender or guarantor that provides any materials to us must disclose its identity in the materials that it assists in preparing or providing, and the lender's or guarantor's materials must not promote its student loan or other products. A guarantor may promote benefits provided under other Federal or State programs the guarantor administers.

The institution may also accept services that a guarantor must perform to meet its obligations to administer other Federal and State education programs.

Iowa Code Section 261F.1(5)(a) and 261F.4(5)(a); 34 CFR 601.21(c)(2)(iii)(A); November 1, 2007, Federal Register, Vol. 72, No. 211, pp. 61982

Technology

Impermissible Activities

The institution and its affiliated organization(s) will not accept from a lender or a guarantor either of the following at below market rental or purchase cost:

- Computer hardware
- Computer software that is unrelated to education loan processing or financial aid

Iowa Code Section 261F.1(5)(f); HEA Section 435(d)(5); 34 CFR 682.200(b) Definition of "Lender" (5)(iii); 34 CFR 682.401(e)(3)(iii)

The institution will not accept free data transmission services from any lender or guarantor that is unrelated to electronic loan processing or, for federal student loans, student status confirmation data.

Iowa Code Section 261F.1(5)(f); 34 CFR 682.200 Definition of "Lender" (b)(5)(ii)(D); 34 CFR 682.401(e)(2)(vii)

Permissible Activities

The institution may accept, free of charge, any of the following from a lender or a guarantor:

- Financial aid related software
- Loan processing data transmission services
- A toll-free telephone number to obtain information about education loans

The institution may also accept free student status confirmation data processing services for federal student loans from a lender or guarantor.

Iowa Code Section 261F.1(5)(f); 34 CFR 682.200(b) Definition of "Lender" (5)(iii)(C); 34 CFR 682.401(e)(3)(iii)

Training

Impermissible Activities

The institution and an institution-affiliated organization will not accept payment of training or conference registration, travel or lodging costs from any lender or guarantor.

Iowa Code Section 261F.1(5); 34 CFR 601.21(c)(2)(ii)

Permissible Activities

The institution may request and accept, free of charge, from any lender or guarantor standard materials, activities, and programs, including workshops and training, that are designed to improve the lender or guarantor's services or contribute to the professional development of our financial aid office staff relative to financial aid administration, student aid outreach, financial literacy, debt management, default prevention and aversion, and educational counseling.

Iowa Code Section 261F.1(5)(a); HEA Section 487(e)(2)(B)(ii); HEA Section 487(e)(6)(B)(i); 34 CFR 682.401(e)(2)(ii), (iii) and (iv); 34 CFR 601.21(c)(2)(iii)(A); 34 CFR 601.21(c)(6)(i)

Travel and Lodging

Impermissible Activities

An officer, employee, or agent of the institution who is employed in the financial aid office or who otherwise has education loan responsibilities will not request or accept lodging or travel costs from a lender or lender servicer, or a guarantor, except as provided below.

Permissible Activities

See "Advisory Councils" and "Boards of Directors" for information about conditions under which an institutional employee or agent may receive reimbursement for reasonable expenses incurred in service on an advisory council or board of directors.

Other Permissible Benefits and Services

The institution and our affiliated organizations may accept other benefits or services that are specifically identified in a separate, public notice issued by the Iowa Attorney General or the USDE.

Iowa Code Section 261F.1(5)(n); 34 CFR 682.200(b) Definition of "Lender" (5)(ii)(A); 34 CFR 682.401(e)(2)(i)