



PAU's Code of Conduct for Alternative Student Loans

The following Student Loan Code of Conduct has been developed to prohibit a conflict of interest with responsibilities of Palo Alto University employees in regards to private education loans and in compliance with the Higher Education Opportunity Act:

1. PAU's Financial Aid Office does not use a lender list for students seeking a private education loan nor does it limit the choice of lenders for students.
2. PAU's Financial Aid Office does not assign a borrower's private education loan to a particular lender and does not delay or refuse to certify loans based upon the borrower's selection of a particular lender.
3. PAU does not enter into any revenue-sharing arrangement with any private education loan lender. The term "revenue-sharing" means an arrangement with any lender under which (1) a lender provides or issues a private education loan to students attending the institution or the families of such students and (2) the institution recommends the lender or the loan products and in exchange, the lender pays a fee or provides other material benefits, including revenue or profit sharing, to the institution, an officer, an employee or an agent of the institution.
4. Employees of PAU's Financial Aid Office and those who have responsibilities with respect to private education loans are prohibited from receiving or soliciting gifts from a lender, a guarantor, or a loan servicer of private educational loans. In addition, gifts to family members of an employee or agent, or to any other individual based upon the individual's relationship with the employee/agent is prohibited if the gift is given with the knowledge and acquiescence of the employee/agent and the employee/agent has reason to believe the gift was given because of the official position of that individual. Exception: Professional training, materials, and programs for financial educational purposes are acceptable.
5. PAU prohibits employees of the Financial Aid Office and those who have responsibilities with respect to private education loans from performing consulting or accepting contracting arrangements for compensation from any lender or affiliate of any lender for any type of services related to educational loans.
6. PAU does not request or accept from any lender any offer of funds to be used for private education loans in exchange for the institution providing concessions or promises.
7. PAU does not request or accept from any lender assistance with call center staffing or financial aid office staffing.
8. Any PAU Financial Aid employee who serves on an advisory board, commission, or group established by a lender is prohibited from receiving advisory board compensation except for reasonable expenses in performing these duties.