



LAKE AREA TECHNICAL INSTITUTE

It's your world.

CODE OF CONDUCT

In compliance with Section 487 of the 2008 Reauthorization of the Higher Education Act of 1965, as amended, Lake Area Technical Institute (LATI) has developed the following Code of Conduct Requirements. This provision, signed into law by President Bush in August 2008, requires every institution participating in federal financial aid programs to adopt a code of conduct and prominently display it on its web site.

The seven primary elements of the Code of Conduct include:

- Ban on revenue-sharing arrangements
- Gift ban
- Contracting arrangements prohibited
- Interaction with borrowers
- Prohibitions on offers of funds for private loans
- Ban on staffing assistance
- Advisory Board compensation

Revenue Sharing - Neither LATI nor any employee of LATI who has responsibilities with respect to financial aid shall enter into any revenue-sharing agreement with any lender.

Gifts - Neither LATI nor any employee of LATI who has responsibilities with respect to financial aid, nor any members of their family, shall accept any gift from a lender, guarantor, or servicer of education loans. For this purpose, this includes any gratuity, favor, discount, entertainment, hospitality, loan, or other item having a monetary value of more than a de minimus amount, as well as 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.

This does not include any standard material, activities, or programs on issues 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.

Contracting Arrangements - No employee of LATI who has responsibilities with respect to financial aid shall accept from any lender any fee, payment, or other financial benefit as compensation for any type of consulting arrangement.

Interactions with Borrowers – All Federal Stafford Loans are now through the Federal Direct Loan Program, administered by the Department of Education as of July 1, 2010. Borrowers no longer have a choice in lender for their Federal Stafford Loans. LATI shall not, for any first-time private alternative loan borrower, assign, through award packaging or other methods, the 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.

Offers of Funds for Private Loans - LATI shall not request or accept from any lender any offer of funds to be used for private education loans, including funds for an opportunity pool loan, to students in exchange for the institution providing concessions or promises regarding providing the lender with a specified number of loans made, insured, or guaranteed; a specified loan volume of such loans; or a preferred lender arrangement for such loans.

Staffing Assistance - LATI shall not request or accept from any lender any assistance with call center staffing or financial aid office staffing.

Advisory Board Compensation - Any employee of the LATI financial aid office, or who otherwise has responsibilities with respect to education loans or other student financial aid of LATI, and who serves on an advisory board, commission, or group established by a lender, guarantor, or group of lenders or guarantors, shall be prohibited from receiving anything of value from the lender, guarantor, or group of lenders or guarantors, except that the employee may be reimbursed for reasonable expenses incurred in serving on such advisory board, commission, or group.

10.09.14

(This document is posted to the LATI web site.)