

# J-217 INSTITUTIONAL AND EMPLOYEE RELATIONSHIPS WITH EDUCATIONAL LOAN LENDERS

## **POLICY**

1. Students and their families increasingly rely on loans to finance a college education. As a result, Gateway Technical College (Gateway) employees have more frequent interactions with educational loan lenders. In addition, because of the increasing numbers and complexities of the loans, GATEWAY employees are often asked by students and their families to provide assistance with regard to their financial decisions.
2. Gateway employees are committed to providing that assistance in an objective, fair, clear, and understandable manner. In order to assure students, their families, and the public that Gateway and its employees continue to serve the students' best interests, Gateway will comply with all federal and state laws pertaining to the administration of financial aid in addition to the following regarding the relationship between Gateway and educational loan lenders.

## **PROCEDURE**

### **1. Lender Lists**

- a. The District may maintain a lists, either in print or other media, of educational loan lenders for the benefit of students, subject to the following:
- b. The District will use an evaluative process for the inclusion of lenders on the list; information regarding the selection of lenders, the evaluative process used, and the criteria used for such selection will be available to the public upon request;
- c. Any District lender list must be accompanied by a statement explaining that students are not limited to the lenders included on the list;
- d. A lender list must include a minimum of three lenders; and
- e. The District will work with the educational loan lenders on the list to ensure that specific loan information and key details ( including, but not limited by enumeration to, the terms, interest rate, and repayment requirements) are available from the lender in a clear and understandable manner.

### **2. Consumer Information**

The District will inform students who apply for financial aid of the following:

- a. That the student may use any lender who is eligible to make education loans when selecting a lender for a private or alternative student loan.
- b. That the student must use the guarantee agency selected by Dept of Education to make education loans when pursuing a Federal Direct Student Loan.
- c. That federal and state government loans are available and provide comparative information on private and government loans.
- d. That students are encouraged to explore and weigh the use of federal loans that are guaranteed, regulated, and may be more advantageous, before pursuing private or alternative loans.

### **3. Allowed Services and Resources**

The District and its employees are allowed to receive the following services and resources from educational loan lenders:

- a. Counseling and educational materials for use by students and their families regarding student lending laws, education loans, financial literacy, debt management and other topics relevant to providing students and their families with financial aid assistance; any such materials must clearly disclose the source of said materials and may not use trademarks, logos, mascots or other symbols associated with the District or that would suggest any District endorsement of the lender or product.

- b. Training to District employees regarding student lending laws, education loans, financial literacy, debt management and other topics relevant to providing students and their families with financial aid.

**4. Prohibitions on the Gateway District and its Employees**

Gateway and its employees are prohibited from the following:

- a. To solicit, accept, or enter into any agreement in which an educational loan lender provides fees, revenue sharing or material benefits to the District institution in exchange for the institution or its employees recommending the lender or its loan products.
- b. To enter into an agreement with a lender of education loans for, or solicit or accept from a lender of education loans, any funds that would be allocated or used for opportunity loan pools or any similar arrangements.
- c. To solicit or accept assistance for call center or financial aid staffing from a lender of education loans.
- d. To solicit, accept, or enter into any agreement in violation of the District policy on student financial aid operations and may not engage in conduct that violates the District code of ethics under TCS 6.06(1), Wis. Adm. Code., or any applicable provisions of Wis. Stats. §19.41, et seq., Code of Ethics for Public Officials and Employees.
- e. To receive compensation or reimbursement from an educational loan lender for any costs incurred as part of participating on an advisory council of the lender
- f. District employees are allowed to participate on an advisory council of an educational loan lender for the purpose of improving services to students as long as they do not accept compensation or reimbursement from the lender for any costs incurred for participating on the advisory council.